

*“Pain Is Good”*

# PIG Strategy

Make Customer Centricity Obsolete  
and Start a Resource Revolution

Sampson Lee

**"One of the few true innovations in customer experience."**

**Shaun Smith, Co-author, *Bold: How to be Brave in Business and Win* (United Kingdom)**

**"Sampson Lee unravels the mystery of customer delight."**

**Jim Sterne, Chairman, Digital Analytics Association (United States)**

**"Sampson Lee is an innovator and true thought leader  
in the customer experience world."**

**Bob Thompson, Founder/CEO, CustomerThink (United States)**

**"The concept developed by Sampson comes from the future,  
but the ROI started the day after I learned his methodology."**

**Adrian Barbu, President, Mystery Shopping Providers Association (Europe)**

**"Sampson's methodology is pivotal to my career development and enables me  
to develop into business leader rather than customer service specialist."**

**Wayne Grimshawe, Head of Customer Services, Barclays Corporate (United Kingdom)**

**"I attended the Global CEM Certification Program in London.**

**Sampson's methodology was for me an eye-opener and since then we are very  
attentive at how to enhance customer experience on our IMD campus."**

**Guy Schröcker, Executive Director Marketing & Communications, IMD Business School  
(Switzerland)**

**"We licensed Sampson's methodology for years. This brought  
us and our customers valuable results: improved loyalty, brand  
differentiation and increased sales. We applied his method successfully in  
financial services, telecom, FMCG, charity, e-Commerce and retail."**

**Kees Kerkvliet, Owner, TOTE-M (Netherlands)**

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*This book is dedicated to my family,  
Tsang-tsang my mother, Wai-yin my wife, and Chung-shun my son.  
You are the blessings in my life.*

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## PROLOGUE

# David & Margaret

Margaret was beautiful; David was a promising young writer. They met five years ago in their mid 20's, fell in love and began living together.

A few months later, Margaret started to complain: David was too focused on writing and didn't spend much time with her; he wrote slow and didn't make enough to support a decent living; he was out-of-shape and didn't care enough about his appearance.

David decided to change: he drastically reduced his time spent on research, reading and thinking, and wrote as quickly as possible; he also began hitting the gym with regularity.

For the next two years, David earned much more, got in shape and spent more time with Margaret; she expressed her delight at the changes on a monthly basis.

However, things began to sour in the third year. The attributes of David that Margaret had initially found attractive were gradually evaporating: his laser-focused concentration at work had vanished and his written works were no longer outstanding.

Now, in Margaret's heart of hearts, David wasn't the same person she had admired five years ago. Margaret wanted to be honest with herself: she lost her feelings of affection for the new David. She broke up with him.

Did David do anything wrong?

1. **He put Margaret at the center of his life**, listened to her and changed accordingly.
2. **He received positive feedback (data)** from Margaret every month for those changes.
3. **He split his time (resource)** from ‘focusing on work’ to ‘Margaret, work and gym’.

What a sad love story! It could be a sad brand story too.

Just like when a brand is **putting the customer at the center of everything they do**: listening to customers, making **data-driven** decisions and trying to **satisfy the critical needs** of their customers. It looks like an exemplar in customer-centricity.

However, it might devastate your brand if you forget who you are and dilute your limited resources on things which don’t reflect your brand promise or what you stand for. For example, when the Starbucks’ experience became fast and efficient – but no longer relaxing and enjoyable – at the expense of the Third Place\*.

Despite customer-centricity being a sacred belief in the commercial world for decades and passionately preached by field gurus, academics, technology vendors and management consultants as something every competitive company should be chasing for, in my view, it’s greatly overrated.

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\* Howard Schultz (chairman and CEO of Starbucks from 1986 to 2000 and again from 2008 to 2017, as well as its executive chairman from 2017 to 2018) had a vision to bring the Italian coffeehouse tradition back to the United States. A place for conversation and a sense of community. A third place between work and home (retrieved 27 May 2019, from <https://www.starbucks.com/about-us/company-information>).

I wrote this book to criticize the ineffectiveness of customer-centricity and its associated business approaches – effortless experience, continuous improvement and conventional CX (customer experience) – and demonstrate their destructive impacts on the customer and brand.

To challenge the status quo, I suggested an inconceivable yet superior alternative to customer-centricity in the context of business strategy: it drives customer success, achieves business results and builds extraordinary brands, with no extra resources deployed.

Enjoy the book.



## CHAPTER 1

# Even a Nine-Year-Old Can Understand

A few years ago, I took a summer vacation to Disneyland Hong Kong with my extended family, a total of 13 people including my 15-year-old teenage son and my 86-year-old father-in-law.\*

There were many laughs and lots of effort expended during this vacation, but there was one defining moment. We all found it to be the most memorable and joyful – the photo opportunity at breakfast with all the Disney characters at the Disneyland Hotel restaurant. Let's recall it now.

### What Our Memories Recall

The weather is perfect. The breakfast is delicious; the buffet has so much variety. Then, the peak moment arrives – Mickey, Minnie, Donald and Daisy appear.

Their gestures are lovely and they tease and play with each of us, young or old. They spend an extended period of time with us to take individual and group photos.

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\* I would like to add a disclaimer: the "Disneyland Hong Kong family vacation" was my personal experience and happened to me at a specific location. It is a simple example I use to further clarify the methodology.



**Figure 1-1 Defining Moment: A Kiss from the Adorable Daisy Duck**  
(Photo courtesy of Tse Chun)

The signature photo of the trip is the one with Daisy kissing my 25-year-old nephew. Even today, we still recall the smiling faces and big laughs during this breakfast. Our remembered experience is great.

## What We Actually Experienced

Yet, the rest of the vacation is far from great. As in every other Disneyland around the world, there are long queues everywhere from restaurants to theatres to rides.

The food, other than breakfast, is only average. The play in the theatre is neither fun nor exciting. The rides are boring. The hotel we stay at is

dull, like any other local three-star hotel, lacking the genuine ‘Disney’ feel.

Despite the fact that Hong Kong Disneyland is small\* with a flat landscape, their crowd control is terrible. We almost skirmish with a group of people who jump the queue while we line up for the ‘round the park’ train. Our actual experience is unpleasant.

## Forget the Realities; Concentrate on Memories

Although there are numerous unpleasant moments during our actual experience, the whole family remembers only the most pleasurable moments – particularly the photos with the Disney characters during breakfast – and overlooks all the unpleasant feelings.

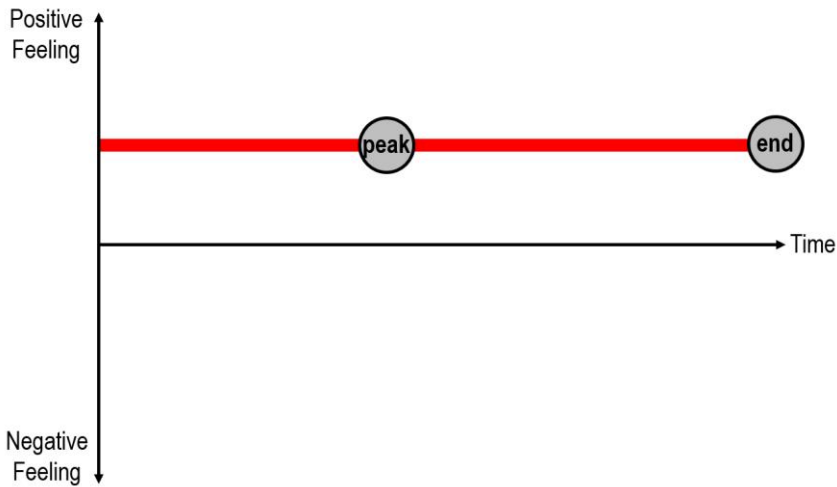
By the end of it, everyone calls our Disneyland visit “a great family vacation!” How we feel after the fact is not determined by the actual experience but our remembered experience.

To deliver a memorable and effective experience, we should forget the realities, and concentrate on memories – to focus resources on the critical few moments that customers recall. It lays the foundation for a *resource revolution* in customer experience management.

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\* According to the official Walt Disney Company 2012 Fact Book, Hong Kong Disneyland is the smallest in terms of size among all Disneyland parks and resorts around the world.

## Everyone Is Doing This



**Figure 1-2 Emotion Curve: The Conventional Approach**

The majority of business leaders have been brainwashed by the sacred beliefs of pursuing excellence, customer-centricity and continuous improvement. They are determined to eliminate any pain points, efforts, frictions, imperfections and defects within an experience.

The *red Emotion Curve*\* in figure 1-2 represents the conventional approach. Companies are working hard to raise the entire red curve higher and higher still.

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\* An Emotion Curve is mapped by linking all the satisfaction levels of the sub-processes and attributes that are encountered or perceived by customers and affect their emotions in a natural time sequence during a touch-point experience. I created the Emotion Curve in 2006. See Sampson Lee, [One Cup of Coffee, 20 Experiences: Take a Tip From Starbucks](#) (Customerthink.com, 4 June 2006).

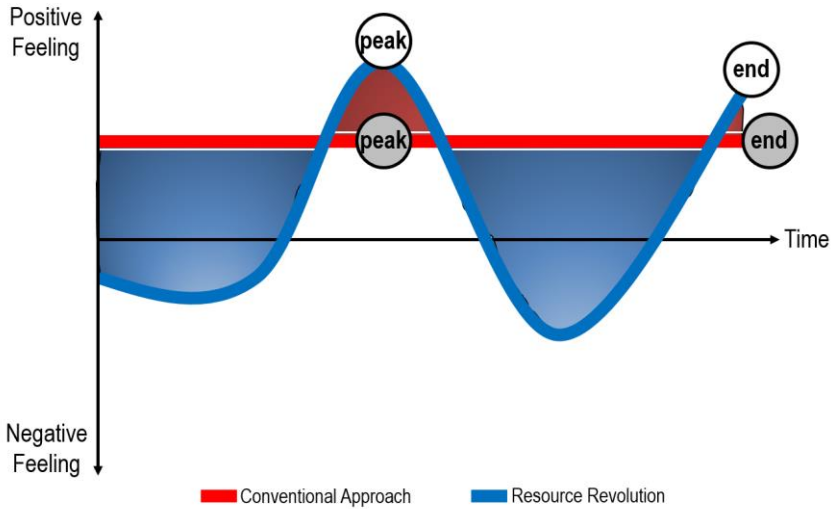
Nobel-prize winning psychologist Daniel Kahneman suggests that only two moments – the peak and end – have significant impacts on how we feel about the experience.\*

The red curve dilutes your limited resources on too many things with insignificant peak and end. Customers forget you and resources are wasted. It is an ineffective experience.

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\* Daniel Kahneman (born 1934) is an Israeli-American psychologist. He was awarded the 2002 Nobel Prize in Economics for his work in prospect theory. The Peak-End Rule is a psychological heuristic by which people judge experiences largely based on how they felt at their peak and at their end, rather than based on the total sum or average of every moment of the experience. This heuristic was first suggested by Daniel Kahneman and others. Originally, the Peak-End Rule was applied to the evaluation of pain, see Donald A. Redelmeier and Daniel Kahneman, *Patient's Memories of Painful Medical Treatments: Real and Retrospective Evaluations of Two Minimally Invasive Procedures* (Pain 66, 1996), 3-8. Later studies supported the idea that the effects found in retrospective evaluations of pain are applicable to evaluating pleasure, see, for example, Amy M. Do, Alexander V. Rupert, and George Wolford, *Evaluations of Pleasurable Experiences: The Peak-End Rule* (Psychonomic Bulletin & Review, 2008, 15 (1)), 96-98.

## Deliver More With Less



**Figure 1-3 Emotion Curve: The Conventional Approach vs. A Resource Revolution**

Now, let's take a paradigm shift and allocate the resource differently by focusing on a critical few and allowing customers to experience valleys. The *blue* curve in figure 1-3 represents a resource revolution.

By following the Peak-End Rule, the blue curve generates a higher peak and a higher end point than the red one – which customers will be able to recall.\*

Does it mean that we have to spend more resources? Yes, we do have to spend more on the peak and the end as shown by the areas *shaded burundy*. At the same time, we can save an even greater amount of re-

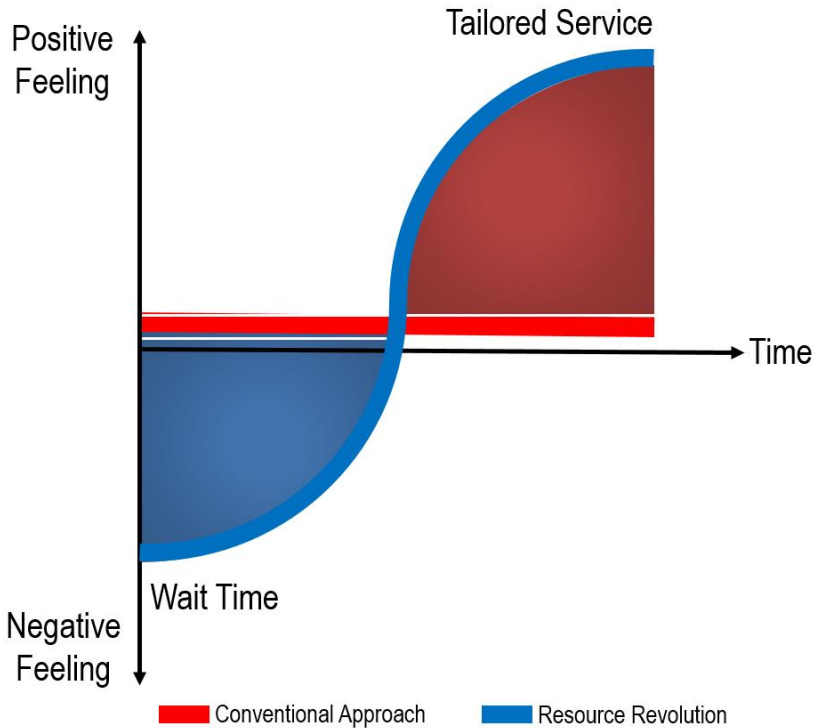
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\* According to the Peak-End Rule, other information aside from that of the peak and end of the experience is not lost, but it is not used.

sources as represented by the areas *shaded navy*. This implies that we can deliver a more pleasurable experience to our customers with fewer resources.

The resource revolution is patently simple: allow valleys to create peaks.

## Even a Nine-Year-Old Can Understand



**Figure 1-4 Emotion Curve: The Retail Banking Experience at a European Bank**

A European bank applies the resource revolution to their retail operations.\* This bank used to deliver the retail banking experience using the conventional approach. They achieved neither high customer satisfaction ratings nor positive business results. They just looked more and more like rival banks, as represented by the *red* Emotion Curve in figure 1-4.

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\* The European bank is one of my clients. For reasons of client confidentiality, they will remain anonymous.



Then, they deployed a pilot project. They now allow their customers wait longer to be served than in an average bank. This generates a severe valley for their customers as shown in the *blue* Emotion Curve. By allowing the wait-time low, the bank creates a high point for their customers.

Without extra staffing but rather, by reallocating their manpower, the bank concentrates resources on face-to-face consulting services and trains the staff with more comprehensive product knowledge and better listening skills, with the objective of spending more time with each customer to personalize solutions.

The resource revolution rewards. The overall customer satisfaction score (C-SAT), net promoter score (NPS) and conversion rate (percentage of customers who accepted the next consulting appointment for investment products) have increased. The bank utilizes resources more effectively than before and more effectively than any other bank, by “allowing valley”.

The foundation of the resource revolution is allowing valleys. Without valleys, we don’t have resources to spare for creating significant peaks. “No valley, no peak.” It is that simple. Like “No pain, no gain”, this is common sense even a nine-year-old can understand.

## Make Your CEO an Irresistible Offer

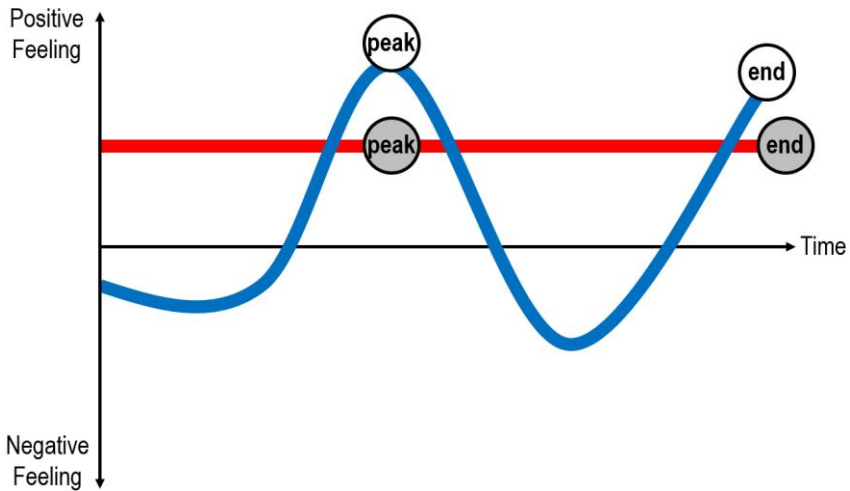
However, common sense is not always so common. Most of us are being indoctrinated to trust only data and the advices rendered by experts or authorities; our own thinking and judgments have long been dormant. Think of the last time you made a business decision based on common sense and your independent thinking – it’s time to reactivate them.

- **No Valley, No Peak.** Now you might become more astute to focus your resources creating peaks. But without allowing valleys – when your resources are still being locked for maintain-

ing a certain level of standard throughout the entire experience – you won't be able to spare a substantial amount of resource to generate notable peaks.

- **Your Rivals will do the Same Thing.** The Peak-End Rule is easy to comprehend. You can focus your resources on the peak and end, and so too your rivals. Imagine when everyone is practising it, and you end up playing a game of catch-up. The experience wouldn't deviate much from the original flatten red curve and is forgotten.
- **All Companies have Limited Resources.** To avoid total assimilation and to breakthrough, you would have to ask for an extra, considerable amount of resource to create significant peaks. Why do so many customer experience (CX) initiatives fail to get the support of CEOs? Because quite a number of CX professionals are so devoid of business sense to acknowledge the fact that every company has limited resources.
- **Allow Valleys to Create Peaks.** Focus resources on where customers would remember and save resources on where they wouldn't recall. By doing so, you can deliver a more effective experience without extra resources. No CEO would stand in your way. When we allow valleys to create peaks, a dynamic blue curve appears.

## Choose the Color Which Fits Your Vision



**Figure 1-5 Emotion Curve: The Flat Red Line vs. A Dynamic Blue Curve**

“Allow valleys to create peaks” is not just a hollow catchphrase, it’s an effective strategy in managing customer experience. It puts your limited resources to their best use, and creates an extraordinary and memorable experience to your customers.

Pursuing the flat *red* line – eliminating pain points, efforts, frictions, imperfections and defects – is safe and widely accepted, as almost every company in the commercial world is endeavoring to achieve so, but it’s also the sure path to drive a mediocre and forgettable experience.

Striving for a dynamic *blue* curve is the road less travelled. You need to reawaken your common sense and independent thinking. It takes courage to start a resource revolution.

You also have to do the right things and do the things right – e.g. identify the right peaks and the right valleys, ensure that the peaks and not valleys are remembered, work out the most appropriate extent of the peaks and valleys, and derive the unacceptable levels of the valleys of your target customers. To be extraordinary is never easy or risk-free.

*Red or blue?*

## CHAPTER 2

# Striving for an Effortless Experience is a Wrong Strategy

Utilizing customer effort score (CES) could be destructive under two conditions: using CES as a key metric for your critical touch-point experiences and your brand promise is not about effortless. It would generate three negative consequences:

1. Drive a disremembered experience.
2. Damage your brand loyalty.
3. Reduce customers' pleasure.

### The Original Application Boundary of CES – Service

In the Harvard Business Review article *Stop Trying to Delight Your Customers*<sup>\*</sup>, the Corporate Executive Board's Dixon and colleagues stated, "When it comes to service, companies create loyal customers primarily by helping them solve their problems quickly and easily. Armed with this understanding, we can fundamentally change the emphasis of customer service interactions."

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<sup>\*</sup> Matthew Dixon, Karen Freeman and Nicholas Toman, *Stop Trying to Delight Your Customers* (Harvard Business Review, July-August 2010).

The CES creators suggested the following strategy to minimize customers' effort on service issues: "Reduce the need for repeat calls by anticipating and dealing with related downstream issues; arm reps to address the emotional side of customer interactions; minimize channel switching by increasing self-service channel "stickiness"; elicit and use feedback from disgruntled or struggling customers; and focus on problem solving, not speed."

The original mission of the customer effort score, as far as I understand, is to drive effortless service interactions.

## The Extended Coverage to Customer Experience – A Serious Problem

Reducing or eliminating customer effort in the service environment, is a win-win for both customers and company. Customers save time and hassles; company reduces costs and becomes more efficient. It is no surprise that CES is fast becoming a popular performance measurement metric in numerous organizations since its launch in 2010.

Nowadays, the application of CES has extended from service to customer experience (CX) – from driving effortless service interactions to driving effortless experiences; CES, along with net promoter score (NPS) and customer satisfaction score (C-SAT), are the three most important CX metrics.

However, the truth is, service is part of CX; service ain't CX (see the Harvard Business Review article *Know the Difference between Customer Service and Customer Experience*\* by Bruce Jones, senior programming director, Disney Institute), and that's the underlining cause, and the beginning, of a serious problem.

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\* Bruce Jones, [Know the Difference between Customer Service and Customer Experience](https://hbr.org/2016/03/know-the-difference-between-customer-service-and-customer-experience/) (HBR.org, 1 March 2016).

## Voice of Customers: Just Hate to ‘Sweat’

Let me explain why driving effortless experience is a serious problem, with empirical data derived from the Global IKEA In-store Experience Research\*.

Based on 3,384 valid responses from the research, the following are the three common pain points shared by IKEA customers around the globe. I present some of the voices of the customers below:

### **Pain Point #1 – Forced Round Tour**

- “Forced use of round tour, difficulty of getting directly to desired area.”
- “You can’t really go in for one specific item, you have to make your way around the entire store...”
- “Feeling like part of the herd grazing through the store.”
- “The shop layout is designed to force you to maximize unnecessary browsing...”
- “Even though IKEA has added short-cuts, it is still a navigation nightmare.”

### **Pain Point #2 – Availability of Staff for On-site Support**

- “Can be a pain trying to ask the service staff for assistance.”
- “Never enough sales help, I waited almost 45 minutes for help.”
- “Always need service but can’t always get someone who is available to help.”
- “Trying to locate our items in huge warehouse with confusing signage, very few people around to ask for assistance.”

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\* Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009.

- “Staff are usually too occupied to answer questions... probably staff-customer ratio is small...”

**Pain Point #3 – Queuing Time at Check-out Counter**

- “Checkouts are an awful experience!”
- “Way too crowded and line-ups are too long at check-out.”
- “Very crowded and long check out queues, especially on Saturdays.”
- “Check-out lines are generally long compared to other stores.”
- “Too complicated... long line-ups... not enough staff. Feels like you have to carve out a lot of time to buy from IKEA...”



