



SUCCESSFULLY IMPLEMENTING CX MANAGEMENT

Best practices for overcoming silo boundaries and
accomplishing a sustainable implementation

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Executive Summary

CX managers live on a CX island. They are caught in the dilemma of ever-increasing customer expectations for speed of interaction, different communication channels, and digital touchpoints. At the same time, their job description often only covers part of the customer journey instead of being responsible for the entire journey, CX managers are anchored in an organizational silo. However, pain points for customers normally arise at the handover points of these silos.

The result is a dilemma for CX managers, whose job profile is often not clearly positioned and internally communicated: Should they focus on quick solutions by eliminating isolated pain points or work on a sustainable Customer Experience Management? However, the latter cannot exist without a consistent sponsor at C-level. As a result, there is often no single person responsible for customer journeys, as they span two or more silos. That's why initiatives that aim at specific sub-journeys often lead to no results in the long term.

What can be the way out of this CX dilemma?

There are now many lessons learned from the early days of Customer Experience Management. The technical requirements have also improved due to the availability of integrative systems (e.g. real-time customer analytics system, customer data hub, closed-loop CXM or Customer Journey Management System). Decision-makers also realize that beyond automated online journeys, people are the focus of action and that an essential prerequisite for successful customer orientation is a positive „CX culture“ and an actively pursued employee journey when it comes to HR matters.

In this whitepaper, we highlight key learnings from more than 10 years of Customer Experience Management and a variety of customer best practices. Because we are convinced: It's time for sustainable Customer

**“It's time
for a sustainable
Customer Experience
Management“**

Experience Management. This may take small steps or an initial focus on quick wins. However, it will be essential to make all customer-relevant data available to stakeholders in real time and — only where it makes sense — to automate "customer experiences" on the basis of this data. In addition, the actual customer journey should be visualized through process mining and expanded into a holistic CX measurement and orchestration system by connecting CX with voice-of-customer data. The aim is to convert the findings from all data sources into recommendations for action (Actionable Insights) so that Customer Experience can be improved in a very timely manner.

1

The CX dilemma

Let me start with an example of an anonymous CX manager, which sums up the CX dilemma in a nutshell:

“CX Managers are living on a CX island. They receive visitors now and then who cheer with them and have a good time – before traveling back to business as usual. Since the CEO is not living on that island, there are no bridges or flights. In some cases the CX Managers can escape the island, leaving behind some well created Journey Maps. Maybe someone will discover them later and builds bridges to last.”

Many initiatives that we have seen under the banner of „Customer Experience“ have run out of steam in the medium term. Not because there were no good ideas in the short term or some major pain points identified and temporary „aha“ effects achieved when walking in the customers' shoes.

Nevertheless, many initiatives have no success because they lack the silo-breaking, holistic approach. Of course, it is important to consider that in the past, there was often no way to establish a sustainable CX Management based on a snapshot of the Customer Journey with appropriate systems.

So what should the path to a sustainable Customer Experience Management look like? Should organizations act bottom-up or top-down? Is it better to take small steps than focusing on a large project approach?

This is where the dilemma begins: There is no silver bullet because every improvement to the process experienced by the customer — no matter how much it relates to a sub-process — is valuable. And this must be done as quickly as possible what contradicts the big project

approach. However, holistic projects usually fail because there is no incentive for cross-silo changes. But in our experience, no one has ever been dismissed for optimizing content, transactions, processes, or behavior in a partial, customer-oriented manner instead of waiting for a holistic solution approach that spans the entire customer journey.

