

## DISCOVERING, DESIGNING AND DELIVERING PEAK CUSTOMER EXPERIENCES

Every company faces a critical choice in determining how it will deliver brand and customer experiences—either go through the motions or resolve to deeply understand customer needs and create experiences that truly matter.

Customer loyalty and advocacy—the goals of great customer experience—are born from trust and faith, essential human emotions. Companies that create great customer experiences heed Maya Angelou’s advice: “People will forget what you said, people will forget what you did, but people will never forget how you made them feel.”

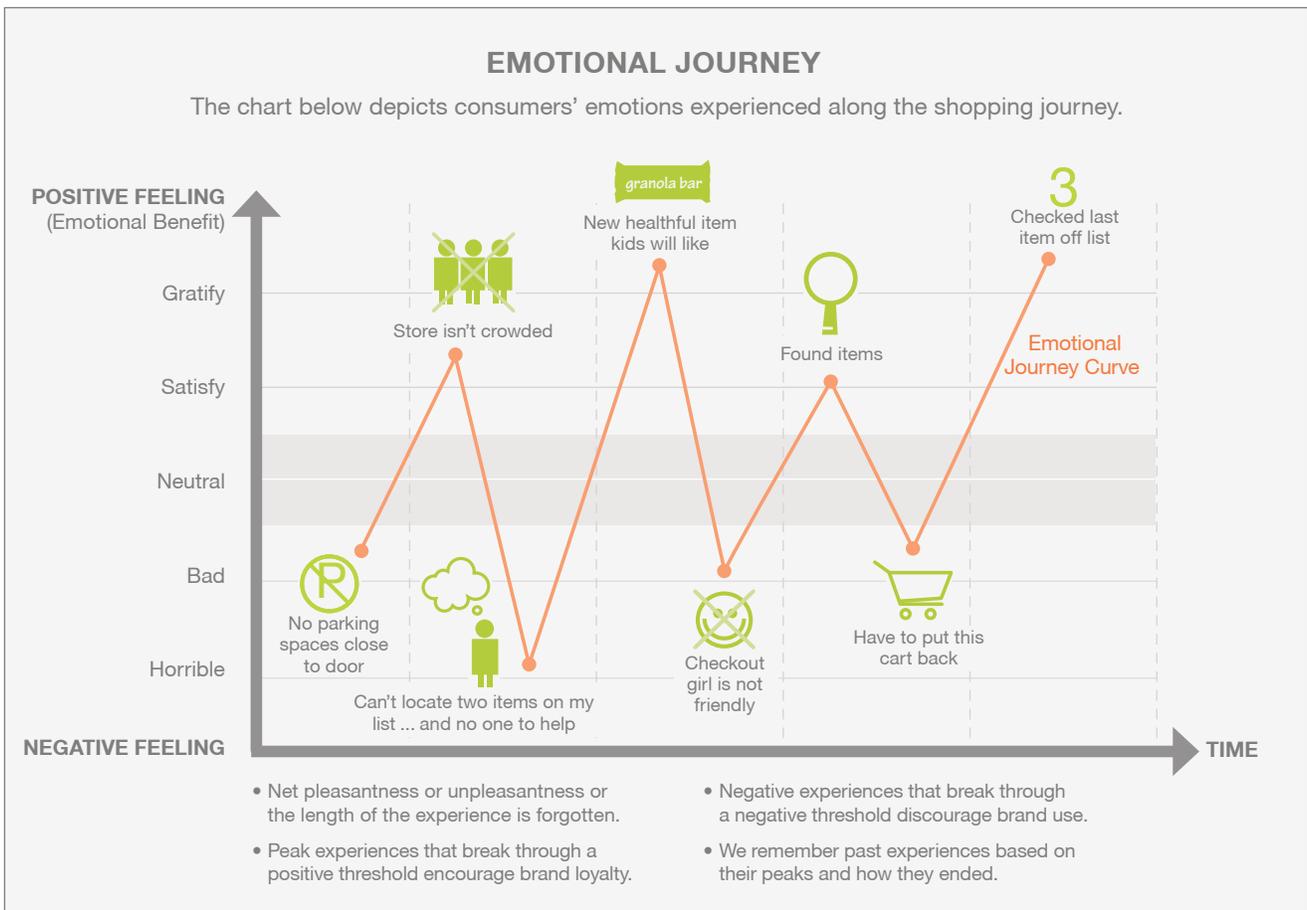
Clearly, some experiences along the customer’s journey are more emotional—and thus more important—than others, but many companies overlook this obvious fact and create needless complexity that leaves them data rich and insight poor. Decisions based on superfluous data prove

