



The 2021 Customer Experience Outlook

A Collection of Ideas
for the Year Ahead

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HELLOOOO 2021!

Never in my life have I witnessed so many people collectively anticipate the turn of a calendar page. Yet many of the challenges from 2020 still remain. And, at least here in the United States, we've ushered in the new year with political turmoil that almost guarantees the year ahead will give 2020 a run for its money.

Still, the turnover to a new year brings with it a sense of optimism. A belief that we can — that we *will* — bring good health, peace, and prosperity to ourselves and to those around us.

I see that same optimism in the aspiring and veteran customer experience professionals that I have the pleasure of working with every day. And to be honest, I believe that deep-seated optimism is key to success in this field. We *must* believe that we'll make things better for customers, employees, and our organizations — otherwise, why would we attempt CX work at all?

To bolster our optimism — because in addition to vaccines, we all need that figurative shot in the arm from time to time — I reached out to some of my favorite CX thought leaders and friends to see what they were thinking about at the start of this new year. Some offered a glimpse into their hearts, while others delivered the tough love that many organizations need. Collectively, their words offer a view into the state of customer experience during this time of unprecedented change. (Yup, I said it. Unprecedented change. Mark your bingo card.)

I wish you good health, peace, and prosperity in 2021. And I hope you'll find the ideas in this eBook both useful and inspiring in the year ahead.



Kerry Bodine
Co-author of *Outside In*

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COVID: Opportunity Within Crisis

Don Peppers

Author of *The One to One Future*



The COVID crisis has posed not just a health threat, but an unprecedented global economic threat as well. Still, [as Albert Einstein once famously said](#), “In the midst of every crisis lies great opportunity.”

Consider, for instance, that in 2020 alone, the volume of e-commerce in the U.S. grew by [more than 40%](#), compared to an average annual growth rate [in the low teens over the previous two decades](#). Moreover, most of this dramatic acceleration in e-commerce occurred within just [the first three months](#) of lockdowns and social distancing!

Because of the COVID crisis, businesses in all industries, around the world, have had to radically accelerate whatever digital plans they already had on their shelves. Large, bureaucratic companies could no longer patiently treat their digital transformation task as just one more “initiative du jour.” Instead, COVID has forced even the slowest moving organizations to sweep obstacles aside and focus intently on putting new tools and technologies to use immediately, with no other feasible option than to trust and empower lower-level workers to ease the disruptions and solve the problems posed by these tools and technologies on their own initiative.

One lesson that businesses have learned from all the frenetic activity undertaken during the first year of the COVID pandemic is that “agile” management principles are no longer just for software vendors and startups. Agility is quickly and gratefully embraced by any organization wishing to survive a dramatic, unforeseen existential threat, and the results have been remarkable. [According to Harvard Business School’s Amy Edmondson](#), “The shift has happened in days, not months. Businesses may be able to learn faster, acting in more agile ways, as a result.”

Indeed, [McKinsey reports](#) that one global telecom company was able to redeploy a thousand in-store workers and turn them into a home-based inside sales force in just three weeks, while a large U.S. retailer instituted curbside pickup in just two days, rather than their previously planned 18 months. Or think about the last time you used cash to pay for something. Contactless payment systems are surging, while increasing numbers of stores and restaurants are no longer even accepting cash.

The COVID crisis has also exposed the downside fragilities of all the various efficiencies we've built into our economic system over the years. Maybe you've wondered, for instance, why toilet paper and paper towels could suddenly become so scarce as to have to be rationed by your local supermarket, or why such shortages continue to persist almost a full year into this crisis. But as the [Wall Street Journal](#) has reported,

“The scarcity is rooted in a decades-long quest by businesses at all levels, handling many different products, to eke out more profit by operating with almost no slack. Make only what you can sell quickly. Order only enough materials to keep production lines going. Have only enough railcars for a day's worth of output.”

But human waste is surely a constant, you might think, so how could COVID possibly require greater factory capacity or more railcars just to get enough toilet paper into stores? Well, remember that the kind of toilet paper dispensed in business restrooms is quite different from the Charmin, Cottonelle, or Quilted Northern you use at home. This mismatch means that the sudden steep increase in work-at-home and school-at-home activity has given us a long-lingering shortage of toilet paper for home use, while we have a still-growing growing oversupply of toilet paper for offices, schools, restaurants, and other public places.

“The digital innovations, adaptations, and customer-experience improvements forced on all businesses during the crisis will remain with us for decades to come.”


In the short-term (and most business organizations suffer greatly from [short-termism](#)), economic self-interest motivates businesses to streamline their operations and reduce the variability in their processes. Such activities are designed to minimize errors, reduce costs and improve profits (think “[Six Sigma](#)”). But the less variability you have in your processes, the more fragile those processes will become when faced with unforeseen changes or disruptions, whether those come from pandemics, sudden economic meltdowns, terrorist attacks, or asteroid impacts. As the mathematical statistician [Nicholas Nassim Taleb has warned](#), “We have been fragilizing the economy, our health, political life, education, almost everything... by suppressing randomness and volatility.”

A number of enterprising businesses have also been catering to customer needs and desires specifically related to the COVID crisis. Obviously, direct-to-consumer businesses have thrived, as well as businesses that facilitate direct-to-consumer orders and deliveries. Nor is Zoom the only online connection and interaction tool that has flourished. Peloton’s high-end exercise equipment business has [tripled](#), linked to its customers’ access to live streaming and on-demand exercise classes. Or consider Netflix’s [Teleparty](#) extension for Chrome, which allows you to synchronize the viewing of shows on Netflix, HBO, Hulu, and Disney with your friends – dozens of friends at a time if you like – and to interact in real time using a window built into the app for side comments and chats.

