



**The Customer Experience
Orchestrated**

CUSTOMER EXPERIENCE MANAGEMENT

**THE CUSTOMER FLOW MANAGEMENT METHODOLOGY
- A 3-STEP APPROACH TO ENSURE A SUCCESSFUL RESULT**

A QMATIC WHITEPAPER

Introduction

“Qmatic define CFM as managing the customer journey and the customer’s experience from initial contact to final service delivery.”

Customer Flow Management (CFM) a methodology invented by Qmatic that allows an organization to systematically manage the customer journey from the very first to the last customer touch point. The methodology connects the virtual and real world to create outstanding and consistent customer journeys through all channels.

Qmatic define CFM as managing the customer journey and the customer’s experience from initial contact to final service delivery. It is a methodology to understand the customer’s journey in order to be able to deliver the best possible solution for every unique situation.



This white paper is devoted to describe the underlying working methodology of CFM and how it can be used to deliver remarkable customer experience. It is this structured approach that helps us to navigate through the wide range of opportunities by assuring that we start with the right pre-requisites and then choose the appropriate opportunities for further exploration.

Without a structured approach it is easy to fall into the trap of choosing among the wide range of opportunities first and then adapting the business accordingly without assessing if the chosen opportunities were the most appropriate ones given the individual business’ perspective.

The 3-step Approach

The Customer Flow Management methodology is a 3-step approach where each step needs thorough consideration to ensure a satisfactory result. This is not a once-only procedure but needs to be re-visited over time as the business and/or business environment changes.

A.

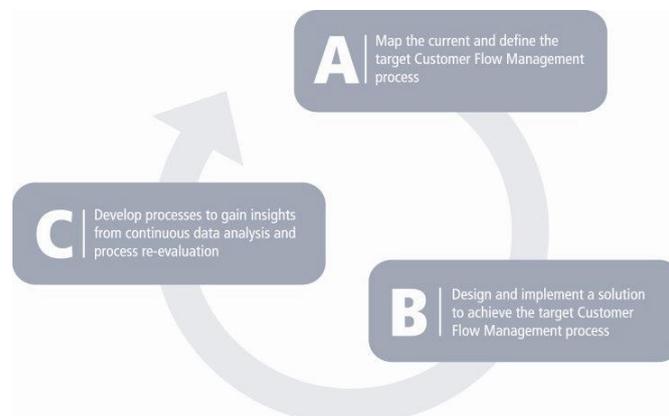
The first step is to map the current and define the target Customer Flow Management process. The target process is defined as the optimal process for the service provider, taking into consideration how the process affects all key stakeholders (the service provider, customers and staff) and the direct and indirect impact that has on the service provider's Key Performance Indicators.

B.

If the defined target process deviates from the current process a solution that helps the service provider to achieve the target process needs to be defined and implemented. The design of this solution will have a significant impact on the options available in the final third step and hence that should be considered before implementation.

C.

For some companies, step 1 and 2 are sufficient to achieve their objectives and targets. However, the real power of what we define as CFM becomes apparent if the solution designed in step 2 not only supports the target CFM process but also gathers and stores data on the flow of customers. Properly used the data can be analysed to generate insights about the service providers' processes and customers. These insights can then drive further development of the business. Developing the internal processes and routines to capture this potential is the third and final step of the CFM methodology.



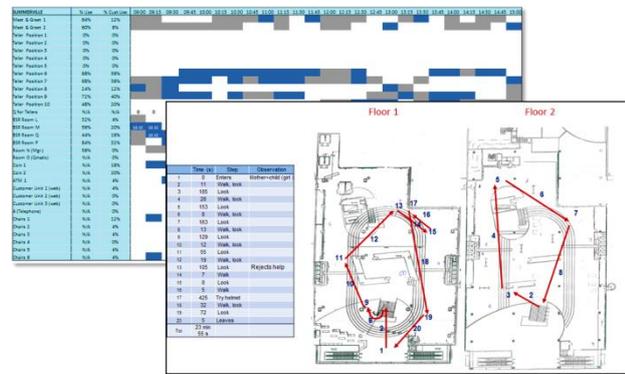
The 3-step approach of the Customer Flow Management methodology

“A Customer Journey Discovery is an incredibly useful tool to understand the customer touch points and improve the customer experience.”

