

# CX Metrics Program: Strengths and Challenges

Original Report: *Five Steps for Building a Strong CX Metrics Program*

## SUMMARY

A strong customer experience (CX) metrics program is an essential component of any company's CX efforts. It not only allows an organization to systematically measure the quality of the experiences it delivers to customers, it provides insights that help a company spot improvement opportunities, prioritize its investments, track its CX progress, and raise awareness of CX efforts across the business. Use this worksheet to assess the current state of your CX metrics program across the five stages, then identify opportunities to strengthen your program as well as potential challenges you may encounter along your journey. To help you brainstorm ideas for improving your performance across the five steps, review the information provided on page 3.

## FIVE STEPS FOR BUILDING A STRONG CX METRICS PROGRAM

A CX metrics program *tracks a comprehensive set of measurements that helps an organization understand the experience that it delivers to customers*, making it a core element of any CX effort. However, CX metrics programs are often overly focused on collecting and calculating metrics, and not focused enough on using the metrics it collects to drive meaningful actions and improvements to customers' experiences. To build a strong, actionable CX metrics program, organizations should follow five steps:

- 1. Step 1: Determine a Core CX Metric.** First, select a primary, relationship-level metric (such as NPS, Overall Satisfaction, Trust, etc.) that measures the overall quality of customers' experiences with the organization. This Core CX Metric will act as a North Star, aligning customer experience efforts across the entire organization around a single common goal.
- 2. Step 2: Set achievable goals.** Define realistic targets for your Core CX Metric based on an understanding of how the metric relates to business and financial objectives. How lofty or attainable these goals are should be aligned with how much effort and resources the company is willing to invest in improving its customer experience.
- 3. Step 3: Identify key drivers.** Not every interaction or customer is going to affect your Core CX Metric equally. To determine where to focus improvement efforts, companies need to find the moments, journeys, touchpoints, and customers that most significantly impact your Core CX Metric and, by extension, the customer experience overall.
- 4. Step 4: Establish key driver metrics.** Develop metrics that evaluate how well the company performs on its key drivers. These key driver metrics are granular metrics (like operational, transactional, or journey-level metrics) that are used to hold individuals and teams accountable for improving the parts of the key driver that they control.
- 5. Step 5: Make the suite of metrics actionable.** Leverage customer experience metrics to drive organization-wide support for CX improvements by enabling people to use these metrics in the course of their everyday roles.

## HOW TO USE






To help you strengthen your CX metrics program, you can use this tool in a number of ways:

- + **Self-evaluation.** Fill out this worksheet yourself by first rating how well your CX metrics program performs across the five steps, then brainstorming ideas for improving that stage and potential obstacles you may encounter.
- + **Group discussion.** Use the worksheet in a group exercise. After each individual completes it, discuss the opportunities and you've identified as well as areas of agreement and disagreement in the ratings.
- + **Action planning.** Develop plans for improving your organization's current CX metrics program, using advice provided on page 3. For inspiration and examples of how to build a robust program, read the original report, *Five Steps for Building a Strong CX Metrics Program*.

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Rate how you think your organization currently performs in each of the *Five Steps*, then brainstorm ideas for strengthening your company's performance in that stage as well as any potential obstacles you anticipate encountering. For ideas on how to improve your CX program, use the tips provided on page 3. While this worksheet is valuable as an individual exercise, we particularly recommend using it in a group or workshop setting.

STEP	IDEAS TO STRENGTHEN	POTENTIAL CHALLENGES
<p>Step 1. <b>Determine a Core CX Metric.</b></p> 		
<p>Step 2. <b>Set Achievable Goals.</b></p> 		
<p>Step 3. <b>Identify Key Drivers.</b></p> 		
<p>Step 4. <b>Establish Key Driver Metrics.</b></p> 		
<p>Step 5. <b>Make the Suite of Metrics Actionable.</b></p> 		

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## TIPS ACROSS THE FIVE STEPS

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**Step 1. Determine a Core CX Metric.** Select a primary relationship metric that measures the overall quality of customers' experiences with your organization. This Core CX Metric should:

- + Relate to your company's business and brand strategies
  - + Reflect the key loyalty behaviors you want to change and manage
  - + Be easy for all leaders and employees to understand and talk about
  - + Be simple to deploy and take action on
  - + Make customers feel heard and understood by the business
  - + Reviewed and updated periodically to ensure it is still relevant and driving customer-centric decision
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**Step 2. Set Achievable Goals.** Define realistic targets for the Core CX Metric based on how it impacts business and financial objectives. These goals should:

- + Be grounded in a baseline based on at least three data points over three reporting periods
  - + Be set as a range rather than a specific number
  - + Be customized for different location, product line, region, and segment depending on the business needs of each
  - + Incorporate external benchmarks and studies
  - + Stop at the point where achieving a higher score stops increasing revenue and starts costing money
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**Step 3. Identify Key Drivers.** Find the moments, journeys, interactions, and consumers that have the biggest impact on the Core CX Metric. These Key Drivers should:

- + Be determined by quantitative techniques, such as correlation analysis, regression analysis, and business linkage analysis
  - + Be supplemented with quantitative insights, such as the results of surveys, text analytics, focus groups, and ethnographic research
  - + Vary across different product lines, business units, brands, and customer segments
  - + Focus on the journey-level rather than the interaction-level
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**Step 4. Establish Key Driver Metrics.** Develop transactional, operational, and journey-level metrics that evaluate how well the company performs on key drivers. These key driver metrics should:

- + Be different for each team or functional group depending on how they affect the Key Drivers
  - + Include a diverse range of different metrics
  - + Incorporate some "leading" indicator metrics to proactively alert teams to potential issues
  - + Be created in instances where measurements are needed but don't yet exist
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**Step 5. Make the Suite of Metrics Actionable.** Leverage CX metrics to create a company-wide culture of customer centricity. To make this comprehensive set of measurements actionable, companies should:

- + Tailor the distribution of metrics by audience
  - + Define role-specific behaviors each employee should exhibit to improve the core CX metric and their personal key driver metrics
  - + Integrate the CX metrics program with existing management rhythms and align with business cycles
  - + Look at CX metrics alongside business and financial considerations when making strategic decisions
  - + Thoughtfully tie CX metrics to monetary compensation
  - + Celebrate the successes of individuals and teams!
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