

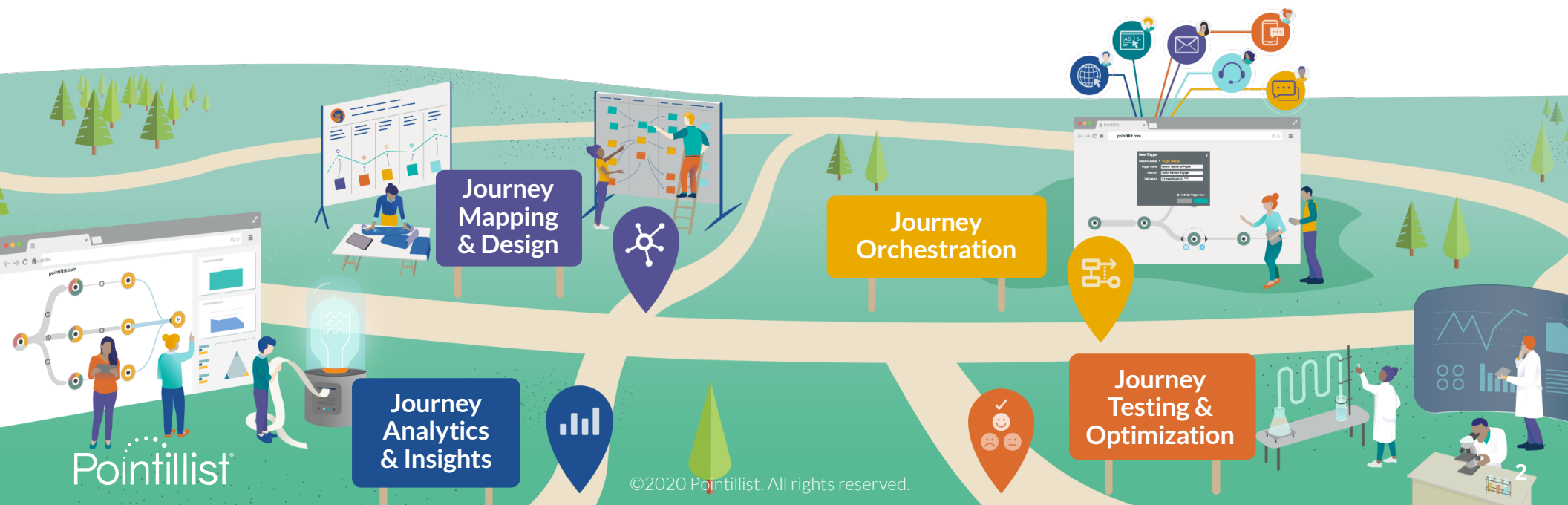
Customer Journey Management 101

Essential Guide to Managing, Measuring & Improving Customer Journeys



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Introduction

Many enterprises have adopted customer feedback management, but despite this investment, 86% of companies failed to improve their CX scores. The reason is simple: enterprises are capturing less than half of the story. Voice of the Customer (VoC) data is only measured in aggregate, by segment, or after isolated transactions within individual touchpoints. It's not representative of your customer's overall experience, which complicates your ability to connect customer journeys to business outcomes. And only a fraction of your customers are responding to your surveys.

In this eBook, you'll learn what customer journey management is, why enterprises are adopting this approach and the value it brings to both your customers and your business.

01

What is Customer Journey Management?



What is Customer Journey Management?

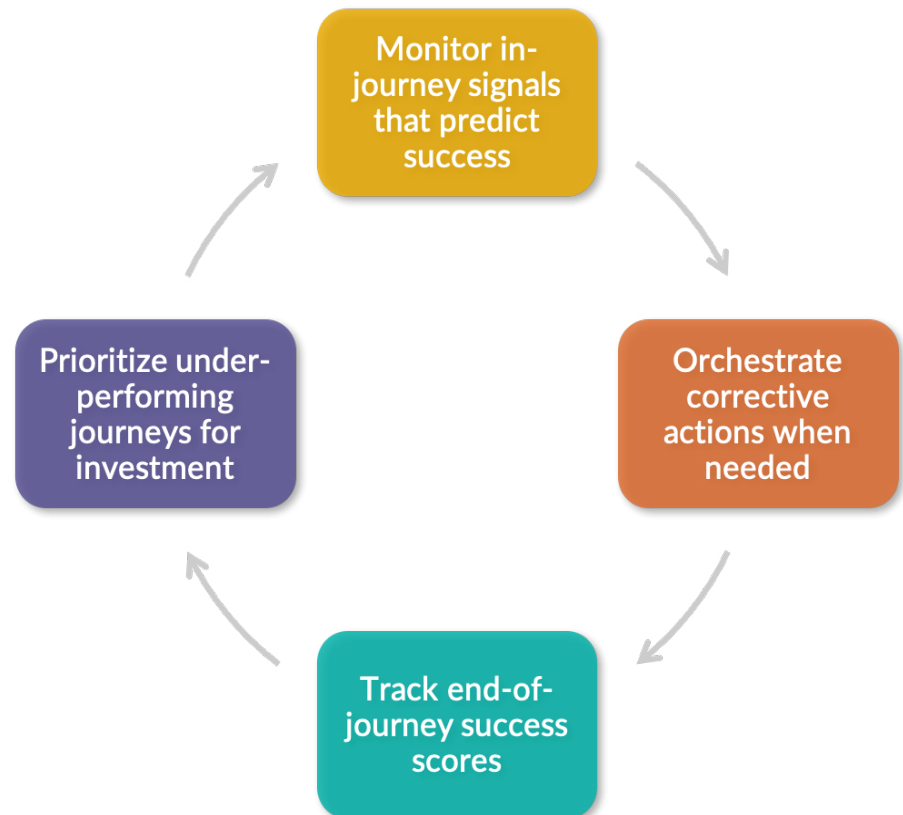
Customer journey management is an approach that enterprises leverage to improve customer experience, delivering value to both your customers and your organization. It's the process by which customer-centric organizations:

- Identify journeys that matter based on customer goals and business success
- Measure and monitor the in-journey signals that predict journey success
- Orchestrate corrective actions when needed
- Track journey success using journey success scores, and
- Prioritize underperforming journeys for investment



“Journey management enables you not only to measure, monitor and optimize customer experience, but align your entire organization with your customers’ goals.”

Customer journey management is a shift in mindset. It's a change from optimizing single interactions at each touchpoint to managing the journeys customers take as they seek to achieve a goal. Journey management enables you to measure, monitor and optimize CX, as well as align your entire organization with your customers' goals.



Benefits of Embracing Customer Journey Management

Customer journey management is the foundation for optimal customer experiences that drive business growth and success. A Harvard Business Review webinar showed that investing in customer journeys is strongly correlated with crucial business outcomes, such as customer satisfaction, retention and revenue growth.

In addition to improving the bottom line, effective journey management aligns the entire enterprise. Organizational alignment is crucial in delivering value to both customers and the business.