A. Map the current and define the target Customer Flow Management process

All process improvements should start from the current situation. Understanding the advantages and disadvantages with the current process is the basis to be able to identify improvement areas. The basis for defining the target Customer Flow Management process is always the service provider’s Key Performance Indicators (KPIs). Depending on what the service provider wants to achieve the target process can be very different. Although Customer Flow Management in general tends to offer possibilities to achieve sales growth, cost reductions, productivity improvements and increased staff and customer satisfaction simultaneously it is unavoidable that some prioritisations need to be made. Often the priority given is to start from the basis of providing improved customer experiences.

Besides the KPIs, it is critical to understand how different processes affect the key stakeholders. Two identical solutions can be perceived differently by the same customer group depending on the situation and environment in which they are used. This will ultimately have a direct or indirect impact on the service provider’s KPIs.



It might seem quite trivial to map the current and define the target Customer Flow Management process. The service provider might feel that he/she already has a thorough understanding of the current process and has even experienced a preferred solution somewhere else. It could then be tempting to skip the first step and immediately define the target process as the experienced process and continue to implement a similar solution. It is important to understand the underlying assumptions in this case, e.g. both businesses have similar KPIs, customers with similar preferences and an environment/location layout that offer similar design possibilities. If these assumptions are not valid then there is no guarantee that the same type of solution is satisfactory in both businesses.



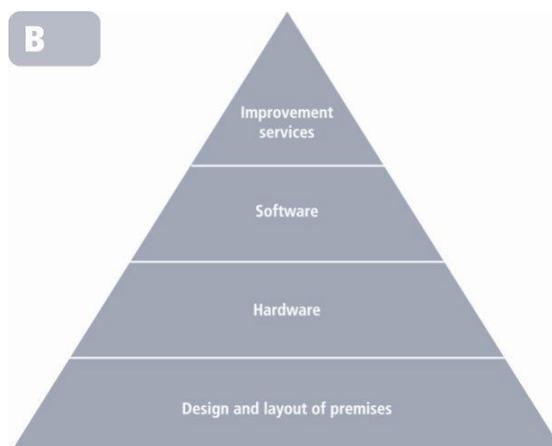
A process to map the current and define the target Customer Flow Management process

B. Design and implement a solution to achieve the target Customer Flow Management process

When the target CFM process has been defined and the gaps to current CFM process are identified the challenge is to take control of the customer journey, the different touch points and the flow of customers to close the gaps and achieve the target process. There are a number of tools that can be used when designing a solution. Depending on the complexity of the target CFM process and the gaps relative to the current CFM process, these tools will be suited and used to differing extents. The most commonly used tools are illustrated below.

Improvement services include post-implementation reviews and training of staff and management. Experience has shown that although the initial effects of Customer Flow Management are often high, the effect decrease over time in some environments. Post-implementation reviews have revealed a simple explanation for this. Initially the managers and staff involved realise the benefits and exploit them. Due to natural staff turnover, understanding of the implemented solutions tends to decrease over time and the possibilities are not fully used. To prevent this, it is crucial to not only implement the solutions but also regularly monitor the effects and train staff to achieve the result. Hence, routines for post-implementation reviews and regular training should be a part of the solution design.

The solution design set the boundaries for the possibilities available in the third and final step in the Customer Flow Management methodology, e.g. when processes and routines to capture the potential from continuous re-evaluation of the whole processes are developed. A solution with a more complex hardware and software structure demands more from the users but also offers more possibilities for data capture, analysis and insights that can help drive the business forward. This dependence needs to be taken into account when the solution is designed.



The most commonly used tools to design solution. The base is always to understand the customer journey and how customers interact with the physical location, staff and services provided.

C. Develop processes to capture the potential from continuous re-evaluation of processes, data analyses and insights

“Continuous monitoring, evaluation and improvement of the service process are vital to deliver great customer experience over time.”

