White Paper

At its core, acting SMART is a framework for consistently driving business success in a world of rapidly changing digital innovation.

mcorp cx

Act SMART: A Five-Step System to Better Anticipate, Meet, and Exceed the Expectations of Your Customers.

Methodically assess opportunities to drive better experiences for your ever-smarter, digitally enabled customers.

Overview: A five-step system that helps companies organize around—and effectively respond to—today's demanding customers

The rise of smart customers has influenced the very nature of the relationship between customers and the companies that wish to serve them.

Key Takeaways:

1. Segment customers by understanding their needs *and* their value to your firm.

2. Modularize products, services, processes, and capabilities to increase flexibility and responsiveness.

3. Anticipate customer needs by understanding the data that surrounds them.

4. Reward employees by aligning their incentives with the needs of your most valuable customers.

5. Transform touchpoints by making them more intelligent and responsive.

Digital innovation means your customers are smarter than ever

No matter what business you're in, a fast-growing number of your customers are nearly always connected, leveraging digital devices for instant access to whatever products, services, and information they desire. They research and purchase online with laptops, tablets, and smartphones with instant access to more advanced tools and detailed information than many enterprises had just a few years ago.

These digitally empowered consumers can behave in a far smarter and better-informed manner than ever before. And this rise of "Smart Customers" has influenced the very nature of the relationship between customers and the companies that wish to serve them.

Today's customers have higher expectations: greater demands for customization, innovation, and more personalized products, services, and experiences. Likewise, they have lower tolerance for mistakes, inane hoops, and interactions that require mindless repetition.

Act SMART: A proven approach to better serving smart customers

To attract and retain smart customers, companies need to take strategic steps to stay ahead of the competition. This is where acting SMART fits in. High-performing companies that understand shifting customer needs and changing competitive landscapes leverage the five-step SMART framework to better serve and retain their most valuable customers.

While no one system perfectly fits every company, we've found that this framework helps companies of all types and sizes better assess opportunity, while acting methodically, intelligently, and confidently in response to evolving complexity, potentially infinite touchpoints, and multi-channel customer journeys.

And while you can't just install a smart system, the framework can help quickly identify opportunities and easy wins to help any organization meet the needs of smart, digitally enabled customers.

A storm of digital disruption

Before we share the Act SMART framework and how it can help companies serve digitally connected, demanding customers, we need to understand the four disruptive forces driving this innovation. Not only do companies need to stay ahead of these forces, they must learn to harness them to remain relevant and better serve smart customers.

The 4 disruptive forces include:

1. **Social Influence**: The result of people being linked in 24/7, able to share information anywhere and anytime. It inserts a crowd between a company and its customers.
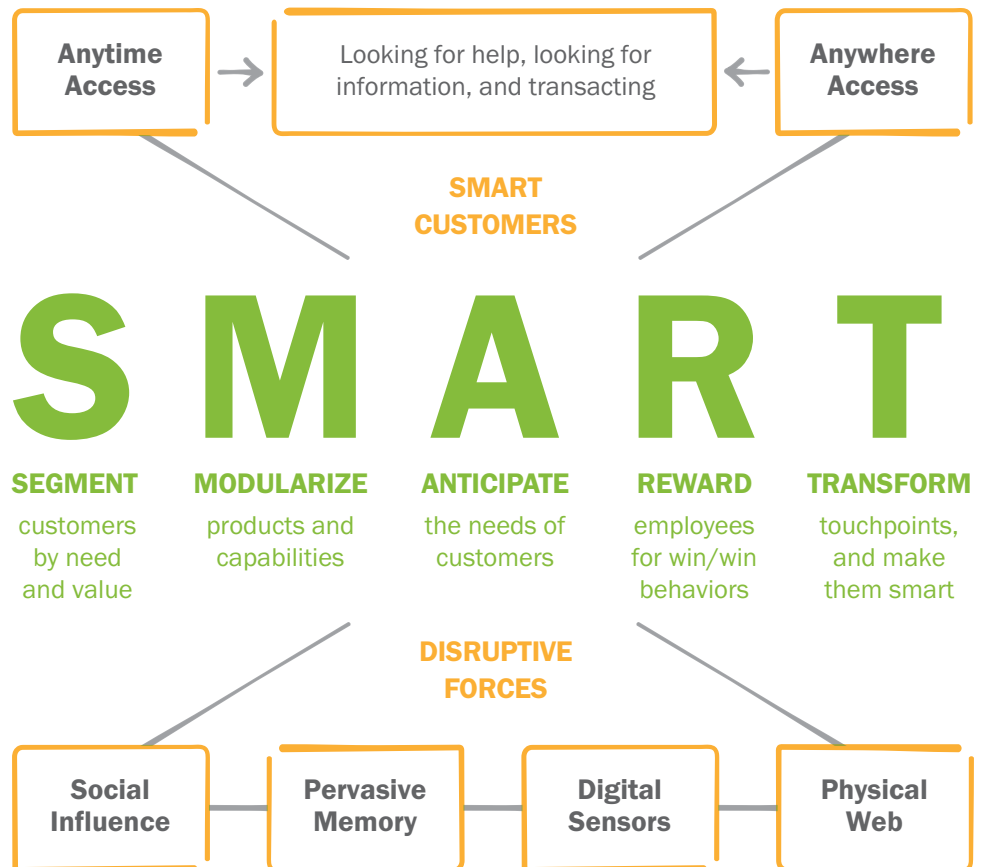
2. **Pervasive Memory**: Driven by the digital data trails left after we interact with a company via phone, web, or other digital device. The data creates a "memory" of interactions across numerous databases.

3. **Digital Sensors**: Embedded in smart phones and countless unexpected places, they track and link our world to events, locations, and preferences, transforming objects from dumb to smart.