Despite all the angst and disruption, and notwithstanding the health threats, job losses, and misery unleashed by COVID, we should all take comfort in one overriding fact: Sooner or later, the COVID pandemic will pass, while the digital innovations, adaptations, and customer-experience improvements forced on all businesses during the crisis will remain with us for decades to come.

But let’s also hope that as the end-of-crisis daylight returns, future businesses will find the courage to rely less on the kind of inflexible, short-term economic thinking and planning that has already done so much avoidable damage. And short-termism is the arch enemy of customer experience management, so we might also see a long-term uptick in companies’ concerns for the quality of the customer experience. ♦

Don Peppers



Don Peppers is one of the world's leading authorities on customer-focused business strategies. After co-founding the consulting firm Peppers & Rogers Group, he created [CX Speakers](#), which delivers workshops, keynote presentations and thought leadership consulting on customer experience topics.

With business partner Dr. Martha Rogers, he has written nine international best-sellers that collectively sold over a million copies, including *The One to One Future*. Separately, Peppers penned *Customer Experience: What, How and Why Now*, offering insights on building and maintaining a customer-centric business. He is also a widely read LinkedIn Influencer on the topic of customer experience, with over 320,000 followers.

Connect with Don on his [website](#), [LinkedIn](#), and [Twitter](#).

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Creating Better Experiences With A Growth Mindset

Kerry Bodine

Co-author of *Outside In*



My city was one of the first in the US to shut down. On March 16, San Francisco officials announced that a shelter in place directive would begin at 12:01am the following morning. Like many others wanting to stave off potential boredom, I stopped by my local games store to pick up a jigsaw puzzle. (I chose a serene beach scene reminiscent of the upcoming vacation I knew I'd soon need to cancel.) On my way to the checkout counter, something caught my eye: a Rubik's Cube.

I'd had a Rubik's Cube when I was kid, but despite my many attempts had never learned to solve it. Now, faced with the prospect of not leaving my house for weeks or months, it seemed like the perfect time.

I found an online video and committed myself to memorizing a short sequence of movements every day until I got to a complete solve. I was shocked when just one week later, I was routinely solving the cube in less than three minutes — even while multitasking in front of Netflix!

Admittedly, this wasn't the most momentous of feats, especially considering that the world record currently stands at a [seemingly unreal 4.22 seconds](#). But it gave me a sense of accomplishment in a world that had suddenly turned upside down. You CAN teach this old dog new tricks!

In her book *Mindset: Changing the Way You Think to Fulfil Your Potential*, Dr. Carol Dweck shares her 30 years of research on two distinct mindsets. The *fixed mindset* is one of believing that your qualities — like how smart you are or how well you can

cook a spinach soufflé — is set in stone. You were born with a certain set of innate talents and abilities, and you'll never surpass those imposed limits. When I was a kid, the fixed mindset was strong in me. I couldn't solve the Rubik's Cube, I assumed that it was beyond my abilities, and I gave up on trying.

In contrast, the *growth mindset* is one of believing that you can develop your qualities, both through your own efforts and with help from others (like the nice people who made videos on how to solve the cube so that I didn't have to figure out the algorithms myself). Yes, some people are more athletically or artistically inclined than others, but we can all improve and grow in these areas. I'm happy to report that I've developed more of a growth mindset over the decades — and when I saw the Rubik's Cube on a shelf this past March, I knew instantly that I'd be able to solve it if I simply set my mind to it.

Dweck explains that the growth mindset — the belief that intelligence of any sort can be developed — leads to a desire to learn. That desire, in turn, creates a tendency to lean into challenges and persist in the face with setbacks. And what was 2020 if not chock full of challenges and setbacks? The changes brought on by the pandemic have been tough for us all as individuals and for the organizations we work for.

Fortunately, the growth mindset can be applied to organizations as well as to individual people — and this may just be the lifeline that many organizations need to survive (dare I say thrive?) in our new normal.

Dweck [studied employees in growth mindset organizations](#) and found that they were 65% likelier to say that their companies support risk taking and 49% likelier to say that their companies foster innovation compared to employees working in fixed mindset organizations. And [Microsoft CEO Satya Nadella credits much of the company's success](#) since his appointment in 2014 to a sweeping cultural change initiative that methodically shifted the organization from a fixed to a growth mindset.

As we move into 2021, we have the opportunity, or perhaps the imperative, to help our organizations shift in order to meet their employees' and customers' (or citizens' or students') changing needs throughout the pandemic and beyond. Creating a more growth-oriented culture is one important step. Here's how to get started:

- **Focus on process, not just results.** Yes, results are important. But as the saying goes, even a broken clock is right twice a day — and anyone can come up with a good idea or drive a successful implementation *once*. But can they do it repeatedly? A focus on process will help employees achieve results more consistently — and give them a clear focus for making changes if they're not hitting the mark.

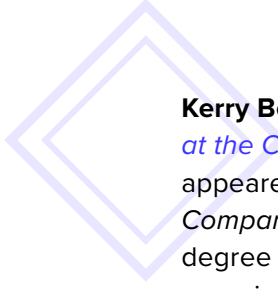
- **Share what employees have learned from failures.** I live near Silicon Valley, where startup veterans wear their failures as badges of honor. And while there's some controversy over whether failure should really be celebrated or not, the fact is that employees and teams *will* fail. When this happens, encourage them to identify the reasons why and what they could do differently next time — then share this information across the organization so that others can learn from it.

