

For: CIOs

# Winning The Customer Experience Game

by Nigel Fenwick, May 8, 2013

## KEY TAKEAWAYS

### **Companies Winning At Customer Experience Integrate IT Into Experience Design**

Companies with the strongest CX scores have IT organizations designed to support CX as a core IT capability. CIOs in these organizations see improving customer experience as a strategic goal of the enterprise. They assess the portfolio of technology investments in terms of impact on customer experience.

### **IT Must Learn The Language Of Customer Experience**

CX is evolving rapidly as a new discipline within leading organizations. And because CX is a perception in the minds of customers, it's not easily defined. IT professionals must become as familiar with the language and methods of CX design as they are with the language and methods of value chain design.

### **To Succeed You Must Design, Empower, Measure, Organize, And Speed**

Build design expertise into IT teams; empower IT teams to own CX results; measure the success of IT teams using CX metrics; organize teams around customer-facing touchpoint systems; and engineer everything for speed using Agile development and optimized technology architectures.



## Winning The Customer Experience Game

Best Practices For CIOs

by [Nigel Fenwick](#)

with [Khalid Kark](#), [Megan Burns](#), and Kelsey Murphy

### WHY READ THIS REPORT

Customer experience (CX) is too often thought of in terms of the IT help desk. But CIOs and their IT teams are increasingly being challenged with improving the customer experience for the organization's real customers. With more and more digital touchpoints, IT now plays a pivotal role in customer experience. Today, customers can easily switch their loyalty to a competitor while also letting everyone know about how unhappy they are — getting customer experience right is rapidly becoming a means to differentiation in the market. This is an enormous challenge for CIOs already overwhelmed with an endless list of projects and diminishing resources. Yet some companies remain consistently ahead of their competitors in the customer experience stakes. We looked at the top companies in Forrester's Customer Experience Index and identified what the CIOs at these companies are doing differently.

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### Notes & Resources

Forrester interviewed many of the firms at or near the top of Forrester's Customer Experience Index, 2013.

### Related Research Documents

[Why Customer Experience, Why Now?](#)

February 26, 2013

[The Customer Experience Index, 2013](#)

January 15, 2013

[The Business Impact Of Customer Experience, 2012](#)

March 26, 2012



## **CUSTOMER EXPERIENCE LIES AT THE HEART OF FUTURE SUCCESS**

Before 2013, customer experience has not been at the top of the CIO's list of priorities. Forrester predicts that this is about to change for the vast majority of CIOs, and not just CIOs in business-to-consumer (B2C) companies — this trend will also have an impact on public sector CIOs and business-to-business (B2B) CIOs alike.

Today, as more and more CEOs realize the enormous power unhappy customers have to change the course of the organization, the more they begin to see the strategic importance of designing for great customer experience. Companies like USAA and FedEx have pivoted their entire organization toward an obsessive focus on the customer experience. If your organization doesn't delight its customers in a consistent and repeatable way, they will switch their loyalty to one that does. That's why Forrester defines customer experience as:

*How customers perceive their interactions with your company.*

Customer experience is not what *you* think it is; it's what your customer perceives it to be. It's important to understand that, because experience is a customer's perception, and you don't control your customer experience, but you can influence it. To help clients understand how they can influence customer experience, Forrester developed the Customer Experience Index (CXi). Forrester has been tracking the Customer Experience Index of leading consumer brands since 2007. The latest index results can be found in Megan Burns' report "The Customer Experience Index, 2013."<sup>1</sup>

### **The Customer Experience Index Measures A Customer's Perception Of Interactions**

The annual index is built upon a compellingly simple research methodology that asks thousands of consumers three important questions about how they interact with brands they know (see Figure 1).

When the results of thousands of responses are compiled to create the Customer Experience Index score, the leaders rise to the top. And within a specific industry like banks, there can be a wide difference between the best performers and the worst (see Figure 2).<sup>2</sup>