Leveraging a journey management approach enables journey managers to understand the whole picture. It exposes all the journeys that encompass a customer's experience. This enhances your organization's ability to orchestrate personalized actions that maximize journey success.

After all, customers expect each interaction with your business to be reflective of their entire experience, not just their most recent interaction. This way, marketers can automatically suppress offers to customers who have an active support case in the contact center. Effective customer journey management is the foundation of effective journey orchestration.

1 | Journeys are 30% more strongly correlated with business outcomes

Touchpoints
Journeys



McKinsey & Company | 5

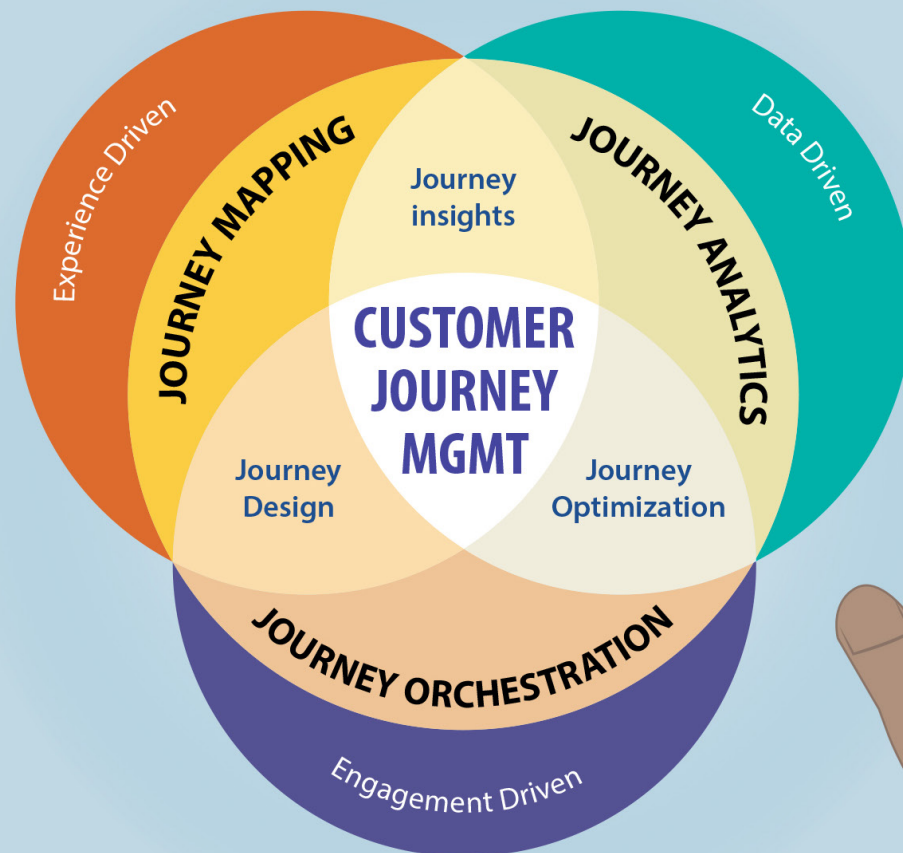
Source: HBR webinar, "Customer Journey Transformation: The Idea, the Impact and How to Start"



The Customer Journey Management Framework

Customer journey management encompasses three primary approaches to CX: journey mapping, journey analytics and journey orchestration.

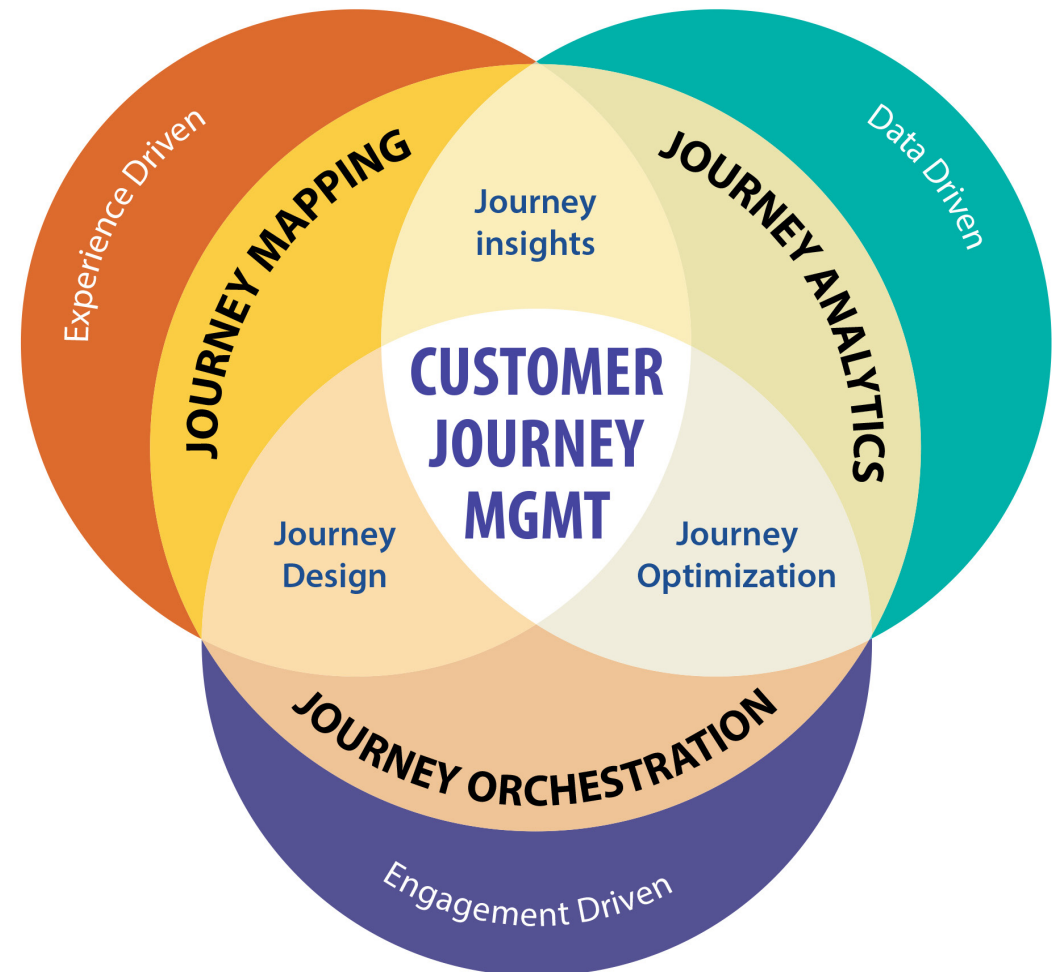
Each approach plays a role in helping an organization understand, create and improve customer experiences. In addition, these approaches are often combined to enhance experience design, generate journey insights and optimize journeys.



