Irish customers declare loyalty to brands that genuinely care
Welcome to the 2017 CXi Ireland Customer Experience Report. The CX Company helps Irish businesses deliver CX excellence to their customers and everything we do is rooted in robust Irish customer insights.

The annual CXi survey is our starting point and since its inception in 2015 we have used it to help many companies on their CX journey. To find out more about what we do please go to page 31.

We hope you enjoy reading this report and please do get in touch to find out more, we’d love to hear from you!

The CX Company Team

“People no longer tolerate companies that have amnesia when it comes to remembering basic recognition or preferences.”

Gene Alvarez, Gartner

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Methodology

The CXi survey was conducted by The CX Company, in partnership with Amárach Research, in June 2017. A representative cross section of Irish consumers was asked to give feedback on their customer experiences with 170 brands across ten sectors. Over 42,000 experiences were evaluated using our Six Pillars, as well as NPS, loyalty, value for money and verbatim comments.

In this year’s survey we added new questions including channel preference, the importance of staff and switching intentions.
Executive Summary

The results from our 2017 CX Ireland Customer Experience (CX) report is mixed with exciting change, champion consistency and sharp new insights. Happily, we see Ireland reflecting progress alongside the more CX advanced countries such as the US and the UK.

First of note is the growth in CX success that digital brands are enjoying. Five of the top 20 brands in our Top 100 league table are digital brands, with Amazon leading the way at no. 4, jumping an amazing 24 places. What makes the digital brands stand out is their ability to humanise the experience they give customers through the use of data, demonstrating they understand needs and expectations.

Secondly, culture is key in delivering great CX. Whilst many companies have a customer centric focus, it is those that have engaged their staff and aligned their employee experience with their customer experience who are reaping the rewards. At the core of this approach is empathy, being able to walk in both the customers and the employees shoes. Our top 3 brands – Credit Union, Lush and An Post (who have stayed the same as last year), are also Ireland’s most trusted brands in our survey and have some of the highest empathy scores. What is key to the success for all three is how their staff engage with customers, showing that they genuinely care. Our four featured case study brands are great examples of companies who demonstrate this genuine care for customers and staff.

Lastly, we clearly see what happens to brands who don’t get their CX right. Hailo/My Taxi are the biggest faller in our survey this year. A result of the huge expectations gap caused by the poor introduction of their new app and lack of advocacy from their drivers. And Ryanair’s seating allocation issue in the summer contributed to their fall of 38 places, demonstrating that Irish consumers simply will not tolerate being treated poorly.

We hope you enjoy our third Ireland Customer Experience report and discover some insights to help you in your CX excellence journey.

The CX Company Team
Authors:
Cathy Summers, Michael Killeen, Susannah Hewson and Julian Douglas

Has CX improved in Ireland in 2017?

Indications are that Ireland is moving in the right direction as our overall CX Excellence score improved again in 2017. This is very encouraging to see. CX Excellence is a slow burner that requires getting all parts of a business aligned.

As part of the CX 2017 survey we asked customers if their experience with the brands they interacted with had improved, got worse or not changed in the previous year. The results below show that 22% of brands were seen by customers to improve their customer experience, whilst 11% dis-improved. This demonstrates the challenge for brands to deliver continued improvement in CX.

Six Pillar improvements

In 2017 we are seeing the scores for the majority of the Six Pillars improve. The biggest improvement has been in Expectations, an area where Ireland has performed poorly over the last couple of years. Scores still lag behind the US and UK. As customer’s expectations continue to rise it’s important that Irish brands continue to ensure they are not over-promising. Personalisation scores have improved as brands improve knowledge and understanding of their customer’s needs. Resolution has also seen an increase. Brands that recognise that customers who complain are likely to be their most loyal, and treat them accordingly, will reap rewards in the progress of their CX strategies.

“It’s not what you say or what you do, but how you make people feel that matters the most.”
Tony Hsieh, CEO Zappos

How has customer experience changed in the last year?

Improved 22%
Worse 11%
No change 64%
Not a customer 4%
Irish CX Trends from the 2017 CXi Survey

Our 2017 survey included 152 brands across ten different sectors. Consumers were asked to identify brands they had interacted with as a customer in the previous six months. They scored each brand based on their CX performance using our Six Pillar framework.

Based on this CX Excellence score each brand is ranked in our league table. The diagram below plots all of the brands and demonstrates the divergence of performance.

Diverging Performances

Top 10
The top 10 have a CX Excellence score 10% higher than the overall survey average and 28% higher than the bottom 10 brands.

Top 100
Twelve brands from 2016 moved into the top 100, five were insurance brands. Sixteen brands from 2016 fell out of the top 100, five were travel brands and five were restaurants.

Digital brands
Eight of the top 20 brands are purely online (e.g. Amazon, Netflix), have a strong online offering (e.g. Lush, Boots) or support online (e.g. Parcel Motel).

130+
The average CX Excellence score for brands ranked over 130 increased by 6.5% in 2017 compared to 2016, indicating that improvements are being made.

