

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.

I started by asking Tom what led him to start the XMGlobal Collaborative.

TD

TOM DEWITT (TD): It was really to be able to reach anyone globally that wanted to make a change. You know, as you may know, I founded the Master’s Degree in customer experience at Michigan State University. And it was designed really to address a need in the industry that was twofold.

One was, in general, a lack of a comprehensive skill set at the leadership level to effectively manage the experience management function. You know, unlike marketing and finance and accounting that have established academic programs and disciplines, leadership roles are often filled by people who came from very divergent paths through sales, through market research, contact center operations. And I think with that comes a certain mentality about what CX is and what are the necessary KPIs and operational factors. But as you well know, you know, experience management is a very multidisciplinary profession. You know, it involves skills to be effective in the C-suite, organizational behaviour, organizational change, employee experience, design, research, both quantitative and qualitative. So wide range there.

The second factor was, you know, despite saying that you lead the CX function, what you often find is many

organizations, that’s just the contact center or it’s just surveys, you know? Which, it’s not about the ethos of the organization and why they’re there. You know, I’ve always been a big proponent that businesses should be the fundamental reason businesses are there, are to serve the needs of mankind and humans and help. And that profitability is what allows you to stay in business. Now, that’s very different than what most businesses feel. You know, we’re in business to make profit and grow stakeholder value and la la la la.

So the master’s degree was really designed to address that, that there’s this huge gap. But what I realized at Michigan State is there’s a finite group of people we can reach with the degree program both because of money, because a master’s degree requires a significant amount of money for, for most people, particularly people in developing countries. You know, we had students from Vietnam and South Africa and, um, the tuition fees, which were over \$30,000, which, you know, in the US that’s a cost of a car and that’s not that big of a, but for someone in South Africa or Vietnam, that was very significant.

So I was cognizant of the fact that no matter what I attempted to do at Michigan State, in fact I even tried to create separate cohorts in different parts of the world, we wouldn’t be able to reach everyone. So the goal with the XM Global Collaborative. First of all, let’s drop the C because experience management, it should be, you know, it 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, and what I had seen from all the associations out there is despite saying, you know, what we aspire to is an 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. So that’s why we’re the XM Global, again Global is the other piece, you know, I learned by putting the curriculum together at Michigan State University that featured all instructors from the US and case studies from the US that as a profession globally we tend to operate in our own geographic silos. Whether it’s in South America

where they, you know, frankly they have a very vibrant industry, both Spanish speaking countries as well as in Brazil and the same can be said for Europe and pockets in Asia and so forth.

As a world traveller, so now I've lived in six different countries in my life, seven if you include Hawaii, which is a total different entity than the mainland US and I've travelled over 45 countries. What I see, you know, when I travel, I love to travel as a consumer and as a scientist, as a consumer scientist, where I see, you know, I notice these differences and how customer needs are being met. Whether it's a towel, a steam generated towel warmer in London next to the bathtub, which I love by the way. Or whether it's, I'm trying to think of some examples in Thailand, the banking industry where teller counters are noticeably absent. When you go to a bank branch, you sit across from the banker, you know, in a more personal relationship and the waiting areas can be luxurious, beautiful. Some, some, you know, Bangkok Bank and where people are fiercely loyal to their bank. When you go to the shopping mall, there are four or five branches of different banks next to each other and to go country to country and see that.

So we wanted people to have the opportunity, both individually and as groups to be able to engage across cultures, to be able to engage across borders and sharing best practices and learning from one another in a very collaborative environment. Most learning opportunities in our industry come from webinars and panel discussions where people are being talked at. And we, you know, we believe people can learn more from each other than they can from those quote, unquote experts. So, you know, we focus on learning opportunities that are applied and collaborate, whether it's online or in person. (12.09)

SS

Stephen Shaw (SS): And I want to ask you how things have gone so far, but I, it strikes me as interesting, because I really hadn't made that connection before, that a country's culture can have an impact on their attitude...

TD

Oh, it's incredible.

SS

...towards CX. Yeah.

TD

I mean, it's the attitude towards the customer. You know. Another great example is healthcare. In the US and I think other countries, we're often made to feel when we enter, you know, whether it's a doctor's office or a hotel or maybe

not so much in a hospital. But we're often made to feel like they are doing us a favour by seeing us. You know, when you go in the local doctor's office and they're behind a glass partition and you have to knock on it, and you have to repeatedly provide them with the same information, and then you're made to wait in a waiting area that's uncomfortable. Like, it was a second thought, let's throw some chairs in this room.

