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CUSTOMER EXPERIENCE STRATEGY AND DESIGN PRIMER FOR 2018

(Analysts: Augie Ray, Simon J. Yates, Jane-Anne Mennella)

SUMMARY

Customer experience leaders must collaborate, design and execute programs to understand customer needs, define their journeys and deliver desired customer and business outcomes. Use Gartner's research to deploy the tools and best practices that help increase satisfaction, loyalty and advocacy.

Scope

Customer experience management is the practice of designing and reacting to customer interactions to meet or exceed their expectations, leading to greater customer satisfaction, loyalty and advocacy.

Customer experience (CX) strategy and design covers:

- **Customer experience insight:** Leverage customer research, and tools like VoC and customer journey analytics to inform personas and journey maps.

- **Customer experience strategy:** Build and execute effective CX strategies and prioritize high-impact CX initiatives.

- **Customer experience design:** Deploy tools, processes and platforms that allow the organization to design better customer experiences that deliver customer and business outcomes.
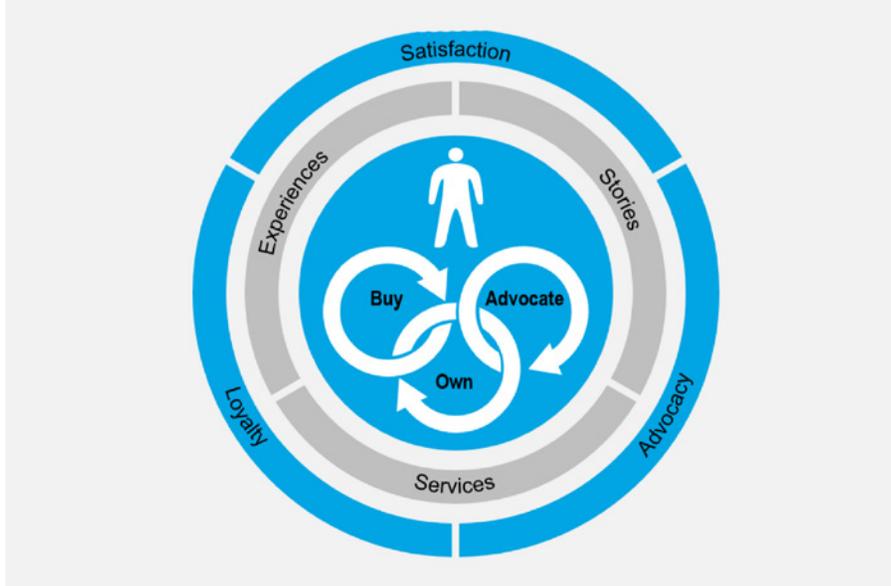
Deploy the tools and best practices that help increase satisfaction, loyalty and advocacy.

ANALYSIS

Figure 1. Customer Experience Strategy and Design Overview

Source: Gartner (January 2018)

Gartner's 2017 Customer Experience in Marketing Survey indicates 67% of companies feel they compete mostly or completely on the basis of CX, and 81% expect to do so in two years (see "Customer Experience in Marketing Survey 2017: Greater Expectations, Greater Challenges"). Getting your brand's CX right has become a business imperative.

Many companies dive into CX improvements without a customer-focused approach or informed strategy. This approach can have negative downstream consequences, fail to deliver the intended benefits and jeopardize CX as a discipline. Many CX leaders still struggle to successfully deploy the tools of their trade, with only 44% indicating they've established and are effective using personas and 47% saying the same of journey maps (see "Survey Analysis: Marketing Leaders Struggle to Align Personas and Journey Maps to CX Efforts").

Successful CX requires knowledge of best practices and a well-considered plan. That plan must be based on an outside-in view of customer wants and needs as defined by your VoC data, customer insight and other research methodologies. It takes tools like personas and journey maps to inform customer-centric design, and a CX strategy that defines priorities, justifies investment and drives cross-functional collaboration.