There is definite distance between the Top 10 and the rest of the brands in our survey. They demonstrate genuine care and commitment to customers and put them at the heart of their business.

The brands between 20 and 120 have the greatest opportunity to improve their ranking and move up the league table as the differences in scores flatten somewhat. The brands who are ranked lower than 120 have a challenge to improve as the gap widens between top and bottom, however it is not insurmountable and one that can be addressed with investment in the customer.

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**CX Trends**

As CX becomes a key priority for businesses, we identify key trends from Consumers and CX champions in Ireland and abroad.

1. **Recruit, train and retain sincere and caring staff**
   Your staff must be sincere in everything they do for customers. Finding, training and retaining caring talent is crucial in delivering authentic CX excellence. Customers develop relationships with humans, not technology. You must involve your staff in designing and building your foundations for CX excellence.

2. **Share the knowledge to gain the power**
   Personalisation supported by data analytics is the top trend that will change the CX industry over the next five years. Getting visibility of customer behaviour has significant promise but is very hard to do. Customer data usually stays within the department it is collected. Sharing this information across all departments is the critical step to drive growth.

3. **Open up CX training to your outsourced teams**
   Customers do not tolerate disjointed CX anymore. ‘Immersive CX training’ empowers customer-facing staff to leverage their own experiences to deliver what customers are actually asking for. Run training across all internal silos and be sure to include your outsourced partners to create a consistent journey for customers.

4. **Invest in emotional engagement**
   Customers won’t recall the price they paid or the quality of a product. But they will remember how they felt when they dealt with your company. Over 60% of what a customer recalls is the physical emotional reaction they had after dealing with your business (they smiled, cried, screamed, laughed). To turn happy customers into sales advocates, give more focus to the emotional experiences you design.

5. **Empower your customers to improve their own CX**
   Encourage customers to use a DIY approach and design what works for them. For example, the utility sector engages customers to design their own tariffs and control their energy usage based on their needs.

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**Where does Ireland stand globally?**

Ireland is still lagging behind the UK and the US in customer experience excellence. Ireland is 3% behind the UK and 9% behind the US, although we are seeing very gradual improvements year-on-year. The US is very much the front runner, having seen a 4.5% uplift in their overall CX score in 2017.

**High performers gap**

Two brands in Ireland achieved an overall CX score higher than 8 (out of 10) in this year’s survey (Irish Credit Union and Lush). This compares to the most recent UK survey where four brands achieved this high score (First Direct, John Lewis, Lush, and Emirates). In the US 2017 survey 58 brands reached an overall CX score of 8 or more showing that they are global leaders in CX and much can be learnt from them.

**Great CX is extremely rare around the globe**

In their recent Global Customer Experience Trends 2017 report, Forrester discovered that great CX is extremely rare, with the vast majority of companies around the world only earning a CX Index score in the OK range. This means they are failing to differentiate themselves from their competitors and have customers who are indifferent to the experience they are receiving. This has implications for loyalty, advocacy and business growth. Given the numbers are so low, this represents a significant opportunity for more companies to improve their performance and gain competitive advantage.

*Source: Forrester Research*
Ireland’s Top 10
CXi League Table 2017

This year, we see the impact of digital with pure online brands Amazon and Netflix entering the top 10, along with Argos who have a strong online offering, and Parcel Motel who very much enable customers to have a great online shopping experience. Credit Union, Lush Cosmetics and who very much enable customers to have a great online experience. Credit Union, Lush Cosmetics and

<table>
<thead>
<tr>
<th>RANK</th>
<th>BRAND</th>
<th>SECTOR</th>
<th>OVERALL CX SCORE</th>
<th>CHANGE FROM 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>IRISH CREDIT UNION</td>
<td>Financial</td>
<td>8.22</td>
<td>→</td>
</tr>
<tr>
<td>2</td>
<td>LUSH COSMETICS</td>
<td>Retail</td>
<td>8.02</td>
<td>←</td>
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<tr>
<td>3</td>
<td>AN POST</td>
<td>Retail</td>
<td>7.95</td>
<td>←</td>
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<tr>
<td>4</td>
<td>AMERICAN EAGLE</td>
<td>Retail</td>
<td>7.93</td>
<td>24</td>
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<tr>
<td>5</td>
<td>BOOTS</td>
<td>Retail</td>
<td>7.88</td>
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<td>6</td>
<td>PARCEL MOTEL</td>
<td>Retail</td>
<td>7.80</td>
<td>Nouveau</td>
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<td>PENNEYS</td>
<td>Retail</td>
<td>7.71</td>
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</tr>
<tr>
<td>8</td>
<td>NETFLIX</td>
<td>Entertainment &amp; Leisure</td>
<td>7.67</td>
<td>30</td>
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<tr>
<td>9</td>
<td>SAM MCCAULEY PHARMACIES</td>
<td>Retail</td>
<td>7.64</td>
<td>- 5</td>
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<tr>
<td>9</td>
<td>MARKS &amp; SPENCER RETAIL</td>
<td>Retail</td>
<td>7.64</td>
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<tr>
<td>9</td>
<td>ARGOS</td>
<td>Retail</td>
<td>7.64</td>
<td>30</td>
</tr>
</tbody>
</table>

1st - NO CHANGE

A perfect example of a company that genuinely cares about its customers. This is reflected in leading scores in Integrity and Empathy, delivered by a highly committed staff, many of whom are local volunteers. They are deeply rooted in their communities.

