

What Enterprises Need to Know About Delivering Value in the Experience Economy

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In today's Experience Economy, savvy, informed, and empowered customers control brand success — or demise.

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Savvy, informed, and empowered consumers are driving digital enterprise today, signaling that we are in the Experience Economy.

Customer expectations are based on their last great brand experience (compete with Amazon, anyone?). Brand loyalty is hard-won and harder to keep. Newcomer brands can topple established companies because they understand emotional engagement, agility, and emerging technologies. Employees – the backbone of business – are in overwhelm, overload, and have “over it” attitudes, causing brain drain to organizations. These are massive odds for enterprise to overcome on their own, but there’s more.

Well-established organizations get stuck in IT bloat, bogged with technology debt, siloed work teams, dated processes, tainted data – all while under pressure to perform flawlessly and provide real-time data for mission-critical decision-making. They might know what they need to do but lack the ability to pivot toward more competitive operations and positioning.

Startups begin with the end goal – frictionless enterprise that delivers relevant value upon customer demand – but they can lack the experience or know-how to translate their vision into reality.

Essentially, the way enterprise has always been done doesn’t work anymore.

A Tale of Two Assertions

Up until now, there are two abbreviations that describe how business is done – B2B or B2C – but, the reality is that business today is H2H – human to human – regardless of the scale or audience.

Historically, business has operated from two assertions:

- 1) that their customer was always external; and,
- 2) that their customers could fit in a box.

Why? Because enterprise has evolved through the industrial revolution to the Experience Economy.

It was revolutionary in 1913 for Henry Ford to develop an auto assembly that reduced the time spent building a car from more than 12 hours to just 2.5 hours. In doing so, he put in place a process template that business adopted as efficient for the next century.

The problem is that, outside manufacturing, most enterprise today has no conveyor belt with identical parts that predictably create the same result for every customer. That definition of efficiency is irrelevant for where we are in business today. Why? Because customer experience is not linear; in fact, customer experience needs to be personalized based on meeting the customer where they are vs. where the business thinks or wants them to be in their buying journey.

Even more, customer experience is not limited to external buying customers but includes internal customers – employees, leaders, partners, and stakeholders.

The Micro-Moment Experience Economy

Business today operates in many intangibles, where “in the moment” experiences – that are both within and outside the scope of influence for a given company – shape and determine success. Paralleling real life, business unfolds through their customers’ intangible perception of it as they experience it. Everything that touches or comes from the brand becomes part of that organization’s experience – from social chat to an online review to an article to a casual conversation over coffee. Ironically, the enterprise may not even know their own story if an experience or perception has been stated, published or promoted without their knowledge.

In other words, we are in the Experience Economy where customers control the brand’s success (or demise) from moment to moment.

The collective mindset of the enterprise has, traditionally, focused on the assembly line. Meaning that marketers have been trained to think in end-product results that are similar for every customer (and as determined by the business vs. the customer).

The results are produced by invisible internal consumers of the brand promise – the employees – and business infrastructure, workflows, and technology which all operate with that same linear construct of “industrial” business.

So enterprise today typically uses history as the compass for how to conduct business today. The people delivering goods are doing what they’ve been taught as best practices, despite the underlying “industrial” philosophy. The people who are buying goods are speaking up about what they want and are voting with their dollars; loyalty is a moving target. Business leaders may see the issue but not know how to change it given the Internet of Things, where technology and information converge to give consumers more options than ever before.

The big takeaway is this: what got us “**here**” will not get us “**there**.”

Buying decisions are made in the moment by real people who are making choices in the small in-between spaces of time based on cumulative insights from various sources. Accordingly, the mandate for savvy enterprise today is to deliver predictable, relevant value through personalized relationships (for both internal and external customers) and accommodate real-time shifts in marketplace needs and wants at the speed of dynamic conversations wherever they are happening. In short, it’s all about the H2H experience.

The Symptoms of Compromised Enterprise

So how does an enterprise know if they are not quite ready for the Experience Economy? There are many symptoms that can indicate when it’s time for an enterprise to upgrade their ability to deliver value in this increasingly fast-paced business environment. None of them can be considered a singular factor; instead, any one of them usually indicates systemic issues.

