

## CUSTOMER EXPERIENCE PARTNERS

## A Curious Case of Customer Experience



A great *customer experience* is regarded as a differentiator of highly successful organizations. We agree, as do corporate executives. Surveys confirm the customer experience as one of the top issues on corporate executives' minds today. Why? No doubt because they've heard and believe that positive customer experiences result in: 1) a higher likelihood of repeat business; 2) more recommendations to family and friends; and 3) more resilience to competitor outreach.

### The Story at Borders Bookstores

So it is with interest that we review the recent bankruptcy of the bookstore chain Borders. Ironically, in early 2011, Forrester Research's fourth annual [Customer Experience Index Study](#) identified Borders as the very top company in the hearts and minds of consumers! (As No. 1 among 154 U.S. largest brands, Borders was rated higher than Apple, Amazon, and everyone else.) And yet today, Borders is no longer in business! Unable to find a buyer appreciative of their accumulated goodwill, they liquidated their inventory, shuttered their stores and said "Goodbye" to their Sales Associates who delivered the best customer experience in the Country.

### So, What happened?

Why didn't Borders's leadership in customer experience help them forestall bankruptcy? One obvious answer is that customer experience is just one of the many factors that contribute to overall fiscal performance. Store locations, merchandise selection, competitive forces, staff salaries and benefits, and publishers' willingness to extend credit all weigh in on survival. A contrarian could take the position that Borders's failure casts doubt on the true importance of the customer experience. A skeptic might question Forrester's selection criteria. A pragmatist might point out that Borders's quest to deliver excellence in customer experience might have occurred too late in its life cycle.

We believe in customer experience and we're inclined to accept both the criteria and the gestation period. But, we wonder if Borders achieved excellence in customer experience by paying too high a price. You see, we frequently encounter organizations who aim to achieve excellence by delivering the best of everything. They do so without knowing customers' responsiveness to each element of the improvement initiative. Consequently they overspend on items to which customers are only minimally responsive. The resulting initiative costs far more than was necessary.

Improving the customer experience should be about fixing those elements of the experience to which customers are most sensitive. To do this, an organization needs the knowledge and insight into the weights attached to each *experiential component* within the significant *Touchpoints*. Customer Experience Partners' **Experience Optimization** model prioritizes these elements for a more disciplined and successful improvement process.

To learn how to optimize improvements to your customers' experience contact: [vavra@customerexperiencepartners.com](mailto:vavra@customerexperiencepartners.com) or [pruden@customerexperiencepartners.com](mailto:pruden@customerexperiencepartners.com)

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