

# Human Emotion in Customer Experience

Making Sense Of The Dark Matter

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# Foreword

Why are emotions important to a business and its relationships with customers? Can emotion be measured, and if so, how? How can understanding emotion help a business differentiate from competitors?

These are just some of the topics discussed at the inaugural CX in Action executive roundtable session, facilitated by TeleTech Consulting. Customer experience experts from across disciplines and industries lent their voices to an engaged and spirited conversation around the importance and pitfalls of emotions in a CX context.

This ebook shares highlights and insights from the day, including videos and quotes to provide real-world insight about the role emotion plays in CX strategy.

## **Steven Walden**

Director of Customer Experience,  
TeleTech Consulting, Europe



**To benefit fully from the multimedia experience in this eBook, you will need to be connected to the internet.**



David Pinder – Value Genie

"I thought this gathering was sensationally successful. The strength of it came from the mix of people. We all came from slightly different parts of the CX universe and I have rarely seen such a nice sparking. It was spectacularly good."



## Roundtable Discussion Panelists

Nick Bailey - Thoughtworks

Lacey Barnfather - BT

Anne Blackburn - Sidona Group

Jane Bromley - Strategenic

Ruth Harrison - Thoughtworks

Chris Humphrey - Smith & Co

Trudi Ford Hutchinson - CX Consultant

Simon Kirby - Opine Consulting

Dr. Simon Moore - Innovation Bubble

David Pinder - Value Genie

Dr. Katharina Wittgens - Innovation Bubble

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# Why Emotions Are Important In Customer Experience



Emotions help us understand what is personal, memorable and valuable in a customer experience (CX). They are important because they influence how we make decisions.

### **The Customer Perspective**

When experience is tied to emotion, it becomes more memorable and influential. It impacts how we make decisions at both a subconscious and conscious level and helps us to edit choices in a complex world.

In a world where emotionalism often trumps rationalism, the corporate goal must be to ignite a customer's desire to love you and reduce dislike. To ensure that customers at least feel something and take action rather than act with indifference. Whether this is about ensuring continued commitment through good feelings or avoiding negative feelings that might lead to extra cost and time to resolve.

Emotions are also influential across the customer journey. The way we feel at the start of the journey has the capacity to affect the final outcome.

### **The Business Perspective**

Emotions signal relationship and connection. Like a two-way tango, companies need to respond to different customers and the same customer in different ways depending on what has happened before.

Emotions also trigger other emotions, some of which may damage your business. So be sure to enhance complex emotions such as trust through having a deep longitudinal understanding of customer expectations and brand perceptions.

Finally, emotions are important in the design of seamless, user journeys. They identify pain points and moments of delight. As a result, it is hugely important to test journeys with clients in advance to find out their emotional trigger points, remembering that different customers may have differential emotional triggers. It is also critical that across the customer journey brands create emotions by putting people back into the equation - especially where human contact has been lost due to technology.

A night sky filled with stars, with a campfire and people in the foreground. The scene is dark, with the stars providing a soft, ambient light. The campfire is the central focus, casting a warm glow. The people are silhouetted against the fire, and their presence adds a sense of companionship and shared experience. The overall mood is peaceful and contemplative, suggesting a moment of reflection or connection in nature.

# Mapping And Measuring Emotion In The Customer Journey

# Roundtable Discussion Executive Insights

## There are critical reasons why businesses should take account of customer and client emotions:

Emotions signal relationship and connection. Like a two-way tango, you need to respond to different customers in different ways and to the same customer in different ways depending on how you have interacted with them previously.

It's like a communication system or a social management tool. Without the emotions it would be hard to understand what was going on and how to differentiate yourself.

Those emotions expressed through the 'organisational' culture have a lot of interdependence with how the brand is expressed and perceived by consumers.

Emotions trigger other emotions that may damage your business. For instance, if you are going through a mortgage application and it seems too easy, you might trust the bank less if your perception is that they seem to lack the required gravitas.

Personality can warp your emotions. For instance, organisations may non-consciously recruit people who only fit the corporate personality.

Emotion is important in the design of seamless user journeys since they identify pain points and moments of delight. It is hugely important to test journeys with clients in advance to find out their emotional trigger points.

Brands have to put people back into the customer journey to create those emotions lost to technology.



