



## 7 minutes with Mike Wittenstein

*We recently caught up with CX expert, blogger and founder of Storyminers Mike Wittenstein, to discuss the as-is and to-be of great customer experience design.*

Expert by [Mike Wittenstein, Experience and service designer and consultant, Storyminers](#)

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**1) The importance of the customer experience to wider business success is now well-established and every organisation we encounter has several CX programmes up and running. Putting your futurologist's hat on, what would you say will be the key trends and**

## developments in customer experience over the next 12 months?

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once again.**

On the digital side, the emphasis on predictive analytics will expand beyond what helps the business operate more profitably to what creates more value for customers.

Yes, we'll see better recommendation engines. We'll also see more tech aimed at helping customers purchase smarter. For example, if you're shopping for a red cashmere sweater and you already purchased one in the last 18 months, you might feel delighted if the shopping tech reminds you that you already have one. (You may also see new items it could mix-and-match with).

Showing customers that you are ready to serve them before you sell to them is something people in the retail industry have known for over 100 years. Now, technology is letting us put human needs first once again.

### 2) You travel around the US and globally working with businesses to improve their customer experience. In the course of your travels, what's the most impressive or striking customer experience you've encountered recently?

I'm really big on two brands: PIRCH and Discount Tire. PIRCH sells high-end bathroom fixtures and appliances (Joy is also listed as one of their categories in an exquisitely designed store that sports one of the best customer experiences in American retail today. PIRCH excels at putting service before selling and has dedicated itself to leading with culture over technology. For example, when you arrive you're greeted warmly by a real human and offered something to drink. As you ask questions, the store and its philosophy of enabling customers' dreams comes to life unfolds. Homeowners, designers, and builders all share a sense of amazement at how relaxed and 'in the mood' they feel because everything is set up to give them the time and space to get clear on what they really want.

Discount Tire sells – you guessed it – tires at a discount. But, when it comes to service, they don't cut corners. When I get my tires rotated (for free), I'm often met at my car and don't need to go inside or register before the service starts to happen. My tech opened the door for me and by the time we reached the register she'd already looked up my VIN number, taken my keys, and offered me some coffee. My car is *always* ready on time and, somehow, they always pronounce my last name correctly.

While these brands are at almost polar ends of the consumer price spectrum, they both offer high-value at low cost. That doesn't mean their products are cheap, just that they've engineered a tremendous amount of value into the experiences for their respective customers.

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**3) Budgets for customer experience improvement vary widely. In your opinion, what single factor or process improvement is likely to generate the greatest gain for the customer experience for the smallest initial outlay?**

This answer may surprise you, but I don't think it's a technology or a technique or a best practice. From my experience, the single most important factor is the leadership team's willingness to make changes to their own behavior in front of others they work with. There is nothing like personal change to demonstrate commitment to a new program — like a customer experience program — to win the loyal following in support of one's employees. Proving to your own team that you're serious by doing the hard work of making hard changes doesn't cost anything yet offers priceless rewards.

**4) For your top CX pick of 2016, you chose predictive analytics applied to the task of maximising customer value (and not just company profit); do you have any advice or core principles that businesses can employ to balance customers' desires for both convenience and data privacy?**

First an example everyone can relate to...

Customers can tell when businesses are 'doing things for money' rather than things that benefit customers—especially when systems get over-zealous with their guesses (I mean predictions). Like a local auto dealer who recently used a combination of email, direct mail, social, and phone calls *in one week* to see if I want to trade my car for a new one. The next week, the service manager from the same dealership called me a day before a warranty repair appointment I had scheduled to thank me for my business and to offer a free gift. Just let her know when I arrive. "No strings attached", was the promise. I took the bait only to find out that my "gift" was just a sheet of paper. On it was a list of ten service issues I should watch for. The 'gift' (and I had to ask because at first I couldn't find it) was advice. If I noticed any of the ten service issues happening with my car, it suggested I should consider upgrading to a new one.