**“The growth mindset
may be the lifeline that
organizations need to thrive
in our new normal.”**

- **Invest in training.** A growth mindset and training go hand in hand. This could be training on a specific methodology (like journey mapping), a management technique (like coaching), or any number of other valuable topics. Spending time and money to help employees develop new skills sends a clear message that growth is important to the organization.
- **Screen candidates for a growth mindset.** One of the most effective ways to change an organization's culture is to be selective about who you let in. So, in addition to screening for job-specific skills and knowledge, look for employee candidates who express key markers of a growth mindset, such as curiosity and a passion for learning.
- **Adopt the language of “yet.”** Adding “yet” to the end of an otherwise negative statement — like “I can't solve the Rubik's Cube... yet!” or “We're not delivering a great experience... yet!” — creates a not-so-subtle shift in our thinking and encourages employees to think about future possibilities.

I've found the principles of the growth mindset helpful, both personally and professionally, throughout the ups and downs of the past year — and I hope you'll embrace them as you work to create remarkable employee and customer experiences in 2021.

Next up for me: Shaving another minute off my solve time. Wish me luck! ♦



Kerry Bodine is the co-author of *Outside In: The Power of Putting Customers at the Center of Your Business*. Her ideas, analysis, and expert opinions have appeared on sites like *The Wall Street Journal*, *Harvard Business Review*, *Fast Company*, *Forbes*, *USA Today*, and *Advertising Age*. She holds a master's degree in human-computer interaction — and has devoted her career to helping organizations think and work in more customer-centric ways.

Connect with Kerry on her [website](#), [LinkedIn](#), and [Twitter](#).

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Developing and Maintaining a Customer-Centric Culture

Annette Franz

Author of Customer Understanding



As we look back on 2020 and all of its (business) challenges and then consider where business is headed in 2021, it doesn't look like much will change. Health and safety of both employees and customers will continue to be top of mind for all executives. As a result, a question asked frequently is how to develop or how to maintain a customer-centric culture during a crisis, when the workforce is virtual and culture seems foreign without everyone in the same place. Here's the important thing to know: culture happens and is foundational regardless of where your employees are working.

Whether your business is large, medium, or small, when it comes to developing a customer-centric organization, the soul of that transformation journey really is your corporate culture. Without the right culture in place, a culture that has been deliberately designed to be customer-centric, your efforts to design and deliver a great experience for employees and for customers will sputter and falter. Remember that you get the culture that you design or allow.

What is culture? I like Bob Chapman's (CEO, Barry-Wehmiller) definition of culture: culture = values + behavior. I also like Herb Kelleher's (co-founder and CEO, Southwest Airlines) definition: culture is what people do when no one is looking. Two visionary CEOs; two definitions that are closely related. What people do when no one is looking is defined by the core values and behaviors that align with those values.

In order for these definitions to materialize into reality, core values must be defined, socialized, and operationalized. How does that happen?

1. DEFINE BEHAVIORS

Take some time to identify the desired behaviors associated with each core value. Involve a select group of employees, i.e., perhaps your culture committee. Provide context around each value. What are examples of behaviors that are in line with the intent of the value? What behaviors are aligned with the culture you are designing? You can also identify behaviors that don't align with each value to provide clarity on right and wrong. Defining the behaviors allows employees and executives to then translate the values into how they will do business, serve customers, and serve each other. This is especially important in a virtual/remote situation.

2. DEFINE OUTCOMES

For each value + behavior, define the associated desired outcomes, including outcomes of operationalizing the value versus what happens if employees don't align with the value. Having behaviors and outcomes front and center provides employees with a clear picture of why each value is important to the organization.

3. COMMUNICATE THE VALUES

This is one of the most critical steps to designing and maintaining the culture you desire. You can't just define values and behaviors, post them on a wall, and wait for them to happen. You've got to communicate them.

- Start with the hiring process. Talk about the core values during interviews. Outline a scenario and ask candidates to provide examples of how they would address the scenario, through living the core values.
- For candidates that "pass the test," have them sign a statement of your core values, acknowledging that they know and understand what the values are, what they mean, and what the associated behaviors are.
- During orientation, be sure to set aside time to talk about the core values and what they mean to the business. Talk about the employee experience and the customer experience, too. These should already be baked into your core values, in some way, shape, or form.
- Don't make orientation the last time you talk to employees about the core values and what they mean to them and to the business. Add annual "core value training," which eventually becomes obsolete if you're doing everything else I mention.

- Focus on a core value per month. Dedicate the month to talking about a value and what it means, sharing stories about employees who've lived the value, providing examples, setting up rewards and recognition for those who do live and breathe that value, using peer recognition to allow colleagues to call out co-workers who exemplify that core value, having a lunch-n-learn dedicated to all things about that value, asking employees to write what that value means to them, etc.

4. MODEL THE VALUES

One of the most important ways to get employees to adopt core values is for executives to lead by example and model the behaviors. Employees are always watching what executives are doing: what's good for the goose is good for the gander. If executives place themselves "above the law," why should employees obey the law? If the CEO doesn't demonstrate commitment to the core values and become an example for employees, adoption will fail.