Insights 1



Insights 2

## Big Ideas

- All CX decisions, even seemingly rational ones, are made with emotion
- Emotions communicate the state of any relationship
- Emotions are a shorthand. They alerts us to what is important and needs to be attended to as we engage with a complex customer experience
- Emotions set up biases in consumer and corporate behaviour
- Brands are impacted by emotional senses built up over time
- Emotions enable differentiation in the customer journey over time
- User Experience and Tech design under-weights the importance of emotion
- Many emotions are at play in CX: so determine what is meaningful!
- Corporate culture is a reflection of the internal emotional state



# Roundtable Discussion Executive Insights

We only really remember experiences that are tied to emotions.

Emotion impacts a customer's decision to buy at both a subconscious and conscious level.

Emotion helps customers avoid risk and threat. They help us survive.

Our emotional triggers guide our impulses enabling us to make quick decisions.

We use emotions to edit increasingly complex abstract consumer choices.

Emotions differentiate products to us in a world where lots of products have become very good.

Any emotion - even a negative one such as anger- is better than indifference because emotion leads to action. If an emotion is good, it might lead to commitment. If it is negative, customers will block you, which is both costly and time-consuming to resolve.

Your emotional state based on your expectations, mind-set and the situation at the start of any journey will affect the final outcome. Two customers experiencing the same journey will have a different outcome based on whether they come in with positive, negative or indifferent emotions.

Emotions are important for brands as an individual will build a perception of the brand regardless of whether they have used it or not.

When considering emotion and the customer journey, there are multiple aspects to consider.



Insights 3



Emotions as an Invisible Asset

## Do

- Build emotional sensitivity in your firm, in order to build a relationship with the client
- Be aware of those situations where emotion influences behaviour
- Understand the corporate personality and its consequences
- Go beyond seamless design and apply an emotional - people overlay

## Don't

- Depend on traditional insights, actively seek to understand emotion
- Set CX statements based on singular emotions
- Forget that emotion can trump a seemingly more rational response

Emotional Connectivity Is  
An Invisible Asset That Can  
Be Leveraged, Hard To Gain  
Easy To Lose



# Touchpoint Orchestration in a Complex World

Customers use emotion as a short-cut to decision-making when faced with high CX complexity. They are more sensitive to emotional flashpoints when complex things go wrong.

“Before it was less complicated, now there are many more touchpoints and you need to orchestrate these and be more intentional.”

**Chris Humphrey**

# Putting People Back Into the CX Equation

Cost cutting leads to commoditisation and lack of emotional differentiation. Since a prime source of emotion is human contact, it is critical to put people back into the CX equation.

“There is a Millennial myth; that somehow they are different, that they don’t want people in the equation.

Is Amazon leaving itself open to competitive pressure because it hasn’t injected emotion into its experience?”

**Chris Humphrey**



**Orchestrating Touchpoints**



**Myths**



**Ease Vs. Emotional Differentiation**

## Big Ideas

- Emotional sensitivity increases with greater complexity
- Emotional differentiation increases with greater seamlessness
- Bringing humanity back into business is a missed opportunity
- Cost cutting is a short-term goal
- Commoditisation enables innovation (you can’t do one without the other)

Before it was less complicated, now there are many more touchpoints and you need to orchestrate these and be more intentional.

Chris Humphrey



# Emotional Differentiation

**Can emotions be used to differentiate your business and as a criteria for segmentation? Is creating a seamless, frictionless experience enough?**

The number of times I hear that we should make things seamless! But surely, if you have to work at something, do you not value it more?

**Dr. Simon Moore**

Making it easy is part of the process of commoditisation. If the product itself and other elements of the experience are really differentiated in the eyes of the customer, then it won't be commoditised.

**Jane Bromley**

Differentiation comes in when the company is aware of what emotion the customer wants to feel in that purchase

**Dr. Katerina Wittgens**

This notion of frictionless, seamlessness is part of the commoditisation process. But there is only so far you can go with hygiene – once you have got to that state then how do you differentiate?

**Steven Walden**

# Emotional Segmentation

Think about car insurance. If the car is the customer's bread and butter, segmentation would merely focus on quick complaints resolution and overall perception! So emotionally they might ask 'if you had a claim who would handle it superbly'? CX means understanding that history: not just the one purchase

**Lacey Barnfather**

I am certainly convinced that if you get the emotional content into targeting, segmentation, or set-building it can give some lift.

**Peter Dorrington**



**Emotional Differentiation**



**Myths**



**Ease Can Be Commoditised**



**Only So Far With Hygiene**



**Emotional Segmentation**

## Do

- Engage CX ('memorable') design alongside efficiency and cost control
- Actively and intentionally orchestrate touchpoints
- Actively seek to understand the emotional touchpoints

## Don't

- Depend on process efficiency and cost cutting alone in your CX efforts
- Assume Millennials lack interest in the human, emotional experience

# Human-Technology And Emotion

## Does the adoption of technology lead to change or can an emotional need set the platform for faster technology adoption?

