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CUSTOMER JOURNEY MANAGEMENT 101

The essential guide to managing, measuring and improving CX

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Introduction

Customer journey management is a proven approach to delivering the seamless experiences your customers demand. Today, customers expect their experiences to mimic those of customer experience (CX) leaders like Amazon, Google and Netflix. Anything less can lead to dissatisfaction and churn.

Although many organizations have already adopted customer feedback management, only 21% of brands saw a significant increase in CX scores*. The reason is simple: Voice of the Customer (VoC) data is only measured in aggregate, by segment, or after isolated transactions within individual touchpoints. It doesn't enable companies to understand and optimize individual customer experiences or measure the impact on business outcomes. And only a fraction of customers respond to surveys.

In this ebook, you'll learn how you can use customer journey management to achieve your CX and business goals by organizing your business around customer journeys. Then we'll examine seven high-impact journeys every business should measure and optimize.

UNDERSTANDING CUSTOMER JOURNEY MANAGEMENT

A proven approach

Customer journey management focuses on the paths your customers take as they seek to achieve a goal, rather than optimizing single interactions at each touchpoint. It's a shift in mindset that enables you to not only measure, monitor and optimize CX, but align your entire organization with your customers' goals.

Customer journey management is used by customer-centric organizations to:

- Identify the journeys that matter based on customer goals and business outcomes

- Measure and monitor the in-journey signals that predict journey success

- Orchestrate corrective actions when needed

- Track journey success using journey scores

- Prioritize underperforming journeys for investment

Leading enterprises around the world are using customer journey management to improve customer experience, delivering value to both their customers and organizations.

The value of a journey management approach

The primary motivation behind the adoption of customer journey management is to improve your organization's ability to deliver value to your customers. It is the method by which customer-centric enterprises understand customer goals and help them reach those goals as efficiently as possible. This approach allows you to be sure each interaction reflects each customer's unique journey context.

Satisfied customers will return value to your business. The key is to identify the experiences critical to obtaining that value and quantify their impact on business outcomes.

Many enterprises struggle to directly link customer behavior to business outcomes. According to last year's State of Customer Journey Management and CX Measurement report, almost half (41%) of companies said they capture improvements in metrics like Net Promoter Score (NPS) or customer satisfaction (CSAT), but they're challenged to translate that into revenue or costs.

"Companies that use customer journey programs to realign their organization around their customer can realize improvements of 20 to 40 points in customer advocacy scores, cost reductions of 15% to 25%, and revenue increases of 10% to 20%."

Bharat Poddar
Managing Director and Senior Partner,
Boston Consulting Group
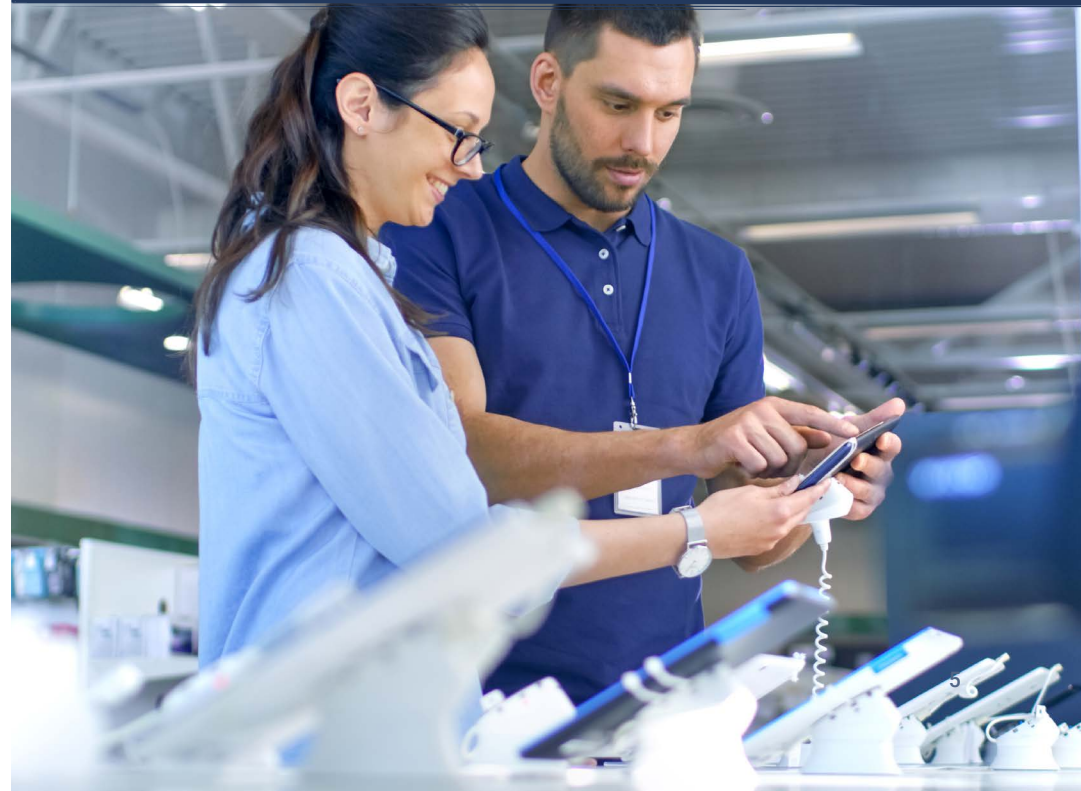
Benefits of a journey management approach

