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**DRIVING  
BUSINESS  
VALUE:  
WHAT CAN  
CXM DO  
FOR YOU?**



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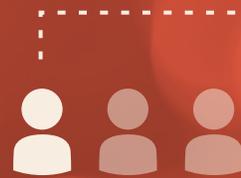
# INTRODUCTION

Customer experience management (CXM) is essential for all businesses, offering valuable insights into every brand interaction and touchpoint. Create better products, stay ahead of the competition, and provide a stronger brand experience across the entire customer journey — all through the feedback, analysis, and orchestration offered by CXM.

When done right, CXM captures a 360-degree view of the customer experience so businesses can better understand what customers want at all times, even as those preferences evolve over time across different channels.

When brands have a laser sharp focus on CXM, the benefits far exceed those just for their customers. Customers know when a brand really cares, and industry studies have shown that brands who get CXM right thrive where others don't.

In fact, highly satisfied customers generate 2.6x more revenue than those who are just slightly satisfied.



**One in three customers will walk away from a brand they LOVE after just one bad experience.**



**And 71% of customers will recommend products and services because they had great experiences.**

**The time to act is now. With the right approach, CXM delivers true business value for your organization.**



# UNDERSTANDING CXM'S VALUE REALIZATION FRAMEWORK

Everyone benefits from well-run CXM programs: your customers, your company, and your business partners. CXM brings something to the table for everyone involved:

- ▶ **CUSTOMERS** benefit from better products and services that are more aligned with their needs, as well as brand experiences that deliver exactly what they want.
  - Bendigo Bank reported 75% faster customer support calls and a 90% drop in customer complaints after incorporating CXM.
- ▶ **BUSINESSES** benefit from increased revenue, accelerated innovation, stronger engagement, and reduced risk.
  - Conde Nast generated more than \$1 million in additional annual revenue from new product offerings that were directly influenced by CXM.
- ▶ **USERS** benefit from stronger relationships with business partners, clearer visibility into customer behavior, and a closer alignment on long-term strategic vision.
  - Twitch saw a 200% increase in insights generated that could be shared with key strategic partners.

# **LIAM:** THE CORE COMPONENTS OF CXM

Many organizations struggle with two major experience issues: Customers feel that brands either are not completely in tune with their needs or simply fail to meet their expectations. Companies can address both problems by following the LIAM framework:

**LISTEN.**

**INTERPRET.**

**ACT.**

**MONITOR.**



## ► **LISTEN**

Customers provide feedback and input through a wide variety of sources across both digital and physical channels. Businesses need to continually gather that information to fuel their CXM efforts and understand the customer experience. Don't confine yourself to just surveys, either — collect data from every available source, from social media posts to insight communities.

## ► **INTERPRET**

Once that data has been collected, companies then need to compile customer feedback so relevant stakeholders can easily access it. Businesses must also equip employees across the organization — including Customer Experience, Marketing, and Product Development — with analytics that enable teams to drill into available data and extract meaningful insights to guide decision-making.



## **LIAM:** **RESPONDING TO YOUR CUSTOMERS & MONITORING CXM PERFORMANCE**

### ▶ **ACT**

There are two ways brands can act on customer feedback and deliver a better experience. First, companies can respond to specific feedback by following up with each customer individually. CXM platforms make it much easier to manage these activities, establishing rule-based criteria used both for rule engines in CXM applications and for brand representatives to follow depending on the specific situation and customer.

Organizations can also react at a more systemic level, incorporating the insights they have gathered into their products, business processes, and strategies to ultimately improve customer experience at the broadest level.

### ▶ **MONITOR**

Businesses need to keep tabs on the effectiveness of their CXM efforts, continually measuring program performance through meaningful KPIs. For instance, many organizations use NPS, CSAT, CES, and churn/retention rates as benchmarks to measure customer experience.

It's also extremely important that businesses make that data and accompanying analysis available to stakeholders in different departments through user-friendly dashboards and a centralized platform.

# VALUE PILLAR #1: IMPROVING CUSTOMER EXPERIENCE

With CXM, companies gather feedback throughout the entire lifecycle of the customer experience. Every insight — whether it's direct or indirect input — sheds more light on customer sentiment and the best way to improve the brand experience. Don't underestimate the value of experiential enhancements: According to PwC, 65% of consumers believe good experiences influence their purchase decisions more than even the most effective advertising campaigns.

