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... customer experience research

We can work it out

Closing the MR-CX gap with a five-P framework

| By Sheryl Hawkes and Yvonne Nomizu

snapshot

The authors outline a common platform for design, administration and analysis to help researchers and customer experience professionals work together to gather insights.

For many years now, marketing research and customer experience research have been siloed within organizations, despite considerable overlap in function and motivation. This conundrum was aptly described by Eric Whipkey in a *Quirk's* article in November 2014, where he said: "I cannot think of two other industries that seem to be engaged in the same work but getting to such different/more defined objectives."

Customer experience professionals (CXers) aim to close the loop with the customer insights they gather. The data is collected and analyzed for key insights and socialized internally in order to motivate and drive customer experience improvement efforts across the organization. Marketing researchers, on the other hand, are primarily "statistically-driven insight deliverers" and are often frustrated when comprehensive analysis and reports are just shelved. Seeing CXers doing with their data "what every market researcher hopes their clients will do with their research" (Whipkey) is appealing, provocative and

exciting for any researcher.

On the flip side, CX research tends towards being highly qualitative. Driven by the do-it-yourself survey industry, Net Promoter Score and the need for speed, CX voice-of-the-customer research can lack some of the rigor, quality and statistical significance that a properly-planned and -executed marketing research project can deliver. CX research aims to truly understand the customer, not just quantify them. All of this feels a little “soft” for your hardcore marketing researcher and can set off alarm bells for strategic and financial decision-makers. So there is a clear need for CX researchers to “quantify the qualitative.”

Meanwhile, both marketing and CX research can be skewed by the methods used to gather and analyze the data. CRM-based behavioral data can take weeks to analyze, while customer opinions can shift in the time it takes one negative video to circulate online – one of the reasons that research often ends up as “doorstops” (Whipkey). Moreover, traditional customer satisfaction and loyalty research is usually based on customer recall after a purchase or experience, which can be far different than the customer’s real motivations or feelings.

The near ubiquity of mobile devices and the applications that make them useful for everything – communicating, shopping, entertainment and personal productivity management – make them ideal platforms for in-the-moment customer experience research. Mobile devices and social applications let researchers watch and communicate with customers while they interact with brands, making observations far more accurate. This will in turn allow marketers and CX professionals to determine and respond to trends much more quickly than traditional research approaches allow.

Access to the vision and voice-of-the-customer in his or her own words, unfiltered and unmoderated, can provide richer, more reliable data than post-purchase surveys and focus groups. As new “always-on” technologies, such as wearable devices (Fitbit, GoPro) are adopted, and the connected Internet of Things (behavior-monitoring automobiles, household appliances, etc.) becomes a reality, new sources of personalized,

passively-collected behavioral data will also be available to augment in-the-moment customer experience research.

Though the authors come from different backgrounds (one’s a CXer who uses MR and the other is a researcher who does CX research), we both feel compelled to pose a vision for how CX research could draw on the strengths of marketing research, and in turn, how marketing research could better support the burgeoning CX agenda. Both disciplines could benefit from cooperation and less division. This article presents our framework to support such a synergistic relationship. We believe we can leverage emerging marketing research technologies to create better research designs that both quantify and qualify customer experiences.

Accustomed to immediate gratification

We work in a marketplace that has become accustomed to immediate gratification. People want to shop in seconds, get products delivered the same day and many won’t wait for a slow Web page to load, let alone wait through multiple telephone survey questions. Data collection must keep up.

In-the-moment research is becoming common in the user-testing industry, with significant growth in the past few years (Rotolo). Location-based research is also growing, allowing for truly in-the-moment feedback that can enhance research focused around events, travel and retail (Welch). Most mobile applications now ask for permission to use the device owner’s location. This opens new avenues of collaboration with consumers who can, through their mobile devices, share experiences and opinions, not just when they receive survey invitations, but on the go, anytime, anywhere (Rocha).

Instant messaging is another way that modern consumers are personally connecting in-the-moment. According to Mary Meeker, the Internet Trend guru, six or more of the top 10 applications used globally are used for instant messaging. For researchers, instant messaging lets us receive photos and videos from our respondents as we hold a conversation with them about their customer experience – as it happens.