Managing customer journeys gives you the framework to deliver the experiences customers expect and influence the metrics and outcomes that matter most.

A journey management program benefits your enterprise in four major ways:

1. Optimize customer experience

Provide customers with exceptional, consistent experiences no matter what goal they want to achieve — or which channels they use throughout their journey.

CX leaders use customer journey management to measure, monitor and optimize their customers' experiences. By continuously monitoring journey performance, you can identify which journeys or moments within a journey need improvement. You can also prioritize each improvement by how it will potentially affect journey scores and other CX KPIs.

Journey management is a closed-loop approach that helps journey owners determine how each action taken affects CX metrics. Customer journey management software allows you to customize journey dashboards and monitor your progress in real time. This way, you can see if your improvements are yielding the desired results and iterate your tactics as customers engage with your organization.

Volume	Self Service %	Journey Score	NPS	Cost
0.18M ↑ +8.5% Prior: 0.17M	72% ↑ +15.2% Prior: 62.5%	55.7% ↑ +1.2% Prior: 55%	40.1 ↑ +4.8% Prior: 38.3	$4.4M ↑ +10.8% Prior: $4M
4.23M ↑ +8.2% Prior: 3.91M	82.5% ↓ -2.7% Prior: 84.8%	50.1% — +0.2% Prior: 50%	42.2 — +0.2% Prior: 42.1	$3.7M — +0.2% Prior: $3.7M
7.74M ↑ +1% Prior: 7.66M	75.3% ↓ -1.1% Prior: 76.2%	66.3% ↓ -14% Prior: 77%	35.8 — -0.7% Prior: 36	$14.8M ↑ +4.4% Prior: $14.2M
2.3M ↑ +3.2% Prior: 2.22M	41.7% ↑ +3.3% Prior: 40.4%	48.8% — +0.3% Prior: 48.7%	38.8 ↑ +8.9% Prior: 35.6	$1.3M — +0.1% Prior: $1.3M
1.11M — +0.1% Prior: 1.11M	53.3% — +0.2% Prior: 53.2%	68.2% — +0.2% Prior: 68.1%	44.7 ↑ +2.1% Prior: 43.8	$0.9M — +0.2% Prior: $0.9M

2. Accelerate digital transformation

To meet evolving customer expectations and compete in today's rapidly changing landscape, companies are focused on transforming outdated experiences and the underlying processes and systems that support them. Chief digital officers can use customer journey management to provide the simple digital experiences their customers crave, while minimizing costly and often frustrating human interactions.

Product owners can use journey management to answer complex questions like:

- Are customers achieving their goals using digital products?

- Which channels are the most effective for specific types of journeys?

- At what point are customers leaving digital channels for the contact center?

- When customers abandon digital options to speak with an agent, which products do they choose?

3. Improve customer service while reducing costs

Transforming internal operations and decreasing costs associated with servicing customers is a top priority for every organization. Inevitably, some customers will leak from digital channels — or bypass them altogether — and move to agent-supported channels like chat and phone. Contact center leaders must understand why customers seek agent assistance and what goals they're trying to achieve.

When supported by a customer journey management program, agents can see everything a customer has done outside of the contact center, as well as the journey or journeys they're currently taking. This enables them to support customers more effectively, reducing call center metrics like call time and repeat calls.

