**Strategic Services Marketing**
**Prof. Kalpak Kulkarni**

**Department of Management Studies,**

**Indian Institute of Technology, Roorkee**

**Week – 01**

**Lecture - 07**

**Designing memorable customer experiences**

Hello everyone.  Now after understanding what is customer experience, let's understand what is the process of designing  memorable customer experiences.  Memorable CX or Memorable Customer Experience.  What it is?  A memorable customer experience or CX is an interaction or series of interactions between  a customer and a brand that leaves a lasting and positive impression.  Memorable CX goes beyond meeting basic expectations, creating a distinctive and emotionally resonant  connection between the customer and the brand.  Memorable CX is characterized by moments that customers remember long after the interactions  has occurred, contributing to customer loyalty, positive word of mouth, and a strong brand  perception.

Memorable CX often involves personalization, exceeding expectations, and delivering a seamless,  enjoyable, and emotionally satisfying experience at various touchpoints throughout the customer  journey.  Creating a memorable customer experience involves a strategic and customer-centric approach.  This particular flow diagram represents key steps of creating or crafting a memorable  customer experience.  Let's understand these 15 steps one by one.

It's impossible to deliver an experience that meets customer expectations before first defining  what those expectations are.  At a time when consumers are looking for convenience, empathy, and personalization, Salesforce surveys  show that 76% customers expect companies to understand their needs and goals.  This means organizations need to invest more time and effort into getting to know their  audience.  Fortunately, there are various ways to learn more about customer needs.  Business leaders can automatically implement surveys requests into IVR flows and conversations  with bots or chatbots for these days, boosting their chances of collecting feedback from  clients or customers.

The first step here obviously will lead to understanding your customers. Conduct thorough market research and customer segmentation to understand the needs, preferences, and expectations of your target audience. For example, Amazon utilizes data analytics to understand customer preferences, providing personalized recommendations based on past purchase history and browsing history. Let's have a look at this video that talks about how Amazon is using big data to understand its customers well. Ever look at an item on Amazon and then later see an ad for that same item on another website or been surprised with a recommendation that matches your hobby. Amazon accomplishes these feeds by mining data from its 310 million consumer accounts to recommend products based on user behaviour the company keeps track not just of what customers buy but also what items they view and even what they remove from their carts data from other Amazon owned sources can reveal what shows, movies, and books people prefer, what they say to Alexa, as well as what external sites they view that contain Amazon ads.

Combined with demographic data like age, gender, payment type, and location that's tied to every user account, Amazon can build a picture of a customer's preferences. They use all this data to optimize how 1.5 billion items are distributed to 200 fulfillment centers around the world. If their data indicates a given county contains lots of new parents, for example, they might stock a popular brand of diaper at the closest distribution center. Or if an individual customer has added and removed a specific model of TV from their cart several times, Amazon might recommend a cheap flat screen to that customer and even pre-ship it to a center nearby.

So next time you get the feeling that an online retailer like Amazon is reading your mind, remember they're only reading your data. Artificial intelligence can be a particularly useful tool for gaining a behind the scene insight into customer needs and expectations as documented or as we've seen in this particular video. The right AI analytical tools can automatically spot trends in customer preferences, such as with channels they tend to use for different purposes. Conversational AI bots and systems can also interact with customers, collecting data from them without the need of human input. Artificial intelligence even provides a way to monitor the emotions of customers.

Sentiment analysis, another tool used by Amazon, allows businesses to track the changes in customer sentiment that can occur during different stages of a customer journey. Plus, dashboards can offer these insights to agents in real time, allowing them to alter strategies instantly. Second stage, map customer journey. Identify and map the various touch points and interactions customers have with your brand. Understand the journey from awareness to post purchase.

For example, Starbucks maps customer journey by integrating mobile ordering, loyalty programs, and in-store experiences to create a seamless and engaging coffee buying journey. Customer journey monitoring and mapping tools can provide businesses with

behind the scenes insight into each crucial touch point a customer uses to interact with a brand. There are even contact center platforms that come with quality monitoring tools built in, allowing businesses to monitor everything from average time spent on hold to number of calls abandoned. Next step is about setting clear brand values. Define and communicate your brand values.

