



# **The Value (Financial) & Business link to Customer Experience & Customer Satisfaction**

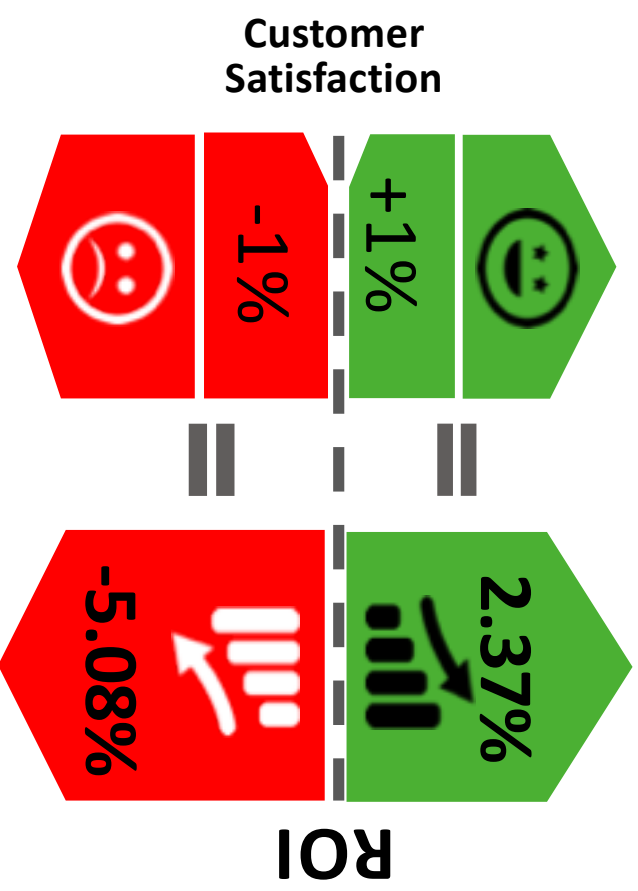
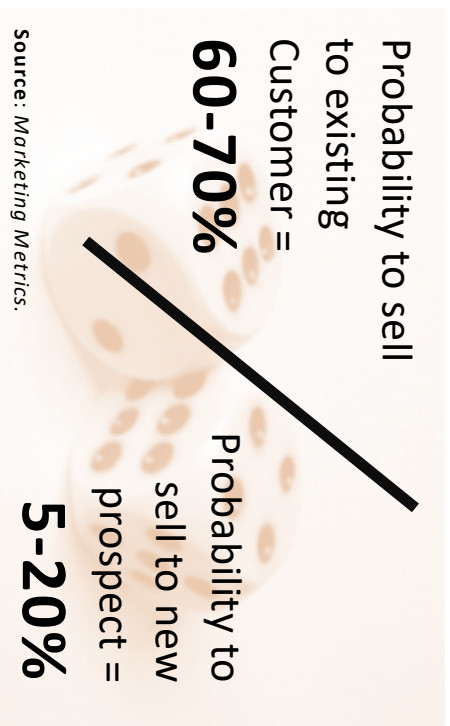
PRESENTED BY:

