Week 3: Touchpoint Analysis

How many marketers have gone to great lengths at considerable expense to devise and implement campaigns that conveyed a strong customer service orientation with regard to their brand only to see their efforts hobbled by a customer service team that was measured by how quickly representatives could end *a call? When you see that scenario as it's presented here, it is obviously contradictory. No one would really do that, right? Actually, it happens a lot, and much more often than it should.*

In this chapter, you'll continue with the product or service you selected in Week 2. You'll build a touchpoint map and then learn to use it to build your action plan internally (where you'll work to resolve problem spots) and externally (where you'll turn your focus to the touchpoints that matter to your customers).

6

Touchpoints and the Social Web

The Social Web is particularly good at pointing out differences between promise or expectation and the actual experience delivered. On matters of customer satisfaction, the Social Web can be like a magnifying glass, with each customer success or failure replayed in exacting detail via one or more forms of social media. Figure 6.1 shows an example of how this can occur. Using a mobile phone, Seesmic founder Loïc Le Meur recorded a video of his "less-than-Hilton" experience at Hilton's Schiphol (Amsterdam, Netherlands) airport location. Within minutes of check-in, he created a review, posted it to YouTube, and spread it through his community via Twitter. You can watch the review on YouTube here:

`http://www.youtube.com/watch?v=zLBiSSRzGqo`

Figure 6.1 Loïc Le Meur's Schiphol Hilton Video Review

What's the big deal about a seemingly random video? The main point is this: When your customer can post a video review of an actual experience with your product or service in real time, in minutes, and from any place in the world, the difference between what you promise and what you deliver (positive or negative) will drive a very visible social conversation. The Hilton video has been seen a couple of thousand

times — a small number by most standards. But consider that most of those who viewed it are probably people who either know Loïc or saw his comments on Twitter or some similar forum. There is a good chance that — compared with a million or so TV viewers — a higher percentage of Loïc's friends will be considering a stay at a Hilton in the near future. This is one of the characteristics of the way information spreads on the Social Web: It tends to end up in the hands of the people who will actually use it.

When you look at the difference between what you are saying about your brand — in other words, the "beef" in your awareness and point-of-purchase campaigns — versus what you hear coming back off the Social Web, any differences can often be traced to the difference between what you actually delivered and the expectation you set (or that was set for you). It works both ways, too. In fact, experiences of joy (and especially positive reviews) actually outnumber negative stories and reviews.

Nonetheless, if you are over-promising and under-delivering, expect to hear about it on the Social Web. When Marketing and Operations crank along with not quite enough contact with each other, they are on a sure path to a problem. Generally speaking, *disconnects* between the two are not planned: Nobody of any lasting business or social reputation ever actually sat down and said, "Tell our customers all of this, but when they do buy, do something less instead." Plans like that make for a short career and an even shorter brand trajectory. The problem is that too often nobody plans the *connection*, either. Nobody made it his or her job to reach over the department walls and get in touch with the issues and objectives of the holistic organization. Instead, two separate groups, both of which are fundamentally important within the organization — one reporting through the CMO and the other reporting through the COO — simply went about their business, honestly and intently doing what each thought best. A customer-level disconnect that works against both Marketing and Operations is too often the *unplanned* result.

Rebates: A Tricky Touchpoint

C'mon: Who doesn't like a deal? Rebates are a great example of unplanned (or in my most cynical mind, totally planned) consequences. Rebates set the expectation of savings, but only a fraction of the actual savings is ever realized by consumers. If you are using rebates, pay special attention to the social feedback cycle. Rebates have long been used as a sort of "come-on," as a way to lower the *apparent* price without lowering (by nearly as much) the actual price paid. While estimates vary from 2 percent to 80 percent, the fact is that only a portion of all rebates are ever actually collected by consumers owing in part to the often complicated redemption process. Using rebates? Beware of the social backlash. On the Social Web — where people retell their stories far more effectively than they've been able to in the past — one upset person can easily tip off a few hundred — or a few thousand — others. As I noted previously, consumers will talk just as they have always done. The difference is that now — on the Social Web — while it may not necessarily be louder, it will be much more likely heard.

Angry Customers Tell 3000

Pete Blackshaw, CMO of Nielsen|Buzzmetrics and founder of Planet Feedback, provides practical, proven guidance on how to build credibility through blogs, websites and video postings. His book, *Satisfied Customers Tell Three Friends, Angry Customers Tell 3000: Running a Business in Today's Consumer-Driven World* is an excellent reference for your colleagues looking to understanding the broader implications of consumer-generated media and customer touchpoints beyond marketing.