So, and then when your name's called and this is, they weigh you, they take you to a room, they take your blood pressure, and then, you know, wait for the doctor while you read these posters on the wall and you're like, what were they thinking? You know, why am I reading posters about HIV or, you know, whatever, get your flu shot.

And in Thailand, I love going to my doctor's office. Who could say that? When I go to my doctor's office, I walk through the door and there's usually two or three people behind the counter working. And they greet me often. They recognize me because my wife and I go there quite often for different things. And they greet me by name, and I don't even need to check in. They know I am there. They know who I am. I don't even have to stop. If I do, I say, you know, Joy, how are you doing today? Or, Jenny, what have you been doing? Did you have a day off? Or whatever?

And then the waiting area, tastefully designed, comfortable, you know, 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. I go make myself a latte or cappuccino, they have infused water, a bowl of bananas, and then I sit down. And what they do, and this is true of hospitals as well, then 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. And then even the doctor, the doctors don't move. The doctor is in his or her office.

So like for example, you go for a blood draw, and this is the thing, same day results. In fact, the first time I went there, they had the results in two and a half hours. And then I met with the doctor. But the point being, their focus is on you and your comfort level and you're there as a guest. Whether you're in the healthcare system, whether you're at the bank, the banking industry reflects that as well. And that's a reflection of the culture.

You know, unfortunately, I think what's happened in the US, and someone asked me this question on another podcast, you know, what's the most negative thing you see? And my concern as the US is it feels, 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.

You know, like when I go to a restaurant in the US nine times out of ten I know my salad, when the salad was prepared, it was poured out of a bag, it wasn't hand cut. There wasn't a whole lot of thought into, right? And I feel that way almost everywhere I go, that I'm just a number. Process design could be fantastic, efficiency could be fantastic. But I'm never going to form a relationship with these people. You know, you go to a restaurant, hi, my name's Angel, I'm going to be your server, taking care of you today. How's your food tasting today? You know, whatever, whatever. But there's never going to come anything of that.

And it's demoralizing as a, you know, when I think about quality, even quality of life, you know, the beautiful thing for me about living in Thailand is every place we go each day, you know, like the cafe generally breakfast, we go there almost every day. And we know the people there by name and we know about their families. Same goes for our doctor's office, or the cafe where we go for coffee in the afternoon. And what a meaningful life. (16.49)

SS

And that's the operational word. I mean, just to go back to the restaurant example, and you know, my wife I were in Paris. The proprietary attitude that the restaurateurs felt about that experience was amazing. And you're referring to here sort of the chain restaurant experience where everything is kind of manufactured and you are a number at that point...

TD

Yeah.

SS

...it's a massive, massive difference. I do want to - you start the book exactly talking about what you just said, and 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. Now I would make the case that they've never felt valued, at least here in North America. But today it just seems so much worse. And yet, think about, you've been in this business a long time as I have. I lived through sort of every iteration

going back to the 80s of CX and database marketing and call it what you will, relationship marketing. Why have we made so little progress after so long? It just doesn't feel we've advanced very far, apart from the technology.

TD

Yeah, yeah. Quite honestly, I think the survey companies and their software systems and the idea that you can boil down your relationship with your customers to a single measure and a single item, maybe a few items. I think that's where we lost. We lost it. You know, I mean, I come, my background in academia comes from a research background on employees and on customers and understanding the psychological underpinnings of attitude formation and behaviours and motivation. And the idea that, you know, we can celebrate our success every month based on an NPS score or is, is to me is ridiculous. I think that has set our industry back decades. You know, and at the me and meantime, and I kind of mentioned this to you before, you know, previously, without this framework or foundation, you know, to base our industry and profession on, you know, we're just kind of a cobblestone of, you know, like we draw our research techniques like empathy mapping and personas, and we draw that from the UX field and then journey, you know, we, we draw employee engagement comes from HR. We're this cobblestone thing, you know? Rather than emanating from the customer centric enterprise, you know, being truly putting the customer at the forefront. Our understanding of them and understanding, you know, and the appropriate measurements of, you know, the appropriate KPI's to measure our progress and endearing ourselves to them. And that's what, you know, this, you know, what you see in the book is this idea of, you know, this reciprocity. You know, there's no reciprocity in basing our success on what people say about us. It doesn't reflect how they feel about us or it doesn't help us to understand how they feel, right? 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 to meet their needs? How do their needs change over time? I mean, how frustrating is it to be with a company for six or eight years and be treated the same way as people who are joining the company where they're not, you know, given AI and data and you know, we'd never had so many experts and so much technology. But why is it so difficult for a company to acknowledge our preferences and