The Customer Journey Management Framework

Here is a quick summary of the three primary journey management capabilities and the three most frequently used ways to combine them.

- **Journey Mapping** is a way to visualize and communicate your customer's experience across touchpoints and over time as they seek to achieve a specific goal.
- **Journey Analytics** is the science of analyzing customer behavior data across touchpoints and over time to measure the impact of customer behavior on business outcomes.
- **Journey Orchestration** is a way to use each customer's entire experience to inform and personalize interactions that will improve customer experience and drive desirable outcomes.
- **Journey Insights** are the quantitative and qualitative information that helps you understand the behavior of your customers as they seek to achieve a goal.
- **Journey Optimization** is a closed loop approach that uses AI and machine learning to improve the experience of each customer, so they can achieve their goal more efficiently.
- **Journey Design** is the process of defining the experience a customer has as they seek to achieve a goal and the interactions the company will take at each step to promote progress towards the goal.



Now, let's break down each of the three primary approaches in more detail.

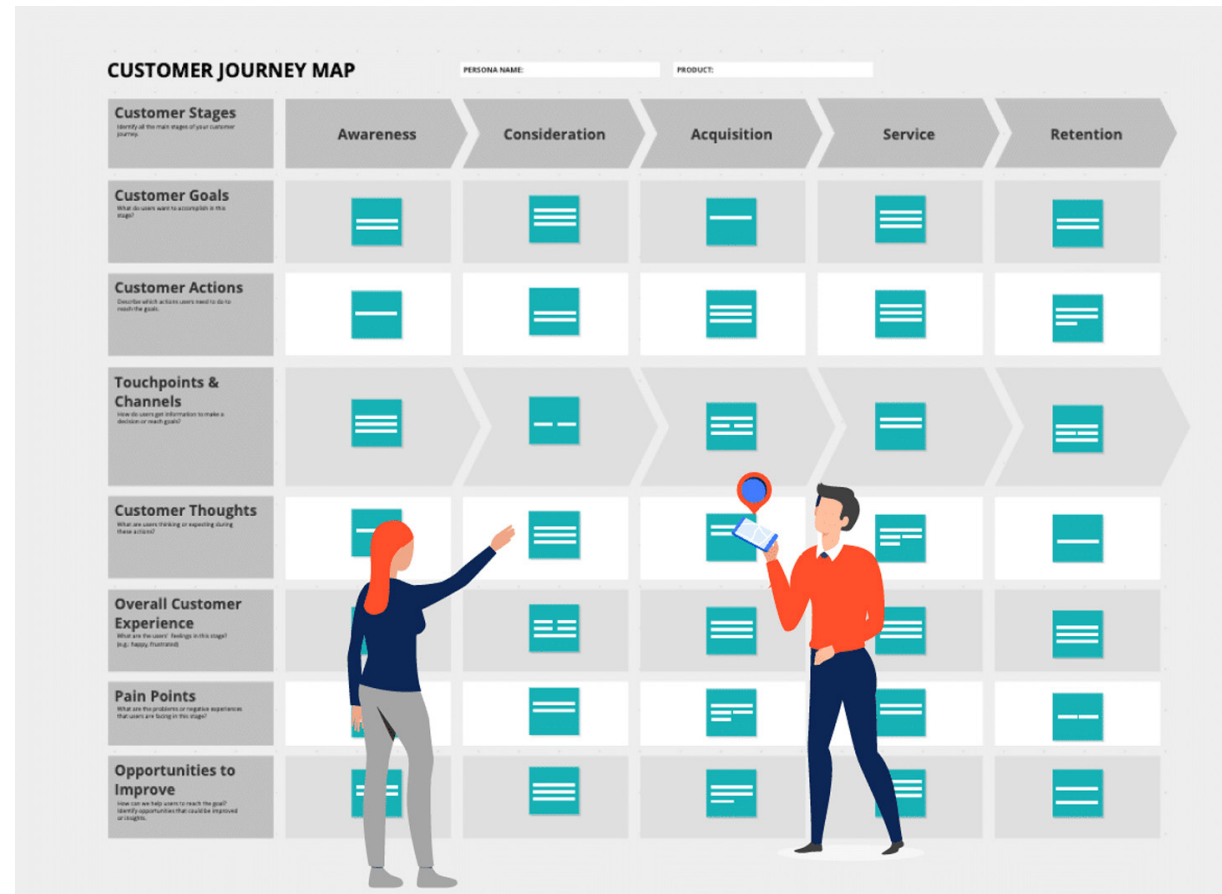
1. Journey Mapping

Journey mapping is a method many enterprises use to visualize and communicate your customers' experience across touchpoints and over time.

Journey mapping is a widely used practice, not only with CX professionals, but also within marketing, customer service, experience design (XD) and product management.

Enterprises use journey mapping to:

- Establish a customer-first culture
- Visualize customer journeys
- Identify “make or break it” moments in the overall journey
- Project a “future-state” customer experience to spur innovation