The Alida CXM and insights platform allows you to measure experiences across physical and digital channels to completely map out the customer journey. Understand what your customers need and when they want it, and why, to deliver precisely what they expect from your brand.

Continually monitoring your customer experience KPIs enables you to pivot quickly if customer experience trends are moving in the wrong direction.



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## VALUE PILLAR #2: INCREASING REVENUE

By continually refining their offerings according to customer needs and preferences, companies can release products that are better positioned to compete in even the most crowded markets. CXM shows businesses exactly what customers want so they can meet those expectations, leading to higher sales and retention rates.

Creating a better customer experience, in and of itself, is essential to boost revenue. Enhancing the customer experience will lead to happier customers — and that means stronger brand loyalty, higher retention rates, and long-term revenue growth. According to Hubspot, 90% of customers who receive great services and brand experiences will likely spend more money with a company.

Alida's CXM solutions allow for greater customer segmentation as well, enabling businesses to group customers according to specific demographics. Organizations can then tailor engagement activities and product investments around each of those segments — in essence, treating them as their own separate source of revenue.



90%

**90% of customers who receive great services and brand experiences will likely spend more money with a company.**

## VALUE PILLAR #3: MITIGATING RISK OF DECISIONS

Every strategic decision a business makes — from which marketing campaign to use for each market segment to which product concepts to place in market — should be driven by customer insights. Without that deep understanding of the customer experience, businesses run the risk of making decisions that don't align with what customers care most about. Any shifts in business strategy, product development, or customer engagement will be inherently flawed and put revenue at risk.

CXM solutions effectively de-risk your decision-making by assessing the marketplace, analyzing the competition, and showing you what customers really want. For example, use the Alida CXM and insights platform to incorporate customer feedback and insights about gaps in the market when developing new products so every release is guaranteed to appeal to specific customer segments in a differentiated way. It's easier to gain a competitive advantage, increase profits, and expand your market share when you know your target customer inside and out.



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## VALUE PILLAR #4: ACCELERATING INNOVATION

CXM solutions provide many opportunities — including through insight communities and digital CABs — to collect feedback about your products and services. Use those insights to continually refine and improve your offerings to meet customer needs and fill any gaps in the marketplace, effectively closing the loop with your customers.

Brands today need the most up-to-date information available to respond to rapidly developing market shifts, so be sure that your CXM platform has the speed and agility to keep up.

Your CXM platform should also streamline internal processes that would otherwise require a lot of time and effort to manage. The Alida CXM and insights platform allows you to continually capture more feedback and give staff more freedom to drive innovation by focusing on new services, products, and other offerings.

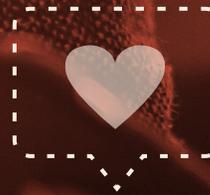
**Your CXM platform should also streamline internal processes that would otherwise require a lot of time and effort to manage.**

# OVERCOMING THE CXM PLATEAU

Many businesses see immediate benefits from their CXM programs since it's easy to score quick wins. Often though, brands hit a plateau as measurable results level off.

It's very difficult to take a good CXM strategy and elevate it for high performance. Don't be discouraged if you also reach a CXM plateau. Pivoting toward a holistic approach supported by the four value pillars will align CXM strategies and business goals. It's also important to leverage technology that captures data from every source, compiles customer input, and converts that information into actionable insights.

Don't forget to focus on outcomes. Be sure every interaction is positive and check that your organization closes the feedback loop with each customer. Follow those steps and your company will realize the full potential of CXM.



**Be sure every interaction is positive and check that your organization closes the feedback loop with each customer.**



# PAIR A HOLISTIC STRATEGY WITH THE RIGHT CXM PLATFORM

Great CXM doesn't happen overnight. Businesses need to dig into every aspect of customer experience before tailoring interactions and services based on that information — all without losing sight of the big picture.

By following the LIAM cycle, you can gather valuable insights, understand what your customers want at all times, deliver a better customer experience, and check that your brand continually meets evolving customer needs and expectations.

Any company can build a successful CXM program with the right combination of strategy and solution. Keep in mind that each of the four pillars discussed here directly influences one another. Taking a holistic approach that balances each of those values while simultaneously ensuring each pillar serves the larger business goals is key.

The Alida CXM and insights platform gives companies all the tools needed to tackle CXM from every angle and drive more business value through a better customer experience.

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