

Business strategies centered on the holistic design and delivery of

total customer experiences consistently create superior customer value. Holistic experiences begin and end long before and after actual transactions. They incorporate functional and affective attributes. They are orchestrated to deliver both intrinsic and extrinsic values. And they result in stronger, more sustainable customer preference than do independently managed communication, process, and service-centric strategies.

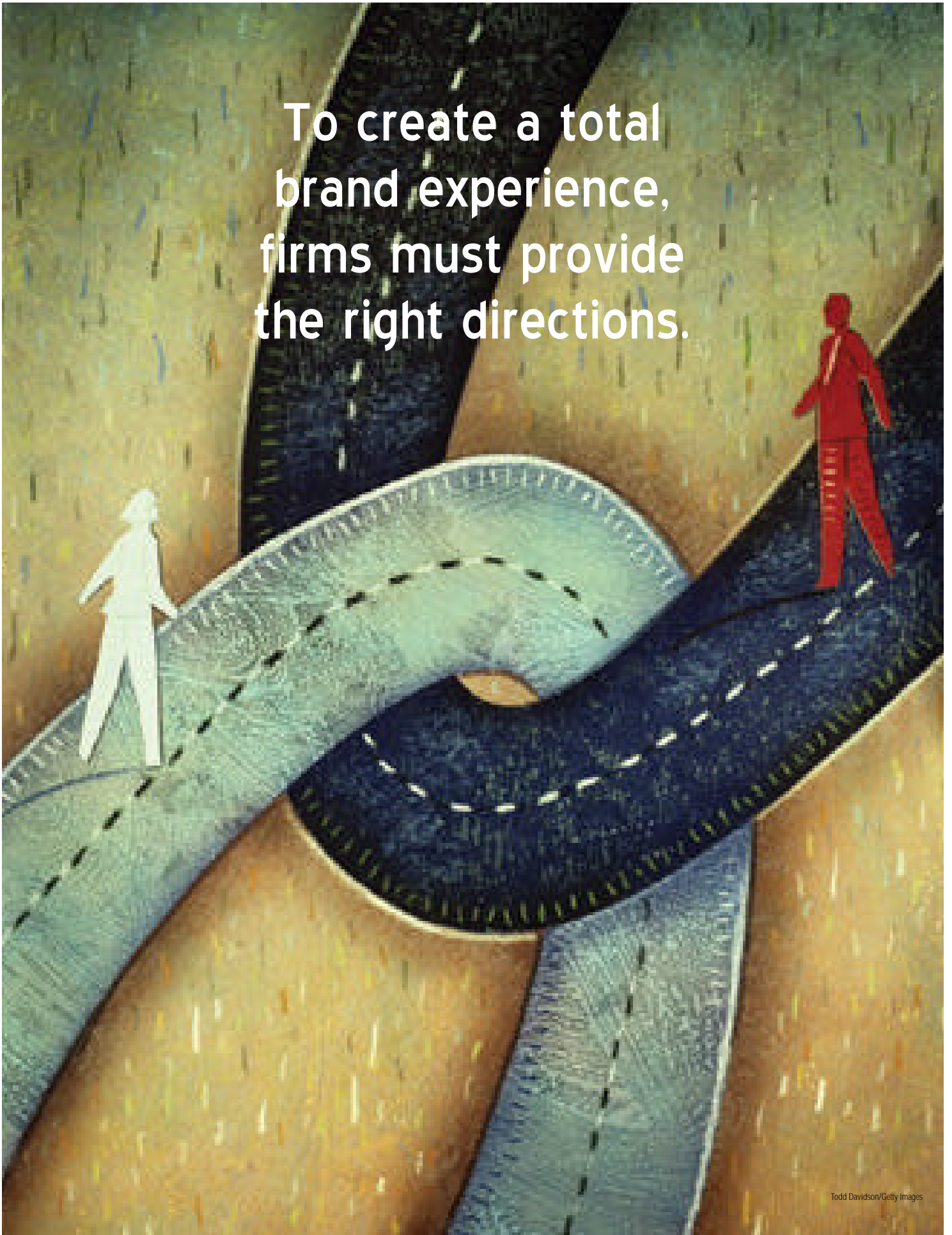
By “total experience” we mean the feelings customers take away from their interaction with a firm’s goods, services, and “atmospheric” stimuli. Companies that interact with customers can’t avoid giving them a total experience. They can, however, avoid managing it in a systematic way, and almost all do. Organizations that simply tweak design elements or focus on the customer experience in isolated pockets of their business will be disappointed in the results.

