Gain success, get to the root of customer dissatisfaction

With an increasing focus on customer experience, companies need to see how their efforts are stacking up by measuring their Customer Experience (CX) success, says Mark Wilson, Managing Director at SYSPRO Africa

In a customer-centric world, every organisation is focusing on customer experience, however, many do not understand the fundamentals nor how to measure its effectiveness.
Recognised as the main driver of digital transformation and a top strategic measurement for organisational performance, a suitable CX approach allows companies to stand out and differentiate themselves from competitors while contributing towards their commercial success.

When it comes to customer loyalty, 87.2% of organisations agree that this can be directly linked to commercial success. CX triumphs, still seen as the number one measure of strategic performance, according to Dimension Data. In fact, 62.4% see the benefit in evolving their CX transformation strategies to stand out from competitors.
Measuring return on experience (ROX) is becoming more important than return on investment (ROI). This boils down to the fact that ROX helps companies understand the return they are getting on investments that are directly linked to customer interaction with their brand.

According to PwC, a ROX framework focuses on driving habitual behaviours that will ultimately make a lasting impact on a customer's experience, while finding ways to measure key experience metrics which allows companies to see whether they are on the right track.

Value creation
Far too often, organisations efforts swallow up a significant investment while delivering minimal impact. Unable to identify root causes of customer dissatisfaction, the initiatives organisations believe stimulate value creation prove elusive.
The balance of power has shifted. Today, consumers are king, more empowered than ever before. As a result, it is critical that companies become flexible, ready to adapt to ever-changing customer demands and rising expectations. It is no longer about making people want products, rather it is about making products people want.

Value proposition
A powerful value proposition not only improves customer understanding and engagement but helps them understand the value of a company's services and products. At the same time, it illustrates the benefits of the products while proving to customers that they are the best available option.
Creating a strong value proposition starts with a basic asset test, cost vs. quality. The market determines what the value will be at the end of the day. When a new product is launched, but customers do not see the value in it, they simply will not purchase it. A company needs to get the logic and cost right as successful programmes require structured approaches.

Adoption rate
Brands that are continually developing new and exciting products can measure success by looking at the adoption rate.
If customers do not see the value in a product, and are not actively engaging with it, they will never see the true value of their investment. Without a clear return in sight, they are just a churn waiting to happen.

For example, when SYSPRO brings out a new technology, the company needs to make sure that the value is what the market is looking for.

To do this, SYSPRO gains an in-depth understanding of its customers and the industries they play in. By bringing all these factors together, SYSPRO develops cutting-edge Enterprise Resource (ERP) Systems, ensuring the product will add real value to a customer's business.

At the end of the day, the market typically determines the value of a product or service. So, keep this in mind.

Track success

Organisations are still struggling to overcome the challenges of system integration and varying data formats. As a result, channels are managed separately, with tracking done individually resulting in lack of visibility of the CX journey across channels. Being able to efficiently track the products market entry success rate is an integral part of any organisation, regardless of industry. Remembering that there is an emotional element when embarking and maintaining relationships will create customer loyalty.

Customer churn

Another good indicator to measure success of a company's investment is by looking at the customer churn rate.

Companies need to try forecast how many potential customers they may lose in a year and why by analysing the situation while conducting extensive research to see what the churn rate is in comparison to competitors.

Key account management

When accessing and engaging with customers, companies need to have a key account management structure.

Keeping in mind, you cannot be everything to everybody, so by having a structure in place ensures customers are on the right journey, while continuously providing high levels of engagement with them.

Key account management will take the company strategy and convert it, ensuring all stakeholders are delivering and meeting organisational objectives and core strategy.

Customer expectations have shifted, and advancements in technology are making the biggest impact on organisations since the birth of the information age. To adapt and remain competitive, businesses need to strategically navigate the challenges of the digital age by finding new ways to generate economic value, and drive growth.