As a ghost-writer for WooContent, I wrote the below article for Feefo. Published in Dec 2020. Below is my original article.

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https://www.feefo.com/en/business/resources/tips/gain-insights-into-your-customer-experience-with-cx-metrics-and-reviews

# How To Gain Deeper Insights Into Your Customer Experience Through CX Metrics & Reviews

As a business, how do you know if you're doing a good job? Your sales figures may tell you that your product or service is in demand, but unless you focus on delivering exceptional customer experience your business will not be able to grow. Customer reviews insights and customer experience (CX) metrics will help you measure and analyse your customer experience and uncover opportunities to improve, with customer satisfaction in mind.

Ultimately, a happy customer means more business for you. Let's unpack that.

## Why you need to analyse and measure customer experience

Going deep into what your customers are feeling and understanding their feedback is crucial to providing a consistent customer experience. You need to know what is working and what isn't, what they are happy with and what their grievances are to accurately address them. CX experts say that the inability to measure and quantify ROI on CX is one of the <u>biggest challenges</u> related to customer experience.

Paying attention to CX metrics, reviews and feedback will help you:

- Gain you a better overall perspective of your product, service and offering
- Set future goals for improvement and growth
- Undertake action based directly on customer feedback
- Improve customer retention and loyalty by assigning value to what they have to say and strengthening business-customer relationships
- Stay ahead of the competition by standing out and focusing on CX before they do

Taking responsibility to understand, analyse and action what you learn from customer experience will make your brand and organisation customer-centric and position you as a brand that cares. The below customer experience metrics will help you start collecting feedback and investigate your customer's journey more accurately.

## **Customer Satisfaction (CSAT)**

One of the simplest and direct ways of conducting a customer satisfaction survey is the CSAT. It is a customer loyalty metric that many companies across the world use and starts with one simple question:

How satisfied were you with your experience?

As made clear by its name, the CSAT score indicates the customer's satisfaction level directly. It can be used at different points of the customer's journey and interaction with your business and is easy to identify and analyse which parts of your process lies a pain point. Many businesses choose to insert a CSAT multiple times along the journey to help identify potential bottlenecks. Common touchpoints that you can place a CSAT at include:

- During onboarding
- At the point of purchase
- After an interaction with customer service
- After a successful transaction

These can be conducted on your website, through email or even on the phone.

Different industries will have their own benchmarks and scores can vary, but if you get responses between 75% to 85% then that's pretty good. Respondents can rate their satisfaction level on a scale of 'Very Bad' to 'Excellent' or give you a score from 1 to 5, with 5 being the best score you can get.

### Why use the CSAT

CSAT is quick and easy for a business to implement and for a customer to answer. The reaction is also immediate, so it's an efficient way to get feedback while the customer is already in the zone of interacting with you. Pay attention to patterns in customer feedback and look for sudden spikes in scores or a drastic drop that indicates that an action needs to be taken. The CSAT is also a good indication of how your customer service team is performing and can be used for internal evaluation processes too.

## Net Promoter Score (NPS) Customer Feedback

The NPS is another quick measurement of customer experience and is widely used. The standard NPS question requires a numerical response on a scale to the question:

On a scale of 0-10, how likely are you to recommend us to a friend or colleague?

Responses are divided into three categories based on what scores your customers give you on the scale of 0 to 10, with 0 being the least positive.

0-6 are detractors. They are not satisfied with your service and unenthusiastic about providing a response.

7-8 are passive, and they don't want to pick a side. They are not unsatisfied, but are not in love with you either.

9-10 are promoters. These are customers who will speak highly of you and stay loyal to your business.

#### Why use NPS in customer experience evaluation

To make the best use of NPS customer feedback, it should be placed at multiple times across the customer's journey and purpose. Compare the customer's first NPS with their second one and see how you fare. The NPS is also a valuable predictor of your business' growth. Keep track of your NPS and scores for customer demographics over time to create your own benchmarks.

Research shows that 65% of companies choose to use NPS, compared to 44% who use CSAT and 14% who measure CES, which we'll look at next.

## Customer Effort Score (CES)

This metric of customer satisfaction focuses on the efforts that customers put into interacting with your business. Most of us want to make the purchase process and journey for our customers as quick, seamless and easy as possible, so if you are trying to weed out difficulties along the way, CES is perfect for your business.

The CES also starts with a single question that asks the customer to rate the ease of using your product or service and can be:

How easy was it to solve your problem with us today?

Options range from 'Very Easy' to 'Difficult' and shows you if there is room for improvement in any area. It does not always give you the full picture so it is recommended to use the CES alongside the NPS for a more rounded overview of where pain points and difficulties exist along the customer journey. CES surveys can be sent after a transaction, after an interaction with customer service or after they have contacted you for information.

## Why use CES

CES is a good indication of how likely your customers are to recommend you. If they found you easy to deal with, they are likely to promote you to their network. CES also shows you quick areas of improvement. A study by <a href="Harvard Business Review">Harvard Business Review</a> showed that 94% of customers would come back to a business if they experienced 'low effort' in their interaction with the brand, so CES is a good indicator of future purchase behaviour.

#### **Customer Reviews**

Although the above mentioned NPS, CSAT and CES metrics offer quantitative data, there is no real insight on what customers are feeling and going through while interacting with your business. This is where customer reviews play an important role in fully understanding your customer experience at a deeper level. Supplementing CX metrics with customer reviews is crucial to understanding loyalty, satisfaction, likes and dislikes and motivation of the customer.

<u>Smart themes by Feefo</u> offers businesses that extra bit of data that can be marred with CX metrics and helps businesses streamline their customer reviews. Using this technology, your business will be able to automatically track customer sentiment, provide customers with all the information they need in one place and increase conversions with no extra coding needed. Real and verified reviews collected on a platform like this increase customer confidence and enables businesses to make smarter decisions using insights for their future growth and development.

Another useful optimising tool by Feefo is one that helps you gain more information on performance profiling by automatically analysing what's working and what's not so you can focus on where to improve. When it comes to accurately understanding what CX is all about, Performance Profiling delves further and deeper into the customer experience. Businesses will be able to identify specific aspects of the customer journey, set custom parameters that they're interested in and narrow down into the details of specific topics they want covered.

These customer review tools provide you with a clearer picture of your business and allow you to discover how your customers really feel about your products and services.

## Using customer experience insights for your business

To stay competitive and relevant in this fast-paced market today, your business needs to put customers at the centre of your goals. Ratings, reviews and feedback are crucial to providing you with the right information and insight you need to get into their heads and learn from their customer experience.

The metrics we've touched upon here work only when employed at the right place and at the right time of the customer journey. Use two or three of them simultaneously so you can compare results as well as get more accurate data. Ask for feedback throughout the customer journey, and not only when they've completed a purchase. You need to know their thoughts and feelings along the way and see which features and functions of your business perform well and which don't.

It's only when you make CX a regular part of your business process that you will reap the full benefits of it.