Ensure that every aspect of your customer experience aligns with these values, fostering a consistent and authentic brand image. For example, Pantagonia communicates its commitment to environmental sustainability and ethical sourcing, resonating with environmentally conscious customers. Let's understand how Pantagonia is doing these things. Let's have a look at this video that talks about the campaign called as Re-Crafted, that is the clothes that are made from other clothes. It's slow fashion, a creative solution, so much manual labor.

It's using what we already have. We're actually doing the impossible. It's an alternative manufacturing method. All post consumer goods. Technical in the most analog way.

This is Re-Crafted. These are clothes made from other clothes. The Re-Crafted line was the answer to a question. And the question was, what are we doing with all of the product that we're taking back that isn't recyclable, that isn't resaleable, and that isn't repairable? With most apparel companies, that stuff just stacks up and a lot of them actually send it to the landfill or send it for incineration. In a way, a lot of it is trash.

We've learned that the footprint on the planet of an apparel product like a jacket goes way, way down the longer that jacket is used and reused. And Re-Crafted fits right into that whole idea. We're doing it because it's kind of like getting our own house in order and cleaning up our own mess. What it's really doing is just giving people jobs and like making the textiles be able to have a longer life. But we're not using another resource besides like our own bodies and minds.

Lindsay and I both had a passion for doing something that mattered and that wasn't fast fashion. So, we at Patagonia partnered with Sway, who are experts in upcycling. My name is Lindsay Rose Medoff and I run Sway Sew Shop. For me, Sway is a community producing and specifically remade product. So when the bales come, we have a team of people that start sorting into the separate categories.

There's definitely like moments in people's lives that you're coming across when you're going through the bales. Old stuff. Stuff from the 70s, stuff from the 80s, so it's down. It's denim, it's cord, it's cotton. The best way to do it is by color tone.

How many green can I make of this? How many blue can I make of this? How many black can I make of this? The cutter kind of gets the information of how many pieces he has to make. So then it's his job to then turn the pattern a million different ways. Is this

good enough to be a body?  Is this good enough to be a sleeve?  Is this good enough to become a new pocket?  And then from there it goes to the sewing floor where then they start assembling them  on the line.  And then I'm there like every step of the way like this, like a crazy person.  I would say one recrafted down jacket is anywhere from three to six jackets.

So think about all that history, like all those different people that wore those jackets  at different times.  It already has a sole in it because the item is made out of used things, so that bag could  have been all over the world already in the form of a pair of pants.  Only now it's been reincarnated into an overnight bag.  This scale of recrafting, it's the first of its kind for us, that's for sure.  It can be very complicated because you're not working with a set list of ingredients.

In my 18 years of remade experience, I've never seen it attempted on this level.  We're actually doing the impossible.  That's crazy.  This line kind of gives me hope for a circular economy, for the creativity that it might  inspire in others, in other companies, even in individuals.  This is for my friends and my friends' kids and my friends' grandkids and future generations  and fish and bears and oceans and hawks and stars.

I feel like this is when we're at its best.  Before you were just wearing your own story, but now you're wearing the collective consciousness  of massive positive change in the world.  Similarly, we have an Indian form that is emphasis, that is also taking care of sustainable future and so on.  Here, let's have a look at this particular video through which Infosys tried to communicate  that how it is contributing to a sustainable future.  The world needs new, innovative solutions that have the potential of creating a sustainable  future.

And I believe that each of us can play a role in making this a reality.  My name is Kevin. I love re-imagining new possibilities for my clients at Infosys.  When my client, a merger of two wind turbine manufacturers, discovered how different the  two IT infrastructures work, they approached my team to re-architect their entire IT landscape.  We created a cloud-powered, intelligent enterprise that could help them achieve their goal of  generating affordable, renewable energy.

I believe it's every person's duty to contribute towards a safer, sustainable future.  There's really no better feeling in the world than knowing I'm doing my part.  The next stage is about creating a positive first impression.  The initial interaction sets the tone.  So ensure that your website, storefront, or customer service provides a positive and welcoming  first impression.