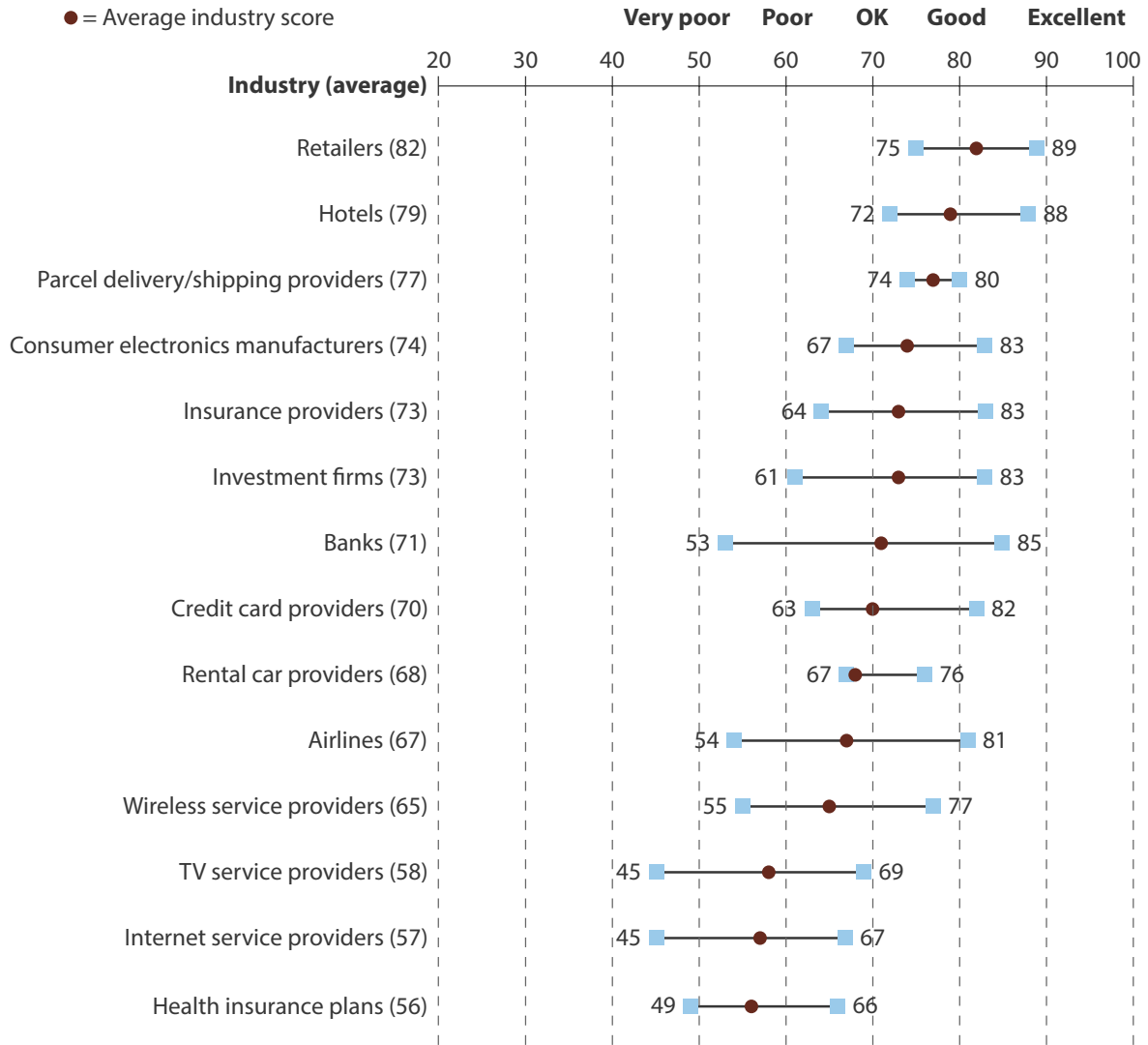
**Figure 1** The Customer Experience Index Is An Easily Understood Model



Source: January 15, 2013, "The Customer Experience Index, 2013" Forrester report  
97101

Source: Forrester Research, Inc.

**Figure 2** The 2013 CXi Distribution By Industry



Base: US online consumers who have interacted with brands in these industries

Source: North American Technographics® Customer Experience Online Survey, Q4 2012 (US)

97101

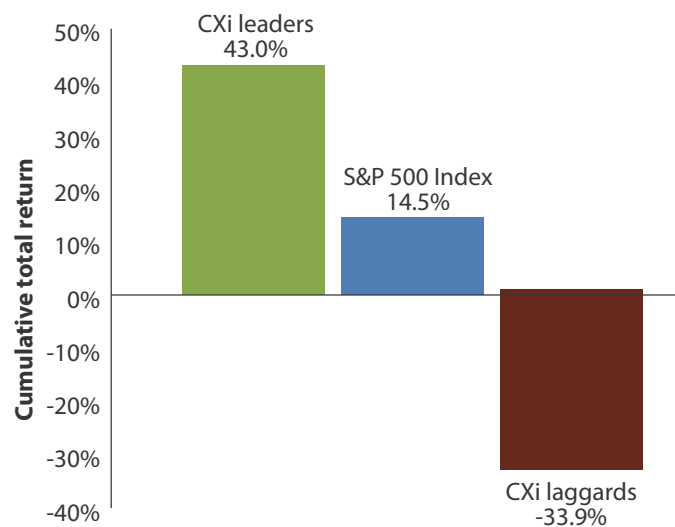
Source: Forrester Research, Inc.