4. **The Physical Web**: Just emerging, this links things, ideas, and events as people begin to "surf the real world" much as they surf the web.

Only "smart" companies will thrive

Thriving in the face of these disruptive forces depends in part on the willingness of organizations to adopt the Act SMART mindset. Act SMART helps organizations—regardless of size, industry, or structure—implement ongoing systems and capabilities to better serve smart customers, creating nimble and responsive organizations designed around customer needs, driving profitability and loyalty as a result.

Smart companies are reinventing their connections with customers

SMART helps companies balance a need for simplicity with the overwhelming complexity of customer experience systems and strategies. It provides the lenses you need to assess opportunity and react quickly and seamlessly to fast-paced, continually evolving customer expectations, enabled by disruptive technologies that keep customers linked in with anytime, anywhere access.

| Anytime Access | Looking for help, looking for information, and transacting | Anywhere Access |

SMART CUSTOMERS

S M A R T

| **SEGMENT** | **MODULARIZE** | **ANTICIPATE** | **REWARD** | **TRANSFORM** |
| customers by need and value | products and capabilities | the needs of customers | employees for win/win behaviors | touchpoints, and make them smart |

DISRUPTIVE FORCES

| Social Influence | Pervasive Memory | Digital Sensors | Physical Web |

Understanding your customers at a granular level is key to serving them well, and the engine for driving smarter customer experiences.

S M A R T

Segment customers by their value and their needs

One of the most common barriers to being intelligent about the customer experience is a lack of customer knowledge or understanding. While many market analysis tools focus on a customer's value to the company (what your customers are or may be worth to your firm), they neglect to help companies define what customers actually want, need, and expect from you.

If you focus only on what your customer can do for you monetarily, you miss the opportunity to discover and anticipate what you can do for your customer. Looking through the lens of SMART helps you understand the interconnectedness of Needs and Value.

Customers expect the companies that serve them to invest financially, intellectually, and emotionally in understanding and consistently meeting their evolving expectations.

Differentiating customers by need and value is key to relevant service

Value segmentation helps companies focus their efforts on the right customers. It also identifies groups that might be better served with lower-touch, lower-cost digital strategies, and those select customers who need high-touch contact, and who will reward the company when they get it.

While value-driven segmentation is an important first step, it isn't a standalone solution—yet most companies stop here. You can't afford to. Why? Because value-based segmentation doesn't help you understand what one customer needs versus another.

The bottom line is that if you don't segment customers by their individual needs, it will be incredibly difficult to deliver the exceptional customer experiences needed to remain competitive in today's interconnected world.

Unfortunately, many companies don't look at customers this way. Or if they do, they miss opportunities to share the information across silos and internal groups. Without a definitive understanding of your customers' needs, everyone in the company is essentially flying blind when it comes to delivering good customer experience.

Questions to ask:
- Do you know what your customers really want and need?
- Is there a shared understanding of who your most valuable customers are, and how to meet their needs?
- Do you understand common needs that all your customers have, and the unique needs each segment has?
- Is your customer data integrated and easily accessible across your organization, or is it stuck in silos?

Steps you can take:
- Analyze and summarize the big data that your customer relationships and smart touchpoints generate.
- Integrate "outside in" Voice-of-the-Customer (VoC) data.
- Use segmentation to predict customer behavior and needs.
- Empower employees to make decisions based on customer value and customer needs.
- Reorganize business functions around key customer segments, based on segmentation insights and customer needs.

Benefits you can expect:
- Significantly more effective marketing and improved sales.
- Improved customer experiences and stronger relationships.
- Increased lifetime value of your customers.

Intelligent Segmentation in Action: CVS

CVS is using big data to help segment its customers not just by value, but by customers' wants and needs. It uses at least five segmentation categories, frequently in concert with one another, which include psychographic (lifestyle, values, personalities, etc.), behavioral (attitudes, use, and responses), benefits (functional and emotional), geographic (who lives where), and occasion (events and purchase intervals). This level of intelligent segmentation crosses functional areas of any business and all customers, leading to significant, intelligent customer experience planning and curating.

