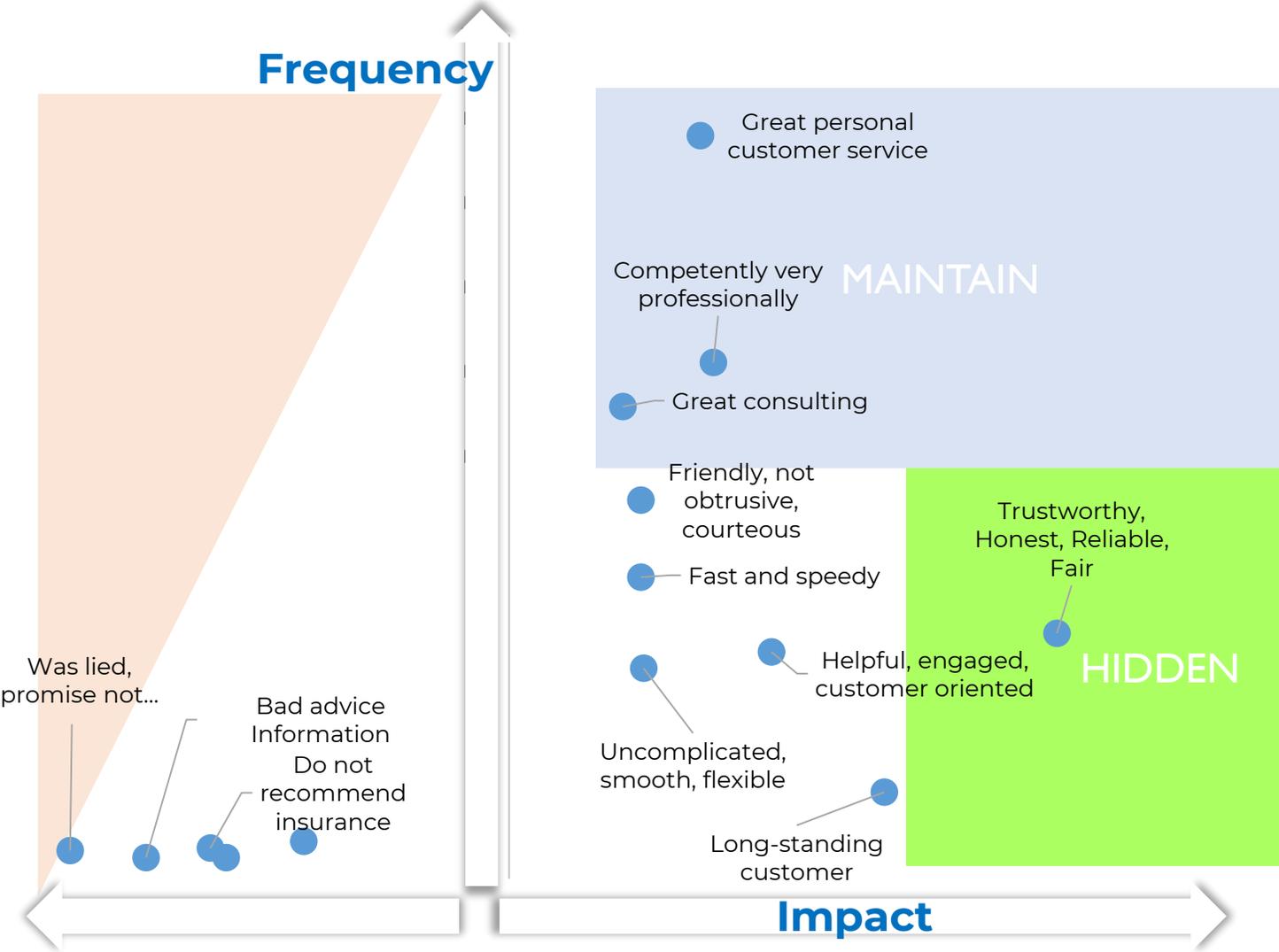




**Class #5:
Dashboarding,
Prediction & Prescription**

Lesson #1: Key Driver Canvas

- Identifying Impact Potential
- Hidden Levers
- Key Leakages
- Maintain strategy