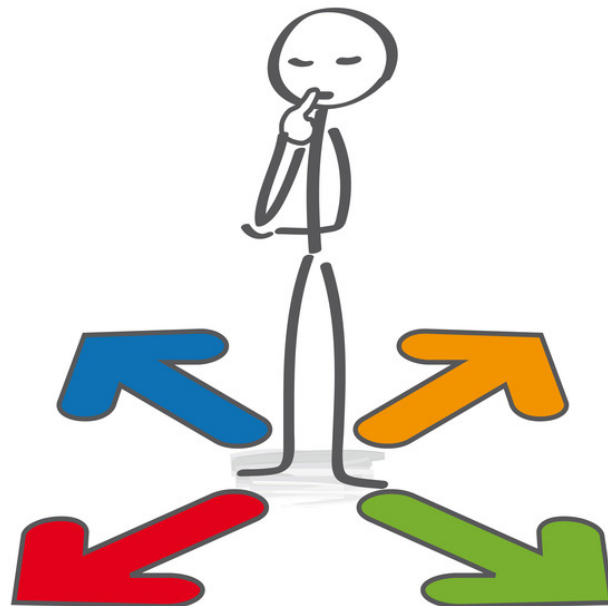
Anyone who takes a holistic approach will quickly discover that the necessary levers and stakeholders are part of almost all corporate divisions and business processes. And that there are important customer journeys beyond pure online marketing that can only be optimized through the interaction of units that are today clearly separated.

“Many initiatives under the banner of ‘customer experience’ will run out of steam in the medium-term.”

Who finds the improvement of such overarching journeys in their job description? Certainly not the employee of a frontline department, but a member of the management team — if there is not yet an assigned „Head of CX“ with corresponding overarching competencies.

In the following, we would like to show you the first steps out of this CX dilemma. The common thread here is,

- that you succeed in taking the outside-in perspective,
- to include the customer perspective in every decision,
- to establish customer-centric accountability at all levels,
- to sustainably manage and orchestrate CX innovations and recommendations for action.



2

The 10 most common mistakes in CX Management

We could talk about this topic for several days and certainly fill several books. Nevertheless, let me try to summarize the most common mistakes from our point of view into a top 10 list:

- No sponsor or decision from top management
- The project team consists only of members from one organizational silo
- Documentation is done from a top level perspective and not from the customer's point of view
- Lack of a central reference database of all touchpoints and their interactions, and lack of a CXM/CEM system (you can't establish Customer Experience Management in the long term with Excel and PowerPoint)
- No superordinate CX/UX body with representatives from all operational frontline departments
- No CX ambassadors in these operational frontline departments
- Data sources with customer insights (web analytics, voice-of-customer, NPS, call centers, etc.) are not integrated into a holistic CX dashboard
- Customer journey maps remain a snapshot without subsequent scoring, target/actual management, KPI and insights management
- Customer journey insights are not referenced in ongoing projects, responsibilities, processes and systems
- Results are not challenged with focus customers or samples

3

CX Managers and other stakeholders

The tasks and objectives of CX Managers — whether they are temporary, project-related or permanent in a line or staff function — are complex and have different approaches and levels of documentation.

We often recognize the following terms in the initiatives created under the umbrella of “customer experience,” “customer orientation,” or “digital transformation” in general:

- It’s about (selective) customer experience improvements.
- Methods such as Customer Journey Mapping or Service Design Thinking are used to understand the outside perspective.
- The focus is on individual concrete use cases.
- There is no consistent validation of assumptions with real customers.
- Penetration to the very concrete customer experience is only achieved in clearly defined exceptions (e.g. usability lab tests for software or apps).
- There is no company-wide documentation standard compared to business process modeling systems (from the internal view).
- A Customer Journey Management System for real-time customer analytics or a central CX Intelligence Hub that brings together all insights about customer transactions is generally still missing.

“Is it possible
to orchestrate?”

In practice, we essentially meet stakeholders who are temporarily or permanently involved with customer centricity or customer orientation tasks. Many of these “CX Managers” realize their projects in an organizational silo which should not question the short-term benefits of their results. Nevertheless, those responsible (see the previously described CX dilemma) usually do not succeed in establishing a sustainable cross-silo CX management in the company — even if it is only for one market or product area.