For example, Apple stores offer a slick and inviting environment, providing a positive first impression for customers entering the store.  Recently, Apple has opened a store in India.  Have a look at this video, which showcases how the particular first impressions are created  when someone enters this particular Apple store.

Dosto ye hai India ka sabse pehale apple store jo hai Mumbai mai Bkc apple Bkc 20 thousand sq ft of amazement. Seriously keh raha hu jo natural light atti hai idhar wo dekhiea dosto agar app ek apple fanboy ho, iphones apko bahut pasand hai to ye jo hai na ye aap ke lie Disney land hai. App dekhiea, every product jo bhi product hai apple ka sub kuch idhar available hai. Computers, PC's ya fir ye unke watches sub kuch app idhar dekh paoge in every colour possible.

Products waigare to buy kr hi paoge you cannot go out within 5 or 10 minutes apko kamse kam 1 ghanta nikalkr idhar anna hoga. Iphones ke sath me obviously iPads hone chaiye pro's hai mini's hai subkuch in every color. Ek color dikhata hu apko idhar ayyiea have you seen this color? ji ha jo dikhte nahi na wo bhi colors idhar available hai but sabse acchi baat  agar apke paas iphone hai ya fir apke paas apple watch waigare hai to uske lie agar apko apple accessories chaiye you can get it right there come to ye dekhiea right here appko airpods sub dikhte hai look at this one to agar app dekhoge accessories ji haan apke pass agar apple watch hai you must come here. Just look at this ya they are expensive obviously apple ke products but they are absolutely amazing. Then you have all the cases.

Aap ke pas mac hai MacBook airs hai, Macbook pro hai subkuch I mean literary you will get to see everything even ye to hai dosto, Mac studio ji ha das lakh ka hai ye, Mac Studio this is just amazing so ye jo first floor hai, unke (unclear audio) products hai basically smartphones, etc. Aur unki accessories  wo apko milti hai and then you have the second floor chalo let's go up even the stare case dekhiea caise designed hai. Ek cheej batao iss store ki (unclear audio) jab app andar ate ho, to jo natural light ata hai app dekhoge store ke andar jo artificial lights hai bilkul nahi hai. This is all natural light hai, ye jo glass hai pura single slab of glass hai and it looks absolutely amazing.

Aur ek baat kahu, kabhi apne trees dekhe hai store ke andar. These are real trees, joothe trees nahi hai ye, these are real trees. Look at those. Jab app idhar aaoge mai ek cheej kaho, koi apko bolega nahi ki ye karo wo karo, idhar aram se beth ke experience, product experience karne ka bhi ek maja alag hai. Aur maine apko bataya tha chooti chooti cheejo ke pass dhyaan diya hai. Look at this, ji haan gesture enabled ap ko a powerpoints milte hai and it is, just look at this baithne ke liye itni sari jagah hai.

Ha Rajeev ji bhi hai, alright app video me aa gaye ho please I hope you are not awkward, nahi nahi ni, okay app muje bolo, mai dar jata hu video ke samane but ha camera se bahot dar lagta hai muje. I don't have any of that thing. App muje ye bolo ye poore store me apko ek cheej point out karni hai jo apko sahi me bahot impressive lagi what what is that? The very impressive thing the most impressive thing is this (unclear audio). I think maine jitna Indianise kia, first apple store hai I've come into and there is Indian music. Yes. I love that spirit. Jaipur ka stone, Delhi ka wood work, I mean you come in here, it's still apple internationally but it has got that national flavor. Loved that. What I think is aap jab andar ate ho na jo ek feel ata hai experience that's completely different. And still an apple store.

Aiyea aur products dekh lete hai, jaise maine kaha cable waigare subh kuch ahi idhar, a USB ports, Macsafe charger, HomePod section, audio section alag se hai dosto, you can see this all the homepods are there homepod mini alag alag colors. Wahi mai keh raha hu apple essa ek bhi product nahi hai ya fir ek bhi essa color nahi hai, jo app idhar ake nahi dekh paoge. It is an everything apple products everything.

