



Where Satisfaction Ends and the Customer Experience Begins

A Member Choice Topic

By John Ragsdale, Vice President of Research, SSPA

Customer Experience is the SSPA Research Topic of the Month for October, and when we asked members in the September SSPA News to vote for the research title they most wanted to see this month, “Customer Satisfaction vs. Customer Experience” won with 42% of the vote. This article is my attempt to explain the birth in 2006 of what I call “the cult of the customer experience,” and shed some light on how experience-based initiatives differ from satisfaction-based initiatives. While satisfaction and experience are linked, the two are quite different, with differences in three primary areas: scope, ownership, and of course, buzz.

A Question of Scope

The simplest explanation for the difference between customer satisfaction and the customer experience is this: The customer experience is made up of multiple interactions, and customers are either satisfied or dissatisfied with each interaction. The experience, then, is how customers perceive the end to end process, with satisfaction benchmarking how well each step along the way is executed.

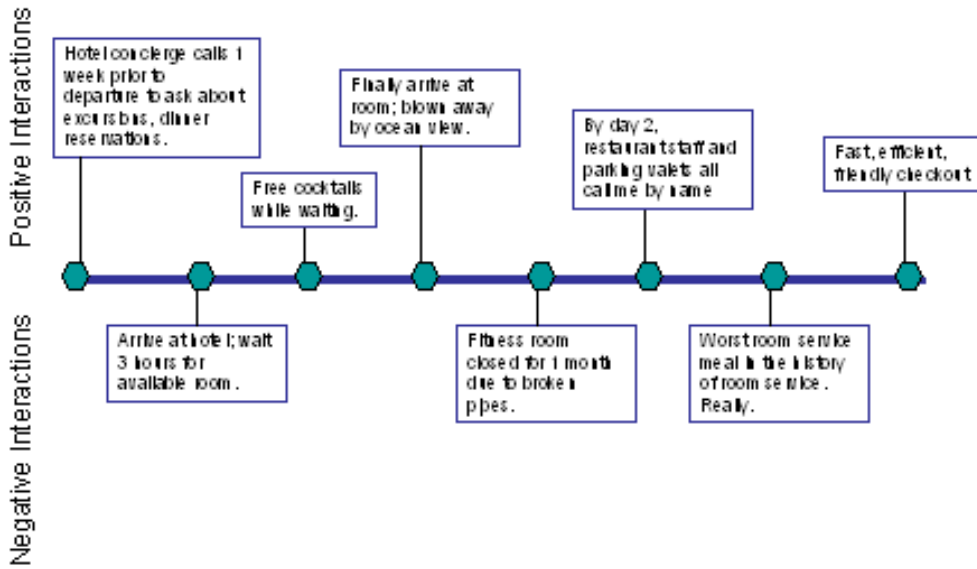
But scope is the key here. Almost every interaction can be viewed as a series of process steps, meaning even a single interaction can be viewed as an experience, with the satisfaction of each step measured. To illustrate this, let’s look at something we can all relate to, the “Hotel Customer Experience.” As you can see in Figure 1, my hotel customer experience based on my last trip to Hawaii was defined by a series of individual interactions, some positive and some negative. But in my memory, I have a single perception of the hotel experience: good, but not great, with too many unpleasant bumps along the way. So, it would appear that you could measure my satisfaction with each interaction (check in, room service, checkout), and the blending of these is my experience.

Figure 1: John’s Overall Hotel Experience

in this issue

- > [Where Satisfaction Ends and Experience Begins](#)
- > [Breakthrough Knowledge Management](#)
- > [Get Ready for SaaS 2.0](#)
- > [Have You Scheduled your Annual Check-up?](#)
- > [Understanding Channel Segments](#)
- > [Can TS and PS get along?](#)
- > [Structured Problem Resolution](#)

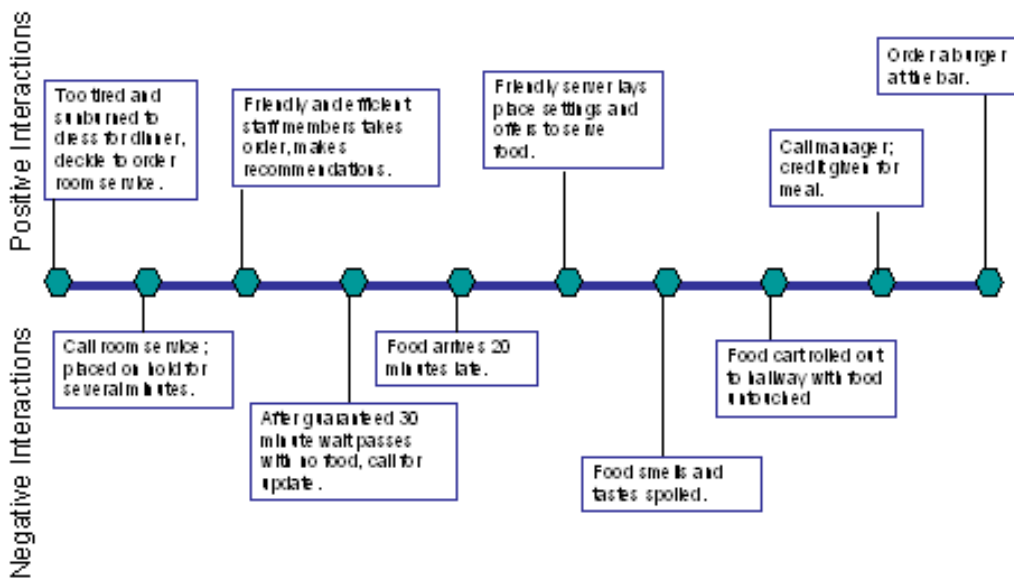
The Hotel Customer Experience



To explain how scope factors in let's move to Figure 2. I've taken a single step in the overall hotel experience and created an experience diagram for room service. Viewed from this perspective I had an overall room service experience (terrible) with a series of individual steps that were either satisfying (the friendly server) or unsatisfying (I will never order saimin again due to the memory of that smell).