5. REINFORCE THE VALUES

Reinforcing the values is probably the most important component of operationalizing them. There are many ways to do this, including with incentives and rewards and recognition.


- Hiring for culture fit.
- Firing for culture fit: Zappos offers employees who don't believe they fit the culture monetary compensation to leave. Similarly, when employees display behaviors not in line with the core values, those must become terminatable offenses.

“A virtual workplace culture doesn't maintain itself. Culture takes work, regardless of where employees are based.”

Annette Franz

- Preparing performance evaluations, developing coaching sessions around, and determining promotions based on a clear display of living and breathing the company's core values.
- Developing processes and policies and making decisions with the values in mind.

A virtual workplace culture doesn't maintain itself. Culture takes work, regardless of where employees are based. Incorporate these five ways to create the culture you desire. ♦



With almost 30 years in the customer experience profession, **Annette Franz**, CCXP is founder and CEO of CX Journey Inc. She is an internationally recognized customer experience thought leader, coach, keynote speaker, and author of *Customer Understanding: Three Ways to Put the “Customer” in Customer Experience (and at the Heart of Your Business)*. In this book, she outlines the importance of customer understanding to developing a customer-centric culture.

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Transform or Fail — Business Transformation is No Longer Optional!

Ian Golding

Author of *Customer What?*



We live in a business world full of disruption. Whether you work in financial services, manufacturing, logistics or retail, no business today can ignore the rapid pace of change facing us all. Very much led by the never-ending advancement of digital technology, the business landscape and the challenges facing it seem to change monthly. Exacerbated by a pandemic-fuelled global health and economic catastrophe, transforming, adapting, pivoting — use whatever term you prefer — is no longer something organizations can consider to be consider “optional”!

As little as twenty years ago, organizations could quite comfortably rely on having well-respected products and services. Without needing to “break sweat,” customers would keep coming back for more. Many businesses could rely almost entirely on their brand name — believing that they had embedded themselves in the hearts of consumers, they could sit back and watch the money pouring in. Others believed that they were the only ones able to manufacture certain products or provide certain services — it was a case of “How many do you want?” rather than “How can we help and support you?”

Today, things couldn't be more different. Products that were once seen as being ground-breaking, innovative and unique can now be copied and manufactured for a fraction of the price by factories in China. Digital technology has led to the accessibility of products and services surpassing the product itself as a key differentiator in the buying process. I call it the Amazon principle — you can quite literally buy almost anything you want from Amazon — anything. Why bother going anywhere else when you know Amazon can get most things you could ever want or need within 24 hours? Amazon is arguably the world's best example or cause of the need for business transformation.

Amazon has often stated that it is going to start exploring pharmaceuticals. It will not be long before it launches its own bank. I have always said that if Amazon sold houses, we would buy from them..... because we know they would make it so easy. Unless you have been living in a cave, the way Amazon has disrupted many industries cannot have gone unnoticed.

However (there is always one of those), whilst disruption is slap bang in front of our eyes, businesses and entire industries continue to drag their feet and almost ignore the transformation of their marketplace altogether.

Let's take the [case of Toys R Us](#) as case in point.

A brand that firmly established itself in the minds of consumers around the world is no more. Why? In my opinion, the answer is simple — the complete failure of the business to transform. The complete failure of those who led it to recognise that their proposition was no longer relevant to the needs and wants of consumers.

“Transforming, adapting, or pivoting is no longer something organizations can consider to be consider optional.”

Retail in general is an industry that contains companies completely failing to continually reassess their “why,” as marketing guru Simon Sinek would say. If the leadership of Toys R Us had asked themselves eight years ago, “What is our purpose?” and “How are we going to continue to make our purpose a reality?” they would have realized that things needed to change. In the UK, retailers have been struggling with this concept since the demise of 100-year-old Woolworths in 2009. Eleven years later, as Toys R Us has demonstrated, those who benefitted from the space “Woollies” created have repeated the same old mistakes.

Exactly why businesses are struggling to transform themselves is an interesting question. Is it fear of change? Is it arrogance? Is it poor leadership? Or is it simply the case that businesses that were created for a specific purpose at some point in the past, will always get to a point where they are just no longer needed?

I spent seven years working for a retailer — a retailer whose brands first started trading in 1890! The business is still going strong today — 128 years later! The business I was recruited by in 2005 was called “Littlewoods.” Shortly afterwards it became “Littlewoods Shop Direct Group.” Today, it is known as “The Very Group.” The Littlewoods brand is still going strong. Others, such as Kays — the world’s first catalogue brand — have been laid to rest. At the beginning of the noughties, Littlewoods still had 200 bricks and mortar department stores. Today, Shop Direct is the UK’s second largest pureplay online retailer — it does not possess any bricks and mortar stores.

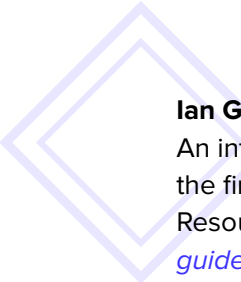
The transformation of Shop Direct was genius. Everyone who played a part in it can be seen as a revolutionary of business transformation. It was courageous — resulting in not only the survival of the organization, but in its sustainability. I actually wrote an article about Littlewoods in 2013 — entitled “[Re-invention and Innovation](#),” which serves as the perfect case study of effective business transformation.