to be ineffective, as illustrated by a survey in which 80% of companies believed that they delivered superior customer experience while only 8% of their customers agreed.<sup>1</sup> In reality, there may be dozens—even hundreds—of touchpoints, but only a few are significant and actually contribute to forming the emotional bonds that truly create customer loyalty and advocacy.

*Sloan Management Review* suggests, “Organizations in general have found success in identifying and focusing on points in the service cycle where emotions tend to be high. Rather than include everything, it helps to simplify by concentrating on the strong positives and negatives.”<sup>2</sup>

## MEMORY AND PEAK-END EXPERIENCES

According to psychologists, emotions influence what customers remember.<sup>3</sup> Furthermore, exactly what we remember is determined by the intensity of emotions created by an experience—not the overall experience. Nobel laureate and



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father of behavioral economics Daniel Kahneman described this with the Peak-End Rule, citing that past experiences are judged almost entirely on the intensity of emotions at their peaks and the endpoint, the most salient resolution of a brand encounter or experience.<sup>4</sup> Virtually all other information appears to be forgotten, including net pleasantness or unpleasantness and how long the experience lasted. For customer experience managers, this means the points of most emotional intensity and the end or resolution of a brand encounter have a disproportionate amount of influence on the customer’s overall perception of the experience.

For example, a trip to the grocery involves countless touchpoints for a customer including emotional rewards ranging from finding a new product that provides healthful meal solutions for hard-to-please kids and the satisfaction of checking everything off the list and completing her shopping task to the frustrations of out-of-stock items, confusing store layout and returning a shopping cart to the queue. She will take the whole experience in stride and think nothing of it since she is accustomed to the overall irritations of grocery shopping. But her emotional mind will not forget even subtle disappointments and will evoke the feeling that she should go to a different grocery store without her ever thinking of it consciously.

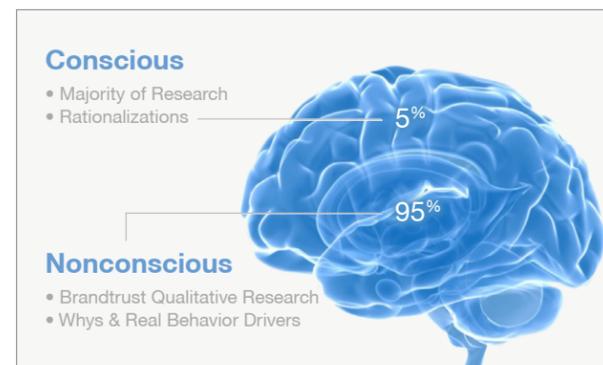
#### EMOTIONAL INTENSITY AND THE POWER OF POSITIVE EXPERIENCES

Every customer encounter and interaction has the potential to shape the customer’s perception—whether it’s happening intentionally or unintentionally. We know that consumers prefer brand encounters when the peak-end experiences have a sufficiently positive emotional intensity. This has been demonstrated empirically through a number of studies. Even television commercials that induce positive feelings are rated more highly by consumers if the commercials have high peaks of intensity and strong positive endings.<sup>5</sup>

To create memorable peak and end experiences that are positive, it’s necessary to know which moments have the greatest emotional intensity. It is also imperative to know which underlying emotions are associated with each moment—and

the triggers for these emotions.<sup>6</sup> Typically, the underlying cause for an encounter that evokes positive or negative experiences is deeply rooted in the consumer’s nonconscious memory.