their understanding of us as we get deeper in a relationship or bothered to thank us for the time we've spent with them? So there's not, there's very little. And we talk about this in the book, you know, technology allows us as consumers to understand the options out there. At a level, you know, consumers have never been so empowered and there's very little because of this failure to reciprocate. There's very little keeping us in a relationship. Unlike my relationships in Thailand with this, this proliferation of so many chains. And you know, that's the one thing too living in Thailand is most things are independently run, but even the chains like supermarkets, you know, I left Lotus, which is one of the largest supermarkets in Thailand, left there yesterday. It's a place my wife and I go to almost every day because it's in the shopping mall. And I just marveled at their merchandising and their product selection and how well, you know, I said, guy, they really know. They seem to know their customers and what their needs are. And I truly believe that. So, I've kind of forgot what the question was now that I've gone down this rabbit hole. (22.14)

SS

Well, it's about the fact of despite all of the literature, why haven't we made more progress?

TD

Yeah, we, it's the language, you know, then you have this difficulty between CX practitioners and the other occupants in the C-suite to speak the same, same language. But I think that's part of it too. You know, we failed as a profession to successfully educate the C-suite on this philosophy and the success stories. And it's a failure. And I guess in the next question, it's illiteracy. It's a failure for CX leaders to develop a financial literacy, you need to be multilingual.

SS

Well, financial literacy is a big part of this - before we get there, that's going to take us down a few paths. I just have to ask this question to get things rolling here a little bit in terms of the basic premise of your book, and the basic premise of your book is that helpfulness should be the organizing principle for customers. If I have that right, that you make the point that helpfulness is the new **TQM**¹, I think you argued that point. How did you get to that particular conclusion? I mean, your book is subtitled, "Customers for Life". Actually, reading the book, I thought it should be subtitled, "Helping Customers Live Better Lives. But apart from that, how did you end up with helpfulness as being the main premise here?

TD

Because it makes too much practical sense. We live in this world where we're fixated on financial outcomes and chasing numbers. It's so far removed from the customer. But if you think about it as a consumer, you know, and as someone who understands employees and their motivation on a very foundational level, creating an environment and an organization that's based around helpfulness, it not only helps to reward the customer.

I mean, helpfulness in and of itself when you think about what it takes to be helpful, you know, it takes empathy. It takes an understanding of who your customers are and where they are. And they're where they are now, where they want to, 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. You know, why do you go to work every day? Is it the numbers? You know, I think about, you know, I used to tell my undergraduate students that I'd say, listen, the day you roll out of bed and your motivation is simply to make money that day, it's time for you to leave the company. You know, to me, 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 and how they've helped the customer.

And you think about that on a personal level. You know, all of us want to feel like we're large, we're part of something larger than ourselves. But it shouldn't just be about chasing numbers, because that wears off after time, doesn't it? You know, I found I'm the most miserable - often I can be the most miserable in a job where I'm making the most money, because there isn't that personal fulfillment. And that's why now what I do, I do for free. I don't get paid. You know, I live on a pension and I live to help people. And it is the most fulfilling thing.

When you as an employee, when you've realized, and, and we talk about that in the book too, is you've got to be able to identify incidents where you've helped people. You know, you need to help 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. Whether you're an insurance company, whether no matter what you

do, and I tell you that all goes back, you know, you think about the impact that has on the employees.

You know, I had the pleasure a year or two ago, delivering a presentation around some of these issues to an insurance carrier in Vietnam. And what really struck me as I was talking about these things in the conference room where we are meeting, having come to that conference room, I saw no evidence in the building of who their customers were. No visuals, no words, no nothing. And I thought, God, this is sad. It's soulless in a way, right? And I think that's where we've gotten, particularly in the U.S., is this sole, you know, this fixation on money.

And we're seeing that in the U.S. now, this fixation on money, this transactional relationship with our customers, very short term view of things, it's all about financial performance and stock price. And now all of a sudden no matter how much AI you have there, there are people involved and how demoralizing is an employee to a company to not know how what you do impacts the customer and at the same time know that tomorrow you could be replaced by AI. (27.46)

SS

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

TD

Exactly.

SS

Right.

TD

Exactly. So the whole point behind what we talk about in the book about helpfulness and all the issues around changing the DNA of the organization is the acknowledgement of the importance of the employee and all this and their delivery on our understanding of what the customer needs. And you can't do that in a transactional short term financially, you know, the financial returns are going to follow, you know, and that's the point because, you know, even the cost of managing your employees go, you know, sick days go down, recruiting dollars go down, your financial performance on the employee side goes down because you're investing and creating an environment in the organization where everybody knows why they're there and they have a sense of job security in it.