Then obviously you have apple music ji haan unke you can wear, sit there experience, everything you can come and do here. Alright and then you have obviously ipads ke covers hai, loops hai. That I've not found anywhere and mai international apple stores me bhi gaya hu lakin idhar ki ek baat jaise Rajeev ji ne kaha ki jo ek Indian flavor de diya hai yet being a apple store full fledged you know those luxurious apple store waise hi hai, but with that Indian feel. To kaise laga this walk around of first apple store in India.

Next stage is personalization. Tailor your interactions based on customer preferences and behaviors. Use data and analytics to personalize communications, recommendations and even services. For example, Spotify uses algorithms to curate personalized playlists for users based on their music preferences and listening habits.

Next stage is about exceeding expectations. Go above and beyond to exceed customer expectations. Surprise and delight customers with unexpected gestures, personalized offerings or exceptional service. For example, Zappos, a retailer, is known for exceeding expectations with free fast shipping and a 365-day return policy. No one offers that here.

So, creating a hassle-free shopping experience. Next stage is about empowering and training employees. And in services, they are the face of the company or the brand. So, invest in employee training to ensure they are knowledgeable, empathetic and equipped to handle customer interactions effectively. Empower them to make decisions that benefit the customer. For example, Ritz Carlton, a hotel chain, empowers employees to spend up to $2,000 per guest to resolve issues or enhance their experience, showcasing a commitment to exceptional service.

Let's have a look at how Ritz Carlton is empowering their employees to give world-class experience to its visitors and guests through this video. Hi, Shep Hyken here, customer service and experience expert. And today I'm going to discuss some empowerment lessons from the Ritz Carlton hotel chain. Now, if you've been following my work, you know I'm a huge fan of the Ritz Carlton. I was recently on a Zoom presentation with Horst Schulz, the first president and co-founder of the Ritz Carlton chain.

When Horst speaks, I listen and I take lots of notes. Now, one of the questions he was asked had to do with empowerment, specifically about the $2,000 the ladies and gentlemen, which is what Ritz Carlton calls its employees, are allowed to spend to ensure a guest has a great experience. Now, that reminded me of an experience I once had at a Ritz Carlton. The housekeeping staff had left dirty towels in my room from the previous guest, and I let

the housekeeper know.  Now, she was so apologetic and promised me it would be taken care of.  Now, I thought to myself, is this worthy of using any of that $2,000 budget on me?  Well, when I returned to the room after dinner, there was a short note from the housekeeper and a piece of chocolate candy, which is probably less than a dollar as far as cost goes.

  No, it wasn't anything close to $2,000, but it was absolutely appropriate.  The note would have been enough, but the chocolate sweetened the experience.  Horst shared a better story. He talked about teaching people what they're empowered to do.  Now, a guest at one of the Ritz Carlton hotels had accidentally left his laptop in the room when he checked out.

  Then he flew to Hawaii and he called the hotel panicking because he'd lost his computer that he needed for his meeting, and he needed it right away.  Well, the housekeeper who found it did what she believed was necessary to take care of this guest.  She took the very next flight to Hawaii, returned the laptop to the guest, and returned on the next flight back to the mainland U.S.  Well, Horst admits that this was, and to use his exact words, crazy, but he also said it was what she was taught to do.

  Now, did she get in trouble? Of course not. Was she told what to do next time? You bet. No, it wasn't necessary to get on a plane to return the computer, but Horst loved this story and wanted every member of the Ritz Carlton team throughout the world to hear it.  This is how you teach people what they can do.  Now, my take on empowerment is simple. You hire good people with a good sense of judgment, and you train them to do their job.

  You want people to take some risks.  You want your employees to understand that there's a line that they shouldn't cross, but you want them to get close to that line, if necessary, to take care of the customer.  You want them to know that you trust them. When they do something different, that's great.  Congratulate them and share it with the team.  If they cross that line, congratulate them for using their initiative and teach them what to do the next time.

  Share that with the team as well.  Done the right way, you'll be creating an empowered team of people who are comfortable with making good decisions and taking care of their customers.  Well, I hope you enjoyed this short lesson.  Thank you very much for tuning in.  This is Shep Hyken, reminding you to always be amazing.  Companies in today's customer-focused world need to recognize that excellent customer experiences start with fantastic employee experiences.

