

CUSTOMER EXPERIENCE 2.0

7 Steps to Drive Sales and Customer Loyalty

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Social Media (Web 2.0) is fast becoming one of the most important and powerful influences in business today. It is evolving at record speed and gaining broad adoption – it isn't just for the technology industry any longer. With its foundation built on sharing information, collaboration, and relationships, it can transform the way organizations attract and retain Customers.

Customer Experience 2.0 is a totally unique approach and new way of thinking. It is about helping organizations create more sales and better differentiation. It leverages the tools and concepts of Social Media with the needs and wants of your customer – creating a more engaging customer experience. This marriage leads to increases in sales, market differentiation, improved customer loyalty and retention, and a stronger competitive

advantage. It is a more innovative and personal way for you to engage, understand and support your prospects and customers.

The experience an organization provides its customers is at the heart of the customer relationship. Research shows if you can keep the promises your customers want and deliver the experience they want, you will be rewarded with greater sales and deeper and more lasting loyalty. With the availability of Social Media tools, organizations can now deliver a much richer and more transparent customer experience than ever before. This improved experience will be vital to an organizations survival and/or growth in the future.

To illustrate how “top-of-mind” this topic is today, I recently gave a speech on “How to Build Exceptional Customer Loyalty.” 15 minutes into the speech a lady asks the question, “How can we use Social Media to connect better with our customers?” The focus is shifting – organizations everywhere and in every industry are starting to ask the same question. We are entering a “white hot” space for businesses – leveraging these innovative tools to deliver exceptional customer experiences – **Customer Experience 2.0**.

If I would have written this article or given this speech even a year ago it would not have gotten the attention it is today. There is now more excitement on how to “integrate” Social Media into Business than we have ever seen. The key is not just having the tools, but leveraging these tools to create better interactions with your customers and drive more sales, greater differentiation and stronger loyalty. What used to be some cool tools for the “techno-savvy” (developers, bloggers, etc.) is now moving at light speed into the forefront for businesses.

This is the first in a Series of articles designed to give business owners, top executives,

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marketers, sales teams and anyone else interested in building stronger relationships with their customers a significant advantage over their competitors. This is a business

issue, not a technology issue. By focusing on the business and their customer, organizations can utilize the tools in the "Social Media Suite" to create a differentiated customer experience. By adopting the concept, tools and approaches of **Customer Experience 2.0**, you can reach more customers, provide them with more transparent information, get them talking positively about your company, and have others refer more customers.

First, let's get rid of the mystery and mystic that surrounds Social Media. Web 1.0 is the world most people live in today. Since the inception of the internet and websites, people now do online searches to find your business. Websites were originally designed to "push" information to their customers in an "electronic" format. It is up to the user to find the information on your website and learn about your products/services and organization. This is a **MONOLOGUE** – information and communication primarily delivered in one direction, from your company to the prospect, customer or other interested parties. Web 1.0 is considered "Company Centric" since the company has more control over the information and the interaction with the customer.

There was a dramatic shift when Web 2.0 (Social Media) came on the scene. It started as a way for software developers and others to collaborative, share information and comment on the information being shared. People also wanted to be more connected with others so "Social Networking" was born ([MYSPACE](#), [FACEBOOK](#), and [LINKEDIN](#), to name a few). Now people can build a sense of "community" with one another based on similar interests. They are instantly connected to friends, family, co-workers,

classmates, and almost any other type of imaginable relationship. [VISA](#), for example, has created the "VISA Business Network" on [Facebook](#) for their small business customers.

Now the customer "has a voice" that can be shared with anyone interested in listening. This has become both a huge "threat" and an "opportunity" for organizations. They can still "push" messages to their audience but now the audience is capable of "commenting" and "discussing" the products/services or information being offered before they make a purchasing decision. "Transparency" has become the word of the day and is something almost every organization will be wrestling with in the future. Suddenly, the Web evolved from a Monologue to a **DIALOGUE** – communication and information sharing in both directions. This is the essence of Social Media.

Your customers, employees, partners, suppliers and anyone else can now "talk about you" and "share their thoughts and feelings" and "learn about you" well before they ever do business with you (or continue to do business) – and the information they get is from their friends as well as complete strangers. The world has gone from being "**Company-Centric**" to "**Customer-Centric**" and the customer experience has become a vitally critical component. According to Marta Kagan, Social Media evangelist, customers believe what they hear from complete strangers more than they do you (only 14% of the people trust advertisements, but 78% trust recommendations from other customers they may not even know – Source: [Marta Kagan](#)).