Lesson #2: From Key Topic To Action

- **Write down actions that increase or decrease the frequencies**
- **Evaluate action based on**
 - Cost
 - Ease
 - Impact on other topics
- **Integrate preferred action into the label of the dashboard**

High Impact & Low Costs	INVESTI-GATE	PRIORITY
High Impact OR Low Costs	WAITLIST	INVESTI-GATE
Low Impact & High costs	Don't do	Don't do
	Not Easy	Easy

Lesson #3: Simulating Impact of Actions

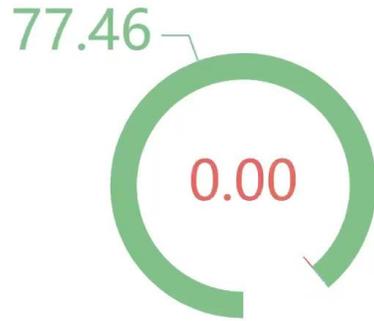
- **Takes a simulated change in frequency...**
 - Multiplies it with unstandardized impact of this change
 - Result is change in CX score
 - Multiple changes can stack up
- **Simulation is great to let business partners truly understand the impact**
 - It makes obvious how huge efforts of – say a change of +10 NPS points – will be
 - It typically challenges to do more, be more aspirational
 - It creates the motivation to set higher targets.

Predict **i**

Here, you can simulate the impact of improvements.



Fiscal Impact per Customer



0.0 EUR

2 High Quality Product

Frequency in % 23



5 Reliable Performance

Frequency in % 12



1 Great Sound Quality

Frequency in % 45



3 Ease of Use

Frequency in % 17



Lesson #4: Explain reasons why CX Score changed

- **Issue:** when CX score drops the blame game start. When it raises, everyone ask for praise.
- **Background:** People look for what changed. But nearly everything changes.
- **Solutions:** Reason for CX score change is only what changed AND is important.
- **Bridge Graph:** Unearth
 - that even things may go well although the score dropped.
 - that things may got worse although the score increased.
 - That the change is caused by external reasons or sampling biases.

Predict **i**

Here, you can simulate the impact of improvements.

