CX VALUE DRIVER FRAMEWORK

Client Experience Governance Leadership Primer
(A Component of CX Governance Framework)
Can CX Help Us Grow?

A resounding YES.

The Value-Driven Approach to CX is a cascading value identification framework developed by CX Pilots to significantly increase visibility, predictability and manageability into CX program success—so that it can accelerate growth while covering the organization’s satisfaction, engagement and loyalty bases.

We joking say, “CX isn’t just for NPS anymore.” We say that because most companies come to CX with a very narrow expectation of what it can accomplish.

This framework is designed to accelerate executive alignment around the organization’s CX imperative so that more positive outcomes occur.

Use this framework to determine what you want CX to drive in your organization. You set your own limits. When you use a smarter approach, you can expect greater gains.
The most effective way to work through this cascading framework is to convene your organization’s key decision-makers and discuss one step per meeting, in order. We recommend inviting strong client-facing voices to the table to make sure your discussion takes into consideration the concerns from the front line. By moving through these steps, your org will improve every aspect of its CX program.

### Unique point of view on Customer Experience

- What are our pragmatic vs. stretch goals?
- What’s our view on CX? Why CX? Why now?
- How should we lead to accomplish our CX vision?
- How can we competitively differentiate via CX?

**Example P. O. V. on CX**
- By understanding our customers expectations and needs better, we will be able to adapt more effectively to meet them. We will make the resource investment commitments necessary to lead our industry in understanding our customers’ needs and expectations and serving them in ways they value, measured by marketshare and annual revenue growth.

**CX Dimensions: Purpose, Vision, Leadership, Employee Engagement**

### Unique value sources to supply and extract

- What can CX help us gain?
- What can CX help us deliver?
- What are the barriers to achievement?
- Value from Price, Product/Service or Journey?

**Example Sources of Value**
- Sources of Value Supply
  - Lower effort, better experience, convenience, product/service innovation, employee engagement
- Sources of Value Extraction
  - Revenue, lower customer churn, loyalty/advocacy, higher price, greater purchase frequency, lower cost to serve

**CX Dimensions: Innovation, Insight Development**

### Unique CX value driver strategy

- Economic/financially-oriented?
- Experience-oriented?
- Service-quality-oriented?
- Service-delivery innovation-oriented?
- Brand/reputation-oriented?

**Example Value Driver Strategies for CX**
- Better Acquisition Mix (Ideal Customers)
- Increased Conversion
- Higher Win-Back Rate
- Increase Up/Cross-Sell
- Reduced Dormancy
- Lower Cost-of-Failure

**CX Dimensions: Strategy, Governance, Program Design, Operations**

### Unique segments from which to supply/extract value

- Apply Win/Grow/Manage/Shed Model?
- Which segments are the most valuable?
- Which segments are the most growable?
- How does segmentation influence investments?
- How can segment prioritization drive optimization?

**Example Segment Focal Points**
- Higher-Value Customer Focus
- Mid-Value Customer Focus
- Growable Segment Growth
- Managing Lower-End Growth
- Managing Out the Loss-Creators

**CX Dimensions: Strategy, Governance, Segmentation**

### Unique accountability model required

- How do we design accountability around new approaches to supply or extract value?
- How do we govern to ensure accountability?
- How do we align metrics to individual/team output?
- How do we communicate for maximum alignment?

**Example Accountabilities**
- KNOWING: Customer Research
- SHOWING: Data Science/Al
- PROVING: Measurement/Attribution
- SLICING: Segment Management
- MAPPING: Customer Journey/Interaction Map
- LISTENING: VoC/Feedback Management
- TELLING: Thought Leadership/Creative/Eminence/Brand/Internal Communications

**CX Dimensions: Strategy, Governance, Culture, Communications, Operations**

### Unique capabilities required

- How to set a baseline from which to plan growth?
- What specific capabilities are needed?
- How do we recalibrate individuals/teams?
- How are incentives applied to outcomes?
- How do we sustain coalitions of the willing?

**Example of Emerging CX Capabilities**
- Ethnography/research
- Data science
- Data visualization
- CX tech/platform stack technologist
- Content creation and marketing
- Change management professional
- Culture tensions mitigator
- CX economist

**CX Dimensions: Strategy, Governance, Culture, Operations, Employee Engagement**
We are here when you need us.

What is more important to your bottom line than the experience your clients and employees have with your firm?

CX Pilots is a Client Experience consultancy that helps organizations simplify the path to experience-led business by co-designing client experience programs tailored to unique cultures that accelerate business outcomes.

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