We often hear that technology is the disruptor. It is not. Technology is the enabler that has facilitated the change in attitude that people have had towards banks. Post-crisis 2008 there was a huge distrust with the financial sector, the first time ever across multiple generations– usually it is generational. Mistrust has led to an alternative being sought!

**Ruth Harrison**

## Think Emotion And Rupture The Industry Stereotype

**Focusing on how people feel can open up new ways to differentiate your business. This can be through alternative CX design of a business or through focusing on new value dimensions:**

There is an opportunity for business to come in and rupture stereotypes. The banking industry for example, is a stereotype of dishonesty and mistrust.

Apple ruptured the stereotype with the Apple Store. Richard Branson has made a career of rupturing stereotypes. He went into the airline industry that was staid and boring and made it entertaining and family orientated – one of the opportunities for organisations is to look at the stereotypes within the industry and break them.

**Chris Humphrey**



**Technology Is The Enabler**



**Rupture the Stereotype**

## Big Ideas

- Technology is an enabler, it is not the experience
- Firms need to respond to the emotional condition, before others do!
- Emotional stereotypes lead to opportunity for differentiation
- Emotion sets the platform for faster adoption of technology
- Emotion can be a slow-burner to change, taking time to reach a tipping point

## Do

- Invest in disruption
- Consider emotional expectations and stereotypes and how to break them
- Measure the direction of travel: when will a tipping point be reached

## Don't

- See technology as the answer to CX
- Forget to look for weak signals in your data that shows the emotional condition

# Emotional Design

**Emotional design is about finding the emotional triggers amongst customers and segments and prototyping the change. This manages the ROI risk through trialing and testing.**

Actively push for fluidity and seamlessness but consider how emotion comes from identifying the customer's responsiveness to pain points and moments of delight.

With emotion it's hugely important to test the customer trigger points in advance. With some it's: "you've treated me fairly, I am happy to renew this year"; for others it is about price competitiveness and frequently that varies by gender.

**Ruth Harrison**



**Moments of pain and delight**

## Big Ideas

- Many designs fail as they do not embed the emotional perspective
- Decide who your customer is in order to get to their emotions
- You should have some means of capturing emotion in any design
- Many design efforts underestimate the impact of emotion
- Emotions are not just about technology maps, they engage other data

## Do

- View emotion as a design differentiator: actively uncover it
- Actively disclose emotions graphically to multiple stakeholders
- Include the customer in beta testing and agile design (Agile CX)

## Don't

- Ignore the customer (and segment) viewpoint in any design endeavour

# Customer-Centric Design

Consumer-centred design goes right back to MVP (Minimum Viable Proposition). This means: satisfy a need, iterate in small pieces and test each step. If you don't do this and suddenly release a product without taking consumer feelings into consideration then you are really only designing a product for those 20 middle-class white people in the room!

It's complex, for sure. Measurement is not binary; it has to be tested and has to have that 360-degree review as there are so many macro-environmental influences.

We are encouraging businesses to future-proof business not just now but for anticipated need in 5-10 years

**Ruth Harrison**



**Bacardi Breezer**

When the bottle was put on the table with a mixed audience of different ages and videoed, the result was so compelling - and that's where Bacardi Breezer came from. No-one was averse to the taste, it was just learned behaviour to have it with Coke.



**Domino's Pizza**

Domino's put the whole organisation in the hands of the customer. They encouraged customers to choose from 100 ingredients and design their own pizza which they could "share" on their social networks. The result was a 42% increase in Net Operating Profit after two years of decline. That empirical evidence is what helps influence board decisions.

**Ruth Harrison**



# The Emotion Paradox

**In spite of the influence of emotions, we still find inertia even in the most disliked industries! So does emotion really matter?**

One of the interesting paradoxes is that no industry has been more hated than banks in recent years. And yet challenger banks have not more than 6% market share! Four percent of the market is TSB which doesn't look like a challenger bank. The rest, less than 2% is made up of Metro and Virgin money and a couple of others. There is an interesting question around that from an emotional perspective - why?

**Simon Kirby**

People are telling us they don't trust the banks – consciously. But non-consciously there is no change in the trust to banks, what alternatives have they got?

**Dr. Simon Moore**

I am a logical person, a deeply analytical personality. I know I would get a better deal switching banks. So why don't I? Why have I not done it?