Stakeholder (no specific order)	Targets and Use Cases
Online Marketing	<ul style="list-style-type: none"> ▪ Campaign automation ▪ Budget allocation ▪ Automatic rollout of relevant content via Marketing Automation ▪ Retargeting ▪ „Next Best Offer“
Market Research/Customer Insights	<ul style="list-style-type: none"> ▪ Moving away from annual quantitative studies to real-time feedback ▪ Integration of Voice-of-Customer (VoC) data sources into role-based dashboards ▪ Interpretation of data and translation into timely recommendations for action ▪ Provision of benchmarks
Head of NPS	<ul style="list-style-type: none"> ▪ Timely provision of NPS score (Net Promoter Score: State-of-the-Art-Measuring Point No. 1) ▪ Establishing a relationship between NPS and touchpoints
Head of Customer Service	<ul style="list-style-type: none"> ▪ Churn-rate reduction ▪ Elevation of First Call Resolution (FCR) ▪ Successful use of self-service portals ▪ Reducing number of calls ▪ Monitoring of typical parameters such as complaint rate, number of cases, etc.
Business Intelligence (BI)	<ul style="list-style-type: none"> ▪ Merging multiple data sources ▪ Detection of „Next Best Offer“ ▪ Implementation of Data Warehouse ▪ Provision of dashboards ▪ Establishment of KPIs ▪ Prescriptive Analytics ▪ Predictive Analytics via AI
Responsible stakeholders for sales and service processes	<ul style="list-style-type: none"> ▪ Process optimization in Sales and Service ▪ Cost efficiency ▪ Process documentation ▪ Digitization of non-digital processes ▪ CRM implementation

Stakeholder (no specific order)	Targets and Use Cases
Responsible stakeholders for organization and process optimization	<ul style="list-style-type: none"> See “Responsible stakeholders for sales and service processes” ISO-compliant documentation Resource, IT, requirements management Establishment of system-based communication, online forms and system mails Conformity and legal compliance of correspondence, contract texts and forms
Head of Digital Transformation, Central Digital Officer (CDO)	<ul style="list-style-type: none"> See “Persons responsible for sales and service processes” See “Persons responsible for organizational and process optimization System consolidation Introduction Customer Data Warehouse Introduction of Realtime Customer Analytics System Digitization of analog sub-processes Optimization and consolidation of Customer Service Portals, configurators and E-Commerce processes
Head of UX (as interface between product management and development)	<ul style="list-style-type: none"> Coordination of customer requirements for requirements management of “technical enablers” (e.g. assemblies) in development projects and vice versa
Head of UX (in the sense of User Experience and Usability)	<ul style="list-style-type: none"> Simplification of customer interactions Simplification of forms Consistent usability of apps and online service
Innovation Lab, Design Thinking and UX Strategy	<ul style="list-style-type: none"> Development of new services Development of future scenarios and prototypes Enabling innovation processes Development of apps and self-service portals

Stakeholder (no specific order)	Targets and Use Cases
Marketing and Brand Management	<ul style="list-style-type: none">▪ Adaptation and implementation of content strategy▪ Definition and monitoring of brand rules▪ Compliance with corporate design▪ Auditing brand touchpoints (external vs. internal view)
Social Web Teams	<ul style="list-style-type: none">▪ Monitoring of social web feedback▪ Social web communication▪ Measuring sentiments and trends

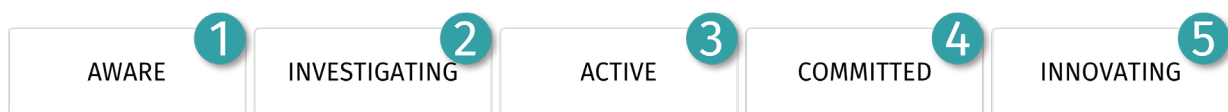
4 What is the CX maturity level of your organization?

You can approximately assess the CX maturity level of your organization by using the following matrix. Document the findings and use them as a basis for the next steps.