Figure 2: John's Room Service Customer Experience

The Room Service Customer Experience



OK, enough about my vacation. Let's now apply the same concept to something closer to home. In terms of our industry, I consider the customer experience to be the overall lifecycle of a customer: shopping for a product, buying a product, using the product, receiving service for the product. If a customer has a fantastic experience all along the way, but receives a surly or untrained agent for a service interaction, the customer may be highly unsatisfied with the service interaction but still positive on their overall experience with the company and its products.

If you want to drill down into this customer lifecycle experience, you could plot the steps involved in the "service experience." Was the customer confused by an IVR maze? Did they hold in the queue for a very long time? Was the agent highly trained and helpful? Was the problem resolved on the first interaction or require escalation? You can survey the customer to find out their satisfaction with each step along the way, and the summation of those individual steps is their overall service experience. However, I don't think the service experience is the same thing as the customer experience, and companies should be cautious about overuse of the experience term. I'm hearing companies say they are doing after phone surveys to gauge the customer experience. An individual interaction is not the customer experience; it is merely a step along the way.

Ownership of the Customer Experience

Who owns the customer experience? Not to alienate my customer service readers, but I think marketing owns the end to end customer experience. While this view is common today, particularly in consumer companies, that was not always the case. I was booed (yes, booed!) at a Help Desk Institute conference two years ago for suggesting in a presentation that marketing

should own the overall customer experience, and service needed to partner with marketing to ensure the service portion of the experience fit the corporate view of what the customer experience should be.

I am seeing more companies with experience executives, such as Chief Experience Officer (CExO) or VP of Customer Experience, and these roles typically own or are linked organizationally to marketing. Why should marketing own the customer experience? Because marketing is responsible for defining the brand, and making sure that the brand is reinforced with every customer interaction. Marketing should work closely with support to be sure the service experience meets the definition of the brand, and contributes to a positive overall customer experience.

For those of you who think marketing is the enemy, it is time to revise that old view. Marketing often has more political clout than service, like it or not, and if marketing sees service as strategic to improving the customer experience, you may find budgets for new CRM and eService technology investments easier to justify than just arguing for them on your own. Marketing may own the overall customer experience, but the service organization is a critical stakeholder, and you must demand your place at the customer experience table.

Bottom line, if your company considers service as a differentiator, you are squarely in the sights of marketing, and service management and marketing management should be meeting frequently to discuss the goals for the customer experience, and how service can help make those goals a reality.

Customer Experience: Buzzword Bingo

I'm sure you become as tired as I do of phrases that sweep through the service and support industry; the latest buzzwords vendors use to try and differentiate themselves, and analysts like me tend to pontificate about. 360 degree view, proactive service. Web 2.0. multi-channel, on and on. Customer experience is quickly finding its way onto this list. In fact, after hearing dozens of briefings from CRM and eService vendors this year all discussing the role their technology plays in the customer experience, I started referring to the trend as "the cult of the customer experience" (still another buzz-phrase to add into the mix).

With more companies realizing the importance of the experience to increased customer wallet share, it is no surprise that vendors are jumping on the experience bandwagon, promising if you will just buy their products your customers will have an enhanced experience. But service organizations are guilty too. I attended a technology conference last week and every presentation by a customer service or tech support manager centered on improving some aspect of their service operation and how that improved the customer experience. Yet no one included a definition of the customer experience that extended beyond customer service and support.

So, to recap. My definition of the customer experience is the end-to-end lifecycle of the customer, and it is made up of individual interactions along

the way, each of which customers are satisfied or unsatisfied with. In my book, service and support owns the service experience, and contributes to (but does not own) the customer experience.

If you disagree, send me an email with your own definition. I will write an update with any compelling definitions that I receive.

About John Ragsdale.....

John Ragsdale is Vice President of Research for the SSPA. Ragsdale spent 10 years managing tech support operations before moving to Silicon Valley where he held product management and marketing positions at eService and CRM vendors. He spent 5 years at Forrester Research as VP and Research Director before joining the SSPA.

John will be offering his insight and expertise in person at the SSPA's upcoming Services Leadership Conference taking place November 12 – 14 in Washington D.C.

We encourage you to attend, where you will benefit from John's expertise in the following focus areas:

- **Breakout Session**, Monday, Nov 13 from 11am – 12pm: Capitalizing on Consumer In-Home Technology Services
- **Support Technology Bootcamp**, Wednesday Nov 15 9am – 4pm: Hard-hitting, practical workshop focused on addressing the challenges associated with technology selection and planning.
- **Technology Innovation Tours**: During the open hours of the Technology Services Expo, John will be leading informal walking tours of innovative technology vendors. Focus will be on innovations in technology, customer experience, and optimization.

Call the SSPA at 858-674-5491 for more information.

Comments? Suggestions? We would like to hear from you. Please email the editor at sspanews@thesspa.com.

[Download PDF](#)



[next article>>>](#)

Distributed by SSPA - 11031 Via Frontera - Suite A - San Diego CA - 92127
©2006 SSPA