Stop wasting money on what doesn’t matter, stop losing customers to competitors because you can’t see all of what does

Revenue only comes from customers’ decisions – it doesn’t come from products or services. We can analyse customers’ decisions and what matters most in earning them. Then by orchestrating the business’s activities around what matters you can grow in a way that is both effective, because you know what matters most, and efficient, as you cut out what doesn’t

- You use this approach in business planning, measurement and learning to improve – it is a CxO-level way to steer a business towards competitive customer-led success

- It includes customer experience but it is not only about customer experience. Growing NPS, satisfaction, ‘likes’, or trust scores doesn’t earn money. Only when a customer decides that the next step they want to take is best taken with you do they pay you more. This is about tying together work on customer experience, product, service, proposition, customer communications, brand and more into a simple, coherent, actionable structure

- If you don’t know what matters to customers when they make the decisions that ARE your revenue stream, then you will be sub-optimal. You will be wasting money doing things customers don’t value. You will be letting opportunities leak away by doing some but not all of what matters, missing crucial components

- We call this technique Customer Decision Mapping – we work on the analysis, mapping and through into the planning, measurement and action that’s needed to realise value. This is an approach that can be strategic, practical and used to think creatively about performance improvement too

HOW IT WORKS

Customer Decision Mapping allows you to see how to earn more customer decisions in your favour – growing retention or reducing churn, increasing share of wallet, growing products or value per customer. It turns customer insight into business priorities and then into activities with metrics that guide progress and learning, all based on what matters most to customers. The idea is simple for people across an organisation to understand, although execution can range from simple to sophisticated and complex.

You can draw a picture of a customer decision. The picture shows:
- How the customer feels about their experience up to now with you
- How attractive taking the next step is with you compared to the alternatives
- And what influences each of these two factors
It prompts you to identify the customer decisions that matter most to your business, then to identify the factors that matter most in making those decisions, then to find the biggest improvement opportunities.

- For example, if an offer to invest in an ISA is made precisely at the point when customers pay off a mortgage, the conversion rates can be three times what it would be if the same ISA offer was communicated in the usual way – in the moment they have £200 a month that’s freed up and it’s an easy decision.

- For example, in encouraging customers to install a smart energy meter, offering them financial incentives was the route being taken but, as it turned out, money down the drain – most customers worry more about the inconvenience and hassle so reassurance that the process will be easy was an order of magnitude more effective.

- For example, a business that supplies pharmacies was trying to grow its share with a number of high potential retailers. Its deliveries to those sites were managed separately to minimise cost. The deliveries were often at the end of the day or at lunchtime – peak time in the store. By understanding all of what mattered in earning retailers’ decisions, they moved deliveries to quiet times, improved relationships and decisively stepped up sales growth.

USEFUL ACROSS SECTORS AND TYPES OF CUSTOMER DECISION

We have worked on increasing retention with Jaguar Land Rover globally, with the National Trust on membership, with SSE leading to a wholesale change in their approach to customer experience, and with Vitality Health and their health insurance. We have worked on growing value per customer with M&S, HSBC, British Gas, The Roundhouse and Murphy (to win more bids with existing customers, starting with water companies).

WHO THIS IS FOR

This is most obviously useful for a Chief Customer Officer or a Chief Marketing Officer. It gives you a commercial way to get the whole organisation working towards what matters to customers.

It is useful to a CEO who wants to turn a belief that being more customer-led will lead to success. It gives you a blueprint to organise around, and ways of breaking up what needs to be done into work that people in the business can each get on with without disappearing into silos.

It is useful to the whole Customer Experience community because it gives a way to escape from urging colleagues to believe that increasing NPS is worth money. This allows you to show the value added by customer experience improvements, clearly, and also what else needs to change for a commercial outcome to be achieved – it cannot be done by customer experience alone.

It is useful for Proposition Development teams and teams looking to grow by cross sale to existing customers because it shows all of what matters in your own activity, beyond the proposition, price and immediate communications, and it also shows the way their results depend on the experience created by others across the organisation – if lots of customers are unhappy, the decision map shows how you will earn a good deal fewer of their decisions.

A SIMPLE FIRST STEP

Do you know which customer decisions matter most in your business?
Do you know how to earn more of them, at lower cost?

We can run a half day workshop with a client team to develop a first draft customer decision map around one decision that is critical for the business. Before and during the day we will:

- Identify the customer decisions that matter most and why

- Agree one to focus on and who should be involved in the discussion from across the business
  - Facilitate a session where we run through:
    - The value of the decision and improving performance around it
    - The factors likely to matter to the decision based on existing evidence and the team’s judgement
    - What is likely to matter to customers for each factor, recognising segments if necessary
    - Assessing performance across the factors including what’s measured and what isn’t
    - Drawing conclusions around the improvement opportunity and its rough value
  - Write it up into a short, compelling presentation to share more widely making the case for change

- The cost for this as a one-off piece of work would be £10k