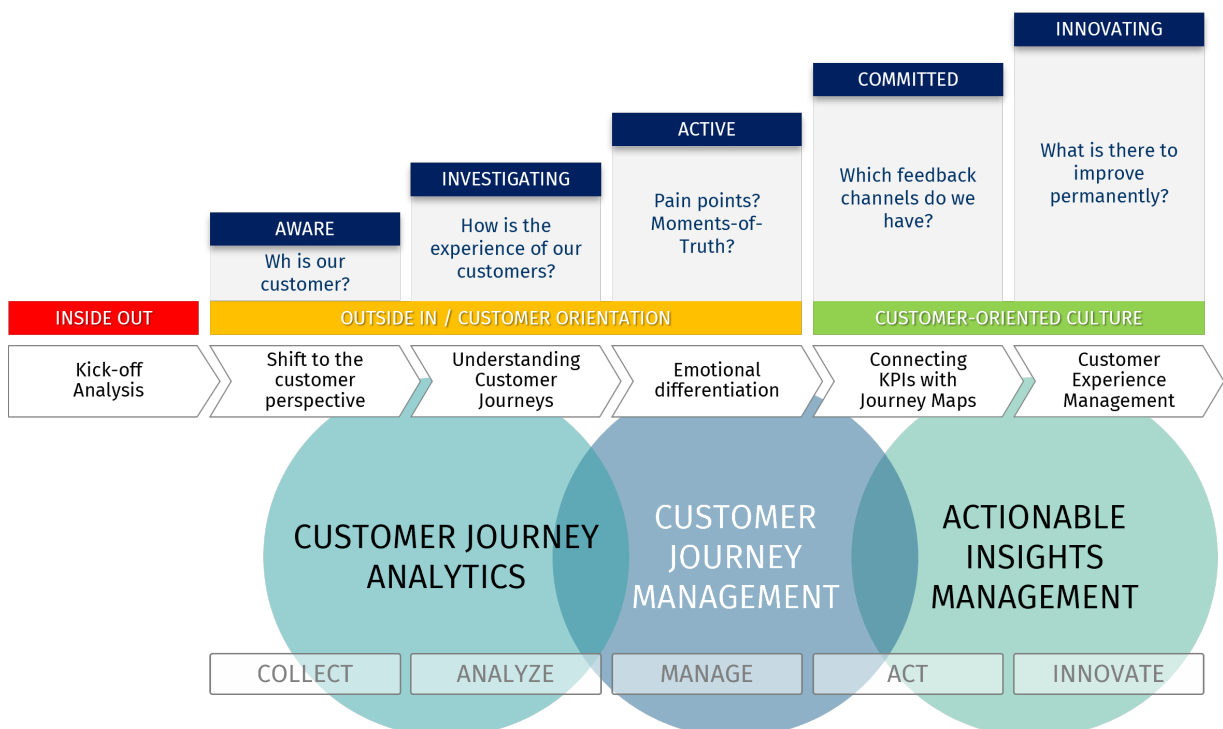
1 AWARE	2 INVESTIGATING	3 ACTIVE	4 COMMITTED	5 INNOVATING
<ul style="list-style-type: none"> > First attention to the basics of CX > Examination of CX on a rough roadmap > No process for capturing and sharing customer information > No documentation of the customer journey 	<ul style="list-style-type: none"> > Defined target group profiles (personas) > Overarching CX goals are described > Existing customer journeys are documented > All current touchpoints are identified > Customer communication channels are identified 	<ul style="list-style-type: none"> > CX roadmap is created > Feedback from channels is closely monitored. > Targeted market research strategy > Well-defined personas are in place > Specific projects established to improve CX performance > Customer needs are identified and cataloged > Test customer groups are established > Measures and metrics are defined (KPIs) 	<ul style="list-style-type: none"> > Regular testing with customer groups > Real-time feedback to generate insights > CX strategy approved at board level > Senior CX stakeholders are implemented > Ongoing budget for CX projects available > Customer insights influence regular decision making 	<ul style="list-style-type: none"> > Customer insights drive product/service development > Established CX processes in all business units > CX recognized as core to brand strategy > Alignment of business strategy with customer needs > Activities are continuously monitored and regularly optimized based on results (e.g. balanced scorecard) > CX represented at Executive Board level