Now for the principles...

# #1 *Serve before you sell.*



When I come to an auto dealer's service center for service, I want service—not to spend 200x the cost of a small repair on a new car. This dealer was using information to sell not to serve. Would you think highly of a dealer using these tactics? No wonder they're called *dealers*.

Now for the principles...

**#1 Serve before you sell.** Simply reversing the order of these steps is a powerful way to connect with customers and prove that your brand is sincere about helping them. Fatigued by empty promises, customers want proof before they will open their purses and wallets. 2016 is the year to demonstrate what you will do for customers *before* they buy.

**#2 Use design thinking to solve problems.** It's simply a way of generating ideas that help everyone get more of what they want. The big insight in design thinking is that winners don't get their fair share from losers. By understanding all parties' needs, we have the freedom to design experiences—and the services and operations that support them—in a way that helps each advance.

**#3 Seek out ideas that create more value for customers than for you.** It doesn't mean you don't make money. It just means that your customers will notice the value you're creating for them—remember you for it and share their experience with their friends and colleagues. In order for this principle to work in practice, you have to learn how to identify what customers value and how to measure it. (It's not easy, but it's not impossible either 😊)

For example, in the above example, I would have preferred the dealer approach me with a 'value maximization program' where I agree to let them keep information on my vehicle on file, fit it with a special sensor (like the kind Progressive advertises or that Automatic.com sells directly to drivers), and couple that with information on how long I want to hold my car and how I feel about spending money on repairs. Using their algorithm (this is the value creation part), the dealership could help me keep my car for the best length of time (given how well they take care of it, how carefully I drive, and what happens during ownership) and do so at the lowest cost to me.

Now, why would a dealership want to possibly delay my purchase and leave me in control of the timing for purchasing a new car? Here's why...If the dealership helps me make the best repair and maintenance decisions to lower my lifetime cost of ownership, they will get all my service dollars, know when it's time to contact me for that new vehicle (saving a lot of wasted marketing spend and all but guaranteeing the sale), give me the satisfaction of optimizing my repair spend (a positive emotion that inures to their brand), and I would get the feeling that my dealer was really interested in my ownership experience and financial well-being (because they really would be 😊). See the difference? Doing what customers want is often more lucrative in the long run than 'forcing' them to do what you want.

## Leo Tolstoy wrote



*“Everyone thinks of changing the world, but no one thinks of changing himself.”*

**5) You mention that the leadership team’s willingness to lead by example is crucial to embedding customer-centricity within an organisation. To what extent are we starting to see this sort of leadership in evidence out in the real world? Do you have any tips for leadership teams wanting to do just that?**

This isn't a trendy idea and I'm not the originator of this as a best practice. This is classic management advice that's been known for thousands of years. In the last hundred years or so, Leo Tolstoy wrote "Everyone thinks of changing the world, but no one thinks of changing himself." Michael Jackson wrote "If you want to make the world a better place, take a look at yourself, and make a change." There are hundreds of other examples out there.

Becoming the exemplar of change in front of followers is a hallmark of great leadership. Customer experience programmes require all types of simultaneous change throughout the organization to succeed. Leaders who can make those changes in themselves and share them with their teams offer invaluable encouragement and *prove* that the changes their strategies and ideas require are possible.

If you are in a leadership team seeking this path, consider, as a first step for the team, finding examples of leaders you admire and documenting their change stories. They're not easy to find ([http://www.huffingtonpost.com/2014/08/04/50-over-50-the-risk-taker\\_n\\_5639797.html](http://www.huffingtonpost.com/2014/08/04/50-over-50-the-risk-taker_n_5639797.html)), but worth the effort. Once you have examples everyone admires, decide what changes you want to make as an

organization (they will probably be around principles and values), then help hold each other accountable to the changes you will make individually and as a group. Remember to let others see your progress—and your setbacks. Your brand—and your team’s courage—will grow stronger.



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Expert



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