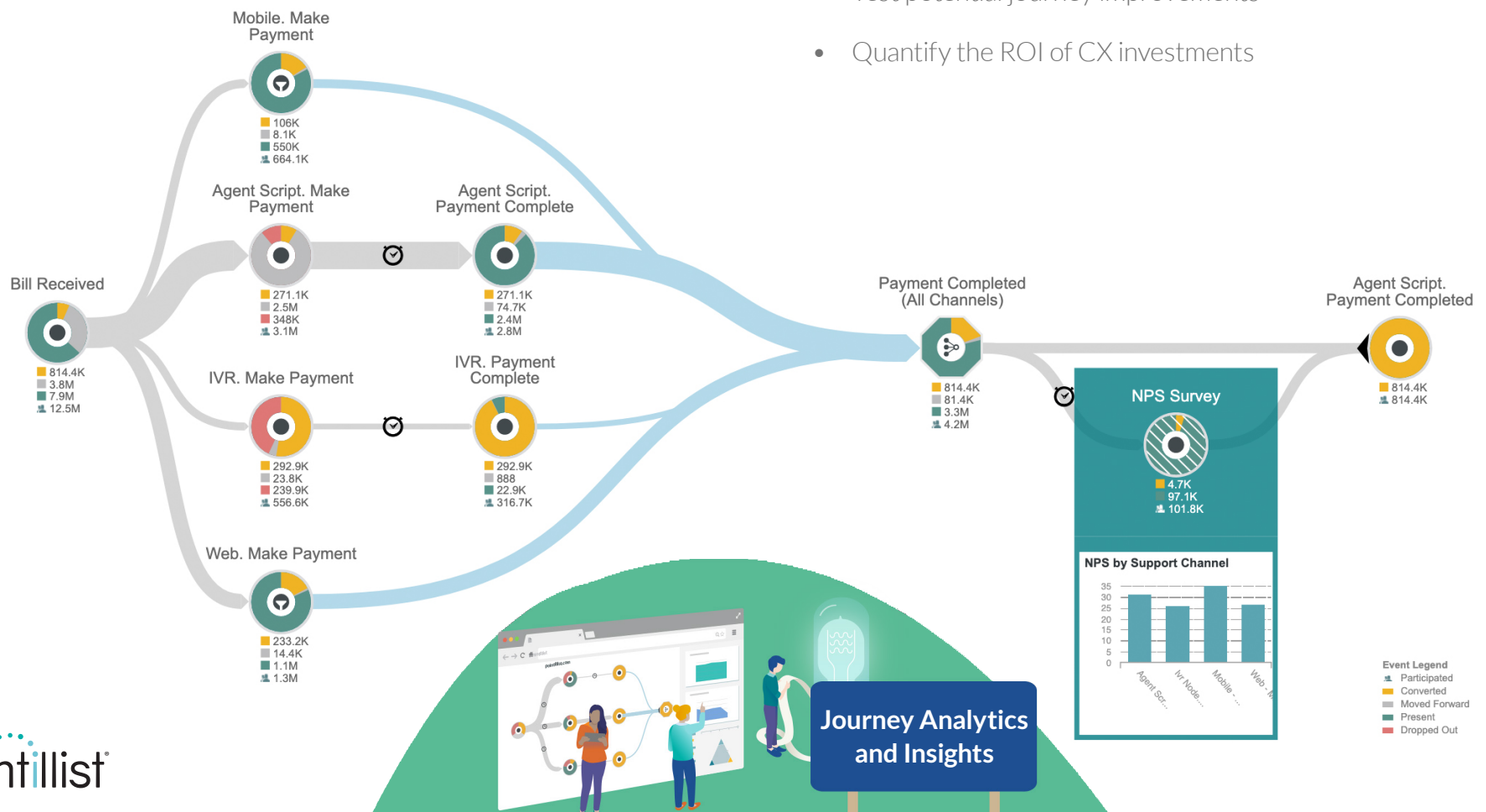
2. Journey Analytics

Data-driven enterprises leverage customer journey analytics to identify important customer journeys, define the appropriate KPIs to measure each journey and prioritize opportunities for optimization. Typically, journey analytics is used by CX, customer service, marketing and analytics teams.

CX leaders are adopting customer journey analytics to advance their CX measurement programs. A recent study found that in 2020 as many organizations are investing in customer journey analytics (27%) as journey mapping (25%).

CX leaders use journey analytics to:

- Aggregate customer journey data
- Resolve customer identities across channels
- Analyze billions of interactions within millions of cross-channel journeys
- Identify the root cause of CX issues
- Test potential journey improvements
- Quantify the ROI of CX investments



3. Journey Orchestration

Your customers expect seamless and personalized experiences. But existing marketing, customer service and other customer touchpoint systems usually automate engagement at a single touchpoint or for a limited set of channels. Additionally, most possess their own existing personalization logic. The lack of a seamless, coherent experience, particularly in large enterprises, is driving the need for journey orchestration.

The goal for journey orchestration is to harness journey data to improve personalization decisions across touchpoints, thus delivering a seamless and relevant experience for each customer.

Typically, CX and marketing teams play a leading role in orchestrating personalized experiences. Journey orchestration solutions enable these teams to:

- Coordinate actions to deliver consistent experiences
- Personalize actions based on each customers' overall experience

Customer journey management takes each of these approaches to the next level. Leveraging this framework aligns your entire organization around journeys and enables journey owners across the enterprise to effectively manage, measure and improve customer experience.



What Journey Management is Not



What Customer Journey Management is Not

While journey management may seem familiar, it's not the approach traditionally used by most marketing, customer service, operations or even CX teams. Customer journey management isn't about improving internal capabilities or measuring interactions at individual touchpoints. In short, customer journey management is not:

Multi-channel Campaign Management

Customer journey management is all about aligning your business around your customer and their goals. It's not about making marketing's job easier by enabling them to manage their cross-channel campaigns in one place. Journey management helps companies measure, monitor and orchestrate actions in the context of each customer's current objective, rather than automating a set of actions organized around a marketing goal, like increased conversion.

Journey Mapping

Customer journey mapping has grown in popularity over the past few years. But the beautiful journey maps that you release with great fanfare are probably gathering dust, as employees go back to the 'real work' that they're measured by.

There's no place in customer experience for a 'set it and forget it' mentality. Revisiting static journey maps you made a year or even six months ago simply won't suffice. To improve customer experience, you need an approach that is dynamic, measurable and actionable.

What Customer Journey Management is Not (*cont'd*)

The Responsibility of One Person or Department

When enterprises operate in silos they deliver inconsistent and often irrelevant experiences. Implementing a customer journey management program fosters alignment across your organization and enables the orchestration of contextually relevant customer experiences.

An Overnight Transformation

Much like digital transformation initiatives or adopting an Agile development methodology, establishing a journey management program does not happen immediately. Approaching CX in a new way takes time and the right mix of people, processes and technology. But as McKinsey notes, “companies that excel in delivering journeys tend to win in the market.” In other words, investing in customer journeys is a commitment that’s worth it.



What's Driving the Need for Customer Journey Management?



What's Driving the Need for Journey Management?

Back in 2013, Walker predicted that customer experience would overcome price and product as the main competitive differentiator by 2020.

Well, here we are. CX is indeed a strategic priority for enterprises and investment in this arena continues to rise. The Worldwide Semiannual Customer Experience Spending Guide predicts that CX spending will achieve a compound annual growth rate (CAGR) of 8.2% over the 2018-2022 forecast period, reaching \$641 billion in 2022.

Over the last decade, organizations of all sizes have devoted resources to analyzing customer behavior, especially as the number of digital channels increases. But the approach has been fragmented at best. For example, the contact center operations team analyzes call data, the marketing team evaluates email and web data, the CX team focuses on VoC data and so on.



“Across industries, performance on journeys is substantially more strongly correlated with customer satisfaction than performance on touchpoints—and performance on journeys is significantly more strongly correlated with business outcomes such as revenue, churn, and repeat purchase.”

- McKinsey



What's Driving the Need for Journey Management? (*cont'd*)

But traditional touchpoint analysis and a reliance on customer feedback won't suffice any longer. First, siloed data presents a major obstacle for enterprises today. A recent journey management and CX measurement study found that breaking down data or organizational silos is the #2 CX challenge.

Additionally, 60% of enterprise CX leaders report that the biggest challenge with VoC or other customer feedback data is that it's difficult to link it to business outcomes. And while 95% of organizations collect VoC data, many CX pros say that it's much easier to aggregate customer journey data than it is to operationalize and act on it.