5 5 steps to sustainable CX Management

Many of the leading research and consulting firms, such as Forrester, Gartner or McKinsey, follow 4- or 5-stage models that are similar and can be reduced to the following process:



Sustainable CX Management can therefore be defined as a 5-step plan that affects all areas of the organization, which is specified by the management level, and may well extend over two to three years in its implementation. We therefore recommend building up a corresponding program for sustainable customer orientation in stages as follows:



This in turn results in a 5-step process model regarding the technical project implementation. This should focus on a software system right from the start that provides a data layer and options for analysis, visualization and orchestration.

Such an innovative and holistic Customer Journey Management System as cxomni (www.cxomni.net) is also referred to as a real-time customer analytics system, customer data hub, closed-loop CXM or customer process intelligence system.

Of course, depending on the actual situation in the company, the sequence can be deviated from and individual steps can be implemented in parallel — however, the following model has proven itself. The aspect of automatic customer journey analysis is a relatively recent trend, whereas Customer Journey Mapping has often been the starting point for switching to the external perspective.

5.1 Analyzing the actual Customer Journey (Journey Analysis)

The best way is to start with an automated analysis of the current state as it is already stored in various systems (Web Analytics, Marketing Automation, CRM, ERP, Service Center, etc.).

This will address the following questions:

- Which touchpoints do we actually manage for our customers?
- What is the number of transactions at these touchpoints?
- What is the current average performance, i.e. response time from one touchpoint to the next?
- What are our most frequent customer journeys?
- How do these transactions develop over time?
- What is our path-to-purchase?
- How does the sales funnel develop across systems?
- Are there redundancies and potential for simplification or cost optimization?
- Which channels are used and how often?
- What is the degree of utilization of self-service offerings?
- How do customer journeys interact with our processes?

5.2 Understanding emotions (Design Thinking, Customer Journey Mapping)

The second step focuses on the communication between all stakeholders involved in the customer process. The goal is to create a common understanding and to experience individual customer journeys consistently from the customer's (or prospective customer's) perspective.

Therefore, previously identified journeys should be enriched with emotional feedback from the customer's perspective. In this context, it is useful to tell the customer story in workshops, i.e. by exploring your customer's intentions at each specific individual point in the interaction chain. This will help to understand the customer story and relevant „Moments-that-Matter“ (MTM). The most important aspect is the communication between the parties involved - so please do not assume that it makes sense to simply have a student trainee or external service provider „capture“ touchpoints and journeys.

In this step, you address the following questions:

- What does the customer expect at the individual touchpoint?
- What does the customer feel and experience concretely at the individual touchpoint?
- Are there pain points or potential for improvement?
- Where are make-or-break points or opportunities for emotional differentiation?
- Where do we fail to meet our customers' expectations?
- What new ideas in terms of content, simplification or service will come up?
- How would our marketing automation campaign need to be optimized?
- What target response times should we set?
- Which communication channels should we offer, which not?
- Which touchpoints offer potential for emotional differentiation?
- How can we define personas and share them with all stakeholders?

5.3 Identify, prioritize and manage Actionable Insights (Insights Management, Case Management)

The third step is to translate insights resulting from Customer Journey Analysis and Mapping into recommendations for action and to ensure that responsible frontline departments or project teams adopt and plan for these insights. For this purpose, the insights gained from the preceding analyses and workshops should be clustered and evaluated with a Difficulty-Impact Matrix (e.g., according to relevance, frequency, impact on brand rules, difficulty of implementation, investment requirements, etc.).