Emotionally what is going on in my non-rational brain is I am balancing a whole set of complex emotional states: effort, risk, desire, all of these. At some point, my level of aggravation with the bank and my desire to change flips and I will switch. But I have no idea when that point will be reached; and if I don't know that as an individual, how can organisations be expected to?

**Peter Dorrington**

It's like the game 'Top Trumps': which emotion is going to win out? The trouble with companies is that they say they want to identify one emotion that is important to their client, but they do that at their own risk.

**Dr. Simon Moore**



**Ease in the Banking Industry**

## Big Ideas

- Although we may dislike a brand we can still stick with them!
- Emotions offer the opportunity for differentiation
- There is a high degree of inertia to change, which can make emotional differentiation a niche strategy
- Non-conscious emotional expression is potentially a better predictor of behaviour
- The exact tipping point, the moment where emotional pain builds up and we overcome inertia, is difficult to judge

## Do

- Be aware of all emotional influences
- Uncover the non-conscious influences
- Longitudinally measure states of emotion
- Model the balance of emotions and tipping points over time

## Don't

- Sit on your laurels. Seek to manage emotional negativity
- Assume that just because customers haven't currently churned, a tipping point is not on the horizon

# Customer Value Creation

**Does emotion represent a new economic model and a trend away from the old model of mass production towards a more mass customised world?**

The old business model, where a producer or manufacturer would make something they thought people would buy and then try to sell as much of it as possible, has passed its sell-by date. Now, we have empowered consumers and it is the customer outcome that's important. This puts the onus on producers and manufacturers to respond in a more nuanced way to customers' rational, emotional and social needs.

This new concern for personalisation means that, to thrive, suppliers need to identify customer value in terms of the functional and experiential aspects of any transaction. In the old model of value we could see, as Levitt put it, that a customer who intended to put up some shelves actually bought a quarter inch hole rather than a quarter inch drill. Now, we need to go beyond that. Now we have to ask why the customer wants to put the shelves up. One customer might do so to exhibit some prized possessions, whereas another might do so to avoid domestic disharmony about clutter around the house. Two different outcomes. Two different value propositions.

In a connected world where customers have enormous choice, customer outcomes are the foundations of relevant differentiation. Failure to look at the outcomes puts the longevity of a business at risk.

**David Pinder**



**David Pinder**



**Customer Value Creation Viewpoint**



**Emotionally-Illiterate Industry**

## Big Ideas

- Traditional mass production approaches are facing declining margins
- The customer is now in the driving seat; define their outcomes
- Responding and co-creating to customer emotional needs is a differentiator
- Emotional outcomes challenge silos: design around CVM
- Co-create CX with customers; understand their emotional outcomes
- Engage in approaches that build emotional rapport

# B2B Emotions

**Many of the experiences we have discussed relate to the B2C world but emotions are equally, if not more relevant, in B2B contexts.**

Emotion comes in, when answering the following three questions around solutions and brands:

1. Is it credible? (a functionality issue)
2. Do I trust them? (an emotional issue)
3. Can I work with them? (a complex emotional issue)

In addition to being aware of these three things, companies also need to do two things to be of value to a B2B client.

They have to:

1. Understand the downstream situation, since the things exercising B2B clients are to do with the end-user.
2. Be aware that a lot of companies offer similar things in terms of functionality to their B2B clients so they can only differentiate on the emotional expression on top of the functionality.

These are more important in B2B.

**David Pinder**

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In my experience, with emotion, there is a bigger opportunity in B2B.

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**David Pinder**

# How to measure emotions

# What Customers Do

**Observable data on what customers do, can be used to infer emotional response. However, there are limitations to this type of data:**

In digital, we measure emotion by how customers click forward or back or move around as they are completing a purchase. I've been on websites where chat only pops up if it appears you are having problems.

You might not want to test facial recognition and digital software with live customers but in a user testing environment, there is software that can read your face and understand frustration and delight as you go through those journeys.

## Lacey Barnfather

But you don't know if what your customers are feeling is based on what they see on the screen or how they are interacting with the service. That is the real disadvantage.

## Dr. Simon Moore

Or indeed what is going on at home at the time.

## Jane Bromley

Voice stress analysis can tell if I'm stressed when I am booking a holiday. For instance, my No. 1 stress is booking flight seats due to leg room. Certainly you can detect I am stressed when booking and there is a longitudinal aspect that tells the booking site that every time I book a holiday this is always the question I ask.

Voice stress can therefore highlight that I am stressed but not what I am stressed about. But nonetheless this data indicates an opportunity to design a differential experience.