Top CX Challenges Overall

- 1 Quantifying customer experience ROI
- 2 Breaking down organizational data silos
- 3 Generating actionable insights quickly
- 4 Establishing a customer-first culture
- 5 Measuring customer experience

Top CX Measurement Challenges

- 1 Lacking a single view of the customer and customer journey
- 2 Generating actionable insights quickly, in real time
- 3 Lacking sufficient internal time or resources
- 4 Lacking access to siloed data across multiple sources
- 5 Lacking the right tools or technology to collect and/or analyze data

Source: '2020 State of Customer Journey Management and CX Measurement' Report, Pointillist

What's Driving the Need for Journey Management? (*cont'd*)

Three of the top five frustrations that organizations believe have the greatest negative impact on CX are related to personalization.

Although cross-channel personalization is extremely important, many organizations struggle to do so effectively and at scale. The top challenges for delivering personalization are data or organizational silos and a lack of integration across data sources and systems.

Top Customer Frustrations that Have the Greatest Negative Impact on CX

- 1** Lack of personalized experiences
- 2** Employees not understanding customer goals, needs or preferences
- 3** Failure of the organization to recognize and proactively intervene when a customer is unhappy
- 4** Customers not receiving timely and relevant communications
- 5** The organization neglecting to take action on customer feedback
- 6** Lack of effective customer-self help channels or mechanisms
- 7** Long wait or response times

Top Challenges for Delivering Cross-Channel Personalization at Scale

- 1** Data or organizational silos resulting in disjointed messaging
- 2** Limitations due to lack of integration across tools and systems
- 3** Lack of internal time and/or resources
- 4** Difficulty prioritizing which experiences to personalize first over others and for which customers
- 5** Personalization limited to demographic and/or firmographic traits, not based on each customer's individual behavior
- 6** It's too complex to centrally manage workflow rules for all the applications that customers interface with
- 7** Lack of sufficient tools or technology

Source: '2020 State of Customer Journey Management and CX Measurement' Report, Pointillist

What's Driving the Need for Journey Management? (*cont'd*)

Further, the majority of organizations lack a single customer view and can only personalize interactions based on limited data within siloed touchpoints, rather than a customer's overall experience. These challenges compound together, resulting in inconsistent and disjointed messaging and ultimately, ineffective personalization.

This helps explain why less than a third of organizations say they are effective at engaging customers with the right experiences at the right times through their preferred channels.

However, a robust journey management program can unify your organization's fragmented approach to personalization and enable you to orchestrate the highly personalized experiences that your customers demand today.



Aligning Your Organization Around Journeys



First, Make Sure Everyone Has the Same Definition of 'Customer Journey'

The term customer journey is used so frequently these days that it's difficult for some to remember what it really means. A customer journey is the sequence of steps a customer takes to achieve a goal that delivers value to themselves and (hopefully) the business.

Despite the best efforts of hundreds of software vendors and consultants, a customer journey is:

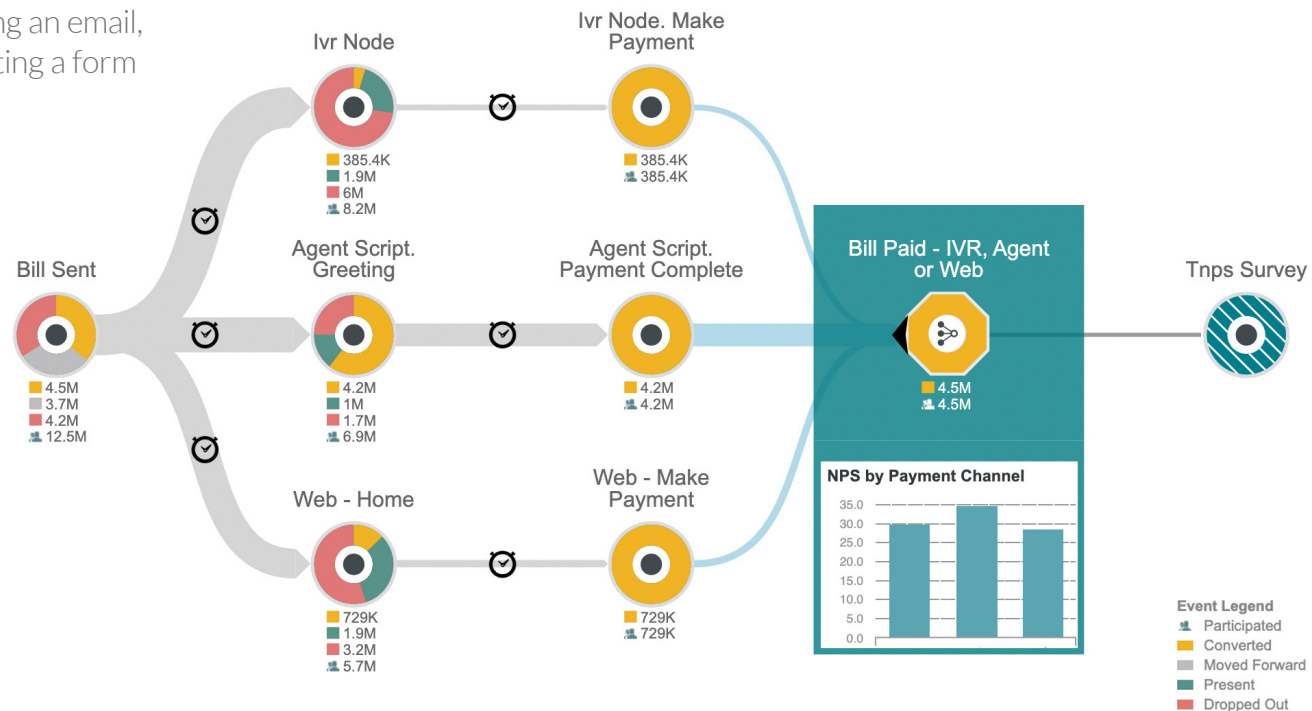
- NOT a marketing campaign
- NOT a single interaction (such as completing a purchase or placing a support call)
- NOT a set of sequential clicks, like opening an email, clicking a link, viewing a page and submitting a form

Customer journeys should not be defined by the length of time or even the channels involved. They vary depending on the customer's goal.

Common examples of journeys include upgrading a product, renewing a service or resolving a technical issue. For example, bill payment is a critical goal for an enterprise and its customers. When monitoring the journeys, the company can see that customers may use a variety of channels to accomplish this goal, including the web, mobile app, IVR and contact center.

"The customer journey is the series of interactions between a customer and a company that occur as the customer pursues a specific goal."

FORRESTER®



Identify the Journeys that Matter to Your Customer



“The key unit of experience management [has] shifted to the customer “episode”... By managing episodes directly, companies gain a view of the whole experience rather than just the pieces of the internal process.”

- Bain & Company

Obviously, customers exhibit different behavior or take different paths across your omnichannel environment. The key is to identify the goals customers try to achieve, then align them with your organization’s goals.

For instance, the renewal and service upgrade journeys are critical to the success of a telecom provider striving to retain customers and maximize customer lifetime value. Initiating automatic loan payments may be a crucial journey for a financial services institution attempting to reduce the cost of collecting overdue payments.

