

Customer first thinking.



Leading with CX:

An Interview with Tom DeWitt, Founder and Executive Director of the XMGlobal Collaborative

Tom DeWitt:

Tom DeWitt is the Founder of the XMGlobal Collaborative and co-author of the book "The Customer Excellence Enterprise".



The top priority for CMOs this year, according to Forrester Research, is improving the customer experience. That's right: they now care more about CX quality than brand awareness. Last year CX never even made the cut.

So why has CX suddenly jumped to the top of the list?

The answer lies in what CMOs named as their other top priorities: advancing AI capabilities; measuring marketing effectiveness; updating the loyalty platform; and optimizing marketing personalization. All of these are interconnected and explain why quality CX has become such a pressing concern.

CMOs have read the alarming headlines just like everyone else: a "massive AI breakthrough" is expected this year, according to Morgan Stanley. Businesses are being told to "brace for progress that will shock them". For marketers that means one thing: gut wrenching job dislocation as AI-driven automation sweeps across every business. Marketing as a discipline is especially

vulnerable. According to Anthropic, 65% of the work performed by marketers is eventually going to be taken over by AI for a fraction of the cost. CFOs can be expected to exert greater pressure than ever before to shrink marketing's headcount. Even product managers will be at risk of being replaced.

That's why causal marketing measurement has become so important. Because the only way for marketers to push back against the budget cutting zeal of CFOs is to prove, once and for all, that the funds allocated to them are being spent wisely. Marketing has to show that its programs actually drive revenue and sales.

Which is why loyalty is also a big priority. In an age of agentic commerce, when people can use AI tools to do their shopping for them, traditional brand building loses its purpose. Marketers will have to conceive of entirely new ways to fuel growth other than to broadcast messages to large audiences. Even hyper-personalization of messaging won't be enough to secure the attention and loyalty of customers. Because there is only one way to earn brand loyalty: become an indispensable part of people's lives. A brand they can't live without.

As AI levels the playing field, making it possible for even the smallest company to compete against the largest incumbent brands, customer experience will become the main differentiator. And that is why CX is now the top priority of CMOs: they've finally come round to the idea that they need to fully own and shape the experience in order to build deeper loyalty and create brand differentiation in the Age of AI. But for marketers to succeed, according to CXM expert Tom DeWitt, they must first convince corporate management that improving the customer experience should not only be a marketing obsession but a strategic imperative

for the entire enterprise.

DeWitt believes that “helpfulness” needs to become the core doctrine of a new operating model dedicated to making the everyday lives of customers better. And that goes far beyond fixing what’s broken. It demands the creation of exceptional experiences at every stage of the customer lifecycle. Organizations must embed customer excellence into their DNA – make it their mission to help customers live better lives.

Marketing has a central role to play. It must paint a vivid picture of what an ideal experience looks like from the customer’s perspective. And then it must reimagine how the organization creates value and builds trust amongst customers. The CMO’s job then becomes irreplaceable: a steward of trust, in charge of making customers feel good.

In his book “The Customer Excellence Enterprise”, Tom DeWitt and his co-author Wayne Simmons lay out a detailed playbook for how companies can adopt “helpfulness” as an operating principle with the goal of winning “customers for life”. Tom is the founder and Executive Director of the XMGlobal Collaborative dedicated to the field of customer experience management. He’s best known for shaping CX as a formal business discipline, having developed the first-ever Master’s Degree Program in CXM while teaching at Michigan State University.

SS

Stephen Shaw (SS): You founded the XMGlobal Collaborative just over a year ago. What led you to start the organization?

TD

TOM DEWITT (TD): I founded the Master’s degree in Customer Experience at Michigan State University which was designed to address a twofold need in the industry. First, a lack of a comprehensive skill set at the leadership level to effectively manage the experience management function. Unlike marketing and finance and accounting that have established academic programs and disciplines, CXM leadership roles are often filled by people who come from very divergent paths through sales, through market research, through contact center operations. But experience management is a very multidisciplinary profession. It involves skills in organizational behaviour, organizational change, employee experience, design, research, both quantitative and qualitative - so a wide range of disciplines.