A number of organizations are starting to systematically apply customer experience management principles to strengthen customer preference and improve business outcomes. Unlike many goods or service enhancements, the holistic nature of these experiential designs makes it very difficult for competitors to copy

How to Lead the Customer Experience

By Stephan H. Haeckel, Lewis P. Carbone, and Leonard L. Berry

To create a total brand experience, firms must provide the right directions.



EXECUTIVE briefing

Customers always have an experience when they interact with a firm. The question for managers is whether the firm is prepared to systematically manage the customers' experience or simply hope for the best. The customers' overall experience—influenced by sensory and emotional clues—evokes a value perception that determines brand preference. Through experience management principles, a firm can design a composite of clues that resonate with customers and earn their loyalty.

them. Customer value creation is moving into a new arena—one that encompasses goods and service quality, but is a broader concept.

The customer's total experience directly affects perceptions of value, word-of-mouth endorsement, and repatronage intentions. A well-prepared, well-served meal consumed in a noisy restaurant with uncomfortable chairs is one experience for customers. The same food served the same way in a comfortable and relaxing environment is a completely different experience. The meal and the atmosphere are inextricably linked; both are part of the customer's overall restaurant experience. The facility design; servers' skills, attitudes, body language, choice of words, tone, inflection, and dress; pace of service; presentation and taste of the food; noise level; smell; texture of tableware; spacing, height, and shape of tables; and a multitude of other stimuli all coalesce into a positive, neutral, or negative experience.

The problem-solving properties of goods and services provide functional benefits. Managers must recognize two realities, however. First, competing goods and services often are quite similar in functionality. Second, customers desire more than functionality. They are emotional beings who also want intangible values such as a sense of control, fun, aesthetic pleasure, and enhanced self-esteem.

Companies compete best when they combine functional and emotional benefits in their market offer. Firms that make customers feel good are formidable competitors because customers like to feel good and few companies make them feel that way. Emotional bonds between firms and customers are difficult for competitors to penetrate.

Creating Clues

Customers always have an experience when they interact with an organization. They consciously and unconsciously filter a barrage of "clues" and organize them into a set of impressions, both rational and emotional. Anything perceived or sensed (or recognized by its absence) is an experience clue. If you can see, smell, taste, or hear it, it's a clue. Goods and services emit clues, as does the physical environment in which they're offered. The employees are another source of experience clues. Each clue carries a message; the composite of clues creates the total experience.

Effectively managing the customers' experience involves presenting an integrated series of clues that collectively meet or exceed customers' expectations. One category of clues concerns the actual functioning of the good or service. Did the key issued at the front desk open the hotel room door? Did the room's television set work? Was the wake-up call made as promised? These goods

and service clues strictly concern functionality and are interpreted primarily by the conscious and logical circuitry of the brain.

A second category of clues stimulates the brain's emotional circuitry and evokes affective responses. The smell and feel of leather upholstery, the sound and smell of a steak on the grill, and the laugh, phrasing, and tone of voice of the person answering the customer service call line are clues that envelop the functionality of a good or service. Two types of clues affect customers' emotional perceptions: mechanics (clues emitted by things) and humanics (clues emitted by people).

The distinction between functional service clues and humanics clues is subtle. A retail salesperson who answers a customer's question about what other stores might carry an out-of-stock item is producing a functional service clue. The salesperson's choice of words, tone, and body language produce humanics clues. One salesperson may offer the information grudgingly or disinterestedly. Another may offer the information enthusiastically. The information is accurate in both cases, but the customer's emotional response to the two salespeople is quite different.