LUSH 2nd - NO CHANGE

Staff are passionate and deeply knowledgeable, and use a question and answer approach to guide customers on the right product for them. All staff are given free of charge access to all products to help build this knowledge. Small gestures such as a few kind words or a hug go a long way to making customers feel amazing after a visit to a Lush store.

AMAZON 4th - UP 24 PLACES

Amazon’s vision of being the earth’s most customer centric company is brought to life through their ability to listen and the use of data to drive highly personal relationships with their customers. It’s easy for customers to do business with them and they are constantly innovating around their customer’s needs.

PARCEL MOTEL 6th - NEW

Highly convenient and flexible, Parcel Motel makes life easier for customers, particularly those who shop online. Customers truly appreciate the control they have been given, and appreciate and recognise that their needs have been met, leading to the highest Personalisation score in the survey.

Penneys 7th - UP 3 PLACES

Penneys continue to be a leader in CX as they consistently surprise and delight with their ever-changing stock that offers great style and value. Many people who started shopping in Penneys as a necessity in the recession continue to visit and have become part of their ever-growing loyal customer base.

Netflix 8th - UP 30 PLACES

A new entrant in our top 10, Netflix is recognised as one of the best providers of digital customer experience. Their use of data to drive highly personalised recommendations helps customers to make the most of their viewing time. The ongoing creation of unique content keeps customers coming back for more.

Marks & Spencer based everything they do on what they know about their customers and every decision starts with them. Their omni-channel offering gives customers flexibility and choice and means they score particularly well in the Time & Effort pillar.

Argos 9th - DOWN 6 PLACES

With a huge range of products and a tried and tested omni-channel offering, Argos offers customers what they want, when they want it. They make it very easy for customers to browse, choose and buy either in-store or from the comfort of their own homes.

An Post 9th - NO CHANGE

A brand that is part of the fabric of Irish society, customers value the personal contact, as well as the range of products on offer from stamps to insurance. Friendly, happy staff, particularly the postmen who knock on your door everyday, are at the core of An Post’s CX success.
The Six Pillars of CX excellence

The Six Pillars were established by KPMG Nunwood from more than 1.7 million pieces of customer feedback across multiple markets. The Six Pillars of customer experience excellence are based on creating emotional connections with consumers which in turn create relationships and behaviours consistent with growth.

**The Six Pillars**

- **Personalisation**: Create emotional connections through individualised attention
- **Integrity**: Build trust through every interaction
- **Expectations**: Manage, meet & exceed expectations
- **Time & Effort**: Minimise customer effort & make it easy to do business with you
- **Empathy**: Show customers you genuinely understand what it’s like to be in their shoes
- **Resolution**: Turn a poor experience into an amazing one

A strong performance in the Six Pillars is proven to drive loyalty and advocacy, which ultimately delivers commercial success and builds shareholder value.

<table>
<thead>
<tr>
<th>Pillar impact on Loyalty:</th>
<th>Pillar impact on Advocacy:</th>
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</thead>
<tbody>
<tr>
<td>21% Personalisation</td>
<td>25% Personalisation</td>
</tr>
<tr>
<td>18% Integrity</td>
<td>17% Integrity</td>
</tr>
<tr>
<td>15% Expectations</td>
<td>15% Expectations</td>
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<tr>
<td>16% Resolution</td>
<td>14% Resolution</td>
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<tr>
<td>17% Time &amp; Effort</td>
<td>17% Time &amp; Effort</td>
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<tr>
<td>13% Empathy</td>
<td>12% Empathy</td>
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</table>

**CX Return on Investment**

Organisations which excel at The Six Pillars ultimately create greater shareholder value. The Six Pillar framework enables emotional connections to be made with customers. These connections create behaviours and relationships consistent with growth leading to the delivery of multi-tiered commercial outcomes.

The following diagram illustrates the economics of customer experience excellence:

- **First Order Results**
  - Repeat purchase sales
  - Cross sales
  - Less price sensitivity
  - Positive word of mouth

- **Second Order Results**
  - Lower acquisition costs
  - Lower costs to serve
  - Stable customer base
  - Higher prices
  - Higher sales
  - Positive reputation

- **Drivers of Shareholder Value**
  - Acceleration of cash flows
  - Increased cash flows
  - Lower volatility / vulnerability
  - Higher residual values

- **Shareholder Value**

Make the CX business case by calculating ROI

ROI benefits for CX business cases should cover:

- **Reduction in churn** - customers are 2.7 times more likely to keep doing business with you
- **Higher cross and upsell** - customers who receive quality CX are 3.6 times more likely to buy more
- **More new customers** - via recommendations which in some sectors can account to over 70% of new business
- **Decrease in cost to serve customers** - fewer customer issues translates into fewer resolution cases with less staff required
- **Happy employees** - greater staff longevity and therefore more knowledgeable CX excellence delivery
CXi Excellence Awards

This is the second year of our unique CXi awards programme which was set up to recognise and celebrate CX excellence in Ireland. What makes them different to any other awards programme is that they are judged by the best team of judges the country can offer – your customers. This year we used 42,000 brand evaluations from these customers to tell us who are winners are.

