Quadrant II – Notes

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Unit I: Introduction to CRM
Module Name: Pitfalls of Customer Service/ Sales Profile, CRM typical business touch
points
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Pitfalls of the Customer Service/Sales Profile:

There are two common pitfalls that cause individuals and departments to become misaligned around their Customer Service/Sales Profile.

1. **Focusing on the top:**
   It's personally and professionally satisfying to have customer advocates. Human nature yearns for that positive affirmation. Beware of taking their praise so much to heart that you begin to think that anyone who isn't an advocate is just too picky and hard to please.

2. **Focusing on the front door:**
   Initial transactions are critical, but they're only one step in the customer relationship. When a rush of activity comes and especially when it stays, it's easy to get caught up in processing customers through faster and faster. "Don't worry if it's not perfect, someone else is waiting to be served!" Yet, when the rush is over and you're waiting in vain for the next new customer, all those initial transactions will be looking for someone else, someone more service-oriented, for their next transaction.

CRM – CUSTOMER TOUCH POINTS

CRM helps companies acquire new customers and retain existing and expand their relationship with profitable existing customers. Organizations must recognize the numerous and diverse

interactions that they have with their customers. These various types of interactions are referred as customer touch points.

But what exactly is a touch point? A touch point is defined as, all of the communication, human and physical interactions your customers experience during their relationship lifecycle with your organization. Whether an ad, Web site, sales person, store or office. Touch points are important because customers form perceptions of your organization and brand based on their cumulative experiences. We can conclude the definitions for customer touch point is the point of interaction between brands, businesses, products and customers.

Traditional customer touch points include telephone contact, direct mailings, and actual physical interaction with the customers during their visits to a store. Organizational CRM systems, however, must manage many additional customers touch points that occur through the use of popular personal technologies. But for now, technologies has changed the customer touch points. Mostly, customers use e-mail, websites, and communications via smartphone to interact with the company representatives.

Customer journey touchpoints

<u>The pre-purchase touchpoints</u>

The pre-purchase touchpoints are often described as producing unknown results. They are defined as all the moments of contact a potential customer has with a business before they interact with the business themselves. Even though their individual effects on customers cannot be translated into data all the time, they are still a valuable part of the customer journey.

There are plenty of different forms that a pre purchase touchpoint can take, for example:

- Social Media Adverts
- Social Media Posts
- Displayed Advertising on Websites
- Word of Mouth
- Employee Generated Content

- Media
- Content Sponsorship
- Marketing

Knowing which of those touchpoints are the most significant to you and leveraging their influence is an essential part in crafting a good customer experience.

The purchase touchpoints

The purchase touchpoints are all the interactions the customer has with the business while they are purchasing the advertised service. Years ago, the main touchpoint of this most likely took the form of physically going into the shop to make a purchase. However now there is much more to consider in terms of purchase touchpoints, for example:

- Website
- Sales Team
- Customer Service Team
- Physical Store
- Events
- Through distributors or retailers

Ensuring that the experience customers have at this point is vital a good way to increase the likelihood that this customer will become a customer for life. Acquiring a new customer can cost five times more than retaining an existing customer, hence it is in the best interest for a business to ensure that this part of the customer journey is as smooth as possible.

The post-purchase touchpoint

Assuming that the customer journey is over once they have made their purchase is a mistake that can cost businesses time and money. Here are a few examples of post-purchase touchpoints:

- Forms

- Social Media (Making sure that you don't forget about your existing customers on your social media is crucial if you want to create a community around your business)
- Email
- Newsletters
- Customer Service
- Loyalty Programs
- Billing

Customer Journeys are becoming more varied and complex due to the increasing number of touchpoints. For a business with the desire to improve their customer satisfaction they need to be aware now more than ever of what their touchpoints are and whether they are aiding their businesses or not.

Why Do We Need to Understand Touchpoints?

If we want to improve interactions with our customers the key starting point is to understand what those interactions are and where they take place. Without that understanding it would be impossible to measure any improvements or indeed to see if changes made to those interactions were having a detrimental (rather than positive effect).

Designers can design interactions, at least those within our control, and to be able to do so they will need to understand what need is driving the interaction and where and when the interaction takes place. This is clear in the differences in designing for desktop and mobile applications, for example, we know that there is a higher risk of a mobile user being distracted regularly whilst working on an application than there is for a desktop user. Thus interactions on mobile need to be recoverable (e.g. the user can return and pick up where they left off) more so than desktop interactions need to be.

For smaller products it can be useful simply to list all the possible touchpoints (interactions) for the product. This enables a high-level overview of where the design team needs to focus their efforts to improve user and customer experience. For larger products, where such a list is likely to become unwieldy, the touchpoints can form the basis for customer journey mapping and a full

understanding of how a "typical user" or an individual user interacts with the brand, product, etc. over time.

Why are touchpoints important in the customer journey?

The most important thing about touchpoints is that they are where people form opinions about your company. Often a customer interacts with your brand 20 times before they purchase. Each one of those leaves an impression. And each one is an opportunity to leave a favourable impression that ultimately leads to a sale. Effectively monitoring and perfecting your touchpoints is now a competitive act. They create the opportunity to win a customer from a competitor, retain more loyal customers, and to influence purchase consideration.

How to do a customer touchpoint analysis

Managing your customer experience is an ongoing process, and one that is a team effort. The first thing you need to know about customer touchpoint analysis is that they're never complete. Customer expectations change over time and you must evolve with them.

Stage 1: Planning your touchpoint analysis

Get ready for customer touchpoint analysis by doing preparation and planning. Identify which personalities you want to analyse the touchpoints for, outline your objectives, and plan your research methods. Will you be interviewing customers? Running a workshop with internal stakeholders? Gathering touchpoint data manually or using software?

Stage 2: Measuring touchpoint baseline

Map each customer touchpoint you know using the templates. Identify every touchpoint a customer interacts with pre-purchase through to purchase, lay it out using an online platform or on a whiteboard.

Stage 3: Gather & analyse customer feedback data

Collect data to build out your knowledge of each customer touchpoint. Interview your customers and collect feedback to understand how your customer's feel at each touchpoint.

Stage 4: Take action on your touchpoint improvement plan

Develop a plan that revolves around your findings from stage three. Low hanging fruit are a great place to start. Ask yourself, which problems are having a large impact on customers but are easy to solve? The rest of your plan should focus on eliminating or improving underperforming touchpoints. The ones that are most important to your customer should be prioritised.

Stage 5: Measure improvements made to each touchpoint

From your baseline measurements, you'll want to track movement in customer satisfaction score and Net Promoter Score that resulted from your projects. Key performance indicators like lifetime value of the customer and retention rates should also be measured and linked back to change.