In this step, you address the following questions:

- Which Actionable Insights should we propose to top management for a prioritized project planning?
- What are our main pain points and how can we present them as a management summary?
- Which pain points can be eliminated by fast and unbureaucratic measures?
- How can we learn from complaint cases for the future?
- How can we share insights not only as a snapshot, but in a sustainable way within the organization and track the status?
- Which questions arise for the market research or the conversation with focus customer groups?
- What are the system requirements for the introduction of a new software (e.g. CRM or marketing automation)?
- How can insights from workshops, real-time customer feedback, data analytics, and daily work in the customer service center be combined into a common case management system?

5.4 Real-time feedback and KPIs in role-based journey dashboards

The task of market research and customer research is evolving away from a multi-year perspective and the execution of annual quantitative studies towards the provision of insights from real-time feedback customer surveys. Therefore, all data streams from in-house surveys, external panels and benchmark data in real-time role-based dashboards need to be aggregated and provided at the same time in an integrated CX dashboard and without system breaks.

This leads to the following questions:

- Who in the company needs which data in their journey dashboard?
- How can we “liberate” CX data from functional silos or uncouple them?
- How do we handle open responses in feedback data? Can this be automatically evaluated and clustered?
- What should be displayed in the dashboard (trend lines, “magic numbers”, market benchmarks, etc.)?
- Are we GDPR compliant?
- What historical evaluations are necessary?
- Which feedback data is suitable as a KPI?
- What are the target values of the displayed KPIs?
- Who receives which recommendation for action when target values are exceed or not met and when?

Analyze touchpoints and journeys automatically

From “inside-out” to “outside-in” perspective



Simplify

Improve “Make-or-break” Points
Manage tasks and insights



3

Orchestrate and manage

Implement KPI-based CX
controlling system and measure
touchpoint performance

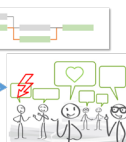


5



1

2



4



5 Steps to
Closed-Loop CXM

Understand customer stories

Detect intentions, emotions and
"recognize "moments-that-matter

Free data from functional silos

Integrate all feedback sources into
role-based dashboards and link them to
operational process data (transactions)

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5.5 Trigger actions through a KPI-based closed loop Customer Journey Management System

The fifth and final step is to develop a measurement and control system by selecting the right input from all existing integrated data and dashboards. This can be achieved by including KPIs into a target agreement system or through the automated orchestration of marketing automation campaigns where meaningful correlations make this possible.

In this context, however, the most important thing from our perspective is to share the essence of all customer-relevant data with all those customer relations stakeholders in real-time. This can be either as input for the weekly jour fixe or in the long term as concrete recommendations for action. The goal of any system must be to quickly identify and eliminate pain points, but also to proactively manage positive customer experiences at the “Moments-that-Matter”.

In this step, you address the following questions:

- What actions (triggers) result from exceeding/falling below target values?
- Should other systems be orchestrated automatically?
- What happens in the process at touchpoints that are currently receiving negative feedback? (e.g. the NPS)?
- What performance did we have at specific touchpoints in the last weeks/months?
- How do we meet our brand objectives at touchpoints from an external and internal perspective?
- What are the most relevant and frequent brand touchpoints from the customer's perspective?
- Which are our brand success points?
- How has the evaluation at brand touchpoints changed from an external vs. internal perspective?
- Which KPIs can be transferred to a target agreement system (e.g., Balanced Scorecard)?
- How do we as an organization learn from customer cases or customer feedback?

6

The key to success: cxomni Customer Journey Management System — The Integrated Real-time Customer Analytics System

cxomni is an innovative Customer Journey Management SaaS solution that allows companies to „walk in their customers' shoes“ by visualizing process data from CRM, ERP and market research along the customer journey. This enables stakeholders to understand customer experiences from the outside-in perspective and derive recommendations for action very quickly.

cxomni is an innovation leader and combines established methods for Customer Journey Mapping with customer feedback data from external and internal sources to a Customer Journey Management system. This means that stakeholders have all relevant data directly available from the outside-in perspective and from the inside-in process perspective.