In 2021, businesses in all industries need to accept that the harsh reality is “transform or fail.” It sounds remarkably harsh and blunt, but it is a very harsh and blunt reality. If an organization wants to survive in the world today, it must continuously (at least once a year) consider the following ten questions:

1. Do we know who are customers are?
2. Do we know what our customers need and want from us?
3. Do we know what our purpose is and how we are going to make it a reality for our customers?
4. Is our purpose still relevant to our customers?
5. Does every employee know the role they play in bringing our purpose to life?
6. Do we know what the customer journey looks like that brings our purpose to life?
7. Do we have a sufficient fact-based understanding of the journey to identify what is working and not working for our customers?
8. Are we addressing the priority issues having the greatest detrimental effect on our customers?
9. Do our own employees understand and believe in our purpose?
10. Will our own employees do whatever it takes to bring our purpose to life?

The answers to these questions should have a significant influence on both the business AND customer strategy. The actions that need to be taken may need to be courageous — they may result in significant change. They may even result in the company getting smaller before it gets larger.

Factoring this thinking into strategic business planning goes against the norm — the norm being an obsessive focus on revenue and profit generation. Transformation may mean that you must go backwards before you go forwards. A reluctance to accept this is likely to lead to necessary change never actually happening. What can be guaranteed is that if you do not facilitate continuous change, someone else out there will — and if the changes they make have the effect of better meeting the needs and expectations of YOUR customers, then it is highly likely that you may not have a business left at all. ♦



Ian Golding has worked across the globe deploying CX tools and methodologies. An internationally renowned speaker and blogger on the subject of CX, Ian was also the first to become a CCXP (Certified Customer Experience Professional) Authorized Resource & Training Provider. His book, *Customer What? The honest and practical guide to customer experience*, has received international acclaim.

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Let Goodness in Business Prevail

Jeanne Bliss

Author of *Chief Customer Officer 2.0*



In this time of Coronavirus... let goodness prevail, instead of fear. Let kindness and grace be our first instinct. Let trust and respect become translated now into our business lives. These will lead to every kind of prosperity on the other side of this pandemic. Growth through admirable acts will define companies and people now.

Last year I was struck by the beautiful gesture of humanity in the Italian city of Sienna. Isolated individuals, sequestered in their homes, lifted their voices in song outside together through open windows. Their action reminded us that we are alone, but not alone. We are united in our humanity and in how we respond—now and in the year ahead.

We not alone in our instinct toward acting with goodness. And, we have an opportunity to translate what we know is right into how we practice business. This can simply be thought of as how we show our kindness, deliver grace and build mutual trust and respect.

Here are 3 areas of leadership and humanity to consider for your business throughout 2021:

1. SHOW YOUR KINDNESS

Kindness throughout the remainder of the pandemic translates to enabling people to have peace. It means providing peace of mind by eliminating fear and worry for people.

For your employees, this means removing the fear of leaving their home for work. Helping them reduce their fear of payment for care. Helping stave off the fear of losing


the ability to care for loved ones. Or the inadvertent caste system that emerges between people who do or do not have paid vacations, enough insurance to cover health care, or immediate access to vaccinations.

Knowing and understanding that these are the worrisome issues for the people of your company, even if you cannot address all of them financially... address them emotionally and in communication. Find creative solutions. People want to know that their lives matter.

Communication and gestures of support = kindness. They matter.

For example, many tech companies have stepped up to address the lifestyle and financial impacts of a sequestered life. [Zoom](#) addressed the need that kids have to keep on learning in creative and engaging ways — even when sequestered at home. Zoom CEO Eric Yuan gave K-12 schools his videoconferencing tools for free. [Salesforce](#) addressed the worry of maintaining pay not only for their employees but also to partners who are an essential part of the service chain to customers. They are continuing to pay their vendor hourly service providers; considering them part of the family. [Microsoft](#) leaders insisted swiftly that workers work from home, decided to pay 4,500 workers who in normal times supported their now-evacuated campus, and gave parents an additional two weeks of paid time off if they couldn't work from home because they needed to watch their children.

“We have an opportunity to translate what we know is right into how we practice business.”



In service industries where employees have to show up, such as healthcare, retail and hospitality, delivering peace of mind that you are elevating care for employees' physical well-being is the highest message of “we care.” Know and address their fear of being out there in the world, exposed to potential harm. Make sure they know how you are keeping their environment safe. Brainstorm with them about solutions.

For example, Canlis restaurant, a fine dining restaurant in Seattle Washington (and where my husband and I were married, incidentally), huddled with their employees and decided on two things: our people need to work, and people need to eat — but not fine

dining. So, Canlis [completely reworked their business](#) for now with their employees into three relevant offerings: a donut business, a drive through burger business and a packaged family meal business. At one point their home page said, “Times are changing, and so are we. For now.” Think of the prideful ownership not only their employees but a grateful community must be feeling now for them for their humanity and bravery.

2. EXTEND GRACE

[To earn your place](#) in people’s hearts, minds and memory, deliver grace. This means understanding that rules and policies and standard agreements in normal times need to be viewed with a new lens, as do the inability to manage work, finances and commitments as usual.

Grace right now is crucial. This means evaluating your business practices for exceptions that people want and are asking for. Every industry has conditions for doing business. Take a look at your contract conditions, fee conditions, penalties, cancellation policies through the lens of knowing that how you act throughout the remainder of 2021 will impact the future of your relationships with the people behind these contracts. Yes, you may require them to pay you now if you stick to the letter of the outlined policy, but it will drive people to walk away from you when they have the choice. And make no mistake, people will be vocal about those who did and did not show their humanity during this pandemic. Captive loyalty now is not long-term advocacy and admiration later.