And this is a key attribute of a customer centric organization is they, they put customer outcomes up there along with financial outcomes and they create an environment

where they understand those two things going. You know, profitability allows us to continue serving the needs of our customers. It shouldn't be the end all and be all.

SS

But I think what, this is the frustrating part is because every major consultancy has presented those correlations. Every major consultancy, CRM expert has said the same thing over and over and over again. Bain has made the case a thousand times over about NPS correlates with profitability, with shareholder value. The board doesn't believe it. And so, I think the problem is this age of financialization where you've got a bunch of financial engineers running companies today, they're not founders often, right? And they're paid on share options. So of course they're more interested in the short term quarterly earnings than they are ... so when we talk about helpfulness and I, I honestly think that's the route, it's an abstract concept for them that they can't possibly understand. So how do you make the business case? (29.57)

TD

You know what I've come to learn, even in online programs we delivered last week, most CX practitioners have been schooled in a set of metrics and their understanding of other metrics and measures doesn't extend beyond that. And I attribute that to a failure for academic researchers to engage with researchers in the field. I mean, I was literally in a room a couple weeks ago with someone that told me you couldn't measure trust. And I'm like, excuse me, you know, I was, I was measuring trust and empirical research in my academic studies decades ago.

We had a program last week and it was incredible. It was around creating us - and this fits right into what we're talking about - is creating a sense of belonging with your customer. So it's basically an emotional anchor if your customer feels like they're part of, you know? But what was interesting is the person presenting it was hinging all of their recommendations based on present metrics and then drawing inferences based on the outcomes of those. And I said, wait a minute, you know, when this Q and A came around, I said, you know, I was doing research on belonging 20 years ago. There's actually a measurement scale, it's actually called the SOB scale, which stands for "Sense Of Belonging". And so what I attribute a lot of this to what's not measured is not managed. And if you can tie those measures to financial outcomes, that's the key.

So what this person was able to do last week is use these leading indicators, time to financial results. You know, meanwhile you're drawing inferences for sense of belonging. So I think this is where the C-suite and CX, you know, they both have to learn something. First and foremost, CX people need to, whether the C-suite likes it or not. So part of the problem is, you know, I asked several years ago, I asked a friend of mine who is a senior leader in the healthcare industry and I said, help me to understand how the C-suite approaches dashboards and indicators. 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.

On the other hand, you have a set of practitioners that has gone in the C-suite - and I liken this to trying to teach Americans Chinese, you know, speaking Chinese to Americans. They go to the C-suite, they start talking about NPS and CSAT and all this. And you know, I mean if you're anybody in the C-suite, what's running through your mind on a daily basis are financial KPIs. So what we need to do, you know, if you want to get the attention of these people, you got to speak their language, you got to learn Chinese, you got to lead with, we found a way how we can generate this amount of income for the company. We found a way we can increase profitability this much by reducing cost or so forth, now you're speaking their language.

And then, you know, personally I'm not a big fan of NPS because there's several reasons. I know that there are so many antecedents to that and a relationship with a customer that we're not measuring. And for me to hinge all of my business success around something I say I'm going to do, I haven't done it. It's not how I feel. It's just, I would recommend to friends and relatives which behaviour intentions are underpinned by attitudes which are underpinned by beliefs. So let's measure those.

And then loyalty, a much better measure of loyalty, are 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 you know, underneath it is, let's understand customer's sense of belonging and how that drives those measures. Let's measure trust, but also let's measure the more transactional attributes, like when I go to Chili's or Olive Garden and I'm completing the survey. They've obviously done their

research, qualitative research, to understand what people value. You've got all this great operational data. Now, if we can take the sense of helpfulness and how ... And that's something you can measure. You can measure an employee's perception of how they've helped the customers. You can also measure a customer's perception and how they were helped to solve their problem.

Now, here's the key. In order to get the Chinese and the English together, we've got to correlate those measures with financial outcomes and lead with financial outcomes because help them to understand the financial value of being helpful. If we can show them, you know, to your point. I mean, it's one thing to share outside statistics. You know, research has shown A, B, C and D. Until I understand it, my own organization, that means, doesn't mean. Because they can make all the excuses in the world. But if we say, for the last two months, we've been measuring belongingness, and helpfulness, and trust, and we know it's derived, it can be explained by certain employee behaviours, certain processes that we've identified in the experience as we look at journeys. And I think that's the other thing - we've created this industry where journey mapping is largely about, let's map out existing journeys and identify pain points.