Monitoring journeys over time and across channels allows customer service leaders to improve escalation management. They can isolate the cause of severe cases and determine how many other customers are experiencing the same issue. And then they can avoid or mitigate those issues more efficiently to reduce costs.

4. Grow revenue

Today, enterprises are more likely to win consumers' hearts with experiences rather than products and services. Marketing leaders know it's important to deliver differentiated experiences as prospective clients or customers shop and buy, but most are challenged to do so. If your organization is managing customer journeys, you have the capabilities to track acquisition journeys across channels and ensure that each interaction reflects the unique experiences each consumer has with your business.

Similarly, marketing teams can use a journey management approach to expand revenue from existing customers by sending cross-sell or up-sell offers. Monitoring customer journeys and incorporating journey context allows marketers to orchestrate these offers at the right moment for each customer and through the best channel.

Lastly, customer journey management makes it easy to monitor journeys and reveal the indicators of voluntary and involuntary churn. CX and marketing professionals can increase retention by understanding which journeys lead to churn, examining the root causes of CX issues and prioritizing actions to optimize those journeys.

THE JOURNEY
MANAGEMENT
FRAMEWORK

The components of journey management

Customer journey management encompasses three primary approaches to CX: journey mapping, journey analytics and customer journey orchestration.

Each approach plays a role in helping an organization understand, create and improve customer experiences. In addition, these approaches often are combined to enhance experience design, generate journey insights and optimize journeys.

"Journey managers have the potential to reinvent their organizations, bringing together colleagues from across departments and those unavoidable silos to ensure that customers have a smooth experience, no matter what part of the end-to-end journey they're currently in."

Kerry Bodine
CEO, Bodine and Company
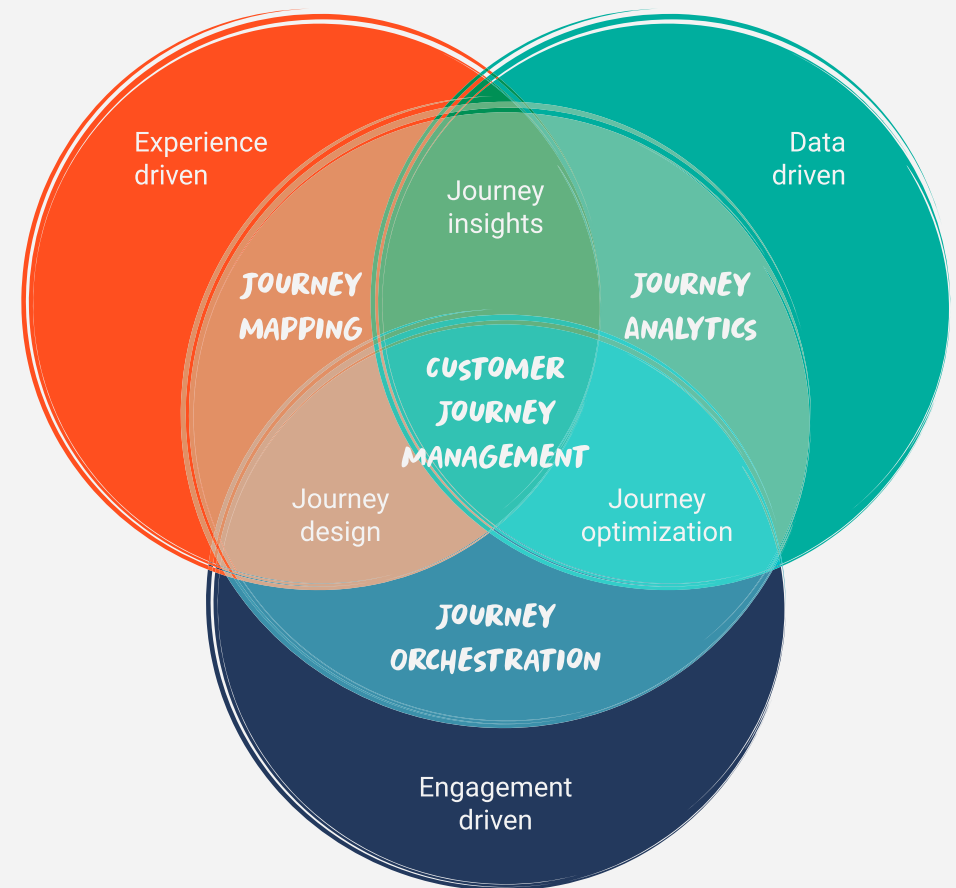
From mapping to management

Here is a quick summary of the three primary journey management capabilities and how they're most often used.