For example, the elderly community is particularly at risk, making grocery shopping a concern. This has challenged grocery stores to rethink their hours of operation. The H-E-B grocery store chain considered the idea of extending special hours for the elderly but were guided by healthcare officials that this could have created even more risk as large groups congregated. Instead, [they sought to solve the core problems](#) of exposure, supply and cost. They donated over \$3 million to date to support food banks throughout Texas, delivered truckloads of food and household supplies to food banks, assisted in mobilizing home feeding for seniors and provided funds for research and nonprofit partners supporting this community.

Grace right now is essential for your employees’ spirit and their confidence in you. All of your employees are looking to you. They don’t want to uphold practices and policies and debate with people on things that they feel are not the right thing to do. Give them the opportunity to not only brainstorm solutions with you on the opportunities and ways to deliver grace... then make them the heroes who deliver it.

For example, [look at the airlines](#), one of the hardest hit industries, and how they initially reacted and constantly adapt to the situation. Their people are the flag

bearers for these decisions. And some have made it easier to carry that flag, while others still have conditions for the grace extended, how and when... which their people need to uphold, navigate and feel good about.

3. PRACTICE MUTUAL TRUST AND RESPECT

[Have the foundation](#) of these actions that most people are trustworthy and honest. Make this be the instinct that guides your actions.

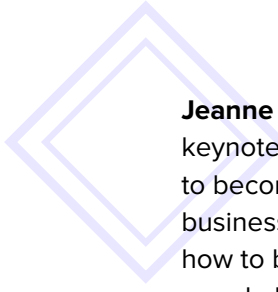
People don't want to disassemble vacations, contracts, business commitments or their weddings. Rethink how you word your messaging, and how you speak to your employees, and the community to be about the "we" — the community that we are all in together.

Look at this as an opportunity to show up as an elevated company whose foundation for decision-making is trust and respect for lives — for honoring the humans at the end of your decisions. Your attitude will become your people's attitude... and that is how you will show up in the marketplace. It is how you will be remembered.

You have an opportunity in 2021 to become unforgettable.

In our lives, we remember the companies, the people and the times when we were honored... as a friend, as a partner, as a customer. Two-way trust, open and honest communication and fearless sharing are cornerstones of the relationships that come to mean the most to us. These feelings hold just as true in the relationships we have with the people we hold dear in our lives, as the people that we do business with.

This is your moment to improve lives. To be remembered with admiration. It's your moment to choose prosperity of the human spirit. I'd bet my Grandma's lasagna... that it will also lead to financial prosperity as the world recovers and people remember how companies acted in this moment. ♦



Jeanne Bliss is a leadership and customer experience strategic advisor and keynote speaker who motivates and guides the worlds' most beloved companies to become unforgettable; earning growth and admiration through their elevated business practices and the humanity of their people. [Her four books](#) that demystify how to bring together organizations and leaders are often the first read when people begin this work and are widely used globally in university curriculum on customer centricity, leadership and business growth. Jeanne Bliss has given thousands of hours to raising this work as a recognized profession and career path as cofounder of the Customer Experience Professionals Association, through her [podcast](#), media and her mentorship of leaders this industry.

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Six CX Trends You Cannot Ignore

Shep Hyken

Author of [The Cult of the Customer](#)



Our customers are smarter than ever. And, in light of the COVID-19 pandemic experience, they are more demanding than ever as well. Customers no longer compare you only to your competition, but to the best service they have received from anyone or any company. As brands, we must keep in mind that our customers are now being trained to expect a better customer experience. They learn what to expect from rock star companies that are setting a high bar. This is a challenge that you must accept. There isn't any other option.

Customer service and CX are now top priorities for most companies. Some studies claim the experience trumps price and even the quality of the product. And don't think that service and CX are limited to the retail or B2C world. More and more, B2B customers are hoping for, if not expecting, similar levels of service that they get from the best B2C brands. With that in mind, here are six trends to be mindful of in the year to come:

1. **Impatient Customers:** Customers are becoming more and more impatient. The "I want it now" customer is becoming the norm. Retailers like Amazon have trained us. We can go online, click once to order, and in a very short time — perhaps two hours, sometimes less — the product is delivered. Customers are influenced by the companies that get it right. How long does it take you to get back to a customer? How long do they wait on hold to talk to a salesperson or a customer service rep? How long does it take for their order to be received? These questions and more need to be asked to find opportunities to give customers a better experience.
2. **Getting Personal:** Remember the 1980s sitcom *Cheers*? It was set in a bar where "everybody knows your name." Personalization capabilities continue to

improve. Customers move toward the companies that know them at both the personal (human-to-human) level as well as the digital level. Sophisticated CRMs combined with AI fuel a better personalized experience. Not only can we remember who our customers are, but the technology is also often able to help make accurate suggestions and predict what the customer is going to want.

3. **No Friction:** In 2018 I wrote a book titled *The Convenience Revolution*. Being easy to do business with is a differentiator. It disrupts the competition and, in some cases, entire industries. (Consider what Uber did to the taxicab industry — and what Amazon did to all of retail.) The first and most important of the six convenience principles in the book is to simply reduce friction. And it pays to do so. The research we compiled in our [2020 Achieving Customer Amazement Survey](#) found that 67% of customers are willing to pay more for convenience. And, when that convenience includes delivery, the number increases to 90%.
4. **A Digital Experience:** More and more, companies are finding ways to digitize and automate the customer experience. The COVID-19 pandemic accelerated this. Companies were forced to adapt to using new technologies and innovations to not only give customers what they wanted, but also to just stay in business. Customers are accepting much of this innovation. More brands are pushing to create digital/self-service solutions to make their processes easier (as in “no friction”) for their customers.