We are proud to recognise and celebrate our new champions. Some of last year’s winners have retained their awards whilst we have some newcomers including Netflix, Domino’s, Aer Lingus and Powercity. A big congratulations goes to all our winners and to our Top 100. It is a huge achievement to be recognised by your customers for giving them memorable experiences they will value, delight in and share with others.

<table>
<thead>
<tr>
<th>IRISH CREDIT UNION</th>
<th>AER LINGUS &amp; CITY LINK</th>
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<tbody>
<tr>
<td>Financial Sector</td>
<td>Travel Sector</td>
</tr>
<tr>
<td>LUSH</td>
<td>LAYA</td>
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<tr>
<td>Retail Sector</td>
<td>Insurance Sector</td>
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<tr>
<td>ELECTRIC IRELAND</td>
<td>DUBLIN ZOO</td>
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<tr>
<td>Utilities Sector</td>
<td>Experience Destination</td>
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<tr>
<td>M&amp;S SIMPLY FOOD</td>
<td>DEALZ</td>
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<tr>
<td>Supermarket Sector</td>
<td>Best for Value</td>
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<tr>
<td>NETFLIX</td>
<td>AMAZON</td>
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<tr>
<td>Entertainment Sector</td>
<td>Best for Loyalty</td>
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<tr>
<td>PASSPORT OFFICE</td>
<td>PARCEL MOTEL</td>
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<tr>
<td>Public Sector</td>
<td>Highest New Entrant</td>
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<tr>
<td>DOMINO’S</td>
<td>POWERCITY</td>
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<tr>
<td>Restaurants Sector</td>
<td>Highest Climber</td>
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<td>TESCO MOBILE</td>
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<td>Telecoms Sector</td>
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</tbody>
</table>
Top 10

1. Credit Union
2. LUSH
3. Argos
4. Amazon
5. Boots
6. Budweiser
7. Penneys
8. Netflix
9. M&S
10. SuperValu

To find out your CX score please contact us

Industry colour key:
- Supermarkets
- Retail
- Entertainment
- Financial
- Public Sector
- Mobile/Landline/Broadband & TV
- Insurance
- Change from last year

Ireland’s Top 100 Champions 2017
2017 CXi Report Sector Analysis

The 2017 CXi Survey covers brands in 10 sectors and 14 new brands were added to the survey this year to reflect the changing brand landscape. In this section we look at the performance of each sector over the three years of the survey. We have used data from the UK and US CX surveys (run by KPMG Nunwood) to predict where each sector in Ireland is likely to be in 2018. Both the UK and the US are approximately 2-2.5 years ahead of Ireland in terms of CX maturity so it gives a strong indication of where our own market is likely to go in the future.

Sector Ranking

<table>
<thead>
<tr>
<th>Ireland Sector</th>
<th>Ireland 2017 Sector Ranking</th>
<th>Movement from 2016</th>
<th>Overall CX Score 2016 vs 2017</th>
</tr>
</thead>
<tbody>
<tr>
<td>Retail</td>
<td>1</td>
<td></td>
<td>-0.1%</td>
</tr>
<tr>
<td>Supermarket</td>
<td>2</td>
<td></td>
<td>-1.9%</td>
</tr>
<tr>
<td>Entertainment &amp; Leisure</td>
<td>3</td>
<td></td>
<td>1.4%</td>
</tr>
<tr>
<td>Travel</td>
<td>4</td>
<td></td>
<td>-1.4%</td>
</tr>
<tr>
<td>Restaurants</td>
<td>5</td>
<td></td>
<td>-1.7%</td>
</tr>
<tr>
<td>Financial</td>
<td>6</td>
<td></td>
<td>-0.7%</td>
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<tr>
<td>Insurance</td>
<td>7</td>
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<td>6.5%</td>
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<tr>
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<td></td>
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<tr>
<td>Telecoms</td>
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<td></td>
<td>0.0%</td>
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<tr>
<td>Utilities</td>
<td>10</td>
<td></td>
<td>-2.4%</td>
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</tbody>
</table>

There has been more movement in the sectors this year, compared to last year, with the insurance sector the biggest improver in terms of overall CX score. Retail has taken over the top position from Supermarket but it is extremely close. The Entertainment & Leisure sector have also seen an improvement, driven by the digital and cinema brands. We can see in the graph below how the improvement/deterioration in average Six Pillar scores varies from sector to sector:

2017 vs 2016 Six Pillar Movement by Sector:

Public Sector

The public sector has dropped one place in the sector place despite marginally increasing its overall CX score. All brands in this sector saw a drop down the rankings. The impact of the Passport Office moving location and the speeding fine issue in the Garda Siochana can clearly be seen. HSE Ambulance, Social Welfare and NCT all improved their overall CX scores, albeit off a very low base.