- **Journey mapping** is a way to visualize and communicate your customer's experience across touchpoints and over time as they seek to achieve a specific goal.

- **Journey analytics** is the science of analyzing customer behavior data across touchpoints and over time to measure how customer behavior affects business outcomes.

- **Journey orchestration** is a way to use each customer's entire experience to inform and personalize interactions that will improve customer experience and drive desirable outcomes.

- **Journey insights** encompass quantitative and qualitative information to help you understand your customers' behavior as they seek to achieve a goal.

- **Journey design** is the process of defining the experience a customer has as they seek to achieve a goal and the interactions the company will take at each step to promote progress towards the goal.

- **Journey optimization** is a closed-loop approach that uses artificial intelligence (AI) and machine learning to improve the experience of each customer, so they can achieve their goal more efficiently.

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ACHIEVING YOUR CX AND BUSINESS GOALS WITH JOURNEY MANAGEMENT

Start by managing customer journey data

Customer journey management starts with the creation of a centralized source of customer journey data. While most organizations are drowning in customer data stored in isolated databases, centralized data warehouses and more modern customer data platforms. And they lack the integrated time-series data that provides the foundation for a journey management approach.

Integrated customer journey data enables real-time analytics, modeling and orchestration based on the behaviors customers exhibit across channels and over time.

It eliminates the need for analysts to perform complex aggregations or transformations every time they need to answer a new question.

Adopting a customer journey data hub provides all parts of the business with the real-time data they need to help each customer reach their goal efficiently.

Measure journeys across channels and over time

To improve experiences, CX teams use journey analytics to facilitate customer journey measurement. This is an approach that enables you to monitor and improve experiences by aligning your organization around both customer and business goals.

CX leaders measure the following to understand performance and predict success for each journey:

- Journey milestones

- In-journey signals

- Journey success metrics

There are a wide variety of in-journey metrics — like conversion, NPS, CSAT, inaction, elapsed time and more — you should evaluate to see which captures the key moments that predict success for each journey.

Journey success is captured through journey scores, which are based on end-of-journey metrics, such as satisfaction, completion rates, cost or effort scores. More CX leaders now rely on customer journey analytics software to measure, monitor and assess the performance of customer journeys.

"CX pros need a journey measurement framework to measure and predict journey performance. "

Forrester, 2019
The Journey Measurement Framework: Assess And Predict Journey Performance

Optimize journeys to help customers achieve goals efficiently

Traditionally, enterprises have focused on improving interactions within specific touchpoints. But this neglects the actual journey your customers take across channels and over time. Customer journey orchestration is a way to use each customer's entire experience to inform and personalize interactions that will improve customer experience and drive desirable outcomes.

It's critical to understand each customer's historical experience and current goals. Customer journey optimization is an approach that uses AI and machine learning to improve the experience of each customer, so they can achieve their goal more efficiently. In recent years, CX and marketing professionals have adopted customer journey orchestration software as a preferred way to achieve journey optimization.

Combining journey data and customer journey measurement enables CX and marketing teams to prioritize actions that have the highest potential impact on your business goals and your customers' experiences.

Together, these three components of the customer journey management framework will enable you to make your customers happy and help your organization meet its desired business outcomes.

FIVE STEPS TOWARD SUCCESS

Take the first step

Becoming a journey-centric organization starts from the top. Leaders must prioritize and organize the business around their customers and the journeys.

Once leadership has made the commitment, the real work begins. Implementing an effective customer journey management program starts by realigning roles and responsibilities around customer goals, identifying the journeys that matter most to your customers, defining success metrics and mapping those metrics to key business outcomes.

1. Align your entire organization around your customers and their experiences

Every enterprise strives to be customer-centric or customer obsessed. The key to achieving that level of customer centricity is to keep your organization focused on what matters most: your customer.

Many companies approach customer experience from a siloed lens, often implementing improvements to increase internal, function-specific metrics. For example, marketing prioritizes conversions, the customer experience team prioritizes NPS, the contact center team prioritizes FCR and so on.

But your customers aren't focused on conversion or FCR rates. They just want a simple, frictionless way to reach their own goals.

By aligning your entire business around your customers, their goals and the journeys they take to achieve them, you can better understand customer behavior and make more informed decisions about how to optimize CX. When everyone across the organization is on the same page, it becomes easier to deliver the frictionless, connected and personalized experiences your customers seek.