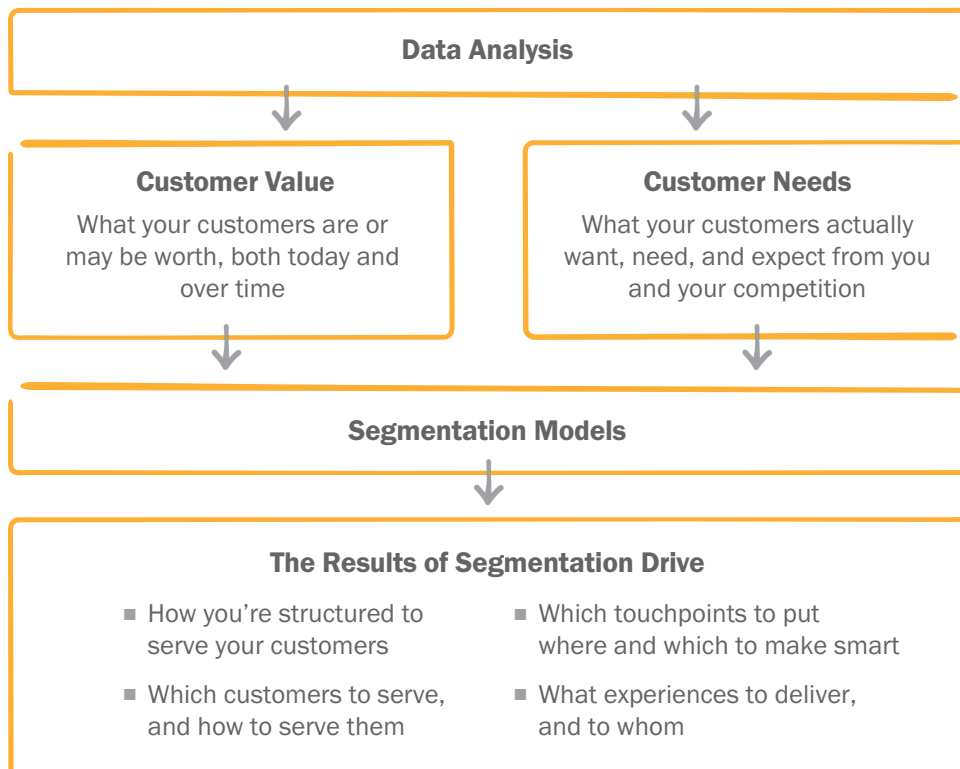## Designing better customer experiences

Knowing your customers' needs means that you know how to give them what they want at any point, virtually ensuring that you will deliver satisfying experiences at the right moments.

Defining customers by value and needs on a segment-by-segment basis provides a highly efficient lens through which to make your customer experiences smarter and more effective.

It also provides the framework for a methodical approach to targeting, designing, and delivering the right customer experiences to the right customers.

It's a win-win proposition for you and your customers—and a good basis for a strong customer relationship.

The rise of cloud computing and social media was the tipping point in the relationship between customers and vendors. Empowered with readily available information, rich analysis, and access to peers around the globe, buyers took full control of their purchase processes and vendor relationships.

Data Analysis

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Customer Value
What your customers are or may be worth, both today and over time

Customer Needs
What your customers actually want, need, and expect from you and your competition

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Segmentation Models

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The Results of Segmentation Drive

- How you're structured to serve your customers
- Which customers to serve, and how to serve them
- Which touchpoints to put where and which to make smart
- What experiences to deliver, and to whom

Segment your customers into the smallest logical groups

The greatest benefit of segmentation is that you can see the differences between—and the similarities among—your customers. This will enable you to:

- Reach a consistent, company-wide understanding of who your customers are and how to best meet their needs.
- Understand common needs that all customers have, as well as the unique needs of each segment.

With these insights, you can prioritize the experiences you deliver, inform the products and services you design, and customize the messages you communicate.

In short, segment-level understanding of your customers is step 1 for enabling stronger, more personalized relationships.

Modularize your capabilities
to increase organizational flexibility
and responsiveness.

S M A R T

Modularize teams, processes, and products

Your company needs the flexibility to accommodate the differences between customers. It also needs the agility to respond to changing customer needs, market dynamics, competitive threats, and other potentially fast-moving technologies, trends, and forces. Developing modular capabilities allows an organization to leverage strengths and minimize weaknesses, while also becoming more responsive and more flexible.

Modularize your teams, processes, and products

Modularity gives an organization the capability to respond more quickly—and therefore more profitably—to customer interactions by becoming more responsive, flexible, and efficient.

Customization will become both routine and cost-efficient as you tailor the way you treat and interact with your customers.

In addition to helping a company better accommodate the differences between customers, modularity also improves the ability to respond intelligently to competitive threats and other external forces, better positioning the modularized company to thrive.

What do modular capabilities look like?

By "modular capabilities" we mean developing components that play well with others. To use a simple example, if you own a smartphone, you can quickly customize it by downloading apps. If you operate a WordPress blog, you can choose from thousands of plug-ins to add new capabilities and layouts.

Organizations achieve modularity by reorganizing people, data, systems, processes, and assets, until they function cohesively.

Modularity is Apple leveraging customer-centric design skills across platforms, channels, and products. It's Amazon using its computing and distribution expertise to build new businesses and product offerings. It's apps and plug-ins, and making functional parts that "play nice" with other functional parts.

Questions to ask:

- What capabilities is your organization particularly adept at?
- Can you profitably provide personalized and/or customized products, services, and experiences?
- Can you define and bring offline capabilities online?
- Where can you replicate experiences to meet different needs at different lifecycle stages?

Steps you can take:

- Bring your customers into the design process early on.
- Look for opportunities to change the look and feel or function of your products, services, and experiences.
- Create cross-functional teams to identify core competencies.
- Look for opportunities to leverage digital technology to allow customers to personalize experiences or services.

Benefits can include:

- The ability to deliver individualized customer experiences, driven by the preferences and needs of individual customers.
- Reduced costs, driven by lower delivery expenses and eliminating redundancies and waste.
- Increased margins, through the delivery of differentiated products and services and increased customer loyalty.