Video capabilities on smartphones give new meaning to face-to-face

research. Video can act as the researcher’s window to consumer reality, capturing precise detail at the time it matters the most, recording a truthful depiction of their thoughts in the moment. By appending video data with tracking and survey data, researchers can generate a reliable, true path to customer purchase journeys (Kuegler). This capability is here now and it works. VoxPopMe’s short-format open video responses, integrated into short, mobile surveys, have been shown to provide six times more content than open-end text responses captured through traditional online surveys.

An interesting trend in marketing is that push notifications are being more widely adopted by consumers in search of special and exclusive deals from their favorite brands. Almost six in 10 adults have downloaded applications from their favorite brands and of those who have downloaded these applications, seven in 10 have enabled push notifications. Marketers witness 50 percent or higher open rates on push notifications versus e-mail, with click-through rates up to twice as high as well (Clifford). Researchers should sit up and take notice: Push notifications containing survey links with attractive incentives have the capacity to drive up response rates and engage the brand’s customers with in-the-moment research activities.

Clearly, mobile technology is already becoming a game-changer for researchers. The technology exists right now to capture customer sentiment and behavior while it is happening. We believe CX and MR can mutually benefit from leveraging current and emerging technologies to understand the mind of the customer – concurrently, in both a qualitative and a quantitative sense – and in the moments when they interact with the brand.

Use research strategically

Customer experience leadership is growing, with an increasing number of chief customer experience officers who look to use research strategically for customer loyalty and competitive advantage. As the CX discipline matures, customer experience professionals talk increasingly about ensuring the business case for improvement investments, about determining the ROI and about justifying an overhaul of company culture

to optimize the customer experience. This is where the need for quantitative research will not be supplanted by qualitative approaches, but will, in fact, become more important. As management guru Peter Drucker famously said, "What gets measured gets managed." Customer experience is no different.

Quantitative research with larger, more representative sample sizes can bolster confidence in qualitative insights and capture experience metrics such as satisfaction or sentiment for specific journey stages and at specific touchpoints. By integrating quantitative customer experience metrics into customer journey maps, CX professionals gain a useful tool to diagnose the start-to-finish customer experience. The same quantitative measures can be captured after an improvement project to measure the impact of the change.

What is a practical way to take advantage of the new technologies and the bent towards faster, in-the-moment research, while not giving up on quantitative results which the C-suite will continue to demand? As we thought about *what* has changed, we thought about *how* to change. Thus we have developed a new framework for customer experience researchers and marketing researchers to consider when pursuing insightful, accurate, fast and statistically valid insights to support the ultimate goal of moving forward with CX designs and solutions. Importantly, the first step is an overall mental model – researchers must ignore the traditional labels of quantitative versus qualitative and not first think about modalities (phone versus IVR versus online) but be device-agnostic. Instead, it starts with the researcher thinking customer first and then leveraging different methods to get as close to the customer as possible.

Marketers have been trained to use a "five-P" model for marketing strategy. Here, we offer five Ps to consider when designing hybrid quant-qual research for CX purposes.

1. Place – where the customer is pre-, during and post-purchase.

Customer experience is about the complete journey a customer goes through in achieving his or her goal. It starts at the moment the customer has a thought about a need and ends when fully using a product or service – and presumably fulfilling the original

need. Place is about asking where the customer is prior to their interaction with the company, at the moment they are purchasing or inquiring, through use and on to being fully supported. Where are they in these pre-, during- and post-purchase moments? What are the best means for reaching them? Sometimes researchers are better served by capturing opinions away from respondents' homes and computers and in the moment when those opinions are formed. Examples might be when a consumer is at a store shelf considering which product to purchase, in an automotive showroom viewing new vehicles or in a restaurant enjoying a meal.

2. Prompt – how the customer is contacted. With traditional methods, a customer might receive an e-mail invitation to participate in a survey. With this new paradigm the researcher should think about alternative ways to prompt the feedback. Is a text message while in the middle of the experience a better way to solicit information? Can Instagram be used to send a photograph with questions or to request a photograph and comments? Technology enables immediate pushing and pulling of questions and not just one-time e-mails with hyperlinks. Participants who have opted into receiving push notifications might receive a message that opens a survey. Schendel et al. have shown that push surveys are typically opened closer to the target send time and therefore provide a better way of capturing respondents in-the-moment.

