

## Episode 37: Why Customers Expect a Living Brand Experience

[SHOW INTRO]

**Joey Coleman:** Get ready for another episode of the Experience This! show.

[EPISODE 37 INTRO]

**Dan Gingiss:** Join us as we discuss the living brand experience, the basics of looking for a new house, and the importance of making the last day as magical as the first day.

**Joey Coleman:** Experience living, house hunting, and smooth exiting. Oh my!

[SEGMENT INTRO] [CX PRESS]

**Joey Coleman:** There are so many great customer experience articles to read, but who has the time? We summarize them and offer clear takeaways you can implement starting tomorrow. Enjoy this segment of CX Press where we read the articles, so you don't need to.

[CX PRESS: **Inside the Living Brand Experience**]

**Joey Coleman:** Our see express article comes from CMO.com, and it's titled Inside the Living Brand Experience. The article was written by Tali Krakowsky and Jorge Aguilar, two partners at the brand and marketing consultancy, Prophet. What I love about this article is that it sets the tone with the opening sentences. Culture is being recoded and people expect very different relationships with brands, more human, immediate, seamless and responsive.

"Living brand experiences are the new standard. A company that can functionally integrate around the customer with regard to technology, data, marketing, and the customer experience is delivering its product and service not simply as an offer, but as an experience ecosystem: a hyper-contextual, empathetic, cohesive, and humanized experience that responds to, learns from, and anticipates its customers' next moves and needs."

**Dan Gingiss:** Well, I don't know. That's setting the bar kind of high, which I like because we've talked before that the customer experience bar is often on the ground.

**Joey Coleman:** On the ground, people. On the ground.

**Dan Gingiss:** Yeah, and when I listen to this and when I hear you reading it, I'm thinking about like iTunes or Spotify as experiences. Somebody actually mentioned Spotify to me today as being an experience where they feel like the brand really knows them because it finds the right songs for them, it kind of knows what mood he or she is in, et cetera. I do think that the technology is getting better with AI and machine learning to get us there. I do think however that there are very, very few companies that are able to do this well right now and there's going to be some stumbles along the way.

**Joey Coleman:** I don't disagree with you, Dan, but I also think one of the main reasons I love this article is because it's not just about the technology. It's about the feelings and the people. So, in short I think

the very best brands are combining head and heart. They're incredibly data-driven and analytical, yet they're responsive and feeling based as well. That's what I loved about the way the two partners at Prophet outlined this in today's see express article.

**Dan Gingiss:** It's kind of funny that you should mention that because that is exactly what the company that I work for does. I work for a company called Persado. We work with marketing language and all of our testing is data-driven, is statistically significant and completely objective.

But the whole reason that the platform works is it focuses on emotions and that's what marketers tend to miss when they're writing marketing copy. It's usually void of emotion and as we know consumers are looking to have a relationship with the brand and that starts with developing emotion even as early as marketing. So, I think this totally makes sense and I think that it is again absolutely the way that we're headed.

So, the article outlines four key elements of a living brand. First, living brands are hyper-personalized, which means that they're driven by empathy and that they're specifically designed to feel personalized to every single individual. One of the examples [inaudible 00:04:02], which I think is a great one is about TurboTax. I'm a TurboTax customer. I've used it for years and it really does make filling taxes a bliss.

First of all, it imports all of our data from last year. It asks you very quick questions about whether anything has changed in your life. Have you gotten married or divorced or had a baby? Have you moved? Then it presents to you the exact questions and exact things that you have to fill out. You basically never see an IRS form because it does it all for you and it is incredibly easy and personalized.

**Joey Coleman:** And as a result, we feel better about it because it feels like the experience was created just for us. Next, the article goes on to note that living brands are contextual. What they mean by that is that the brand is shifting how it acts, how it feels, how it looks according to the environment. They give a great example here of YouTube and the fact that YouTube will adapt its content based on the user context.

So, for example, I've got two small kids, so occasionally we find ourselves on YouTube Kids. What's interesting is the interface for YouTube's kids uses icons instead of text navigation so that kids who might not be able to read yet can navigate it. Plus, it only has family-friendly content on it. So, you know if your kids are within YouTube Kids, they're going to be okay. They're not on random wide-ranging general YouTube where they might stumble across stuff that they shouldn't otherwise be exposed to.