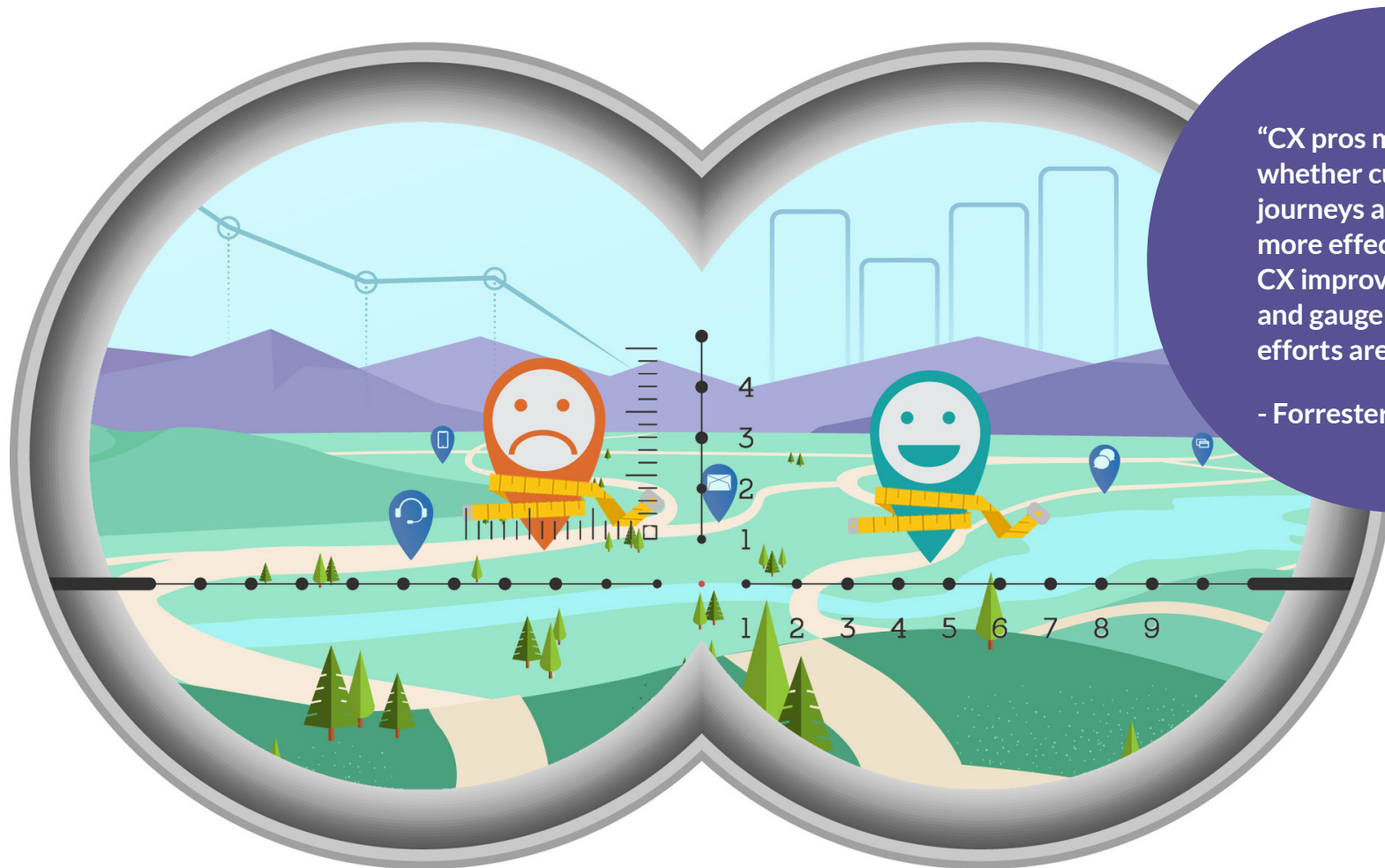
Once you establish the goals that matter most to your customer and your business, identify the significant steps that indicate progress towards those goals. For instance, a mortgage journey encompasses many significant steps, from assessing options to submitting an application to paying the first bill.



Measure Customer Experience Through a Journey Lens

With journeys identified and documented, CX teams need to measure the performance of each journey and the in-journey signals that predict journey success. There are a wide variety of in-journey metrics—like conversion, NPS®, CSAT, inaction, elapsed time and more—that should be evaluated to see which captures the key moments that predict success for each journey.

By measuring CX using a journey-based approach, you'll establish a direct link between customer behavior and hard metrics like revenue, profitability, churn and customer lifetime value. This way, you can assess the success of each customer journey using the metrics that best capture the value your customers expect and KPIs your business is measured by.



"CX pros must measure whether customer journeys are successful, to more effectively prioritize CX improvement efforts and gauge whether those efforts are working."

- Forrester

Accelerate Experience Design Using Journey Metrics

Experience design teams play a critical role, as they define new experiences and refine existing ones based on customer-focused research and a unified CX vision. Yet, experience design pros often struggle to measure the impact of their work.

By wrapping experience design within a journey management approach, design teams will gain a number of advantages. They will be able to:

- Measure the impact of improved digital experiences within the context of existing relevant journeys and behaviors
- Evaluate and prioritize design improvements by measuring the impact on key metrics and ROI
- Facilitate collaboration between designers, journey owners and implementation teams to address roadblocks or design changes
- Turn dusty, static journey maps into real-time, data-driven journey dashboards that can serve as vehicles for change

