

How Modern Marketers Can Deliver Better Customer Experiences



Customer experience has become a key driver of purchasing behavior. In fact, as most C-suite executives at consumer brands will tell you, it's the key driver.



According to a [recent report from PwC](#),¹ 73% of consumers rate experience as an important factor in their purchase decisions. By 2020, the majority of those decisions will be made on the basis of customer experience rather than price, quality, or advertising.

Even incremental improvements in customer experience can lead to outsized revenue gains for brands, according to a recent study from [Qualtrics XM](#).² But what exactly do those incremental improvements entail? What do customers really want from brands? Answering these questions means thinking broadly about all facets of the customer experience.

DEFINING CUSTOMER EXPERIENCE

Customer experience encompasses every interaction — or perceived interaction — with the brand. As Bob Thompson, CEO of CustomerThink, [points out](#),³ an interaction can refer to almost anything, and perception is critical. Ultimately, it's the customer's perception of an experience — not the brand's — that defines the quality of the experience.

While customer experience has always been part of brand marketing, it has become a more specific focus in the past decade. That's because heightened competition in the 2008-2009 recession forced companies to find new differentiators. That largely meant shifting emphasis away from products — which were beginning to all look the same — and onto customers. In effect, customer interactions with brands started becoming less transactional and more relational. Winning brands were the ones that could consistently meet a variety of customer needs — a trend that continues today.



You're only as good as your customers think you are.

HOW BRANDS WIN WITH CUSTOMER EXPERIENCE

Most businesses understand that a focus on customer experience can lead to revenue growth. What many haven't considered is that it can also help you control expenses. When you have a loyal following helping to drive sales, you can spend less on marketing and customer acquisition. Likewise, when the majority of consumers are happy, you can reduce spending on customer service and technical support.

To generate loyalty, enhance consumer perception by improving experiences across all customer touchpoints. Loyal, happy customers are [less price-sensitive](#)⁴ and more willing to try other products in your brand's portfolio. They also love talking about your brand. Because positive word-of-mouth reviews have a huge impact on perception, they often create new customers. And all of this drives revenue.

Changing feelings can have far more significant long-term impact than simply changing minds. When customers feel truly connected to your product, service, or brand, they forgive you when you make a mistake, they stand up for you on social media, they truly pay attention to your advertising, and they purchase more.



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MARKETING AND THE CUSTOMER EXPERIENCE

Marketing represents the customer, and marketing plans set the tone for the rest of the organization. That's why marketers should aim to create branded, personalized interactions at each and every customer touchpoint. It takes a willingness to truly listen to and understand your customers, coupled with cross-channel, multimedia engagement.

Because marketers are typically most responsible for the pre-customer experience — engagement that occurs before a purchase — make sure it's a positive one. If you lure new customers with a crummy experience, you're unlikely to see much customer growth. But if you start with a seamless, memorable interaction, the potential customer anticipates ongoing experiences that are similar in quality or better. That happy customer is far more likely to convert to a long-term delighted customer.

Following up on positive experiences is critical. The lowest-rated companies are often those that deliver a high-quality experience before a purchase but a series of poorer experiences afterward. Think of the way new cellular services are marketed at lower prices than the ones paid by long-term customers — consumers hate that! Customers should feel just as valued after they've made a purchase — perhaps more so.



THE CUSTOMER EXPERIENCE IS THE BRAND

The desire among consumers for brands that can meet them where they are, with experiences that directly address their individual challenges, isn't going away. Heavy investments in customer experience improvements suggest that brands understand this and want to make good. But are brands actually accomplishing these goals?

Eighty-nine percent of companies now compete primarily on the basis of customer experience, [Gartner reports](#);⁵ and according to [Bain & Co.](#)⁶ research, most think they're doing a good job. But while 80% of companies say they consistently deliver “super experiences,” only 8% of customers agree. It's time to close the gap between what customers want and what brands deliver.



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SOURCE: Gartner and Bain & Co.

Closing the Gap

While most brands have a long way to go in order to close the customer experience gap, some have worked hard to change the way customers feel about them — and it shows.

The following companies have significantly boosted marketing ROI by consistently delivering high-quality customer experiences.



SEEING CUSTOMERS DIFFERENTLY

Warby Parker has changed the way people buy glasses by delivering an online shopping experience that makes customers feel comfortable buying frames they've never tried on, or a free home delivery service to try frames at home before buying. In the process, the outlet has built a reputation as one of the world's [most customer-centric retailers](#).⁷

The company combines consumer data with a unique point-of-sale system to offer shoppers a highly personalized buying experience that doesn't require them to constantly repeat their preferences and size requirements and that doesn't overload them with options.