More enterprises are adopting customer journey management to align their people around journeys. The majority of high performing organizations (68%) have a role or team dedicated to journey management, compared to 31% of underperformers, according to last year's State of Customer Journey Management and CX Measurement report. Overall, 53% of organizations currently have a dedicated role or team, 10% plan to add one, and 19% have aligned existing roles/teams with a journey-based approach.

2. Be sure everyone is using the same definition of "customer journey"

The term "customer journey" is used so frequently it can be difficult for some to remember what it really means. A customer journey is the sequence of steps a customer takes to achieve a goal that delivers value to themselves and (hopefully) the business.

Despite the best efforts of hundreds of software vendors and consultants, a customer journey is *not*:

- A marketing campaign

- A single interaction (such as completing a purchase or placing a support call)

- A set of sequential clicks, like opening an email, clicking a link, viewing a page and submitting a form

- An internal process created by the company for the customer

In addition, customer journeys shouldn't be defined by the length of time or even the channels involved. They vary according to your customers' goals.
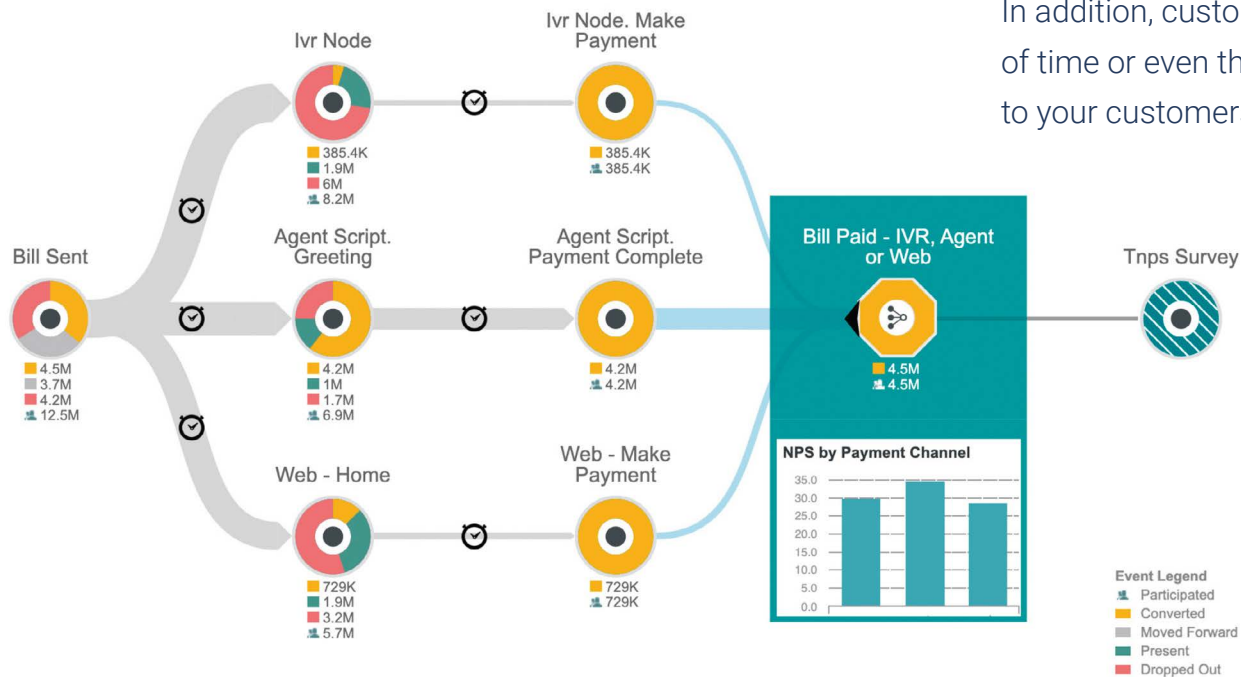
3. Identify the journeys that matter to your customer

Customers can exhibit different behavior and take different paths across your omnichannel touchpoints. The key is to identify your customers' goals and then align them with your organization's goals.

For instance, the paths a customer takes on his journey to renew or upgrade a service are critical to the success of a telecom provider striving to retain customers and maximize customer lifetime value. Initiating automatic loan payments might be a crucial journey for a financial services institution that wants to reduce the cost of collecting overdue payments.