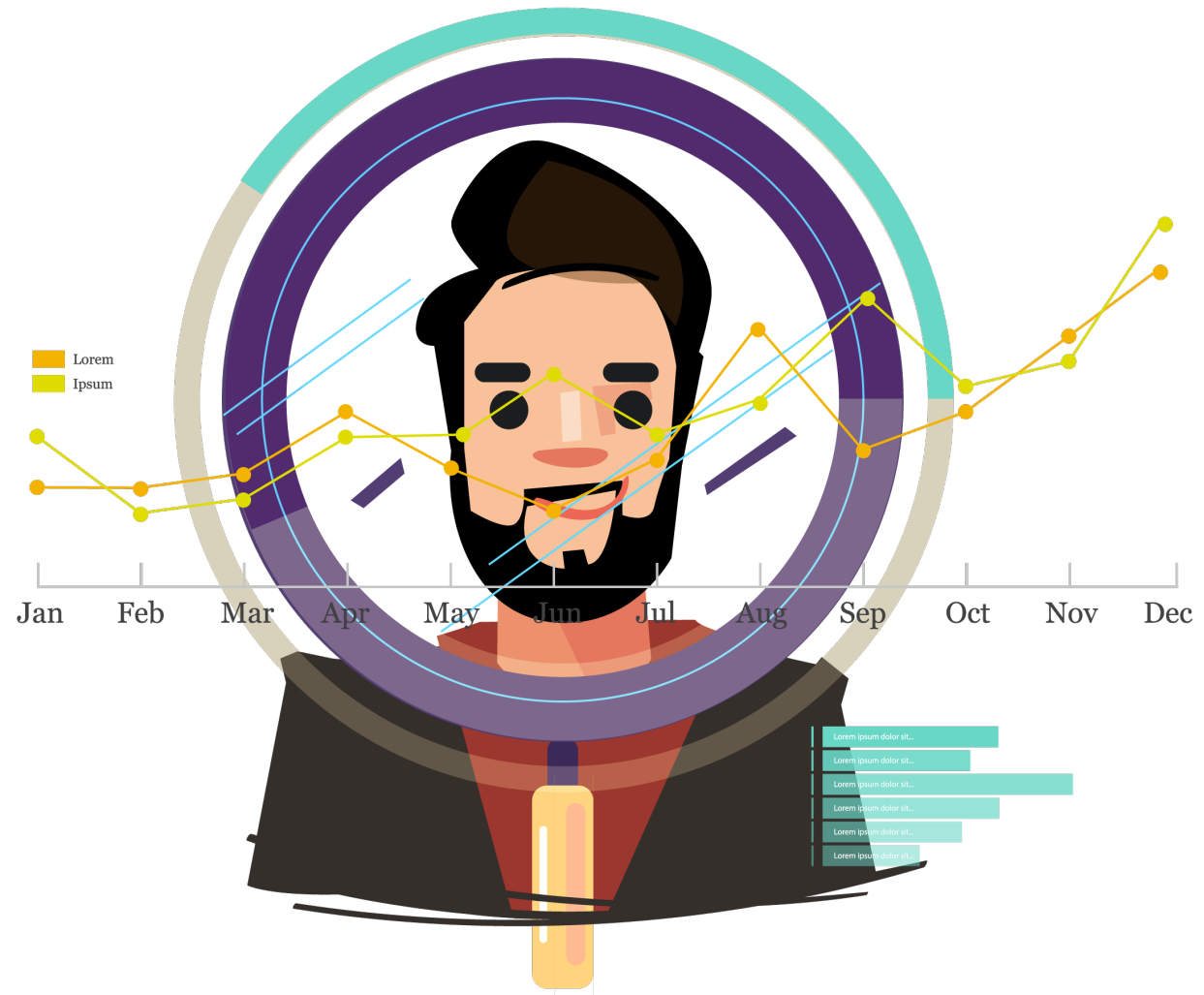


Use Journey Orchestration to Advance to the Next Level of Personalization

For the past decade, there's been a lot of talk about delivering a personalized experience as if it's simply about "providing each customer with the right offer at the right time." However, this simplistic approach typically fails to take into account the complex, cross-channel journeys that capture real-world customer experiences.

It's time to move beyond rule-based workflows and complicated logic that operate within separate systems. Customer journey orchestration is an approach for ensuring coordinated, relevant actions based on the context of each customer's experience.

Journey orchestration enables customer experience, customer care, product and marketing teams to coordinate initiatives and deliver seamless experiences across touchpoints. This way, you can ensure that customers currently in a support journey won't receive an unwelcome cross-sell offer via email.



How to Build a Successful Journey Management Program

A successful customer journey management approach hinges on four critical pieces:

1. Buy-in from leadership
2. A journey management team
3. An emphasis on agility
4. The right technology



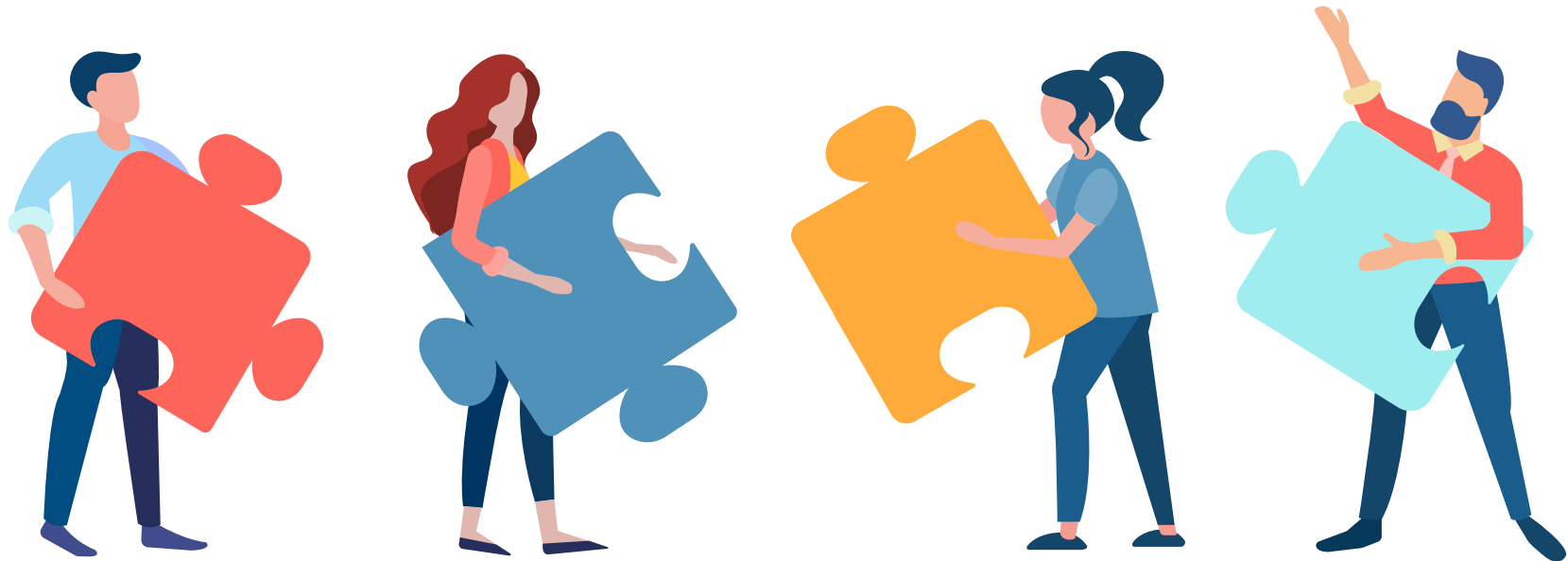
Building a Successful Journey Management Program

Buy-in from leadership

Because defining business goals are so integral to the success of a journey management approach, aligning senior leadership is crucial. Business unit leaders should agree on the goals they want to achieve. Then, they communicate the importance of their approach, demonstrate how it will impact both employees and customers and enable the organization to meet its objectives.

A journey management team

Over 50% of enterprises today already have a role or team dedicated to customer journey management. It's a combination of people, processes and technology. A Journey Management team leverages technology to define journeys and assess success by defining the correct KPIs. Then, they monitor performance and prioritize opportunities for optimization based on potential business impact. This team will be responsible for enabling the entire business to orchestrate and optimize customer journeys.