Secondly, what you often find in many organizations is that CXM is just the Contact Center or it’s just Satisfaction Surveys. I’ve always been a big proponent that businesses are there to serve the needs of humans. Now, that’s very different than what most businesses feel. So the Master’s degree was really designed to address that huge gap. But what I realized at Michigan State is there’s a finite group of people we can reach with the degree program because it requires a significant amount of money. So I was cognizant of the fact that no matter what I attempted to do at Michigan State, we wouldn’t be able to reach everyone.

So the XMGlobal Collaborative involves a multidisciplinary approach. We need people who are experts in employee experience and engagement. We need people who are experts in user experience, design, and delivery. We need people who are experts in customer success. So it requires integration across the firm, across functions, towards a common focus on understanding and meeting the needs of the customer. And you can’t do that if you don’t acknowledge those other disciplines and make sure you include them.

Global is the other factor. As a profession we tend to operate in our own geographic silos. I’ve lived in six different countries in my life and I’ve travelled to over 45 countries. So I notice how customer needs are met differently. Take the banking industry in Thailand where teller counters are noticeably absent. When you go to a bank branch, you sit across from the banker in a more personal relationship and the waiting areas can be luxurious and beautiful. So we wanted people to have the opportunity to engage across cultures, across borders and share best practices and learning from one another in a very collaborative environment.

SS

I really hadn’t made that connection before, that a country’s culture can have an impact on customer experience.

TD

Oh, it’s incredible. I mean, it’s the attitude towards the customer. A great example is healthcare. In the US we’re often made to feel like doctors are doing us a favour by seeing us. You know, when you go to the local doctor’s office and the staff are behind a glass partition and you have to repeatedly provide them with the same information, and then you’re made to wait in an area that’s

uncomfortable. Then they take your blood pressure, and you wait for the doctor while you read these posters on the wall and you're like, what are they thinking? Why am I reading posters about HIV or whatever?

In Thailand, I love going to my doctor's office. I walk through the door and there's usually two or three people behind the counter working. And they recognize me and greet me by name because my wife and I go there quite often for different things. I don't even need to check in. They know I'm there. They know who I am. And then the waiting area, tastefully designed, comfortable, rattan furniture with nice, padded seats. The music's appropriate. The colour scheme matches the colours on the wall, and there's a cappuccino machine. They have infused water, a bowl of bananas. And then, this is true of hospitals as well, they take you to different treatment areas, but they always return you back to the waiting area because that's where you're most comfortable. So you're not made to wait. You go for a blood draw, same day results. The point being, their focus is on you and your comfort level and you're there as a guest.

Unfortunately, I think what's happened in the US is it all feels like a factory where the focus is on efficiency and cost reduction. Let's move people through as quickly as possible, let's standardize. Like when I go to a restaurant in the US, nine times out of ten I know my salad was poured out of a bag, it wasn't hand cut. There wasn't a whole lot of thought put into it, right? And I feel that way almost everywhere I go, that I'm just a number. I'm never going to form a relationship with these people. And it's demoralizing when I think about quality of life. The beautiful thing about living in Thailand is every place we go each day, we know the people there by name and we know about their families. What a meaningful life!

SS

I loved your phrase right at the start of the book, "The world can be a very unpleasant place for customers". You say, quite clearly, customers no longer feel valued. I might make the case that they've never felt valued, at least here in North America. But today it just seems so much worse. Why have we made so little progress after so long? Apart from the technology.

TD

Yeah, yeah. Quite honestly, the idea that we can celebrate our success every month based on an NPS score is ridiculous. We base our success on what people say about

us. We're not talking about how they feel. How fulfilled do they feel in their relationship with us? To what extent are we helping them meet their needs? How do their needs change over time? Why is it so difficult for a company to acknowledge our preferences and their understanding of us or are even bothered to thank us for the time we've spent with them? There's very little keeping us in a relationship. Unlike my relationships in Thailand.

And that's one thing living in Thailand: most places are independently run, even the supermarkets. Lotus, which is one of the largest supermarkets in Thailand, is a place my wife and I go to almost every day. And I just marvel at their merchandising and their product selection. They seem to know their customers and what their needs are. And then you have this difficulty here between CX practitioners and the C-suite. We have failed as a profession to successfully educate the C-suite on our philosophy and our success stories.

