

NortonLifeLock's head of direct acquisition on the competitive advantage of great CX

Article

For many organizations, a major source of discussion lately has been customer experience (CX). As we covered in our recent [“Customer Experience 2021”](#) report, companies have

increasingly come to realize that superior CX leads to not only a competitive advantage, but better financial performance as well. A May 2020 study by Qualtrics XM Institute revealed that across a number of industries, the better a company's CX, the higher the likelihood that US consumers will purchase more from the company.

US Consumers Who Are Very Likely to Purchase More from a Company Based on Their Customer Experience (CX), by Select Industry, May 2020

% of respondents

	Very good CX	Good CX	Okay CX	Poor CX	Very poor CX
Banking	93%	79%	67%	46%	19%
Computer makers	93%	88%	75%	54%	23%
Electronics	92%	83%	71%	51%	22%
Fast food	96%	87%	72%	52%	22%
Grocery	96%	90%	79%	61%	25%
Retail	95%	90%	78%	58%	25%
Software firms	94%	84%	73%	49%	20%
Streaming media	92%	81%	70%	45%	21%
TV/internet service	90%	79%	64%	39%	14%
Total	94%	84%	72%	50%	20%

Note: n=10,000 ages 18+; select industries shown

Source: Qualtrics XM Institute, "Q2 2020 Consumer Benchmark Study" as cited in "ROI of Customer Experience, 2020," Aug 18, 2020

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We recently spoke with Sarah Hodkinson, head of direct acquisition at NortonLifeLock, about the value of focusing on CX, why organizations find it so difficult to implement, and how to measure CX success.

What is CX to you?

It's the perception that customers have of your brand after interacting with your business. Were they able to get what they wanted from your business? What did they think of the experience? How did it make them feel?

That perception can change with a single interaction. Every interaction a customer has with our business, from visiting Norton.com to calling our member services team, is a part of the overall customer experience.

What is the value of focusing on CX?

A poor customer experience can devalue your brand. If I, as a customer, can't accomplish what I want on your business's website, this will likely lead me to abandon your site and go to a

competitor instead. Not only have you lost a potential sale, but I as the customer now have a negative perception of your brand.

A good customer experience, on the other hand, is assistive. It can add value along the customer journey, informing the customer with relevant content at the right moments and helping the customer get what they want from your business as expeditiously as possible. Good customer experience delivers on your promise to your customers. It is timely, personalized, and seamless.

Great customer experience goes above and beyond, surprising and delighting customers, making the interactions memorable, and, in some instances, creating word-of-mouth referral opportunities.

What impediments must an organization solve in order to succeed in CX?

There are two common barriers to delivering top-notch customer experience. The first is not knowing your customer. You need to know how to talk to your customer, when and where to talk to them, how they make decisions, and what their needs are.

Second is organizational culture. Organizations that can operate beyond silos, with a culture of accountability and empowerment, and with an ability to test and learn with agility, are better positioned to win on customer experience.

How does a marketer sell in the idea of improving CX, and how is that tied to digital transformation?

It's sad that we even need to talk about making a business case for customer service! Not only is striving to deliver great customer experience the right thing to do, but it will also pay dividends for your business. Brands that excel in today's world are, more often than not, those that put customer experience at the heart of how they operate. Customers who have a great experience with your business will be your most ardent advocates. Moreover, word-of-mouth advocacy is an incredibly powerful tool in an increasingly digital world.

What is the ROI of focusing on CX?

Survival of your business is the return on investment! It's fair to say, at the very least, that businesses that thrive tend to invest in customer experience.

What key performance indicators (KPIs) do marketers use to measure CX?

The most obvious KPI for customer experience is perhaps the net promoter score (NPS), i.e., a customer's willingness to recommend your brand as measured via surveys. Beyond that, though, there are other KPIs that offer insight into how good your CX is.

Take conversion rate, for example. Improve the on-site experience, and you should see an uptick in your online conversion rate. Another KPI is renewal rate. Once you've converted a prospect into a customer, how long that customer stays with you can be a testament to the customer experience. And a high churn rate can be indicative of opportunities to improve.

For a deeper dive into the topics discussed with Hodkinson, Insider Intelligence subscribers can read our recent report:

Report by Jeremy Goldman Mar 23, 2021

Customer Experience 2021