In the August 200 issue of *Travel & Leisure*, Peter John Lindberg reported on Singapore Airlines, which is consistently rated by travelers as one of the world's best airlines. It invests heavily to orchestrate in-flight service mechanics and humanics clues, including fresh orchids in first- and business-class bathrooms, galley carts scrubbed before every flight, and female flight attendants who wear designer dresses and receive intensive training in body posture, grooming, and voice tone. One veteran flight attendant believes the dresses reduce air-rage incidents: "It's hard to be nasty to a girl in a sarong kebaya. Put them in pants, and passengers think they can take more abuse."

Functional, mechanics, and humanics clues are synergistic rather than additive; they must be melded from creation to execution. To fully leverage experience as a customer value proposition, organizations must understand and manage the emotional component of experiences with the same rigor they bring to managing manufactured product and service functionality.

The Customer Experience

Customer experience management focuses different parts of an organization on the common goal of creating an integrated, aligned customer feeling. It provides a means for breaking down organizational barriers. We have identified three fundamental principles that provide a foundation for creating distinctive customer value through experiences. Each requires a cross-functional organizational perspective.

Principle 1: Fuse experiential breadth and depth. Experiential breadth refers to the sequence of experiences customers have in interacting with an organization. These experiences may begin well before customers pass through the firm's doors. For example, hotel guests' experiences begin before they walk into the lobby. Was the reservations agent competent and courteous? Was the hotel easy to find and access? And, even further back in the experience journey, was the promotional packet the hotel sent about its loyalty program well-designed and informative? Imagine the opportunity for a hotel company in defining the full breadth of the customers' experience, becoming attuned to the hundreds of clues along the way and seeking to manage these clues to evoke positive perceptions.

Whereas breadth refers to identifiable stages customers undergo in the experience, depth refers to the number and diversity of sensory clues at each stage. The more layers of multi-sensory clues that reinforce the targeted impression, the more successful an organization will be in anchoring and sustaining that impression in the customer's perception. Consider the depth of reinforcing clues embedded in the room experience at a Ritz-Carlton hotel. They typically include plush carpet, distinctive furniture and rich fabrics; the smell of fresh flowers; a

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complimentary refreshment stocked in the room; a welcome call from the concierge offering assistance; an iron and ironing board; a robe, thick towels, and distinctively scented "Ritz-Carlton" shampoos; a leather-bound television viewing guide with a bookmark on the current day; room service 24 hours a day; turn-down service; and *The New York Times* and *Wall Street Journal* delivered outside one's door in the morning.

Congruence or fusion of clues within and among experience stages is critical. Incongruent clues convey an incongruent message with customers likely to recall facets of the experience most salient to their needs. This is why a spacious, well-furnished hotel lobby can't make up for a cramped, poorly furnished hotel room. Guests don't live in the lobby. However, if lobby clues fuse with guest room clues, then one part of the experience reinforces another.

Principle 2: Use mechanics and humanics to improve function. In some cases, humanics and mechanics clues can be introduced to enhance goods or service functionality. Customers

process these different types of clues holistically, so firms should manage them as such. Stimuli that envelop goods or services can affect customers' perceptions of functional quality. Mechanics and humanics must be simultaneously addressed and blended with the functional clues of the offering into reciprocally supported experience clues.

Roger Ulrich, a landscape architect with Texas A&M University, has done considerable research documenting how environmental factors in a hospital can affect patients' medical outcomes. For example, Ulrich has found that surgery patients with a bedside window overlooking trees had more favorable recovery courses than patients overlooking a brick wall. Based on accumulating research in environmental psychophysiology, Ulrich recommends designing hospital environments that foster patient control (including their privacy), encourage social support from family and friends, and provide access to nature and other positive distractions. The field of environmental psychophysiology has developed from the fundamental idea that environment affects function.

Principle 3: Connect emotionally. Organizations with effective experience management systems understand and respond to the emotional needs of their customers. They orchestrate a series of clues designed to provoke positive emotional reactions, such as joy, awe, interest, affection, and trust. They integrate emotional value into the total experience because consumers are not Spock-like Vulcans who make purchases on the basis of cold logic.

Managing customers' experiences requires awareness of all of their senses throughout the experience. Sight, motion, sound, smell, taste, and touch are direct pathways to customers' emotions. Connecting with customers in a sensory way is crucial to managing positive emotional elements of the experience.