Touchpoint analysis — the rigorous discipline of carefully evaluating each point of contact between a firm and its customers has been used in traditional marketing to catch the divergence between what you want to convey and what you are actually conveying. Touchpoint analysis has been typically applied within the *Marketing* department to ensure a consistent message across a range of channels. What you'll come to appreciate as you work through this chapter is that this same discipline can and should be used to map the consistency with which your brand promise is turned into action. This is critical when social media is involved: Because your customers have the ability to freely exchange information, any disconnect *can and will show up on the Social Web.*

Tip: Your marketing message, expressed through one or more touchpoints, is instantly picked up, validated, and modified as appropriate by those creating and participating in the conversations circulating on the Social Web. The post-purchase, operations-driven conversations that they create are now just as much a part of your message as the tagline and ad content that you create. Therefore, you have to analyze both the touchpoint and the associated conversations simultaneously in order to understand the total information on which your potential customer is acting.

Touchpoint analysis — applied simultaneously to marketing and operations — uncovers and quantifies the relationships between promise and delivery, between "what I thought I'd get" and "what I'll tell my friends I got." With a solid understanding of this difference — positive or negative — you can act decisively, protecting and building on what works while addressing what's falling short. At its core, touchpoint analysis is all about syncing Operations and Marketing, about understanding the perception of

your product or service based not on your claims or customer needs, but by the degree to which your present customers (and to a certain extent prospective customers) feel that you've delivered what you said you'd deliver.

Speaking of touchpoints, Figure 6.2 shows the parking signs that alert Chili's patrons that a particular space is reserved for "To Go" customers. These signs are typically used to mark the spot immediately outside the dedicated "To Go" entrance, another Chili's innovation (the separate entrance, not the idea of take-out) and very favorable customer touchpoint. Reserving parking spaces is always tricky — it's easy to irritate customers roaming the lot, looking for a space so that they can park, go inside, sit down, and eat. At the same time, "To Go" is all about convenience, and having to hunt for a spot a quarter mile from the door is *distinctly not* the desired experience. So, Chili's takes a humorous approach: You may be annoyed that you can't park in this otherwise open space unless you are getting food to take out, but at the same time you'll also laugh about it. "Fun" is a brand anchor and key touchpoint experience of the Chili's casual dining experience. "To Go" customers, of course, love this special parking space, and cite this among reasons why they prefer Chili's for take-out.

Figure 6.2 Chili's "To Go" Parking Sign

Identifying Touchpoints

Understand from the outset that touchpoint analysis is a quantitative approach to understanding your strengths, weaknesses, opportunities, and challenges from a marketer's perspective. This is not an exercise in "about right" and "pretty close." It is about establishing a robust measurement base and then tracking that over time, thereby driving continuous improvement.

Touchpoint analysis is also about more than marketing. On the Social Web, the conversations reflect the *actual customer experience* as much as they reflect your underlying promise. Touchpoint analysis, expanded as we've defined it here, is a *holistic* approach that includes Operations, Human Resources, and more. The quantitative information you generate through touchpoint analysis can be applied throughout your organization.

For example, a lot of airline marketing concerns itself with on-time performance. Through phrases like "the most on-time flights to New York of any airline," the airline offering this message sets an expectation of punctuality. From a flyer's perspective, it looks different. If the airlines running these ads were really focused on timeliness, there would *always* be a clock right behind the service agents at check-in and at the gate. They would make a big deal of what the time is right now and what time the flight is likely to actually leave. I asked a friend who works for an airline about this: She said that airlines in general were very concerned about being on time but also felt that installing clocks would be a waste of money. After all, most travelers wear a watch.