SS

The basic premise of your book is that helpfulness should be the organizing principle for customers. You make the point that helpfulness is the new TQM¹. How did you end up with helpfulness as your main premise?

TD

Because it makes so much practical sense. We live in this world where we're fixated on financial outcomes. It's so far removed from the customer. I mean, when you think about what it takes to be helpful, it takes empathy, it takes an understanding of who your customers are, and where they want to be, both in terms of functional and emotional jobs to be done. And that's a very different approach and mindset, isn't it, than just chasing numbers?

So the other thing is the side benefit that it has for employees. Why do you go to work every day? Is it the numbers? I used to tell my undergraduate students, the day you roll out of bed and your motivation is simply to make money, it's time for you to leave the company. It's a responsibility of every leader in an organization to help every employee, no matter how removed they are from the customer, to understand how what they do ultimately impacts the customer. All of us want to feel like we're part of something larger than ourselves. You need to educate employees on who you're serving and why, make that really vivid, and share the stories of how you've helped them to accomplish their goals.

And we're seeing in the U.S. now this fixation on money, this transactional relationship with our customers, this very short term view of things. It's all about financial performance and stock price. How demoralizing is it to an employee to not know how what you do impacts the customer and at the same time know that tomorrow you could be replaced by AI.

SS

But that's the issue, isn't it? How can employees care about customers if the company they work for doesn't care about them?

TD

Exactly. So the whole point behind helpfulness and all the issues around changing the DNA of the organization is the acknowledgement of the importance of the employee and their understanding of what the customer needs. And this is a key attribute of a customer centric organization: they put customer outcomes up there along with financial outcomes. Profitability allows us to continue serving the needs of our customers. It shouldn't be the end all and be all.

SS

When you talk about helpfulness to corporate chieftains, it's got to be an abstract concept for them to grasp. To your point, all they care about is making their numbers. How do you make the business case?

TD

Most CX practitioners have been schooled in a certain set of metrics and their understanding of other metrics and measures doesn't extend beyond that. We had a program last week around creating - and this fits right into what we're talking about - a sense of belonging with your customer. So it's an emotional anchor if your customer feels like they belong. There's actually a measurement scale called the SOB scale which stands for "Sense of Belonging". But the key is to tie those measures to financial outcomes.

I asked a friend of mine who is a senior leader in the healthcare industry to help me understand how the C-suite approaches dashboards and KPIs. And he said, green is good, red is bad. Basically what he said is you need to make it as simple as you possibly can. They're not willing to digest qualitative research results and so forth. But you have CX practitioners who go to the C-suite and start talking about NPS and CSAT. If you're in the C-suite, what's running through your mind on a daily basis are financial KPIs. To get the attention of these people you need to speak their language: "We found a way to increase

profitability this much by reducing cost". Now you're speaking their language.

I'm not a big fan of NPS. A much better measure of loyalty is how I feel about the company. I'm committed to this organization - I would not leave this organization. Those are much better measures of loyalty. But underneath, let's understand a customer's sense of belonging and how that drives those measures. Let's measure belongingness, and helpfulness, and trust, and then explain it by certain employee behaviours or by certain processes we've identified in the customer journey.

That's the other thing - we've created this industry where journey mapping is largely about pain points. **Lou Carbone**² calls this the "Broke Fix Mentality". He says it's like sucking the exhaust pipe on a car. You're dealing with a result. Instead, what we should be doing, and **Bruce Temkin**³ echoes this, is we should be investing more in qualitative research to understand what issue were customers trying to solve. Let's understand the functional aspects of the jobs they're trying to get done, but more importantly, the emotional. We expect a certain functional performance in a restaurant: the cleanliness, the food quality, and so forth. Okay, that's what I call core product quality. But what we're hoping to accomplish to a large extent is to change the emotional state. This is where the helpfulness piece comes in.