**Dan Gingiss:** The next key element is that living brands are intelligent. That means that they're in learning mode all the time and that they use this knowledge to inform the experience going forward, how they think, act, and engage with consumers. An example here that they give is with Netflix, another one that I am a longtime customer of and Netflix learns their users viewing habits and then makes recommendations based off of them.

So early on, they were able to say, "Well, hey you liked this baseball movie dance, so you'll probably like this baseball movie." But then they took it a step further into version 2.0, which is where they started creating original content based on what their viewers were interested in.

So, for example, they commissioned, I don't know, a fairly unpopular show that nobody has heard of called House of Cards. They did that because they knew that a huge portion of their users had streamed The Social Network movie, which was directed by the same producer and director, David Fincher.

**Joey Coleman:** Finally, living brands are continuous. What the article means by this is that they are paying attention to a digital pulse. They're maintaining ongoing conversations with customers. Marriott has an interesting program called Li Yu that helps Chinese tourists that are traveling outside of China feel at home wherever they go.

So, what this program does is that it uses WeChat for tourists to engage with the local concierge who can assist in Chinese with anything that that tourist needs from restaurant recommendations to in-room amenity requests. Basically, by using this program, the tourists can feel more connected and keep the conversation going even when they're not in their home country.

#### [TAKEAWAYS: Inside the Living Brand Experience]

So, the key takeaways from this article are that number one, the customer expectation is fast-changing. It is evolving quickly and we better be ready as brands and as customer experience professionals to navigate that shift and navigate that change. Number two, we need to handle these shifting expectations by creating an ecosystem. An ecosystem that is more human, more immediate, more seamless and more responsive.

Number three, often we think in these conversations about creating ecosystems and being faster and more efficient that it's all about technology. Folks while the head is certainly important, we don't want to miss out on the heart. We need to include the feelings and the empathy so that we can create a fully cohesive experience for our customers when they are living the brand.

#### [SEGMENT INTRO] [DISSECTING THE EXPERIENCE]

**Joey Coleman:** Sometimes a remarkable experience deserves deeper investigation. We dive into the nitty gritty of customer interactions and dissect how and why they happen. Join us while we're dissecting the experience.

#### [DISSECTING THE EXPERIENCE: House Hunters]

**Joey Coleman:** So, guess what happened at about 2:00 AM last night here in Colorado, Dan.

**Dan Gingiss:** Well, given that you never sleep, it could be a whole bunch of things.

**Joey Coleman:** Vampire style, people. Vampire style. Well, actually what I did last night is I signed the lease for a new house that we're going to be renting in Boulder, Colorado starting in just a few weeks.

**Dan Gingiss:** Well, congratulations. So, you're moving, huh?

**Joey Coleman:** Yes, thank you. Nothing gets by you amigo. Yes, indeed. We are moving to a new place and super excited. We've been in the town of Evergreen where we live now for about five years and we're going to have a new adventure and move to Boulder.

**Dan Gingiss:** Nice. So, you must have gone through a house hunting process, which is where I guess you're leading us here. How was it?

**Joey Coleman:** Yes, my friend. We did go through a house hunting process. As I mentioned, we've been in our existing house for about five years and to be clear, we're renting our house in Boulder. So, it was like all right, let us wade into the rental pool and see what's available. And because I think it's relevant to the conversation, we were looking for a three-bedroom house.

My wife and I have our two boys, plus we wanted to also have an office in the house like a home office. So, we needed something that was going to allow enough space so that we could work from home. But also have room for the family and maybe a room for when friends come to visit because a lot of folks come to Colorado and we want to be able to put them up for the night when they come. So, what I found-

**Dan Gingiss:** If I may-

**Joey Coleman:** Yes.

**Dan Gingiss:** ... you also need a quiet place to record the Experience This! show.

**Joey Coleman:** I also do need a quiet place for the Experience This! show. Exactly. So, we had some pretty specific requirements of what we were looking for. Thankfully, there were several options in Boulder, but what surprised me, what shocked me, what blew my mind in this world of modern technology and modern capabilities and a focus on customer experience is how completely devoid of positive customer experience most of the listings were.