*Adré Schreuder (Prof)*

Founder & CEO of Consulta (Pty) Ltd



# The satisfaction to profit link is non-linear

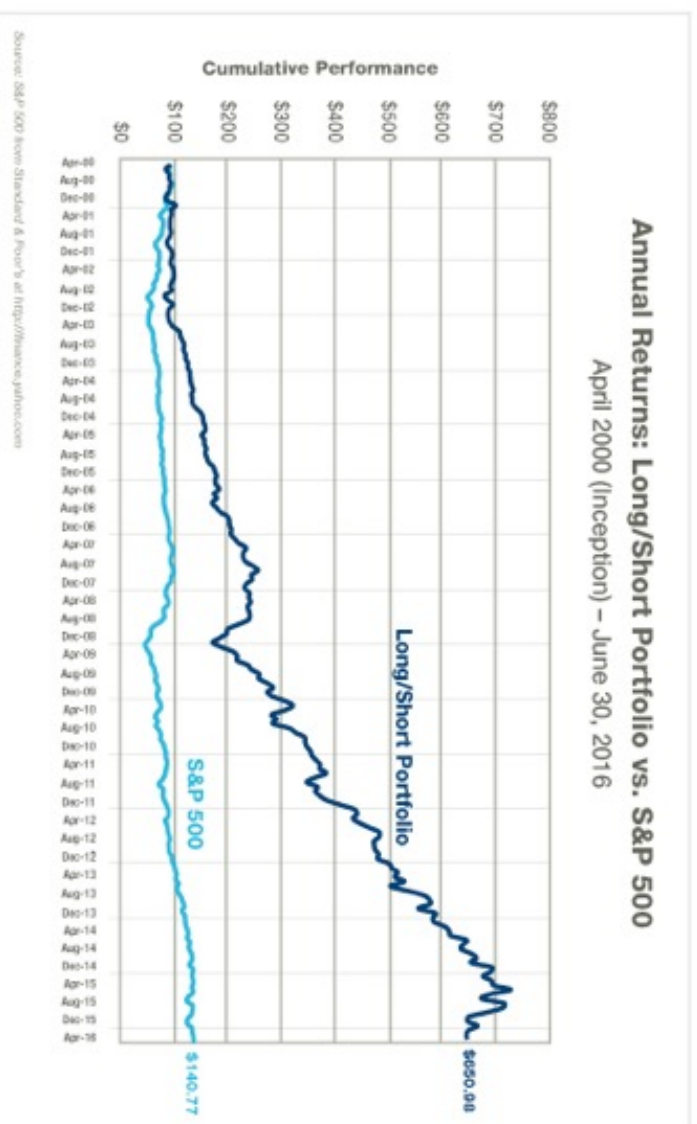


Source: Gupta, S. & Zeithaml, V., 2006. Customer Metrics and Their Impact on Financial Performance. *Marketing Science*, 25(6), pp. 718–739.

# The Financial Link between Customer Satisfaction & Financial Performance

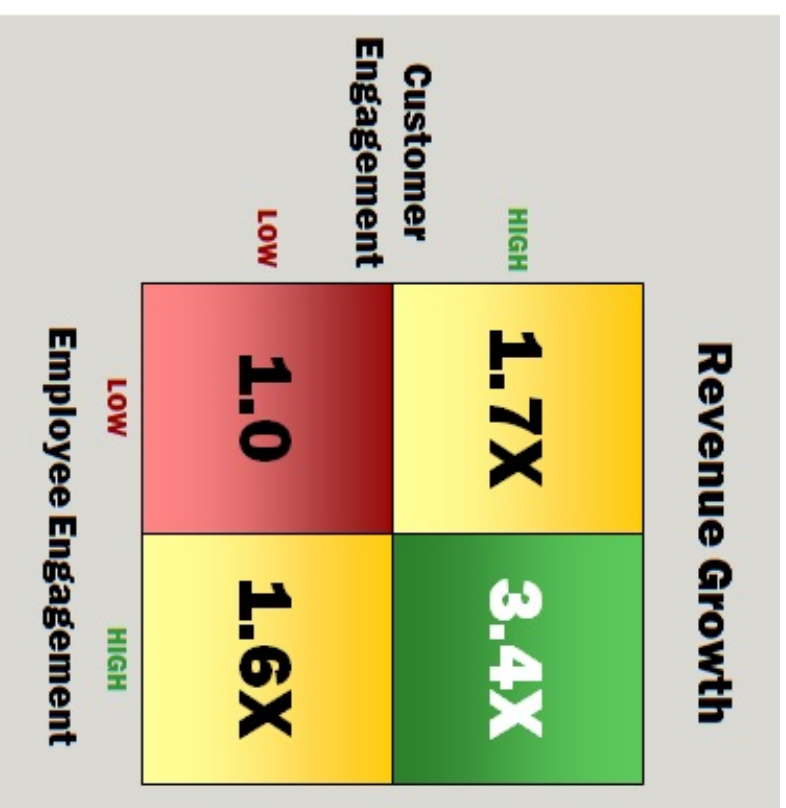
Research using ACSI data demonstrates the relationship between customer satisfaction and the financial performance of individual firms. ACSI's methodology can predict how well the firm will perform in terms of corporate revenue and earnings growth.

Moreover, ACSI data show that customer satisfaction is directly linked to stock market performance. Specifically, companies with high scores and/or improving scores on the American Customer Satisfaction Index produce higher stock returns than their competitors and greatly outperform market indexes.