Lou Carbone², you know, calls this the "Broke Fix Mentality". He also says it's like sucking the exhaust pipe on a car. You know, 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, you know, what brought you here, what were, you know, what issue were you trying to solve? You know, let's understand both the functional aspects of the jobs they're trying to get done, but more importantly, the emotional.

Because the reality is, when we choose experiences, we expect a certain functional performance in a restaurant. The cleanliness, the food quality, and so forth. Okay, that's a core, what I call core product quality. But what we're hoping to accomplish to a large extent is to change our existing state, which is largely our emotional state that could involve other people as well. This is where the helpfulness piece comes in. Because, you know, when I go to Chili's or an Olive Garden or, you know, I expect, you know, to have a good meal, but at the end of the day, the

environment and all the cues in the environment and the people are going to shape how I feel about myself, how I feel about, you know, it's our emotional state and designing for that.

So when we talk about journey mapping, and this is Lou Carbone, I'm quoting here, we need to design experiences that are based on a schema that is comprised, you know, Lou claims it's about unconscious, and how people want to feel about themselves. I also think it's about how they want to feel about the organization that made them feel that way. And then on a touch point by touch point basis, you take Lou's clues, the functional clues, the mechanic clues, which are all the sensory clues, and the humanic clues which are all the interactions. And you use those clues to purposely design experiences that are built to help people feel the way they want to feel.

So that's the other problem I see in our industry. We're too reactive. You know, we're surveying to find out how people feel. We're journey mapping to see how, you know, to identify pain points instead of being proactive and saying, okay, and this is where our industry has failed. Because I think our industry is tool driven. It's not driven, you know, today we call it behavioural science.

For the 20 years that I taught consumer behaviour, it was about consumer psychology, which we could, the rules of which we could apply equally to employees. You know, like, 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 and their choice of job and lifetime value and so forth? So, you know, as an industry, we failed in that respect. And we've let survey companies convince us yeah, surveys are going to do it. (39.14)

SS

Well, it just seems that companies seem to get the journey mapping part today. They understand they got to fix the pain points. All of that language they absorbed and full of tests ...

TD

It's still very reactive.

SS

...it's totally. But it's the leaky faucet thing, right? I've got to fix the leak...

TD

We need to change the plumbing.

SS

...plumbing, right? Change the plumbing.

TD

We need to change the plumbing. So, and, and, and I think that's kind of it. If we lead with financials, if we say, okay, we've performed the following qualitative research. We've interviewed this many customers, we've analyzed the data or prospective customers, 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 and you can do that with today's journey mapping platforms. You can identify touch point by touch point, the financial gain.

And you gotta lead with that, you know, I think they will then leave you alone to do, you know, well, and here's the other thing. You have to engage other departments in the design and delivery - we can't do this standalone. You know, you got to be able to go to sales, right? Because otherwise you're excluding them. So you've got to go to sales, you got to go to marketing, you've got to go to operations and say, hey, we're all in this together. Whether you like it or not. You're already in the experience business, right?

SS

But this is the issue. We're working with a 50 year old organizational design that doesn't reflect the fact that customers today interact, as you put it in the book, horizontally. We're organized vertically. So you're in the situation where marketing has a part of the puzzle, customer service obviously has another. There's no cohesion across those groups apart from occasionally setting up cross functional committees. Isn't that the problem is org design is at the heart of all this. How would you re-org a company?

TD

Well, I mean it's, it's not just organization, it starts here, right? So I, you know, as hard as it is, I think you need to convince the CEO that you know, like it or not, we're in the customer experience business. And I think the CEO understands that. 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 I think then the other thing is we need to create a vision for this organization, and 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 and recalibrate existing silos rather than simply reorganizing. And I used to teach that in my, you know, in my course too on the customer centric

organization. Ideally how would you be organized? But I think it's got to start at the top with this. Okay, if we were gonna, if we're gonna recalibrate how sales views their role, how operations, how HR, you know, very traditional how marketing, you know, like marketing - marketing's role basically is to create expectations and communicate those, right? Whether it's your market position in the mind of customers, whether it's product attributes, you know, differentiation or that, you know, there is a role...

SS

It's demand generation too, right? They're held accountable for demand generation.

TD

...yeah of course, yeah, yeah. Well, and, and that comes, you know, when you think about ad, it's about brand positioning, it's about, it's, it's fundamental, requires a fundamental understanding of, of, of behavioural science and thinking. But I guess my point is, you know, rather than reorganizing and starting from scratch, which is tremendously painful, it's uniting people and say, listen, 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 our job in it and these values, what does this mean to your function?