From a customer's perspective, this explanation actually *predicts* the gap between the claim that on-time flights are important and the reality of the flying experience, which often suggests otherwise. When your customers are doing "A" and you are doing "B," there is a marketing disconnect. *Customers* are obviously concerned about punctuality: That's why they are wearing watches. A lot of airlines are primarily concerned with managing costs — that's why they don't buy the clocks. People would have no problem believing that such an airline was "one of the leading cost-managers" in the world. But that is not the claim made in the ads about punctuality. As a demonstration of the power and importance of touchpoints, think about Southwest Airlines. For all of the knocks they endure about their boarding process (which, by the way, is consistently applauded by their core flyers), they can actually board a full plane and pull away from the gate in about 15 minutes. The "agent talk" in the gate area is all about "hustle" — they understand that *you are flying because you are in a hurry and want to get there fast*. If you were looking to occupy your time and enjoy some scenery, you'd have taken the train! On a touchpoint level, the next time you're in an airport look at the Southwest Airlines "Bin Hog" and the motives for this campaign. Aside from the comic relief provided as someone tries to fit a life-size artist's mannequin, two cases of rum, and a flea market rocking chair into the overhead bin,

not being ready to walk on, stow luggage, and *sit down* wastes an incredible amount of time. Southwest gets this, and creates a series of touchpoints expressed through a combination of processes, signage, and actions that reinforces their understanding of the fundamental brand value points that connect Southwest Airlines with its customers.

For most of the rest, the touchpoint disconnect comes down to the basic realization that *ads* and mission statements about on-time performance will not make flights take off and land on time, and that ads in particular will actually raise the level of negative conversation when they don't. By comparison, putting a clock in plain view and instilling in *all* employees — including the people who plan the routes, handle the bags and ensure that the ground activities are running correctly, and the lobbyists who press for air traffic improvements — a commitment to honoring the posted time just might make a difference. This is exactly the sort of approach that Starbuck's founder Howard Shultz has recently adopted: back to basics, back to the customer promises, and back to the excellent delivery of the core product or service. Touchpoint analysis taken to its ultimate is about running a business based on holistic principles. This is why touchpoint analysis matters in setting out to tap social media.

Starbucks

On Tuesday, February 26, 2008, at 5:30 PM, Starbucks founder and CEO Howard Schultz closed 7,100 locations for three hours. After several years of questioned expansions, the conversion of the "coffee" experience into a retail experience, issues of consistency, long waiting times, and similar difficulties that tarnished the company's reputation, Schultz "pulled the cord" and stopped the line. Everyone participated in a program designed to reinvigorate a commitment to 100 percent satisfaction, and a return to a focus on a great *coffee* experience. At the same time, MyStarbucksIdea was launched, giving consumers a direct voice in the future direction of Starbucks. Regardless of how it plays out — early results are positive, if measured only in terms of favorable PR — the commitment of leadership combined with company-wide buy-in has put Starbucks back on track.

Apart from claims that fail validation, or the discovery of touchpoint experiences that, like biting into a warm Krispy Kreme, are pure joy, through careful analysis you may discover misaligned practices. I recall a financial services brand that found — through touchpoint analysis — that a primary advertised service benefit was actually seen as worthless by the firm's own representatives. In touchpoint testing, test customers were shown the new ads, after which they called or visited the office. There they were told, "Here is something better (that also happens to cost more)." Had this gone live, how do you think it would have gone over? From a purely practical perspective, what do you suppose the return would have been on the campaign investment had it gone forward? In this case, performing the touchpoint analysis during testing pointed

out the potentially negative perception and the campaign and branch practices were changed. The changes involved internal training (HR), service support (Operations), and retiming the campaign itself (Marketing). *Social media-based marketing reaches across internal departments and organizations.*

This again points to the cross-functional nature of contemporary marketing and the dilemma that many CMOs face. The Social Web reflects a holistic view of the product or service based on the combined efforts of Marketing, HR, Operations, and Finance. In Chapter 3, "What *is* Social Media?" I made a reference to Home Depot and the challenge, as *Advertising Age* noted, of providing a better floor experience and better trained associates, and thereby driving more traffic. These issues span Marketing and Operations and require a collaborative solution.

Quantifying Touchpoints

This week you'll create a basic touchpoint analysis. Recognizing that you will do this in a week — I've spent months on similar assignments with clients — the focus will be on the mechanics and the application of touchpoint analysis to a specific area of your business. Once done, you can expand this as needed or guide a team or your agency through this to build a larger, holistic view that can guide your entire organization. You'll start by picking a focus area and gathering some data. Throughout the week you'll build on that, completing a basic touchpoint analysis on Friday.

Tip: A set of worksheets covering this week's exercises can be found in the appendix of this book. In addition to these printed worksheets, you can also download electronic copies and access related resources at the website accompanying this book. Complete information regarding these resources and the website is included in the appendix.

Featured Case: Inbound Communications at Nestlé

As a highly visible, global brand, Nestlé continuously reevaluates its customer touchpoints. Marketers typically consider outbound touchpoints — in-store experiences, TV, print, online, live events, and similar. However, Nestlé has literally converted its inbound customer call centers — once seen largely as an expense to be minimized — into high-performance customer touchpoints and beneficial brand assets.