So when we talk about journey mapping - and this is Lou Carbone - we need to design experiences based on how people want to feel about themselves. You take the functional clues, the sensory clues, and the humanic clues, and you use those clues to purposely design experiences that are built to help people feel the way they want to feel.

Why aren't we using the "jobs to be done" framework to look at employees? Why aren't we using empathy mapping? Why aren't we looking at the decision making process as it relates to employees? As an industry, we've failed in that respect. And we've let survey companies convince us more surveys are going to do it.

SS

Well, it's the leaky faucet problem, right? They've got to fix the leaks.

TD

They need to change the plumbing. So if we lead with financials, if we say we've performed the qualitative research, we've interviewed this many customers, we've

analyzed the data, and we've determined this is what they need on a functional level, this is what they need on an emotional level, we're going to design experiences that do that, and here's the financial outcome, the financial gain - you've got to lead with that. And then, you have to engage other departments in the design and delivery - you've got to go to sales, you've got to go to marketing, you've got to go to operations and say, hey, we're all in this together. We're all in the experience business.

SS Isn't poor org design at the heart of the problem?

TD I think you need to convince the CEO that, like it or not, we're in the customer experience business. Our success or failure as an organization depends upon the outcomes we deliver to our customers. And I don't think you'd get any argument. And the other thing is we need to create a vision for the organization, a mission, and a set of values that reflects that. Because at the end of the day it boils down to the employees across the organization and how they view their function and role on a daily basis. Then I think you can retool existing silos rather than simply reorganizing. Like marketing - marketing's role basically is to create expectations and communicate those, right?

SS It's demand generation too.

TD Yeah, of course, yeah, yeah. It requires a fundamental understanding of behavioural science. But I guess my point is, rather than reorganizing and starting from scratch, which is tremendously painful, it's uniting people. If we can all agree that we're here for a greater purpose as it relates to our customers and how we want to be perceived in the marketplace and if we can agree on this mission and these values, what does this mean to your function? Because people feel threatened about change, right? It's going to each one of the functional areas to explain to them how they are presently succeeding on executing on a customer driven philosophy.

SS It's about changing marketing's remit as well - changing how marketers see their role in the organization.

TD The reality is, we live in a world where people can shut marketing off. You and I grew up in a world there were three channels, maybe four channels on TV. We had to sit through every TV ad. Today, I cannot bear sitting through a commercial. It's just painful. There's that. The second

thing is as consumers we make decisions based on reviews by other people that we don't know. Who do you trust more, an advertisement from a company or a review from a third party? 95% of people will put up their hand for a review. When you have advertisements that create this expectation and then the experience doesn't live up to that, that's what drives people away.

So I think, in today's world, it's helping marketers understand their role isn't just about generating demand. Whatever we do as marketers needs to resonate with people. Much of the focus was on creativity. And oftentimes marketers were delivering things that operations couldn't deliver.

One famous story I remember was about Bennigan's which I don't think is in business anymore. Their research indicated that business people would frequent Bennigan's more frequently if they could get in and out quickly because they had an hour for lunch. So they came up with this great idea: let's come up with a 15 minute lunch delivery guarantee. So the campaign got an incredible response. Incredible demand. The problem was, they never talked to the operations people about their ability to deliver on it. And it failed miserably because they were giving away as many meals as they were able to deliver in 15 minutes.

SS I think the issue all along has been that marketing has treated customer experience as a handoff to operations, telling them it's your job now to keep the customer happy. And of course, the customer service group is treated as a cost of doing business. And so, what do businesses do? Reduce the overhead cost of customer service.

TD It's crazy. What a crazy world. It's madness. You know, in a perfect world, there's nothing to complain about. But, nobody's perfect. And, going in and saying, wow, we need to change some things, is not a good way, right? Scares the hell out of people. They get on the defensive. Instead we should be saying, everybody's got to do their job, and then we can close that gap together. It's just changing the mindset and helping people understand their role and doing it well.

SS Well the "just" part is the hard part.

TD Yeah, none of this is easy.

SS

Exactly. The problem is it's a daunting task. In the book you use the term "making bold moves". How do you make it less daunting? How do you make it less disruptive? And how do you make it less likely to be sabotaged by the infidels who don't buy into the idea of "helpfulness"?