Modularity in Action: Nike iD®

Nike uses modular components to create mass-customized shoes for customers around the world. The NikeiD® website gives visitors an easy-to-navigate experience, letting them choose from—and customize—a wide array of shoes. Customers can pers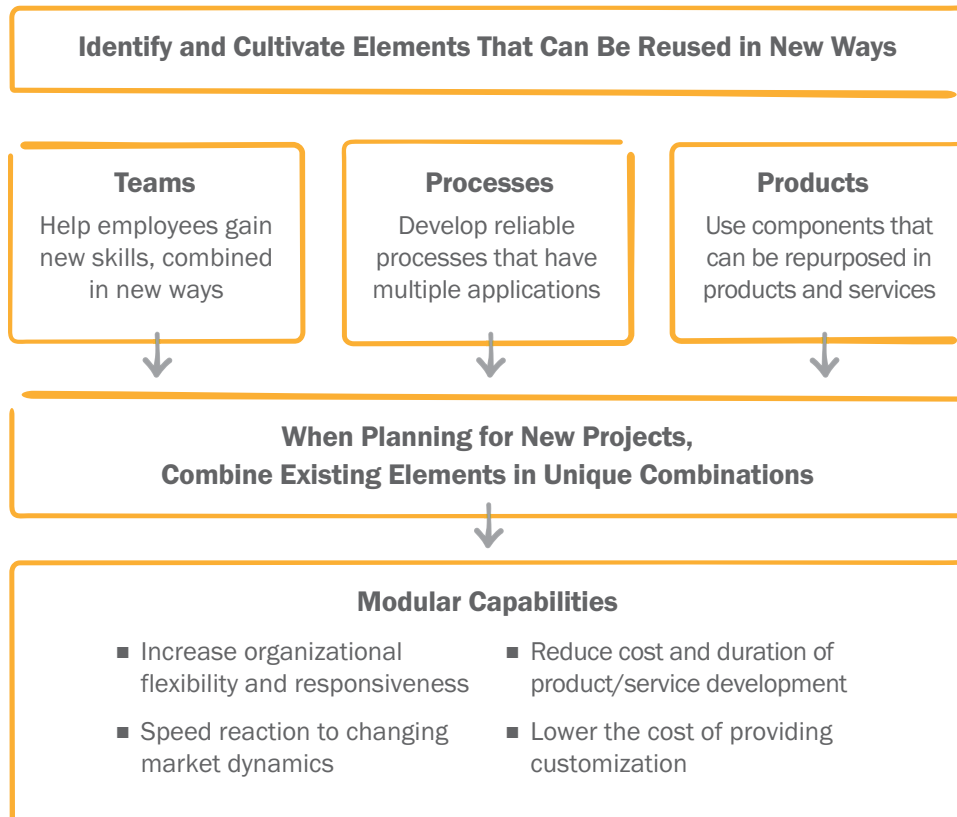onalize almost every aspect by choosing their own colors for the Nike "swoosh," shoelaces, tongues, tops, and soles. They can also add graphics, initials, and icons. The truth is, any company can leverage modular design principles to personalize and customize products and services for their customers.

Defining the modules right for your company

A modular mindset needs to pervade the organization, enabling you—and your customers—to mix and match channels, products, services, and experiences to respond to changing market or mass-customized needs.

Modularization will become both routine and cost-efficient as you tailor the way you treat and interact with your customers. Eliminating redundancies and waste will lower delivery costs and increase customer loyalty, while also bringing your competitive differentiation into sharper focus. Bottom line: higher margins will drive revenue up.

Every organization has core capabilities that it performs exceptionally well. Recognizing these areas and using them to speed everything from product and service design, to analysis, understanding, and delivery, will give you advantages that your competitors cannot hope to replicate.

Identify and Cultivate Elements That Can Be Reused in New Ways

Teams
Help employees gain new skills, combined in new ways

Processes
Develop reliable processes that have multiple applications

Products
Use components that can be repurposed in products and services

When Planning for New Projects, Combine Existing Elements in Unique Combinations

Modular Capabilities

- Increase organizational flexibility and responsiveness
- Speed reaction to changing market dynamics
- Reduce cost and duration of product/service development
- Lower the cost of providing customization

Create modularity (and repeatability) around your core capabilities

While modular capabilities should exist across your organization, they tend to be most efficient when leveraged in these three key areas:

- Teams: Organize them around talent and competencies.
- Processes: Design them to efficiently support your people, your products and services, and your customers.
- Products: Develop them to incorporate personalization and mass-customization.

SMART

Anticipate the needs of your customers

Whether you have hundreds, thousands, or millions of customers, every interaction they have with you leaves a trail of valuable data. This is where big data and customer experience overlap, giving organizations the insights they need to anticipate customer wants, needs, and behaviors. And these breadcrumbs aren't limited to interactions generated directly with your organization: opinion, commentary, and other unstructured, unsolicited data across the social web provide valuable data as well.

Just a few years ago, storing and analyzing the massive volumes of customer-generated data required so much computing resource that only large companies could afford to do it. But today, any size organization has the potential to analyze and understand customer data, and use it to better anticipate and respond to customer needs.

In fact, the complexity of the legacy systems that gather and store this data in disconnected operational silos means the advantage has shifted to smaller, more nimble organizations who are creating their data-gathering systems now, using current technology.

How understanding data can help anticipate customer needs

When you look at the data surrounding your customers—how and when they look for help, what they buy, and how they use your services, for example—patterns and insights emerge across customer journeys, through specific touchpoints, via various channels.

You can identify patterns in website usage, customer service calls, customer orders, and even product returns, all of which inform you of customer needs at each step of the sales and service process. In addition to guiding a positive customer experience, you can use these insights to prevent annoying incidents from happening as well. Not only will the process and the experience be tailored to customers' needs, but rather than waiting for them to reach out to you (or a competitor) in frustration, you'll have the systems in place to be proactive, reaching out to your customers in advance of an issue.