So, here's what I mean by that. First of all, there were boatloads of houses listed on the main rental sites that were already rented. So, we would find a place where we'd be like, "Oh yes, awesome." Then we'd call and they're like, "Oh no, that place was rented four months ago." I'm thinking, why is it still listed if it's been rented?

**Dan Gingiss:** Isn't that kind of the first requirement to being on a rental site is it's for rent?

**Joey Coleman:** Don't you think? Yeah. There was a part of me that was like if I'm calling, and it's been months, I guarantee I'm not the first person to call. So, what are you ... Come on, folks. We need to do better from a point of view of the product. Now, let's talk about the marketing a little bit. Oh my goodness, terrible photos. Terrible photos.

I mean the kind of photos that my wife would send me links to some of the houses she found. I'd look at these online, and I'm like, there is a good chance that was a drug deal that went down in this house five minutes before this photo was taken, or the SWAT has kicked down the door to this house before. Like really bad, bad photos of places that looked horribly shady.

I kept saying to my wife, "Are we going to actually live here?" She's like, "I know, but these are the places that are available, and it seems like they're in good neighborhoods," but the photos were just terrible. But the thing that blew my mind, there was not one video walk-through. Now in the world of

buying houses, I think a lot of people are familiar with the video walk-through. If you're going to buy a house, you can go and see on the listing. They will literally walk you through the house with a video.

I couldn't believe that in the dozens and dozens of homes we looked at online, we didn't go look at them in real life, but of the ones we looked online, there wasn't a single walk-through video. That just really surprised because I felt like it was such a great opportunity to tell the story of your house, give people a much better idea of what it would be like to be in the house as opposed to these weird random fisheye lens photos or random iPhone photos that somebody didn't do a good job of framing the picture. It just blew my mind the marketing experience.

**Dan Gingiss:** Yeah, I do think that's very surprising. I mean obviously, not everybody is a marketer, but this is pretty basic stuff. You said there were dozens and dozens of options. So if I'm renting my place, obviously I want to stand out from other places so that I can rent quickly and not be losing money on an empty place.

So, taking a few minutes and walking through place with an iPhone and a video on is not really hard. You're right. If a picture is worth a 1,000 words, a video is worth a million. So, that does seem like a pretty easy thing to do and I would agree it is shocking that there wasn't a single one there.

**Joey Coleman:** Yeah, I couldn't believe it. So, we go into this process, and we pick a couple different places that we're going to look out. We take the day off, and we're going to go find the house. So, we go up to meet these various landlords, which sometimes were the owners, sometimes they were the property managers, and we're checking out a couple of different houses.

It dawned on me that there is a fundamental basic truth, I believe, of customer experience in that many of these places were missing. That is that you're always selling, you're always promoting, and you're always creating an experience. The experience of renting a house goes far beyond the product, right. It's not enough to say, "Oh, we have a pretty house that meets your specs and it's safe and it's clean and it's well constructed and it's in a good neighborhood." The thing that people seem to forget was the landlord experience or the sales agent experience or the property manager experience.

On the show, we talk, as a general rule, about the positives and rest assured, I am going to get to the positive punchline here. But one of the houses we went to, it was very clear that the woman who was showing us around did not want us to rent this place. Every time we asked about something, it wasn't available. She said, "Oh, there's a basement that is used for storage."

So, we walk around and we looked at the house and at the end my wife said, "Well, can we go down to see the basement for storage?" She says, "No, that's not included in the rental. It's used for storage." I was like, "Wait, your storage or our storage?" She was like, "Our storage. I told you that." I was like, "Wow, okay. Awesome. You actually didn't tell us that. You used language that was not at all clear but okay."

So, we continued the tour and now we're like, "Oh, that was kind of weird." We continued the tour a little and we go into a room and my wife says, "Well, I could see this room could maybe be used as an office. It can be may be used as a small dining room." The woman doing the tour was like, "Yeah, no. No. It couldn't be a dining room."