## The Emotion Curve Echoes: ‘Sweat’ is Painful

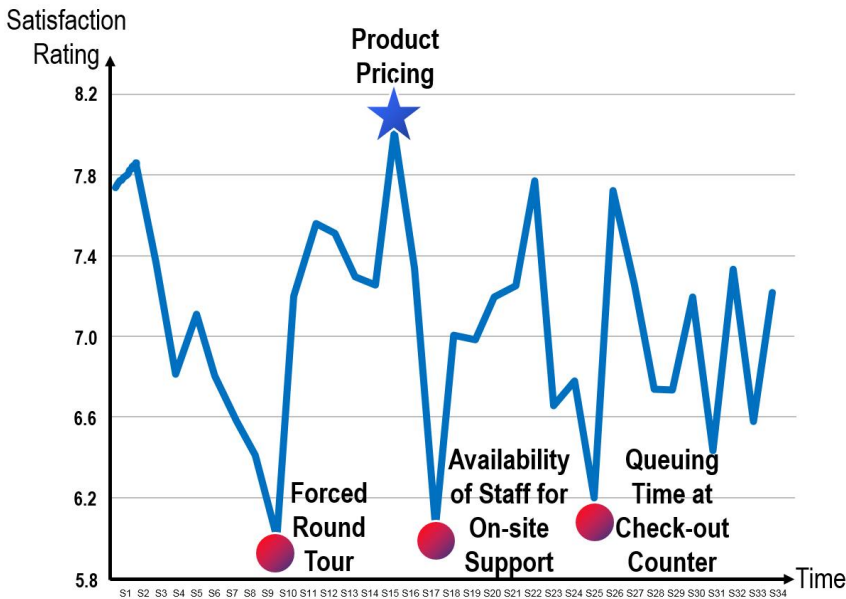


Figure 2-1 Emotion Curve: IKEA the Netherlands In-Store Experience

After heeding the voices of IKEA’s customers, let’s take a look at the Emotion Curve of IKEA the Netherlands in figure 2-1.

Based on 511 responses from the Dutch consumers through the Global IKEA In-store Experience Research, we generate their Emotion Curve. For simplicity’s sake, only the relevant sub-processes are shown here.

Out of the total 34 sub-processes of the IKEA in-store experience, the three most severe pain peaks are ‘forced round tour’, ‘availability of staff for on-site support’, and ‘queuing time at check-out counter’, and we found similar results in other regions. This also echoes the overarching perspective of customers – ‘sweat’ is painful.

So, with reference to the voice of customers and Emotion Curve, it is clear that IKEA's customers just hate to 'sweat', which begs the question: Should IKEA eliminate the three common pain points and strike for an effortless experience?

## Branded Pleasure and Good Pain

The mission of IKEA's founder, the late Ingvar Kamprad, is to make quality furniture that everyone can afford.\* Their brand promises are reflected at the pleasure peaks: price, product, product display and trial, cafeteria and ice cream. Even the cafeteria and ice cream communicate the consistent message of "good value for money" and align with IKEA's brand promises. As these pleasures are reflecting their brand promises, we call them *branded pleasures*.

IKEA never says 'service' is a brand promise. They hang up big posters inside the store, telling customers that, to further reduce prices, customers will be performing even more DIY (do-it-yourself) services. As expected, customer service is very limited, and once you have selected items from the huge storage area and managed to put them in or on your cart, you still have to wait in a long queue to check out and arrange for delivery and installation – we call these 'sweats' *good pains*.

Why they are good pains? Because by allowing those pains which don't reflect IKEA's brand promises – more DIY services and fewer staff for on-site support – a substantial amount of resources could be saved to further enhance their branded pleasures.

The existence of good pain is to support branded pleasure.

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\* "To create a better everyday life for many people by offering a wide range of well-designed, functional home furnishing products at prices so low that as many people as possible will be able to afford them." See Ingvar Kamprad, *The Testament of a Furniture Dealer* (Inter IKEA Systems B.V., 1976).

## Good Pain May Help Drive Business Results

I might have convinced you that the inadequate on-site staff support is a good pain, as it could save significant resources for the branded pleasure – price. But how about the two other common pain points – it doesn't appear that IKEA could save much by forcing customers to tour around the entire store or by creating a long queue at checkout.

In another IKEA research\*, we asked 518 customers on the spot at the exit of IKEA's store, to compare their 'planned purchase' (before the visit) versus the 'actual purchase'.

We then correlated the satisfaction rating of each sub-process during the IKEA in-store experience to the difference between the planned and actual purchase given by the on-site respondents, to derive the *X-VOC Data*†.

The results may surprise you: the number three instant purchase driver is 'forced round tour', while the number one is 'queuing time at checkout counter'. Both are negatively correlated; which means that the more suffering on the forced round tour and the longer it takes to queue up, the more items customers purchased on the spot.

## A Wise Leader Makes Customers 'Sweat' with a Reason

Well, the above unexpected results can be explained.

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\* Mainland China IKEA In-store Customer Experience Research (On-site), Global CEM, December 2008-February 2009.

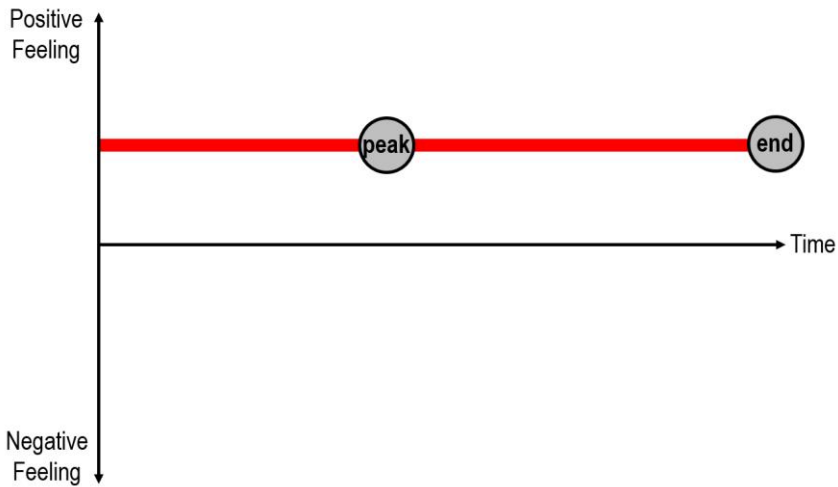
† X-VOC (voice-of-customer @ experience) Data are generated by X-VOC Research to obtain the satisfaction ratings and derive the importance levels of each of the sub-processes and attributes during a touch-point experience. For more about the X-VOC Data, see Appendix A: Simplify & Operationalize Customer Journey Mapping.

Some customers from the research mentioned that they bought some items they hadn't prepared to buy, but when they were going through the round tour they found these items interesting or irresistible. In alignment with the theories of "sunk costs" and "social proof", the customers feel it justified to buy more when in a long queue as they were already there; it must be something worthwhile to have so many people willing to spend time waiting for payment at check-out.

While I suspect Ingvar Kamprad ever conducted the same research as ours to derive instant purchase drivers, his judgments to tolerate those pains, grounded with over half a century learning-by-doing experiences and first-hand observations on on-floor operations, could be made even more accurate and reliable than the quantitative data rendered by any correlation analyses.

A wise business leader would never let customers suffer for nothing – these are *unnecessary pains*. Ingvar makes customers 'sweat' with a reason: allowing good pains to generate significant branded pleasures.

## “Zero-defect” Drives a Forgettable Experience



**Figure 2-2 Emotion Curve: A Forgettable Experience**

Mark Stanley, senior principal business consultant of Genesys, once said, “For years companies do not take time to focus on identifying their own branded pleasures and good pains. Only a handful of leaders at the top of the company understand this.”

Kamprad was a minority. Ignited by the rise of Generation Z with its zero-tolerance of wait time and the ‘expectation transfer’ incited by the Amazon effect\*, the fever of effortless experience has reached its peak since the launch of customer effort score in 2010. The majority of business leaders are now trying their best to eliminate any effort on the cus-

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\* The Amazon effect is the ongoing evolution and disruption of the retail market, both online and in physical outlets, resulting from increased e-commerce. The name is an acknowledgement of Amazon's early and continuing domination in online sales, which has driven much of the disruption (retrieved 22 May 2019, from <https://whatis.techtarget.com/definition/Amazon-effect>).

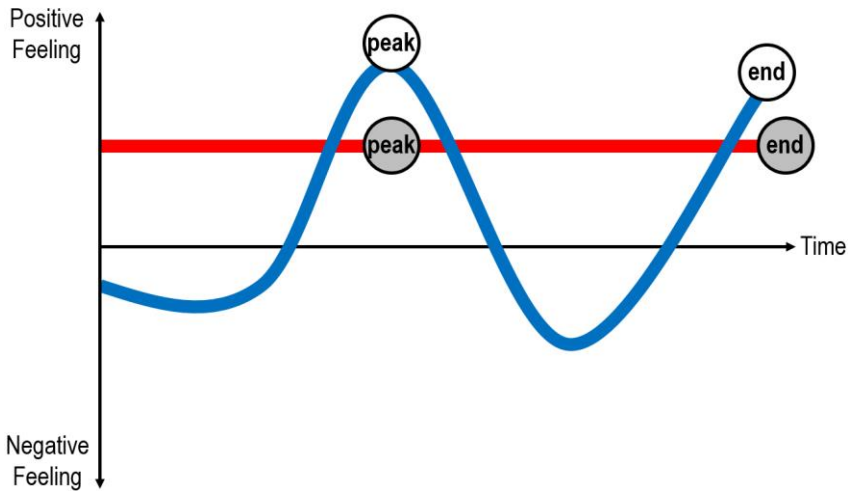
tomers' part, from the beginning to the end of an experience, in order to satisfy their customers. The *red* Emotion Curve in figure 2-2 represents the conventional approach.

It engenders, however, an ineffective experience.

The problem of the red curve – a zero-defect or an effortless experience – is that you dilute your limited resources on too many things. As a result, insignificant peaks and ends are generated. You are simply wasting your company's resources as the experience is not remembered by your customers. Would you regard a forgotten experience to be effective? No, you wouldn't.

An effective experience has to be remembered.

## Why Pleasure – Not Pain – Peaks are Recalled



**Figure 2-3 Emotion Curve: The Forgettable Experience vs. A Memorable Experience**

A few wise leaders go against the tide to undertake the resource revolution – allowing pain or imperfection – to deliver a dynamic *blue* Emotion Curve in figure 2-3. It focuses on the critical few moments – peak and end. This approach creates a memorable experience with significant pleasure peaks, while spending fewer resources.

Daniel Kahneman does explain how an experience is remembered – the peak and the end; he, however, does not explain which peaks – pleasure or pain – are recalled by customers. The decisive factor is: do you keep your promise, i.e. are you delivering a *branded experience*?

When you deliver your brand promise, customers remember the pleasure peaks.\* On the other hand, when you fail to deliver on promise, they recall the pain peaks.

Personally, I share my sympathies with the research respondents. I hate the forced round tour, the never-enough on-site manpower, and the prolonged waiting time at cashier. Whenever I shopped at IKEA, I swore I wouldn't be back. But for the past three decades, I have bought from IKEA again and again. Why? Because IKEA is delivering a highly memorable and branded experience. What I recall from my memories are the significant pleasure peaks, which reflect their brand promise: good value for money.

## "Frictionless" Harms Your Brand Loyalty

The essence of brand loyalty is that customers have to remember you and what you stand for. To achieve that, you have to deliver the dynamic blue Emotion Curve experience consistently and repeatedly, with your brand values reflected at the pleasure peaks, i.e. your branded pleasures.

Think of how you make your buying decisions. For example, if you want to enjoy a relaxing afternoon, away from your home and office, with a decent cup of coffee. Starbucks is probably the first thing that comes to mind – because you recall their significant pleasure peaks from your memories – the 'new coffee experience' and the Third Place.

Bob Thompson, CEO of CustomerThink Corp., commented on *Do you really want to create a frictionless customer experience?*<sup>†</sup>, "I'm seeing

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\* Actually, customers don't forget the pain peaks, they just bear with them in exchange for something valuable – a value exchange. For more about the value exchange, see Chapter 4: A Wise CEO Would Never Buy into Conventional CX.

<sup>†</sup> See Adrian Swinscoe, *Do you really want to create a frictionless customer experience?* (Customerthink.com, 5 March 2017).

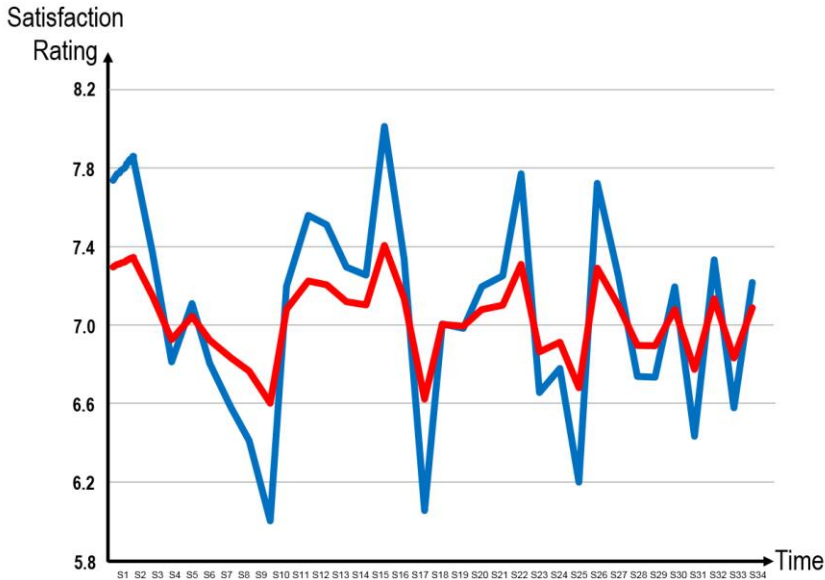


Starbucks and other premium coffee shops offer mobile orders. In the short term, could be nice for those in a hurry. Longer term, will it result in consumers saying to themselves “Why am I paying \$4 for a cup of coffee when I’m not spending any time in the store to enjoy it?” Next step: drive thru?”

What if Starbucks focused their resources driving full-force to deliver a frictionless experience? Their significant branded pleasures would turn insignificant, and their brand values would become blurry in customers’ memories. Ultimately, their brand might not be recalled.

When you are delivering the flat red Emotion Curve – an effortless or a frictionless experience – there will be no brand loyalty at all. Brand loyalty is, literally, determined by our memories. No memories, no brand loyalty.

## "Painless" Eliminates Pleasure Peaks



**Figure 2-4 Emotion Curve: If IKEA were Customer-Centric**

Similar to Starbucks, if IKEA listened to the voices of their customers, and followed the conventional approach, to adopt CES to eliminate the pain points and strike for an effortless experience, what would happen?

Pains and efforts will be minimized or eliminated, and so too the pleasure peaks. Because no company has unlimited resources, and the dynamic *blue* Emotion Curve would turn into a flattened *red* one as shown in figure 2-4.

As a result, customer's pleasures are reduced, resources are wasted, and the brand is homogenized. The branded experience turns into a *no branded experience*.

Both the customers' pains and pleasure peaks cease to exist.

## Great Brands Always Make Customers 'Sweat'

Great brands have one thing in common: they make customers sweat.

- IKEA makes customers sweat with DIY services to generate unmatched pleasure on good value for money.
- Starbucks makes customers sweat with premium pricing and waiting time to create extraordinary pleasure with their “new coffee experience” and the Third Place.
- Louis Vuitton makes customers sweat with the different service levels to deliver unprecedented pleasure with exclusivity.
- Southwest Airlines makes customers sweat with no meals, entertainment, upgrades or reserved seats to offer knockout pleasure with cheap airfares.
- Jiro’s sushi restaurant makes customers sweat on most aspects of the dining experience to render the utmost pleasure with the best sushi in the world (see Chapter 3: Continuous Improvement Destroys Blue Oceans).

By making customers ‘sweat’ – allowing good pains – resources can be channeled into their branded pleasures. That is why IKEA, Starbucks, Louis Vuitton, Southwest Airlines, Sukiyabashi Jiro and other great brands are able to deliver a highly memorable and branded experience.

## Don't Get Me Wrong! CES Could be a Good Metric

Despite my emphasis on the potential damages caused by customer effort score (CES) in driving an effortless experience, I do totally agree with the CES creators that customer effort score is a good metric when used in a service environment driving effortless service interactions.

At the beginning of this chapter, I said “Deploying customer effort score could be destructive: use CES as a key metric for your critical touch-point experiences.” But it could, equally, be constructive if you apply CES in non-critical touch-point experiences.

Take, for example, a banking experience. When withdrawing cash from an ATM machine, doing a simple online transaction, or calling a hot-line to report the loss of a credit card, customers simply need a frictionless or an effortless experience. No more, no less.

The majority, say 90% (just a ballpark figure, it varies from industry to industry, and company to company) of the interactions with a brand fall into that category: customers don’t need any significant pleasure peaks, they merely want to ‘get things done’.

Don’t get me wrong! CES could be useful: CES is the right metric for a pure service environment and the non-critical 90% touch-point experiences.

## Adopt CES Blindly is a Wrong Strategy

The remaining 10% interactions are the true differentiators of a brand – touch-point experiences that deliver their promises and drive customers to buy from them in the first place – e.g. the IKEA in-store. Unless your brand promises are about effortless, faster and easier, like Amazon.com, McDonald’s or Seven Eleven; otherwise, CES is definitely not the right metric to use.

I understand that the customers’ standards of unacceptable levels is ever rising; customers tolerate less and less in terms of inconvenience and inefficiency. Even IKEA has added shortcuts and fast lanes for check-out at some of their stores. However, slightly raising the pain points in order not to drive customers away, is entirely different from driving full force for an effortless experience. Don’t mix them up.

Strategy is about resource allocation. The effectiveness of a strategy is primarily determined by the effectiveness in resource allocation. Adopting CES is not only a bad strategy – put your resource to poor use – it’s a wrong strategy. It is wrong because it delivers the opposite of what you desired: driving a disremembered experience, damaging your brand loyalty, and reducing customers’ pleasures. Instead of a win-win, it becomes a lose-lose outcome for both customers and your company.

Perhaps you should ask yourself this: Why spend money and resources to strike for an effortless experience – at the expense of a memorable experience, your brand loyalty and customers’ pleasures – just for the sake of enhancing customer effort score?

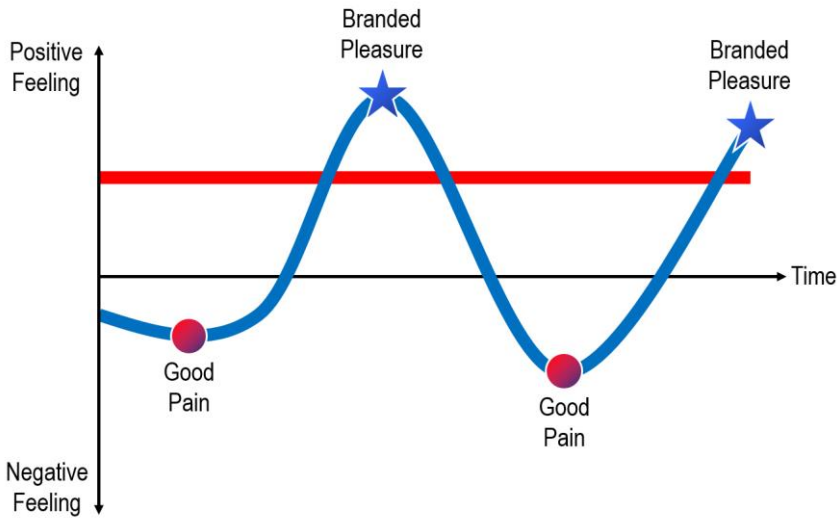
## My Two Cents

Here are my two cents for the different scenarios you may encounter:

- Let’s say effortless is your brand promise, then CES is a perfect metric for all your touch-point experiences, no matter critical or non-critical.
- Given that your brand promises have nothing to do with faster or easier, if you are already deploying CES, you should seriously consider narrowing down the scope to cover only the non-critical 90% interactions.
- If your company is thinking of adopting CES as a key performance metric for the critical 10% touch-point experiences, you should pause and spare a thought for: “What are my brand promises?” before reaching a final decision.
- When your major rivals have applied full-scale CES in their CX (customer experience), and their brand promises are unrelated to effortless, you should do two things: pop open some

champagne to celebrate and pray that they never get their hands on this book.

I do believe that it's simply a matter of time before the sensible leaders are able to rectify their mistakes with the aid of common sense and critical thinking: to stop pursuing frictionless unmemorable experiences (the flat *red* line) and start creating good pains and branded pleasures (a dynamic *blue* curve).



**Figure 2-5 The Effortless Experience vs. A Branded Experience**

## CHAPTER 3

# Continuous Improvement Destroys Blue Oceans

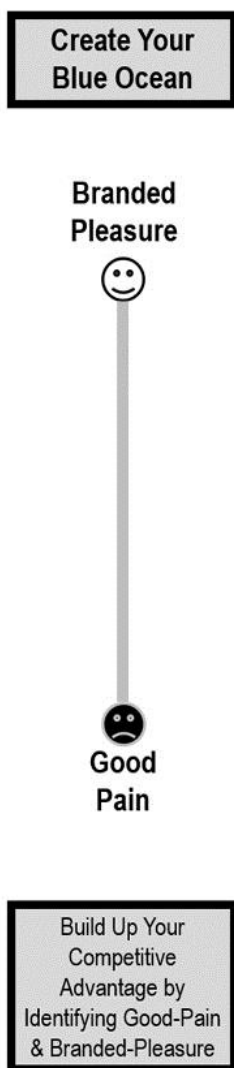
*Blue Ocean* is about using value innovation to reach new and untapped markets.\* It sounds exciting, especially in today's highly competitive environment where many companies are trying to pursue their Blue Ocean. However, not many are successful in creating Blue Ocean. Even for those who have successfully created their own Blue Oceans, they soon turn red. Companies usually cannot sustain what they create. Why?

The most common and observable explanation is: innovations are copied. The uncommon and hidden truth is something you may have never thought of: companies improve pain.

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\* See W. Chan Kim and Renee Mauborgne, *Blue Ocean Strategy: How To Create Uncontested Market Space And Make The Competition Irrelevant* (Harvard Business Review Press, 2006).

## Build Up Your Competitive Advantage by Identifying Good Pain and Branded Pleasure



**Figure 3-1 Create Your Blue Ocean**



In figure 3-1, you create your Blue Ocean by generating a significant pleasure peak for customers.

In this stage, particularly for the start-ups, you focus your energy and limited resources on what makes you succeed and stand out – your competitive advantage – and you disregard imperfections and defects you might generate. In other words, you build up your competitive advantage by identifying your good pain and branded pleasure.

## The “Pain has to be Improved” Phenomenon

After creating their Blue Oceans, most companies move towards *destructive improvement*. When they go in this direction, their Blue Oceans are wiped out by the “pain has to be improved” phenomenon. This phenomenon is driven by the sacred belief of continuous improvement and customer-centricity.

Continuous improvement is the philosophy behind Kaizen\*, which preaches relentless and continuous improvement, and the key systems dedicated to pursuing excellence, such as Six Sigma and Total Quality Management (TQM). Imperfections, pain and defects are the ‘devil’ and must be eliminated. Pain has to be improved.

Customer-centricity dominates our modern commercial world. Customers’ voices ought to be heard, customers’ complaints must be addressed, and making customers suffer is an unforgivable sin. Pain has to be improved.

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\* Kaizen is Japanese for “good change”. When used in the business sense and applied to the workplace, kaizen refers to activities that continually improve all functions, and involves all employees from the CEO to the assembly line workers. By improving standardized activities and processes, kaizen aims to eliminate waste. Kaizen was first implemented in several Japanese businesses after the Second World War, influenced in part by American business and quality management teachers who visited the country. It has since spread throughout the world and is now implemented in environments outside of business and productivity (Wikipedia, 6 August 2014).