An excellent example is seen in London, where the rail authorities realized a negative experience was created while commuters waited for Metro trains to arrive at their station. On deeper discovery, it turned out the reason why this experience was causing emotional anxiety wasn’t as much from the waiting as not knowing when the next train would arrive. Would it be 5 minutes or 20? Once officials installed digital displays indicating the time until the next train arrived, customer experience statistics improved. In retrospect, it’s easy to see how replacing ambiguity with order reduces anxiety, but it took decades of poor customer experience before anyone realized how this key emotional insight could be utilized to design a



It is in the cingulate cortex that decisions are made. Reason and emotion commingle and we are able to coordinate our emotional response to direct our actions and thoughts.

dramatically improved customer experience.

To successfully shape the customer’s journey, it’s important to understand more than what customers are responding to.<sup>7</sup> It’s essential to understand why. Knowing why enables companies to align touchpoints with positive drivers for behavior, creating customer experiences that consistently generate brand loyalty.

#### THE ROLE OF NONCONSCIOUS MEMORY

Throughout our lifetime, our nonconscious minds store incomprehensible amounts of information by categorizing and

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cataloguing memories according to the nature and intensity of the emotion associated with each memory. The neural activity that creates these memories can be stimulated in a variety of ways—by touch, sound, sight, smell and emotion.

Whenever the brain processes new stimuli generated by a touchpoint, the nonconscious brain associates the emotion attached to related memories. Neurological studies have demonstrated that the brain does this before we make conscious, rational decisions. In order for us to function, approximately 95% of thought, emotion and learning occur in the nonconscious mind, according to neuroscientists.<sup>8,9</sup> This has led behavioral scientists to realize that customer attitudes, feelings, perceptions and behavior in response to experience are governed primarily by nonconscious responses—not by conscious decisions.<sup>10-13</sup>

It’s also critical to understand that because these emotions are deeply rooted in customers’ nonconscious memories it’s all beyond their awareness—and, beyond what conventional research techniques can reveal. Consequently, measuring rational metrics for customer experience cannot provide the deep insights necessary to understand what represents an emotionally resonant experience.

#### UNDERSTANDING THE MIND OF THE CUSTOMER (MOC)

Many marketers rely on the voice of the customer (VOC) for feedback—usually by asking questions about a brand encounter. However, the mere act of asking a direct question triggers the respondent’s conscious mind to give a “correct” answer, according to behavioral and decision-making studies.<sup>14</sup> The conscious mind often supports its answer with a rationale that sounds right but masks the true, underlying nonconscious emotions that actually drive feelings, preferences and behavior.<sup>15,16</sup> This discrepancy between nonconscious and conscious responses is common, according to neuroscientists.<sup>9,15</sup>

Compounding this is the fact that word choice, context and the sequence of questions can prime respondents about what the “correct” answer is without the questioner or respondent being aware of it.<sup>16-19</sup> It has been estimated that up to 80% of the messages and meanings we convey to one another are

expressed in nonverbal ways, such as through gestures, body posture, intonation, distance, eye contact and pupil dilation.<sup>19</sup> For these reasons, it’s critically important to shift your mental model from “voice of the customer” to “mind of the customer” and probe it with research methodologies that do not misdirect or prime the nonconscious mind.

#### DISCOVERING AND DESIGNING THE CUSTOMER EXPERIENCE

Emotional Inquiry<sup>®</sup>, a form of research pioneered by Brandtrust, is proven to discover the deeper, richer whys underlying the customer’s nonconscious motivations. Interviewers, with strong social sciences backgrounds, utilize visualization and relaxation techniques, probing rather than prompting. Respondents describe what they see in their “mind’s eye” instead of answering direct questions. Over the course of interviews and synthesis, patterns emerge, enabling researchers to isolate and describe emotional intensity during peak and end moments across various touchpoints. More importantly, they are able to identify and understand the nonconscious whys that cause these feelings.<sup>8,19</sup>

By applying these insights, it’s possible to design customer encounters that are emotionally rewarding for customers. Brandtrust also applies these insights to design and validate quantitative surveys that effectively measure and monitor meaningful metrics and thresholds for touchpoints.

#### STEPS TO DISCOVERING, DESIGNING AND DELIVERING PEAK CUSTOMER EXPERIENCES

Peak customer experience is best defined and understood on the basis of how it evokes emotion within the customer. Customer responses are driven by emotional triggers, which are deeply rooted in the consumer’s nonconscious memory—beyond what conventional research techniques can reveal. Discovering what emotions your experience evokes is one of the first steps in delivering a peak customer experience.