Anticipating Customer Needs in Action: Amazon

Amazon was recently granted a patent for what it calls a "system for anticipatory package shipping," which basically means they plan to start delivering packages before customers even think about clicking "buy." Put another way, they're plan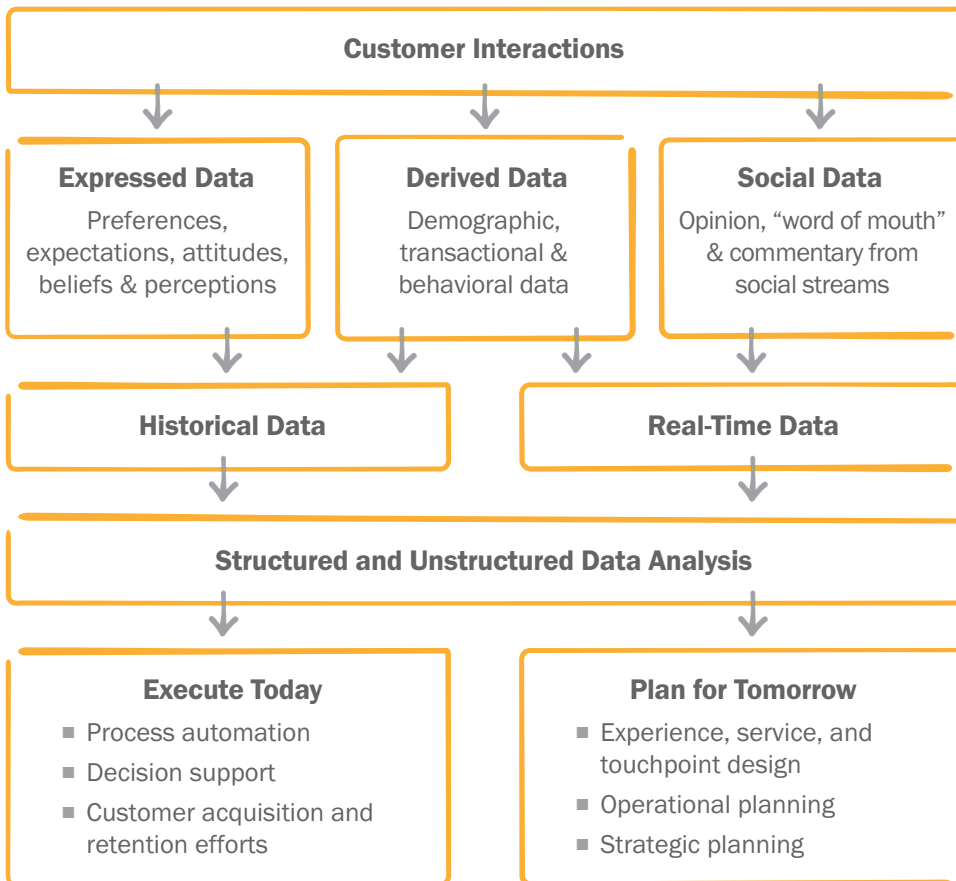ning to ship the things they know their customers want, before their customers know they want them. Like Amazon, your company can leverage customer data to become dramatically more intelligent and more responsive to your customers.

Anticipating what customers will do—or need—next

The fact is, intelligently anticipating customer needs is the best way to get more business from them. With the help of Business Intelligence software, firms that gather customer data can identify the patterns that will help them be proactive. From there, they can design processes to speed relationship and journey progress, and prevent the things that cause annoyances.

According to a *Harvard Business Review* article, the average Fortune 1000 marketer depends on data for just 11 percent of all customer-related decisions. With established companies like these so far behind the curve, just imagine the competitive benefits for more proactive organizations.

The ability to use customer data to anticipate customer needs and intelligently respond is what will separate the firms that thrive from firms that dive.

Customer Interactions

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Expressed Data
Preferences, expectations, attitudes, beliefs & perceptions

Derived Data
Demographic, transactional & behavioral data

Social Data
Opinion, "word of mouth" & commentary from social streams

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Historical Data

Real-Time Data

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Structured and Unstructured Data Analysis

↓ ↓

Execute Today
- Process automation
- Decision support
- Customer acquisition and retention efforts

Plan for Tomorrow
- Experience, service, and touchpoint design
- Operational planning
- Strategic planning

Anticipate customer needs by following the data trails they create

Despite understanding the value of data-driven decisions, many established firms simply have not anticipated their customers' needs by following the data trails their interactions create. Be an early adopter in your industry—and get ready to crush your competition.

- Find the customer data you already have, and consolidate it.
- Leverage readily available technology to start gathering insights across channels.
- Start a formal Voice-of-the-Customer (VoC) program. Now.

Increase customer-centricity by aligning employee incentives with customer needs.

S M A R T

Reward your employees for win/win behaviors

It's not possible for companies to consistently deliver high-quality customer experiences without employees who are enabled, trained, incented, and rewarded to do so.

In most companies, employees simply aren't clear what their roles and responsibilities are when it comes to delivering customer experiences or delivering on the brand promise.

More often, employees are incented for behaviors that drive short-term results. For example, when people are rewarded for making sales—whether through raises and promotions, or less formal methods such as awards, events, or parking spots—they're going to make sales. Even if that means calling a customer who was recently sold an auto loan in an attempt to get her to buy another.

When employees are rewarded for meeting customer needs, the question that will remain top of mind for them will be, "what does this customer need and what do we have to offer that can best meet that need?"

Are your employees incented to meet your customers' needs?

Too often, they aren't. Some key tactics employed by highly customer-centric companies fall into these categories:

- Reward employees for serving the needs of the most valuable customers, and provide the right information and data to do so.

- Enable employees to better understand their customers through easy access to tools such as Voice-of-Customer insights, customer personas, and customer journey maps.

- Reasonably empower employees to improve customer experiences by meeting their needs in ad-hoc ways.

- Create a system of reporting employee ideas and suggestions, and then follow through on those that improve the customer experience and mesh with the organization.

In many cases, you can drive radically positive results without significantly altering the ways you formally compensate your people. Many of the best employees— whether behind-the-scenes or customer-facing—are driven more by a desire for recognition than money.

Questions to ask:

- Have you empowered employees to solve customer problems and improve customer experiences?

- Does your onboarding process help new hires understand their roles in serving customers?

- Are your reward structures in alignment with the needs and desired actions of your most valuable customers?

Steps you can take:

- Create profiles (such as persona and journey maps) of your most valuable customers and their needs, and share them across the company.

- Ensure that your brand—and the customer experience that it promises—is clearly articulated and understood by all.