Top Challenges and How Gartner Can Help

CX leaders must facilitate, help and empower those across the enterprise to understand key customer personas, map customer journeys, design and optimize interactions and deliver innovations. Doing so creates competitive advantage and increases customer satisfaction, loyalty and advocacy.

Use Gartner's 2018 research on CX strategy and design to bring the highest-value customer experience investments into focus. Our research will help you collect and analyze more data, collaborate on powerful personas and journey maps, and better prioritize investments and measure results. Connect your customer experience to business impact, build better alignment within marketing and across other functions, and use the insight to inform customer experience initiatives.

How do I use customer insight to design and improve the customer experience?

Success in customer experience involves selecting the right set of methodologies and data to deliver actionable insight that shapes CX strategy and design.

The right voice-of-the-customer (VoC) tools capture direct, indirect and inferred customer insights and funnel these insights to the stakeholders within the organization who can take action. VoC platforms are essential for CX success, but they cannot satisfy every CX need. Customer journey analytics, web analytics and other platforms can furnish more quantitative data. Qualitative insight is also necessary. You must foster and create a test-and-learn culture based on consistent and ongoing research and learning.

Gartner's customer experience research provides best practices and how-to advice to continuously listen to and learn from the voice of the customer.

Planned Research

- **How to Develop and Use Voice-of-the-Customer Insight:** VoC platforms and programs are essential to not only diagnose CX problems, but also to gather customer insight and measure outcomes. Investing in the right VoC strategies and platforms is critical to customer experience success.

- **How to Procure and Deploy Effective Research Methodologies:** Various options exist to support your CX efforts with insights. Our research will help you identify the right tools and approaches for your needs and execute those tools, providing a powerful and constant flow of qualitative information that will improve your CX efforts.

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How do I prioritize customer experience improvement initiatives that deliver the greatest business impact?

CX strategy should be executed as a proactive organizational priority and not a reactive response to customer complaints. Successful organizations elevate customer experience projects by weighing associated costs against the potential customer and business payoff.

You must overcome the challenges that organizational complexity and interdepartmental silos present to planning, launching and demonstrating the ROI of a customer experience improvement initiative. The right data and processes can help you secure more cross-functional collaboration and demonstrate to peers and leaders why CX matters.

Gartner's research will help you execute an effective customer experience strategy by identifying opportunities for CX improvement. These opportunities will yield business impact, spot dependencies between different departments' workflows, and measure the success of improvement initiatives against set objectives.

Planned Research

- **How CX Can Be Correlated With Business and Financial Outcomes:** The most relevant metrics for CX are all leading indicators of success — satisfaction, loyalty and advocacy. But CX leaders are pressed to support quarterly financial and business outcomes. Use CX insight and tools to understand drivers of satisfaction, loyalty and advocacy, and to incorporate that understanding into CX strategy and design.

- **How CX Leaders Can Best Encourage and Participate in Enterprisewide Collaboration:** Because different touchpoints on the customer's journey are managed by different portions of the organization, collaboration is a vital element for success. Our research will explore ways to invite better collaboration and CX tools and insight to motivate greater participation.

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What tools do I need to develop, design and execute a powerful customer experience?

CX leaders already understand the concepts and goals of the customer experience discipline. Their challenge is to practically and economically design and measure a customer experience. Tools and best practices can reduce this challenge.

Too many persona and customer journey mapping efforts end with attractive visual assets rather than a set of plans and actions. And too many customer experience programs end up chasing and fixing broken touchpoints, rather than considering how new digital technologies and channels can work seamlessly with real-world touchpoints to elevate brand affinity, loyalty and advocacy.

Gartner's CX research provides practical resources and advice to help you build actionable personas and map persona-driven customer journeys. Use our research to design or redesign CX based on customer feedback. What you learn will empower you to develop front- and backstage blueprints that connect outside-in CX design with the inside-out view of how your business actually operates.

Planned Research

- How to Develop Effective Personas: CX efforts start by identifying the key customers, understanding their wants, needs, goals and expectations. Gartner's research will guide you through this process of creating and leveraging actionable personas.