**Dan Gingiss:** Okay.

**Joey Coleman:** Is there a vision in the lease that prohibits the use of this room as a dining room? What's going on? But what was crazy is this house had a lot of positive things about it. It was in the neighborhood we wanted. The curb appeal was great. The rooms were nicely apportioned. There was actually a pool in the backyard that wasn't on the listing. There was actually a swimming pool-

**Dan Gingiss:** Oh, a small detail.

**Joey Coleman:** ... that wasn't a part of the listing. Now, there were some people would look at that as a negative. I was looking at this as holy cow, we can rent a place with a pool. How awesome is this? But we left the showing and we got into the car and I turned to my wife and I was like, "I don't know that we could ever do that place." My wife who is much more conscious of our children was like, "Oh because of the pool because that's a safety hazard for the boys?" I said, "Well yes, but more importantly than my children's well-being, the landlord relationship would be horrible. That would not work." Okay. So, not a good experience.

I'll wrap this up quickly though. Fast forward to the last house we go see because of course it's always the last one that you look at, right but irony of all ironies, this was supposed to be the first house, but we had to reschedule so it became the last house. Our landlord and yes, I did just say our landlord because this is the one we decided to go with was a delight. She not only told us the story of the house, she had raised her family in the house.

She acknowledged the fact she has two boys that are teenagers. We've got two young boys. She was kind of waxing nostalgic about what it was like to have her boys grow up in the house and how cool it would be to have our boys grow up in the house and very accommodating. Like, "Oh, we're planning to repaint these walls before the new tenant moves in. Hopefully, it's you. If it was you, what colors would you want it to be?" Just incredibly accommodating.

We walk out of that meeting. We get the car. We drive maybe two blocks away and I turned to my wife and I was like, "I think that could be the place," and she's like, "I love that place." I said, "Why are we driving away? Let's go back and do the application and give our deposit." It was boom, boom. We're done. We're ready to go.

The moral of the story is the product had to be good and it had to meet our requirements. But the experience of the landlord and the person we're going to deal with for the next year renting this house is what really sealed the deal.

**Dan Gingiss:** Yeah, I love the story and I think this is true in every business. I mean, one of the folks that I interviewed for my book who I just loved is this guy named Scott Wise who owns Scotty's Brewhouse, which is a bunch of restaurants in Indiana and elsewhere in the country. The line that stuck out to me really forever is that he said that when people ask him what business he's in, he says he's in the customer service business.

I said, "Really? Why don't you say that you're in the restaurant business?" He says, "Well, if you go to a restaurant and you have a great meal and you have crappy service, you're never coming back. If you go

to a restaurant and you have decent food or good food and you have amazing service, you're probably going to be a really loyal customer."

Obviously, he aspires to do both but I think the point is very similar to what you're making here is that you have to have a good product and you have to have a good experience. It's not either/or and when you put the two of them together, it makes the purchase decision that much easier.

[TAKEAWAYS: **House Hunters**]

**Joey Coleman:** Absolutely. I think there are a couple of key takeaways from our house hunting experience. Number one, people use video. It's 2018. Give video tours of your product, of your service, of the experience of what it's like to be do business with you, of the space you operate from. Let people see and hear in real time what's going on.

Number two, use good pictures. Okay. Even if you're selling something on Craigslist or you're trying to rent a house or you're offering something up on Facebook for sale or giving something away, take five extra seconds to take a good picture. Number three if you are renting a house, this is an interesting and obvious one, use a floor plan. Let one of the photos that you upload to the site be a floor plan because not everyone can imagine your product as easily as you can. So, give them a map that shows them how it works.

Finally, last but not least, the experience of you the person selling the product or service is every bit as important as the quality of the product or service. Make better experiences.

[SEGMENT INTRO] [THIS JUST HAPPENED]

**Joey Coleman:** We love telling stories and sharing key insights you can implement or avoid based on our experiences. Can you believe that this just happened?

[THIS JUST HAPPENED: **Exiting Your Business**]

**Joey Coleman:** So, the other day I was on Facebook and I saw a Facebook live video from my friend Ari. He was talking about an accounting service that he had recommended for a long time. I've heard him recommend this service many times as how valuable and how beneficial it is to business owners especially small business owners.