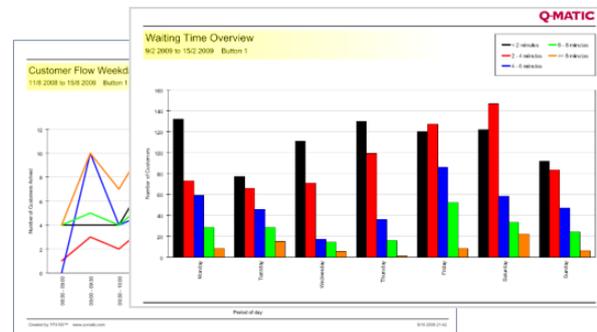
Developing processes and routines for continuous monitoring, evaluation and improvement of the Customer Flow Management process is the final and most advanced step in the Customer Flow Management methodology.

Continuous re-evaluation of the process can lead to insights that improve the customer flow and the business further.

The information gathered, stored and analysed for this purpose is referred to as Management Information (MI). To fully capture the value from this requires additional commitment and involvement by management but is highly rewarding if used properly.

In the case of the simplest Customer Flow Management process this can be done visually or with simple manual measurements. Staff or management might know the flow of customers well enough to describe it accurately by heart. However, in more complex situations it would be desirable to implement a more structured approach. For example, the CFM solution could be designed to gather and store data on the CFM process. The data would then be the managers’ tool when attempting to understand and improve the current processes. However, the data is of little value if it is not analysed and used properly. Defining the necessary activities and assigning responsibilities is the key to ensuring the organisation captures this potential.

A service organisation reaching this level of understanding about the customer journeys and their flow of customers can without doubt claim to have an equally advanced Customer Flow Management strategy as the production oriented companies applying JIT, Lean Manufacturing and 6Sigma claim to have for production and supply chain.

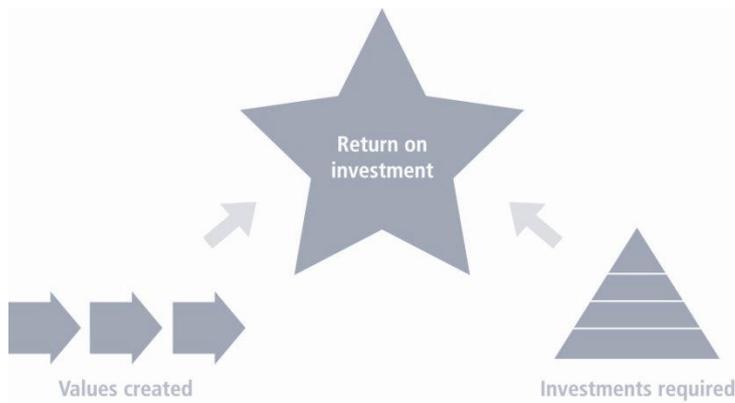




Management information can be used to understand the dynamics of the business' flow of customers and lead to insights about future business development. In this example the potential effect of a coffee break for the service staff at 10:00 is illustrated. The waiting time is stable before and after the coffee break when all the service staff is available, but as the waiting time builds up during the coffee break it remains longer during the afternoon. Using this insight, the waiting time during the afternoon could be reduced significantly with a relatively small effort focused immediately after the coffee break.

Verify the feasibility of the planned solution

When the Customer Flow Management methodology has been applied and a solution to achieve the target Customer Flow Management process has been designed it is important to verify feasibility in terms of the expected benefits relative to the investment required. The information needed is already available if the methodology was followed. In the first step we assessed the value of closing the gaps between the current and target Customer Flow Management process. In the second step we designed the solution required and hence the investment can be derived directly from this. Comparing these with each other will give an estimate of the payback time and return on investment.



It's critical to relate the values created by the solution to the investments required to assure that the planned solution has a positive expected return on the investment

About Qmatic

”There is only one boss - the customer. And he can fire everyone from the chairman down, simply by spending his money somewhere else”.
Sam Walton, 1977

Qmatic’s vision is to realize the full potential of every meeting. We help our clients engage and interact with their customers from the very first touch point. We gather information around the customer journey and help create brand value from improved customer experiences. By creating a seamless customer journey from online channels through to face-to-face meetings, we increase customer experiences and strengthen our clients’ brands.

Qmatic holds market leading positions in the public sector, financial services, retail, and healthcare applications and it is estimated that more than a quarter of the world’s population pass through a Qmatic system every year.

Qmatic has a truly global footprint and operates in over 120 countries through own subsidiaries and partner network. The Qmatic Group has a turnover of EUR 60 million and employs some 300 people. The company’s main owners are Altor Fund II GP Limited and ICG.

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