The sensory-loaded experience of buying and consuming Krispy Kreme doughnuts illustrates the power of emotional connections with customers. At a time when consumers are inundated with information on healthy eating, Krispy Kreme's fried doughnut oozing with glaze enticed more than 3,000 people to wait in a Denver line extending for three city blocks on opening day. Even the name connects on a sensory level. Everything conspires to evoke a feeling of "delicious decadence."

No logical reason compels a person to stand in a long line for hours to buy a doughnut. But an experience so effectively choreographed and integrated with the product is hard to resist. The performance includes the counter person going into the production area, which is in full view, to box up the customer's dozen "original glazed" doughnuts hot off the line. A neon sign in the window lights up only when "HOT Donuts" are actually coming off the line, further heightening the anticipation. The light almost creates a Pavlovian response that, combined with the tempting smell that's pumped outside, brings customers in off the street like cartoon characters hypnotized by a pleasurable wafting scent. The customer walks out with a warm box, still another sensory clue. With its multi-sensory managed experience, Krispy Kreme makes customers feel good about indulging and forgetting their diets. And yes, the doughnuts taste very good.

Management Tools

More than anything else, customer experience management requires customer empathy—seeing what the customer sees, feeling what the customer feels. Organizations don't develop experience management competency overnight. They need to apply specialized tools in the context of a systematic methodology.

An experience audit is used to thoroughly analyze the current customer experience and to illuminate customers' emotional responses to specific clues. Videotape and digital photographs document actual customer experiences and provide the raw data for comprehensive study and categorization of clues. Hours of video are generated—some (with appropriate notification and approval) from pinhole cameras imbedded in wristwatches, handbags, coats, or hats. Additionally, in-depth interviews with customers and employees reveal their feelings about different aspects of an experience and the emotional associations it generates.

Emotional strands are defined during an experience audit. An emotional strand is a charting of the emotional highs and lows customers commonly experience in a specific setting or situation. For example, female apparel customers commonly move from an emotional high when spotting a great-looking dress in a store to the emotional low if the dress doesn't fit. A goal of experience

descriptions that typically concern job functions rather than performance of a role. The blueprint and narratives become a critical part of an organization's roadmap for communicating, implementing, monitoring, and measuring the outcomes of an experience management system.

Case Study

The Health and Wellness Center by Doylestown Hospital (Doylestown, Penn.) is a one-of-a-kind healthcare model: a combination clinic, health club, and spa with interactive health design services. Patrons just as frequently visit the center for their daily workout or to browse the bookstore as they do for outpatient surgery, a diabetes check, or their annual mammogram.

Construction of the Health and Wellness Center was completed in spring 2011 and expanded the hospital's market into a nearby, rapidly growing community. Beyond the business motivation was management's deep-seated determination to make a positive difference in serving the community's modern healthcare needs. This legacy of community



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management is anticipating customers' emotional highs and lows and designing clues to support customers in their emotional strand.

An experience motif is developed based on findings from the experience audit and the organization's core values and branding strategy. Captured in a few words, the motif becomes the North Star—the foundation and filter for integrating and reconciling all elements of the experience. The motif is the unifying element for every clue in the experience design. One financial institution wanted its customers to feel "recognized, reassured, and engaged," terminology formalized into a motif. Subsequently, only clues that reinforced these three motif watchwords were incorporated into the experience design.

Based on the experience motif and other experience design criteria, clues are developed and translated into a blueprint. Mechanics clues are represented graphically in drawings on the blueprint, and humanics clues are described in employee role performance narratives. These narratives, which capture the tone and texture of desired performance, augment existing job

service dates from the turn of the century when an inspired women's group, the Village Improvement Association (VIA), founded Doylestown Hospital, which it still owns and oversees. It remains the only women's club in the United States to own and operate a community hospital.

The mandate for the new Center was to create a distinctive healthcare experience integrating traditional medical services with specialized retail, wellness, and fitness services. This means incorporating medical specialties like cardiology, orthopedics, dentistry, day surgery, and women's diagnostics with a full spa and fitness center, an interactive learning center, a restaurant, and a bookstore.

During the construction phase, senior hospital staff began applying experience management techniques. The resulting experience design became central to the planning and development of the facility. The services provided are related through a distinctive architectural and landscape design.