Supermarkets

2017 analysis:

Irish supermarkets stand out for CX delivery with three brands in the top 15. However, the main players dropped positions with the exception of SuperValu. Irish consumers seek consistent value when handing over their hard earned cash. Aldi and Lidl continue their winning formula of value, quality and service. M&S confirm that consumers are prepared to pay more for that treat experience. The sector needs to put their employee’s first, a trend from the USA with 88 stores on the east coast in the best companies to work for list. Finding employees who genuinely love what they do and who can enhance an enjoyable shopping experience is key. Irish consumers may be falling out of love with the large format store. Less can be more with the growth of the smaller, more community friendly offerings.

2018 prediction:

The CX Company predicts a return to no. 1 in 2018. The growth of the boutique type supermarket will pressure bigger players to get the human touch back, creating greater investment in employee development. New innovative offerings, particularly self-serve for the time poor and improvements in home delivery (which has surpassed the store visit experience) will continue.

Travel

2017 analysis:

Travel was our most active sector in 2017. Ryanair did not fool Irish consumers with its CX commitment, dropping 38 places following the pre-seat allocation drama. Hailo became Mytaxi and didn’t manage expectations or driver advocacy, resulting in a fall of 94 places, the biggest drop this year. Intermittent industrial unrest on trains and buses left many consumers stranded. However, LUAS got back on track from last year’s strike and DART continues to improve its position with genuine staff commitment and technological innovations.

2018 prediction:

Irish airlines delivering infrastructure and industrial unrest place huge pressures on travel brands. With little hope of investment in transport we will continue to suffer. Our airline experiences will falter, impacting negatively on travel’s position next year. The hotel trade will continue to prop up this sector but not enough to see overall progress. We predict the score will drop again next year.
Restaurants

2017 analysis:
Worryingly very few restaurants are moving in the right direction this year. In other markets this sector leads in innovation and remarkable and knowledgeable staff engagement. This sector has suffered greatly over the years with lack of investment in, and constant turnover of staff. With the development of time saving apps, Domino’s is one of very few who have jumped this year.

2018 prediction:
Remain static through better training and technology advancements to improve time and effort.

Insurance

2017 analysis:
Insurance lags behind traditional financial services providers in CX maturity. However, this year we have seen remarkable growth in their CX improvement, albeit off a small base. Insurance providers deliver CX excellence at the welcome stage of the journey and when a claim is being made. Seven brands feature in our league table this year with health insurance growth in their CX improvement, albeit off a small base. Insurance providers deliver CX excellence at the welcome stage of the journey and when a claim is being made. Seven brands feature in our league table this year with health insurance growth in their CX improvement, albeit off a small base.

2018 prediction:
Most of Ireland’s insurance brands will continue to make significant strides at the key moments of truth across the customer journey and reap rewards in 2018. Gone are the days of the fixation with acquisition of new customers. This is being replaced by genuine commitment to customer focus. We predict the insurance sector will match or overtake the financial services sector and may deliver the biggest sector jump in 2018.

Entertainment & Leisure

2017 analysis:
Entertainment has bounced back from last year’s drop with the inclusion of big jumpers such as Netflix, YouTube and Google. It supports the fact that the Irish consumer is finally recognising digital’s impact in delivering remarkable CX. IMC and Omniplex made great strides in the cinema space, with Odeon dropping places. Facebook’s integrity score dropped, pushing them down 15 places.

2018 prediction:
Consumer’s expectations are on the rise, particularly in this sector. Cinemas are delivering better experiences with greater venues and comfort. The online offerings will continue to innovate at incredible speed. Employees also play a significant part in the venue based businesses CX delivery. Hiring staff that have a deep love of the cinema pays off for many of these businesses. We predict a continued yet slight increase in 2018.

Retail

2017 analysis:
Our largest sector with 53 companies in the top 100 and four in our top five, retail has reached top dog status for the first time. Amazon, Parcel Motel and Argos made the biggest jumps into our top ten, confirming the Irish consumer has finally recognised digital’s positive impact in their lives. We are declaring absolute loyalty to retail brands such as Lush, Boots and Sam McCauley because their staff genuinely care about our needs.

2018 prediction:
Retail had a slight bump in 2017 mainly due to the ever growing expectations from Irish consumers and some over-pricing issues. Improvements in time and effort will be a driving factor in 2018. With clever use of technology to ensure omni-channel ease, alongside the employment and training of caring employees we expect a rise in some retail scores. However, when balanced with the continued challenge to stay ahead of the Irish consumer’s incredible appetite for ever improving experiences we predict overall the sector will fall or at best remain static in 2018. While we have many CX champions who will continue to lead the way, the fact that this is our biggest sector will impact as laggards will pull it down.