### Winning Customer Experience Translates Into Business Value

Firms that focus on continuously improving the quality of customer experiences throughout the customer journey, at every touchpoint, reap real business benefits. When Watermark Consulting analyzed stock portfolios of Forrester's customer experience leaders versus laggards from 2007 to 2012, it found that the CXi leaders have a cumulative 43% gain in returns, compared with a 14.5% gain for the S&P 500 Index, while the CXi laggards' portfolio had a 33.9% decrease (see Figure 3).<sup>3</sup>

**Figure 3** The Watermark Consulting Analysis Of CXi And Stock Performance

**Customer experience leaders outperform the market (2007 to 2012)**  
Six-year stock performance of Forrester's Customer Experience Index leaders versus laggards versus S&P 500



Source: Watermark Consulting

97101

Source: Forrester Research, Inc.

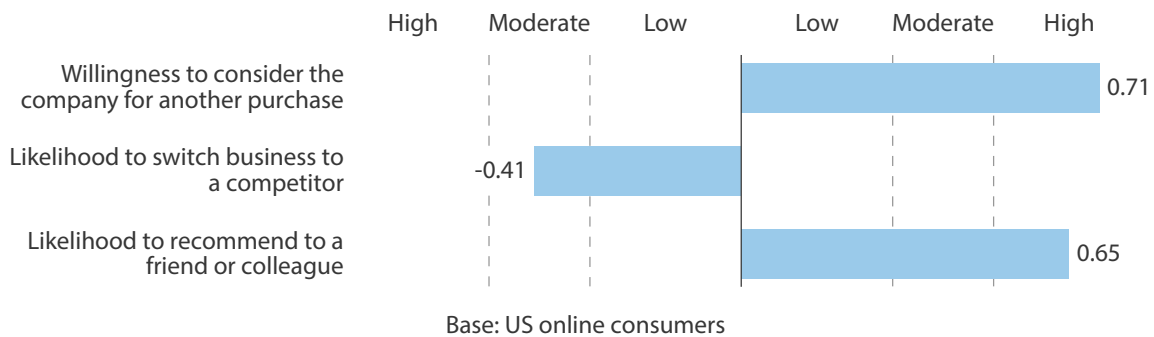
Forrester has been conducting research into the leaders of the Customer Experience Index over seven years, gaining in-depth knowledge of how customer experience connects into the real business value produced by improvements such as:

- **Increased sales through repeat purchases and referrals.** There is a strong relationship between the quality of a firm's customer experience and loyalty measures like willingness to consider the company for another purchase, likelihood to switch providers, and likelihood to recommend (see Figure 4).<sup>4</sup> The likelihood to refer a friend is commonly tracked through Net Promoter Scores (NPS), and there exists a solid connection between customer experience ratings and NPS scores in multiple industries.<sup>5</sup>

Even small shifts in customer loyalty can translate into billions of dollars of incremental revenue each year for firms in some industries.<sup>6</sup> For example, USAA created a seamless, low-stress experience for researching, financing, and insuring vehicle purchases. The result? A 77% year-over-year increase in visitors to the car buying site, a 15% increase in completed auto loans, and a 23% increase in vehicles sold.<sup>7</sup> And B2B company CDW drove \$230 million in incremental revenue in just one year by following up on sales leads identified through customer loyalty surveys.<sup>8</sup>

- Increased profitability through lowering costs.** Getting rid of things that cause customers pain often saves companies money.<sup>9</sup> Take Sprint for example. In 2007, Sprint had the lowest customer satisfaction scores in the wireless industry. So many customers were calling to complain the company simply could not handle all the traffic in the call center. Inevitably, when agents could not solve a problem, they would buy off unhappy customers by offering credits. Focusing on driving down the number of calls to the call center allowed Sprint to identify what was causing problems for customers and fixing those issues. Because each call into the call center was tagged with a reason code, it was easy to identify the most common root causes of problems. For example, when “dropped calls” was identified as a problem, the challenge to fix it could be addressed with the network team. By eliminating the root causes of problems that resulted in customer calls to the contact center, Sprint not only moved from last to first in the American Customer Satisfaction Index but also saved \$1.7 billion per year as a result of fewer outsourced calls and fewer customer credits.<sup>10</sup>

**Figure 4** Correlation Between CXi Score And Three Loyalty Metrics



Source: March 26, 2012, “The Business Impact Of Customer Experience, 2012” Forrester report

97101

Source: Forrester Research, Inc.