7

Where it all begins: CX as corporate culture and the employee journey

Journalist and author Wolf Lotter describes in his article „Personal Service“ which has been published in German marketing magazine BrandEins (issue 07/2018) what CX is all about:

“As soon as the person, who is called consumer in the late consumer society as routinely as condescendingly, enters the scene, a clear ‘Who disturbs?!’ sounds above all things and a loud ‘Don’t be so stupid!’ exclamation when something doesn’t work. Any property or personal damage, in the sense of this formula, is caused by one who disturbs the well-considered processes. We deliver the pearls, but then come the swine.

Future generations, who will have grown up in a culture of the knowledge economy, will only shake their heads at this insane mindset. They will know what you could actually always know if you wanted to: Good service is when you communicate what you do as well as you can.

Service is the ability to understand the needs of people and to do so each time anew and adapted to the current situation which is only possible if you take the matter personally. Service is the key to complex and diverse offerings. Service removes the barriers that stand between providers and needs. Service is thus the lubricant of all economy. Not an accessory, not an annoying appendage of a product, but its core. Good service is empathy, and that cannot be automated.”

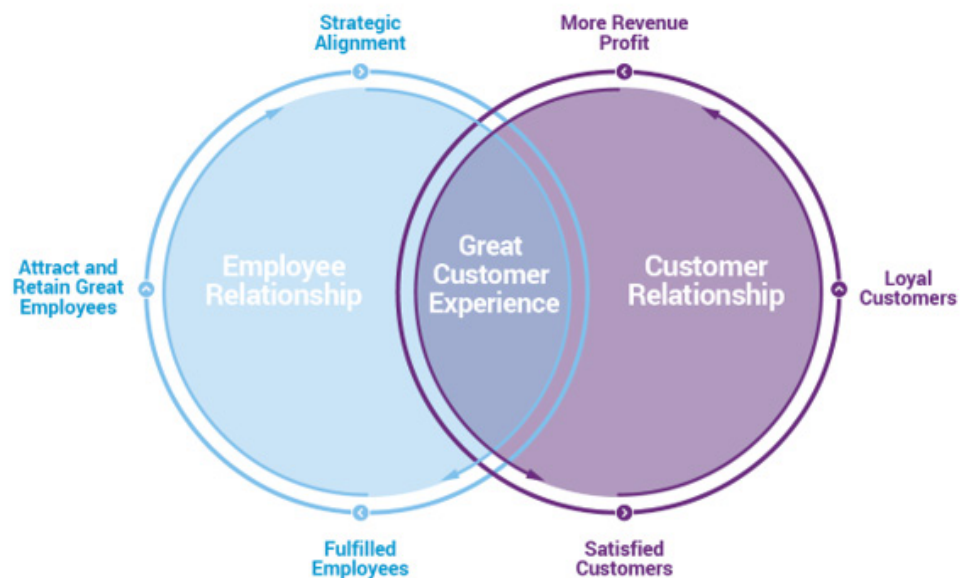
So at the heart of customer communication — alongside digitally automated interaction of purely routine tasks — is the human being. A study by Deloitte Insights (The Employee Experience: Culture, engagement, and beyond 2017 Global Human Capital Trends) revealed that nearly 80 percent of executives rated the employee experience as very important (42 percent) or important (38 percent), but only 22 percent reported that their companies excelled at delivering a differentiated employee experience.

“Outstanding CX only succeeds, when employees themselves are part of positive experiences.”

Underlying is the assumption that an excellent customer experience in service-oriented companies can only succeed if the company’s culture is also positively aligned and employees themselves are part of daily positive experiences.

The goal is to achieve a better customer experience through greater employee engagement and empowerment.