Beginning in 2003, Consumer Services Director Beth Thomas Kim engaged internal constituents to reposition and reorient Nestlé's inbound phones into a listening unit, offering a less-expensive

solution for ideas and suggestions that generated measurable results including a larger package size for Coffee-mate lovers and clearer colors on the packaging to address confusion at the store shelf. In order to do this, Beth and her team worked with Operations, Marketing, and even Quality Assurance to reshape the view of what was possible and what was not being communicated through typical focus groups and other traditional research methods. The contact center is a rich source of interaction with your most valuable customers. Those who take the time to reach out and connect with a company are typically the most loyal or most highly engaged with the product or service. Leveraging this connection leads to deeper understanding and a stronger appreciation for your most valuable consumer.

As Beth passionately advises, "Allowing these opportunities to languish or worse yet, ignoring them, is a short-sighted and potentially damaging exercise in today's highly connected and influential consumer-driven environment. Don't delude yourself into thinking that you have a real handle on your consumer until you take the time to *listen **and** talk* to them. These people are easily found. All you need to do is reach out to your Customer Service department."

The opportunity that was grasped at Nestlé and put to use exists in nearly any company: Engage your customers, and listen and respond to what they say. They will reward you with loyalty, beneficial word of mouth, and a nice boost to your brand.

Gather Your Touchpoint Data

The first step in conducting a touchpoint analysis is deciding what you will measure. The easiest and often quickest way to do this is to grab a note pad and take a trip through an actual customer experience. If you sell your product or deliver your service in physical stores, go and take pictures. If you're marketing online, use screen grabs. If your business is telephone-based, use recordings.

Figure 6.3 shows a sampling of typical, well-known touchpoints. Some — such as the Southwest Airlines and Sea World brand integration created by painting Shamu on one Southwest's 737s — create a highly visible, promotional touchpoint that calls out to the kind of innovation and fun that these firms are all about. Others — such as Nike+ and Apple, or the interior of a produce market — are aspirational or tactile expressions that operate in an experiential context. The result is an expectation of a high degree of satisfaction: When delivered, the combined experience and touchpoints reinforce and amplify your marketing efforts, especially on the Social Web and through social media where these touchpoints are talked about.

Figure 6.3 Typical Touchpoints

Photos, Recordings, and Touchpoint Analysis

Oddly, in an era of consumer-generated media, most businesses with a direct consumer-facing presence still do not allow photographs. For whatever reasons such policies may exist, respect them and *make sure that you have permission to take pictures before doing so*. On more than one client assignment — even after identifying myself — I found myself quickly surrounded by employees wanting to know why I was taking pictures. It's unpleasant for everyone. Above all, do not photograph or record actual customers — this can be uncomfortable for them and may land you in a hot water later. Instead, capture the experience of being a customer through your own eyes.

The most important aspect of your initial "data gathering" exercise is to capture everything, and to do so without bias, without a personal agenda. If you set out to show how clean or dirty your store is, then that is exactly what your analysis will conclude. You won't have actually learned anything. That's not what you want. What you want is an objective assessment of what it feels like to be a customer or to actually purchase and use your product. In general, you won't know what you are looking for at this point: This is why you are starting with *observation*. Touchpoint analysis is about discovery and subsequent quantification. After all, if you had a list of the "disconnects," you could just go and fix them. Chances are you do not have such a list: Through this week's exercises, you'll make one. This includes documenting the positive aspects: Not only are these an obviously important part of your current service delivery, but you also want to identify what works well so that you don't inadvertently mess it up while "fixing" something else.

With your photos, screen grabs, product marketing samples, and whatever else you've collected in hand, you can now begin to sort out the customer experience.

> ### An Hour a Day
>
> Importantly, the hour that you are spending each day following the approach suggested in this book is designed to acquaint you with social media, with how it works, and with how you can use it in marketing. For any of the exercises contained in this book you could, if you chose, jump in and do an exhaustive treatment. At some point you'll want to, either directly or through the services of a retained expert practitioner. Throughout this book, the Hour a Day exercises are designed to provide valuable real-world insight into how you can incorporate social media into your current marketing program. Like all learning activities, there is always more that you can do after you've established your basic skills.