<http://theacsi.org/national-economic-indicator/financial-indicator>

## Improved Staff Engagement & Customer Engagement Improve Revenue Growth by 3.4 times



<http://www.g2equity.com/nav-7.php>





# Why invest in Engagement?



**90% more  
frequent  
purchases**



**300% more  
annual  
spend**



**5x more  
likely to  
choose brand**

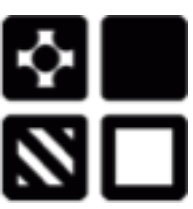


## ROSETTA Consulting 2014 Customer Engagement Study

2014:  
4 800 US  
Consumers



15  
Categories



83 Leading  
brands



# Four Drivers of Brand Value

## 1. STRONGER LOYALTY

Highly engaged = 94% loyalty

Not engaged = 19% loyalty

## 3. GREATER ADVOCACY

**4x** more likely to advocate to colleagues & friends

## 2. REDUCED COMPETITIVE THREAT

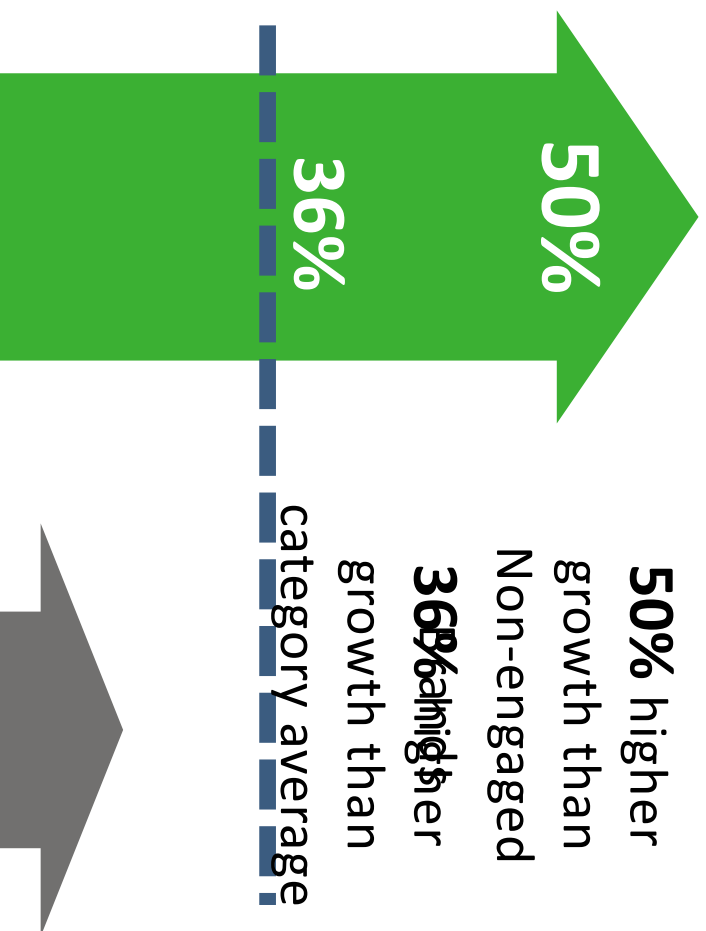
**1** "5x more likely to state: 'only brand I would choose'"  
**2x** more likely to spend extra

## 3. HIGHER UP/CROSS-SELL

**6x** more likely to advocate to colleagues & friends  
**2x** more likely to buy additional

**Source:** Rosetta Consulting. 2014 Customer engagement from the consumer's perspective. The second of three white papers based on the findings of the 2014 Rosetta Consulting Customer Engagement Study. <http://www.rosetta.com/reports/customer-engagement-rosetta-consulting-study/customer-engagement-from-the-consumers-perspective/>