  So empowered and engaged staff members can automatically provide a better quality of service.  Providing staff members with the tools they need to accelerate their workflows and deliver personalized service is crucial.  Begin with an integrated platform that consolidates all necessary resources for teams or employees to effectively serve and support customers.   This encompasses CRM platforms, scripting tools, internal

collaboration chat, and even personalized real-time dashboards and reports. Ensure that every team member has access to real-time data, allowing them to consistently enhance their performance instantly.

Additionally, provide supervisors with the capability to monitor quality scores and metrics, enabling them to identify areas where employees may require additional training and support. Further, explore opportunities to enhance teams with AI and automation. Conversational AI tools can elevate the workload on team by facilitating powerful self-service experiences for customers, thereby reducing the number of incoming calls that agent needs to handle. These tools can also function as virtual assistants, aiding agents in locating resources swiftly to address questions and queries. Automation further plays a crucial role in minimizing the repetitive tasks that teams engage in daily, such as data entry, transferring callers, or authenticating customers, and so on.

This automation allows staff to allocate more time to deliver empathetic and personalized experiences to their customers. Next step is about simplifying processes. Streamline and simplify processes to make it easy for customers to navigate and engage with your brand. Reduce friction points and eliminate unnecessary complexities. For example, Uber simplified the process of hailing a ride by introducing a user-friendly app that allows customers to request a ride with a few taps on their smartphones.

Next, collect and act on feedback. Regularly collect customer feedback through surveys, reviews, and social media. Use this feedback to identify areas for improvement and make necessary adjustments. For example, Airbnb actively collects feedback from both guests and hosts using the insight to improve its platform, address concerns, and even enhance the overall experience. Next is about consistent branding.

Maintain consistency across all channels and interactions. Consistent branding fosters familiarity and trust, contributing to a positive and cohesive customer experience. For example, Taj Hotels maintains consistent branding across its various marketing channels, creating a unified and recognizable brand image. Let's have a look at this Taj Hotels video that discusses how it has become the world's strongest hotel brand.

Next, try to embrace technology. Utilize technology to enhance the customer experience. Implement user-friendly websites, mobile applications, chatbots, and even other digital tools to facilitate seamless interactions. For example, Delta Airlines uses technology to provide real-time updates on flight status, mobile check-ins, and user-friendly apps, enhancing the overall travel experience for the travelers. In the next stage, try to resolve issues promptly. Address customer issues or complaints promptly and effectively.

A swift and satisfactory resolution can turn a negative experience into a positive one. For example, Axis Bank demonstrates a commitment to promptly addressing and effectively resolving customer issues. This approach helps in turning potentially negative experiences

into positive ones, posturing customer trust and loyalty.  Let's have a look at this particular video from Axis Bank that talks about their theme or kind of unique value proposition that is Dil Se Open that is always there for their customers to serve.

Ha maa don't worry, mai theek hu. Open, Axis bank mai ye sigh sirf darvaje par nahi latakta, hamare har andaaj me jalakta hai. Open to rayyava hai hamara. Jagah jagah dikhange iske ishare, ye apki aur  mudi hui kurciya kehiti hai ki bejijak baithea kahi bhi. Yaha har seat, har soach hai apke lie open.

Ap ke ideas ke lie hamae kaan hai open, we have a startup idea, ok tell me about it. Ap ki ankahi jarotoke ke lie, hamari akhe hai open. Ap paiso ko ghar ki laxmi samajte hai, ya hatoon ka mail, hamara najarya hai open, sahalah ka pitara hai open. To aiyea char hajar se jadya hamare kisi bhi branch mai, app painge hame dil se open. Axis bank, dil se open.

Next, create emotional connections.  Build emotional connections with your customers. Engage them on a personal level.  Share your brand story and evoke positive emotions through your marketing and interactions.