He went on a bit of a rant on how he wasn't going to be recommending them anymore and the reason he wasn't going to be recommending them anymore. It's not just because they did accounting. Accountants are fun. Accountants deserve the love too. It was because they made exiting the business a horrible customer experience.

**Dan Gingiss:** So, when you say exiting the business, do you mean when somebody wants to stop doing business with them?

**Joey Coleman:** Correct. Correct. So, he had been a customer paying about \$150, \$180 a month for many years. He had recommended it to people, but his business had grown and he now needed more robust accounting services than what this company could provide.

So, he reached out to them and he said, "Hey look, I want to cancel my service. You guys just can't do what I need you to do anymore and the business is kind of going in a different direction. So, I need to exit my service." He messaged them about this. They replied back and they said, "Okay, it's going to take us a couple days to shut down your account." 10 days to shut down his account.

**Dan Gingiss:** There's a lot of steps that have to be ...

**Joey Coleman:** Yeah, right. Right, which by the way-

**Dan Gingiss:** There is....

**Joey Coleman:** Exactly, which by the way did I mention that that took him into the next month of auto billing? So they build one more month before they officially shut him, how convenient.

**Dan Gingiss:** How convenient.

**Joey Coleman:** Then as if that wasn't enough, what happened is they said, "Okay, as the final step, please schedule a call with this customer service rep," and gave a calendar scheduling link to talk about what went wrong and help ... I think the language he used was something like help make your exit as smooth as possible.

**Dan Gingiss:** Well, certainly it wasn't going to expedite him. That's for sure.

**Joey Coleman:** It's certainly not going to expedite.

**Dan Gingiss:** It was in fact going to make it take longer I'm sure.

**Joey Coleman:** Totally, and that was the straw that broke the camel's back. So, we did this Facebook live video and he said something that I thought was really powerful. He said the way we treat customers that leave us says a lot to the customers who stay. I thought that was so powerful that there are so many businesses out there today that are focusing on their new customer on boarding, which I think is great.

As you know, it's my area of expertise. It's where I spend a lot of my time, but a piece of the puzzle that most businesses don't spend any time thinking about is how do we make the last day of doing business with us as magical and as positive and as wonderful and as much as an experience as the first day.

Now, I get it that it's kind of bittersweet. You're losing the customer and you may not be happy about that, but if in the process of them exiting, you are whipping Molotov cocktails at the relationship and saying let me burn all the bridges and we'll never do business again, you're really causing not only problems with that customer but with any likelihood of them ever coming back or referring anyone or not speaking horribly of you going forward.

**Dan Gingiss:** Yeah. I mean, this reminds me of a segment we did way back in Episode 17 where we talk about Chewy.com and a friend of mine from high school had a cat die and how Chewy responded to him basically exiting the business because he didn't need their pet products anymore after his cat died.

They treated him with empathy. They sent him a gift in the mail and flowers to say that they were sorry about his cat dying. What that did was make him even more loyal to the company than he was before. I think one of the things that you pointed out that I want to reiterate about your friend Ari is that he's recommended this business for a long time, so-

**Joey Coleman:** For years. For years, this guy has been singing this company's praises.

**Dan Gingiss:** Right. So, (a) if you treat him like crap on the way out, he may not be doing that anymore. But (b) maybe he's grown too big for the services now, but who knows. Maybe a year down the line he sells his company and start over with a small business again that needs the services again. So, there's no reason to suspect that Ari will never use this company again, so why on earth would you burn the bridges?

**Joey Coleman:** 100% and not to mention, Ari has got a pretty decent audience. I mean, we live in an era where anyone who's on Facebook has a decent audience. This is a guy who actually has a podcast and he has [inaudible 00:25:10]. So, he has a bigger audience than maybe the average consumer and you're absolutely right. He was a loyal fan and supporter and they just made the final experience so negative that there's no way about it. At least based on what he said, he's never going back.

It's interesting that I saw this video from Ari because ironically enough, the same day I was involved in a conversation with someone who is speaking disparagingly about an online service like an information subscription service, where you can you pay a certain amount and then you get access to this members community.