Once you've established the goals that matter most to your customer and your business, identify the significant steps that indicate progress toward those goals. For instance, applying for a mortgage is a journey that encompasses several milestones, from assessing options to applying for the loan, to paying the first bill.
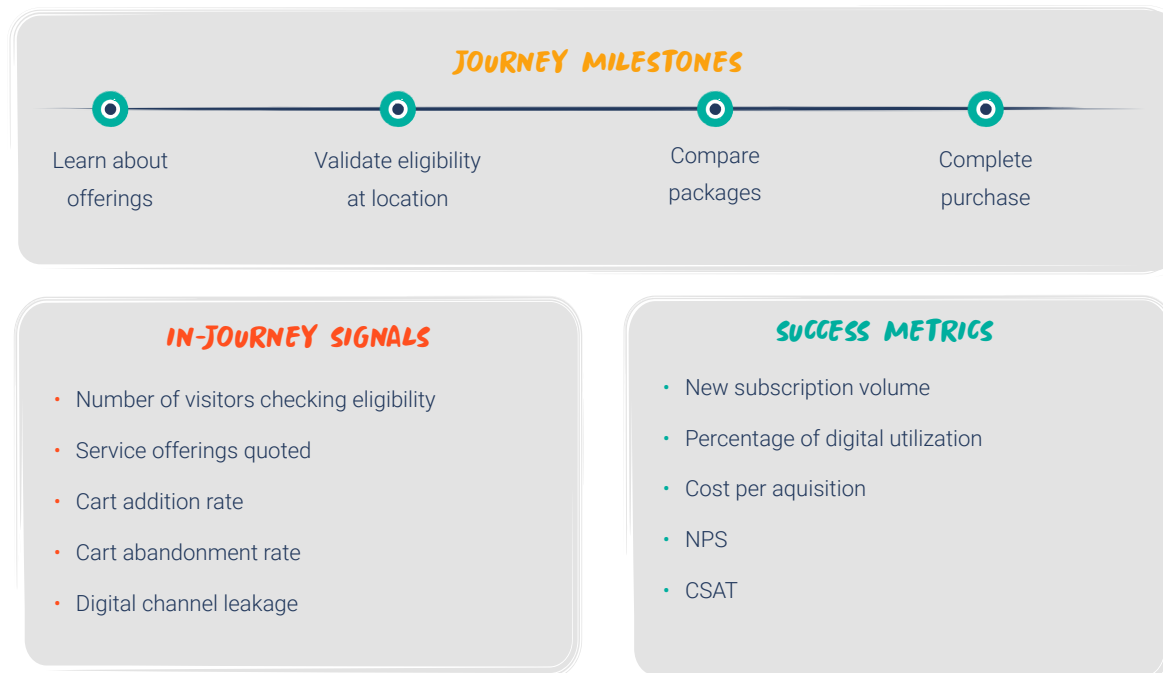
4. Define success metrics for your customers and your business

To measure success, always put your customers first. From their perspective, define what it means to achieve their goals. For a health insurance member, that might mean ensuring a new dependent, such as a spouse or a newborn, is officially insured. A wireless customer might define success as restoring internet service after an outage.

First identify the KPIs that act as signals or indicators along the journey to predict if your customers are likely to achieve their goals. Some examples include the number of repeated steps, abandonment rate and digital leakage rate.

Next, define what success looks like for your customers and your organization. This is where you can leverage internal metrics like completion rate, FCR and cost to serve. Remember: These metrics should capture the value your customers want to get out of their journeys and associated company goals. They also play a role in helping you measure customer behavior and directly link CX metrics to the outcomes that matter most to your business.

Find an internet service provider

JOURNEY MILESTONES

Learn about offerings — Validate eligibility at location — Compare packages — Complete purchase

IN-JOURNEY SIGNALS

- Number of visitors checking eligibility
- Service offerings quoted
- Cart addition rate
- Cart abandonment rate
- Digital channel leakage

SUCCESS METRICS

- New subscription volume
- Percentage of digital utilization
- Cost per aquisition
- NPS
- CSAT

5. Use journey scores to align customer goals with business outcomes

Identifying your high-priority objectives will help you measure company success at the broadest level and crystallize what success looks like for your customer journey management program.

Take your client goals as well as the success metrics you've defined and then map those to corresponding business outcomes. Consider key outcomes that will make your firm successful, such as assets under management, retention rate and cost to serve. This way, it's clear which journeys impact not only CX metrics, but the crucial outcomes by which you measure your enterprise.