“Our customers are smarter than ever. And, in light of the COVID-19 pandemic experience, they are more demanding than ever as well.”

5. **Over Digitization:** And just when you were getting excited about the digitized and automated experience, companies are often caught overdoing it. Here is a warning: Don't overdo it! Companies are becoming enamored with innovation and distancing themselves by not providing the human-to-human experience that some customers still desire. The best companies and brands

find the balance. One of my favorite sayings is, “The greatest technology in the world has not replaced the ultimate relationship tool between a customer and a business — the human touch.”

6. **Empathy Is the Word of the Year:** Empathy will get customers to come back. It takes the personalized experience (Number 2 on our list) to a personal level. COVID-19 saw customers who had been happy with digital and self-service solutions turning to the phone to talk to someone who cared. Companies that can prove they understand their customers are on their way to building trust and stronger relationships. Empathy fuels that. People must be properly trained how to deal with the emotional side of customers’ expectations. Here’s a winning formula: Knowledge + Care and Understanding (Empathy) = A Loyalty Opportunity.

Which of these ideas and trends is impacting your business? Sit down with your team and have a discussion about them and any others you feel are appropriate for the conversation. With our customers’ rising expectations, the customer service and CX stakes are higher than ever before. ♦



Shep Hyken is a customer service/experience expert and keynote speaker. He is the *New York Times* bestselling author of seven books, including *Moments of Magic*®, *The Cult of the Customer*, *Amaze Every Customer Every Time*, and *The Convenience Revolution*. He also created *The Customer Focus*™, a customer service training program.

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3 Ways to Manage Waiting in CX in 2021

Stan Phelps

Co-author of *Purple Goldfish 2.0*



C OVID-19 has had caused a number of disruptions for customers. Reduced store capacity in retail, increased pick-up/take-out service, and delivery delays have impacted the customer experience. Waiting has increased dramatically. Every business needs to find solutions for managing the wait in 2021. (By the way, we allegedly spend 10 percent of our lives waiting. I know it's true because I once read on the Internet.)

Waiting is inevitable for your customers, especially if you have a successful business. How you handle those moments and the little extras you offer can make a big difference. Based on my research with the *Purple Goldfish Project* there are only 3 ways to manage waiting in customer experience.

1. REDUCE

You can work to reduce the wait.

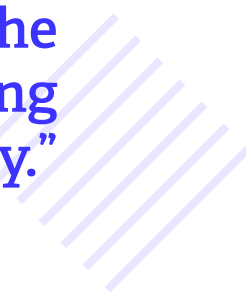
Example: SportsClips Haircuts uses its website and mobile apps to manage the waiting process. In real time, customers can see the wait time at all nearby locations. Customers can check in to hold their place in line.

You can set boundaries on service.

Example: If you want a sub sandwich delivered freaky fresh and freaky fast, who ya' gonna call? You call/order online from Jimmy John's. They only deliver if you live within five minutes or less of the nearest store. They manage waiting by adhering to a very

limited delivery radius. In some places, it is less than two miles or three kilometers. This narrow service range allows them to fulfill their promise of freaky fast and fresh delivery. However, it leaves a lot of people out. If you're not in the zone, you can't get your sandwich delivered. If they can't do it in five minutes or less, they don't do it at all.

“Reduced store capacity in retail, increased pick-up/take-out service, and delivery delays have impacted the customer experience. Waiting has increased dramatically.”



2. RENEW

You can work to make the wait feel more enjoyable.

Example: When flights are delayed, JetBlue Airways often shows up at the gate with tables full of free water and snacks and then sometimes sets up a trivia game for everyone with prizes.

You can make the wait feel shorter.


Example: Disney understands waiting. When you enter a ride's line, the current wait time is posted outside. As you wait, you pass signs that indicate the wait from your current position in line. Here's the thing, though — they're lies. Disney understands that failing to meet expectations is not an option, so they set expectations with a buffer. Let's say the sign says the wait time is 20 minutes, but you breeze through in 16. You're delighted. Let's say the sign said 15 and the actual result is 16. You get the idea. Resetting expectations you know you can exceed is a hallmark of managing the wait.

3. RE-CERTAIN

You can reduce the uncertainty. Customers don't mind waiting, they just don't like the uncertainty of the length.

Example: Uber and its interactive map allows customers to track their ride in real time. It doesn't make the wait any shorter, but it allows you to eliminate the uncertainty.

Takeaway – Unburden the weight of waiting. Reduce, Renew, Re-certain. ♦



Stan Phelps, CSP is an author, keynote speaker, and workshop facilitator. He works with organizations that want to increase loyalty, sales, and word-of-mouth through brand, customer, and employee experience. Stan's in-person and virtual programs stand out in a sea of sameness because he models his message of differentiated experience (DX). Differentiation isn't just about what you say; it's about what you do and, more importantly, how you do it and why you do it. He leverages his unique collection of more than 5,000 case studies to engage audiences with practical ideas that inspire action.

