

CUSTOMERS

Understanding Customer Experience

by Adam Richardson

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“Customer experience” has become a very commonly used phrase in recent years, but like “innovation” and “design” it is actually difficult to find a clear, commonly-held definition, even though many businesses see improving their customer experience as a competitive differentiator. How we can really improve something if we can’t even define it? This is the first in a series of posts looking at customer experience — what it encompasses, how to structure it, how to approach and improve it.

People have been grappling with a definition of customer experience for several years. Sometimes it’s defined as [digital experiences and interactions](#), such as on a website or a smartphone. In other cases, customer experience is focused on [retail or customer service](#), or the speed at which problems are solved in a call center.

To be really successful on a long-term basis, customer experience needs to be seen as all these things, and more. It is the sum-totality of how customers engage with your company and brand, not just in a snapshot in time, but throughout the entire arc of being a customer.

The Zipcar Experience

Zipcar is the largest car-sharing company in the U.S., having started in 2000. With car-sharing, people rent cars by the hour, mostly for local errands, as an alternative to owning a car that sits idle most of the time. Car sharing started in Europe, and in its early American incarnations it was an unpleasant, inconvenient proposition that only appealed to hardcore environmentalists. By re-envisioning the entire arc of the customer experience, Zipcar was able to turn car-sharing into a mainstream business, and do environmental good at the same time.

For Zipcar, the experience begins on the website for both prospective and existing customers. People can find out about the service, sign up as members, find and reserve nearby cars, and manage their accounts. All aspects of being a Zipcar member have been thought through, from which cars to have in the fleet to how people identify which car is theirs to use at a given time; from handling gas station stops to insurance of the car and passengers; from parking space location to fleet management. (We'll look in more detail at the mechanics of how Zipcar pulls this off in a later installment, as it's quite fascinating.) Almost every conceivable customer question, problem, and need has been anticipated and addressed, creating a seamless experience that appears — to the customer — effortless. This doesn't happen by accident; it happens by design. As is often the case in life, making something look easy is very difficult.

You Have a Customer Experience (but you may not know it)

Every company provides a customer experience. Your company does too, regardless of whether you create it consciously. That experience may be good, bad or indifferent, but the very fact that you have customers, you interact with those customers in some manner, and provide them products and services, means that they have an experience with you and your brand. It's up to you whether it's superlative, awful or industry average.

There is a strong case to be made that [companies cannot fully control experiences](#), because experiences inevitably involve perception, emotion, and unexpected behaviors on the parts of customers. People don't behave like robots, and no matter how well we craft an experience, they will not perceive exactly as we anticipate or hope. With that said, companies cannot afford to throw up their hands and give up in the face of unpredictability. Instead, they need to plan for the worst and aim for the ideal when considering the experiences they want to create.

It's Not Magic

Customer experience often seems ethereal, something which appears as if by magic, and only certain companies (the usual suspects — Zappos, Apple, Google, Southwest) are able to conjure it on a regular basis. So here's the good news: Creating a great customer experience does not require knowledge of magical incantations. Instead, customer experiences spring from concrete, controllable elements — the touchpoints. As we saw with Zipcar, these can be numerous and diverse, but they can be identified, crafted, and integrated. Most of these touchpoints, as we'll look at later in the series, are directly under the control of a company.

But if that's the case, why are there only a handful of companies whose names come up repeatedly when people think about great customer experiences? Crafting a great customer experience requires enormous amounts of collaboration across groups in a company that often work independently and at different stages of product development. In many cases marketing, product design, customer services, sales, advertising agency, retail partners must all be working in concert to create even a single touchpoint.

Step By Step

In this series we'll look at how to build up an understanding of your existing customer experience and identify ways to improve it. Because the range of customer experiences types is tremendously diverse. It covers everything from health insurance to consumer electronics, from mobile communications to automotive — my focus here will be on providing frameworks that can be adapted to your specific industry, rather than trying to create a one-size fits all solution.

There are several layers to consider:

Customer Journey: The fundamental piece of knowledge you need to start with is a thorough understanding of the journey that your customers take with your company. In Zipcar's case, it starts with informing customers of the service and then signing them up, with multiple stages flowing out from there. We'll look at how to analyze a customer journey and what steps, activities, questions, barriers and emotions come up throughout it.

Touchpoints: Next we'll look at how you provide touchpoints —products, web sites, advertising, call center, etc. — that support the customer through their journey. As Zipcar's success at transforming the perception of car sharing shows, being clever with touchpoints can create change the rules of competition.

Ecosystems: Lastly we'll see how integrated ecosystems of products, software and services open up new possibilities for customer journeys and experiences in ways that more isolated touchpoints cannot.

So check back for the next installment about customer journeys. In the meantime, if you have any suggestions or first-hand knowledge of companies that have created superlative customer experiences, it would be great to hear about them in the comments. I'd ask two things here: try to dissect what made the experience great, and avoid complaining about companies that have bad experiences — there are plenty of those. What I'd like to hear about are the unsung experience heroes.

Adam Richardson, a Creative Director at global innovation firm [frog design](#), is the author of [Innovation X: Why a Company's Toughest Problems are its Greatest Advantage](#). He can be found on Twitter at [@Richardsona](#).



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