## IT MUST UNDERSTAND THE LANGUAGE OF THE CX PROFESSIONAL

Over the course of four months in 2013, Forrester interviewed many of the firms at or near the top of the 2013 Customer Experience Index. We specifically researched the role of IT in these organizations to learn what, if anything, they do differently. We found that in almost every case, IT was an important partner, working alongside the customer experience team toward a shared goal of improving customer experience. In other words, companies with winning customer experience strategies have consciously or unconsciously changed their IT teams in ways that support a strategy of improving customer experience. Our hope is that this research will help other CIOs position their teams for success in winning the customer experience game.

It's clear from our customer experience research that each of the leading companies in the CXi has carefully designed an approach to winning customer experiences, often creating dedicated customer experience teams. Some have even hired a chief customer officer to help drive change around customer experience. But for all of the very visible work customer experience professionals are doing, very little has been understood up to now about the role of IT in supporting great customer experience.

From all the companies we examined, it is clear that that IT staff must begin with an understanding of the language of the customer experience professional — much more so than in a traditional IT organization.

## Technology Underpins Customer Touchpoints And Customer Journeys

IT staffs in these winning companies talk about customers as “engaging through touchpoints along a customer journey” — they use the language of the customer experience professional:

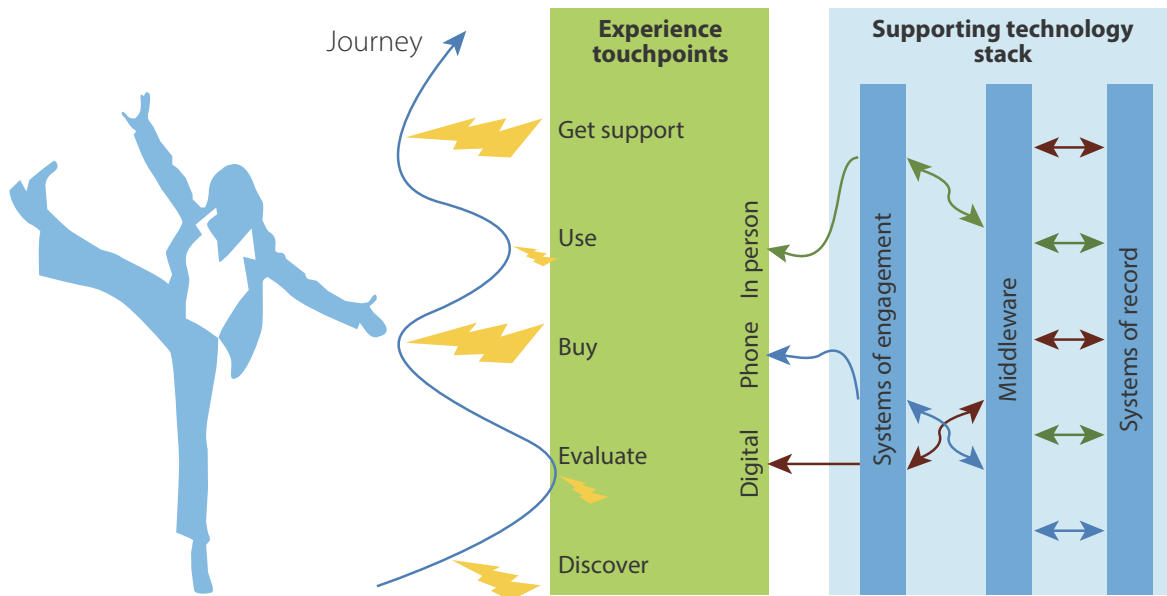
- **Touchpoints create opportunities to delight or disappoint.** A touchpoint is any point of contact between a customer and your brand. Some touchpoints involve products and services, such as when a customer uses a product or calls a customer service line for support. Browsing a web page for product information is another touchpoint. But touchpoints include things you may not think of such as billing invoices, mentions from friends, media articles, and advertising. Some touchpoints become “moments of truth,” which have particular importance for the customer or the company.<sup>11</sup> Inevitably, technology is used to engage customers, and/or employees serving customers, in these moments of truth. By paying particular attention to the key moments of truth, IT can help transform the customer experience.
- **Journey maps bring clarity to a customer's collection of touchpoints.** Customer journey maps — also known as touchpoint or moment-of-truth maps — are documents that visually illustrate a customer's processes, needs, and perceptions over the course of her relationship with a company.<sup>12</sup> Companies tend to be too internally focused. As a result, they often lose sight of what's important for their customers. Journey maps are a great tool for reframing discussions from internal operations to customer experiences. Companies use customer journey maps in



two ways: 1) to plan customer experience projects, and 2) to communicate with employees across the organization.