If you were the founder of a start-up who has just uncovered a new Blue Ocean, or if you were a senior executive who has successfully created a new distinctive competitive advantage in your industry, you would want to move forward, to build a stronger and bigger company. You might buy business books, attend conferences, or employ consulting companies. I'm sure two messages would consistently be heard from these field gurus, academics, technology vendors and management consultants: always focus on continuous improvement and customer-centricity. Pain has to be improved.

Destroy Your Blue Ocean by Improving Pain –  
Destructive Improvement

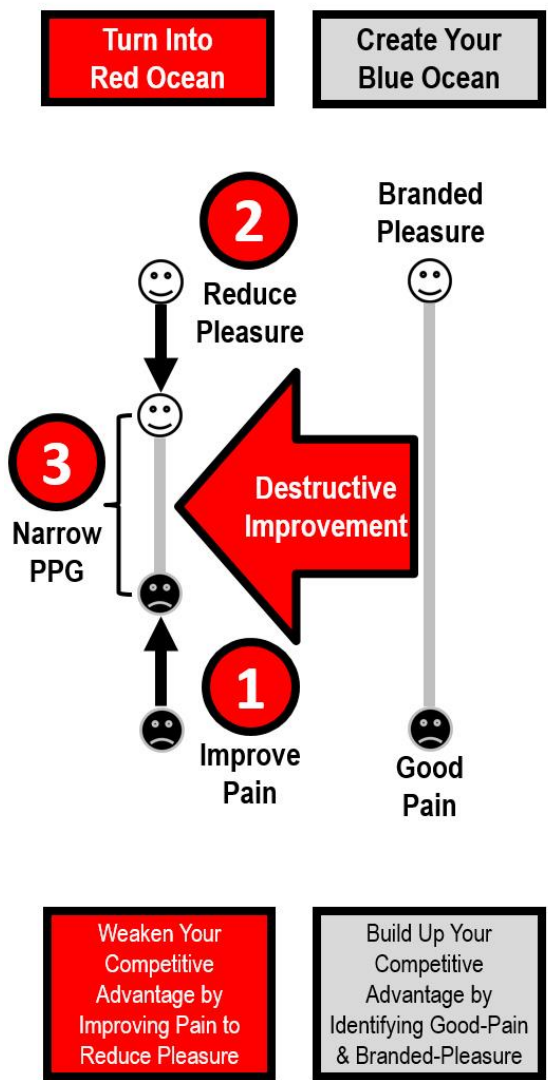


Figure 3-2 Destructive Improvement

On one hand, you are being brainwashed by the “pain has to be improved” phenomenon, while on the other hand, no surprise here; your big innovation is attracting imitators.

Very few Blue Oceans are immune to copying; it is often simply a matter of time and effort. Internet and new technologies have sped up this process and made it easier. When your rivals imitate your offering, it lowers the pleasure peak perceived by customers.

The opportunity cost of improving pain is missing the golden window to further enhance your branded pleasures by diluting your limited resource.

Using your resources more effectively than your competitors is a key to business success. Spending even a tiny amount to improve something that does not give you the desired result and you are taking a step back from achieving a higher pleasure peak and a step closer to weakening your competitive advantage.

Even if you improve those things that are either important or painful to your customers, if they are not linked to your branded pleasures, it is still destructive because it would eat up the resources of your branded pleasures, lowering the pleasure peaks for customers making it look more like its competitors and rendering it easier to copy. You waste your first-mover advantage.

Continuous improvement turns into destructive improvement. The Blue Ocean becomes a Red Ocean.

## Suffer the Most to Enjoy the Best Sushi in the World

Sukiyabashi Jiro, a sushi restaurant located in Ginza, Tokyo, has earned three Michelin stars for years.\* His restaurant is remote and difficult to find; it is in a basement in a far-off district.

The seating area is tiny; it can hold a maximum of ten customers at a time. Jiro doesn't accept walk-in customers and reservations have to be made more than a month in advance. The prices are steep; each customer pays more than 30,000 yen. His menu is fixed and offers only a limited number of choices.

This sushi restaurant pushes pains to the extreme: tiny space, long wait for reservations, expensive, and almost no choice. But Jiro does make great sushi. He never diverges from this mission. Jiro focuses all his resources, attention and energies to make sushi. He does not expend resources improving anything we see as a pain. In fact, customers boast about waiting for a reservation and getting lost on the way to the restaurant; they even proudly tout the expense of the meal.

By aggravating those pains, the sushi restaurant is creating the highest possible pleasure peak for their customers – the best sushi in the world.

Yet Jiro has the highest Michelin ranking and his restaurant is always full. The place is so distinguished that even former U.S. president Barack Obama asked to dine there during his visit to Japan in 2014.†

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\* See *Oldest head chef of a three Michelin star restaurant* (retrieved 22 May 2019, from <http://www.guinnessworldrecords.com/world-records/oldest-Michelin-three-star-chef>).

† See David Jackson, *Obama: 'That's some good sushi right there.'* (USA Today, 23 April 2014).

# Expand Your Blue Ocean by Aggravating Pain – Creative Aggravation

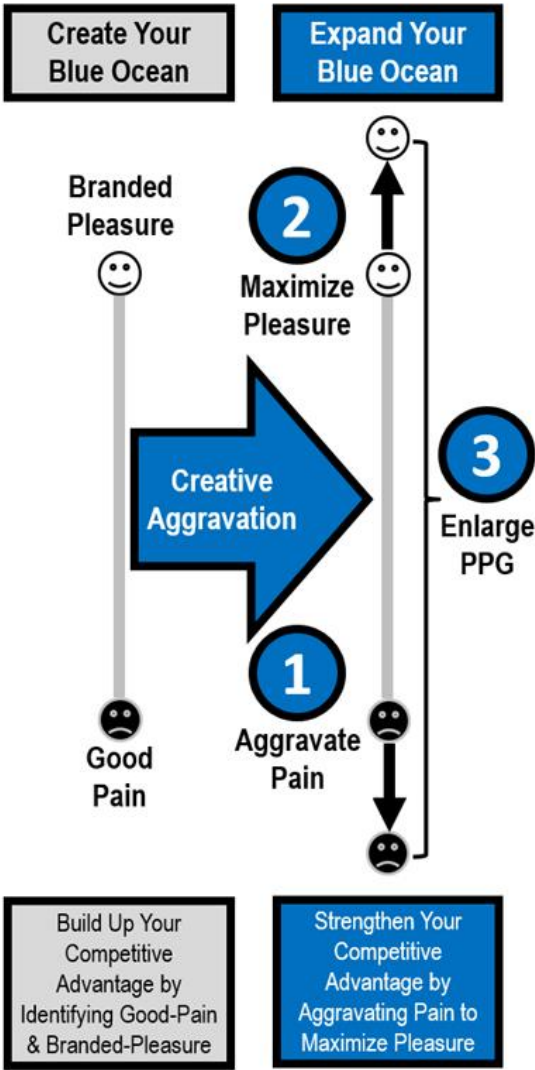


Figure 3-3 Creative Aggravation

In sports, and really in any competition, we recall the champions, the ones who win the gold medals. Same rule applies in customers' minds in business competition. To be the winner, you have to generate the highest pleasure to customers.

To generate the highest possible pleasure peaks, you have to move towards *creative aggravation*. On top of not improving pain, you aggravate pain; imagine the tremendous resource that you could save by re-allocating resource from good pains to branded pleasures. You generate the most severe pain peaks – as long as they are not falling into the unacceptable levels of your customers – so you can heighten your pleasure peaks to unprecedented levels. You make your company extremely difficult to imitate. You capitalize fully your first-mover advantage. You put your limited resources to their best use.

Creative aggravation expands your Blue Ocean, reinforces your competitive advantage and transforms it into a sustainable strength by aggravating pain.

## Great Brands Have a Large Pleasure-Pain Gap

Great brands have two things in common: they generate an unprecedented level of pleasure to their customers to beat their rivals and eliminate imitators; they have a large *Pleasure-Pain Gap* (PPG) to maximize their resource productivity.

- Based on empirical data collected globally from 8,500 customers\*, Starbucks, IKEA and Louis Vuitton each has a large Pleasure-Pain Gap (PPG).

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\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007; Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009; Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.

- Based on 4,500 valid survey responses\*, China Merchants Bank (CMB) outperformed all 15 credit card issuing banks on all metrics, yet had the largest PPG among all major rivals.
- Based on the feedbacks of 757 IT managers†, IBM has the most favorable B2B purchase experience as well as the largest PPG among 14 IT solution vendors.
- IKEA aggravates pain with DIY services to generate unmatched pleasure on good value for the money.
- Starbucks aggravates pain with premium pricing to create extraordinary pleasure with their “new coffee experience” and the Third Place.
- Louis Vuitton aggravates pain with the different service levels to deliver unprecedented pleasure with exclusivity.
- Southwest Airlines aggravated pain with no meals, entertainment, upgrades or reserved seats to offer knockout pleasure with cheap airfares.
- Jiro’s sushi restaurant aggravates pain on most aspects of the dining experience to render the utmost pleasure with the best sushi in the world.

All these industry leaders understand creative aggravation. They create the highest pleasure peaks to their customers by enlarging the Pleasure-Pain Gap.

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\* Mainland China Credit Card Customer Experience Research, Global CEM, May-June 2008 and May-July 2009.

† Mainland China B2B Purchase Experience (IT Solution) Research, Global CEM and CustomerCentric Selling (U.S.), July-August 2007.



## Make a Paradigm Shift from “Improve Pain” to “Aggravate Pain”

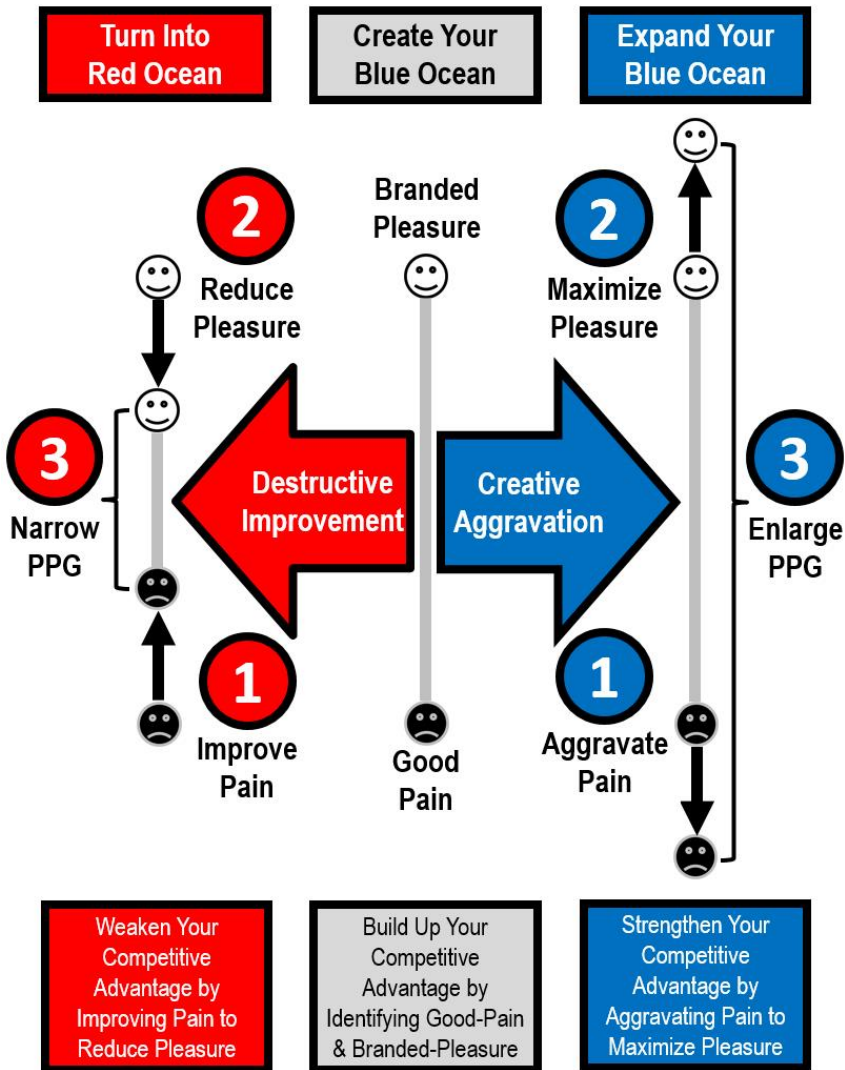


Figure 3-4 Destructive Improvement vs. Creative Aggravation

The secret to eliminating imitators and expanding your Blue Ocean is to make a paradigm shift from “improve pain” to “aggravate pain”.

Strategy is about resource allocation. The effectiveness of a strategy is predominately decided by the effectiveness in resource allocation. “Aggravate pain” is undoubtedly a far superior strategy because it uses resource more effectively than “improve pain”. There is no better way to transform your competitive advantages into sustainable strengths without deploying extra resources: “Increase your PPG.”

Visually, when you narrow your Pleasure-Pain Gap (PPG), you destroy your Blue Ocean. When you increase your PPG, you expand your blue ocean. The height of a building is in proportion to the depth of its foundation. It is common sense, is it not?

Not many companies are successful in creating Blue Ocean, as it takes a unique combination of wisdom, courage and innovative thinking to invest resources differently.

However, making a paradigm shift from “improve pain” to “aggravate pain” may require even more wisdom, courage and innovative thinking than creating your Blue Ocean in the first place. Only the most outstanding brands understand this and are able to put it into practice.

## CHAPTER 4

# A Wise CEO Would Never Buy into Conventional CX

Many customer experience (CX) professionals currently assess customer experience through the lens of biased ‘service’, and are becoming the “man with a hammer”: always adopting the “serve customers better” approach to try to solve every CX problem their respective clients or companies face.

This conventional approach to CX is just service-in-disguise. It is not *Real CX*.

What is Real CX, then? Well, in my opinion, Real CX should fulfil three minimum requirements:

1. It includes ‘product’ and ‘pricing’.
2. It objectively assesses customer experiences.
3. It renders non-biased solutions to CX problems.

## Real CX Includes ‘Product’ and ‘Pricing’

Despite the various definitions of CX\*, they don’t differ much from what Forrester Research had suggested in 2010: “How customers perceive their interactions with your company.”†

In 2015, Bob Thompson raised the following question: “Does CX include product and price?”‡ A dozen industry experts unanimously agreed that it does. Here are some quotes from them:

- “CX management is what a company does to affect interactions for the purpose of altering (or maintaining) the perceptions of customers. CX management does encompass products and pricing.” – Bruce Temkin, co-founder of CXPA.
- “CX is about the entire experience that a customer has. Therefore this includes pricing, product and anything else.” – Colin Shaw, founder of Beyond Philosophy.

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\* See, for example, Spencer Lanoue, [What is customer experience? 19 industry experts weigh in](#) (UserTesting.com, 9 March 2016).

† Harley Manning, [Customer Experience Defined](#) (Forrester.com, 23 November 2010).

‡ Bob Thompson, [Does Customer Experience Management include Products? Pricing?](#) (Customerthink.com, 13 January 2015).

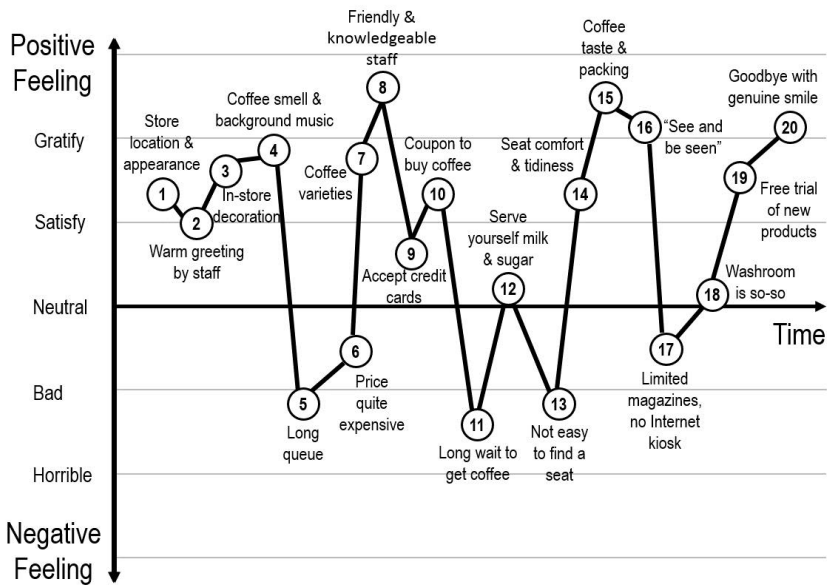
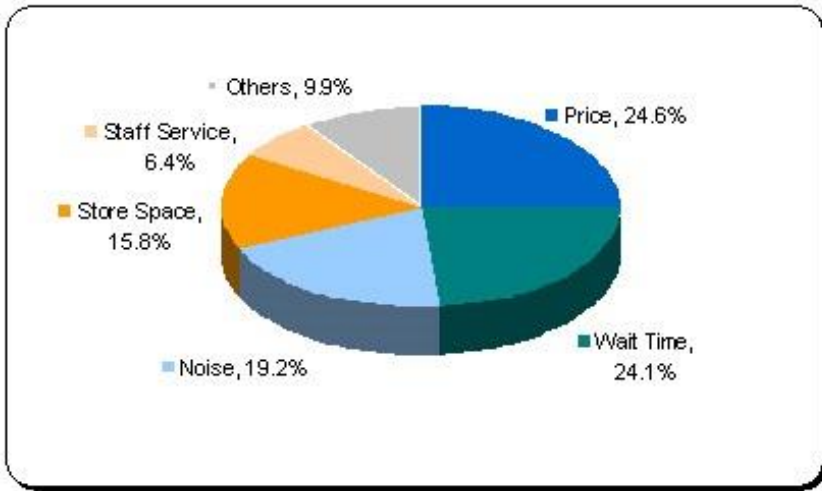


Figure 4-1 Emotion Curve: Starbucks In-Store Experience

As early as 2006, when I mapped the Emotion Curve for the Starbucks in-store experience\*, the price of coffee is part of the journey as shown in figure 4-1.

\* See Sampson Lee, *One Cup of Coffee, 20 Experiences: Take a Tip From Starbucks* (Customerthink.com, 4 June 2006)



**Figure 4-2** What do you like the least about the Starbucks in-store experience?

In a global research\*, 3,865 repeat customers answered an open question stated in figure 4-2. ‘Price’ is the aspect they like least about Starbucks.

In the customers’ mind, price is clearly an indispensable element in an experience, on top of the product itself (coffee). We observe similar findings in other research.†

Hence, Real CX would never leave out ‘product’ and ‘pricing’.

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\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007.

† Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009; Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.

## Conventional CX is “Service-in-Disguise”

According to a Frost & Sullivan white paper, “By 2020, customer experience is projected to overtake price and product as the key brand differentiator.”\*

What’s wrong with this statement?

As CX includes price and product, it’s logically impossible for customer experience to compete with price and product. Makes no sense. Literally, that ‘experience’ isn’t experience but some ‘other’ thing.

Bob Thompson responded: “In the earlier days of the CX movement, ‘experience’ meant ‘interaction’. Something other than product or price. And the rationale for CX investment was (and still is, largely): ‘We can’t compete on product or price, so we’re going to differentiate based on customer experience!’” What is that ‘other’ thing — interactions of course.”†

In the Harvard Business Review article *Know the Difference between Customer Service and Customer Experience*, Disney Institute’s senior programming director Bruce Jones stated: “Customer experience is about much more than just customer service. It is about fostering employee engagement. It is about truly understanding your customer, architecting a plan for delivering exceptional customer service, and then empowering employees to deliver it.”‡

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\* OMNI CHANNEL CUSTOMER EXPERIENCE: Not An Option, But A Strategic Necessity (Frost & Sullivan, 2015).

† See Bob Thompson, [An Inconvenient Truth: 93% of Customer Experience Initiatives are Failing...](#) (Customerthink.com, 7 February 2018).

‡ Bruce Jones, [Know the Difference between Customer Service and Customer Experience](#) (HBR.org, 1 March 2016).

Throughout the article, ‘product’ is barely mentioned and ‘pricing’ is completely forgotten. ‘Customer experience’ is by and large the expansion of ‘service’ – from a pure service environment branched out to cover every customer interaction, ranging from customer service staff to all personnel interactions with customers. Its core is “serve customers better”. Approaches similar to Disney Institute’s are commonly found everywhere in the CX industry.\*

No matter what we call this – an expanded version of ‘service’, or customer interaction management (CIM) – it is anything but Real CX without ‘product’ and ‘pricing’.

## The Mission of Real CX is to Deliver Brand Promise

“Customer Experience is a company’s delivery of its brand promise.” – Jeanne Bliss, co-founder of CXPA.†

When a brand delivers their brand promise‡ repeatedly and consistently, it drives brand differentiation, commands customer loyalty, and achieves business results.

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\* See, for example, Nicolina Savelli, *The Difference Between Customer Service and the Customer Experience* (Customerthink.com, 26 July 2016).

† See Spencer Lanoue, *What is customer experience? 19 industry experts weigh in* (UserTesting.com, 9 March 2016).

‡ For purposes of consistency and simplicity, in this chapter, the term ‘brand promise’ also covers brand value, brand purpose, value proposition and jobs-to-be-done. They all fulfil a similar cause: create values for customers.



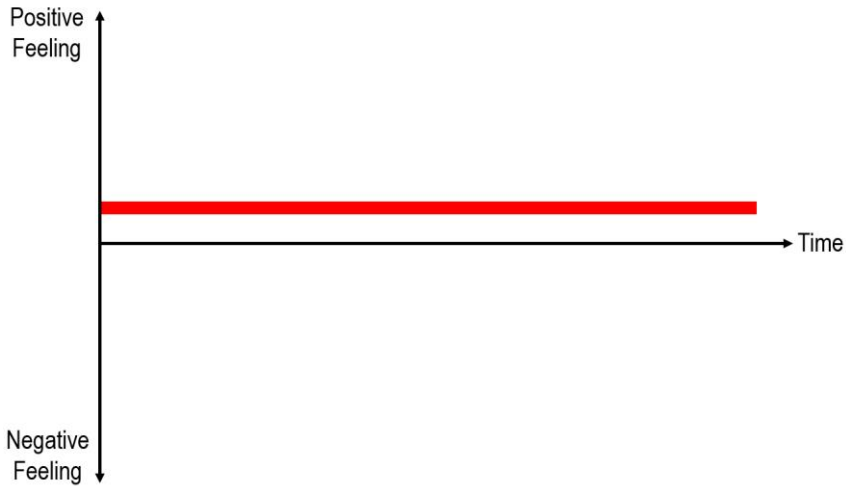


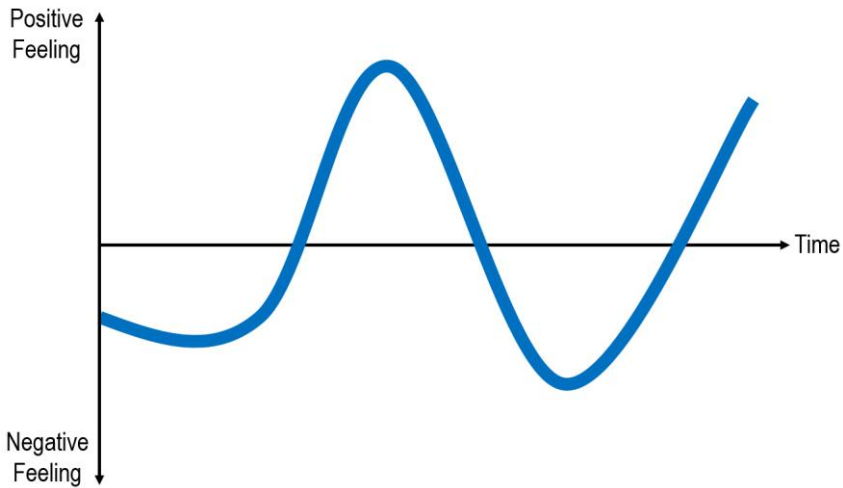
Figure 4-3 Emotion Curve: An Ordinary Brand

However, when a brand makes many promises or attempts to satisfy many customer needs\* – resources are diluted – their Emotion Curve becomes flattened. Pleasure peaks are insignificant, the experience disremembered, and the brand homogenized.