Another key step in delivering a peak customer experience is building empathy for the customers you serve. Project teams are usually very busy. They are stretched thin—running on tight budgets and even tighter deadlines. There is rarely time in the schedule to think about customers, let alone invest any

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significant time with them. Yet this is exactly the type of activity that will often help clarify the situation, enable teams to work more efficiently and focus on those things that truly matter to the people they serve. This is where empathy building can help.

Getting senior leadership and other key stakeholders to “live” the experience can help your team understand what your customers experience in their day-to-day lives. It can truly shift the way you look at your business and spark fresh thinking that is rooted in empathy and an understanding of your customers.

Discovering the deeper drivers of your customers’ behavior and building empathy are critical for designing your emotional platform. The emotional platform is really about setting the experience vision and identifying what emotional responses to evoke. It’s about defining what actions will be directed, to whom and how they will be enacted. From the vision you can set the touchpoint map in motion to achieve the right responses.

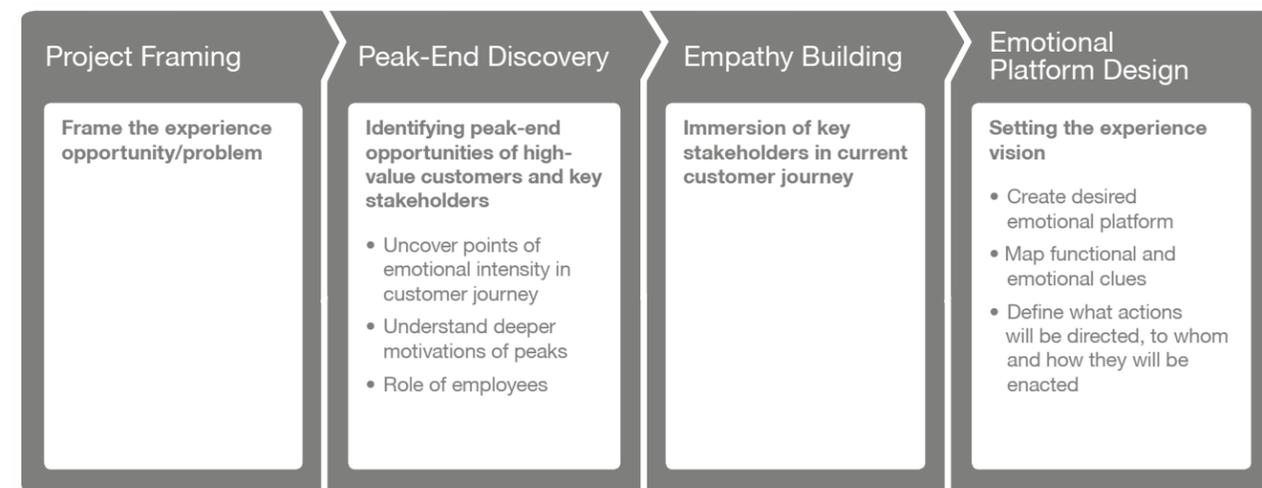
Even with the best experience vision and touchpoint design in place, however, leadership and employees must “emotionally own” any kind of change initiative for it to be successful. Only they can make it happen. Customer experience is something that has to be personally internalized. It must be “caught not taught.” Leaders who want to change the way people think or behave must recognize, encourage and deepen their teams’

insights through collaboration that creates shared vision and values.

To ensure that the new brand position is “caught not taught,” Brandtrust utilizes a well-proven approach known as Appreciative Inquiry. It focuses on posing appreciative questions and envisioning the future in order to foster positive relationships and build on the present potential of the client organization or situation. Applied social science research has demonstrated that this “positive psychology” approach improves an organization’s internal capacity for collaboration and change.

The basic idea is to utilize the findings from Emotional and Appreciative Inquiry to get individuals and organizations to focus on what works. Appreciative Inquiry draws its strength from the alignment of insights with stories of success to create meaning for and engagement with the new experience. This approach motivates and inspires individuals and creates a strong sense that “living the experience promise” is more than a project. Instead, it becomes a way of life; it is never finished and continuously drives improvement.