Monday's One-Hour Exercise

Today you're going to spend an hour identifying all the places your current and potential customers directly experience your brand. For the purpose of keeping the exercise to an hour, start by simply reviewing the brand and marketing materials you have on hand, including copies of recent ads or TV spots. For extra-credit (because it will take you more than an hour), go out and experience the delivery of your product or service directly, recording your experience as suggested earlier. Either way, you'll quickly get value out of this exercise.

With your marketing materials in hand — complemented by whatever "through the experience of the customer" materials you may have gathered — spend the balance of this hour looking through them. Get a handle on the primary promises you are making and on the supporting details. As appropriate, write out your answers to the following questions as you review these materials:

- What are the primary promises?
- How are these promises related to the needs of your customers?
- How are these promises supported?
- What is the actual delivery mechanism that validates each promise?
- What are the actual customer experiences that demonstrate successful delivery?
- What channel has been used to convey each particular aspect of your promise or brand?
- How important to your customer are each of the promises and points and delivery?

When you have completed this exercise, go back and review and then write out or otherwise expand on your answers. Instead of writing, use an MP3 recorder to take notes. I highly recommend this technique: It's quick, easy, and you can use it

"remotely" to capture ideas to build on later. Again, avoid filtering or being subjective. This is a research exercise, so keep an open mind.

Monday's Wrap-Up

Today you pulled together the materials you are using to set expectations and convey the promise or value of your brand, and perhaps a handful of artifacts that indicate what actually happens when your customers experience your product or service in the marketplace.

Organize Your Data

Monday you collected; today you'll make sense of it. Looking at the materials you pulled together, the goal today is to connect the touchpoints through which you are telling your story to the touchpoints where your customers are likely to set an expectation or form an impression. In other words, you are going to break into its component parts the process of setting an expectation and then actually delivering on that expectation. That way, you can evaluate things such as consistency. Are you telling the same fundamental story everywhere? Is that story applicable, relevant, and important? Most important, are you continuously evaluating the performance of your various touchpoints from the perspective of a customer? These are the things that ensure success on the Social Web.

Ultimately, the purpose of this exercise is influencing social conversation. I've talked about this in earlier chapters: Making social media work means influencing the crowd. But remember, you cannot do this by edict, at least not in the same way that you can tell your agency what or what not say. Successfully using social media depends on your learning to *correctly* influence the crowd. If you want the conversation on the Social Web to reinforce your paid-media messages, you have to start with a promise that you can deliver on (to generate positive talk) and one that matters to your customer (to generate the interest that drives that talk in the first place). It sounds simple; but like all things "marketing," what might be simple in theory quickly becomes complex in practice. You may find that you are spot-on in your alignment between promise and delivery — unfortunately, however, you may be aligned on a point of customer contact that your customers don't consider important or don't typically notice, *much less talk about*. That usually means you are wasting money — or at least failing to earn credit — and who can afford *that*?

Being able to validate your claims is equally important. The Social Web is quite good when used as a verification tool. Consider this: Does your marketing claim "leadership" as a provider of whatever it is that you do? If so, ask yourself how you measured this. Go to your competitor's site, and see if they are making the same claim. Two competing firms can't both simultaneously be "the best." Moreover, outside of your C-suite, it might not even matter. Lots of perfectly acceptable goods and services

from less-than-leading firms are purchased every day. Plenty of positive conversation that supports brands, products, and services *that simply do the job* exist on the Social Web. Figure 6.4 shows the HGTV Forums, where discussions about leaky faucets, septic systems, washing machines, and many more everyday activities and products take place.
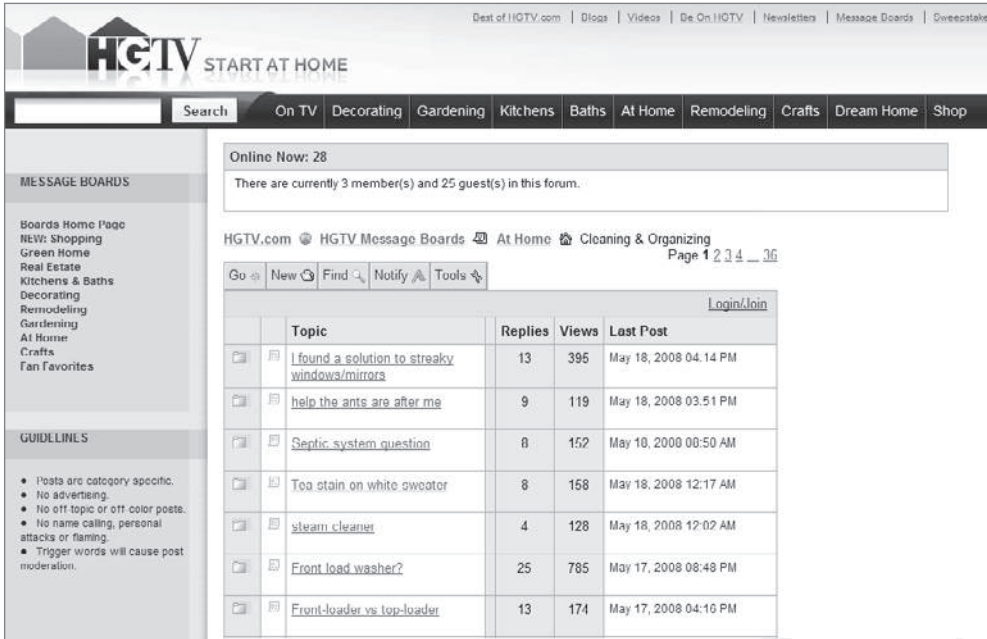