Building a Successful Journey Management Program (*cont'd*)

An emphasis on agility

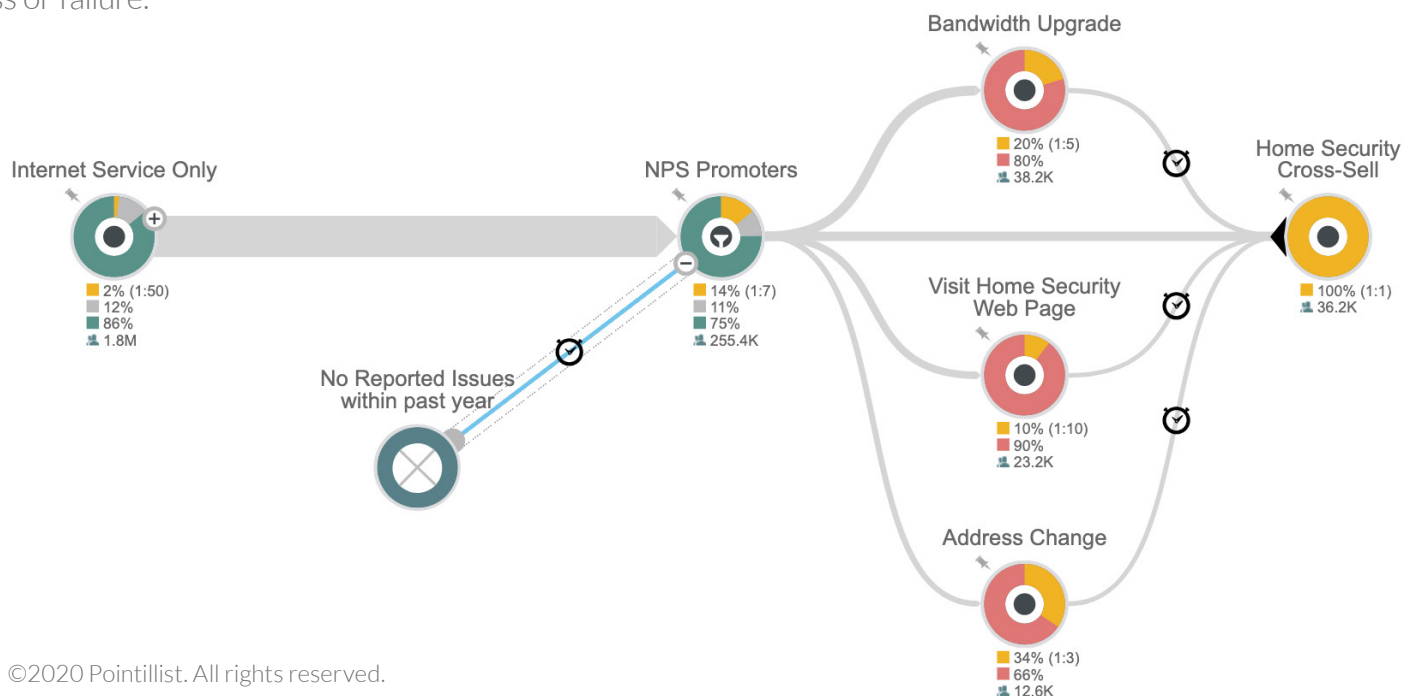
Unlike journey mapping, customer journey management is inherently flexible. When proposing improvements, journey managers should be able to rapidly test hypotheses, analyze results and iterate based on the data. Journey management provides the agility necessary to discover risks and prioritize opportunities for optimization as they are revealed.

The right technology

Supporting your approach requires technical capabilities to bring the program to fruition. The best solutions will make it easy to identify journeys that customers take to achieve goals. They help you uncover in-journey and cross-journey signals that indicate success or failure.

Of course, this requires integrated data that's accessible to all teams and systems in order to gain actionable insights. An enterprise customer journey analytics and orchestration platform supports customer journey management by enabling journey managers to:

- Identify the root cause of behavior
- Design, improve and test journeys
- Evaluate and optimize journey performance
- Orchestrate actions to improve CX and reduce costs
- Quantify the ROI of CX initiatives



Summary

As customer expectations and competitive pressures continue to increase, customer-centric enterprises are using customer journey management to reorganize their business around their customers.

Of course, it can be difficult to determine an appropriate starting point when implementing a new practice. But like most transformations, identifying goals and aligning internal stakeholders will steer the initiative in the right direction.

Consider your KPIs and define what is most important to your customers. From there, you can focus on assembling a team and developing an action plan to manage and optimize journeys rather than touchpoints.

And while we can't predict how CX will evolve in the future, implementing a customer journey management approach today will keep your organization focused on what matters most: your customer.



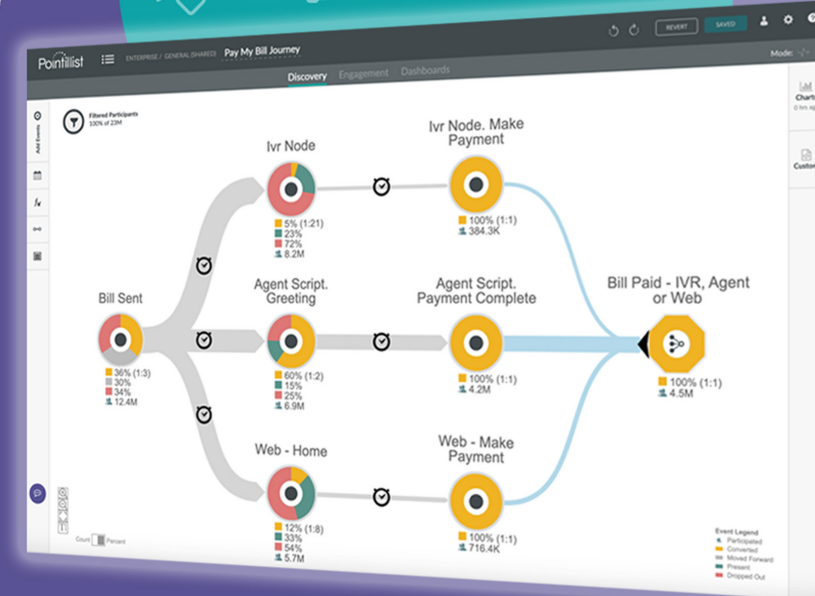


Improve Customer Experience from Data to Insights to Action

The Pointillist Customer Journey Analytics and Orchestration platform enables CX, analytics and marketing teams to manage customer journey data, measure journey performance and orchestrate personalized omnichannel experiences.

Customer-centric enterprises rely on Pointillist to:

- Aggregate customer data from any source
- Advance from touchpoint analysis to Customer Journey Management
- Analyze journey-based metrics and KPIs
- Identify the root causes of underperforming journeys using AI
- Orchestrate actions that maximize journey success



REQUEST A DEMO

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