- Give employees the tools they need to serve customers, including authority and access to data.

- Reward, compensate, and promote employees for serving customers' true needs.

- Focus on ALL employees, not just customer-facing ones.

Benefits you can expect:

- A more adaptable firm that can quickly respond to changing customer needs and rapidly evolving markets.

- Increased employee engagement and loyalty, which will improve customer experience.

Rewarding Employees in Action: American Express

A past winner of Forrester Research Inc.'s Voice-of-the-Customer Award, American Express focuses on rewarding employees for meeting customer needs, and gives them the tools to do so. This financial services leader ties customer service re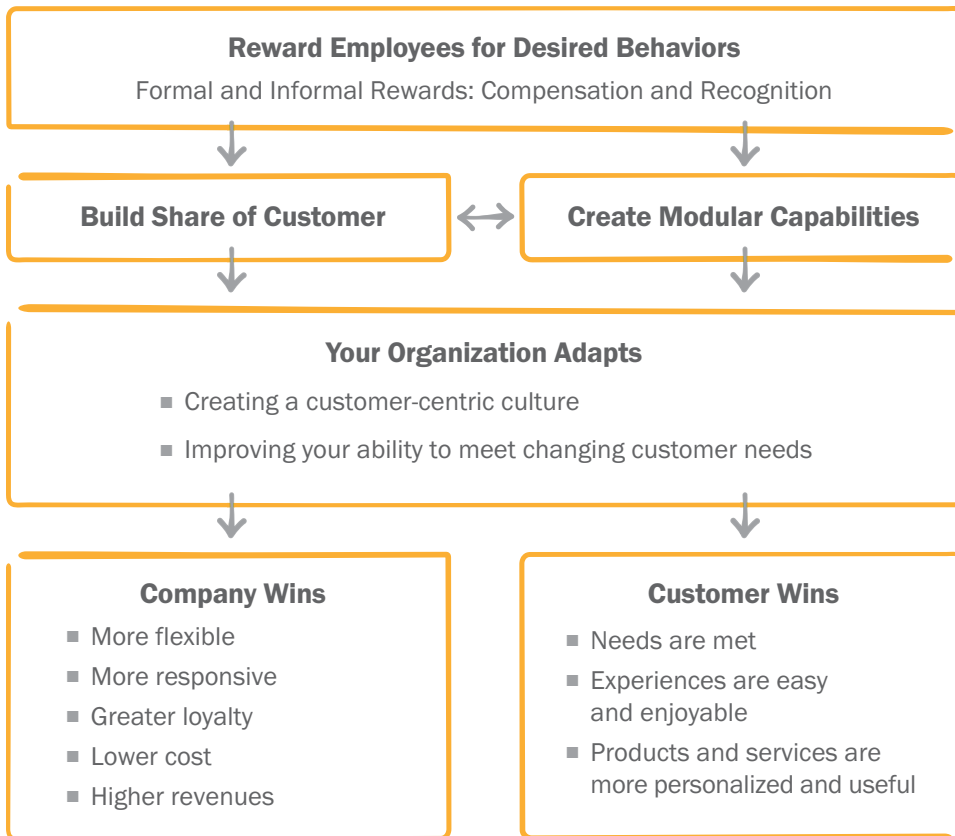presentatives' performance assessments directly to customer feedback scores, so incentives are well aligned with meeting or exceeding customer expectations. At the same time, formal training programs in techniques such as active listening means employees have the skills they need as well.

Nadalina / Shutterstock.com

Reinforcing the right behaviors

Customer-centric organizations understand the importance of sharing stories and recognizing employees for meeting customer needs. Whether through informal rewards such as public thanks and ad hoc gift cards, or by more formalized means built into compensation and review structures, they recognize those who deliver on the needs of customers.

Actions and reward systems like these enable companies and the individuals who power them to become more customer-centric. And customers notice the difference.

The truth is, if you want your employees to put the needs of your customers first, your employees must be both motivated and enabled to do so—and great customer experiences will follow.

Reward Employees for Desired Behaviors
Formal and Informal Rewards: Compensation and Recognition

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Build Share of Customer ↔ **Create Modular Capabilities**

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Your Organization Adapts
- Creating a customer-centric culture
- Improving your ability to meet changing customer needs

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Company Wins
- More flexible
- More responsive
- Greater loyalty
- Lower cost
- Higher revenues

Customer Wins
- Needs are met
- Experiences are easy and enjoyable
- Products and services are more personalized and useful

Value how employees impact the customer experience.

Do employees understand the value of their interactions with customers, and do you reward them for good performance?

- Learn what employees believe about your customer experience culture.
- Codify your customer experience culture, and how you want employees to treat customers.
- Identify the biggest gaps and identify ways to close them.

This sounds easy—but often, it's not. For example, one company we worked with found employees would only send examples of the ways they helped customers if they could submit anonymously. Why? They thought management would be upset they were spending too much time with customers.

Sadly, these types of unspoken beliefs are all too common. Make sure they don't exist in your company—and eliminate them if they do.

Smart Touchpoints deliver personalized experiences, while simultaneously making companies smarter about their customers.

S M A R T

Transform touchpoints to better meet customer needs

Touchpoints are all the places a company intersects with its customers: product, packaging, store, website, call center, Twitter, invoice, help desk, etc. And while customers are hyper-connected, far too many companies still manage touchpoints from a silo- or channel-based perspective. Marketing promotes a product or service, creating touchpoints along the way. Sales creates touchpoints to help sell said product or service. Accounting rolls out touchpoints to collect information on those sales. IT rolls out customer-facing systems to manage them, and call centers have phone-based, human touchpoints to solve problems.