Figure 6.4 HGTV Discussion Forums

One of the Leading

The number of firms that claim to be "one of the leading…" amazes me. What does this claim even mean? Students of formal logic will recognize that "we're not the worst" is the logical equivalent. I haven't seen too many brands sporting that as a tagline. When someone reads "one of the leading," the message is discarded. Money spent, touchpoint lost. If the product, service, or brand is not *the* leader, and if the claim can't be backed up, it's best if the claim is simply avoided. Find something else to talk about. The audience is smarter than that.

Today you're going to spend an hour organizing your touchpoint data. There are a variety of ways to do this: Your data will likely suggest one or two methods that make the most sense, and then you can pick one. Here are some typical methods that I've used: You may find that one of these is directly applicable, or you may create your

own method. What matters is that the method you choose be something that leads to insights you can use in strengthening your marketing programs.

Following are some of the ways in which you can organize your touchpoints. You are always welcome to create an organizational system that makes sense for you.

Organize by Channel

If your marketing programs are channel-specific with separate teams heading each, then one of the easiest first steps is to simply evaluate message consistency. Look across channels at the touchpoints you've selected: Do they tell the same story? Or is one touting the use of your product as a dessert topping while another is claiming superiority as a floor wax? If so, watch out: It's hard to be both. More seriously, many of your messages may be properly tuned to a specific channel: You may well be emphasizing different aspects of your value proposition across multiple channels. In that case, the question to ask is "Do the messages add up to and support your underlying core value or operational principles?"

If you've chosen to organize your materials this way, create "buckets" for each of your channels and place the appropriate materials into these buckets.

Tip: When organizing by channel, your touchpoint map's vertical axis will be "consistency" and your horizontal axis will be "talk value."

Organize by Function

If the issues that you uncover (or otherwise know to exist) relate to a specific mismatch between promise and delivery, then one of the best organizational techniques for touchpoint analysis is according to the department or function most closely associated with that touchpoint. I've talked about Home Depot in earlier sections: My family has been in the hardware business since the 1800s, so I have a particular passion for this business and appreciate the convenience Home Depot brings. Many of my weekends begin at Home Depot.

The challenges that Home Depot CMOs are often tasked with are in fact more operational than marketing. For example, the CMO is generally charged with driving floor traffic. However, particularly for a business that is primed for social media (more on this in a minute), it is critical to realize that floor traffic is driven less by awareness and point-of-sale efforts — what we'd all call "marketing" — than it is by the actual floor experience and number of times that what is needed is in stock and available when the customer walks in. *These are operations issues. When the things you need are in stock and a trained associate helps you make the right choice, you tend to go back, often to that associate.*

I mentioned Home Depot being primed for social media. Here's why: Home Depot sits at the center of the American Dream — home ownership and more specifically

the pride we take as homeowners. This is a pride that by extension applies to nearly anyone — homeowner or otherwise — who has at one time or another thought, "If I planted something right there, or refinished that wall, or added a fireplace, or…" then my residence, my little spot on this planet, would be nicer for it. When people successfully do this, *they tell other people.* They invite their friends over. They upload before-and-after photos to online communities such as "Better Homes and Gardens" or "Kitchen and Bath Ideas." Go and look at the discussions on those sites: It is amazing how many times Home Depot is referenced. Home Depot truly is — whether it chooses the role for itself or not — a player on the Social Web.