And I think it's being complimentary, you know, because people feel threatened about change, right? It's going to each department like operations and saying, you guys are doing a great job. You know, our data indicates that nine times out of ten you're delivering on customer, you're doing, so I think it's going to each one of those functional areas to explain to them how they are presently succeeding on executing on a customer driven philosophy. They just don't know about it yet. They didn't know about it.

SS

Well, marketing's, let's take marketing as an example, that's my background. It's changing the remit as well. It's changing how marketers see their role in the organization. I used to like to use marketing as a service. If marketing sees itself as a way to deliver continuous value, and you use that term in the book, then that changes how they view their jobs instead of just funnel management, right? Which is where they are today. (44.31)

TD

The reality is, I mean, two things. One, we live in a world that given technology, people can shut marketing off. You know, I mean, you and I grew up in a world there were

three channels, maybe four channels on TV. We had to sit through every advertising. We have magazines. Today, I cannot bear online sitting through a commercial. It's just painful. There's that.

The second thing is as consumers we make our decisions, we look for and we make decisions based on reviews of third party, of other people that we don't know. And I do this all the time. I have a presentation, it's called experience management. Basically it's rethinking marketing and what I take people through - show of hands - what do you trust more? An advertisement from a company or a review from somebody? 95% of people put up their hand for reviews. So that's a reality for advertising, for marketing as we've known it.

So I think as a marketer, there were some researchers decades ago, they put together the services marketing pyramid, or triangle. Advertising on one side is about creating expectations, on another side, internally is preparing the organization to deliver on expectations, and this is where we come in. Experience, design, employee experience. And then there was interactive marketing, which is actually delivering on expectations. And when there's a gap between those two things, when you have advertisements that create this expectation and then you go there online or you go there in person and they don't match, that's what drives people away.

So I think, you know, in today's world with marketing, it's helping marketers to understand your role isn't just about generating demand, it's about creating - and this is where, you know, if you can get marketing bought into this customer first philosophy and this customer driven philosophy, and if we share with them, here are deep personas that reflect who our customers are and what they value. You know, whatever we do as marketers needs to resonate with this group of people.

Like, I'll share with you after the podcast, the ads we have running on LinkedIn right now for our personas, you know, where we communicate our understanding of them and where they are and where they want to go. But we also then share, here's how we can ... we're helping people like you to meet their needs, you know, through our programming and so forth.

So I think today's marketer needs to, you know, before,

and this was a problem, the focus, and correct me if I'm wrong, much of the focus was on creativity. And oftentimes marketers were delivering things that operations couldn't deliver. You know, one famous story I remember was about Bennigan's when, which I don't think is in business anymore. And their research indicated that business people would frequent Bennigan's more frequently for lunch 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 they put together the campaign, they came out, you know, incredible response. When I talk about demand, 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.

So what's got to happen again? This services marketing triangle, you need to have a lot of communication not just with research, but also about delivery, right? (43.33)

SS

When I think part of. And again, I'm speaking for, as a lifelong marketer, I think the issue all along has been that marketing has treated it as a handoff: "I've gone to the work of creating the customer ..."

TD

Sure, yeah.

SS

... now it's your job to keep the customer happy. And of course, then that customer service group is treated as a cost of doing business. And so businesses, what do businesses do? Reduce the cost of ...

TD

It's crazy. What a crazy. What a crazy world. It's madness and it's disconnected. You know, in a perfect world, we don't need customer support because we totally understand who our customers are and what their needs are. That's research. We've designed experiences to deliver on it. Marketing's done their job in communicating the value. So in a perfect world, there's nothing to complain about. But, you know, nobody's perfect. And, you know, really the role of customer support then should be, you know, we have different customers who have different levels of, you know, but it's ... it's closing the loop and having continuous improvement.

And it's this connection between all these, you know, to my point previously, let's take this existing framework.

Let's discuss each member's role in the framework and delivering on our vision and mission. Let's highlight how they're doing well. You know, I think coming in and saying, wow, we need to change some things is not a good way, right? Scares the hell out of people that get on the defensive instead saying, you know, 67% of the time you guys are on the right track. It's amazing. You've done this, this, this, and this. All we need is a little coordination between you guys, and market research, and operations, and HR. You know, everybody's got to do their job, and then we can close that gap together. And I think that's where you need to come at it. Because ultimately, you know, everything you read in the book I think resonates with most people, and they would love to work for a company like that. It's just changing the mindset and helping people understand their role and doing it well. (50.38)

SS

Well the "just" part is the...

TD

Yeah, it's heavy. Yeah, it is. It's heavy. It's heavy. None of this is easy.