## Peter Dorrington



What Customers Do



Facial Expression



Voice Stress Analysis

## Big Ideas

- Observable data is frequently a scalable proxy for emotion
- Observable data picks up fleeting emotion events missed from surveys
- Observable data lacks the 'why'
- Observable data can focus on only one issue rather than broader emotions
- Observable data can lead us to making a false assumption

## Do

- Use multiple sources of observable data through the customer journey
- Use observable data to highlight areas of failure, that require a fix
- Build longitudinal databases of observable data

## Don't

- Use observable data alone – it needs the 'why?'
- Assume observable data equates to an emotional response
- Assume observable data describes emotional feelings in entirety

# And What Customers Say

**Subjective data highlights many differing reasons for an emotional response that observable data may not record. However, survey methodology has its issues too:**

NPS does not necessarily cover emotion.

## Lacey Barnfather

Why are we using these data-driven 'I need to know on a scale of 1-10' questions? That is irrelevant. You need to answer a broader question to find out "why?" The thing about emotions is to ask questions to tap into the conscious - what they think is happening - and the non-conscious. For example, one client from the betting industry used eye tracking and facial recognition. They inferred that the emotion their customers were experiencing was excitement. Looking at non-conscious data and asking their customers directly, it turned out that the underlying emotion was all about control; not just the control placing the bet but control of their lives.

## Dr. Simon Moore

You can't fire surveys off every moment, is it a case of immersion or is something else?

## Steven Walden

My answer as a psychologist is do whatever you can, throw all the toys at it, test as many angles as you can.

## Dr. Simon Moore

We identify what emotions are at play with different customers and we ask them why they feel that way? This gets the stories behind their emotions and the actions that created them. We also get what emotions they are expecting or wanting to feel and which actions would make them feel that way.

## Dr. Katarina Wittgens

# Big Ideas

- Subjective data answers the 'why' and tells firms about the full scope of emotion
- Subjective data lacks scalability
- Subjective data can miss out the fleeting and unconscious moments



**You Can't Keep on Asking People**



**The Importance Of The Non-Conscious On Emotion**

## Do

- Use subjective data to answer 'why' and provide qualitative contexts
- Build longitudinal databases of subjective data to define situations
- Use the expertise of employees and immersion

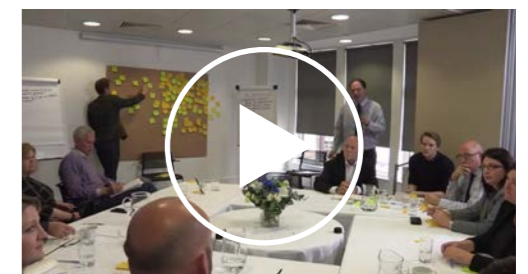
## Don't

- Use subjective data alone, objective data fills in the gaps



**Put People In The Context**

"Have these data points but 'why?' What do they mean? Put in context, its also about their life"



**Do What You Can**

"It's not about slicing and dicing, it's about intelligently building up a picture through lots of different angles"

# Hard Data – Soft Data Oscillation

**One best practice way to measure is to correlate the hard objective data with the soft subjective data over time.**

My ideal is not a 'point-in-time survey' - rather it's a constant vector that's changing, that I can work backwards and say: 'this is likely to cause distress or delight if it's associated with this intervention'.

**Peter Dorrington**

With emotions it's a different world....If you find the flash points in hard data you can go back to the soft.

**Steven Walden**

You oscillate between the two, I am constantly doing trial and error. In the world of data and analytics, my nightmare world is no data. I have to start with hypotheses to test. But in this fast moving world, how long can I spend doing experiments to generate the data to give the insights. Anything that can help to shortcut that is welcome.

**Peter Dorrington**

You now have a paralysis of choice. And no idea of what to do with data when you have too much choice.

**Dr. Simon Moore**

With emotion the amount of certainty is going to be slightly less than with analytics tools where you have a yes or no click. We oscillate, aiming to reduce uncertainty, not find the answer because emotions are fleeting, changeable, dynamic.

**Nick Bailey**

## Big Ideas

- We need to oscillate between hard and soft data to define the situations where a behaviour arises and seek to understand what are the reasons for that behaviour
- Emotional content delivers lift to analytic models
- Reduce risk and uncertainty rather than seek to eliminate it

### Do

- Build in methods to be alert when emotion content from hard and soft data arises
- Define methods to correlate hard and soft data
- Set up cross-silo processes to enable correlation
- Consider how to model emotional content in analytic models

### Don't

- Focus just on one data set or another and assume that is the answer
- Consider emotions over a single point in time



Find the Emotion triggers



Hard soft data merger



Reduce uncertainty of dark matter



Emotions are a different world

# Holistic Approach

**An alternative to emotion measurement is to focus on a holistic people-focused approach where the emphasis is less on salami sliced measures and more on emotional awareness.**

My point is you don't need to quantify, its about the relationship. Its about doing the right thing. If you can create the emotional connection rather than the rational connection then there are commercial benefits in that.