Connecting emotionally. An experience audit provided deep insights into the basic emotions that surface in patients while on their health and wellness experience journey. Patients

shared their feeling that medical process generally predominates over staff empathy for their personal situation. The experience audit, along with internal strategy sessions, produced an experience motif centered on patrons feeling understood, strengthened, and renewed through every interaction with the Health and Wellness Center.

The Center included only clues that reinforce understanding, strengthening, and renewal in the experience design. For example, in addition to standard amenities, the spa and fitness center are capable of downloading patient profiles sent from physicians and health design services—a clue that signals a unique understanding of that person's needs. Spa



personnel will have information that an MS patient's whirlpool cannot exceed a certain temperature. In the fitness center, staff are aware of certain parameters for patients out of cardiac rehab. In women's programs, a patient is rewarded with a

coupon for the restaurant or bookstore—a strengthening and renewing clue. The meticulous building design adheres to the principles of Feng Shui that focus on energy and revitalization.

Integrating clues. The center's experience management design specified more than 200 clues derived from the experience motif:

- Seasonal healing gardens surrounding the building, complete with meditation benches, music, and a labyrinth walk
- A 25-foot interior waterfall and pond
- A unique stone and wood atrium surrounding the waterfall that serves as a central and communal gathering point
- Internet hookups, overstuffed chairs, and library-style newspaper and magazine racks throughout the atrium
- A fitness center and spa that provide support to cardiac and orthopedic rehab patients as well as the public
- Health design nurses whose sole role is to help consumers create a customized health plan and then mentor and monitor their journey
- Numerous seminars and community events built around health and wellness
- Mammograms and blood pressure checks available without an appointment
- Beepers allowing clients to wait for appointments or test results in any area of the facility
- A bookstore and lending library centered on wellness and linked to the leading recommended Web sites on disease management and wellness strategies
- Distinguishing staff behaviors ranging from voice inflection to gestures to reinforce the motif

Customizing healthcare. A key element of the differentiated experience is the Health Design Center, which provides customized, coordinated health and wellness plans. Studies show people place great value in coordinated healthcare and the perceived benefit expands dramatically when a person must deal with multiple conditions. The Health Design Center, available to anyone who desires the experience, provides an effective way of delivering a sense of unity and completeness.

The Health Design Center opened with one nurse and has expanded to three in a year's time. While most of the health design services are on a fee basis and not covered by insurance, customized health designs have become a popular service, with more than 200 generated per month.

No single clue at the Health and Wellness Center provides the magic for a distinctive, preferred experience. The benefit comes in the integrated design and layering of clues that support the Center's experience motif. It's the cumulative effect of the customer's take-away feeling from the experience.

The Center is making a difference. Benchmarked against other high-performing health facilities in the nation, it ranked third out of 357 facilities in its first participation in the national Press Ganey patient satisfaction survey. The Center scored in the 98th percentile in overall satisfaction and in the 99th percentile for "sensitivity to patient needs" and "explanations given by staff."

Delivering the Brand

An increasing number of experience-oriented executives will soon be changing their understanding of what their brand should be in the future. In fact, they will be changing their very understanding of what "brand" means. Rather than creating a set of messages and images that associate a company and its products with emotional values, experience pioneers will be focused on creating a business that delivers the brand as an experience incorporating these values. And this, we assert, is the real transformation, the real meaning, and the real potential of becoming a customer-centric business. ■

Authors' note: The authors acknowledge the contribution of Suzie Goan, experience director of Experience Engineering Inc. in Minneapolis.

About the Authors

Stephan H. Haeckel is founder of Adaptive Business Designs and past chairman of the Marketing Science Institute and retired director of strategic studies at the IBM Advanced Institute. He may be reached at Haeckel@optonline.com. **Lewis P. Carbone** is founder, president, and chief experience officer of Experience Engineering, a customer experience consulting firm based in Minneapolis. He may be reached at Lcarbone@expeng.com. **Leonard L. Berry** is distinguished professor of marketing and holder of the M.B. Zale Chair in Retailing and Marketing Leadership in the Mays School of Business, Texas A&M University. He may be reached at BerryLe@tamu.edu.