> **Tip:** When organizing by function, you are evaluating relative performance versus promise. Your touchpoint map's vertical axis will be "relative performance" and your horizontal axis will be "talk value."

Organize by Customer

For many businesses, a common product or service may be tailored to fit multiple specific customer groups. Tire manufacturers are an example: Applications range from minivans to construction vehicles to sports cars and racing. In this case, one would expect diversity in messages, in touchpoints, and in resultant conversations. For this type of analysis, organize by customer group and then evaluate the applicability of core messages. Does Michelin's racing program matter to a mom driving a minivan the way it would to a sports car owner? Probably not, so you wouldn't really expect anything more than a passing reference in the ads for moms. Instead, Michelin's history of performance and safety would be featured.

When organizing by customer, look for potentially contradictory claims — especially when low-cost commodity versions exist alongside premium products. Strategically, these product introductions are often forced by market conditions, and so marketers don't always have the luxury of designing the perfect campaign for what are often very difficult product launches. Cadillac suffered when it released its Cimarron in 1981, essentially a rebadged mid-size Chevrolet Cavalier. Customers saw through it, and the prestige of "Cadillac" was compromised. Reportedly, General Motor's president at the time warned Cadillac's general manager that he "didn't have time to turn the lower-line car…into a Cadillac." He was right, and Cadillac was pushed close to bankruptcy as a result. The Cimarron was discontinued a few years later.

In comparison, Mercedes faced similar challenges when it launched its 190-class (precursor to the C-Class), the very car that in fact put the pressure on Cadillac to introduce the Cimarron. In the case of Mercedes, they built a great car at a low entry-price point. In their own words, the 190 was "massively over-engineered" because they were keenly aware that a failure could significantly damage the Mercedes-Benz brand. To this day, they've anchored the entire brand in the promise that "No matter which

Mercedes you choose…you'll always get a Mercedes." They back it up, too. Where a lot of brands have introduced "baby" versions of premium automobiles, the Mercedes C-class is a screamer. Instead of a case study or photo as a proof point, try this: Go to a nearby Mercedes dealership this weekend and drive one. Test drives in what amounts to a rolling touchpoint are free.

Now it's General Motors' turn again, this time with the Chevy Volt. Where Toyota effectively own the hybrid market, the Volt — an all-electric vehicle — is designed to redefine the ownership experience via the environmental impact and fuel costs associated with a car. One way or another, both GM and the world need this car.

If you're organizing by customer, look for contradictions, potential leverage points, and general alignment with specific customer values that may or may not be associated with the flagship or primary brands.

Tip: When organizing by customer, you are evaluating the relevance and importance of the message to each specific customer. Your touchpoint map's vertical axis will be "importance" and your horizontal axis will be "talk value."

Organize by Stage

As an example of the more creative side of touchpoint analysis, you might consider the customer life-cycle stage. I used exactly this technique when performing a touchpoint audit for AARP while working at GSD&M Idea City. I collected promotional and fulfillment material, and then started tacking it up on the walls in one of the war rooms at the agency.

As I did this, a natural framework for the analysis became apparent. The customer life cycle: pre-sales, sales, renewal, upgrade, etc. If your business has a strong life-cycle element, consider organizing your analysis according to stage. How do the messages produced for acquisition square with messages (and actual product delivery) after fulfillment? How is the purchase and subsequent experience with one product leveraged to encourage trial and consideration with another? These are the types of marketing challenges to which a touchpoint analysis — organized by life-cycle stage — can be applied.

Tuesday's One-Hour Exercise: Ready? Set? Organize!

Over the next hour:

- Look at materials and data you've collected and decide how you want to structure your analysis. You can follow one of the above or define an alternative that is more applicable to your specific business.

- As you organize your data, think about how the results will be used to guide the improvement over time of your current marketing program, and how you can begin to tap the Social Web in driving this improvement.

Tuesday's Wrap-Up

You should now have a nice collection of marketing materials and photos or similar proof-points with regard to the actual customer experience that you — meaning your entire firm — are creating. These elements should be organized according the analytical framework you've selected, one which you can relate to the business objectives for the product or service you are working with as you progress through this book. Don't worry about drawing conclusions yet — we've got one more day (tomorrow) to set things up first.

Evaluate and Rank Your Data

You've got your touchpoint materials, and you've selected a structure for your analysis. Today you're going to make sense of the data by looking at two key parameters: performance and relevance, both of which you will gauge from the perspective of a customer.