TD

It starts with the CEO. It starts with the leadership. It starts with the board. And, you know, everybody would love to be Trader Joe's. That goal is something that most people can rally around. Then the question becomes, okay, fine, how do we get there without being disruptive? And what can we agree on?

So, as we've discussed, I think everyone can agree on the financial goals. Getting back to the point I made before, we have to be able to tie all these initiatives to financial outcomes. If we can show them there's more to be gained by investing in our customers, if they can see the financial benefit of doing so, and alongside that, if we can show them how it changes the way customers view the organization. As CX practitioners, we cannot continue to be wedded to "broke fix" journey maps because then we're just problem solvers. We're not solution creators. As long as we stay in that role, we're screwed.

SS

We need to be game changers.

TD

We need to be the game changers where we lead in understanding customers, in understanding employees, where they want to go, and what's the best way to get there. Touch point by touch point.

The best home improvement store I've ever seen in my life is here in Thailand. It's called Home Pro. Their in-store design is incredible. Nothing like Home Depot, which is designed for contractors. They have by my rough count 140 toilets on display. And it's indicative of the extent they go to provide solutions. But it's not just that, it's the people who work there, it's the environment, it's everything.

So my point being, I think most leaders want to be there, but we need to be purposeful in experience design. We cannot continue to make assumptions about customer journeys and simply fix pain points.

SS

You have to be able to measure trust.

TD

Yeah. You've got to be able to show customers you have their best interest at mind. You've got to be able to show them we understand you, we understand your

needs, we understand what you're trying to achieve, and we're going to do everything possible to help you. The second is credibility. You may understand me, but can you deliver on that? And a "Broke Fix Mentality" doesn't communicate that. You've got to be proactive in the design. We need to purposely develop journeys based on needs. Every touch point is designed to help you to deliver on that. That creates credibility. It's also your ability to communicate your expertise and deliver on it. You can't simply assume because people are satisfied, they're going to trust you.

SS

It seems to me there are two objectives: Be indispensable - create an experience that no one else can easily match. And always be easy to do business with.

TD

Yeah, yeah. My concern right now is there's too much of a focus on the second one and not the first one. The reality is Lowe's and Home Depot are interchangeable. Neither provides a unique, indispensable experience like Home Pro does.

SS

They make you feel good.

TD

Exactly. And that's it. I don't feel good at Home Depot. My life feels disrupted when I go there. It's not a pleasant environment. But Trader Joe's is indispensable. I go there for two things and I walk out with 10 because of the novelty of their products. Nearly 100% of their products are private label. Their R & D department is incredible. I love that place.

SS

And it starts with a singular vision about serving the customer.

TD

You know, I keep reading: CX is dying. No, but we're in a lot of hurt. We've never had more consultants. We've never had more experts. But here we are. What you see and will continue to see with the XMGlobal Collaborative is a focus on education, collaboration and continuous improvement. I don't call myself an expert. I don't think anybody in our industry can because it's so multidisciplinary. But the good thing is our mission is beautiful. I've been a CX practitioner in one way or another since I was 14 years old. I was a busboy in a restaurant. I was able to see how what I did had an impact on people and made them happy. And here I am, 63 and I'll do it till I die.

- ¹ Total Quality Management (TQM) is a framework focused on continuously improving product quality and customer satisfaction.
- ² Lou Carbone is currently the Founder & CEO of Experience Engineering, a consulting firm that was the first to focus solely on the science of experience management. He wrote the legendary book “Clued In: How to Keep Customers Coming Back Again and Again”.
- ³ Bruce Temkin is a well-known expert in the field of customer experience and currently heads up the consulting firm “Humanity at Scale” focused on redefining enterprise leadership by prioritizing human-centric strategies. He previously served as the head of the Qualtrics XM Institute, where he provided thought leadership and training to help organizations master Experience Management.



Stephen Shaw is the chief strategy officer of Kenna, a marketing solutions provider specializing in customer experience management. He is also the host of a regular podcast called Customer First Thinking. Stephen can be reached via e-mail at sshaw@kenna.ca.