- **Technology infrastructure has an impact on touchpoint experiences and customer journeys.** Some touchpoints happen through digital channels like websites and mobile apps, and some through employee touches. But in almost every case, a touchpoint is supported by specific technology that enables each touch to move the customer along the journey. And behind that touchpoint technology sits a vast array of other technology connected to the value chain (see Figure 5). The IT professional brings to the customer experience team a unique perspective on how technology can be changed to support a given touchpoint, such as using cloud services like those from Akamai to reduce the time it takes for a web page to load.<sup>13</sup>

**Figure 5** Behind Every Customer Touchpoint There Is A Technology Story



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Source: Forrester Research, Inc.

### USE “DEMOS” TO SHAPE YOUR BT CUSTOMER EXPERIENCE STRATEGY

To win in customer experience, business technology (BT) leaders must develop specific strategies that support changes in existing customer touchpoints as well as potentially create and support new digital touchpoints. Collectively, the best practices we identified from our customer experience leaders are represented by the acronym DEMOS.

## D Is For Design: Build CX Design Expertise Into Your IT Team

Designing touchpoints to improve the customer experience is not something any company left solely to the IT team. But in almost every instance, the IT team is a design partner alongside customer experience professionals. IT professionals bring a unique design perspective and help translate the concepts of customer experience designers into reality through technology.

- **Map the customer journey.** Before the design phase, it is important to map the journey each customer takes. Marketing/customer experience teams build personas for each customer type, and they begin to map the typical journey each persona would take. By identifying the touchpoints along each customer's journey, it's possible to identify all the underlying technology components that serve to create the overall experience. At USAA, a team of user experience designers in IT works alongside the customer experience designers in each channel of the business. Together they have mapped more than 100 customer journeys and their touchpoints and collaborated on redesigning the customer experience along these journeys.
- **Test designs with real customers.** IT teams rapidly work up prototypes of designs for marketers to test with customers. They frequently use this early A/B testing to improve the design at an early stage in the development process. In companies like Fidelity Investments, IT designers are often involved in joint design and prototyping sessions. And much of this design work — everything from basic design ideas through to testing of screen layouts — takes place in front of real customers. The customer experience team drives the strategy, and the technology team figures out various ways to implement it that are both scalable and fast, because speed is an intrinsic element of the customer experience.
- **Hire design expertise into IT.** IT developers don't always have a great reputation for their interface design expertise. But you can't afford to let this be the expectation. IT leaders must see design expertise as a core competency of IT in the future as more and more applications are delivered through mobile devices where employees and customers increasingly demand a great experience. One retailer we spoke with was so focused on hiring mobile app developers with solid design expertise that it opened a satellite IT office in Silicon Valley just to be able to attract top talent to the team.

## E Is For Empower: Empower IT Employees To Improve The Customer Experience

CIOs in winning customer experience companies empower their IT teams to own the customer experience. These IT leaders have successfully shifted the IT culture away from order taking and pivoted the organization toward co-owning the responsibility for delivering a great customer experience. In company after company, we found examples of IT teams taking pride in their ability to shape the customer experience.

- **Encourage employees to ask themselves how the CX persona would react.** A persona represents a particular type or segment of your customer base. Use personas to help the IT team to better understand the customer experience. One travel industry company we spoke with locates full life-size persona cutouts throughout IT. The entire IT team is very focused on the needs of its customer personas. Every decision is tested against these personas — for example, does this make sense to the “low-budget vacationer” persona?
- **Develop alternative options that improve scalability.** A great design won’t improve the customer experience if it becomes so slow when operating at scale that it is impossible to use. Teams empowered to suggest changes to improve performance make a real difference in the ultimate customer experience. One retailer told us, “When a particular design won’t scale efficiently, the IT team comes up with an alternative that will.” And in retail, this means being able to scale up to perform well during seasonal peak volumes that are many times greater than the volume throughout the rest of the year.
- **Put customer experience ahead of cutting costs.** IT professionals have spent years figuring out how to use technology to lower costs. But sometimes the best solution from a customer experience perspective is not the one that also lowers costs — make sure your teams know which option you expect them to choose. One IT leader told us, “The culture is to focus on doing what is right for the customer . . . to the extreme. In a choice between doing something cheaper or doing it better for the customer, the customer always wins.”

### M Is For Measure: Obsess About Customer Experience Measures

All of the leading customer experience companies not only measure customer reactions in the design phase, but they are constantly measuring touchpoint data, often in real time, to identify opportunities to improve. These IT teams are obsessed with quantitative and qualitative measures of customer perceptions. And the customer measures become the key performance metrics for the IT team’s success.

- **Hold IT employees accountable for improving customer experience metrics.** While the executive team at USAA remains focused on company performance, there is a strong recognition that performance is driven by the member experience. Both business and IT leaders are held accountable for improving the quality of the member (customer) journeys. As a result, USAA has moved from being a product-led organization to one now focusing on specific member journeys. In IT, everyone from the CIO on down works on the same scorecard — “member experience at USAA is a shared sport” — which means metrics on member experience, innovation, and operational excellence trickle down to every employee.