Because there is a lot of technology and data , there is a tendency to try and treat people like lab rats. But I think a Holistic approach is better. What Disney does very well is 'its just about people' and you can get an understanding of people from yourself

**Chris Humphrey**

# Needs And Values Segmentation

**Measuring emotions may miss the point since emotions are only reflective of underlying needs and values. The suggestion is we focus on unpicking these rather than on the emotional outcome.**

The thing for me is not to segment on emotions! Segment rather on needs and values, because its needs and values that produce the emotions

**Dr. Simon Moore**

You don't walk around on a cloud of emotion, there has to be a compelling issue, event or something you want that creates an emotion. So focus on the drives that lead to an emotion. You can find these from focus groups or by asking; by following a hunch through experience.

**Steven Walden**

# Big Ideas

- Data is not a replacement for people orientated approaches
- An overemphasis on data analytics may miss how we understand people
- It is not the emotion that matters but what it means
- Customer-centric design approaches ask upfront about needs and values

## Do

- Focus on understanding 'why' an emotion is felt and how damaging it could be
- Focus on the relationship and the connection

## Don't

- Replace people understanding with data
- Focus on the emotion rather than the underlying reasons for an emotion

"Its just about people and you can get an understanding of people from yourself" **Chris Humphrey**



**It's Not About Emotion But What Sits Behind Emotions**



**Segment On Needs And Values**



**It's About The Relationship**



**Stop Treating People Like Lab Rats**



# ROI of Emotions

There are those who need to see an ROI before they invest and those who feel emotional engagement is part of a long-term CX strategy.

CFOs love spending money but they want to know what they are going to get, it's all about formulas with CFOs. I know about the Disney experience, clearly a positive outcome but try to quantify it? **Peter Dorrington**

My point is you don't have to try and quantify it, it's about the relationship. It's about doing the right thing, because if you can create the emotional connection rather than the rational connection then there are some commercial benefits in that. **Chris Humphrey**

If you look at boards they have been educated that they have to report certain metrics and therefore by learned behaviour they want reassurance, proof of concept and ROI to the point where that stifles innovation. The reality is we don't live in a certain world and that is not going to come back. **Ruth Harrison**

Why do I even care about emotion? This person asked for leg room, we couldn't offer it and they didn't buy; one time we did offer it and they did buy a seat. This can be correlated, no need to know about emotional state. However, there is a nuance that interests me - the interplay between the emotional and analytics data. **Peter Dorrington**

If the functional need is not met, emotional needs are neither here nor there. I get the emotion of a Lamborghini Spider, but with a young family it's irrelevant. **Simon Kirby**

Another airline was famous for atrocious customer care. It was: "pile it high, sell it cheap". This was fine until other budget airlines entered. Then they scrambled to say: "Now we are more customer focused!" **Peter Dorrington**

It's easier with a strong founder who sets this belief. You might not see the ROI immediately there may be successes and failures but there is a positive ROI on emotions. **Chris Humphrey**



Problems of Qualification

Devil's Advocate, Why care about emotion

It's About the Relationship

Airline example - Pile it high, sell it cheap

## Big Ideas

- Emotions are difficult to quantify and demonstrate ROI against
- For leading CX players, it's about the belief in the relationship. ROI is a long-term game
- The desire for ROI can stifle emotional sensitivity and agility
- In some situations, emotions are irrelevant

## Do

- View emotions as part of the relationship-building process
- Think whether an emotional differentiation strategy is the right thing to do, by situation; or if functionality is what matters more
- Think of emotions as more than a short-term ROI

## Don't

- Disregard the customer segment and what is emotionally right for them
- Risk it all on a large project, instead mitigate risk by engaging in small pilots
- Think of emotional understanding as a panacea for every situation



Service design risk management

"The financial risk comes from developing products not being tested. The risk is limited by doing small tests. Test small before you go big."

# Functional and Emotional Value Dimensions

**Emotional value is different from functional value and can help solve business problems.**

Herb Keller (SWA) was convinced that the negative part of flying SWA vs other flag carriers was tight seat room. To alleviate this he invoked an HR policy. By hiring people who are funny they overcame the negativity by taking customers minds off it.

