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How To Keep Customers Coming Back Again And Again

LEWIS CARBONE

LEWIS CARBONE is CEO and founder of Experience Engineering, Inc., a consulting firm which specializes in helping firms deliver exceptional customer experiences. Mr. Carbone was formerly a senior vice-president at Campbell-Ewald Advertising and National Car Rental. He also collaborated with Steve Haeckel to coauthor the 1994 article *Engineering Customer Experiences* which introduced the terminology and the concept of customer experiences to the business press.

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MAIN IDEA

Every business exists for just two reasons:

1. To make money for the firm – by selling products and services for more than they cost to make or deliver.
2. To make customers – by doing something so well people are prepared to pay for the added value being created.

In recent years, most industries have focused more on the make-money side of the equation than they have on the other side, make-customers. That’s understandable, but somewhat short-sighted. Unless businesses balance the things they’re doing to make more money against the things they’re also doing to create greater value for their customers, their efforts are likely to be short-lived. The key to creating value for customers is not to sell them more products and services, but to provide them with a distinctive and well-engineered experience which will add value (from their perspective) to the products and services they already purchase.

Customers always have an experience whenever they deal with your firm, whether you want them to or not. Instead of letting this experience be a random by-product of circumstances, it makes sense to actively manage it. If you can systematically craft and then deliver a great experience to your customers, you differentiate your firm in the customer’s mind, even if your products and services are comparable to those offered by your competitors.

To grow your business, therefore, don’t look for more cost cutting ideas or creative ways to charge more for what your customers already buy. Instead, look for ways to enhance your value proposition by developing internal systems which will enable you to design, manage, deliver and leverage the total customer experience.

“As product and service attributes become commoditized and evened out, experiential elements and their value are rapidly coming to the fore. The quality of the customer’s total experience is being increasingly recognized as the new differentiator.”

– Lewis Carbone

1. The Business Case for Managing Customer Experiences Pages 2 - 5

The rules of differentiation are changing. At one time, products and services could stand out from the crowd on the strength of their features (particularly quality) alone. Today, the customer’s experience is the focal point of the value proposition, which in turn means managing the customer experience has the potential to be very important from a strategic perspective. This is precisely what forward-looking organizations are doing to gain a sustainable competitive advantage.

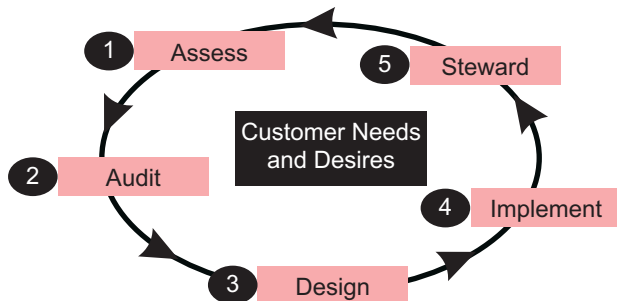
The business case for managing customer experiences intelligently and deliberately is:

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| The Business Case For Managing Customer Experiences | 1 | Understand how the value proposition has evolved |
| | 2 | Know the relationship between brands and experiences |
| | 3 | Learn the dynamics of experience and value management |
| | 4 | Focus on clues – the building blocks of experiences |
| | 5 | Evolve your experience management expertise over time |

2. A Toolkit for Managing Customer Experiences. Pages 5 - 8

There are five disciplines which are required to create an effective experience management system for any enterprise:

1. *Assessing experiences* – learn how you can create and deliver customer experiences.
2. *Auditing experiences* – evaluate the gap between what customers experience and what they’d like.
3. *Designing experiences* – develop experiences which are consistent with customer preferences.
4. *Implementing experiences* – embedding clues and delivering them cost-effectively to create value.
5. *Stewarding experiences* – continuing to monitor the system and fine-tuning for maximum effect.



Note that none of these disciplines are a “silver bullet” in and of themselves, but it is the blending together of numerous perspectives and competencies that’s important when it comes to managing customer experiences.