The [retailer's app](#)⁸ offers a virtual try-on feature that makes it easy for customers to see themselves in Warby Parker frames and to learn about the styles that fit them best. If you order a pair and change your mind, a 30-day hassle-free exchange policy makes it easy to get your money back.

CEO Neil Blumenthal believes that modern businesses are operating within an experience economy: "The most successful brands in the world are, arguably, experience platforms," [he says](#).⁹ That mentality is clearly a big part of his own company's success.

ALLIES IN CUSTOMER EXPERIENCE

It may seem unusual that a bank is known as a truly customer-centric brand, but Ally Bank is an unusual bank. Customer care executive Dave Vasquez and his team make the customer the focal point of everything they do. This means integrating authentic customer voices into marketing campaigns, as well as conducting usability testing when assessing new products and regularly collecting customer feedback.

Not only that, but Ally Bank rates on Forbes' list of most consumer-centric companies (the bank is [ranked No. 2!](#)¹⁰) by partnering with other digitally minded firms. Together, they deliver customer experiences that are seamless, intuitive, and engaging by way of apps, Alexa skills, augmented reality tools, and other tech-driven solutions.

Not surprisingly, the bank's focus on customers is paying off. On its [most recent earnings call](#),¹¹ Ally reported an increase in revenue of more than 6%, along with 23% annual customer growth and record-breaking deposit growth.



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Industry Outlook on Customer Experience

Improving customer experience looks different in every industry. Here are a few industry concerns and some strategies for overcoming them:

○ **Health Insurance: Overcoming Meager Customer Experience Ratings**

In health insurance, improving member experiences drives retention and leads to more positive word-of-mouth marketing, which translates into new members. Unfortunately, Forrester's [U.S. Health Insurers Customer Experience Index, 2018](#)¹² revealed that consumer experiences with health insurance companies are among the lowest-ranked. To boost business performance, health insurance marketers need to focus more than ever on member-centric strategies that improve retention and growth.

Because health insurance is an [inherently emotional field](#),¹³ industry marketers should place a special emphasis on communicating with empathy. At every point of engagement, everyone from copywriters to member support team members must be able to adopt the member's perspective.

○ **Retail: Creating a Differentiated Experience In-Store and Online**

The dynamic between consumers and brands has shifted faster in retail than in any other industry. In today's world of consumer retail, customers call the shots. Whether shopping in-store or online, modern consumers have plenty of options, as well as access to hundreds — sometimes thousands — of consumer reviews.

Thanks to the commoditization of products and constantly heightening levels of competition, [growth is harder to achieve](#),¹⁴ and people and experiences are the primary means of differentiation for retailers. Your acquisition marketing efforts are directly dependent on how likely your existing customers are to advocate for you, which means delivering superior experiences in all channels should be among every retailer's top priorities.

○ **Insurance: Using CX to Mitigate Switching to New Models**

The insurance industry is another hotbed of new customer experience technology and increasing competition. New servicing models, superior digital experiences, and memorable agent experiences are all correlated with higher retention rates. However, [57% of consumers](#)¹⁵ switch insurers if their customer experience expectations aren't met — clearly there is still work to be done.

[Research from McKinsey](#)¹⁶ found that best-in-class experiences drive up to four times more growth in new business among auto insurers in particular; the companies providing these experiences are roughly 30% more profitable than those delivering less consistent experiences. When competition is as fierce as in the insurance space, the customer experience is critical.

○ Financial Services: Putting the Human Touch in High Tech

Customer experience technology is evolving rapidly in the highly competitive financial services industry — and customers are loving it. In order to meet increasingly [elevated consumer expectations](#),¹⁷ financial services firms — banks included — must see themselves from the customer perspective. That means understanding what customers see as their unique competitive advantages — whether those include superior online tools and great customer service or personalized advice from an agent or financial advisor.

As in other industries, ROI from customer-centric marketing will stem from improved retention, as well as more opportunities for cross-selling or upselling services. Among wealth management customers, frequency of communication is [directly correlated](#)¹⁸ with customer satisfaction. Marketers can help drive company policies that encourage regular human-centered contact with customers and cultivate more opportunities for engagement.

○ Healthcare: The Opportunity for Caring and Emotion

As an industry, healthcare is already an emotion-rich area. Channeling and managing emotional customer experiences presents challenges, but also countless opportunities to build strong, sustainable relationships. To maintain patient loyalty to a single health system or facility, it's critical to establish consistent individual customer experience and marketing processes and practices that are also a customer experience.

Building trust in relationships between the healthcare providers and patients shouldn't be taken for granted, nor should it be seen as only influenced at the time of service. Marketing investments can build and strengthen those relationships outside of the experience by extending empathy through emotional sensitive communications. For individual impact, it's important that employees are empowered to execute a customer experience framework. Granting and empowering individual executions of that framework.



