Unlocking the Hidden Customer Experience

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@ColinShaw_CX
Net Promoter Score plateauing
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Experience Psychology
Subconscious
Rational Action
Behavioural Economics
Emotions
Experience Psychology
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‘Seven Imperatives’ or moving your CX to the next level

1. Recognize that Customers decide emotionally and justify rationally
2. Embrace the all-encompassing nature of Customers’ irrationality
3. Understand that Customers’ minds can be in conflict with themselves
4. Commit yourself to understanding and predicting Customer habits & behaviors
5. Uncover the hidden causes and unintended consequences of why Customers want things to be easy
6. Accept that apparently irrelevant aspects of your Customer Experience are sometimes the most important aspects
7. Realize the only way to build Customer loyalty is through Customer memories
Hierarchy of Emotional Value
‘Seven Imperatives’ for moving your CX to the next level

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Intuitive vs. Rational System test

Grab a piece of paper and a pen

1. A bat and a ball cost $1.10 in total. The bat costs $1.00 more than the ball. How much does the ball cost?
   - Intuitive System: $0.10
   - Rational System: $0.05

2. If it takes 5 machines 5 minutes to make 5 widgets, how long would it take 100 machines to make 100 widgets?
   - Intuitive System: 100 minutes
   - Rational System: 5 minutes

3. In a lake, there is a patch of lily pads. Every day, the patch doubles in size. If it takes 48 days for the patch to cover the entire lake, how long would it take for the patch to cover half of the lake?
   - Intuitive System: 24 days
   - Rational System: 47 days

Frederick (2005) JEP
<table>
<thead>
<tr>
<th>Intuitive System</th>
<th>Rational System</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Fast</strong></td>
<td><strong>Slow</strong></td>
</tr>
<tr>
<td>Parallel Thoughts</td>
<td>Serial Thoughts</td>
</tr>
<tr>
<td>Automatic</td>
<td>Controlled</td>
</tr>
<tr>
<td>Associative</td>
<td>Flexible</td>
</tr>
<tr>
<td>Intuitive</td>
<td>Effortful</td>
</tr>
<tr>
<td>Perceptual</td>
<td>Consumes resources</td>
</tr>
<tr>
<td>Good at estimates</td>
<td>Good at precise calculations</td>
</tr>
<tr>
<td>Notes collocations</td>
<td>Forms and follows rules</td>
</tr>
<tr>
<td>Logs incidences</td>
<td>Good at making trade-offs</td>
</tr>
<tr>
<td>Slow to learn</td>
<td>Self-aware</td>
</tr>
</tbody>
</table>

Notes:
- Consumes resources
- Forms and follows rules
- Good at making trade-offs
- Good at estimates
- Logs incidences
- Slow to learn
- Self-aware
- Forms and follows rules
- Good at making trade-offs
- Self-aware
<table>
<thead>
<tr>
<th>Using Knife and Fork</th>
<th>Fast</th>
<th>Slow</th>
</tr>
</thead>
<tbody>
<tr>
<td>Multi-tasking</td>
<td>Parallel Thoughts</td>
<td>Serial Thoughts</td>
</tr>
<tr>
<td>Cleaning teeth</td>
<td>Automatic</td>
<td>Controlled</td>
</tr>
<tr>
<td>Gut reaction</td>
<td>Associative</td>
<td>Flexible</td>
</tr>
<tr>
<td>Gut reaction</td>
<td>Intuitive</td>
<td>Effort required</td>
</tr>
<tr>
<td>Perceptual</td>
<td>Perceptual</td>
<td>Consumes resources</td>
</tr>
<tr>
<td>How long have we need doing this</td>
<td>Good at estimates</td>
<td>Good at precise calculations</td>
</tr>
<tr>
<td>When I press this button that happens</td>
<td>Notes Correlations</td>
<td>Forms and follows rules</td>
</tr>
<tr>
<td>This happens everytime</td>
<td>Logs incidences</td>
<td>Good at making trade-offs</td>
</tr>
<tr>
<td>Walking, driving</td>
<td>Slow to learn</td>
<td>Self-aware</td>
</tr>
</tbody>
</table>

786 x 67 = ?

Focus

Force to think

Learning

Feeling tired

Uses energy

Algebra, Process etc

Good at making trade-offs

Self-aware
I want to buy a new laptop

I am a Apple advocate, it’s a ‘no-brainer’

Purchase
Apple laptop
I want to buy a book on CX

This one looks cheap

Hold on, cheap does mean good! Lets take a look at who the author is etc.

Buy book

Intuitive System

Rational System
Tired, distracted, hurried, stressed, multi tasking

Rational System

I want to buy a new Go Pro camera for my holiday next week

I don’t have the energy to argue with you. Do what you want...

Buy Hero 4

Buy the Hero 4, it’s cool!

Wahoo!

Intuitive System

Buy Hero 4

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**Subconscious**
- Not desired but drives value

**Conscious**
- Desired and drives value

**Invisible**
- Not desired and does not drive value

**Deception**
- Desired and does not drive value

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### Priority Order of the Attributes

<table>
<thead>
<tr>
<th>Desired by Customer</th>
<th>Effect on Value</th>
</tr>
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<tbody>
<tr>
<td>Positive presence in my local community</td>
<td>+</td>
</tr>
<tr>
<td>Reliability of Network</td>
<td>+</td>
</tr>
<tr>
<td>Quality of Network</td>
<td>+</td>
</tr>
<tr>
<td>Speed of problem resolution</td>
<td>+</td>
</tr>
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#### Top Ten Relative Magnitude

1. Is a company that is setting trends
2. Positive presence in my local community
3. Reliability of Network
4. Quality of Network
5. Speed of problem resolution
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Experiencing self

Remembering self

Source: Professor Daniel Kahneman
Peak end rule – emotions create memories...

• People remember:
  • The peak emotions they felt
    • (positive or negative)
  • The end emotion they felt
Free eBook worth $ 9.99
Use code: CXSummitFree
Available until Sunday 29th November 2015

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