3. Participation – the voice and view of the customer. Participation is qualitative data capture consisting of an in-the-moment or close-to-the-moment text, image, video or audio component where customers can share what they think and see. For now, this is likely to be achieved with smartphones using a supporting platform such as that offered by VoxPopMe. However, in three to five years we could be utilizing Google Glasses, Apple watches or some other wearable video-capture devices that have the added bonus of being hands-free for a more efficient, less intrusive data capture experience.

4. Polling – quantifying the experience. Polling refers to the quan-

titative portion of the research, but not in the traditional "long, online survey" sense. Polling is designed to be mobile, with brief sets of questions that can be rapidly answered with minimal intrusion on the moment. The obvious challenge is how to reach enough people and ask enough questions so there is a large enough dataset to conduct proper statistical analysis. Again, wearable devices or clothing could play a key role, by serving up extremely short, experience-related surveys, perhaps through audio questioning and response, a la *Star Trek*.

5. Prioritization – analysis and conclusions portion of the research.

The key purpose of conducting any customer experience research is to determine what is going to be most impactful for improving the customer experience and what, among all the opportunity areas, should be prioritized. The improvement efforts should be prioritized for addressing underperforming programs and loyalty-driving elements of the customer's experience based on their relevance to strategic target customers and the ease and/or cost to implement the needed changes. Key to this stage is the appropriate collection or capture of qualitative and quantitative data through the four prior Ps, followed by analysis of the data using a combination of standard and advanced statistical techniques, text and image analysis, facial coding and emotional analysis.

Case study

Let's look at how this new framework might play out for a real CX research project.

A large, fast-growing regional brick-and-mortar bank identified a disparity in the account closure rate across its branches, with some branches having a significantly higher rate of closures than other branches. After talking with branch employees, the bank hypothesized that it might be delivering inconsistent customer service, causing high levels of dissatisfaction among customers at some branches. It wanted to be able to see and hear what its customers had to say about the branch experience as it occurred for them, as well as provide a clear course of remedial action

to the bank's C-level executives.

On the advice of its customer experience consultant, it turned to the five-Ps approach to design its research project. It wanted to engage customers in the research as they entered the branch (place). In order to do this, customers identified as regular branch visitors were e-mailed an invitation to participate in the research project. The incentive was a chance to win \$1,000. Participants were asked to download a mobile app for the project. Then when these customers approached a geofenced branch location, they received a push notification reminder to participate in the research (prompt).

The customers who opened the app on their smartphones were then presented with a short survey that asked them (participation and polling):

- What was their reason for visiting the branch at that time? (For needs-based segmentation analysis.)
- How likely were they to remain a customer of this bank? (For loyalty driver analysis and benchmarking.)
- To take a photo of themselves. (For demographics and persona development.)

Customers were then asked to enter the branch and to capture photos of anything they felt positively or negatively impacted their visit (participation). As they left the branch and returned to their vehicle, they received another push notification (prompt) to complete the research task. When they opened the application, they were presented with a short survey (poll-

ing) asking them to:

- Rate the experience they had at the branch (for correlation with loyalty).
- Upload any photos they took (to provide context and reality to the numbers).
- Record a 60-second video segment explaining how they felt about the visit and why they gave that rating (to capture emotion, feeling and voice of the customer).

After data collection, the CX researcher used a customer-needs based segmentation to analyze the quantitative data (experience and loyalty ratings, demographics) and the qualitative data (text, image and emotional analysis) for each branch. Very quickly the researcher was able to give the bank a prioritized listing of the most significant and impactful pain points of the branch experience along with an edited reel of video segments from customers that supported the priority recommendations (prioritization).

Assemble whole solutions

Neither qualitative nor quantitative research alone gives the CX professional a complete picture of the customer experience. Quantitative research provides the critical numeric guidance to support decision-making but lacks the ability to truly get inside a customer's head and heart, the way qualitative research can. At the same time, traditional marketing research methods (both quant and qual) are inadequate for measuring customer experiences because they are never

close enough to "the moment," they can be too intrusive and the traditional time frame to execute on a project is too long, such that the recommendations are already outdated by the time they are examined. The solution is just about at hand – various tools are available, the CX inquiry is clear. Now, it is up to marketing researchers to assemble whole solutions and to partner with CX professionals to produce deep and actionable insights. With our five-Ps framework, we hope to begin to close the chapter on the MR-CX divide and provide a common platform for design, administration and analysis going forward. 

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