Total Fiscal Impact

83.34

5.88

59.000.000 USD

9 Customer Care Frequency in % 2

8 Wireless Connectivity Frequency in % 0

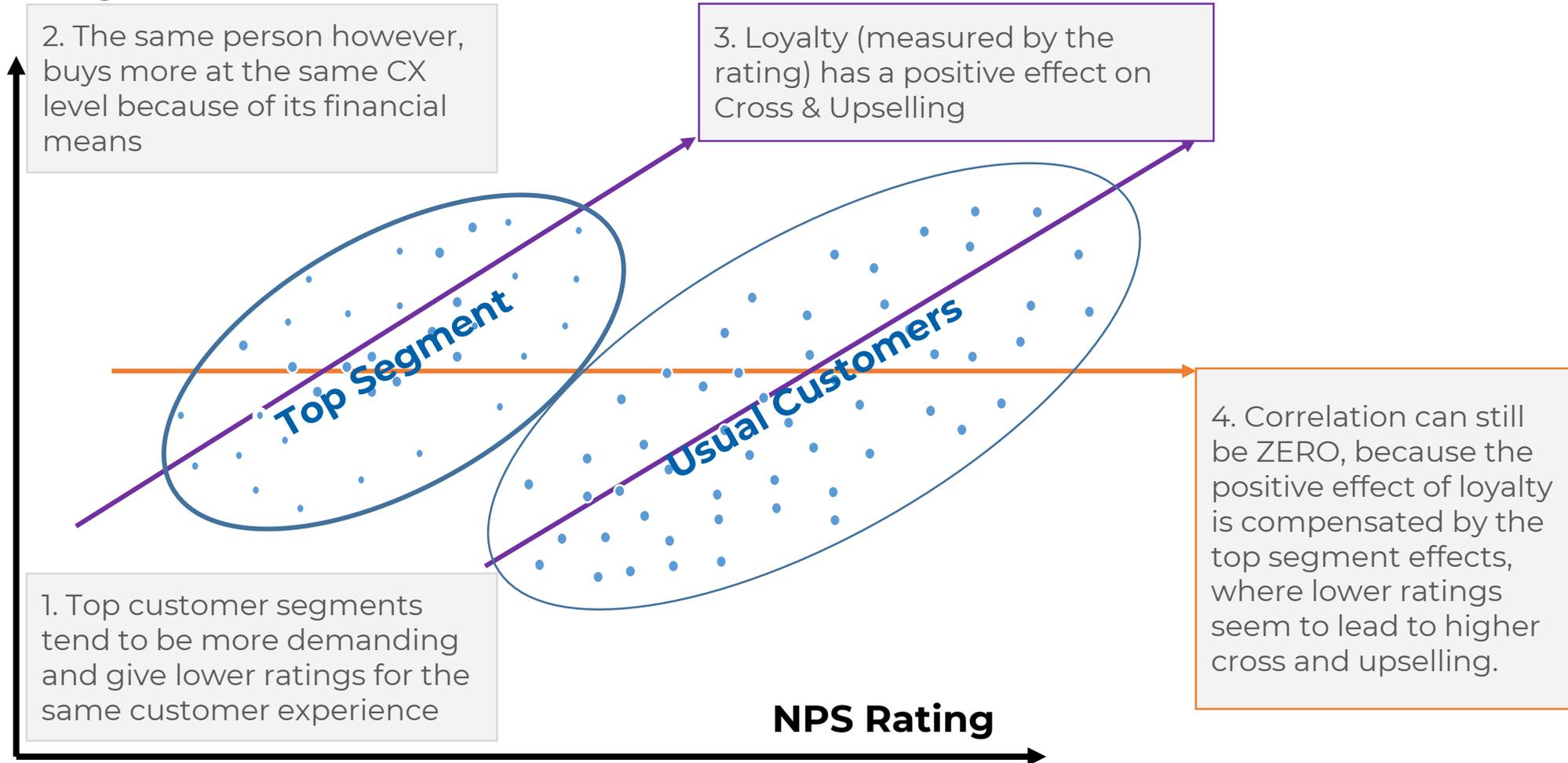
10 Lack in ease of use Frequency in % 6

EN

Lesson #5: Fiscal Impact

Why it needs modeling to measure NPS impact

Cross & Upselling



Lesson #5: Fiscal Impact

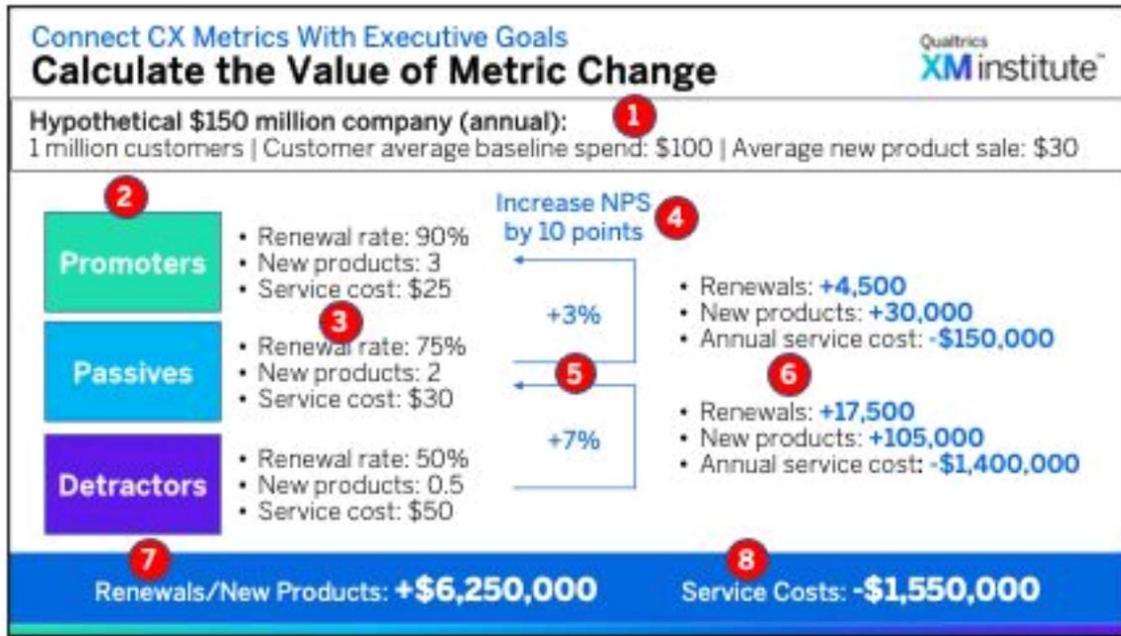
- **Fiscal impact is super powerful to**
 - Judge on ROI of actions
 - Compare ROI of CX vs. New customer Acquisition
- **Measure or assume a fiscal value of 1 NPS point** (or a scale point on your CX scale)
- **How to measure fiscal impact?**

It takes a one-off modeling study

 1. Take a **past CX survey and amend** product ownership and churn data to it (along with other customer master data and context information)
 2. Use past NPS rating along with customer master data and context information to **predict** how many products had been purchased and if the customer had churned.
 3. This model will give an **unstandardized impact value** of the NPS rating onto outcomes
 4. This value needs to feed a **calculation**, that considers **product lifetime, margin, lost customer value of churners and recalculating NPS rating towards NPS score.**

Simplified way of Impact calculation Leads to Overestimating true effects

Qualtrics
XM institute™



- 1) This data is not from a real company. It was just made up for this example.
- 2) These are the Net Promoter Score segments, but they could be high/low/medium levels for any metric.
- 3) This is fictional data for each of the segments. You would get this data by taking a representative group of each segment and looking at their renewal rates, the new products they buy, and the costs to serve them – and then take an average of those across the group.