- **Use technology to track experience metrics in real time.** With so many digital touchpoints, it's important to monitor their performance in real time so that when the experience degrades, you can act immediately, rather than waiting until your customers become so frustrated they call to complain, or worse, just abandon doing business with you at all. At Home Depot, the IT team monitors key metrics on customer experience every week; for online, a big focus is on ease of finding a product and checking out. This means Home Depot's IT team carefully monitors error rates during checkout and the time it takes for a customer to successfully complete a transaction.

### O Is For Organize: Restructure The IT Team For CX

So much of success in customer experience requires the entire organization —including IT — to pivot toward customer systems. IT leaders cited the benefit of being able to house the customer-facing technology supporting the entire customer journey in one team, allowing them to have more control over the design of technology across the entire journey. In general, customer-facing IT teams are organized in one of two ways:

- **Establish a standalone IT group for customer technology.** Sometimes it's necessary to create a parallel IT organization with a customer focus that is distinct from the enterprise IT group. In some companies, such as Fidelity Investments, this IT team reports into a separate customer business unit. At TD, a direct-channels IT team focuses on all online and mobile systems, ATMs, and customer contact center systems. By implementing a matrix organization design, TD has a dedicated CIO responsible for customer-facing technologies across all lines of business.
- **Build a customer experience center of excellence within enterprise IT.** The language of the customer experience professional is often new to many in IT. By creating a team within IT with a specific focus on customer-facing systems, it's possible to pivot the IT organization in support of customer experience. At several companies we interviewed, the vice president of the customer experience portfolio reports to the CIO. And by embedding these IT teams alongside your organization's customer experience teams, you give your IT employees more opportunities to learn about customer experience. The IT Agile staff at Vanguard is typical of many we investigated: They are colocated with CX designers, sharing the same space and working on projects as a joint team — “you can't tell who is IT and who is in the business unit.”

### S Is For Speed: Put Go-Faster Stripes On IT

Everything about IT in our customer experience winners is geared for speed — not just the speed of application development, but also the speed of app performance and the speed of web-page loads. We found that Agile development methodologies and service-oriented architecture (SOA) are in use to great effect to reduce app development cycles.

- **Use Agile and incremental design to speed up the release schedule.** Change that supports the customer experience needs to happen at the speed of the market. Incremental design and frequent releases are becoming the norm for customer-focused development teams. At Vanguard, 90% of new development is Agile. At TD, the development teams use Agile and release management to provide a framework for faster time-to-market. The result is a combination of disciplines around application releases not previously seen, with new versions of apps released every two months.
- **Consider responsive design to speed deployment across device platforms.** Responsive design is an approach to web design that supports different display sizes across a variety of device platforms.<sup>14</sup> At TD, there is a strong focus on designing the architecture to easily accommodate a variety of customer devices, in addition to constructing releases with the customer experience in mind. Responsive design drives the architecture, and understanding customer needs by device tailors the offering.
- **Adapt service-oriented architecture to support the customer experience.** While not as common as Agile development, SOA is widely used by customer experience winners to avoid creating redundant code and to speed up the deployment of new features.<sup>15</sup> At FedEx, a service-oriented architecture in the customer domain allows for reuse of technology components — with just one group maintaining the logic for core technology code. This SOA serves as the core logic, allowing developers to spend more time on touchpoint customer experience solutions like rich application interfaces and responsive design.

CIOs and IT leaders are critical to winning the customer experience game. And IT leaders need to understand their team's role in customer experience. But to win, IT can't simply pay lip service to customer experience. IT leaders must consider it a very real business discipline and see it as one of the most important roles of the technology team — which also means allocating expensive and scarce resources. To do that, CIOs need the buy-in of the CEO and the entire executive team.

## SUPPLEMENTAL MATERIAL

### Methodology

Forrester fielded the North American Technographics® Customer Experience Online Survey, Q4 2012 (US), in November 2012 of 7,506 US individuals ages 18 to 88. For results based on a randomly chosen sample of this size (N = 7,506), there is 95% confidence that the results have a statistical precision of plus or minus 1.13% of what they would be if the entire population of US online individuals ages 18 and older had been surveyed. Forrester weighted the data by age, gender, income, broadband adoption, and region to demographically represent the adult US online population. The survey sample size, when weighted, was 7,440. (Note: Weighted sample sizes can be different from the actual number of respondents to account for individuals generally underrepresented in

online panels.) Please note that this was an online survey. Respondents who participate in online surveys have in general more experience with the Internet and feel more comfortable transacting online. The data is weighted to be representative for the total online population on the weighting targets mentioned, but this sample bias may produce results that differ from Forrester's offline benchmark survey. The sample was drawn from members of MarketTools' online panel, and respondents were motivated by receiving points that could be redeemed for a reward. The sample provided by MarketTools is not a random sample. While individuals have been randomly sampled from MarketTools' panel for this particular survey, they have previously chosen to take part in the MarketTools online panel.