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The Value of Customers and The Impact on A Business's Financial Status

Natalie Petouhoff

Customer Experience Evangelist,
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Think about it. If you didn't have any customers, would you have a business? Where does the value of a business actually come from? If a business's purpose is to create products, services, and experiences for customers and you don't have any customers, do you have a business? Simple logic would tell you no. However, how a business is evaluated on Wall Street or with investors often has little to do with the very people (customers) who provide the cash flow to run and sustain a business. Simply put, no customers, no business.

So that brings me to another question, "Are companies basing their worth on the wrong things?" Peter Drucker said, "The true purpose of a business is to create and keep customers." If this is true then why are company strategies often opposed to being customer-centric? Oftentimes businesses do understand the value of their customers but at the same time the pressure to produce quick Wall Street or investor profits by compromising product quality or not delivering high-quality service experiences ends up short-changing their customers.

The root of short-changing customers stems back to the 1890s and the beginnings of the modern financial accounting system. The issues were heightened in the 1970s when Milton Friedman brought forth the idea of maximizing shareholder value at all costs, even if it was at odds with how customers were treated.

Roger Martin, the author of *When More is Not Better: Overcoming America's Obsession with Economic Efficiency*, about ten years ago, came up with a new "age of customer capitalism" where companies would put customers first to create greater value for their shareholders[i]. His premise was that the blind pursuit of shareholder value would erode the customer lifetime value, and companies were too focused on managing investor earning expectations.

However, worried that prioritizing customers would threaten short-term earnings and send investors packing, few leaders (even though they may have agreed with Martin's idea) acted on truly driving toward measuring and reporting on a customer-centric company strategy. The technologies, operational capabilities, and performance measurement systems are nascent and can make a customer-centric strategy seem somewhat of a risky Wall Street or investor strategy.

In August of 2019, the Business Roundtable, which represents many of the largest U.S. firms, issued a statement on the purpose of the corporation and said it was to deliver value to customers, along with other goals. It also asserted customer value was on equal ground with creating shareholder value.

In the article, *“Are You Undervaluing Your Customers?”* by Rob Markey, co-author of *The Ultimate Question 2.0*, has come up with four broad strategies that leaders who are focused on customer loyalty and customer lifetime value rely on for superior corporate performance^[ii]:

- Managing for customer value;
- Combining design-thinking with loyalty-earning technologies;
- Organizing around customer needs; and
- Leading for loyalty.

He believes the time is right for leaders to create systems for measuring customer value and invest in enabling technology, use design-thinking (putting yourself in your customer's shoes so to speak) to design the business operations around customer needs. And then engage the whole organization, from customer-facing operations to back-office employees, board members as well as investors in the transformation of how shareholder value is created.

“Will 2021 be the right time to become customer-centric in everything your business does?”

If more companies were organized around these types of customer-facing principles, companies could increase value by acquiring more customers, earning more business from them, retaining them longer, and increasing customer lifetime

value. And at the same time make it simpler and less expensive to serve customers by using new technologies that listen for a customer's intent when they are reaching out to a business, understand and predict what the customer needs and then taking action. In addition, by aggregating all the experiences, and learning what works and what doesn't, businesses can use artificial intelligence (AI) to analyze for patterns to improve the customer experience and make lasting improvements.

Markey recommends, given the importance of customer value, even though there are no customer-value reporting standards or requirements, business leaders should begin tracking it in the same way they track other key assets like buildings, inventory, equipment, and marketable securities because it will perhaps become part of the norm.

Part of the issue for investors is that most companies don't measure customer value or if they do it's not standardized so it's difficult to determine how a company compares to its peers. Most investors continue to rely on old accounting principles that focus on physical and financial assets. And while customers are key, a company's income statements or balance sheets don't provide much visibility into the value of its customers.

We can't enter the age of customer capitalism or build customer-centric businesses until our financial accounting standards include reliable, auditable customer relationship metrics. Without a standard, consistent, and widely accepted system to measure and report customer value, investors have an incomplete picture. And until we transform how we account for the value of customers, leaders will be tempted to continue to run, measure, and report on their business using old standards that don't measure this new customer-centric mindset that is crucial in a world where customer expectations are rapidly changing and drive loyalty to brands that do put the customer first.

Will 2021 be the right time to become customer-centric in everything a business does? ♦



Dr. Natalie Petouhoff joined Genesys after years of being a strategic executive advisor and a leading Industry Analyst at Forrester and Constellation, CX VP at Salesforce, a PWC strategic management consultant, a Chief Digital/Social Officer and ROI expert at Weber Shandwick, a digital transformation lecturer at UCLA, with humble beginnings as a product engineer at General Motors and Hughes Electrics. Her experience in many different aspects of the corporate world has given her practical wisdom to use technology to scale excellence and engage all levels of employees in transforming corporate cultures to deliver better experiences for customers and employees, with empathy at the core. Authoring over 300 white papers, ebooks, and webinars, her opinion is highly sought by reporters and her thought leadership has been quoted in The New York Times, FastCompany, Forbes, and CRM Magazine.

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Bodine & Co. is a customer experience consultancy focused on journey management. Founded in 2014 by author and thought leader Kerry Bodine, we help today's leaders achieve business transformation through the discovery, design, and delivery of successful customer and employee journeys.

We believe that remarkable customer and employee experiences can't be outsourced. They must be built from within. And that requires new ways of working and thinking.

That's why we approach our engagements as coaches — not as traditional business consultants. We help our clients uncover deep customer insights and co-create solutions to their customer and employee experience challenges. Then we provide ongoing coaching and guidance to develop new and lasting skills.

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