A market report by research company Altimeter (Strengthening Employee Relationships in the Digital Era, Charlene Le, Altimeter Group 12/2014) summarizes the key success factors of the employee journey as shown below.



However, an outstanding customer experience is only possible if it represents an intersection between very good customer relations and very good employee relations. This leads to the following recommendations in terms of CX as corporate culture and employee journey:

- Create alignment with a vision of how employee and customer relationships intersect
- Assign employee journeys to customer journeys
- Become an extroverted company, starting with the executives
- Support employee empowerment with a “CX and content culture”.
- Make your HR more strategic by introducing marketing and CX best practices
- Close any trust gaps in your own processes and promote competencies (“Employee Trust Gap”) through appropriate training

8

Is the customer predictable? Outlook on Predictive Analytics and AI

We are convinced: It's time for sustainable CX Management. This may well take small steps or initially focus on quick wins. However, it will be essential to make all customer-relevant data available to stakeholders in real time and (only where it makes sense) to automate customer experiences on the basis of this data. And to visualize the actual customer journey through Journey Analytics and expand it into a holistic Customer Journey Management System by connecting it with voice-of-customer data. Thereby, it is important to convert findings from all data sources into recommendations for action (Actionable Insights) so that CX improvements can be triggered in a timely manner.

“The own data basis for AI-based insights should be created today.”

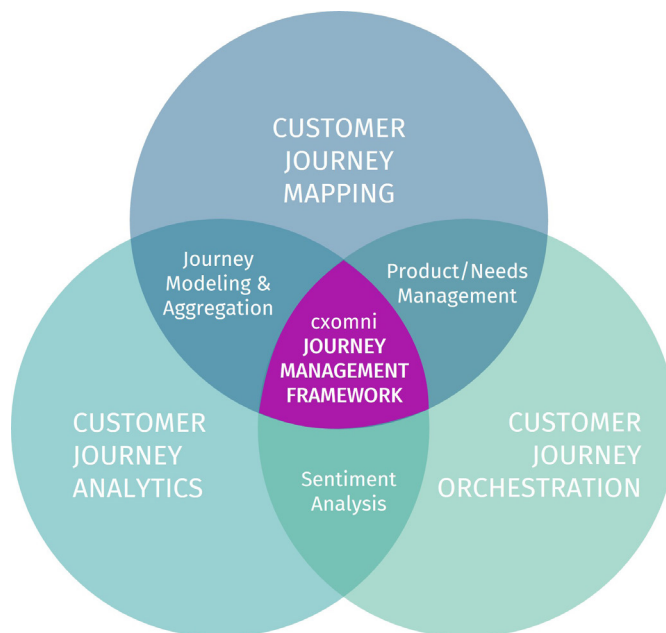
If these conditions are met, the current hype about predictive analytics via artificial intelligence (AI) makes sense. But the implementation of such technological approaches beyond pure E-Commerce lies several years in the future.

However, the company's own data basis for later AI-based insights is being created today. The goal is always to provide customers with an offer that is even more precisely tailored, more individualized, and closer to their willingness to invest. Or to largely anticipate or automate annoying standard interactions (like filling out the registration form at the hotel, application forms, etc.).

In this context, the following applies to many organizations and companies: People do business with people. To quote Wolf Lotter once again: “Service is the ability to understand the needs of people and to do so each time anew and adapted to the current situation which is only possible if you take the matter personally.”

About cxomni

cxomni is a leading Customer Journey Management Framework for aggregating and normalizing all CX data along the customer journey. Customer-centric companies can identify relevant customer insights faster, visualize them in the context of the journey, and orchestrate needs and requirements to stakeholders.



About the author

Wolfgang Weber is founder and CEO of cxomni and product manager for the cxomni SaaS solution. Prior to that, Wolfgang Weber worked for 10 years as a management consultant in the field of customer excellence. He is one of the most distinguished experts on the subject of customer-oriented business management and customer experience management - his credo: "Customer enthusiasm can be managed".

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