It is one thing to articulate a promise and another altogether to live that promise. The most important aspect of this new focus involving internal stakeholders is a well-designed and well-implemented, highly inclusive internal experience engagement



“Harnessing the power of peak experiences begins with emotional insights.”

program.

To accomplish this, a work plan should be undertaken to facilitate rapid acceptance, understanding and adoption of the essential behaviors necessary to bring the vision and values of the customer experience to life throughout the organization. This process will help to transcend ambiguities and inspire individual colleagues to internalize and live the experience promise.

**BRANDTRUST CUSTOMER EXPERIENCE CASE HISTORIES**

For over a decade, Emotional Inquiry® methodology has been used to discover foundational understandings of the nonconscious motivators for brand and customer experiences. These insights directly inform strategies for designing and delivering optimized customer experiences that create loyalty. Following are a few case histories illustrating how emotional insights enabled companies to improve the customer experience and, consequently, build brand preference and loyalty.

**Increasing Net Promoter Score® with deep insight into the customer’s emotional experience**

A major appliance maker uses Net Promoter Score to measure consumers’ ownership experience and predict intent to

repurchase. Increasingly the scores shifted lower and trailed the average of competitors. Research data indicated what was happening but failed to reveal why fewer consumers wanted to promote the company’s products versus their competitors’. The company turned to Brandtrust to answer its nagging questions. Emotional Inquiry® successfully revealed the deeper emotional and psychological reasons behind the brand’s troubles. The findings were critical in helping the client frame strategies designed to reverse the declines.

**Creating a positive experience even when the power goes off**

What could a major public utility company do to raise customer satisfaction scores consistently in the 90th percentile? Senior managers, whose performance evaluations are based on increased customer satisfaction, wanted to know. It’s difficult to improve satisfaction when the only time people think of the utility is when there is a problem or power outage. Emotional Inquiry® revealed a critical singular positive peak experience recalled by numerous customers. Strategic concepts designed to intensify this peak experience were developed and deployed during power outages and service calls. The new strategies have created incremental gains in customer satisfaction.

**Reversing the share erosion of a top beverage brand caused by a poor customer shopping experience**



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A top beverage brand had significant share erosion occurring in critical U.S. markets. Scanner data clearly indicated what was happening, but the beverage maker could not explain why. Brandtrust Emotional Inquiry<sup>®</sup> and a Touchpoint Analysis were completed to discover the deeper reasons why the brand was losing share. Peak encounter emotional issues were revealed involving packaging, merchandising and SKU counts that created a poor customer experience. The poor experience also contradicted the essence of the brand position and promise. Corrective measures were taken to revise packaging and SKU rationalizations to abate share erosion.

***Teaching old customers new tricks helps a top package express company improve customers’ experience***

This well-known overnight package express company wanted to understand the key motivations of its business-to-business customers in order to improve their overall experience. Brandtrust’s Emotional Inquiry<sup>®</sup> discovered the emotional elements that create peak experience moments for the company’s best customers. The findings are being used to incorporate new and improved touchpoints that promise to create similar peak moments for target customers who have the potential to become better customers.

***Ensuring that an iconic brand promise comes to life on the dealer’s retail sales floor***

One of the world’s top motorcycle brands worked with Brandtrust to understand its customers’ deeper nonconscious, emotional motivations for this well-loved brand. Revealing the deeper psychological reasons that create the passion for the brand also pointed to the importance of the entire life cycle and ecosystem of the brand experience. The dealer encounters necessary for shopping, purchasing and maintaining a motorcycle are critical. The findings are being utilized to craft new approaches for dealer training and communications. These new approaches will ensure that the customer experience is optimized at the most emotionally relevant peak moments of the customer experience.

***Creating new customers through attention to the details that matter most in the customer experience***

One of the largest contractor services companies wanted to know how to create greater customer loyalty and acquire new loyal customers. Emotional research and Touchpoint Analysis clearly pointed out what really matters to builders in the company’s service offering. As it turns out, the “little things” in the relationship and the overall experience are the elements that matter most in the emotional evaluation of customer experiences. The findings are being used to review and enhance the most critical encounter points of the customer’s experience.