Telecoms

2017 analysis:
This sector has the lowest consumer tolerance level over any other sector. This is partially due to its complexity and the customer journeys involved. When a breakdown in service occurs it causes major headaches and daily life hassle. This sector is guilty of a fixation with acquisition, ignoring the needs of current customers and in many cases holding them to ransom with inflexible contracts. Tesco Mobile is again the only brand in our top 100, jumping 16 places to come in at #31. Other brands have seen some improvement with Virgin Media the highest improver followed by Vodafone and Meteor (now eir).

2018 prediction:
Historically this sector has been a poor customer experience performer. It is a high investment legacy sector and as result, customers rarely come first in boardroom decision making. Growing reports of customers being overcharged via hidden tariffs, coverage dropping and over promising offers will continue to cause a surge in customer complaints. Companies must start to leverage the emotional significance they play in their customers lives. While most companies will make progress from their current low base scores, we predict a sector CX score drop in the 2018 until the consumer gets a seat at the boardroom table.
Focus on Staff

For years we’ve been told that the customer is king but when it comes to customer experience, staff are the single most important part of your business. Happy, customer-focused staff, lead to extremely happy and loyal customers. This year our survey asked customers how important staff were when making the decision to continue dealing with a company. The highest areas where staff were seen as important were the Public and Financial sector, interestingly, both of these services have a big impact on customer’s lives.

An Garda Síochána, HSE Ambulance and Social Welfare were all seen as services where staff are extremely important. There’s a very emotional aspect to these services, which can only be delivered by people. In the Financial sector, staff are also seen as highly important. We see this particularly with the Credit Union, but also with the pillar banks. When it comes to life or death and financial matters, staff are extremely important to customers.

In the Travel sector we found it interesting that while internationally the hotel industry is moving more into the digital, self-service approach, here in Ireland customers still see staff as extremely important. The corporate traveller may well find the digital approach more convenient, however the leisure traveller can only truly receive emotional hospitality through the genuine characters of physical staff.

Within the Retail sector, pharmacy was naturally very much seen as a service where staff were important. The pharmacist has taken on a greater advisory role on patient’s health. High-end retailers such as Brown Thomas, Kilkenney Design and Connais Donn also scored highly when it came to the importance of staff. All offer the ultimate shopping experience and customers see staff as key to delivering this. Specsavers was another retail brand where staff were key to customers, from testing your eyes, to help choosing frames. Topline also took a strong position in the importance of staff. DIY relies heavily on expert advice and questions can often be very specific.

There’s no question that genuine staff are critically important to business success. And companies who want to excel in CX excellence need to act on this and start crowning their staff members.

Staff CX tips:

- Investing in staff on CX training is essential. We see immediate and impactful results and staff energy levels are elevated
- Staff tend to be ‘task focused’ rather than ‘customer focused’. Understanding the difference between customer service and customer experience is the key to getting the balance right
- It’s important to know what kind of staff will best serve your customer. Weigh up what can be taught vs what their natural nature is. First Direct, the number one customer experience brand in the UK hires staff from the caring sector as they’re naturally empathic. They can teach the rest

Utilities

2017 analysis:
While Utilities continue to be our lowest performing sector they are finally getting their acts together by focusing on their existing customers rather than the switching game. We see improvements across most company scores, with the management of customer expectations the biggest pillar shift in 2017. Electric Ireland have led the way in becoming customer focused and new entrants in the market such as Penergy, Energia and Prepay Power are starting to make headway. We’re happy to report that Irish Water recorded the most improved CX score in this sector and 6th highest across all Irish businesses.

2018 prediction:
We predict a strong growth in CX scoring for 2018. A greater focus on employee empathy and technology enhancement (particularly around customised tariff offers and usage control innovations) will increase scores. Abroad, Utilities are delivering strong CX improvements with a number now appearing in the top fifty CX league tables. Irish waste companies are also investing in CX which will help this sector rise. 2018 will see Utilities move off the bottom for the first time and long may it continue.

Financial

2017 analysis:
Moving slowly in the right direction, large main street banks generally remain outside the top 100 but are making significant efforts to join the party. Kudos to Irish Credit Union for remaining number 1 for the last three years, and to AIB who entered the top 100 for the first times as the largest financial jumper this year, joining Ulster bank in 89th position in our table. CX is now the recognised differentiator for banks in the eyes of the Irish consumer.

2018 prediction:
While banks lead CX delivery in the USA and UK due to high proactive resolution scores, Irish banks are committed to closing this gap. Time and effort pillars are also being addressed via digital investment and convenient opening hours. Banks that manage and meet customer expectations using technology, whilst delivering an emotional experience with human contact will dominate the sector next year. We monitor a slow development of this sector in both the US and UK and predict a slight increase in CX scores for Ireland in 2018 with some players taking big strides.