What impact do you think this will have on your business today and in the future? Will you be a "leader" in working with these tools or wait and "follow" your competitors? Being at the forefront will give organizations a significant competitive advantage over their competitors. The opportunity to build a

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community with your customers will be paramount. In my opinion, the train has left the station – you have the choice to get on board, watch it go by or get run over by it –

but the train is moving and won't be stopping anytime soon. The power is in the hands of your customers, partners, suppliers, shareholders and everyone else. For example, Advertising spend on social networks went from \$15M in 2007 to \$40M in 2008 and projected to be \$80M in 2009 and \$125M in 2010 (source: [e-marketer](#) August 18, 2008).

As you begin to learn about how **Customer Experience 2.0** can play a role in your organization, think about your customer. Think about WOM (Word-of-Mouth) marketing. Think about referrals and recommendations. Think about customer evangelists. Think about trust and loyalty. Think about more sales. With regards to the internet, think about ways or areas that describe how you would like people to talk about you and your business. Now ask yourself, "What are they saying about me and our company?" "How do I know?" "Am I being transparent to them?" "What are they saying about my competition?" "Is what they are saying based on fact, fiction or just rumors?" "Is this helping me increase sales or improve my differentiation?"

Some numbers offered by Marta Kagan say that 34% of the people post opinions about products/services on their blogs; 36% think more positively about companies that have a blog; and 32% trust bloggers opinions on products and services (Source: [Marta Kagan](#)). Today, you can have more insight into what experience your customers truly want – in ways that were impossible before now. Over 57 million Americans read blogs and 89% of companies surveyed say they think blogs will be more important in the next five years (Source: [Blogworldexpo](#)).

With that as an introduction to **Customer Experience 2.0** and the world of Social Media, what can you do today to make this

work for your own organization? Here are **Seven Steps** you can follow to get you on

your way. These will all be discussed in more detail throughout the series. Here are the Seven Steps:

1. **GATHER CUSTOMER DATA** – gain a deep understanding of what "experience" your customer really wants from you – not just products and services. What "Promises" do they want you to keep? What experience(s) do they want throughout their relationship with you? Since most products and services are easy to duplicate today, creating a truly differentiated customer experience is still unique.
2. **DEFINE CUSTOMER SEGMENTS** – it is important to group your customers based on the experiences(s) they want when they interact with your company. Traditional segmentation, based on "demographics" or "product based" only takes you part of the way. Go beyond this level of segmentation and add the "experiential" component. This is enhancing what you have with how your customers want to interact with you at different points in time in the relationship.
3. **DEVELOP A CUSTOMER EXPERIENCE 2.0 PLAN** – identify the desired experience(s) and then identify relevant social media tools. This plan should support your organizational strategy and focus on sales and differentiation. Design the plan with the information from Steps #1 and #2 above, and then identify how to execute on your plan delivering these experiences.

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4. **DESIGN THE CONTENT** – identify the information, education, tools and resources you should provide to your customers. What do they want?

What content can you offer that will engage your customers? Get this directly from your customers. Incorporate both the content and the messaging to deliver a differentiated experience to your customer.

5. **SET UP A BLOG** – it is easy to get started with the most accepted and widely used tool that is foundational for both Social Media and **Customer Experience 2.0** – the Blog. Get it started and improve upon it over time. These Blog(s) serve as the windows into your business where you can inform, interact and communicate with your customers.
6. **EVALUATE OTHER TOOLS** – assess the value of the many other Social Media tools and determine which ones will help you increase engagement and differentiation to increase sales. These might include social networking,

communities, [Twitter](#), audio and photo presentations, video, podcasts, and others that could be useful to your customers' experience in relation to your organization.

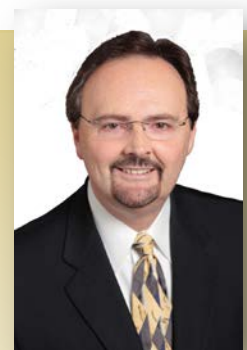
7. **TEST IT WITH YOUR CUSTOMERS** – once you have launched a particular tool, test it with your customers. Is this improving their experience? How could you improve upon it? It must always pass the test of being relevant, important and helpful either personally or to their business.

Now you have a roadmap and Seven Steps to creating **Customer Experience 2.0** for your own organization. Embrace it, use it and continually improve upon the experience your customers want. This is what creates lasting differentiation, increased sales and a rock-solid competitive advantage.

About the Author

Blaine Millet is Chief Advocate and President of [WOM¹⁰ – Word of Mouth on Steroids](#), where he *Inspires and Helps Leaders move their businesses from being GREAT to being REMARKABLE*. WOM¹⁰ is all about Strategy and Execution...focused on the relentless pursuit of helping others achieve higher levels of Revenue, Customer Loyalty/Retention, Differentiation and a Competitive Advantage. He is also the co-author of the leading edge book, "[Creating and Delivering Totally Awesome Customer Experiences](#)."

Blaine has worked with and for companies from start-ups to the Fortune 50, including the Big 5 and IBM. He has held various positions in the areas of leadership, sales, and being an individual contributor. He also holds an MBA in marketing and finance.



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