SS

... exactly. So the book is a great playbook. It's comprehensive. It covers just about every angle you could want. You could look at that book and say, here's the model for a business going forward. The problem is it's a daunting task. It's monumental change and you use the term it's a fundamental shift in organizational orientation. You use the term "bold moves". You fill the book with the "bold moves" they have to make. There are a lot of "bold moves". And to be fair, organizations always aren't at a standing start. They're making some progress in some areas. How do you accelerate the pace of change, though? 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 believe that that's the way the business should go? Which often happens, right? On transformation exercises.

TD

Well, first of all, as my wife likes to tell me, if it was easy, everybody would be doing it. But it's not, you know, it is hard, you know, and no risk, no reward.

SS

Yeah. There's so few examples of customer excellent enterprises to point to. Part of the thing going back to convincing the board is it's not like you can say this company, this company, and this company does it, right?

TD

Yep. It starts with the CEO. It starts with the leadership. It starts with the board. And, you know, to my point, I think

everyone would want to be perceived like the Zappos, or Singapore Airlines, or Amazon. Everybody would love to be Trader Joe's. And you see, you know, the benefit that it has not just to the leadership and the shareholders, but the employees as well, and how employees view the company. 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. And it's, we want to be profitable, and we want to do so at this level. And, you know, getting back to the point I made before, we have to be able to tie all these initiatives to financial outcomes. You know, I call it, you need, you need to be a good translator. You got to be able to translate what you're doing into financial language. I think at the same time, you have to help educate people on how what they're doing is meaningful in a way that benefits their employees and how they view the company and say, you know, fine, I understand sales. You've got these goals, you know, and this and that. And that's great. And that helps to drive the company. But let's look at what we understand about our customers and the underlying psychology and all that and their lifetime value.

You know, if we can show them that there's more to be gained by investing in our customers after the initial translation, 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, it changes the way how our employees view the organization and their role.

So it's a matter of both translation and changing the mindset for both groups. You know, as CX practitioners, we cannot continue simply to be wedded to broke fix journey maps because now we're just the problem solvers. We're not the solution creators, we're the problem solvers and that's how we're viewed. As long as we stay in that role, we're screwed. (54.29)

SS

We need to be game changers.

TD

We need to be the game changers where we lead in understanding customers, understanding employees, where they want to go and what's the best way to get there. Touch point by touch point. You know, I brought up some examples about Thailand. You know, the best home improvement store I've ever seen in my life is here in

Thailand. It's called Home Pro. Go ahead and Google it. Their in-store design is incredible. Aesthetically, it's like it's more pleasing than Target. Nothing like Home Depot, which is designed for contractors. And it's rough and hell, who wants to go there? Or even Lowe's. They have, based on my rough count, 140 toilets on display, seven rows of 20. And I'm trying to understand all this. And it's about flush. It's not just about water savings, indicative of their understanding of their customers and the extent they're willing to go to provide solutions. So you have toilets from Japan, you have American Standard from the U.S., you have Italian, you have all these flush. Obviously Thai's value their, their toilet experience in this store. But it's not just that, it's the people who work there, it's the environment and everything.

So my point being, I think most leaders want to be there, but it's got, you got to do it. We need to be purposeful and experience design and leading the organization and say when we look at our vision and our mission, we cannot continue to make assumptions about customer journeys and simply fix pain points. And I'm not a big fan of wowing the customer. I know we mention it in the book a little bit, but you know, I think the reality, the consumer reality is more often than not we have problems with the little things, the basic things.

SS

I go back to your word ... use of the word trust because in my mind, because I love the term and I think that's the currency companies should do deal in. And go back to your point about being able to measure trust.

TD

Yeah. Trust is a function of two things, and this is my academic research playing out again, one, it's benevolence. You got to be able to show them you have their best interest at mind. And this is a function of this proactive environment, right? You 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. Credibility is, okay, you may understand me, but can you deliver on that? And a broke fix mentality doesn't communicate that. You know, you've got to be proactive in the design. Say we purposely develop these journeys based on your need. They're designed at every touch point to help you to deliver on that. That creates

credibility. It's also your ability to communicate your expertise and deliver on it. Whether it's me asking about a toilet in Thailand or, you know. And most people would say in a Home Depot, their people can do that. But I mean, it's a much broader issue. So. Yeah, I mean, you got to design for it, right. You can't simply assume because people are satisfied, they're going to trust you.

SS

And just in closing, because we're almost out of time here, but it also strikes me that the two objectives, it strikes me, should be. Be indispensable. That is, you don't want to be substitutable, and that's creating an experience that no one else can offer. Obviously being one. And the other one, the big one, the one that is really a big part of your background is, be easy to do business with. Because who wants to do business with a company that's inconvenient or makes it hard for me to pay and be serviced and find somebody to solve my problems.