In random order, here are some of the symptoms of compromised enterprise (meaning, it’s time to systematically and strategically upgrade the experience).

Planning to plan (vs. actually planning)	Not knowing the market (or current conversations)	Inconsistently managing social presence
Barriers to collaboration	Not able to articulate their differentiator	Not establishing or adhering to brand-wide standards and practices
Inefficient (reactive) communications	Lacking focus (goals/targets)	Not maintaining consistent voice and personality across channels
Fragmented martech stack	Not knowing what content to create and promote	Not demonstrating ROIO (or figuring out how to)
Legacy systems (teams, technology, workflows)	Not driving quality leads	Not determining what metrics to monitor
Functional silos (between sales & marketing & IT, for example)	Promoting brand awareness poorly in a saturated environment	Not managing continuously incoming data
Erratic knowledge transfer	Not recruiting or finding quality content generators	Not optimizing brand/messaging across channels
C-suite separation from front lines	Not holding others accountable/having performance standards	Not engaging with customers in authentic conversations (only posting/promoting)
Employee disenfranchisement	Postponing or delaying response to customer conversations	Not identifying internal transformation champions
Not resourcing right/quality talent as needed	Not targeting ideal customers within marketplace	Not staying current w/ industry news, technology, best practices
Not beginning enterprise-wide transformation process (or knowing how to)	Not owning the (right) conversation socially	Not educating employees on marketing and brand management
Misunderstanding customer emotional buying triggers	Not innovating mindset, workflows, and customer solutions	Not managing online reputation
Not plotting customer lifecycles to intentional touchpoints	Systems incompatibility and/or lengthy integrations	Not optimizing campaigns
Not visioning the future to both accommodate and lead the path to it	Lacking career training and career path development	Not being transparent, especially when handling problems

If you recognize your organization in just one of the symptoms listed, then the time is now to consider new options for delivering more value to your external and internal customers.

The future of your enterprise depends on it.

Customer Experience Is Not the Right Goal

Wait, what?

While the “customer experience” is the formula for success in enterprise today, it doesn’t usually consider employees and *their* experience. That means customer-facing personnel – the ones on the front lines who actually talk with, relate to, and build relationships with customers – are typically the most under-appreciated group in the business ecosystem. Staff also brings their expectations of seamless technology into the workplace based on their experiences with other brands – that’s a factor that encourages keeping systems current.

The working definition of customer experience also presumes the brand will control and dictate what the customer experience should be in processing buyers down the assembly line of delivering purchased goods (whether products or services). There is no assembly line. And the enterprise can position to shape their brand story, but the experience is what will prove it out in the real world.

Generally speaking, the customer experience is usually broader than the brand knows and can reliably control. Unfortunately, in some cases, the customer experience is only meaningful to the brand when the customer fits their mold of expectations. This can mean lost opportunities and revenues if the enterprise does not innovate solutions quickly enough to accommodate new or unexpected customer behaviors and preferences.

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Profit is merely a by-product of delivering value throughout all stages of the experience.

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And the customer is dynamically changing the conversation based on emerging needs and wants, while expecting enterprises to know and understand what they want and then deliver it on their timetable. That means if your shipping partner drops the ball, it is your brand that suffers (not the shipping partner’s brand). If your competitor offers a next-level solution and your enterprise does not have a solid relationship with your customers, you may lose them. If your brand makes an unclear promise, social reviews will reflect customer confusion. If you name your product “X,” but the market thinks of it as “Z,” potential customers will not find your product. The scenarios are endless. To paraphrase a quote by hockey great, Wayne Gretzky, the key is to be where your customer is going to be next. (He said, “*Skate to where the puck is going to be, not where it has been,*” but you get the idea.)

The truth of it is that your customers own your brand experience and your enterprise must live up to their standard or risk becoming irrelevant.

Out with the Old

The “old” formula for success also assumes customers are something other than people with full, rich, robust lives. The assumption is that the competition is another company; the reality is that daily life is the competitor. Laundry, cleaning the house, doing errands, making dinner, and socializing take precedence in everyday living. The real competition for any enterprise is customer attention.