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<thead>
<tr>
<th>Importance of Staff in Brand Loyalty by Sector:</th>
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<td>Public Sector</td>
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Focus on Digital

The Amazonians Are Coming!

In Ireland, the satisfaction of buying online continues to grow. However, customer care and online customer support must keep pace with advances in technology.

The doors are now open for global digital outlets to come in and ‘eat our lunch’. This is a war that will take place over the next ten years and how well we care for our customers, will be the battle to decide that war.

In the CXi report, YouTube jumped 42 places and now ranks 15th. And likewise, Netflix is now seen as the best screen entertainment service jumping 30 places to 8th. Yet we see traditional broadcast players in entertainment struggling to compete. Netflix offers an ‘all you can eat’ service for a low fixed monthly subscription, no advertisements, consumable anytime and anywhere over any device and the user experience is good. It’s hard to beat.

We are extremely vulnerable as a country in a global online world where price is the most dominant consideration. To compete, we must show we really care about our customers online, provide superior online user experiences and customers need to be able to resolve their issues across all digital touch points.

Here, online customer messaging platforms such as Intercom are super CX interfaces when used correctly. Mobile first development, ‘type ahead’ and auto completing for address accuracy and simple password recovery are crucial to get right. All websites should be analyzed for ‘customer struggle’ and ‘pain points’.

Looking after customers doesn’t jump out the window when technology arrives.

Of course, the giant looming over the horizon is Amazon. I met a friend who lives in Los Angeles recently and he told me all of their household goods are bought online – that’s everything from groceries to light bulbs – and many of his friends do the same.

Here in Ireland our 2017 CXi survey shows clearly that supermarkets are of the lowest importance to us when thinking of dealing online. Conversely, Amazon have just jumped 24 places in our survey and are now ranked 4th best brand for customer experience. Think about that for a minute and how vulnerable Irish retail brands are.

So, there’s now huge opportunity, and still time for local brands to get their UX correct, technology working and efficient customer support. Doing digital right brings great rewards but doing it wrong and you will crash and burn – just ask Hailo/My Taxi who have plummeted 127 places since 2015 – the most significant faller in our history of producing this survey.

In Ireland right now our consumer interaction with brands could be described as predominantly ‘in-store’, shopping centre retail orientated. Our research shows that, on average, 62-25% interact in-store or in-bran and surprisingly this number is flat across the age groups.

However, that will change faster than you can imagine. If we don’t love our customers online then that spend will evaporate out of the country, to those who have invested in it.

“It’ll never happen here”, it already is.

He can be contacted at Julian@BrightWayUp.com

Digital Brands in the CXi Survey

<table>
<thead>
<tr>
<th>Brand</th>
<th>Industry</th>
<th>2017 Ranking</th>
<th>Movement 2017 vs 2016</th>
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<tbody>
<tr>
<td>Amazon</td>
<td>Retail</td>
<td>4</td>
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<tr>
<td>Parcel Motel</td>
<td>Retail</td>
<td>6</td>
<td>NEW</td>
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<td>Entertainment &amp; Leisure</td>
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<tr>
<td>Hailo/My Taxi</td>
<td>Travel</td>
<td>137</td>
<td>-94</td>
</tr>
</tbody>
</table>

Digital Channels used by Sector

- Website
- Mobile app
- Social media

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SUPervalu Case Study

As the only brand in the Supermarket sector to improve their ranking in 2017, Supervalu are reaping the benefits of a continued focus on customer experience. Supervalu is part of the Musgrave Group, a family run business, and a loved and trusted brand that uses their company values to drive everything they do with retailers, customers and staff.

Supervalu provides a comprehensive support system which includes dedicated CX Service Excellence training from a dedicated team who work with retailers and their staff to deliver face-to-face and e-learning, always finding new ways to go the extra mile for customers. Supervalu are different to their competitors; their training is less about process and more about empowerment. Recruiting staff for their values and attitude, rather than only their experience means that this “customer centric” approach is embedded in their culture.

One of their values, long term relationships, equally applies to customers. Supervalu have spent the last 30 years building relationships with their customers. They believe in making food inspiring and being a force of empowerment. Recruiting staff for their values and attitude, rather than only their experience means that this “customer centric” approach is embedded in their culture.

“Happy customers begin with happy co-workers. We invest in our co-workers to ensure they have a good work-life balance, feel valued and can grow with IKEA.”

Tina McDonald, Customer Relations Manager

IKEA Case Study

IKEA is one of the leading retail CX brands in Ireland, rising 26 places in the rankings over the last two years. They focus on building long-lasting relationships with their customers through understanding their motivations, anticipating their needs and meeting (and exceeding) their expectations throughout the shopping experience.

IKEA’s CX strategy is based on “treating every customer as a guest”. This comes to life through a friendly welcome when customers enter the store to helping customers with children in the checkout queue. The strategy is supported with IKEA’s “Customer Experience Map” which helps the whole business to walk in their customers shoes. This delivers a true customer focus, a common language that everyone uses and helps each co-worker understand how they can make a difference. Co-workers are empowered to adopt a “first time right” approach so that customer’s queries and issues get resolved there and then.