For instance, cardholders disputing a credit card charge simply want the charge removed from their statement. But the steps they take to achieve this goal directly affects more than digital containment rates and contact center metrics like FCR — this particular support journey has a direct influence on a financial institution's retention rates and costs.

Customizable journey scores are the best way to combine customer and business metrics, so business outcomes are aligned with client goals. Use journey scores to assess and monitor the impact of each journey — and to identify journeys that need improvement.
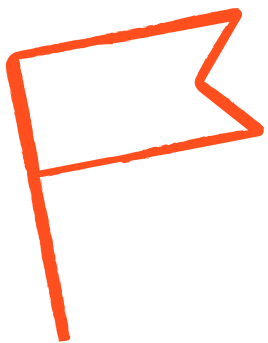
SEVEN CUSTOMER JOURNEYS EVERY BUSINESS CAN MEASURE AND OPTIMIZE

1. Learn, shop and buy

Your customer's journey begins long before they actually become a customer.

As consumers learn about and shop for products, they're inundated with information about similar products and claims of better service and lower prices. A study by Salesforce found that 74% of people are likely to switch brands if they find the purchasing process too difficult.

To meet internal goals like net-new customers and cost per acquisition, enterprises must deliver effortless acquisition journeys that stand up to the best consumer buying experiences.

2. Setup

After completing a purchase, your customers want to quickly use your product or service. Whether they're activating a new phone or setting up automatic payments, delivering exceptional onboarding experiences must be driven by your customers' desires and goals.

Onboarding is critical to the success of your clients and your business. Inconsistent, inefficient journeys can have a major impact on retention and revenue. Last year, more than **64% of banks reported** lost revenue because of problems in their current onboarding journeys.

Too often, internal processes, timelines and metrics drive onboarding journeys instead of leading with the goals your customers want to accomplish.

3. Pay

Making a payment each month, or setting up automatic payments, shouldn't be a painful process. Unpaid bills or late payments can seriously affect your organization's cash flow and difficult payment experiences can negatively affect your customers.

Encountering problems frequently can put customer satisfaction and loyalty at risk. Delivering a seamless, low-effort payment experience is essential.
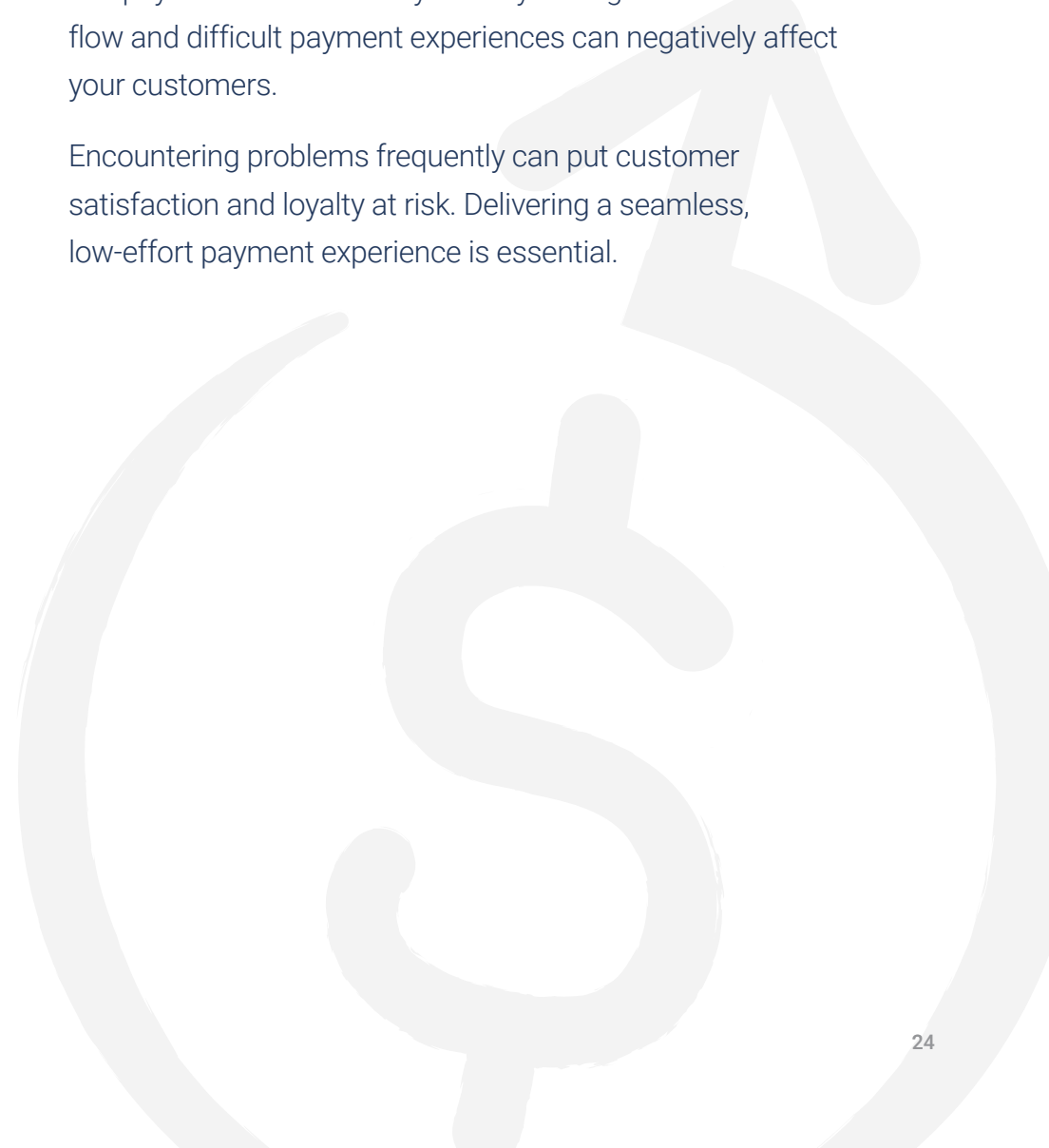
4. Use