**David Pinder**

If you think about the queueing at Disney, you can either work on the length of the queue or take customers minds off the length of the wait.

**Chris Humphrey**

Now you have two solutions to one problem. In the SWA case you can increase the seat room but that functional solution has a cost – or you can change the emotional experience. This brings emotions straight into the business case. Emotions become a solution to a business problem.

**Peter Dorrington**



**David Pinder**



**The functional and the emotional sides of the equation**

## Big Ideas

- Emotions solve a business problem, by changing the feel of the CX
- Functional emotions are different from hedonic emotions
- Great CX companies think about the emotional resonance of a customer journey and design for emotion

### Do

- Think about how emotions can moderate or mediate the customer experience
- Consider other emotional areas where you could differentiate in the customer journey

### Don't

- Only see emotions as being about loss aversion and preventing negatives

# Emotion and Business Culture

**Building an emotion-oriented business culture is a challenge. It requires bringing the leaders on board and ensuring their executive sponsorship. CX and emotion is a strategy: it is long-term ROI game. Often, however, the C-suite are too far away from experiencing what it is to be a customer.**

We put a business case to get funding to invest in social media and it was always 'no'. Then social media went ballistic and suddenly 100s of thousands of pounds were put in the pot!

Sometimes, at board level, people get too far away from their consumers. They don't have clear channels or interact with them. This means you have to find ways to bring the customer to them. One of the most compelling things, is to get very senior people in a group discussing CX with live customers. You'll have more impact than anything else. Because they feel the emotion someone is expressing, you will find your data marries up with that emotion and people get behind any initiatives much quicker.

Businesses operate like they haven't got emotions but what you find is, when you do the selling to them, you are in fact dealing with emotion!

Lots of businesses will deny negative emotions. If you can't measure it, someone can go that's not important; that will continue to be a challenge. People want that due to the way boards are set up. It takes someone brave culturally to put emotion at the centre.

## Trudi-Ford Hutchinson

"Markets are changing, the need to be more reactive, measure stories, respond to fleetingness how markets change at higher speed."

## Steven Walden

"It depends on the competitive situation and it depends on starting with needs and values. There is no point talking about measuring emotion unless you put it in the context otherwise it's, I've tracked emotion but who cares?"

## Jane Bromley



**Certainty Has Gone We Need To Change How We Measure**



**Get Senior People To Discuss Cx With Customers**



**Social Media Brings Emotion to Life**



**Businesses Have Emotions**



**Businesses Are In Denial**



**Bring Emotion Closer To The Boardroom**

## Big Ideas

- C-suite needs to put emotion on the agenda
- Customers make decisions with emotion so it is good business sense to consider them
- Boards use rational metrics, they need to include emotional metrics
- Emotion needs managing since it is fundamental to why people buy

## Do

- Focus on understanding emotional situations and empowering action
- Engage methods like social media and focus groups that bring the customer to the board
- Focus on the quality inputs, less so the outputs

## Don't

- Focus myopically on output targets: think holistic - not slice and dice

## A Case in Point: Disney

Disney has a strong sense of their purpose and they think holistically. They set up a framework while enabling spontaneity within that framework. It's about the relationship with the customer in general, they don't over slice and dice it.