- 4) This 10-point improvement is arbitrary. You can choose the gain that you felt was reasonable for your organization to achieve, which in this case I chose a 10-point gain.
- 5) In order to reach the 10-point improvement in NPS, there needs to be movement of customers across the NPS segments. For this example, I chose to forecast that 7% (70,000 customers) would move from Detractors to Passives, and 3% (30,000 customers) would move from Passives to Promoters.
- 6) These calculations are based on the change in renewals, new products purchased, and service costs that occur with those customers that move from one segment to another. In other words, when 70,000 customers move from being Detractors to Passives, their renewal rate goes from 50% to 75%, and that results in 17,500 more renewals.

- 7) These are the financial results that come from the combination of shifts described in #6. The results: 22,000 more renewals drives an increase in revenues of \$2,200,000 (\$100/each), 135,000 new products purchased (customers who go beyond the basic level of relationship and buy more from the company) drives an increase in revenues of \$4,050,000 (\$30/each), which totals \$6,250,000 in incremental revenue.
- 8) This is the service costs saved from the combination of shifts, which is \$1,400,000 plus \$150,000.

Summary Class #5

- 1. Key Driver Canvas is the core tool for communication**
- 2. Translate Driver into Actions**
- 3. Decide on Actions with the Impact-Costs-Easy Framework**
- 4. Get buy-in by teaching to use a simulator or predictor**
- 5. Teach to explain past changes with a simulated bridge**
- 6. Estimate the P&L impact of an NPS point**