In many companies, the data that flows to and from these touchpoints isn't integrated, and customer journeys aren't connected when customers move from one channel to the next. Today, touchpoints have the ability to be dramatically more powerful than a random series of communications and patches.

By bringing digital innovation into the mix through the creation of smart, interconnected touchpoints, companies can radically transform the ways they interact with customers to create highly personal experiences that competitors can't easily match. This means transforming your touchpoints from dumb to smart.

What are smart touchpoints?

"Smart" touchpoints allow data to flow in multiple directions: from your company to your customers, and from your customers to you. A digital device gives you the potential to sense a customer's location, actions, or intentions, as well as monitor what happens when customers use your product or service.

In contrast, "dumb" touchpoints such as a printed statement just sit there, not gathering useful information that could radically alter a company's understanding of how customers interact with it.

Smart touchpoints give companies the ability to respond intelligently, and better yet, proactively. They focus on the customer's needs and journey, and have the ability to gather and transmit meaningful data back to your organization. The more you know, the better you can customize, and the cycle of improvement goes on.

Today, digitally enabled smart touchpoints are increasing exponentially. Customized and personalized services are the foundation for innovative customer experience, and making touchpoints more interactive (or "smart") is the key to developing that foundation.

Transformed Touchpoints in Action: Zipcar

Consider Zipcar. As a Zipcar customer, your experience is totally personalized, based on previous interactions, where you are, and what you want. Zipcar brings offline processes online, helping you find and choose 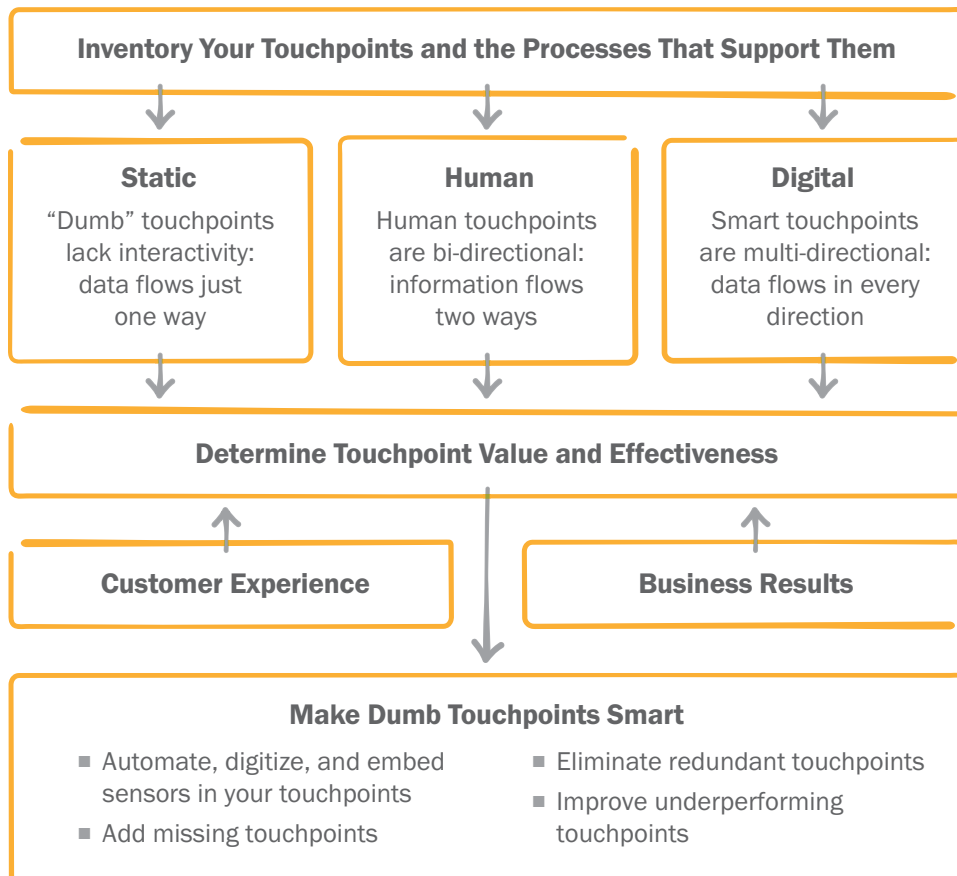the best car for you, no matter where you are. Zipcar also uses this data to help improve experience and drive value, giving the company almost double the revenue and efficiency of a traditional car rental company.

Touchpoints that connect with customers

Smart touchpoints are at the heart of delivering more refined, relevant, tailored customer experiences. For example, Sage Software has downloaded more than a billion data points from its customers' daily usage, and uses this information to help customers understand how to better leverage their software. It also uses this data to intelligently upsell products and services.

While we don't all have the firepower of Sage, the smarter the customer touchpoints, the more data there will be to mine. Data feeds intelligence, which in turn can drive the creation and delivery of highly personalized experiences. And it's that level of data-driven customization that will put you ahead of your competitors.

Smart touchpoints are within the reach of just about any company. Regardless of size or industry, the development of mobile apps and data-enabled products and services can open up a world of opportunity by helping companies better understand and meet customer needs.

Inventory Your Touchpoints and the Processes That Support Them

Static
"Dumb" touchpoints lack interactivity: data flows just one way

Human
Human touchpoints are bi-directional: information flows two ways

Digital
Smart touchpoints are multi-directional: data flows in every direction

Determine Touchpoint Value and Effectiveness

Customer Experience

Business Results

Make Dumb Touchpoints Smart
- Automate, digitize, and embed sensors in your touchpoints
- Add missing touchpoints
- Eliminate redundant touchpoints
- Improve underperforming touchpoints

It's time to make smarter touchpoints

Across virtually every industry and every kind of company, digital touchpoints are changing customer experience. To unlock the power of your touchpoints:

- Understand the importance and effectiveness of existing touchpoints.
- Understand where and how customer needs are not being met today.
- Look for opportunities to innovate customer experience by customizing touchpoints to better meet customer needs.
- Make dumb touchpoints smart and smart touchpoints even smarter.