TD

But you got to do both, right?

SS

Oh, no, that's what I mean. It's the two things.

TD

Yeah, yeah. I mean, because my concern right now because of technology is today, globally, there's too much of a focus on the second one and not the first one.

SS

That's exactly right.

TD

You know, I hear it in Vietnam. I hear it everywhere. You know, everybody. You know, we need to design an app that allows you out. We need to do it. But the reality is, to me, Lowe's and Home Depot are interchangeable. Neither provides a unique, indispensable experience like Home Pro does. You know, or like Lotus does here or Big C the other super in the market. My day is not complete or my whatever without going to them. Or I've already decided I haven't opened a bank account yet here in, in Thailand. But having looked at the bank chapter, the retail operation of Bank of Bangkok and their waiting area and I'm like, that's where we're going to bank. Because I know online it's all going to be the same. You know, it's all pretty much the same. But when I want a branch experience, I want to go into the Bank of Bangkok and the Market Village Mall. That's how I want to be treated. That's how I want to feel.

SS

It makes 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. You know, I can't find things and it's not, it's not a pleasant environment. I just

want it, you know, I smell sod. And now you duplicate this. A thousand units across the country. I mean Target, I mean Target is much more pleasant than Walmart. And people, the aesthetics and the ... but Trader Joe's is indispensable. (59.48)

SS

They set the bar.

TD

I go there for two things. I walk out with 10 because of the novelty of their products. Nearly 100% of their products are private label. They're just, you know, their R and D department's incredible. And then you get to the cash register, they hire their customers who are the biggest advocates of their brand. And I love that place.

SS

And you're not the only one, right? It's. They have a cult following...

TD

Yeah. Yeah. Yeah.

SS

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

TD

Yeah. Right. You know, I keep reading: Is CX dying? No, but we're, I mean we're in a lot of hurt. We've never had more consultants. We've never had more experts. But here we are, you know, and my mantra is, you can't stop learning. I have concerns about certification because it proclaims people as experts. You know, when Bruce Tempkin created the certification, it was to honour people who had decades of experience and acknowledge their contribution. It wasn't designed to be an end all, be all. And my concern is, an industry that fixates itself primarily on certification, often puts a full stop on the continuous improvement of the individual. What you see and will continue to see with the XM Global Collaborative is a focus on education, collaboration and continuous improvement. You know, shortly we're going to be rolling out an academy where we've designed and deliver all of our own courses globally. And it never stops, man, because as you know, it changes all the time.

So I'm not. I don't. I created a master's degree. I don't call myself an expert. I don't think anybody in our industry can because it's so multidisciplinary. So, yeah, take me through change management strategies. Take me through employee engagement. Take me through qualitative research techniques. Our industry is noticeably absent from qualitative research. So we have a long way to go.

But the good thing is our mission is beautiful. You know, what we do. 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, you know?

SS

Well, that's a, hopefully that won't be soon because you're obviously an organization here that could advance the cause.

TD

We got a lot to do. We got a lot to do.

SS

You have a lot to do because you've written a book that tells you what to do.

TD

Yeah, well, like you said, writing it and doing it are two different things.

SS

Yeah, yeah.

TD

But it can be fun. It's a very worthy mission.

SS

And it is absolutely a worthy mission. That's the way I feel. I want to thank you for the time today. I want to thank you for writing a really, a trailblazer book. I hope it does well. Do well. And I certainly hope that you do well with this new organization you founded, because there's absolute demand for that sort of thing. Thank you so much.

TD

No problem. Thank you for having me.

That concludes my interview with Tom DeWitt. As we learned, organizations today are simply not equipped to deliver exceptional customer experiences. For the most part, they are organized vertically for internal efficiency rather than horizontally which is how customers interact with them. These functional divisions invariably create cracks in the customer experience that are not easily smoothed over. All journey mapping does is patch over those cracks. So the operating model of companies must be transformed to rebuild journeys from scratch in order to deliver better outcomes

for customers. That model should be guided by a single overriding principle: help people live better lives. If “helpfulness” can become the governing ethos, it becomes so much easier to reorient the company around customer needs and priorities. And that's where marketing has a pivotal role to play as the “voice of the customer”. Marketing should be, as it was always meant to be, the bridge between what a company does and how it can best serve the needs of as many people as possible. Instead of simply being the ad department, marketing's new mandate should be to lead change by crafting experiences that customers will actually be excited about. And that, more than anything, will immunize brands from the AI-driven disruption ahead.

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.



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