“The biggest CX challenge for IKEA has been to deliver consistency across a workforce of over 700. Working with customer scenarios in training gives co-workers a greater understanding of IKEA’s different customers and what shopping experience they are looking for e.g. time poor, planned purchaser, browser etc. As well as training, much value is placed on getting feedback from co-workers and regular sessions are held to get insights into how customer experience can be improved. For example, a co-worker noticed that customers were losing their place in the checkout queue after having to go back for ancillary items they had forgotten such as light bulbs; a runner system is now in place where co-workers get the forgotten items and this has improved the checkout experience greatly.

Digital channels are very important to IKEA with email proving the most popular contact channel. Their dedicated Customer Relations team in Dublin look after customer emails and letters. This team really does go the extra mile; a customer emailed to share her disappointment about not being able to get an out-of-stock item. As soon as the item came back in it was popped in a goodie bag with a few treats and delivered directly to her door. This customer became a co-worker herself!

Keeping a continued focus on CX and giving everyone responsibility for delivering a great customer experience is reaping rewards for IKEA as they enjoy positive movements in all of their CX metrics, as well as a third year of double digit growth.

“Our focus is on doing the right thing for the shopper and the retailer. If the strategy is sound and based around our customers the sales will come.”

Siobhan Hennessy, Head of Consumer Experience

“Treating every customer as a guest”
As the top brand in the Utility Sector, Electric Ireland’s ranking has improved by 32 places since 2015. They put this down to adopting a Customer Centric focus in their business; everything is planned, prioritised and implemented with the customer in mind. This has been extremely challenging internally, requiring a cultural shift, as well as ensuring their outsourced partners are brought along the CX journey with them.

This customer focus comes from the top with key CX measures such as CSAT, NPS and VOC discussed at Executive meetings. But what’s key, says Niall Dineen, Head of Commercial, is to determine what is relevant and what actions they drive. All of the management team listen to customer calls regularly, being close to the issues means they get an understanding of customer pain points and they see trends develop which they can correct quickly.

Electric Ireland’s biggest challenge in delivering great CX is the breadth of their different types of customers. They have a lot of mature customers who still like contact through phone and letter so channel management and consistency of experience is critical. They also offer different payment options for customers who struggle to pay bills and work closely with the likes of MABS and SVP to develop options for these customers. There is huge trust between Electric Ireland and its customers but there is recognition that this cannot be taken for granted so they are constantly reviewing what further improvements can be made.

How their Customer Service people treat the many different types of customers is vital, and they are recruited based on their ability to be understanding and empathetic. Their agents have licence to creatively solve customer issues so as to deliver what is right for the customer. Training is key and combines Process and Product knowledge as well as acting as brand ambassadors through an understanding of the customer centric brand.

Electric Ireland were the first energy company to reward their existing customers with long-term savings and move away from short-term discounting for new customers. Currently over 75% of their customer base benefits from these savings. Customers appreciate this and are remaining loyal.

What has been key to Electric Ireland’s CX success has been an overt, relentless focus on putting the customer at the heart of their business. Ensuring that every decision is made with the customer in mind will mean this success continues for a long while to come.

So what has driven Tesco Mobile’s ongoing success and improvement? Everything starts with the customer and at the heart of this is their mission to “serve Ireland’s customers a little better every day”. Customer engagement across all touch points is paramount. It is how they listen, help and ensure the customer is completely satisfied and leaving with what best suits their needs. The recruitment, development, management and reward of staff are aligned with these values which includes a continuous training programme. This programme delivers not only product and knowledge skills, but focuses on attitude, customer engagement and empathy.

The Customer Care team based in Waterford are available from 8am – 8pm every day, including Sundays and Bank Holidays. They can also be reached via Facebook, Twitter and webchat. Ease and simplicity for the customer is key so staff focus on being straightforward, open and honest. There is a specific charter built around “how we serve” and staff are Tesco Mobile customers themselves so they truly understand and experience what it feels like to be a customer.

All change in Tesco Mobile is driven by customer needs. In an ever-changing industry having an agile approach means they can continue to surpass customers’ expectations. For example, new fixtures were recently added in 110 Tesco stores. As with all of their projects they always start by asking their customers what they want their instore customer experience to be. As Ken Pierce, Retail Operations Manager says, “We need to get it right for customers first time, all of the time”.

Registering their Tesco Clubcard enables the customer to receive Clubcard points whenever they Top Up or pay their bill which is further added value for customers.

As well as this relentless focus on the customer across all channels, Tesco Mobile’s key strength is their team. They all work closely together and are aligned in their thinking which puts them in pole position to deliver CX excellence.

“There is huge trust between Electric Ireland and its customers but it has to be maintained, this is achieved by training and development and working closely with our outsourced partners.”

Niall Dineen, Head of Commercial

“Every single thing we do is for our customers and fits with our customer values, it’s ingrained in all of us.”

Madeleine Cannon, Training Manager
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