Extraordinary brands choose a different path.

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\* For ease of understanding, in this chapter, the term 'customer needs' is consolidated into three major categories: 1) 'Service' – such as service manner, professionalism, personalized service, self-service, relationship, convenience, speed, fun and caring; 2) 'Product' – like product quality, varieties, features, user-friendliness and product image; and 3) 'Pricing'.



**Figure 4-4 Emotion Curve: An Extraordinary Brand**

They select some of the critical needs of customers to be their brand promise. They focus resources on their promise and relax on the remaining needs. The experience is memorable and the brand is differentiated. Extraordinary brands like IBM, Starbucks, IKEA, Louis Vuitton and Dell all have a dynamic emotion curve.\*

Yet, the price of having peaks is allowing valleys. Some people misunderstand that it is about generating pain. It isn't. It is creating values for customers. Let me explain this with an important concept: *the value exchange*.

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\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007; Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009; Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008; Mainland China B2B Purchase Experience (IT Solution) Research, Global CEM and CustomerCentric Selling (U.S.), July-August 2007.

## Real CX Creates Values, Not Pain, for Customers

As a regular IKEA customer, performing DIY jobs is a valley. Though I can understand why IKEA makes me ‘sweat’ – to channel the savings to offer the best prices for their furniture and household items (IKEA’s brand promise) – effort is still undesirable; but it doesn’t stop me purchasing from IKEA, as long as the perceived ‘value’ (i.e. inexpensive prices) is larger than the endeavor (i.e. DIY services).

Similarly, being a loyal Starbucks customer, paying five US dollars for a cup of coffee is a valley. Even knowing why Starbucks has to charge premium prices – to create and maintain the Third Place (brand promise of Starbucks) – high-priced coffee is nevertheless unwanted; but it doesn’t dissuade me from buying Starbucks, to the extent that the perceived ‘value’ (i.e. the Third Place) exceeds the endeavor (i.e. premium prices).

Based on the above rationale, the DIY services of IKEA and premium prices of Starbucks are good pains and shouldn’t be eliminated, because they help generate substantial ‘values’ to customers – branded pleasures – which reflect the brand promises of IKEA and Starbucks. The existence of good pain is to support branded pleasure.

Literally, the widely held belief in the CX world that “Customer pain points are bad and have to be eliminated” is no longer valid.

## Not Every Customer Pain Point is Good

However, not every pain is good. Most customer pain points are bad or unnecessary and have to be reduced or eliminated. There are basically five types of pain:

- 1) **Inspirational Pain:** by solving it, you can create innovative solution, product or business model.

- 2) **Unnecessary Pain:** there is little or no value generated for customers; customers suffer for nothing.
- 3) **Good Pain:** by allowing it, your branded pleasure can be further enhanced.
- 4) **Bad Pain:** when the good pain falls to a level deemed unacceptable by your target customers, it becomes a bad pain.
- 5) **De-Branded Pain:** the attribute (pain) is supposed to be the pleasure peak because it reflects your brand promise.

To conclude, only the good pain should be allowed. For the remainder, you should either solve, minimize, or eliminate, and spend different level of resource addressing them.

## Real CX Objectively Assesses Customer Experiences

Real CX employs an objective approach for the evaluation of customer experience. It has three assessment criteria:

**1. Deliver Brand Promise.** Ritz Carlton has “Ladies and Gentlemen Serving Ladies and Gentlemen” (service), ULCCs (ultra-low cost carriers) offers the cheapest airfares (price), while BMW delivers “The Ultimate Driving Machine” (product).

Different brands choose – in order to satisfy different customers’ needs – different brand promises. We respect our customers and their choices of brand. We shouldn’t discriminate any brand promises, just as we don’t discriminate any customer needs or brand choices. All brand promises should be treated equally.

**2. Create Values for Customers.** For instance, the best prices for furniture of IKEA and the Third Place of Starbucks. These values are created through value exchange.

Some CX experts say they just want peaks and no valleys. Are they so lacking in common and business senses to comprehend the fact that “There’s no such thing as a free lunch”? There ain’t no peaks without valleys.

**3. Achieve Business Results.** For instance, first-time purchase (acquisition), repeat purchase (retention) and referral (positive word-of-mouth).

Different brands have non-identical business drivers. For example, the No. 1 repeat purchase driver of IKEA is ‘product pricing’\* while for Louis Vuitton it is the ‘exclusive feel of wearing/owning LV products’†. ‘Service’ isn’t always a business driver.

Therefore, excluding ‘pricing’ and ‘product’ from CX would be a monumental mistake. A brand could miss out on two important business drivers by doing so. ‘Price’ and ‘product’ shouldn’t be left out.

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\* Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009.

† Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.

## The Double Standard of Conventional CX on Brand Promises

Many CX professionals are now wearing biased ‘service’ lenses to assess customer experiences. This gives rise to the double standards on:

- Brand promises.
- Valleys.
- Peaks.

**Brand Promise Doesn’t Reckon Without ‘Service’.** Brands with promises that account for ‘service’ are generally being honored, e.g. Ritz Carlton, Southwest Airlines and Lexus. In contrast, brands are mostly disregarded if their promises are irrelevant to ‘service’.

For instance, certain CX experts openly, and disrespectfully, express that brands which compete purely on ‘price’ are “commodities”, “just utilities” and “won’t survive for long”. Here, brand promises are treated unequally.

## The Double Standard of Conventional CX on Valleys

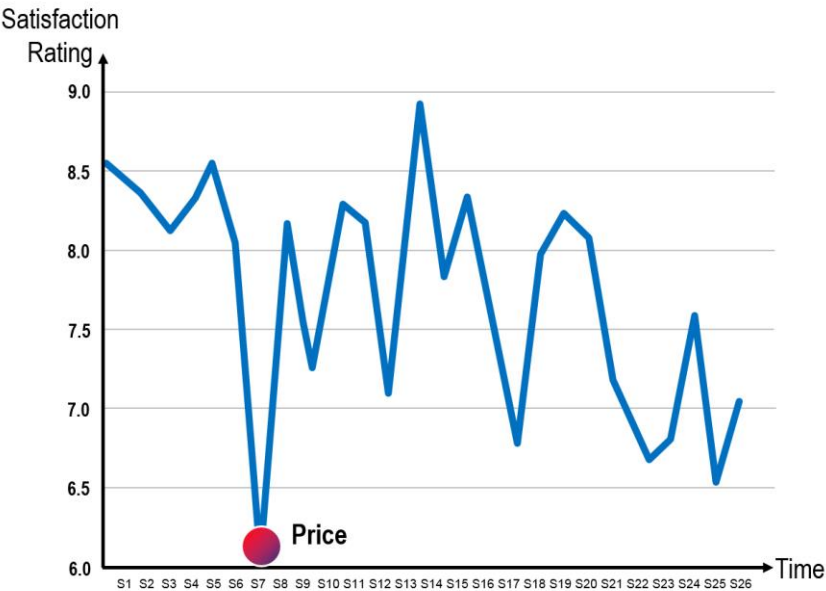


Figure 4-5 Emotion Curve: Starbucks In-Store Experience

Based on 715 responses from the North America consumers through the global Starbucks research\*, we generate their Emotion Curve in figure 4-5. ‘Price’ is the most severe pain point out of the total 26 sub-processes and attributes.

\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007.

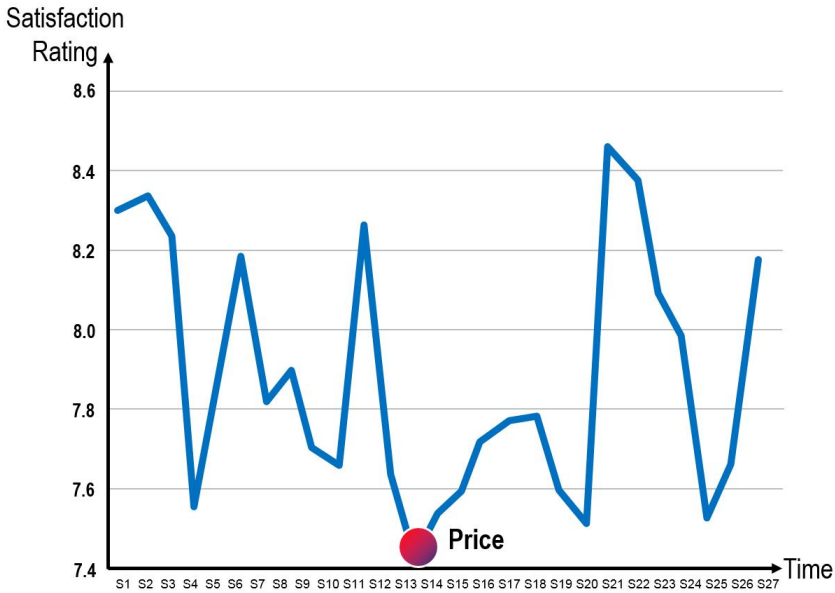


Figure 4-6 Louis Vuitton In-Store Experience

With reference to 2,318 respondents – the customers of Louis Vuitton who had purchased at least once – from a global research\*, ‘price’ is the valley out of 27 attributes and sub-processes of the shopping experience displayed in figure 4-6.

Why are most CX professionals paying close attention to any pain points related to ‘service’, but ignoring the ‘price’ valleys like Starbucks’ and Louis Vuitton’s?

**Valley Doesn’t Matter Without ‘Service’.** This is the reason why the ‘service’-related pain points of IKEA and ULCCs (ultra-low cost carriers) have long been criticized, and the ‘price’ valleys of premium

\* Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.



brands like Starbucks and luxurious brands such as Louis Vuitton are rarely a concern.

Since the ‘non-service’ valleys are always out of sight: there are no other valleys; they are all ‘service’ valleys.

## The Double Standard of Conventional CX on Peaks

Sukiyabashi Jiro generates numerous valleys: accept no walk-ins, reservations have to be made months in advance, located in the basement of an office building, with a modest wooden counter and only 10 tables in the entire establishment, no choice for menu, very limited time for meal, steep prices and bad service. Jiro focuses all their resources on making the world’s best sushi (product) for their diners.

Ryanair adds a price tag on almost everything, e.g. excess baggage, credit card usage and a small bottle of water. They eliminate seatback pockets, blankets and airsickness bags, provide very tight leg-room and serve no free in-flight meals. They adopt mean policies like no-refund and limited airport transportation. Ryanair channels all these savings to offer the cheapest fares (price) for their passengers.

Jiro and Ryanair have delivered their brand promises, created significant values for customers via value exchange, and achieved the business results that might make all of their competitors envious\*. Their

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\* Ryanair has been one of the world’s most profitable airlines for years. In 2016, Ryanair was both the largest European airline by scheduled passengers carried, and the busiest international airline by passenger numbers. (Wikipedia, 4 March 2018). Sukiyabashi Jiro has earned and kept three Michelin stars for years. See *Oldest head chef of a three Michelin star restaurant* (retrieved 22 May 2019, from <http://www.guinnessworldrecords.com/world-records/oldest-Michelin-three-star-chef>). The place is so famous that former U.S. President Barack Obama asked to dine there during his visit to Japan in 2014. See David Jackson, *Obama: 'That's some good sushi right there.'* (USA Today, 23 April 2014).

branded pleasures – the world’s best sushi and cheapest airfares – are strikingly apparent. Why aren’t they good CX?

**Peak Doesn’t Count Without ‘Service’.** It explains why brands like Zappos\* and Virgin Atlantic† are being praised as the best CX practices – as their peaks are about ‘service’ – yet Jiro and Ryanair would be labelled as bad CX because their respective peaks, ‘product’ and ‘pricing’, have nothing to do with ‘service’.

As the ‘non-service’ peaks are not being recognized: there are no other peaks; they are all ‘service’ peaks.

In respect of customer experience evaluation, these double standards – on brand promises, valleys and peaks – are diametric opposites to the objective approach of Real CX.

## Branded Experience vs. De-Branded Experience

“Customer experience per se does not differentiate brands but only if the experience is distinctive to the brand and valuable to the customer. It is the difference between a de-branded customer experience and a branded one that creates the impact.” – Shaun Smith, founder of Smith+Co.‡

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\* See, for example, Migs Bassig, [5 Companies with Envy-Worthy Customer Experience](#) (Customerthink.com, 13 February 2017).

† See, for example, Zarina de Ruiter, [This is How Virgin Atlantic Surprises and Delights its Customers](#) (CXnetwork.com, 25 August 2015).

‡ See Bob Thompson, [Does Customer Experience Management include Products? Pricing?](#) (Customerthink.com, 13 January 2015).

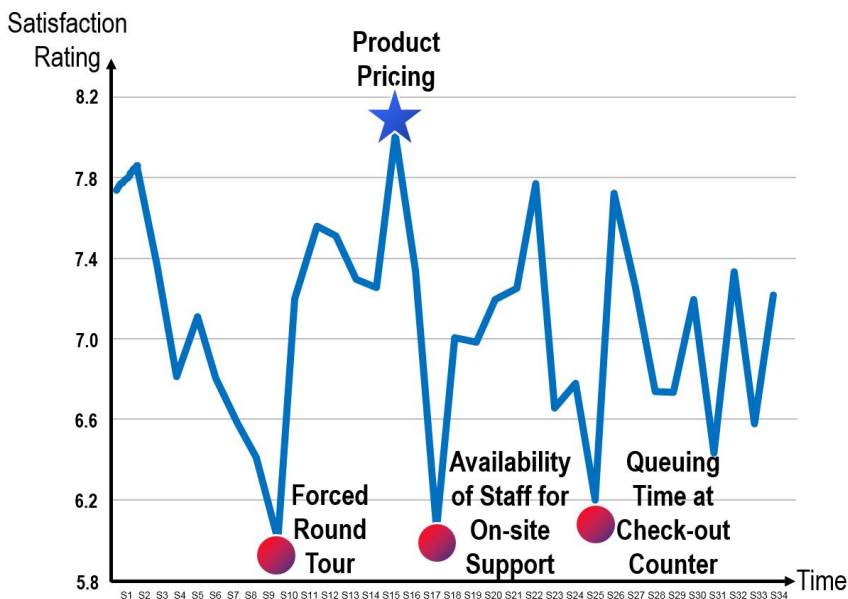


Figure 4-7 Emotion Curve: IKEA the Netherlands In-Store Experience

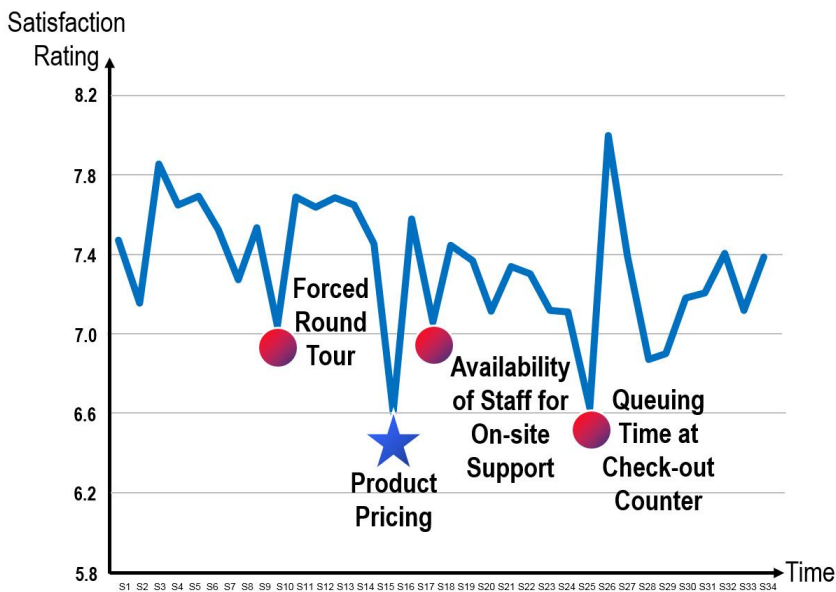


Figure 4-8 Emotion Curve: IKEA Mainland China In-Store Experience

A branded experience means a brand delivers their promise; the brand promise appears at the peak on an Emotion Curve – a branded pleasure. While a *de-branded experience* is a brand failing to keep their promise; the brand promise sits at the valley – a *de-branded pain*.

The Emotion Curves in figure 4-7 and 4-8 are derived from 511 Dutch and 2,187 Chinese consumers who had responded to a global IKEA research, respectively.\*

Both of them have three common pain points – ‘forced round tour’, ‘availability of staff for on-site support’, and ‘queuing time at check-out counter’. However, the peak of Dutch’s experience, ‘product pricing’, is the valley of Mainland Chinese’s. What should IKEA do?

## Conventional CX Creates and Aggravates CX Problems

Conventional CX looks at the situations with its double standards:

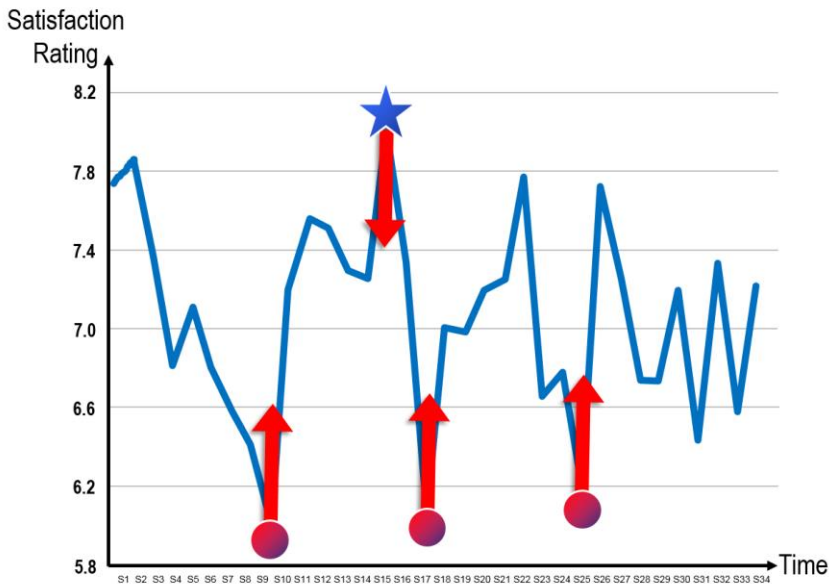
- **Brand Promise Doesn’t Reckon Without ‘Service’.** It would disregard the brand promise of IKEA – inexpensive prices – as it isn’t related to ‘service’.
- **Peak Doesn’t Count Without ‘Service’.** It wouldn’t acknowledge the peak ‘product pricing’ of IKEA the Netherlands since it has nothing to do with ‘service’.
- **Valley Doesn’t Matter Without ‘Service’.** Therefore, the most severe pain point of IKEA Mainland China, ‘product pricing’, is ignored. All Conventional CX could see is the ‘service’ valleys – the three common pain points – of IKEA the Netherlands

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\* Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009.

and Mainland China.

Obviously, Conventional CX doesn't understand the authentic values and irreplaceable role of good pains in fulfilling brand promises. Naturally, it would recommend IKEA to concentrate resources on minimizing or removing the three common pain points of both Dutch and Chinese consumers. The results can be devastating.



**Figure 4-9 Emotion Curve: The Branded Experience of IKEA the Netherlands Becomes a No Brand Experience**

If IKEA the Netherlands took the advice of Conventional CX, the valleys – the three common pain points – would be removed and so would the branded pleasure as shown in figure 4-9.

The peak, ‘product pricing’, is significantly lowered for two reasons. One: resources are diluted to eliminate the valleys. Two: these valleys are good pains. The substantial resources initially saved for supporting the branded pleasure vanish. It further weakens the peak.

As a result, the Emotion Curve is flattened and the branded experience becomes homogenized – a no brand experience.

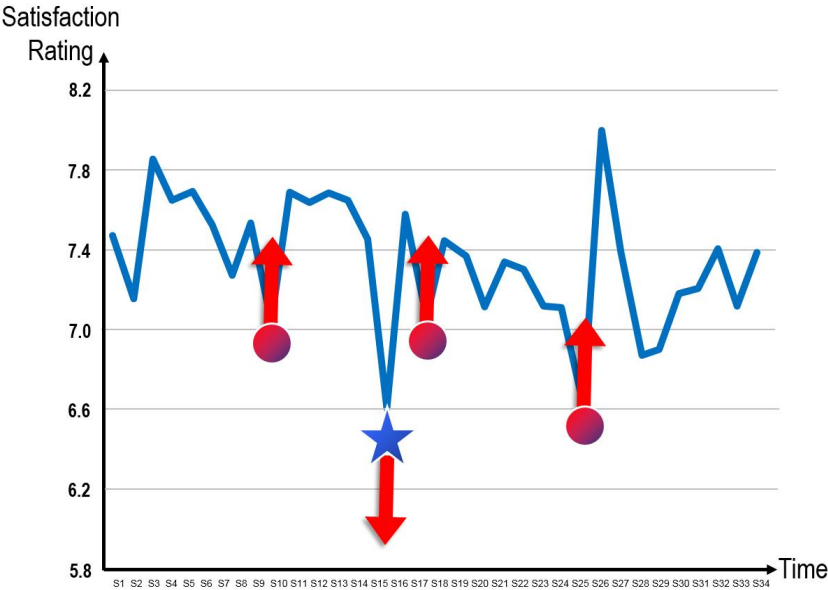


Figure 4-10 Emotion Curve: The De-Branded Pain ‘Product Pricing’ of IKEA Mainland China is Aggravated

Similarly, the valleys of IKEA Mainland China are either improved upon or eliminated. At the same time, the de-branded pain ‘product pricing’ is further lowered as shown in figure 4-10. The de-branded experience worsens.

### Real CX Renders Non-biased Solutions to CX Problems

Real CX never discriminates any brand promise. Instead, it builds solutions around the brand promise – in IKEA’s case, the inexpensive prices.

Let’s apply the three objective criteria for customer experience assessment. For IKEA the Netherlands:

**1. Deliver Brand Promise.** ‘Product pricing’ is located at the peak on the Emotion Curve of IKEA the Netherlands, as shown in figure 4-7. In other words, they fulfil their brand promise and deliver a branded experience.

**2. Create Values for Customers.** Through value exchange, IKEA the Netherlands offers inexpensive prices for customers by allowing the three common pain points – good pains – to support the branded pleasure (see Chapter 2: Striving for an Effortless Experience is a Wrong Strategy).

**3. Achieve Business Results.** The branded pleasure, ‘product pricing’, is significant and is the No.1 and No.3 drivers of repeat purchase and NPS (net promoter score), respectively.\* Their resource allocation is perfectly aligned with business results.

Until they reach a point where the three common pain points fall below the minimum standards (or to a level deemed unacceptable by their target customers)<sup>†</sup>, IKEA the Netherlands should maintain the status quo – because they are doing a pretty fine job.