***Optimizing a top insurance company’s direct-to-consumer sales and service experience***

Insurance companies usually do not come to mind when you think of a superior customer experience. If you’re talking to one, it’s probably about something bad—a problem on your bill or the accident you just had. One of the oldest and largest insurance carriers asked Brandtrust to help change that negativity into something positive. Emotional Inquiry<sup>®</sup> was instrumental in pinpointing the critical exchanges throughout the customer experience—from getting a quote and buying a policy to filing and getting paid for a claim. Several key touchpoints were identified ‘that created angst and anxiety’ customers weren’t aware of consciously. The company reworked a number of policies, procedures, products and communications to deliver a much more customer-sensitive experience. Customer retention and satisfaction rates have increased significantly.

***Treating the entire customer experience as a holistic and aesthetic encounter***

A large healthcare company struggled to understand why it could not improve patient satisfaction scores in several specialty areas. Many things were tried and still the scores refused to budge. Brandtrust was engaged to conduct Emotional and Contextual Inquiries along with a comprehensive Touchpoint Analysis of the patient’s end-to-end experience. The research suggested the staff training had paid off—patients were very approving of the human touch evident throughout the facilities. Some processes and procedures needed improvement, but the research revealed

“Emotional insights enable companies to improve customer experience.”

that neglected aesthetic nuances were creating negative impressions, affecting nonconscious feelings about the facility and the care that might be provided in such an environment. (If you can’t take care of the plants, can you take care of people?) Corrective actions were taken to improve the unappealing aesthetics and over time satisfaction scores began to rise.

***Breaking down barriers by building empathy***

Long-term care insurance is a product that has never been easy to sell. The product causes people to consider their own mortality and face their worst fears of being sick and unable to care for themselves. This creates a complex emotional minefield for the customer and the salesperson. Though business was good, customer acquisition and closure rates were low and the turnover in salespeople was very high. Brandtrust was engaged to help our client better understand its customers. The company had customer demographics, a general idea of market segmentation and even specific sales ratios, including one that indicated customers compared up to three companies before purchasing a policy. The client was well aware that a customer’s negative attitude caused salespeople to lose heart quickly. Better salespeople resorted to high-pressure tactics, but most simply gave up over time. Recruitment and training costs were through the roof.

Emotional research revealed consumers worry about their responsibilities to loved ones and even more deeply about how they will be remembered. The research revealed that these feelings create such psychological barriers that customers rarely shop the policies at all. It also pointed to a specific set of questions and probes the salespeople could use to change the interaction from guarded to open and trusting. Brandtrust recommended the client embrace the idea of creating authentic affinity with seniors and become completely engaged in understanding the real needs of seniors. Brandtrust worked together with the client to develop an extensive list of initiatives the company could undertake to build the brand and build the business.

***Creating an insights-led category experience and growth strategy***

Category sales were down at this CPG brand’s largest retailer. As the paper-crafting category leader, our client was being challenged by its largest retail partner to offer solutions to turn the declining trend around. While this CPG brand had good consumer insights, it lacked the fundamental shopper insights and knowledge about the steps in the purchasing journey to create the right experience at the point of purchase. Brandtrust was engaged to help understand why the decline was happening and what to do about it.

Insights revealed that paper-crafting projects are both very involved processes and offer the potential for huge payoff for crafters and retailers alike. Brandtrust was able to help its client understand why women do paper crafting. Furthermore, the company was able to reveal the underlying emotions driving the shopping behavior of these crafters as well as uncover what experience they were looking to have. Insights revealed that a crafter’s shopping experience in the crafting aisle is a critical component in making her vague project idea real and attainable. Understanding the unarticulated hierarchy of needs and how these needs are being met at each stage of the path to purchase is fundamental to creating peak experiences and retail success.

Brandtrust created a long-term learning plan to help its client understand deep consumer and shopper emotional drivers of behavior. These rich insights were then used to inform internal branding, marketing tactics and retailer category growth strategies.

The results? There was an immediate change to the plan-o-gram and test in 250 stores. The client was also asked to develop a vision for the paper crafts department to deliver the desired shopping experience. This great achievement has secured its role as a thought leader and ensured a seat at the table for all future important retailer initiatives.

# “Shift your mental model from ‘voice of the customer’ to ‘mind of the customer.’”

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