Forrester conducted an online survey fielded in October 2011 of 7,638 US individuals ages 18 to 88. For results based on a randomly chosen sample of this size (N = 7,638), there is 95% confidence that the results have a statistical precision of plus or minus 1.12% of what they would be if the entire population of US online individuals ages 18 and older had been surveyed. Forrester weighted the data by age, gender, income, broadband adoption, and region to demographically represent the adult US online population. The survey sample size, when weighted, was 7,637. (Note: Weighted sample sizes can be different from the actual number of respondents to account for individuals generally underrepresented in online panels.) Please note that this was an online survey. Respondents who participate in online surveys have in general more experience with the Internet and feel more comfortable transacting online. The data is weighted to be representative for the total online population on the weighting targets mentioned, but this sample bias may produce results that differ from Forrester's offline benchmark survey. The sample was drawn from members of MarketTools' online panel, and respondents were motivated by receiving points that can be redeemed for a reward. The sample provided by MarketTools is not a random sample. While individuals have been randomly sampled from MarketTools' panel for this particular survey, they have previously chosen to take part in the MarketTools online panel.

### Companies Interviewed For This Report

For this research, Forrester interviewed more than 14 companies that led the Customer Experience Index. We spoke with both IT leaders and customer experience professionals. Not all companies agreed to be named. Companies interviewed included:

|                      |          |
|----------------------|----------|
| FedEx                | TD       |
| Fidelity Investments | USAA     |
| Home Depot           | Vanguard |

## ENDNOTES

<sup>1</sup> How good is the customer experience at your company — as rated by your own recent customers? This report answers that question by providing benchmarks of the quality of customer experience for 154 large US brands across 14 industries including retailers, hotels, banks, credit card providers, insurance firms, airlines, wireless service providers, and investment firms. We show not only the highest- and lowest-scoring companies and industries but also the ones that moved up or down since our 2012 study. Customer experience professionals should use it to understand their competitive environment and set goals for optimizing their customer experience management system. See the January 15, 2013, “[The Customer Experience Index, 2013](#)” report.

<sup>2</sup> The index shows the range of scores, from low to high, for brands within a given industry. The red dot in this example is the average for this industry.

<sup>3</sup> Watermark Consulting, a management consulting firm, sought to understand the impact of customer experience on a company's stock. The firm compared two stock portfolios, one holding stocks in companies that are customer experience leaders and one holding stocks in companies that are customer experience laggards. For each of the first five years that Forrester published its Customer Experience Index (CXi), the firm compared the total return of a portfolio that held the top 10 publicly traded companies in the CXi with the total return of a portfolio that held the bottom 10 publicly traded companies in the CXi. Source: Jon Picoult, “The Watermark Consulting 2013 Customer Experience ROI Study,” WaterRemarks, April 2, 2013 (<http://www.watermarkconsult.net/blog/2013/04/02/the-watermark-consulting-2013-customer-experience-roi-study/>).

For more details, see Forrester's book *Outside In* and Forrester's “The Customer Experience Index, 2013” report. Source: Harley Manning and Kerry Bodine, *Outside In: The Power of Putting Customers at the Center of Your Business*, New Harvest, 2012. See the January 15, 2013, “[The Customer Experience Index, 2013](#)” report.

<sup>4</sup> Using data from more than 7,500 consumer surveys, Forrester examined the correlation between the customer experiences delivered by more than 150 US firms and the loyalty of their customers. Our analysis shows that good customer experience correlates to consumers' willingness to repurchase, reluctance to switch, and likelihood to recommend firms across all 14 industries we examined. See the March 26, 2012, “[The Business Impact Of Customer Experience, 2012](#)” report.

<sup>5</sup> When we look at the possible real-world explanations for these findings, we conclude that more often than not an improvement in customer experience will drive higher NPS. See the July 14, 2011, “[Better Customer Experience Correlates To Higher Net Promoter Scores For Banks And Retailers](#)” report.

Net Promoter, Net Promoter Score, and NPS are registered trademarks of Bain, Satmetrix Systems, and Fred Reichheld. Source: Bain (<http://www.bain.com/search.aspx?q=Net+Promoter>) and Satmetrix Systems (<http://www.satmetrix.com/>).