On the contrary, ‘product pricing’ is situated at the valley on the Emotion Curve of IKEA Mainland China shown in figure 4-8. This means

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\* Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009.

<sup>†</sup> Minimum standards are criteria set internally by companies. They are the lowest level performance a company allows and could be anything from maintaining a certain rating level by complying with particular standards, to tracking discretionary measures, such as number of complaints generated. Unacceptable levels are derived externally from customers. They are the performances that would drive a specific segment of customers away or generate seriously negative word-of-mouth. These experiences can be identified by analyzing empirical data or running the correlation and regression analyses using the X-VOC Research.



that they fail to keep their promise. Even a successful brand like IKEA can sometimes deliver a de-branded experience.

Thus, the three common valleys make customers sweat for nothing when ‘product pricing’ becomes a de-branded pain – the worst kind of pain – as their brand promise is broken. There are no values created for customers and of course business results are thus not achieved.

Hence, IKEA Mainland China must convert their de-branded experience into a branded experience by focusing all their available resources in ‘product pricing’ to make it a branded pleasure.\*

Real CX rightly points out what has gone wrong, aligns resources with business results, and gives impartial advices to ensure the delivery of brand promise.

Conventional CX is biased towards ‘service’, ignores the brand promise, creates a problem for IKEA the Netherlands and aggravates the problem for IKEA Mainland China. It misses the whole point, solves the wrong problem and creates disasters.

When Conventional CX can discern nothing but ‘service’ in brand promises, peaks and valleys, every CX issue looks like a ‘service’ issue. It’s no wonder why Conventional CX has but one prescription.

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\* We had a causal conversation with the IKEA business executives in Mainland China. They shared the same view that more resources should be dedicated to making ‘product pricing’ their peak since it is IKEA’s brand promise universally.

## The One Prescription of Conventional CX

“To a man with a hammer, everything looks like a nail.” – Mark Twain, American writer.

No matter what kind of company you are, brand promises you make or CX challenges you face, the solution offered by Conventional CX is perennially the “serve customers better” approach. It generally includes (the terminologies might differ, but their meanings are similar): culture transformation; emotional engagement; employee engagement; and service improvements.

- **Culture Transformation.** The engine of Conventional CX is customer-centricity. For that reason, the role of transforming culture or changing of DNA is exceedingly important in its solution. However, customer-centricity could be the false god of customer experience.\*

IKEA, Sukiwabashi Jiro and Ryanair would hardly be regarded as customer-centric organizations. Still, they deliver brand promises, achieve business results and create values for customers. In other words, customer-centricity is not a prerequisite for CX success.

- **Emotional Engagement.** Customers make purchases at convenience stores for ‘fast and easy’, and fly ultra-low cost carriers simply for the cheapest airfares. Sometimes, getting the job done is good enough.

Don’t make the same mistake as CRM (customer relationship management) did. Not every customer would like to have a re-

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\* See Jack Springman, [Why I now believe Customer Centricity is the false god of Customer Experience](#) (Linkedin.com, 5 January 2017).

lationship with your brand. Similarly, not all customers want to be emotionally engaged.

- **Employee Engagement.** There is no doubt that every company needs to engage with their employees. The matter is the extent. For instance, the degree to which Starbucks should be engaging with their employees could be very different from McDonald's.

To some companies the minimum level of employee engagement is a basic requirement; to others it might be the optimal state. The level of employee engagement varies from company to company.

- **Service Improvements.** Nowadays, the expectations of customers are ever-rising. No company can escape the need to continuously improve their customer services.

It is the mission of Ritz Carlton to deliver the highest level of service to their customers. Yet, IKEA might only need to enhance the three common pain points just above the unacceptable levels of their target customers. The degree of service improvement is dictated by brand promises.

## Many CX Professionals are Irresponsible

Many CX professionals are prone to the same impulsive judgements in which every CX problem is 'service' related. However, different brands have different promises. No one solution can untangle all CX problems. What's more, the solution "serve customers better" approach is usually rendered before or without any diagnosis.

As shown above, one singular solution doesn't apply to every company or all situations: "Customer-centricity is not a prerequisite for CX success" and "Not all customers want to be emotionally engaged".

Some CX experts may say that they could implement the “serve customers better” approach in a more gradual manner, though the eventual end nevertheless is a full-scale and company-wide implementation.\*

Still, there is no one-size-fits-all: “The level of employee engagement varies from company to company” and “The degree of service improvement is dictated by brand promises”.

*One prescription doesn’t suit everyone.*

In spite of diabetes being a major health problem, I can’t imagine any medical doctor – before or without any diagnosis – giving the heaviest dose of diabetes medication to all patients with different kinds of diseases. It’s totally irresponsible and insane. No medical professionals would actually do this.

Notwithstanding that ‘service’ is a major CX issue, this should never be an excuse for any CX professional to render a full-scale “service customers better” approach to all companies with different kinds of CX challenges. It is an irresponsible behavior; it’s just plain wrong.

## A Wise CEO Would Never Buy into Conventional CX

Why are so many CEOs not buying into Conventional CX? Because it’s not *real* CX:

- 1. It Excludes ‘Product’ and ‘Pricing’.** Conventional CX is just service-in-disguise. Its core propose is to “serve customers better”. When it doesn’t include ‘pricing’ and ‘product’, to many CEOs, it just looks like another “make customers happier” project. What

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\* See, for example, Ian Golding, [Customer Experience 2017 Reality Check – Evolution or Revolution?](#) (Customerthink.com, 4 October 2017).

kind of CEO would put this type of customer satisfaction enhancement initiative on their priority list?

**2. It Assesses Customer Experiences with Double Standards.**

The mission of CX is to deliver brand promises. However, different brands have non-identical brand promises. Since Conventional CX disregards any brand promises other than ‘service’, how can a rational CEO trust that it would objectively evaluate CX and create a branded customer experience?

**3. It Renders Biased Solutions to CX Problems.** The one prescription of Conventional CX – the full-scale and company-wide “serve customers better” approach – doesn’t fit every company and all situations. Why would any sensible CEO take unnecessary risks to deploy this singular and subjective solution trying to solve the different CX challenges they face?

Thus, a wise CEO wouldn’t buy into Conventional CX.

As Conventional CX is only about interactions, it should rightfully be renamed as CIM (customer interaction management) and cease to hijack the name “CX” any longer. CX is supposed to be necessary and good to all companies. However, because Conventional CX only welcomes those companies whose brand promises are ‘service’, it becomes an exclusive privilege to the members of SERVICE club. Due to its one ‘extreme’ prescription, Conventional CX is unnecessary and detrimental to most companies. It’s no wonder that there is persistently a high failure rate of CX initiatives for years\* and most CEOs still don’t buy into it†.

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\* See, for example, Bob Thompson, *An Inconvenient Truth: 93% of Customer Experience Initiatives are Failing...* (Customerthink.com, 7 February 2018).

† See, for example, Maxie Schmidt, *CEO Conviction In CX – Why You Overestimate It And How To Get It ...CX Europe 2017* (Forrester.com, 18 October 2017).

To truly improve the customer experience and gain buy-ins from CEOs, insightful leaders should give up Conventional CX and take up Real CX.

## CHAPTER 5

# The Three Limitations that Paralyze Customer-Centricity

In my opinion, customer-centricity has three limitations:

1. It is exclusive to service-focused/related brands.
2. It has perplexing definitions.
3. It is unachievable for most enterprises.

## The Two-ply Toilet Paper of Starbucks

I've been asked how I define customer-centricity and had no clue until I discovered the definition given by Joseph Michelli, chief experience officer of The Michelli Experience, "Customer-centricity is a commitment or a strategy to assure the success of your customer."\*

Michelli elaborated his idea with an illustration of Starbucks: "Leaders at Starbucks, in part, define customer success as offering affordable luxury to customers wherever the customer finds the brand (online, voice, mobile, and in-store).... In-store customer success occurs, in part, when a Starbucks customer leaves feeling affordably nurtured."

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\* Joseph Michelli, *Customer Centricity is MORE than Customer Experience* (Customerthnk.com, 22 February 2018).

In alignment with the objective of offering affordable luxury, Starbucks' financial officer made a decision to provide double-ply toilet paper at all their stores around the globe, even though deploying single-ply toilet paper can save substantial costs and not every customer will use the toilet paper, resulting in likely minimal impact on customer perceptions. Customer-centricity is reflected in all the things you do whether or not the customer notices.

## Ryanair Achieves Customer Success but is Not Customer-Centric

"The Starbucks' two-ply toilet paper" is a simple yet convincing example to demonstrate what customer-centricity is, isn't it?

"Two-ply toilet paper" impeccably fits companies whose brand promises are about 'service', such as Ritz Carlton. How about companies who compete merely on 'pricing' like Ryanair?

I trust that Ryanair would definitely go for "one-ply toilet paper". This act resonates with their lean and mean policies and practices which support their brand promise, drive success for customers who are looking for the cheapest fares, and create mutual values for the customer and Ryanair. Isn't that customer-centricity?

In truth, I have rarely heard of any customer experience (CX) expert saying or agreeing that Ryanair is customer-centric. In the eyes of conventional CX experts, Ryanair and other price-focused companies are process-centric. Optimizing processes for minimum cost is by and large inside-out. Customer-driven companies should have an outside-in view and build themselves around the customer and not the other way around.

Therefore, price-focused companies without an outside-in perspective are excluded from the world of customer-centricity. How about product-focused brands?



## Louis Vuitton Obtains Customer Success yet isn't Customer-Centric

Apple's products are mostly great. They are innovative, user-friendly, stylish and cool (during Steve Jobs' era). Nevertheless, it isn't enough. It takes the entire value chain of the organization to be customer-centric. Apple is a customer-obsessed company not just for the reason that they create highly popular products, but also due to their outstanding after-sale service, pre-eminent in-store service experience, and more.

According to global research\*, the number one factor driving customers to buy from Louis Vuitton again is 'exclusive feel from wearing/owning LV products'; 'service' is a major pain point during the shopping experience. Although its products (or product image to be exact) are adored by a lot of consumers, Louis Vuitton would unlikely be viewed as customer-centric because of its poor in-store service.

Based on the logic of CX experts, "serve customers well" is the resultant behavior of customer-driven brands who build themselves around the customer with an outside-in perspective. The mandatory condition for product-focused companies to associate with customer-centricity is always about 'service'. In the absence of 'service', Apple would likely not be labelled a customer-centric brand.

## Customer-Centricity isn't for Price-focused or Product-focused Brands

Notwithstanding that Ryanair and Louis Vuitton achieve customer success by offering the cheapest airfares and creating an unparalleled level of prestige feeling respectively, they aren't considered as customer-centric largely because they don't "serve customers well".

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\* Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.

Obviously, there is no place for any brand who competes purely on pricing or product in the customer-centric world. As a result, only the service-focused brands (such as Starbucks, Virgin Atlantic and Zappos) and service-related brands (for instance, Apple, Southwest Airlines and Amazon) are eligible to exist in this world.

Undoubtedly, customer-centricity is not for all companies.

## Customer-Centricity is Different Things to Different People

What is customer-centricity? The standard answer is, “Putting the customer at the center of everything the business does”. But what exactly does it mean?

Recently I had an online discussion with a few CX experts on this subject.\* Albeit a small group, our perspectives are hugely divergent. A similar thing happens when I google “what is customer-centricity”, the search results show vastly different interpretations.

Bob Thompson commented, “Customer-centricity is a set of behaviors (in other words, culture).... There’s not a standard definition. Some use the term to mean focusing on or targeting customers (Peppers and Rogers), sometimes called CRM.”

## Customer-Centricity Can Hardly be Implemented Effectively

In short, customer-centricity could mean anything from as wide as a ‘culture’ to as narrow as a ‘tactic’. When even industry experts cannot provide a concrete and agreeable definition, imagine how frustrating it

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\* See Joseph Michelli, [Customer Centricity is MORE than Customer Experience](#) (Customerthnk.com, 22 February 2018).

must be for someone who would seriously like to put customer-centricity into practice.

Regardless of the perplexing definitions, some CX expert suggested to predominately take a “Just do it!” attitude to kick-start customer-centricity initiatives. Despite being a potential boost of adrenaline, it would be naïve to expect that propaganda alone would drive successful outcomes. I am not sure anyone could effectively implement anything without clearly defining what they’re trying to execute and achieve.

## Can We Call Amazon a ‘Customer-Centric’ Company?

Given that field experts are unable to shed light on the path to customer-centricity, shall we simply follow the lead of Jeff Bezos?

Three months ago, I forgot my Amazon login password and my primary credit card was expired. I contacted their CS. To cut a long story short, their service agents are bureaucratic and don’t ‘listen’. Their priority is to follow their standard procedures but not to solve my problem. It took me 10 rounds of emails and seven days to log in again. It’s one of the worst service experiences in my life.

I thought I was just unlucky, until I read the article of a management consultant, Maz Iqbal. In *Customer Experience: Is Amazon Going Downhill?*<sup>\*</sup>, Iqbal narrated his ‘ugly’ service experiences with Amazon.

Global customer service expert Shaun Belding responded, “I am seeing a rapidly increasing number of articles and posts indicating a growing disenchantment with Amazon.... there are very clear signs, as Maz points out, that they are obsessing over cost control.”

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<sup>\*</sup> See Maz Iqbal, [Customer Experience: Is Amazon Going Down-hill?](#) (Customerthink.com, 16 January 2019).

Amazon is also listed as one of *The Top 10 BAD Customer Service Stories of 2018*\*. “Imagine that you’ve ordered three cartons of toilet paper from Amazon. The cost: \$88.77. Then imagine that you are charged \$7,455 for the shipping costs.... She (the customer) complained to Amazon six times. She wrote a letter to CEO Jeff Bezos.... It wasn’t until she took the matter to a local television station and the story went viral for Amazon to take action. Two-and-a-half months later, she was finally reimbursed.”

The above examples are by no means rare occurrences. You can uncover many more of Amazon’s poor service experiences as shared by numerous customers on the web.†

## The Terrible Employee Experience of Amazon

You may, nevertheless, argue that the above evidence is insufficient to deduce that Amazon isn’t customer-centric. Please take a good look at *Amazon accused of treating UK warehouse staff like robots*‡ and *Amazon Working Conditions: Urinating in Trash Cans, Shamed to Work Injured, List of Employee Complaints*§ reported by The Guardian and Newsweek respectively.

One of the core components of customer-centricity is employee engagement or experience. Happy employees lead to happy customers. Makes perfect sense. What would you say about Amazon’s employee experience?

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\* See Shaun Belding, *The Top 10 BAD Customer Service Stories of 2018* (Customerthink.com, 28 January 2019).

† Say, for example, [search “amazon poor service experiences” on Google](#).

‡ See *Amazon accused of treating UK warehouse staff like robots* (TheGuardian.com, 31 May 2018).

§ See *Amazon Working Conditions: Urinating in Trash Cans, Shamed to Work Injured, List of Employee Complaints* (Newsweek.com, 12 September 2018).

Don't you think that Amazon is NOT customer-centric, let alone the earth's most customer-centric company anymore? Emulating Amazon for its customer-centricity would not be a wise choice, I think.

## DNA Transformation is Insanely Difficult

Beyond these brands – Amazon, Apple, Southwest Airlines, Starbucks, Virgin Atlantic and Zappos – are the most recognized and distinguished brands in customer-centricity, they have one thing in common: either their founders are customer-obsessed or they have built a customer-centered culture since they were startups.

Despite the discipline of customer-centricity being extensively promoted and practiced for decades, how many companies – who weren't born with a 'customer-obsessed' gene – have successfully changed their DNA and developed into well-recognized customer-driven brands? You probably won't be able to quote more than a few names.

Really, it shouldn't take much to realize that transforming the mindsets and behaviors of people and entire value chain of a well-established organization to be customer-centric is unbelievably hard.

## Customer-Centricity is Mission Impossible to Most Enterprises

In a 2011 video\*, Jeff Bezos manifested his belief that a customer-focused company should “Think Long Term”: “Most initiatives we undertake take 5 to 7 years before they pay any dividends for the company.”

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\* See [Video from Jeff Bezos about Amazon and Zappos](#) (YouTube.com, 22 July 2009).

Forrester’s research director Harley Manning remarked, “CX transformations are massive, take years, and cost millions.”\*

Think of the number of companies that have the deep pocket of Amazon to wait for five to seven years for an initiative to pay dividends? Not too many. In light of the tremendous difficulties of DNA transformation, huge financial costs and super-long period of return on investment, customer-centricity is an unaffordable luxury to most enterprises.

No wonder Jack Springman, head of consulting at Ctrl-Shift, stated in his thought-provoking article *Six reasons why customer-centricity should NOT be an objective*, “For all that customer experience practitioners and the consulting community have enthused about the need for customer centricity, the overall effect has been minimal. “THAT’S BECAUSE VERY FEW ORGANISATIONS HAVE BECOME GENUINELY CUSTOMER-CENTRIC,” I hear you shouting. But that is my point – we have been selling an impossible dream.”†

## Customer-Centricity is “Invincible”

“Be Water, My Friend” in the words of the late, great Bruce Lee, “Be formless, shapeless, like water. Now you put water into a cup, it becomes the cup. You put water into a bottle, it becomes the bottle. You put it in a teapot, it becomes the teapot.”‡

“Be Customer-centric, My Friend.” The meaning of customer-centricity can be shifted to any ‘form’ or ‘shape’ you want, like water. No one can challenge you – particularly when customer-centricity is defined as

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\* See Harley Manning, *Why customer experience is coming under fire* (Mycustomer.com, 6 November 2018).

† See Jack Springman, *Six reasons why customer-centricity should NOT be an objective* (Mycustomer.com, 5 January 2017).

‡ Retrieved 15 May 2019, from [https://en.wikiquote.org/wiki/Bruce\\_Lee](https://en.wikiquote.org/wiki/Bruce_Lee).

a ‘culture’. How can an implementation of something so abstract be measured? Without measurement, customer-centricity will have no chance to fail. And the word “customer-centric” itself is so politically correct; who would dare say anything against it?

These are the tempting reasons to keep waving the ‘customer-centricity’ flag.

## Being Customer-Centric is Not the Only Choice

However, for those who are dissatisfied with the confounding definitions and impracticality of customer-centricity, I have a replacement offer in the context of business strategy. It addresses the three limitations of customer-centricity:

1. It is for all brands – no matter ‘price’, ‘product’ or ‘service’ focused.
2. It has an explicit definition and clear implementation steps.
3. It is achievable for most enterprises.

What’s more, it drives a memorable and differentiated experience, creates mutual values for the customer and brand, and transforms competitive advantages into sustainable strengths.

I will feature this recommended substitute in the next chapter.

## CHAPTER 6

# Be Extreme, My Friend

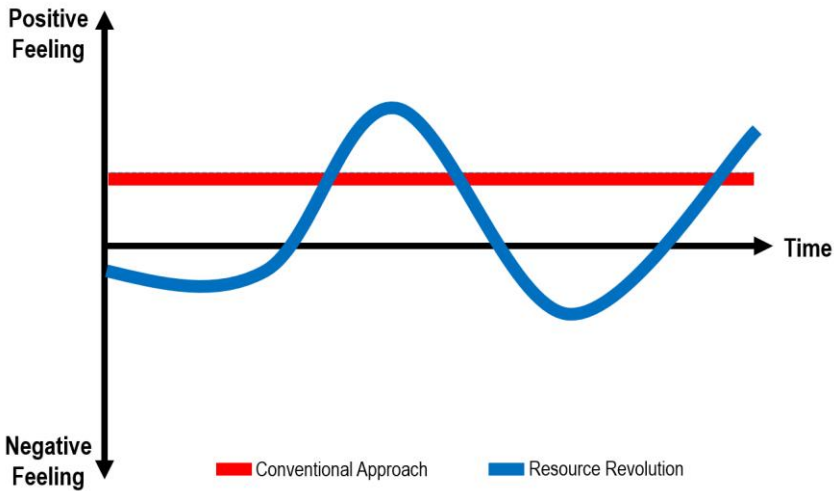
In the previous chapter, I stated the three limitations of customer-centricity and promised to provide a better option in the context of business strategy. In this chapter, I will feature the recommended substitute: *extreme experience*.

What is extreme experience? To put it succinctly, it means enlarging the Pleasure-Pain Gap (PPG) of the customer experience. Extreme experience has three principles – *resource revolution*, *value exchange* and *creative aggravation* – and three implementation steps accordingly:

1. Start a resource revolution.
2. Create mutual values for the customer and brand.
3. Aggravate good pains to generate unprecedented pleasures.



## Step 1: Start a Resource Revolution



**Figure 6-1 Allow Valleys to Drive a Memorable Experience**

Kahneman suggested that only the peak and end moments have significant impacts on how we feel about an experience – this gives us fuel to ignite a resource revolution.

In figure 6-1, the *red* Emotion Curve represents the conventional approach trying hard to eliminate any pain points, efforts and frictions within an experience. It dilutes your limited resources and drives a disremembered experience.

Let's make a paradigm shift in which resources are allocated differently by focusing on the critical moments and allowing valleys. It creates notable pleasure peaks and a memorable experience with fewer resources, denoted by the *blue* Emotion Curve.

Disneyland understood this and undertook the resource revolution. Despite ‘wait time’ having long been a severe pain point for its customers and the fact that Disney Institute regularly advises business executives around the globe to deliver excellent service experiences, Disneyland has allowed this particular pain point for decades.\*

To demonstrate the merits of “allowing pain”, I published the article *Stop Trying to Eliminate Customer Pain Point* in the Harvard Business Review<sup>†</sup>. Forrester also echoes my view in its post *Don't focus CX improvement on customer pain points*<sup>‡</sup>.

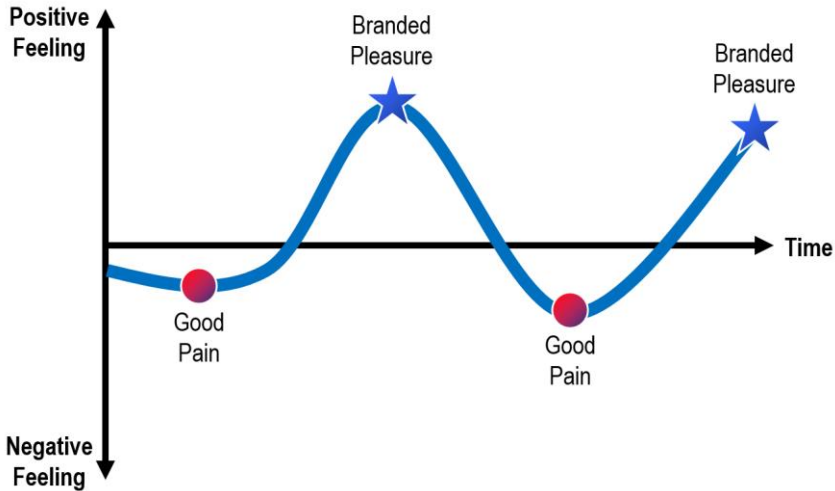
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\* Disneyland and Disney Institute are two separate entities; though they do share the same parent – The Walt Disney Company.

† See Sampson Lee, *Stop Trying to Eliminate Customer Pain Point* (Harvard Business Review, September 2009, Chinese edition, 156-163).

‡ See Ryan Hart, [Don't focus CX improvement on customer pain points](#) (Mycustomer.com, 18 May 2018).

## Step 2: Create Mutual Values for the Customer and Brand



**Figure 6-2 Exchange Values to Deliver a Differentiated Experience**

Really, customers don't forget the pain points, they just bear with them in exchange for something valuable – a value exchange.