- How to Understand and Map the Customer Journey: CX strategy development and design takes translating personas into persona-driven journey maps. Gartner's research will guide you through mapping an outside-in view of the desired journey from the customer's perspective, with the goal of delivering more potent CX processes and assets.

- How to Encourage and Reward Brand Loyalty and Advocacy to Deliver Customer Experience Benefits: The goal of improving customer experience is to increase brand loyalty and advocacy. Although both will occur organically when brands do the right things, marketers that deliver the most powerful customer experience benefits deploy cross-functional strategies and tools across the buy, own, and advocate cycles to encourage loyalty and unleash word-of-mouth at scale.

Related Priorities

Priority	Focus
Marketing Data and Analytics	Data and analytics have become the foundation of marketing, driving efficiency and effectiveness through better data collection, modeling, optimization and greater relevance to the consumer.
Content Marketing and Management	Content marketing and management focuses on creating, distributing and amplifying content assets via digital and offline channels. This content fuels audience engagement to drive business results.
Mobile Marketing	Effective mobile marketing balances targeting audiences with gathering data on how mobile device use informs marketing strategy, which is critical to successful multichannel marketing teams.
Leading and Managing Marketing	Leading and managing marketing involves setting strategy, structuring teams, sourcing and developing talent, and aligning people, processes, partners, data and technology to achieve corporate goals.
Multichannel Marketing and Communications	Multichannel marketing constitutes continual, orchestrated engagement across digital and traditional customer touchpoints.

Source: Gartner

GARTNER RECOMMENDED READING

Suggested First Steps

"How to Justify the Business Value of Your Customer Experience Investments"

"Key Customer Experience Foundations for Marketing Leaders"

"How to Turn Persona-Driven Customer Journey Maps Into an Actionable Cross-Functional Customer Experience Plan"

Essential Reading

"Use Gartner's Buy/Own/Advocate Framework to Map Customer Journeys and Deliver Better Customer Experiences"

"Survey Analysis: Marketing Leaders Struggle to Align Personas and Journey Maps to CX Efforts"

"Four Ways CX Teams Can Leverage UX to Create Better, Successful Experiences"

"How, When and Where User Research Can Improve Your Customer Experience"

"CEB Ignition™ Guide to Building a Customer Experience Journey Map"

"CEB Ignition™ Guide to Creating Actionable Insights for Customer Experience"

"Build a Voice-of-the-Customer Strategy to Harness the Power of Customer Data"

"How to Manage Effective Customer Journey Mapping Processes"

"How Marketing Leaders Make Personas Actionable"

"Use Customer Journey Analytics to Align Marketing and Digital Commerce"

Evidence

This research was created based on primary and secondary research, and client and vendor interactions.

Gartner's Customer Experience in Marketing Survey, 2017: The research was conducted using a mixed methodology (online/CATI) during June 2017 and July 2017 among 280 respondents in North America. Respondents were required to be marketing leaders with involvement in Customer Experience programs and initiatives. Respondents were all from organizations with $500 million or more in annual revenue. Respondents came from these industries: financial services (37 respondents), high tech (37 respondents), manufacturing (38 respondents), CPG (35 respondents), retail (35 respondents), media (33 respondents), transportation/hospitality (35 respondents), and healthcare providers (30 respondents). The survey was developed collaboratively by a team of Gartner analysts who follow marketing leaders and was reviewed, tested and administered by Gartner's Research Data and Analytics team.

ABOUT GARTNER FOR MARKETERS

Digital has redefined the role of marketing, adding new players and creating bigger complexities

Gartner for Marketers helps you get up to speed on and stay smarter in the eight marketing areas that matter most: social, mobile, multichannel and data-driven marketing, digital commerce, customer experience, marketing management, and emerging marketing technology and trends. Our clients say that they use our real-time, expert advice and objective research, data and tools to:

• Target the right audiences

• Choose the right channels

• Quickly shortlist marketing and technology providers

• Stay informed on market and competitors

• Save time and avoid costly mistakes

Gartner helps companies improve their business results through the use of technology. Our independent research and advice is trusted by business and technology leaders in more than 10,000 distinct enterprises around the world.

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