Too often enterprises do not know their real differentiator, much less their customer or the conversation they should be leading in the marketplace, which means they are missing the mark with customer experience anyway. (Hint: If the copy on your website could be placed on any other website and it would make sense for that provider as well, it is not unique to you and does not convey your DNA or distinct niche advantage.)

Relationships, including those in business, are about an exchange of value; ideally, that value is something that cannot be obtained elsewhere. We value what we cannot get otherwise, even if that is not about the product itself but is the personality, brand promise, distinctive voice, or something else that moves us. When the value is mutually beneficial, the relationship is sustained over time. When the value becomes less than the investment put into it, the relationship will inevitably change.

Power Follows Money

In relationships, especially in business, the person with the money has the control. That means the customer “owns” the power in the relationship they have with a brand. And that means there has been a significant shift in business.

Traditionally, business would offer what they thought people wanted, creating from a profit mindset (i.e., what will make the most money for the company). Successful business today seeks to understand the buying customer first, then create a product or service that is seamlessly and thoroughly delivered, from which profit is a by-product.

Artificially constructed associations have given way to authenticity, transparency, and real connection through conversations and engagement. Accordingly, traditional processes within established systems are breaking down. As mentioned, what worked in the past will not take organizations to next-level success anymore. Customers are evolving business. Processes, presence, and relationships must keep pace with that evolution.

Despite knowing that power follows money, one of the most short-sighted focal points for enterprise is bottom-line results. Why is that? Because the bigger game is about lengthening customer lifecycles and relationships for brand loyalty and advocacy (vs. only revenues).

In other words, the customer transaction and relationship is significant, but just as important is the cultivation of the relationship over time and through their personal networks to generate referrals. It's about expanding the sphere of influence of the brand. This enables the company to save marketing and recruiting funds, increases customer and employee lifetime value, and attracts new customers through their existing customers.

How to Have No Competition

Typically, decision-making happens for two reasons: 1) it makes economic sense, as in, the customer spends \$1 and gets \$3 worth of value back; or 2) it meets a hedonistic need – it saves the customer time, energy, gives them status, increases their esteem, feels good, etc. The second is the more powerful motivator to take new action. So emotional triggers are more important than financial ROI (Return On Investment).

This means that competition can be neutralized or even eliminated when there is a perception of high hedonistic value to your customers. And yet, companies continue to define their competition as another company and where they perceive themselves to be in relation to other companies. This leaves the customer out of the business-building equation because it's all about competition vs. attraction.

By offering outstanding experience, with relevant value, there is no competition. But companies know how to be competitive. They know how to run the race, add more tactics, do more with fewer resources, go the extra mile because that is the thrum of industrial “business as usual.” Of course, this results in a depletion of internal resources, a void of creativity, and a focus on maintaining activity vs. making progress. Some studies have shown that truly productive time is only about three out of every eight-hour workday, given the time needed to maintain what is already in motion.

Sometimes companies have become so efficient that they've left the customer out of the process. Their goal is to process the customer rather than solve problems or build relationships. The emphasis is on selling customers a solution vs. understanding and then solving their problems.

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To go back to the way it was 'then' is impossible because what was then – circumstances, knowledge, relationships, etc. – does not exist anymore.

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Another step that enterprises often take is to attempt scale and increase efficiency (more, more, more...) by collaborating with different partners and networks. This serves only to put even more distance between the enterprise and their customer. Altogether, efficiency – without humanity – is now yielding diminishing returns.

In contrast, consider the possibilities of companies that focus on digital excellence and frictionless operations. The emphasis is on driving relationships rather than maintaining egoic positioning, on discovering the ideal target audience and their expectations of your brand (then orienting technology and systems around delivering that), and on relationship retention rather than lead generation.

The short answer to all this is to connect more meaningfully with your customer in a way that is effective, seamless, and delightful (in that order).

Why Aren't Enterprises Changing?

When customer loyalty changes with one swipe, when margins are dropping as technology streamlines operations, when customer buying behaviors shift to accommodate exponentially new options, global markets become extremely competitive. Big brands are going out of business because they are not heeding the call – Blockbuster Video, Circuit City, Pan Am, Amoco, Woolworth's, Tower Records, Polaroid, Linens 'n Things – the list of now-defunct iconic enterprises gets larger by the month.