For instance, although Ryanair's repeat customers can understand why Ryanair practices the lean and mean approach – to channel savings in order to offer the lowest airfares (Ryanair's brand promise) – 'sufferings' are still undesirable; but it doesn't stop its regular customers from flying with Ryanair, as long as the perceived 'value' (i.e. cheap airfares) is larger than the endeavor (i.e. all the cost-saving measures).

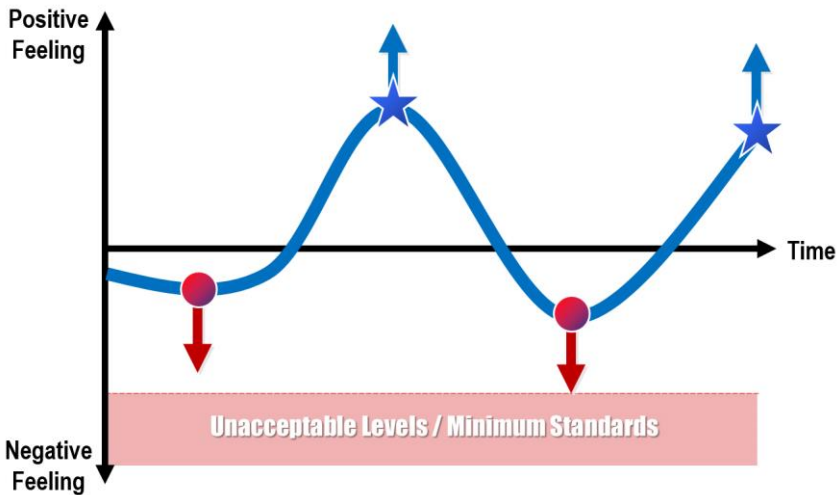
Likewise, despite Louis Vuitton's loyal consumers knowing why its products are costly – to create high-quality merchandises and an unparalleled level of exclusivity (brand promises of Louis Vuitton) – expensive prices is nevertheless unwanted; but it doesn't prohibit its advo-

cates from purchasing Louis Vuitton, to the extent that the perceived ‘value’ (i.e. the prestige feeling) exceeds the endeavor (i.e. premium prices).

On that ground, the lean and mean practices of Ryanair and expensive prices of Louis Vuitton are good pains, because they help generate substantial ‘values’ to customers – branded pleasures – which reflect the brand promises of Ryanair and Louis Vuitton.

Consequently, through exchanging values, brands are able to deliver a differentiated experience and their customers can enjoy significant pleasures.

### Step 3: Aggravate Good Pains to Generate Unprecedented Pleasures



**Figure 6-3 Enlarge Pleasure-Pain Gap (PPG) to Build an Extraordinary Brand**

Still, ‘memorable’ and ‘differentiated’ aren’t enough. To be extraordinary, you ought to enlarge the Pleasure-Pain Gap (PPG).

Sukiyabashi Jiro pushes pains to the extreme: remote location, tiny space, fixed menu, poor decorations, steep prices and bad service. By aggravating those good pains to the largest extent, the sushi restaurant focuses all its resources to create the highest possible branded pleasure – the world’s best sushi.

According to empirical data collected globally from 8,500 customers, Starbucks, IKEA and Louis Vuitton each has a large PPG. Based on 4,500 valid survey responses, China Merchants Bank outperformed all 15 credit card issuing banks on all metrics, yet had the largest PPG among all major rivals. With reference to the feedback of 757 IT man-

agers, IBM has the most favorable B2B purchase experience as well as the largest PPG among 14 IT solution vendors.\*

Extraordinary brands have two things in common: they generate an unprecedented level of pleasure to their customers to beat rivals and eliminate imitators; they have a large PPG to maximize their resource productivity.

## Customer-Centricity Misjudges the Value of Pain Point

On the report of 715 responses from North America consumers through a global research†, ‘price’ is the most severe pain point of the Starbucks in-store experience. As reported by 2,318 customers who had purchased at least once from Louis Vuitton‡, ‘price’ is the valley during their shopping experience at LV.

Why are most customer experience (CX) experts crying out to address any pain points related to ‘service’, but turning a deaf ear to the ‘price’ valleys like Starbucks’ and Louis Vuitton’s? Service can be a pain

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\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007; Global IKEA In-store Customer Experience Research, Global CEM, CustomerThink (U.S.) and TOTE-M (Netherlands), December 2008-February 2009; Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008. Mainland China Credit Card Customer Experience Research, Global CEM, May-June 2008 and May-July 2009. Mainland China B2B Purchase Experience (IT Solution) Research, Global CEM and CustomerCentric Selling (U.S.), July-August 2007. Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007.

† Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007.

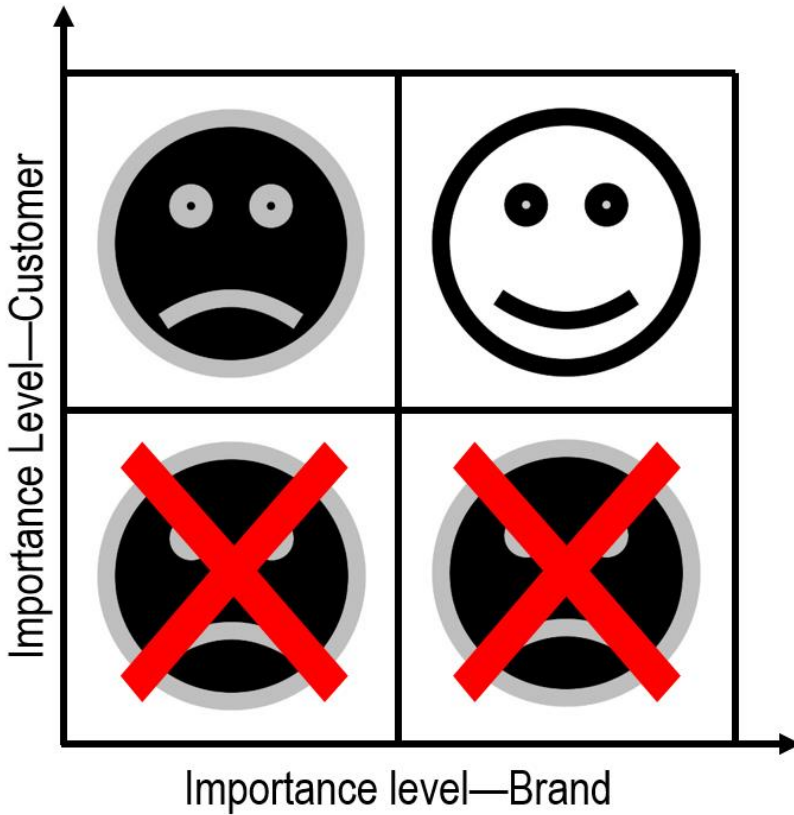
‡ Global Louis Vuitton In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), October 2008.

point, and so too can price. It doesn't make any sense to tolerate 'price' pain points while disallowing 'service' valleys.

Today, in order to satisfy the strong desires of customers for convenience, customer-driven companies are chasing for an effortless experience at all touch-points. Yet, unless your brand promise is about 'fast and easy', striving for an effortless experience at critical touch-points would drive a forgettable experience, damage your brand loyalty and reduce customers' pleasure. Bad move.

Obviously, customer-centric enthusiasts aren't able to comprehend the authentic value of customer pain point.

## Customer-Centricity Can Hardly Identify the Right Peaks and Valleys



**Figure 6-4 Good Pain / Bad Pleasure / Branded Pleasure / Unnecessary Pain**

Figure 6-4 displays an ‘importance level to brand—importance level to customer’ quadrant.

The usual choices for target pain are situated at the lower two quadrants since these needs are unimportant to customers. For the same reason, it’s unlikely that you and your competitors have allocated many re-



sources towards meeting them. You won't save much money by making customers 'suffer'. These are *unnecessary pains*.

Good pains are located at the upper left quadrant. Since they're vital to customers, you and rivals will spend huge sums trying to satisfy these customer needs. By not trying to satisfy them – by allowing pain up to the tolerable level of customers – imagine the tremendous resources that you save compared to your competitors.

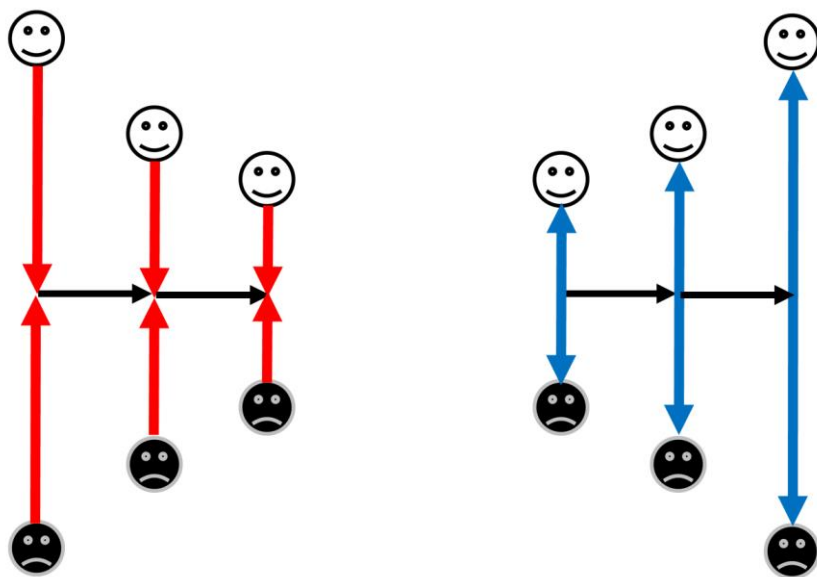
If you mistakenly choose the good pains as your target pleasures, you are essentially doing charity work – you make customers happy but they don't credit this to your brand. You eat up resources to create unnecessary pleasure peaks. They are *bad pleasures*.

Instead, you should focus all your resources on the customer needs located at the upper right quadrant, the common denominators between the customer and brand, aspects that are important both to customers and your brand – branded pleasures.

Business 101: strategy is about resource allocation. For those who are customer-obsessed and feel uncomfortable to 'plan' any pain point in the customer experience, they should recognize that 'target pleasure' and 'target pain' are just different terminologies to describe 'where to focus resources' and 'where to save resources', respectively.

Nonetheless, I don't think customer-focused companies would be allowing pain, let alone targeting the right peaks and right valleys – branded pleasures and good pains.

## Customer-Centricity Drives Destructive Improvement



**Figure 6-5 Destructive Improvement vs. Creative Aggravation**

In figure 6-5, on the left, it shows how continuous improvement turns into destructive improvement. It's tempting to keep enhancing the customer experience. However, when you improve anything other than your branded pleasures, you dilute resources. For every unit you spend on improving a pain point, you have one less to spend on your target pleasures and a step closer to weakening your competitive advantage.

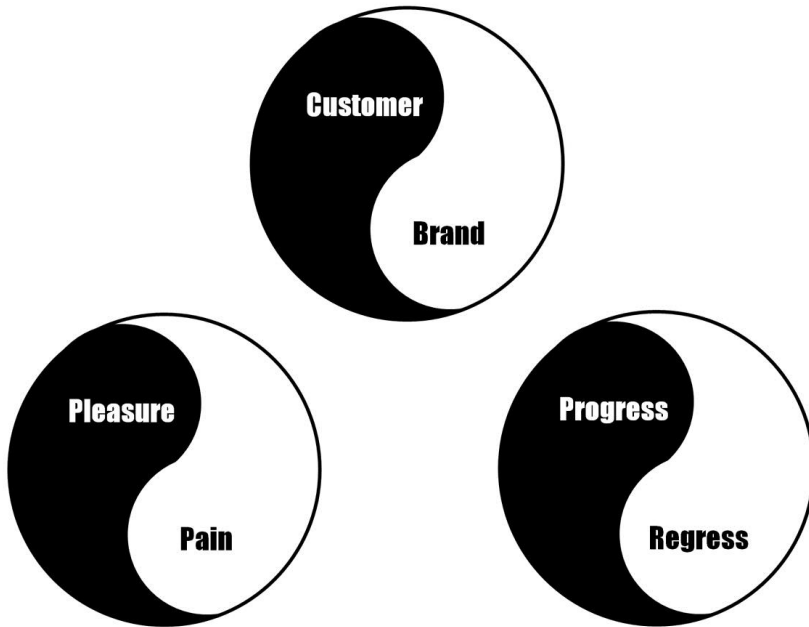
Figure 6-5, on the right, illustrates why creative aggravation is preferred. Instead of improving pain points, you aggravate them as long as they are not falling into the unacceptable levels of customers. You save an unprecedented amount of resources for maximizing branded pleasures. You activate a virtuous circle: you are transforming your competi-

tive advantages into sustainable strengths. Visually, you see an expanding PPG.

Actually, it's less difficult than expected for aggravating pains. In a world where companies are continuously improving, if you don't improve pain points, you aggravate them. Say your main rivals cut wait time for customers from four minutes to three. If you don't follow suit you aggravate pain in the eyes of your customers.

In the real world, most customer-driven organizations continue to improve – faster, easier and fewer pain points – regardless of its brand promises. They are running in a vicious circle of destructive improvement and minimizing their PPG.

## The Ultimate Extreme is Balance



**Figure 6-6 The Balance between Pleasure & Pain / Customer & Brand / Progress & Regress**

It may surprise you that the philosophy behind extreme experience is ‘balance’.

To alleviate resource constraints for creating significant pleasures, we must tolerate pains. There’s no such thing as free lunch: there ain’t no peaks without valleys. Hence, the long-held belief in the customer-centricity world “Customer pain points are bad and have to be eliminated” is fallacious. The resource revolution – allowing valleys to create peaks – helps restore the ‘balance’ between pleasure and pain.

A few decades ago, it was popular to be product-centric, and now the pendulum has swung in the opposite direction. However, neither ‘brand

only’ nor ‘customer only’ is the solution. Wowing the customer and exceeding expectations to drive satisfaction irrespective of brand promise is futile. The ‘balance’ between the customer and brand is reinstated when resources are concentrated on delivering – the common denominators that are important to both customers and brand – branded pleasures.

There is no market for an average brand. To build a remarkable brand with a superb level of pleasures, severe pains are required. Yet, Rome wasn’t built in a day. Great brands like Starbucks and IKEA all had a moderate PPG at their beginning stages. The height of a building is in proportion to the depth of its foundation – it’s plain logic. The principle of enlarging PPG applies to all companies – whether it be startups or well-established firms – due to its reasonable ‘balance’ between progress and regress.

Literally, ‘pleasure-biased’, ‘customer-only’ and ‘improvement-obsessed’ are unrealistic and unsustainable extremes. Extremes that don’t work and can’t last.

Too much of anything is bad. Balanced approaches work and last.

## Be Customer-Centric or Be Extreme?

Ryanair, Louis Vuitton and Sukiyabashi Jiro are offering the lowest airfares, creating an unmatched level of prestige and making the world’s best sushi respectively. These successful brands deliver extreme experiences and large PPGs. They accomplish customer success but aren’t customer-centric. Being customer-centric is not the only option, and far from a good one, for improving the customer experience.

Certain customer-obsessed organizations are pursuing customer-centricity as their ultimate goal. Big mistake. Customer-centricity is not an end; but rather, a means. Since customer-centricity is the engine of conventional CX and most CX initiatives have persistently failed to

provide tangible benefits\*, maybe it's time to drop the means that has a high failure rate for years and is unattainable for most enterprises.

Strategy is about resource allocation. The effectiveness of a strategy is judged largely by the effectiveness in resource allocation. Extreme experience is a more effective CX strategy than customer-centricity: it delivers a memorable and differentiated experience, creates mutual values for the customer and brand, generates an unprecedented level of branded pleasures to beat rivals, and transforms competitive advantages into sustainable strengths, all while without deploying extra resources.

What's more, customer-centricity has three limitations – exclusive to service-focused/related brands, perplexing definitions, and unachievable for most enterprises; three handicaps – misjudging the value of pain point, targeting wrong peaks and valleys, and driving destructive improvement; and three extremes – pleasure-biased, customer-only, and improvement-obsessed.

Conversely, extreme experience is for all brands – no matter 'price', 'product' or 'service' focused, has an explicit definition and clear implementation steps, and is achievable for every organization. Extreme experience understands the authentic value of valley, identifies the right pleasures and pains, and triggers creative aggravation. It strikes the right balance between pleasure and pain, customer and brand, and progress and regress.

Extreme experience is superior to customer-centricity on all counts.

“Be Extreme, My Friend.”

**Remarks:** there is an official name for extreme experience – *PIG Strategy*.

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\* See, for example, Harley Manning, *Predictions 2019: Customer Experience Comes Under Fire* (Forrester.com, 5 November 2018).

## EPOLOGUE

# Pain Is Good

PIG Strategy unlocks the power of pain in improving the customer experience and building extraordinary brands.

By allowing pain, PIG ignites the resource revolution to create significant pleasure peaks and a memorable customer experience. By identifying good pain, PIG differentiates your brand and delivers a branded experience. By aggravating good pain, PIG generates unprecedented pleasures for customers, turns your comparative advantages into core competences and builds a great brand. By introducing a revolutionary perspective on pain – allowing pain, choosing the right pain and aggravating pain – PIG maximizes the effectiveness of resource productivity to enable every company to put their limited resources to their best use.

**Pain Is Good.** *Isn't it?*

## APPENDIX A

# Simplify & Operationalize Customer Journey Mapping

In *How Many Customer Experience Professionals Will Survive 2017?*<sup>\*</sup>, it is stated that “Two trends were found to be particularly similar: Of the CX practitioners who said their focus was to encourage their companies to make large investments in CX, only 51% had survived in their role beyond year-2. Of those who described their focus as building proof-points to establish the benefits from CX, 72% survived in their role beyond year-2.”

A striking finding is the similarity of reasons for the departure of CX professionals:

- The company ran out of patience.
- The NPS numbers were not improving.
- The company had to cut costs and CX was an easy target.

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<sup>\*</sup> See [How Many Customer Experience Professionals Will Survive 2017?](http://Prnewswire.com) (Prnewswire.com, 31 January 2017).



## The Original Purpose

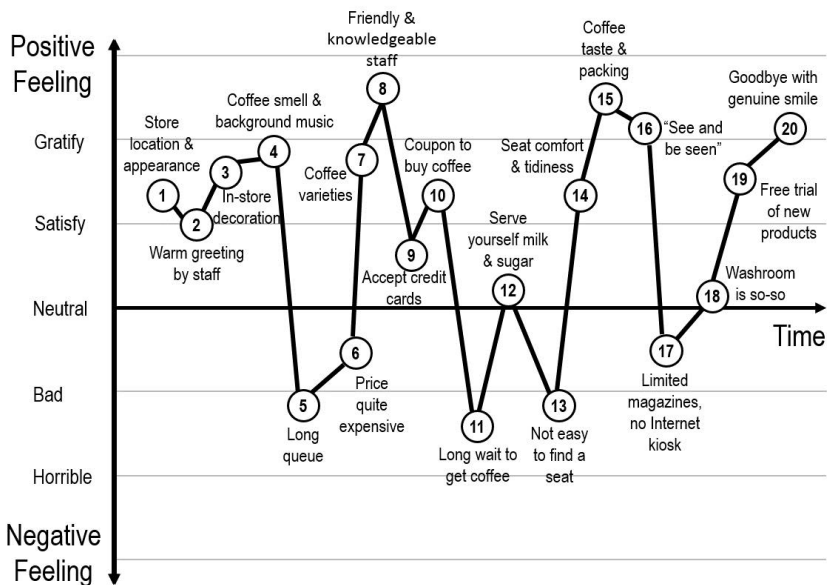


Figure A-1 Emotion Curve: Starbucks In-Store Experience

In 2006, I created the Emotion Curve in *One Cup of Coffee, 20 Experiences: Take a Tip From Starbucks\**, when the terminology of “customer journey mapping” was still relatively unheralded. Customer journey mapping is gaining popularity in recent years, with sophisticated and fancy models built by CX consulting firms – much more attributes, sub-processes, elements, phases and layers are included, using all kind of eye-catching graphics, storyboards and presentations.

Personally, I’m not too fond of sophistication. My biased views are that sophisticated things consume resources and time, and are usually diffi-

\* See Sampson Lee, *One Cup of Coffee, 20 Experiences: Take a Tip From Starbucks* (Customerthink.com, 4 June 2006).

cult to operationalize; when things get complicated, they'll easily side-track our attention and deviate us from the original purpose for doing them.

As you can observe from the Emotion Curve in figure 1 – or what you would call customer journey mapping – for a Starbucks in-store experience, it's not rocket science. It merely maps all the sub-processes and attributes that are encountered by customers and how they affect their emotions in a natural time sequence during a touch-point experience.

The original purpose is to understand how customers feel during an experience, and subsequently using these insights to enhance the experience in achieving business result. Period.

## Operationalize Customer Journey Mapping

Sub-process in Time Sequence	U.S.	China
	NPS	NPS
1. Convenience of store location	26	25
2. Attractiveness of exterior and signage	23	14
3. In-store decoration	18	17
4. Pleasant atmosphere / ambience	11	16
5. Aroma when you walk into store	24	19
6. Background music	12	11
7. Appropriateness of prices	19	3
8. Coffee varieties	20	10
9. Time in queue	22	22
10. Friendly / attentive staff	4	7
11. Knowledgeable staff	6	4
12. Personal treatment (remember my name, order)	14	21
13. Payment options	21	15
14. Wait time for coffee production	9	12
15. Packaging / presentation of coffee	8	6
16. Self-service counter (milk, sugar, napkins)	15	18
17. Ease of locating a comfortable seat	16	26
18. Cleanliness of store	13	13
19. Coffee taste / flavor	1	5
20. Relaxed environment	7	9
21. See and be seen (feel you are "part of the group")	5	8
22. Availability of newspapers / magazines	10	20
23. Availability of Internet facilities	25	23
24. Availability and cleanliness of washroom	17	24
25. Free trial of new drinks / snacks	3	2
26. Goodbye with genuine smile	2	1

**Figure A-2 X-VOC Data: Starbucks In-Store Experience the U.S. and Mainland China**

To achieve your original purpose, you have to connect CX with business result. One fast track is to simplify your existing fancy and sophisticated customer journey mapping model, and operationalize it to identify the key business drivers.

Take the Starbucks case and NPS as an example, we correlated the satisfaction rating of each sub-process during the in-store experience to the net promoter score given by the Mainland Chinese and American customers for the Global Starbucks In-store Customer Experience Research\*.

Figure A-2 lists the X-VOC Data<sup>†</sup> – the importance ranking of each of the 26 sub-processes in driving NPS. With 26 sub-processes, the importance rankings are literally from 1 to 26, with 1 being the most and 26 being the least important factor affecting NPS.

## Make NPS Actionable

Numerous companies now use NPS as an important performance measurement metric, but not many of them know how to make NPS actionable.

They know the scores of likelihood to recommend, but have no clue what to do to improve these scores. In other words, to these companies, the scores are not actionable.

With the X-VOC Data, you can determine the most important factor driving NPS in Mainland China and in the United States and you see that they differ. For instance, the most important NPS driver in Main-

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\* Global Starbucks In-store Customer Experience Research, Global CEM and CustomerThink (U.S.), September-October 2007.

<sup>†</sup> X-VOC (voice-of-customer @ experience) Data are generated by X-VOC Research to obtain the satisfaction ratings and derive the importance levels of each of the sub-processes and attributes during a touch-point experience.

land China is ‘goodbye with genuine smile,’ while in the United States, it is ‘coffee taste / flavor.’