Smart touchpoints give you the ability to better sense and respond to customer needs. So start by examining how to better harness the digitally enabled touchpoints you have now.

Today's customers expect the companies that serve them to invest financially, intellectually, and emotionally in understanding and consistently meeting their evolving expectations.

In conclusion: it really pays to get—and act—SMART

The framework we present in this paper provides a way for organizations of all sizes and types to better serve their customers, and increase margins and revenue in the process. At its core, however, acting SMART is a way to leverage technology and innovation to do something the best companies have always done better than their competition: Give customers what they want.

It's as simple as this: Listen to your customers. Respond to their needs, even those they don't yet know they have. And make this a priority for your team.

Key takeaways: act SMART, starting now

- **Segment** customers by needs, and your company will have an easier time setting priorities and making investment decisions.

- **Modularize** your capabilities to make your company more nimble and better able to adapt to changing customer needs.

- **Anticipate** customer needs by recognizing patterns and responding in a manner that saves customers time, money, and effort.

- **Reward** employees for win/win behaviors and embracing this SMART approach to business.

- **Transform** your touchpoints to better meet customer needs, by giving each the ability to sense and respond, so your products and company can act smart.

"According to a CEI Survey, 86 percent of buyers will pay more for a better customer experience. But only 1 percent of customers feel that their expectations are consistently met. These statistics highlight the magnitude of the growth opportunity before us. What if you just increased the percentage of consistently happy customers by 5 percent? For any company, large or small, that would be a game-changer in terms of revenue and profit."

Christine Crandall, Forbes

"One of the most exciting business books I've ever read—I dare you to try reading this book without getting at least ten brilliant new ideas for your business. You won't be able to do it."

Don Peppers, founding partner of Peppers and Rogers Group, and co-author of *The One to One Future.*
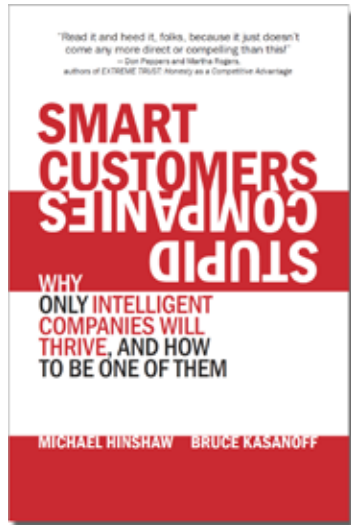
This white paper is one of a series based on concepts first published in *Smart Customers, Stupid Companies: Why Only Intelligent Companies Will Thrive, and How To Be One of Them.* This best-selling book, co-authored by McorpCX President Michael Hinshaw and Bruce Kasanoff, was written for those companies—and the executives who run them—interested in leveraging digital innovation to better serve their customers. It shows what can be done today to create sustainable competitive advantage, and what it takes to profit from disruption instead of getting crushed by it.

With coverage in publications including *Harvard Business Review, Time, Huffington Post, Fast Company*, and *Bloomberg Business Week* among others, *Smart Customers, Stupid Companies* challenges business leaders to understand and embrace the wave of disruptive, digital innovation that's affecting virtually every industry—and presents unprecedented opportunity for those who grasp it.

Learn more about the book by visiting www.smartcustomers.com.

"This is a very insightful book, and one that provides a really different (smarter) perspective on customer-centric value co-creation!"

Frank T. Piller, professor of management, RWTH Aachen University, Technology & Innovation Management Group, and Massachusetts Institute of Technology, MIT Smart Customization Group

"Technology-enabled customers are getting smarter every day, while companies mired in the same old ways of doing business just come off as stupider and stupider. Do not let that happen to you. Instead, follow Hinshaw and Kasanoff's prescription to ride the waves of today's perfect storm of disruptive innovations."

B. Joseph Pine II, co-author, *The Experience Economy* and *Infinite Possibility: Creating Customer Value on the Digital Frontier*

"So energizing it actually made my skin tingle and my pulse race. Lots of books prod you to think about the future; this book is like a punch in the face. My thinking has changed and I'm now light years ahead. I'm fortunate I had the opportunity to read this before my competitors."

Chris Zane, founder and president, Zane's Cycles, and author of *Reinventing the Wheel: The Science of Creating Lifetime Customers*

How can McorpCX help you?

McorpCX is expert at driving customer experience transformation in an increasingly connected world. If you're interested in learning how we can help you better understand and improve your customers' experience with your organization, give us a call at 1-866-526-2655 or visit www.mcorp.cx/contact.

McorpCX is a experiences services company. For more than a decade, our blend of strategic thinking, technology solutions, and design innovation has helped companies transform products, services, customer experiences, and the processes that support them in exciting and profitable ways.

We deliver category-leading customer experience insights and tools that help clients—from fast-growth market leaders to the Fortune 100—build stronger relationships, seize competitive advantage, and drive differentiation. The result is increased loyalty and engagement in a world where customers, markets, and industries are undergoing radical change.

Our practical, problem-solving approach to customer experience and brand research, strategy, and design has led to successful business outcomes for clients including Microsoft, GE, T. Rowe Price, Danone, and Blue Shield of California.

Whether your organization is just beginning its customer experience journey or is well down the experience transformation path, we're the customer-experience service company CX leaders turn to to drive value across businesses, accelerate innovation, and drive the change that delivering differentiated customer experiences requires.

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