**Chris Humphrey**

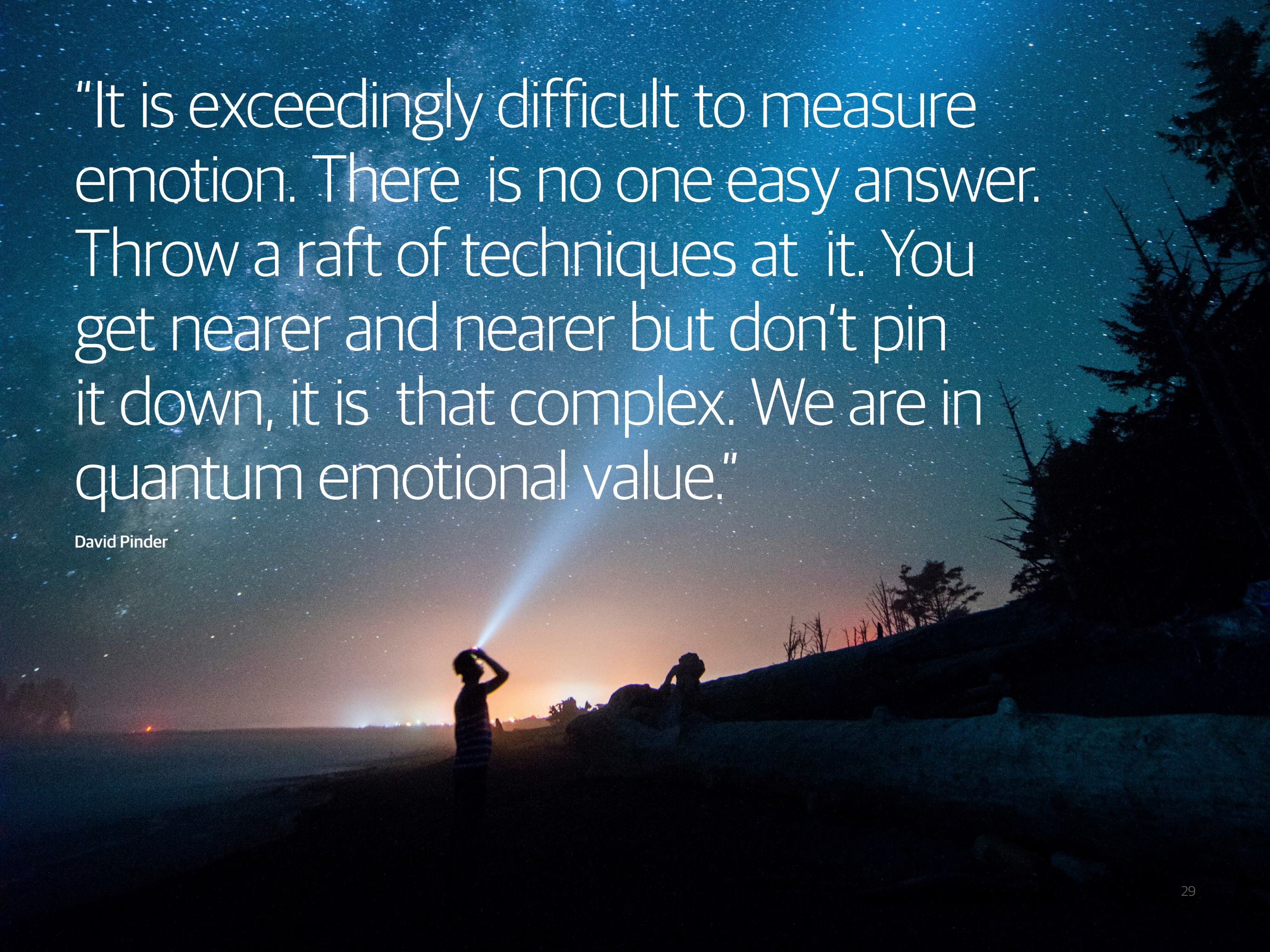
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How does Disney execute emotional change?

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**Walt Disney, Purpose and Holistic Thinking**



"It is exceedingly difficult to measure emotion. There is no one easy answer. Throw a raft of techniques at it. You get nearer and nearer but don't pin it down, it is that complex. We are in quantum emotional value."

David Pinder

# Afterword

Measuring emotions is not the same thing as measuring satisfaction, NPS or objective activities such as web-browsing speed. Emotions are in effect more analogous to dark matter; frequently unobservable and needing to be inferred.

Faced then with emotional dark matter, we cannot just throw a scale at it and assume we have found the answer: that risks degrading emotion and focusing our minds on the functional and the rational when emotions are broader, more fleeting and emergent. Hence, to measure emotion we need to use multiple methods of measurement; measures which include looking at culture, digital analytics, non-conscious response (critical and often ill-considered), immersion, focus groups and so forth. This also means

being aware of when and where an emotionally charged situation might arise. For instance, identifying a possibly negative event through hard data and asking the why question through soft. This we called the oscillation-effect.

We also looked at how important emotions are within the company culture. How we can help employees and leadership empathise with the life of the consumer; and the importance of understanding how employees feel as well.

Finally, since emotions are not so predictable, we discussed the need to reduce risk through trial and test.

Ultimately, we discussed how perhaps it is not so much emotions that are important but the needs, values and outcomes that sit behind them; from which emotions and new competitive value dimensions are derived

## About CX in Action

CX in Action is a global community of thinkers, influencers and practitioners working to understand and impact the future of CX

We believe that by connecting the world's leading minds and experts in CX we can create and promote action-oriented, forward-thinking insights that will help global organizations think differently about their customer experience – and act on it. CX in Action is the platform to make that happen.

## About Teletch Consulting

We are on a mission to help our clients realise the amazing growth opportunities available to them by driving new thinking and transforming the way they create exceptional experiences for their employees and their customers.



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