You make driving the non-actionable – NPS – actionable. From now on, you know which particular sub-processes or attributes you need to ‘sweat’ to improve your target results. And it’s all supported by quantifiable data.

## Your Company Would Never Run Out of Patience

Quite a number of CX initiatives focus on ‘full scale’ service improvement or ‘company-wide’ culture transformation (to be customer-centric) projects. They take too long, consume too many resources, and might not be the right prescriptions to their CX problems.

You could always start with some small and affordable CX projects aimed at obtaining proven results in order to get the buy-in from your management. There are options and usually some low-hanging fruits for you to choose from based on the X-VOC Data.

For example, in the Starbucks case, by focusing on the two common attributes out of the top three NPS drivers in the U.S. and China: ‘goodbye with genuine smile’ and ‘free trial of new drinks / snacks’, – the relatively easy targets – you would soon be able to set up inexpensive pilot projects and enjoy a quick win, and most importantly, you connect CX to the target business result – in this case, driving NPS.

## You Could Always Improve NPS with an Open Mindset

In both Starbucks America and Mainland China, only two out of the top five NPS drivers are ‘service’ or ‘service-related’ attributes. The remaining key drivers – ‘appropriateness of prices’, ‘coffee taste / flavor’, ‘see and be seen’ (feel you are “part of the group”), and ‘free trial of new drinks / snacks’ – have basically nothing to do with service.

What does this tell you?

It is always possible, to have other factors – besides service – more decisive in driving the word-of-mouth of your customers. As a CX professional, you should take a neutral perspective in assessing the X-VOC Data and render unbiased advises in driving the target business results.

To improve NPS, you need to have an open mindset: improving customer service or transforming company culture is not always the solution to your CX challenges.

## Instead of Being Cut, You Show Where and What Costs to Cut

Besides NPS, you could also use the X-VOC Data to identify other business drivers – e.g. repeat purchase and retention. On top of identifying the most important attributes in driving your targets, the X-VOC Data can also indicate what the unimportant ones are, i.e. those attributes with the least contribution in driving business results.

With the support of empirical data, when the company had to cut costs, instead of being downsized or laid off, you're the one who advises where and what to reduce or eliminate; and the beauty is, these data are not coming from any external authorities or internal parties, but generated directly from your customers.

To play an objective role in allocating resource, you have to be independent. The inconvenient truth is: CX is not the extension of customer service and should not be attached to customer service or any other functions; obsessed with culture transformation no more, as customer-centricity could be the false god of customer experience\*.

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\* See Jack Springman, *Why I now believe Customer Centricity is the false god of Customer Experience* (Linkedin.com, January 5, 2017).

Let's jump out of the box and stop being caged.

## Make Yourself Indisposable

Customers perceive a brand through every experience that they have at every touch-point and channel from the beginning until the end of their customer lifecycle. A brand, literally, is represented by the total customer experience (TCE).

Imagine extending your assessment from one single touch-point experience (e.g. the Starbucks in-store) to cover the total customer experience, then subsequently, you're evaluating the effectiveness of resource allocation of your brand in aggregate (see Appendix B: Branding Should be Managed by CXO, NOT CMO).

Strategy is about resource allocation. The effectiveness of a strategy is mainly concluded by the effectiveness in resource allocation. When you impartially assess customer experience, you can then recommend the best strategy in resource allocation for managing your brand and in driving the target business results.

By operationalizing customer journey mapping, and taking up the 'new role' – an independent assessor and a strategic adviser in customer experience management, you make yourself, and your CX initiative, indispensable.

## APPENDIX B

# Branding Should be Managed by CXO, NOT CMO

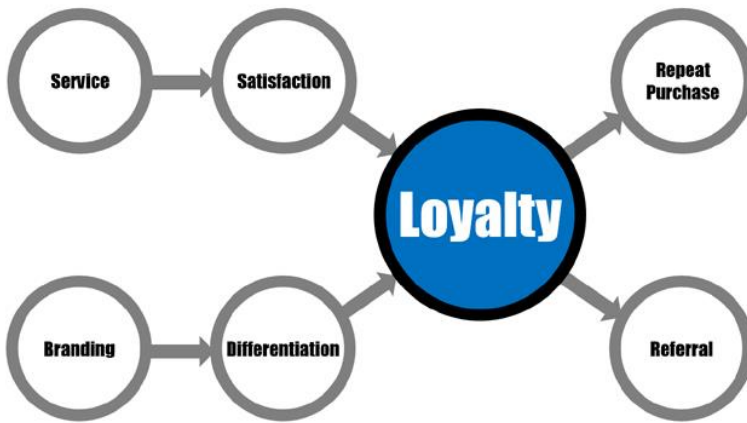
On a typical summer day in Hong Kong, the weather is hot and humid with lots of sunshine. I take the subway to a business meeting and when I come out of the station, a sudden and heavy rainfall replaces the sunshine. It takes a few minutes' walk to get to the meeting place and I am dressed in my best business suit. I don't want to get wet but the meeting starts in five minutes. I am in a panic.

A street hawker saves me. He is selling umbrellas just outside the subway station. The umbrellas are in an untidy pile on top of some cardboard boxes. The colors and varieties are limited, but the prices are reasonable. I don't stop to think. I pick one with a modest appearance in navy, and I pay. The whole transaction is completed within a minute.

It turns out that the umbrella was even more durable than the others I had bought from stores. I used it for several years before it wore out. Whenever I pass by that station, I try to locate the umbrella hawker so I can buy a new one, but I have never seen him again, not since that rainy day. This was a one-time transaction.



## The Common Goal of Every Organization



**Figure B-1 Common Goal of Every Organization: Drive Customer Loyalty to Achieve Business Results**

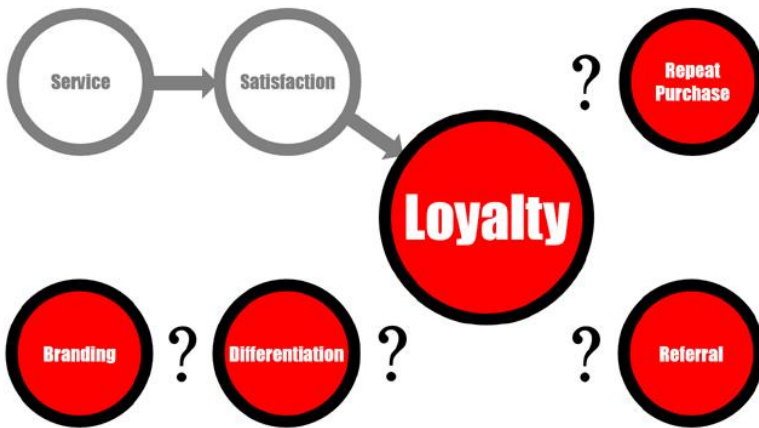
Service and operations people want to drive customer satisfaction. Branding and marketing people want to drive brand differentiation. Yet, satisfaction and differentiation are the means, not the end. Service staff satisfy customers to make them happy, to retain them and to generate positive word-of-mouth. Branding staff try to differentiate their brand from competitors and make customers remember their brand and return for future purchases. Satisfaction and differentiation are different means to achieve the same end. The common end is to turn one-time customers into long-term advocates who drive referrals (NPS) and repeat purchases (retention) – the resultant behaviors of loyalty.

The umbrella hawker never expects customers to repeat their purchase – it is merely a one-time transaction that happens outside the subway station on a rainy day. He wants you to buy on the spot that one time. Whether or not customers return does not concern him. He doesn't care about customer loyalty at all.

Besides the umbrella hawker with his one-time transaction, are there companies that do not care whether customers return for repeat purchases? Monopolies really don't need to care about this. Customer loyalty doesn't matter to them because customers have nowhere else to buy.

Aside from monopolies and hawkers with one-time transactions, caring about customer loyalty is universal – we want customers to keep coming back and to say good things about us. Customer loyalty is something that all enterprises in competitive markets need to survive and prosper. Therefore, customer loyalty is not only the goal of service staff and branding people, but the common goal for all departments at all companies across all industries. Customer loyalty is the common goal of every organization.

## Managing Your Brand = Managing Total Customer Experience



**Figure B-2 The Disconnect between Branding and Business Results**

The design and branding guru Walter Landor said, “Products are built in factories; brands are built in the mind.” Brand is a perception not solely created by advertising or product. Customers perceive a brand through every experience that they have at every touch-point and channel from the beginning until the end of their customer lifecycle. A brand is, literally, represented by the total customer experience (TCE).

Therefore, by logic, branding covers the total customer experience to drive customer loyalty – retention and referrals. However, this is not always the case. In reality, managing a brand usually falls under marketing. This is the primary reason for the disconnect between branding and business results.

When “managing your brand = managing marketing”, your branding efforts and investment will focus heavily on marketing-related activities.

But, in truth, it could be the other touch-point experiences that affect how customers perceive your brand and influence customer loyalty. When you are blind to this notion, you cannot see the full picture. The price of not seeing the full picture is incorrect investments and biased measurements. This causes the disconnect between your branding efforts and target business results.

With the TCE (total customer experience) Model, you can invest and measure objectively and effectively because you can see the full picture. The full picture consists of all the touch-point experiences that affect how customers perceive your brand and the importance level of each in driving the ultimate objectives of branding, referrals and repeat purchases – the resultant behaviors of customer loyalty. We have built TCE Models for and applied them to various industries, including financial services, telecommunications, and both governmental and non-governmental organizations (NGOs).

The TCE Models for FSI, Telco and NGO

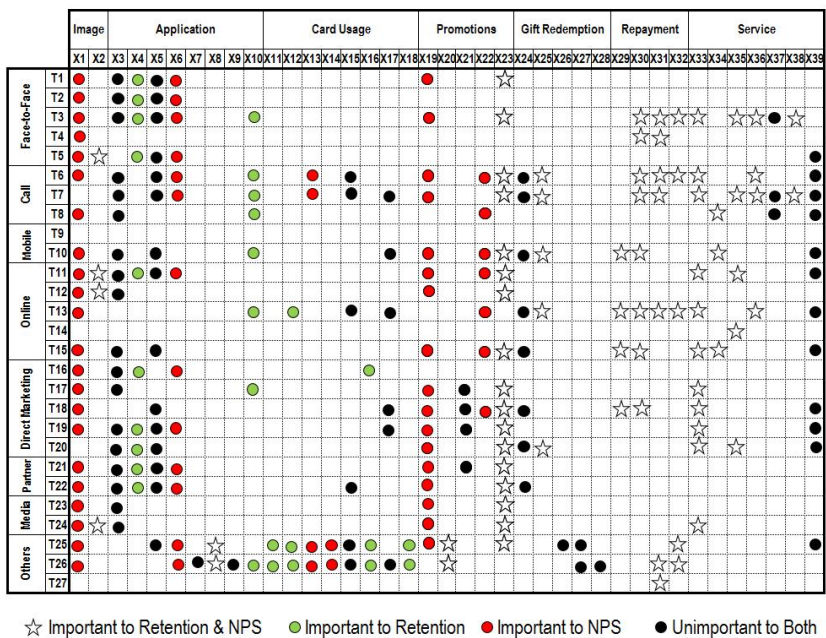


Figure B-3 The TCE Model of a Credit-Card Issuing Bank

Figure B-3 shows one example of the application of the TCE Model in financial services industry to a credit-card issuing bank. The data are derived from Credit Card Customer Experience Research, an independent research commissioned by Global CEM, with 4,567 valid responses of credit card holders from 16 major credit-card issuing banks in Mainland China.

The horizontal axis spans the customer lifecycle of credit card users, from experiences at X1 to X39 within the customer life-stages: image, application, card usage, promotions, gift redemption, repayment and service. The vertical axis addresses all interacting touch-points from T1

to T27 within the channels: face-to-face, call, mobile, online, direct marketing, partner, media and others.

White stars denote the touch-point experiences that are important in driving both retention and NPS (net promoter score), green dots are important to retention, red dots important to NPS, and black dots unimportant to both.\*

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\* The importance rankings of the three TCE Models shown in this chapter were generated using the derived importance approach with regression analysis.

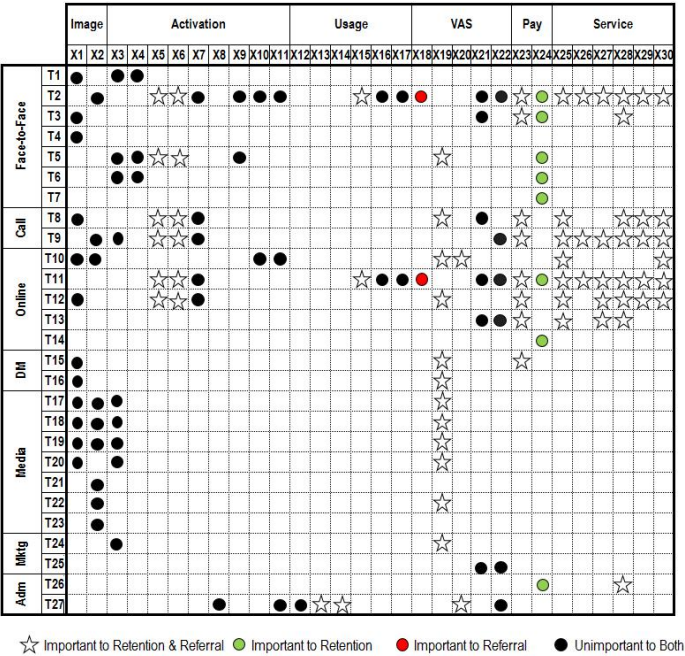


Figure B-4 The TCE Model of a Mobile Network Operator

Figure B-4 is a simplified version of the TCE Model for a mobile network operator. These data are derived from the Mobile Network Operators Customer Experience Research, an independent research commissioned by CustomerThink (U.S.) and Global CEM, with 2,275 valid responses.

The horizontal axis represents experiences (from X1 to X30) that customers encounter and their corresponding life stage (image, activation, usage, valued-added service, payment and service). The vertical axis represents the corresponding touch-points (from T1 to T27) covered by various channels (i.e. face-to-face, call, online, direct marketing, media, marketing and administration).

White stars denote the touch-point experiences that are important in driving both retention and referrals, green dots important to retention, red dots important to referrals, and black dots unimportant to both.



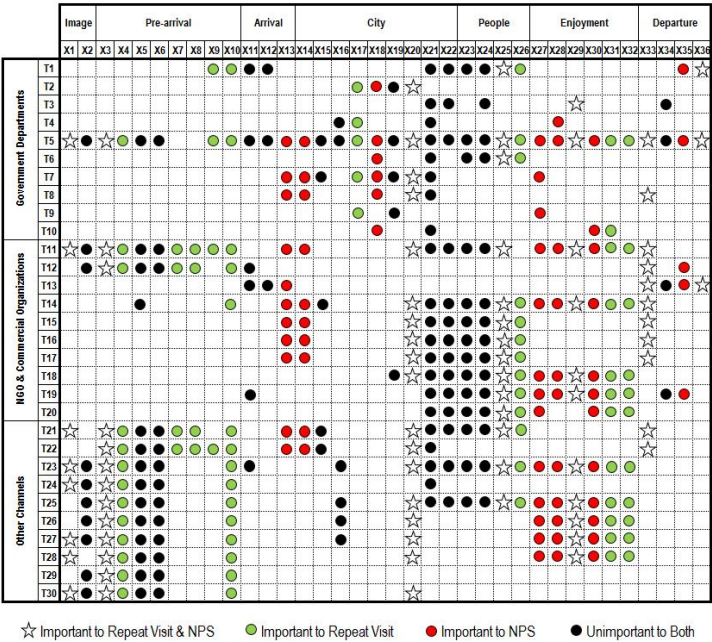


Figure B-5 The TCE Model of Global City Tourism

We have built and applied the TCE Model to an NGO for tourism. Figure B-5 represents the TCE Model of global city tourism using data derived from Global City Visiting Experience Research, an independent research co-organized by CustomerThink (U.S.) and Global CEM, with 2,585 valid responses from tourists surveyed in ten cities: Amsterdam, Dubai, Hong Kong, London, New York, Paris, Shanghai, Singapore, Sydney and Tokyo.

The visit experience lifecycle covers experiences from X1 to X36 and life stages including city image, pre-arrival experience, arrival experience, city experience, people experience, enjoyment experience and departure experience. These experiences are delivered by touch-points from T1 to T30 within the channels of governmental organizations, commercial & non-governmental organizations and other channels.

White stars denote the touch-point experiences that are important in driving both repeat visits and NPS, green dots are important to repeat visits, red dots important to NPS, and black dots unimportant to both.

## Emancipate Branding: Hijacked by Marketing No More!

With the TCE Model, you can go from the biased “managing branding = managing marketing” to an objective “managing branding = managing TCE” perspective. Whether you work in financial services, telecom or an NGO organization, whether you run a credit-card issuing bank, mobile phone network or promote global city tourism, you need to see the full picture and quantify the importance of each touch-point experience to drive customer loyalty.

Marketing departments may deploy great advertising and make great commercials. The commercials produced may have successfully won prizes and attracted eyeballs, but do they justify the effort and resources? We have seen award-winning commercials that created only short-lived awareness and buzz but not long-lasting impact to the brand. Would anyone in your organization dare speak out and say that resources spent on these marketing efforts could be used more effectively in some other channel or touch-point? Who would voice this opinion when branding is the responsibility of marketing?

To maximize the effectiveness of branding, the branding function has to gain its independence. It is a good thing to have a chief branding officer, detached from marketing and reporting directly to CEO. Similarly, to maximize the effectiveness of customer management, a chief customer officer should be independent, not attached to customer service. Or, more ideally, to have a chief experience officer, with 100% independency and full responsibility, and zero attachment to any function or department, neutrally assessing and managing the effectiveness of both your total customer experience and branding efforts.

When someone is not biased, they can objectively evaluate what your organization does and optimize resources across channels and touch-points to best achieve target results. Now, in the new experience economy and the fast-changing Internet world with so many newly-emerging touch-points, media and channels, you can equip these three officers (chief branding officer, chief customer officer and chief experience officer) with a tool (the TCE Model) to perform their duty (driving customer loyalty) in an objective and quantifiable manner.

Strategy is about resource allocation. The effectiveness of a strategy is judged largely by the effectiveness in resource allocation. The conventional strategy on branding, biased towards advertising and marketing-related activities, uses your resources poorly, whether you are an FSI, telco or NGO, in driving repeat purchase (retention) and referral (NPS) – the resultant behaviors of loyalty. To maximize the productivity of the limited resource of any organization, it's time to connect your branding efforts to business results, it's time to get the right party in the driver's seat, it's time to emancipate branding from being hijacked by any single department, and it's time to rethink “how to” and “who should” manage your brand. It's time to change.

Managing branding by your chief experience officer. *Why not?*

VOICE OF OUR CUSTOMERS

# Global CEM Certification Program

I want to share our VOC, the voices of our customers, those who have participated the Global CEM Certification Program to learn more about PIG Strategy (also called Branded CEM Method).

## Europe

"The Branded CEM Method from Sampson Lee is very useful to change mind-sets of employees and get to understand the customer better. Many companies are customer oriented but in an internal and process oriented way. With this method you learn to see what the customer experiences and with this new focus it is easier to find points for improvement and get better understanding for what is important for the customer. The methodology is easy to use and implement and of high use for me and my department."

**Linda de Winter, Head of Commercial Service Desk  
Swisscom (Switzerland)**

"Thanks Sampson for one of the most mature and best structured approaches to strategic and operational customer experience management! His Branded CEM Method brings a lot of new aspects to the existing approach and definitely improved it with a straight forward and end-to-end ideas from strategy to implementation."

**Thomas Berger, Head of Digital  
Toyota (Germany)**

"Sampson's Branded CEM Method offers great insights on where to put priorities when resources are limited. We use it in our daily battle to create branded experiences that matter."

**Marc Dirix, Service Development Manager  
bpost (Belgium)**

"I had the opportunity to meet Sampson by attending Global CEM Certification Program. He managed to create an inspiring course with a complete overview of the Customer's Experience. It challenged me to approach things from different perspectives and offered interesting views on managing and improving Customer Experience programs. The Branded CEM Method is really an eye-opening and brave method."

**Andrei Calin, Head of Customer Care & Services  
ING Bank (Romania)**

"Sampson's Branded CEM Method provides a unique view into the world of Customer Experience Management, combining and enhancing old and new concepts to bring a new view to a potentially confusing space. If you don't know your UX from your NPS, his methodology will provide clear insight and guidance to help you focus on where you can have the greatest impact."

**Robert Pepler, Manager - Portal Experience Team  
Hewlett-Packard (United Kingdom)**

"Sampson's Branded CEM Method is pivotal to my career development and enables me to develop into business leader rather than customer service specialist."

**Wayne Grimshawe, Head of Customer Services  
Barclays Corporate (United Kingdom)**

## Europe

"I took one of his Global CEM Certification Program. Sampson's Branded CEM Method helps you to adopt your customer's view and make valuable decisions on how to improve experience and profitability: breaking down customer journey in touch-points, to understand customer's holistic value of every touch-point (transactional and emotional), where it is worth it to invest to improve customer experience and how to implement it. To me, Sampson is one of the best experts on CEM worldwide!"

**Julio Herrera-Estevez, Chief Operation Officer  
Pavigvm (Spain)**

"Sampson Lee's methodology provides valuable insights and the means to put theory into practice. With his methodology, Sampson really challenges traditional thinking, showing how to achieve more with less."

**Carmen Phillips, Owner  
Phillips MCT (Netherlands)**

"I attended the Global CEM Certification Program and would highly recommend Sampson's Branded CEM Method due to its thought provoking nature and relevance to touch-point design. It's an interesting perspective that you must take into account as part of your overall CX arsenal."

**Zaheer Gilani, Sr. Principal Business Consultant  
Genesys (United Kingdom)**

"I attended Sampson's Global CEM Certification Program in Copenhagen. Sampson proved exceptional knowledge of the CEM subject and made the journey from the customers experience result into practical steps and tools for companies to apply. Sampson uses real-world examples applicable for all kinds of businesses to embrace and take action upon. I highly recommend Sampson's Branded CEM Method. If all marketers, salespeople and CXO's would apply the methodology to their companies, the world of trade would be a joyous ride for us all!"

**Arne Fossheim, Founder & Owner  
Customer Insight AS (Norway)**

"Release yourself from mediated brand myths and engage to real brand processes. Sampson's Branded CEM Method sheds practical light on interconnecting methodological framework helping to make branded CEM actionable and real value comes with practice."

**Liutauras Daugirdas, Partner  
SYNOPTICOM (Lithuania)**

"I attended the Global CEM Certification Program in London in 2007. Sampson's Branded CEM Method was for me an eye-opener and since then we are very attentive at customer touch-points and at how to enhance customer experience on our IMD campus."

**Guy Schröcker, Executive Director Marketing & Communications  
IMD Business School (Switzerland)**

## Europe

"I have had the pleasure of working with Sampson on one of the first European sessions of his certification program. His Branded CEM Method is very insightful, and is a step-by-step approach on how to run a CEM program and how to focus on the key elements in the Customer Experience. I would absolutely recommend Sampson's methodology!"

**Remy Simonis, Senior Formule Manager Coördinatie centrum  
ING (Netherlands)**

"During the 2 days of the Global CEM Certification Program I can honestly say that my eyes were opened and I came away with an entirely new understanding of what drives customer behavior and how emotions and brands are tightly intertwined. Sampson is a visionary and a great champion for customer experience, his deep understanding of his subject allows anyone interested in this topic to come away with plenty of food for thought."