With the carcasses of such formerly significant enterprises strewn about the business landscape, and the knowledge of the changes and factors that can lead to such outcomes, why is there not a greater sense of urgency within enterprises to take note and act accordingly?

In other words, why are enterprises still doing what they have always done despite the obvious evidence that they must take new action? Why are these factors not urgent enough to incite transformation?

In two words, human nature.

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The right syntax – or order of flow – must be applied to the process but not necessarily to the experience.

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Business Psychology 101

Humans have a need to believe that what they already know is right so they look for evidence to support their existing beliefs. It's about knowing that one's worldview is right because if what you know isn't right, what else could you be wrong about, right?

Unconsciously, this is about self-preservation. It can be destabilizing to learn you don't know what you think you do. So the natural urge is prove yourself right in what you already know and keep doing that (even if it's dysfunctional on some level).

Next, when someone is stressed, the tendency is to go back to what they know, to the way it's always been done, to retreat to their comfort zone. In companies, this might be a “let's go back to basics,” while in an IT environment, it might be a “let's go back to the last point something worked.” Unfortunately, there is really no way back – only forward.

To go back to the way it was “then” is impossible because what was then – circumstances, knowledge, relationships, etc. – does not exist anymore. Even if the singular condition or process can be “rolled back,” there will be different outcomes because everything surrounding that one thing is now different.

Urgent vs. Important

Basic human nature (aka, the greatest complicator of business) can also stop change because, when combined with many unstoppable market factors that reflect the new business climate, people revert to their comfort zones. But there is another uncomfortable truth that impedes progress, and it is this: daily urgencies take priority over what is truly important, sacrificing the necessary bandwidth and timing to do what's best for long-term success in the enterprise to handle today's urgency.

Once again, it's our human tendency to respond to (loud, squeaky) urgency vs. what's (quietly) important. We will typically choose to satisfy immediate concerns rather than play the longer game for sustainable success because it takes time, energy, resources and, most importantly, change.

In enterprise, this pull toward solving the urgent vs. considering the important can result in "shadow IT," where employees purchase (or code) technology to meet a specific need without consulting the IT team. The need may be met for the moment, but in the long term can pose challenges and have larger ramifications for the enterprise.

Different Without Change

One more factor that affects enterprises in transforming to more frictionless operations is that people like change but do not like to be changed. Any effort for transformation will risk losing people in translation. A common scenario is that people fear they will lose their jobs or not be important anymore or lose their status in the company if the transformation takes hold. Technology may render their jobs unnecessary – then how do they feed their families?

The only way to create something different is (obviously) for things to change, which means the people in the enterprise have to step out of their comfort zone and embrace the new. The best way to do that is to involve staff and leaders in the process to create a sense of belonging and power in influencing the new way of being as it emerges from systematic (and, ideally, strategic) transformation.

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There is no 'one-size-fits-all' technology for enterprise – there is only the best technology solution for your brand, customers, users, and IT infrastructure.

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Altogether, it is the combination of these elements – human nature, urgency as the only priority, and fear of change – that is the hallmark of stagnancy. The end of an enterprise is not the result of just one person, or just one tactic, or just one department not performing well for just one quarter. There are signs that foretell decline (see “The Symptoms of Compromised Enterprise” section above), which are always systemic rather than dependent on any one factor.

Where We Are Now

Here's what we know now:

1. Daily activities are not moving the enterprise into a more competitive and sustainable stance.
2. It is faster and more efficient to handle your company's existing constraints with a healthy sense of urgency vs. letting your competition build your company – and your brand – for you.
3. The controlled chaos of deliberate (systemic) transformation means everyone in your organization is empowered to act and shape the outcome. No one person is to blame; however, every person has something to contribute in the transformation process.
4. Targets and tasks that are important have a significant role within workday priorities to achieve forward momentum toward meaningful long-term transformation.

Within the context of what we know now, there is one core idea – one “a-ha” – that must be understood as the “X” factor in enterprise today.