For example, MakeMyTrip is very well known for its emotionally resonant advertisement campaigns.  These campaigns often tell stories of travel experiences, family vacation or reunions connecting with the audience on an emotional level and inspiring a sense of wanderlust.  Let us have a look at this particular MakeMyTrip video advertisement that talks about Dil To Roaming Hai and that tries to connect very emotionally with the travelers and the customers. Dil kehta hai ulji hui zulfoon ko havooun se soljaou.  Kabhi dil kehta hai ki maa ko bhi badloon ki kulfi chakhu. Aur kabhi duniya ko bhul kr khushyon mai bheej jau. Kyuki dil to roaming hai, har dil ke badhte ambition ko chaiye ek bada travel partner. Make My Trip, Dil to roaming hai.

Next, celebrate milestones.  Always try to acknowledge and celebrate customer milestones such as their anniversaries or loyalty milestones.

This shows appreciation and reinforces the relationships.  For example, Starbucks rewards its loyalty program members with personalized offers and free drinks on their birthdays celebrating customer milestones.  Next, stay innovative.  Stay ahead of customer expectations by continuously innovating.  Try to introduce new features, services or products that add value and keep your brand fresh and relevant to your customers.  For example, Tesla constantly innovates with new features and software updates keeping its electric vehicles at the forefront of technology and customer expectations.

You can do this by constantly researching and anticipating customer needs and expectations and offering new and unique solutions, products or even services that solve their problems or fulfill their desires.  You can also use tools such as design thinking, prototyping or testing to experiment and validate your ideas and concepts.  By innovating

and differentiating your customer experience, you can ideally create a competitive edge and a loyal fan base for your brand or service. Let's understand how Airbnb is into crafting a memorable customer experience. Airbnb provides a great example of personalized customer experiences by recognizing the two different types of customers in their industry.

Those looking to rent out their place and those looking for a place to stay. Airbnb has made a simple search experience for both audiences on the same platform. Through their homepage, you can either become a host or book a place to stay. Additionally, with consistent branding and design across their mobile application and web browser, they have made the marriage between UX, that is user experience, and customer experience even more seamless. So what is the CX lesson from Airbnb? When customers lead, you follow and understand your customers do not exist with a binary.

There might be other important use cases your company offers. Be on the lookout for what those people or what kind of these particular offers may look like. Another example can be from our own McDonald's. When McDonald's started suffering a decline in sales, they decided to turn things around not by changing their marketing tactics, but instead by focusing on customer experience. They started by making an effort to listen to their customers and providing them with a more streamlined experience. Like the one customer had been requesting based on the customer feedback, McDonald's created a simpler menu, improved order accuracy, and started using higher quality ingredients.

McDonald's also took the time to upgrade store interiors for better look and install digital self-order kiosks and tangible services, resulting in lower wait times for customers. As these changes were implemented, BTIG projected a sales growth of 4.1% and in turn, McDonald's able to set themselves above competitors by elevating their overall customer service experience. So the lesson here is listen to what your customers are asking for and then implement changes as best as you can.

So what does the great CX or Membridal CX is comprised of? It comprises of six elements. Seamless interactions, personalized engagements, provide consistent value, empathetic conversation with your customers, accessibility and convenience, and finally, timely responses. With respect to seamless interactions, whether online, offline, or transitioning between the two, interactions should be effortless and intuitive for the customer. Coming to personalized engagements, to offer a great CX, businesses should proactively recognize a customer's individual preferences, behaviors, and needs, and tailor the experience accordingly. Coming to providing consistent value, brands should ensure that every interaction, whether it is with a product, service, or support, should consistently meet or exceed the customer expectations.

Coming to empathetic conversations, genuine human connection is at the core of memorable customer service experience. When service representatives actively listen and

understand a customer's feelings or frustrations, they foster a sense of trust. Empathy shows customers they are not just a transaction but are valued individuals. Accessibility and convenience. Customers should be able to easily access product, services, support, and information or even resources whenever they prefer.

And finally, about timely responses. In the age of immediacy, consumers expect quick responses. Delays can escalate frustrations. A swift response not only addresses the issue at hand but also conveys to the customer that their concerns are priority for us. So in this lesson, we try to understand or explore the process of designing memorable customer experiences. Thank you.