**Kevin Caulfield, EMEA Project Manager (IT Security and e-Commerce)  
(United Kingdom)**

"In my search for CEM models, I was lucky to find Sampson's Branded CEM Method. I participated at the Global CEM Certification Program held in London. He says that they've been lucky to have many program attendees to support them (half of the attendees are "repeat customers" or coming from referrals). I question myself: Can be wrong so many professionals from big Companies? If you want to find out how is possible to roll out this CEM program 45 times in 18 cities, you must Experience it your own. Have a nice Customer Journey with such a great captain!"

**Jorge Garcia Del Arco, Founder  
ImproveChange.org (Spain)**

"The Branded CEM Method from Global CEM Certification Program by Sampson Lee was very inspiring! It is a practical guide for the implementation of concepts and solutions to specific business problems."

**Yulia Avgul, Managing Partner  
Avgul Expert Company (Belarus)**

"I met Sampson as teacher/moderator during the 2-day CEM master class. I still use the unique and 'well thought out' ingredients to truly help my customers to understand their own clients. Highly recommended to listen to Sampson's innovative and valuable methodology."

**Rob Brosens, Owner en Managing Partner  
Customer-i (Netherlands)**

"It's an eye opener! Sampson's Branded CEM Method offers brand new perspectives on where to invest and where to cut costs. CFOs are not the average target audience when talking about customer experience, but we have their attention now!"

**Linda Højbjerg, Program Manager  
GN Netcom (Denmark)**

## Europe

"Sampson's Branded CEM Method brings a challenging but very valuable view on customer experience management. Very pragmatic, his examples, based on solid research help building required buy in inside our large organization."

**Luc Delepine, Commercial Banking - Business Development - Program  
coordination  
ING (Belgium)**

"I've had the pleasure of experiencing an eye opening, knowledge packed super intense customer experience master class by Sampson Lee. His novel experience management approach is directly applicable and produces great results. A must for any customer experience professional, I wholeheartedly recommend his Branded CEM Method."

**Gerdien Dalmulder, Eigenaar  
Caramel Business (Netherlands)**

"I participated in the Global CEM Certification Program. It was one of my first encounters with the concept of Customer Experience Management and it was a revelation. I was positively surprised by the depth of theoretical thinking and practical concepts. Sampson's inventions of branded CEM and emotional curve turn the "soft stuff" into "hard", "measured" and "monetized". I recommend his Branded CEM Method to anyone in the business of customer care.

**Leszek Soltysik, Owner  
MoreInfo Consulting Services (Poland)**

"I highly recommend Sampson's Branded CEM Method. The methodology combines customer needs and brand values in a manner that is more complete than other methodologies. The approach helps you to identify the areas to focus on by designing the customer experience. It helps you to design an experience that aligns the brand promise and service delivery, and to create loyal customers and promoters of your brand."

**Wim Geerdink, Manager Servicedesk  
BOVAG (Netherlands)**

"I've attended the 2013 Amsterdam class of the Global CEM Certification Program. Sampson provided a truly useful and highly practical method of building and increasing customer experience and customer value in our consulting and solution services organization, always with a clear focus on bottom line results. I highly recommend marketing and service executives pulling from Sampson's ideas to provide their own customers a unique and effective experience."

**Markus Waser, Founder & Owner  
waser iPM (Switzerland)**

"I attended Sampson's Global CEM Certification Program in London and a lot of bricks fell into place. I can clearly see how to start and run my CEM program. I highly recommend his Branded CEM Method."

**Sven-Erik Bergman, Marketing Campaign Planner  
SpareBank 1 SR-Bank (Norway)**



## Europe

"I had the opportunity to meet Sampson by attending the Global CEM Certification Program in Amsterdam. His thoughts about customer experience is innovative and exciting, and I learned a lot from Sampson's Branded CEM Method."

**Petter Selvikvåg Berge, Business Controller  
Nordic Choice Hotels (Norway)**

"The Branded CEM Method Sampson Lee has developed is a very effective method to drive tangible results and change within today's organizations – delivering more with less. It provides a practical step-by-step approach to translating business objectives into branded multichannel strategies. It proves that sustainable competitive advantage – in the on- and offline world – is not achieved through customer centricity, but build on a differentiating customer experience. Showing organizations how to utilize subconscious processes from customers' perspective to deliver that (branded) experience that drives their behavior. The unique fact-based approach provides organizations very clear insights that allow them to allocate budgets towards strategies and tactics that deliver...more with less."

**Willemijn Schneyder-Valbracht RM, Owner  
MerkMijn Marketing (Netherlands)**

"I will rate Sampson's Branded CEM Method among the best, if not the best in the world of customer experience. I will recommend his methodology to anyone interested in creating a world class customer-centric organization."

**Ibrahim Musa Umar, SVP (People and Organisation)  
Signtura Outsource (United Kingdom)**

"The Global CEM Certification was an excellent experience. Over just a few days, we were introduced to customer experience theory and practical ways to implement. I highly recommend Sampson's Branded CEM Method."

**Chris Parker, Customer Experience + Business Technology Consultant  
CoolExperience (Netherlands)**

"At the time I took part in the Global CEM Certification Program, Customer Experience was still a vague term and frequently just a buzzword in the vocabulary of marketers. Today the situation has improved and I believe this is due to Sampson Lee's efforts. His Branded CEM Method makes great sense for anyone who is serious about modern marketing, sales, customer care or CRM. It all blends in practical terms in the customer experience category."

**Ondrej Tomas, Partner  
CleverMaps, s.r.o. (Czech Republic)**

"Sampson's Branded CEM Method is a very consistent and convenient method to learn and to apply, which focuses on the key learning points for every Customer Experience specialist..... In other words, his CEM methodology is a great customer experience and helps you to provide a great experience!"

**Sophie Lerson, Marketing Product owner  
Keytrade Bank (Belgium)**

## Europe

“Managing the customer experience is Sampson’s passion and he transmits this passion to his audience. His Branded CEM Method is intense and very well thought out.”

**Stéphanie Houet, E2E Process Manager for Direct Mail & Admin Mail  
bpost (Belgium)**

“Sampson’s Branded CEM Method is truly inspiring and I use a lot of its insights to help my clients in creating unique customer experiences on those moments that matter most.”

**Deborah Wietzes, Senior Manager  
VODW (Netherlands)**

“Sampson’s Branded CEM Method is an excellent methodology. Very interesting is that his methodology creates value for money/investment. As it helps the organization to choose in which touch-points to invest and which not.”

**Allard d’Engelbronner, Expert Klantbediening & Klantgericht ondernemen  
AdE Consultancy (Netherlands)**

“Customer Experience Management (CEM) is on everyone’s lips for the last couple of years. Surprisingly, many companies fail with the execution. Two reasons are: Misinterpretation what CEM is about (no, it’s not (always) about delighting the customer). And: An isolated view of the Customer Experience (caused by organizational and/or technological silos). Sampson developed a target-aimed approach to parse the Customer Experience across Customer Touch-points and analyze the deviation from the Brand Promise. His Branded CEM Method helps to review the effectiveness of investments and to reallocate budgets in order to create Customer Loyalty.”

**Stefan Kauck, Senior Principal Business Consultant Europe, Middle East  
& Africa  
Genesys (Germany)**

“Sampson’s Branded CEM Method represents a multidisciplinary approach that combines psychology, strategy and analytical skills. Practical knowledge combined with tools – is useful in my daily work, and even my personal life.”

**Grzegorz Palyska, Business Application Development Manager  
P4 (Poland)**

“Sampson’s Branded CEM Method is absolutely fabulous, an original, inspiring and highly effective approach to Customer Experience. Everything I learned and put into practice, simply worked. I used the Emotion Curve concept in many ways; one way was to improve the experience offered to the audience as a keynote speaker. The audience feedback rates improved significantly and they keep an ongoing high level... The concept developed by Sampson comes from the future, but the return on the investment starts the second day after I learned his methodology.”

**Adrian Barbu, President  
Mystery Shopping Providers Association Europe (Romania)**

## Europe

"Sampson has deep knowledge about Customer Experience Management and excels in sharing it. His Branded CEM Method is bound to provide very helpful insights about managing a Customer Experience Program."

**Rafaela Silva, Customer Experience & Digital Marketing Manager – Zippy Sonae SR (Portugal)**

"It was three years ago... I was in Paris for Global CEM Certification Program held by Global CEM. Sampson's Branded CEM Method is creative, strong and new. Thank you Sampson for such a useful methodology."

**Erol Buğdaycı, Unit Manager, Customer Relations Isbank (Turkey)**

"Sampson knows exactly how to translate his customer experience vision to the day to day business. His Branded CEM Method provides useful thoughts and is a real eye-opener for anyone who deals with customers and wants to get the most out of creating customer value for the company/shareholders."

**Robbert Fofana, Owner Wild Cherry Consultancy (Netherlands)**

"I joined Sampson and his team in Hong Kong for The Global CEM Certification Program and came back very inspired both personally and professionally. Sampson is a true capacity and undoubtedly one of the most knowledgeable CEM experts around"

**Jakob Dyrbye, Owner, Creative Director Faust Dyrbye A/S (Denmark)**

"Thanks to Sampson Lee and his Branded CEM Method, I've achieved skills and knowledge to develop a successful career in customer experience. Sampson knows how to convey his deep knowledge in a simple and powerful, "effective" way. I think the word inspirational fits well with Sampson."

**Tomas Ibañez, Director asociado Brain Trust Consulting Services (Spain)**

"Sampson's Branded CEM Method is of great value to me and my clients. Sampson Lee is for us the number one expert in Customer Management and CEM."

**Richard R. van Nieuwenhoven Helbach, Customer Value Inspirator Customer Passion Company (Netherlands)**

"Sampson Lee's wonderful CEM methodology is really aligned with what all companies want to achieve – the right balance and the right things to do."

**Gerard Buchler, EMEA Sustain & OSP Sustain Manager Dell (France)**

## The Americas

"Sampson's CEM methodology changed my entire work life and affected all of my current projects at once. After his course I arrived back at my desk and looked at my projects. I simply realized that all projects needed to be revised from scratch. I mean that in a totally positive way and it was worth all the effort. Sampson has made me see Customer Experience Management from a totally new perspective and now 4 years after having participated in his course the knowledge I gained is still state of the art and simply great."

**Fabian Romankewicz, Sales Enablement Program Manager  
Cisco Systems (United States)**

"Sampson has developed a fascinating methodology to map customer journeys to ultimately identify where are the best places to invest limited resources. His approach is clear, innovative, and thought-provoking."

**Janelle Matthews, Global Vice President, Business Solutions & Consulting  
Genesys (United States)**

"Innovative, challenging, questioning and extremely necessary, the method of Mr. Lee is a breakthrough in business and strategic development for all companies that want to differentiate themselves in their market."

**Larry Sackiewicz, Partner  
TRD Global (Brazil)**

"While many people talk about Customer Experience Management (CEM), Sampson's method takes CEM and translates it into an actionable structure. We have used this structure with success with our clients. Sampson's models of the Emotion Curve and Customer Touch-points have given me a different view into Customer Experience. I highly recommend his methodology."

**Stuart Walters, Principal Business Consultant  
Genesys (United States)**

"Sampson's insight into Customer Experience Management brings alive the subject, and his Branded CEM Method capitalizes on this. His ideas and experience provoke fresh thought."

**Jonathan Ward, Business Process Improvement Manager  
Expro (United States)**

"Sampson Lee's Branded CEM Methodology was an important part of my development in the area of CEM."

**Gustavo Monzon, New Student Services  
The University of Texas at El Paso (United States)**

"For years companies did not take time to focus on the recommendation Sampson Lee is making: identify their own Branded Pleasures and Good Pains. Only a handful of business leaders at the top of the company understand this."

**Mark Stanley, PMP, Senior Principal Business Consultant  
Genesys (United States)**

## The Americas

"Sampson is a great thought leader in the subject matter of customer experience management. His CEM methodology is well researched and provides tangible results based on thorough theoretical background."

**Birgitt Romankewicz, Sr. Director, Global Sales Enablement  
Harmonic (United States)**

"Sampson's methods for managing customer experience changed the way I approach conversations with all customers... internal, external, family members! I thoroughly enjoyed working with Sampson, and would recommend him and his methodology to anyone trying to solve the dynamics of successful customer experience management."

**Charlie Godfrey, Sr. Principal Business Consultant  
Genesys (United States)**

"Sampson used tangible examples to teach us his CEM methodology and gives a different perspective on how to approach customer experience. In a short amount of time we learned several useful concepts and tools that we were able to implement immediately."

**Jendy Burchfield, Associate Director  
Brain Trust Consulting Services (United States)**

"Sampson makes Customer Experience Management (CEM) tangible by focusing on the practical application of CEM strategy in large enterprises through the lens that counts – the outside (customer) in (enterprise). With just enough focus on CEM models and elements, his methodology focuses on CEM in practice for practitioners who care about the customer."

**Mike Galvin, Director of Client Solutions  
Medallia, Inc. (United States)**

"Sampson has developed a thorough methodology around aligning the brand promise to service delivery that identifies branded pleasures and good pains. His approach helped me identify some of the areas that I should focus on during experience design. I highly recommend his method."

**Musa Hanhan, Director of Experience Design  
Genesys (United States)**

"Sampson's CEM methods represent an outstanding approach to understanding branded consumer experience; it was a pleasure being able to learn from him and change my perspective of CEM into a new thrilling methodology that is undoubtedly a key for creating a branded experience."

**Francisco De Vega, Partner Development and Online Sales  
iZettle (Mexico)**

## Australia, Asia, Africa & Middle East

"Sampson Lee's Branded CEM Method gave me a new perspective on customer experience that I have never considered. It's totally different to what I expected, and I have taken a lot out of this."

**David Zammit, Supporter Experience Director  
Compassion Australia (Australia)**

"What an amazing set of methodologies Sampson has. The ability to transform organizations into real customer advocates through the use of his CEM methodology is simply amazing to see."

**Cameron Smith, Principal Business Consultant  
Genesys (Australia)**

"I found Sampson to be knowledgeable and enjoyed his delivery of the Branded CEM Method. His CEM methodology is recommended to other companies."

**Sam Ghebranious, Director  
Advance Coaching & Consulting Pty Ltd (Australia)**

"Sampson has quite a story to tell which will change forever the way you think about managing your customer(s) experience. It was a delight to invest in Sampson's CEM program to learn, share and interact with other like minded people who 'get it' when it comes to what drives some of the largest, most successful brands today. Never a dull moment with Sampson! Would recommend his Branded CEM Method to anyone who wants to think differently about customer experience."

**Maurie Barnes, Senior Principal Business Consultant  
Genesys (Australia)**

"Sampson Lee is an expert in Customer Experience Management. Sampson's deep knowledge in Customer Experience along with his deep consulting expertise in the area made his Branded CEM Method more effective for all business executives."

**Tarique Amin Bhuiyan, Principal - Business Consulting  
Infosys Lodestone (Australia)**

"Sampson's approach to Customer Experience Management challenges some time-honored CEM conventions, but his insights into customer behavior and emotions will have you become a convert to his methodology."

**Ian Low, Principal Business Consultant  
Genesys (Australia)**

"Sampson knows Customer Experience from the core. His Branded CEM Method was an eye opening thought for me. Great to know him!"

**Marlin Silviana, Associate Partner  
Hachiko - Customer Loyalty Solutions (Indonesia)**

## Australia, Asia, Africa & Middle East

"Sampson Lee has developed a practical CEM methodology which you can apply theories to practice. Would be recommending especially for brand people to know about the application of the Peak-End Rule."

**Nopparat Suksaranluddee, Group Director of Loyalty & Partner Marketing  
ONYX Hospitality Group (Thailand)**

"Sampson's Branded CEM Method was an eye opening approach for me. I've learned a lot from his methodology on how to create a branded customer experience."

**David Yeung, Group Manager, Customer Services China  
Swire Beverages (Hong Kong)**

"I would like to mention Sampson Lee's methodical approach to Customer Experience, his ability to make the presentation alive with recent examples and build the concept of "pleasure-pain gap" in understanding the customer journey. I recommend the Branded CEM Method to all senior managers who want to build a customer centric organization or understand the basics of starting a Customer Experience Management program."

**Abhijit Gupta, Management Consultant - Customer Experience Strategy  
Customer Future (India)**

"Sampson's research and delivery of customer experience management concepts is outstanding. Very practical and applicable across different industries and cultures. His case studies and examples provide clarity and show how an organization can immediately start applying these concepts."

**Kolawole Osinowo, Head of Customer Care and Logistics, West and Central Africa  
Microsoft (Nigeria)**

"I attended the 2-day Global CEM Certification Program, and it was like opening my eyes for the first time. Quite a "breath of fresh air" that truly helped me to come back with a new enthusiastic perspective on a valuable and leading edge methodology and framework, which are now mainstream concepts. Back then, we challenged ourselves to be customer-centric without the know-how, the tools, and the right methodology. Having been certified through the Branded CEM Method made me understand what customer experience is all about, mapping customer journeys through customer shoes, understanding the peak pain-pleasure emotion curve and branded value experience approach, and therefore identify where to invest limited resources to increase company and customer value. It is a methodology of great value that I highly recommend."

**Filipa Henriques (Portugal), Continuous Improvement & Customer Care  
Director  
ZAP (Angola and Mozambique)**

## Australia, Asia, Africa & Middle East

"Sampson combines both deep academic knowledge of the material with practical experience and puts together a very thought-provoking methodology that is geared towards practical improvements in the marketplace. His Branded CEM Method is strongly recommended for those who want to help their business improve its customer experience performance."

**Machado Ricardo, Senior Lecturer Marketing  
UNISA (South Africa)**

"Sampson Lee is a very experienced and innovative expert on CEM. His groundbreaking approach to CEM in organizations has proven to be a decisive game changer in customer experience management for our organization."

**Ralph Omoregie, CEO  
Tasowie Consulting (Nigeria)**

"Sampson creatively explains key concepts in the field and illustrate how you can successfully implement them to yield great results. His Branded CEM Method had a great impact on me and I would highly recommend it as it is practical, creative, and efficient."

**Nour Taher, Customer Experience Officer  
Bank al Etihad (Jordan)**

"I gained a new perspective of CEM and highly recommend Sampson Lee's Branded CEM Method."

**Saleet Granit, CEO  
Adkit (Israel)**

"Sampson has created a fantastic CEM methodology that not only help organization to focus on delivery better customer experience but also how to manage the customer experience, it is also a very helpful exercise for daily life as well. There is too much value in his method that we can impact the world around us if we focus on what we do and relate to Customer Experience."

**Mohamed Afifi, Managing Director Middle East  
Genesys (United Arab Emirates)**

"Sampson's Branded CEM Method is the best customer experience methodology I have ever seen. That method was an eye opener for me, and I implemented what I learned in Paris in my organization."

**Abdulaziz Abdulbaqi MT (ASCP)H, CPHQ, Director, Quality improvement  
& Patient Safety  
International Medical Center (Saudi Arabia)**



## And, Some Words from Our Partners

"Having trawled the seas of improving customer returns for many years I found it hard to convince executives that they were killing their businesses by following benchmarks and standards. That was, until I discovered Sampson Lee's PIG (Pain Is Good) Strategy – it provides the first ever usable and successful model that maximize returns from customers without falling into the trap of generalization or assumption."

**Dr. Brownell O'Connor, Owner  
Brownell O'Connor Ltd. (Ireland)**

"Sampson Lee is an innovator and true thought leader in the customer experience world."

**Bob Thompson, Founder/CEO  
CustomerThink (United States)**

"One of the few true innovations in customer experience over the past few years is Sampson Lee's 'Pain Is Good' concept. It runs counter to much of the conventional wisdom about needing to 'delight your customers' in everything that you do, and for this reason is a breath of fresh air. Simply put, the concept is about focusing on the things that matter most to your customers and which differentiate your brand. That means investing in the things that truly create value for customers and moving costs from the things that don't. What CFO could argue with that! I wholly recommend PIG to any organization wishing to improve the customer experience. So much so that it has become an integral part of Smith+co's approach to helping our own clients."

**Shaun Smith, Co-author  
Bold: How to be Brave in Business and Win (United Kingdom)**

"If your goal is to amaze all of your customers all the time, you're wasting resources. If you can find the significant points of amazement and the brand-building points of pain, you can keep customers happier, longer and at a much lower cost. Sampson Lee has been pursuing customer centricity for fifteen years and unravels the mystery of customer delight without breaking the bank."

**Jim Sterne, Chairman  
Digital Analytics Association (United States)**

"Sampson is the creator of the Branded CEM Method, which focuses on investing in the touch-points that are essential to both your customers and your brand. That way no money is wasted on touch-points, which do not differentiate your brand from competitors. Sampson's vision is very original, saying that you should not always listen to the customer and that inflicting some pain is effective to distinguish your brand and be remembered by your customers."

**Lody Offenberg, Former Co-owner  
TOTE-M (Netherlands)**

## And, Some Words from Our Partners

“We licensed Sampson’s methodology for years. This brought us and our customers valuable results: improved loyalty, brand differentiation and increased sales. We applied his method successfully in financial services, telecom, FMCG, charity, e-Commerce and retail.”

**Kees Kerkvliet, Owner  
TOTE-M (Netherlands)**

“Sampson Lee’s Branded CEM Method was an eye-opener for me and our 25 consultants that were trained and certified. I highly recommend his methodology to anyone interested to define and implement an effective customer experience.”

**Annemiek van Moorst, Founder  
TOTE-M (Netherlands)**

## ACKNOWLEDGEMENTS

### Friends & Colleagues

To Bob Thompson, my mentor in the United States, who provided me online and offline platforms to share my ideas and research findings with a global audience and to interact and debate with professionals in the field. Our friendship is timeless.

To Annemiek van Moorst and Lody Offenberg, my business partners in the Netherlands, who believed in and first licensed my methodology. Their appreciation boosts my confidence and is always my motivation.

To Dr. Paul Cheung and Angela Castro, who have given me the opportunity to teach at the University of Hong Kong. With their trust, I have had the freedom to present my methodology in an academic setting for more than a decade.

To Dr. Brownell O'Connor in Ireland, Shaun Smith and Jennifer Kirby in the United Kingdom, Dr. Candice Ng-Chee in Singapore, Donna Fluss, Ro King, Jim Sterne, Paul Ward, John Chisholm and Paul Greenberg in the United States, who have delivered with me the Global CEM Certification Program, a commercial podium from which to preach my methodology.

To Jim Sterne, John Holland, John Chisholm and Bob Thompson in the United States, Annemiek van Moorst in the Netherlands, and Henry Winter and my research team in Shanghai. With their help, all the inde-

pendent research projects that validated my insights and theories came to fruition.

To Ro King, my editor in New York, who has been professionally and patiently revising my written work in English for years. Ro never ceased to sharpen my thoughts in the process of writing this book. She is a wonderful personal friend and has been my angel through my darkest times.

To my production team, Sampras Lee, Alice Tse and Sharon Chan, who worked vigorously behind the scenes, their continuous efforts to perfect this book are invaluable to me.

## A NOTE ON THE AUTHOR

# Sampson Lee

Sampson founded Global CEM and invented PIG Strategy. With content based on Lee's invention, Global CEM has run the world's 1st customer experience management certification program in 19 international cities. PIG Strategy was first licensed in Belgium and the Netherlands.

## ONE LITTLE WISH

# A Donation

This book was written with great endeavor and effort; more importantly, it was written to inspire you and facilitate your work. Instead of charging you any money for access, I have decided to make this book freely available for all to read.

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