It is simply this:

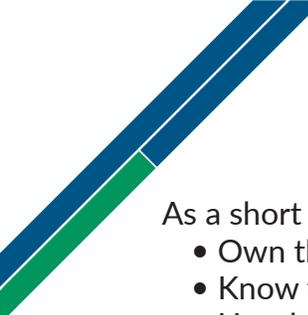
All the bluster and buzz-y words need to be peeled away to get to the real pivot point for enterprises – delivering a human experience that is relevant, practical, timely, and meaningful. Make it efficient, seamless and delightful. And do it now because your competitors are also innovating and upgrading – it's the nature of business.

The Intangible Barometer of Success

Whether you are thinking brand experience, customer experience, user experience, digital experience, or even the more “advanced” idea of human experience, experience is an intangible barometer of business success that must be considered from as many angles and intentionally-crafted touchpoints as possible to support it. That means that enterprises must become savvier in their approach to their business in terms of people, process, and product.

You need to be clear on who you are talking to, why the conversation matters to that customer, and how you are individually contributing to a greater overall experience. You need the brand to have set up the connection experience by having valuable, quality content. You need your leaders to support staff, have right workflows and, yes, technology – but this all comes from a very different place than where most enterprises focus today.

To be clear, customer experience reinvention is not just a matter of fixing what is not working, but instead, innovating – to do things differently – for the most effective, seamless, delightful, and intentional experience.



As a short list of what "getting" this "a-ha" can mean for your organization, you can...

- Own the right conversation in your market;
- Know the right customer for your brand;
- Use data to take insightful action;
- Create the right content to enhance credibility, authority and value.
- Deliver that content in the right way for your audience to consume;
- Engage employees as ambassadors and customers as advocates; and,
- Go for the long game – lengthened lifecycles – vs. the short game of mere profits.

When you deliver intentional customer experiences in a human-to-human way, leveraged by the right technology systems, the reward will be more customers converting and staying (longer); the bottom-line result of more profit is merely a by-product of delivering value throughout the customer experience at all stages of their lifecycle.

The True Goal of Digital Transformation

Enterprises have been missing a critical insight when hearing about “digital transformation” in that it’s not just the customer-facing functions that need to be transformed.

Instead, it’s the entire organization that must wrap around the customer and orient to delivering value to and from every employee. That’s why customer experience should not be the goal; instead, the goal should be an all-encompassing human experience, dictated from the outside in, delivered by all employees regardless of their role, and who are supported in doing it well.

Employees today are, largely, knowledge workers who can handle more complex problems independently when they have the data, context, and insights they need at hand. That said, they need to be able to state your organization’s mission. They should be able to, at the very least, direct a customer to the appropriate person to help them get what they want. Every employee should know they are valued and appreciated for their contribution because, without them, transformation is not possible. Without transformation, the enterprise as a whole would become stunted and, potentially, compromised without a way to recover.

Digital transformation in and of itself is not a big enough goal; that is the process by which the goal occurs. Thinking B2B or B2C is also limiting because the solution is H2H orientation; as a result, systems must support that perspective.

To make the point crystal clear on how important it is to get this, only 60 companies remain today from the original 1955 Fortune 500 list (AEI.org). That means more than 440 companies did not get the experience part right. They did not commit to systemic transformation (even if they did digitize their business processes). They did not understand their customers are in control of their brand.

Is your organization aligned with this new way of business yet? And, if not, what are you willing to risk by procrastinating on taking a new approach?

If You Can Conceive It, Technology Can Deliver It

Human (customer) experience is intangible, built on accumulated micro-moments of connection with your brand and requires savvy agility to translate brand value in fresh, meaningful, and relevant terms.

Through insightful, intentionally designed customer experiences and saturated employee buy-in and engagement, brands can catapult their bottom-line results. Remember, the real win is in lengthening customer lifecycles and activating customer loyalty and advocacy.

This requires organization-wide transformation and must consider how technology can facilitate human talent in the enterprise. Each step of the customer and user experience must be evaluated to determine if there is untapped potential that could better serve each of them through a smoother, more seamless and delightful relationship. Existing processes may need to be refined or innovation may be required.

Technology needs to support your business relationships in creating relevant, meaningful connection and frictionless operations. It means designing intentional brand moments facilitated by technology to deliver maximum value to every individual in the sphere of your enterprise.

The key point is to step up in fresh ways to meet your customer – and in-house users and stakeholders – where they are in their connection with your brand.