# Customer Engagement drives Revenue growth

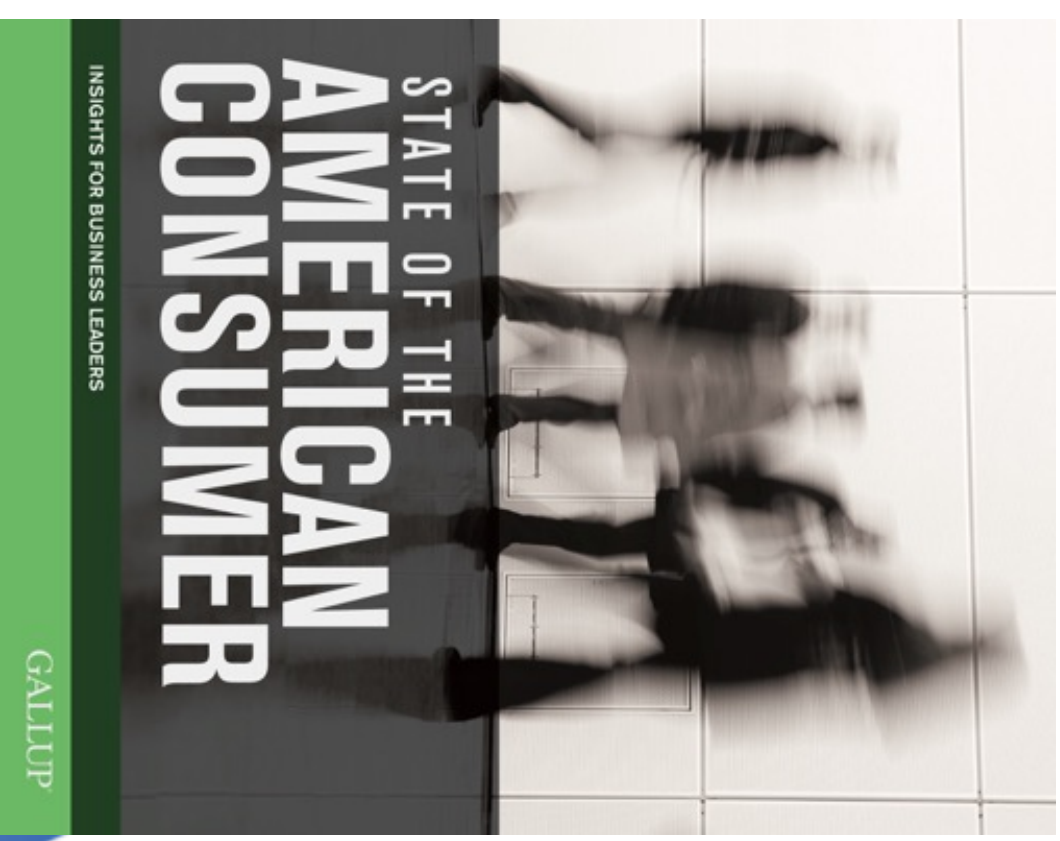
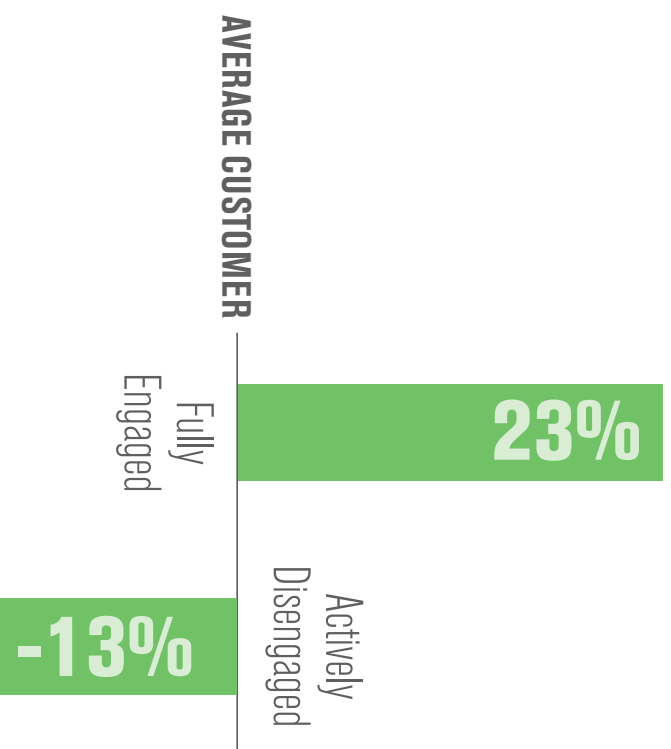


**Source:** Rosetta Consulting, 2014 The Economics of Engagement  
THE THIRD OF THREE WHITE PAPERS BASED ON THE FINDINGS OF THE 2014 ROSETTA CONSULTING CUSTOMER ENGAGEMENT STUDY.  
<http://www.rosetta.com/reports/customer-engagement-rosetta-consulting-study/the-economics-of-engagement>

# Gallup – State of the Consumer

## CUSTOMER ENGAGEMENT DRIVES FINANCIAL PERFORMANCE

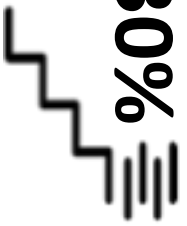
PERCENTAGES REFLECT DIFFERENCES IN  
CRITICAL BUSINESS OUTCOMES

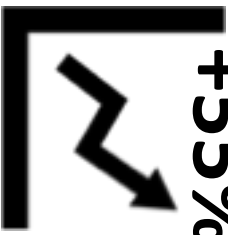





# Gallup – State of the Consumer

Companies that engage directly  
with their customers:

**+30%**  
  
Higher Customer  
Retention

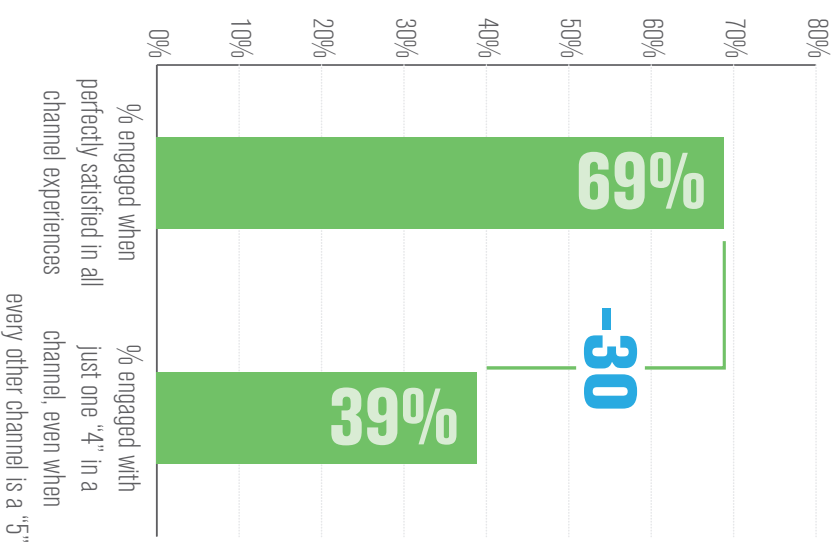
**+55%**  
  
Increase in  
Revenue

**+96%**  
  
Improvement in  
response to queries



# Gallup – Omni-channel Engagement

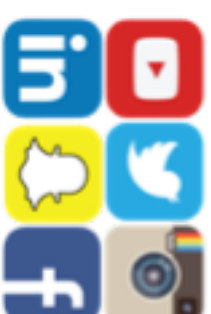
## IMPACT OF CHANNEL SATISFACTION ON ENGAGEMENT





**1.** 86% of CMO's believe they will own CX by 2020

**2.** Marketing Complexity is Growing



63%



53%

**3.** Personalizing channels will rule

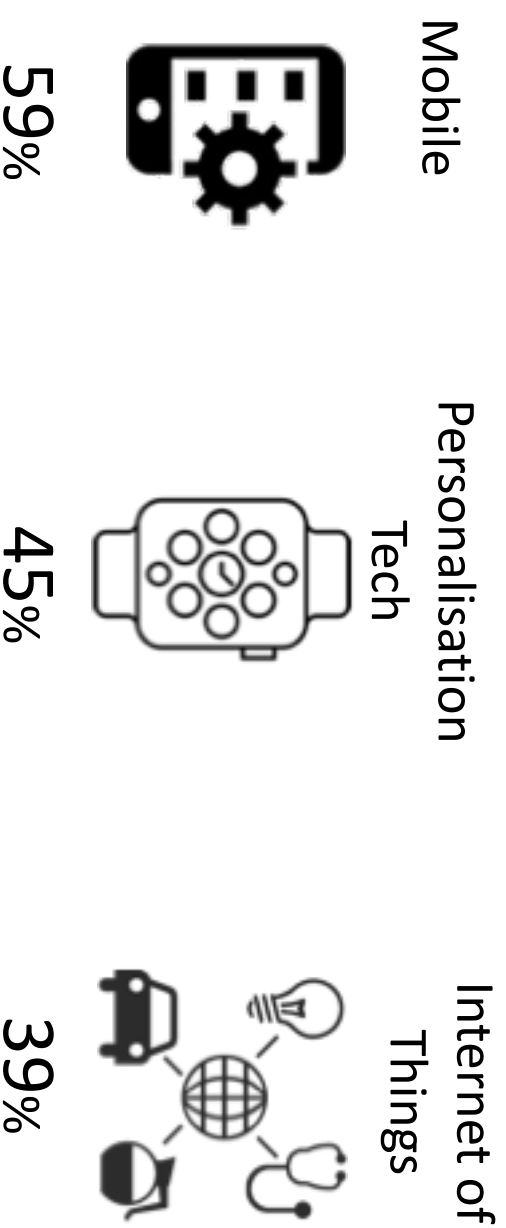


47%



## 4. CX Drives Brand Equity

## 5. Small Screens & No Screens



# CMO's predicting about CX




Entertaining/  
Fulfilling CX  11%

Personalised/  
Relevant CX  8%

Socialised/  
Engaging CX  7%

Consistent/  
Predictable CX  17%

Fast/ Efficient  
CX  6%

Two top-box importance



## Customer Centricity's human side



Latest research across 12 countries highlights the need to get the balance right between human and digital customer service





# A return to the human touch ...

## Maintain a Human Element



**79%** 

want direct person contact to remain part of customer service

**74%** 

don't like dealing with companies that don't provide a phone number on their website

**65%** 

feel they receive better service when speaking to a person on the phone or in-store



# THANK YOU

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