When your customers use your product or service, they get to enjoy the value you promised during the acquisition journey. Use journeys encompass many different customer goals, such as increasing network speeds or watching Netflix during their commute.

Engaging with your organization and using your service heavily affects metrics like engagement and usage, satisfaction and ultimately, retention.

Regardless of your customer's goal or the path they take to achieve it, effectively measuring your key se journeys is important for improving CX and achieving desired business outcomes.

5. Support

While encountering issues is frustrating, the way you help your customers resolve their problems has a significant impact on their satisfaction. Great customer service is meaningful to customers.

American consumers will pay 17% more to purchase from a company with a reputation for great service.

This is a critical moment of truth; service journeys play a major role in your client's perception of your brand, their satisfaction and their decision to churn or remain a customer.

6. Change

Change journeys can include upgrading or downgrading a service, switching products or reward selections, and more. A myriad of lifestyle changes, such as getting married or moving to a new home, can spur these journeys.

When a customer changes her product or service, it's an opportunity for your business to provide additional value and prove that you understand her needs. And often, it's an opportunity to generate more revenue.

7. Leave

Across industries, churn rates hover between 20-25%. Even a small decrease in churn can save your business valuable revenue.

Identifying the journeys that drive customers to leave your business will inform your efforts to retain existing customers exhibiting signals of soft churn.

But when your customers are determined to leave, it benefits you to make their journey as easy as possible. Your customers will remember the effort required to end their relationship with your company. Make the journey easy and you're more likely to win customers back in the future.

SUMMARY

A reliable approach to CX and business success

Every enterprise strives to deliver differentiated, exceptional customer experiences. But many struggle to put the pieces together to actually achieve that goal.

Data and analytics are critical pieces of the puzzle. In reality, however, companies have more data than insight and more insight than action. Adopting a customer journey management approach brings together the puzzle pieces of data management, journey measurement and journey optimization.

Powered by this approach, you can elevate your CX measurement program to the next level, improving both customer experiences and business outcomes.

Pointillist
by GENESYS

Deliver frictionless, connected and personalized experiences

All organizations are under immense pressure to boost customer experience while improving business performance. In a world where customers expect a personalized experience on any channel they choose, customer experience teams struggle to deliver experiences that anticipate each customer's needs by recognizing their preferences, prior experiences and current goals.

That's why customer-centric organizations rely on the award-winning Pointillist Customer Journey Management Platform to measure, manage and optimize individual customer experiences at scale. CX teams depend on Pointillist to:

- Measure omnichannel customer experiences and identify opportunities for improvement

- Quantify the impact of customer behavior on business outcomes

- Orchestrate actions that optimize customer experience and maximize business success

- Align cross-functional teams on customer and business goals

GENESYS