The right syntax – or order of flow – must be applied to the process but not necessarily to the experience. Your customers and users control the experience; your responsibility is to shape a sequential process that can be accessed from various touchpoints to create an experience that, eventually, compels the desired action.

To achieve this, you must have your strategies solid first, then apply the tactics (which is a classic “rookie” mistake many companies make in trying to generate new leads). This is something that XTIVIA experts understand: business outcomes determine technology solutions.

And if you think all this is enough to consider, there is more, such as emerging technologies that may well be game changers very quickly, like:

- artificial intelligence (AI) systems (including machine-learning);
- conversational systems;
- augmented reality (AR);
- virtual reality (VR);
- next-generation adaptive security;
- more application program interfaces (APIs);
- business-value dashboards; and,
- so much more.

Your company must be ready to accommodate these emerging trends. At this point, you can see that every company needs actionable insight and (potentially) systemic transformation to deliver savvy (effective, seamless, delightful, and intentional) customer experience flows.

However, most enterprises lack the necessary in-house expertise to handle emerging technology and/or integrate it with existing IT infrastructure. This is where XTIVIA’s team – with real-world experience, credentials, and expertise – can support your enterprise.

Most companies will try to do what everyone else is doing but faster, cheaper, smarter, longer than everyone else while expecting fresh, personalized outcomes. As the saying goes, this is the definition of insanity - to do the same thing over and over again while expecting different results.

It's a Journey, Not a Destination

You cannot unlearn what you now know. You must consider how things would be different in having new resilience to meet evolving customer needs and wants, in having frictionless enterprise, in having more substantive relationships and a stronger brand presence, in saving human hours by supporting customers to self-direct their problem-solving journeys (the epitome of personalized experiences) while addressing user questions and concerns (and ensuring the right responsibilities are matched to the individual's strengths) to retain top talent, in being the industry go-to resource for your customers.

So how would you do it differently?

While an organization may never feel truly ready for it, transformation is inevitable. Your only choice to make is whether you do it proactively or ride out whatever changes come your way.

It's time to become bolder in your commitment to customer and user experience. Your approach must be for your experiences to be effective, seamless, delightful, and intentional.

You can find lots of content and coaching about how to “do” enterprise-wide transformation, but what you cannot find elsewhere is XTIVIA's expertise, perspective, and experience. If you could see the difference as a game, it would be like watching PacMan vs. playing Stellaris.

There is no “one-size-fits-all” technology for enterprise – there is only the best technology solution for your brand, customers, users, and IT infrastructure. The good news is that as you deliver more intentional experiences, the outcome – and reward – will be more customers converting and staying longer (i.e., increased revenue) and more employees staying longer (i.e., increased performance and less recruiting/training expense).

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Our intention is to help you achieve your business goals by listening, providing strategic and adaptive technology solutions, and becoming your trusted technology partner for life.

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Just as it is difficult for a surgeon to self-operate, it is difficult to begin the experience transformation process by knowing only what you now know – you need additional input. You need to be able to see your operations objectively. You need to be able to question the “comfortable” assumptions you have about your market. You need to assess your current IT infrastructure, processes, and workflows to determine the gaps as well as the opportunities. XTIVIA's experts can help with all that.

Our intention is to help you achieve your business goals by listening, providing strategic and adaptive technology solutions, and becoming your trusted technology partner for life. Let's begin by having a conversation about your business goals. www.xtivia.com

About the Author



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Lynn has been creating experiences through content and copy in digital marketing and messaging since 1998. She's known for her unique perspective, positive empowering mindset and abilities as a high-communicator to deliver significant value, she translates complex concepts into simple clarity for practical action.

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Transformation is inevitable – the question is whether your organization is proactive or reactive as it happens.

How you deliver value in today's Experience Economy will determine your company's future: success or obsolescence.

Which do you choose?

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XTIVIA

If you can imagine a business outcome, XTIVIA can create it through technology.

XTIVIA does what it takes to ensure customer success through adaptive technology solutions. Our earned reputation is for delivering the right IT solutions and support that meet our customers' specific requirements, regardless of project complexity. Our passion, combined with a dedicated leadership team and unparalleled technical staff, creates customer relationships that stand the test of time.



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