<sup>6</sup> Using data from more than 7,500 consumer surveys, Forrester examined the correlation between the customer experiences delivered by more than 150 US firms and the loyalty of their customers. Our analysis shows that good customer experience correlates to consumers' willingness to repurchase, reluctance to switch, and likelihood to recommend firms across all 14 industries we examined. See the March 26, 2012, “[The Business Impact Of Customer Experience, 2012](#)” report.



- <sup>7</sup> Auto Circle allows users to customize their search for a vehicle and obtain accurate insurance and financing costs. It aggregates both expert and user reviews of vehicles as well as pricing data that includes sales data from dealers so that users can find a fair price. It also allows members to access this information in the most relevant touchpoint and lets them share and solicit opinions about vehicles from their friends and family via Facebook. See the November 8, 2010, "[USAA's Auto Circle Makes Carbuying Customized, Aggregated, Relevant, And Social](#)" report.
- <sup>8</sup> For CDW, customer experience is a key strategic priority. As one executive put it, "Everything we do revolves around meeting the needs of our customers." See the August 12, 2010, "[Lessons Learned From Three Award-Winning Voice Of The Customer Programs](#)" report.
- <sup>9</sup> While the initial focus is on efficiency and cost containment (waste elimination), the longer-term opportunity is to use business process management to deliver better and more consistent customer outcomes (value innovation). Business process professionals hit a eureka moment when they realize that if they focus on improving the customer experience, that will also point to things the customer doesn't care about . . . and give cost reduction at the same time as improving their perception of the firm. They go on to discover that by focusing more on the customer experience, they learn new things that the customer wants (unmet needs), which they wouldn't have discovered by simply focusing on cost savings. The customer focus allows firms to innovate that experience and deliver more value, distinguishing the offerings from that of the competitors. See the August 30, 2011, "[Focus On Customers And Business Architecture For Greater Business Process Maturity](#)" report.
- <sup>10</sup> Source: Harley Manning and Kerry Bodine, *Outside In: The Power of Putting Customers at the Center of Your Business*, New Harvest, 2012, Chapter 2, "Customer Experience Means Billions To Business" (<http://outsidein.forrester.com>).
- <sup>11</sup> Customer journey maps inevitably show companies the areas where they fail to meet their customers' needs. But a long list of poor experiences doesn't tell companies what's worth improving. Firms need to focus on the key moments of truth for customers — the interactions that they see as most important. To help the prioritization process, customer experience leaders should plot interactions on a simple matrix showing the importance and quality of interactions for customers. The inputs for this analysis can come from the full gamut of available customer research or from simple surveys asking customers to rate experiences in terms of importance and quality. See the February 5, 2010, "[Mapping The Customer Journey](#)" report.
- <sup>12</sup> Forrester clients tell us that they're eager to use customer journey maps because they see the documents as ideal tools to analyze and communicate their customers' perspectives on the interactions they deliver. However, even enthusiastic organizations sometimes struggle to determine the objectives they should pursue with customer journey mapping. Forrester interviewed five companies that use customer journey maps to understand how the approach has benefited them. See the April 24, 2012, "[Customer Journey Mapping: What Is It For?](#)" report.



- <sup>13</sup> Many companies interviewed for this research specifically mentioned using Akamai to improve the performance of website page loads. Akamai improves page response time by storing copies of web pages on servers spread around the world so that your customer's web page request travels a shorter distance to reach a server and page requests can be balanced across hundreds or thousands of servers.
- <sup>14</sup> Responsive design is not a technology, it's a philosophy — an approach to web development that forces user experience developers to design and optimize from the outset for the touchpoints they need to support, regardless of screen size, orientation, or device. Instead of forcing a smartphone user to pinch, zoom, or scroll to view content designed for consumption on the desktop, a responsive site responds within the constraints of the device to deliver an experience that is contextual to the size of the screen. The concept is enabled by technology that allows capable browsers to detect the size of the user's screen. See the July 12, 2012, "[Understanding Responsive Design](#)" report.
- <sup>15</sup> Listen to industry discussion of service-oriented architecture (SOA), and you are likely to get the impression that SOA is best thought of as a technical approach for application integration. While SOA is not less than that, it is much more. Forrester has long said that the best SOA programs are those that approach SOA first and foremost from the perspective of business design. See the May 27, 2011, "[Build SOA Success With A Business-Focused Approach To SOA Design And Governance](#)" report.

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## Forrester Focuses On CIOs

As a leader, you are responsible for managing today's competing demands on IT while setting strategy with business peers and transforming your organizations to drive business innovation. Forrester's subject-matter expertise and deep understanding of your role will help you create forward-thinking strategies; weigh opportunity against risk; justify decisions; and optimize your individual, team, and corporate performance.

« CAROL ITO, client persona representing CIOs