4 Strategies for Building Better Customer Experiences

As customer experience expert [Shep Hykin writes](#), “The company may define its brand promise, but it is the customer who decides whether or not the company delivered on its promise.”¹⁹ Here are three ways to deliver on your brand promise and cultivate stronger relationships with your customers:

1 Prove you know your customers individually.

If you have birth-date data, take advantage of it! Individualized communication can start by sending customers a [personalized birthday message](#). But don’t confine yourself to birthdays: Communicate with customers at unexpected times. For example, sending a card on a customer anniversary — a day they probably won’t remember — shows you care about their patronage. To create a truly personalized interaction, send a Hallmark card to celebrate customers’ big life events, like the [birth of a child](#) or the [purchase of a new home](#).

I am retired from the U.S. NAVY. ... The big surprise ... I received a thank you card. ... You have no idea how much that meant me. No company has ever taken the time to do that.... I want to thank all the people at your company...

— Retired Master Chief Petty Officer, U.S. NAVY

2 Say thank you — and mean it.

There are tons of opportunities to say thanks to customers. Holidays like Thanksgiving or Valentine’s Day, for example, are great occasions to remind customers you’re grateful for them — but [customer appreciation events](#) can be held on almost any day. Send a personalized Hallmark invitation to show customers that their attendance is important to you. In fact, any time there’s a personal moment between your business and your customer, consider affirming it with a greeting card.

“I’m just a little old lady that lives by myself ... all of my friends have passed away or moved away. I was really amazed because you all sent me a Valentine card. I appreciated the card so much, because it was the only one I got.”

3 Create “surprise and delight moments.”

A proactive way to positively impact the way a customer feels about your brand is to surprise and delight them. Unexpected correspondence can brighten anyone’s day, and Hallmark cards create significantly more engagement than other forms of mail. [Ninety-eight percent](#)²⁰ of people check their mail every day. That means you have daily opportunities to brighten your customers’ days and show you’re thinking of them.

“I love the Hallmark cards, and clients love them as well. They are professionally done but have a personal touch that makes my client’s day a bit happier.”

— Financial Advisor

4 Value your employees, too.

When employees know they are appreciated and empowered to do their best work, they create those same feelings for customers. While you strategize how to surprise and delight your customers, plan an equally impressive tactic for employees. [Birthday cards](#), [work anniversary cards](#), cards for life events ([wedding](#), [new baby](#), [bereavement](#)) and [employee appreciation cards](#) are all easy, inexpensive ways to let each employee know they are important to you — and vital to your company’s success. Valued employees create valuable customers.

“You didn’t just send me some corporate junk mail. You took the time to send me a Hallmark card!”

— Insurance Client Feedback



“The Hallmark program is a great way to provide a professional and thoughtful message from a simple “thank you” to a note of encouragement or condolence. I often hear back from customers thanking me for thinking about them and their family. The cards let them know they are appreciated and valued.”

— Business Owner



Valued employees create valuable customers.

Hallmark: Your Customer Experience Partner

Hallmark is a brand that has been trusted for more than 100 years to help consumers express their deepest personal and emotional connections. We're wired to plan customer experiences that not only impact how consumers think about your brand, but also how they feel about it — something that can have far more significant long-term impact than simply changing minds.

Hallmark Business Connections can help you create the kind of experience consumers want to have. When you're ready to build the stronger, lasting relationships with customers that drive bottom-line growth, contact a Hallmark representative at Sales@HallmarkBusinessConnections.com

Interested in learning more before you get started?
Visit www.hallmarkbusinessconnections.com/marketing or
www.hallmarkbusinessconnections.com/customer-experience

LET'S CONNECT | *About Rhonda Basler*

Rhonda Basler leads the Customer Engagement team at [Hallmark Business Connections](http://HallmarkBusinessConnections.com), Hallmark's B2B subsidiary. Her passion is innovating human-centered and results-oriented approaches to customer experience, employee engagement, and omnichannel marketing, creating great ROI through human connection. Before joining Hallmark Business Connections, Rhonda worked with agencies and companies ranging from small businesses to the Fortune 500, achieving measurable marketing and customer experience results by applying the latest marketing innovations and strategic insights.

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LET'S CONNECT | *About Hallmark Business Connections*

Hallmark Business Connections is the business-relationships unit of the iconic Hallmark Cards brand. We leverage more than 100 years of Hallmark heritage, creativity, and innovation to help businesses build and strengthen the relationships that make them thrive. Turning customers into advocates, employees into champions, and companies into more connected environments, Hallmark Business Connections crafts innovative solutions that boost customer experience and business growth. Hallmark Business Connections is headquartered in Kansas City, MO, with locations in Minneapolis and Duluth, MN. For more information, visit HallmarkBusinessConnections.com.

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