They were lamenting the fact that they wanted to cancel their membership. They went online and the requirement for canceling was that you would mail a physical letter asking for it to be canceled to an address for it to be processed before they would stop auto billing your credit card. This person was irate. This is an online product, an online membership where it's very clear that someone figured out that they can squeeze a few more days of payment out by forcing people to mail a letter.

**Dan Gingiss:** Or better yet, a lot of them won't do it or they'll forget to do it.

**Joey Coleman:** Won't do it right or they'll forget to do it. So you'll still make money, but at what price success people? You know what I mean? Yeah, your business is growing and maybe you're making money, but you are burning any hope or reputation or good karma that you would have in the universe. So, folks here are the key takeaways.

[TAKEAWAYS: **Exiting Your Business**]

Number one, make leaving as easy as staying. If you want your customers to stay, actually make it easy for them to leave. It sounds counterintuitive, but I promise you it works. Number two, don't force them to switch channels. So, in Ari's case, he was having this conversation via messenger and chat and email and then they said, "Oh, we want you to schedule a phone call." If the customer is in the channel saying, "I want out," figure out a way to let them out of the relationship within that channel instead of trying to take up more of their time.

Number three, make the day they leave as great as the day they sign up. As Dan pointed out, they might come back. They might continue to refer you business. They might have a change in their business or circumstance where they need your help or your service or your product again. Make sure that the final feelings they have for you are positive and that's the kind of experience that will keep customers coming back for more in the future.

[SEGEMENT INTRO] [CHECK OUT THIS NUMBER]

**Joey Coleman:** Listen in while we try to stomp and surprise each other with a fantastic statistic from the worlds of customer experience and customer service. It's time to check out this number.

[CHECK OUT THIS NUMBER: **47%**]

**Joey Coleman:** Okay Dan, the number is 47%. What do you think it refers to?

**Dan Gingiss:** I'm going to go with the percentage chance that there is life on another planet.

**Joey Coleman:** Oh dude, it is much higher than 47%. I think it's like 99.99%.

**Dan Gingiss:** Really? Let me ask you this, do you think there's another Experience This! podcast somewhere out there?

**Joey Coleman:** Only if we're lucky. Only if we're lucky. I guarantee the hosts in the alternative universe of the Experience This! show are much better looking than we are.

**Dan Gingiss:** Well, how can they possibly not be?

**Joey Coleman:** Okay. That's the alternative world. Now the 47% I'm referring to is the fact that 47% of online shoppers are willing to pay more for same day delivery. This comes to us from ChainStoreAge.com study. Delivery time impacts online shoppers purchase decisions, as cited by our great friends and sponsors of the show, Oracle CX in their new e-book: 3 Ways Your Shoppers Have Changed, and How to Keep Up in a Digital Age.

The reason I wanted to mention this specific statistic is it ties back to that leaving the brand. Our customers want the immersive experience. They want the experience that is anticipatory. They want the experience that is immediate. They want the experience that is right now. What do you think about that stat, Dan?

**Dan Gingiss:** I think it's a fascinating stat. What I would say is that customer expectations continue to get higher and higher. So, a while ago, certainly just several years ago, it was a fair expectation that you ordered something online and it took a week or two to arrive at your door. Then Amazon introduced Prime and free two-day shipping and now your expectation is everything shows up in two days.

As you know Amazon and others are testing one day and same day delivery. So, as customers realize that this is possible, that's going to become the expectation. So, right now it's 47%. I would expect that in a year or two that number skyrockets a lot higher as same day delivery becomes a more commonplace.

**Joey Coleman:** Couldn't agree more with you my friend, the joy of the customer experience world ever evolving as are your customers' expectations, so it keeps it exciting for all of us. To check out this e-book as well as complete a fast, and when I say fast I mean it'll only take you about two minutes less time than it took for you to listen to this check out the number example. You can complete an assessment to see how you compare against your peers in readiness for the future of customer experience.

[SHOW CONCLUSION]

To complete that assessment, all you have to do is go to [Oracle.com/CXPerformance](https://www.oracle.com/CXPerformance). That's [Oracle.com/CXPerformance](https://www.oracle.com/CXPerformance) as put together by our wonderful friends at Oracle CX, the sponsors of the Experience This! show. Thanks much for your sponsorship. Go check out the assessment and see how you stack up against the competition.