First, assess performance (and what will be our vertical axis) as it applies to the organization scheme you have selected. To do that, you need a few things, so gather them up. You need something to measure: For this, pick one of the primary promises, for example, as delivered through one of your selected touchpoints. Second, you need to measure it. If you've picked a channel that directly drives online conversations (many in fact do), then you can use Blogsearch or BlogPulse or a similar tool to begin evaluating the acceptance of your message. You may also have internal studies, or you may be able to tap your CRM system. You are looking for answers to these kinds of basic questions:

- Is your message getting picked up, and is it being reflected on the Social Web? How effective is it as a conversational element?

- Are you meeting, exceeding, or falling short on the expectations you've set? What is your performance versus expectation?

- How important is this specific touchpoint and its outcome (satisfaction versus disappointment) from the perspective of your customer or prospect?

To assign scores to each touchpoint, measure the visibility (talk value, *number of Social Web mentions*) of the message as applicable to your specific map. Add to this your own performance (consistency, importance, etc.) assessment against the expectations you've set. Your CRM data, customer service records, and *polarity* of Social Web mentions are all good indications of how well you are doing here.

Finally, how important is this touchpoint to your audience? If you asked new customers to name the top five factors that led to a purchase decision, is this touchpoint related to one those factors? While this last item does not appear on the map directly, this measure does set the priority on what you *might* do at a *later point* if it turns out that this touchpoint really matters. Importance, after all, drives talk value.

Wednesday's One-Hour Exercise

Today you're going to spend an hour building your touchpoint map. To do this, you'll start with a list of your touchpoints and then develop answers to each of the following questions. As a suggestion, implement a 10-point scale and assign a value to each.

Part 1: Assessing Touchpoints

- What is its relative contribution in regards to talk value? Rate this on a 10-point scale. For example, is your message getting picked up? Is it reflected on the Social Web? If this is a dominant message, its talk value is toward the "10" end of the scale.

- Rank your performance or similar selected measure, again on a 10-point scale. For example, are you meeting, exceeding, or falling short on the expectations set? If you are hitting home runs, the rank is in the 8, 9, 10 range.

> **Tip:** Put some time and mental effort into this step: The value of this exercise is very much set here. If you are working through this book in test mode, it's a great extension to prepare for a real case. If you are building a real plan now, then sooner rather than later you'll be asked to explain or substantiate each of your measures. In either case, responding with "It seemed about right to me…" is not enough. Take the time to develop your scale, your basis for grade assignment, and the metrics used.

Although this exercise may seem simple, you are setting up your processes for longer term trends that you'll uncover, track, and use to guide your social media efforts. Take the time now to get them right. They do not need to be perfect, although they do need to be reasonable, and you do need to be able to explain them to your colleagues.

Part 2: Plotting Touchpoints

With measures and grades in hand, rank each touchpoint by its relative performance (or your similar measure) in the marketplace against its relative importance as a talk-generator to your customers. I generally use the *y*-axis (vertical) for "performance" (higher is up) and the *x*-axis (horizontal) for "talk value." (More important is to the right.) What *should* emerge is a cloud that is oriented "up and to the right." In other words, you should be doing the best (performance) — meaning that you're working hardest and/or succeeding most — against the touchpoints that most often drive purchase (importance) or whatever your hoped-for conversion as a result of these efforts may be.

Figure 6.5 shows a *hypothetical* touchpoint map, with touchpoint performance plotted against talk-value. Note the "Direct" touchpoint that is high in performance, yet low in talk-value importance. This suggests — but obviously does not in itself

make the case for — overspending or over-allocation of resources *in relation to generating social conversations*. There may be very valid reasons for the effort applied to this touchpoint — direct response marketing may be a very important part of your program. However, as currently implemented, it is relatively unimportant as a *social* touchpoint. This underscores the importance of identifying business objectives, selecting touchpoints, and choosing an organizational method. Looked at a different way, "direct response" may be your best performing tool. Don't lose sight of that.

Next look over to the right at "In-Store." You'll see that this data point is lower on "performance" yet high on talk-value. If this were real, you'd really want to pay attention to this one. Again, this is a hypothetical chart, but if your map looks like this, the suggested remedy is spending some time on the in-store experience as a way to improve the conversation that is occurring on the Social Web. This is the kind of insight you are after as a result of completing your touchpoint work.
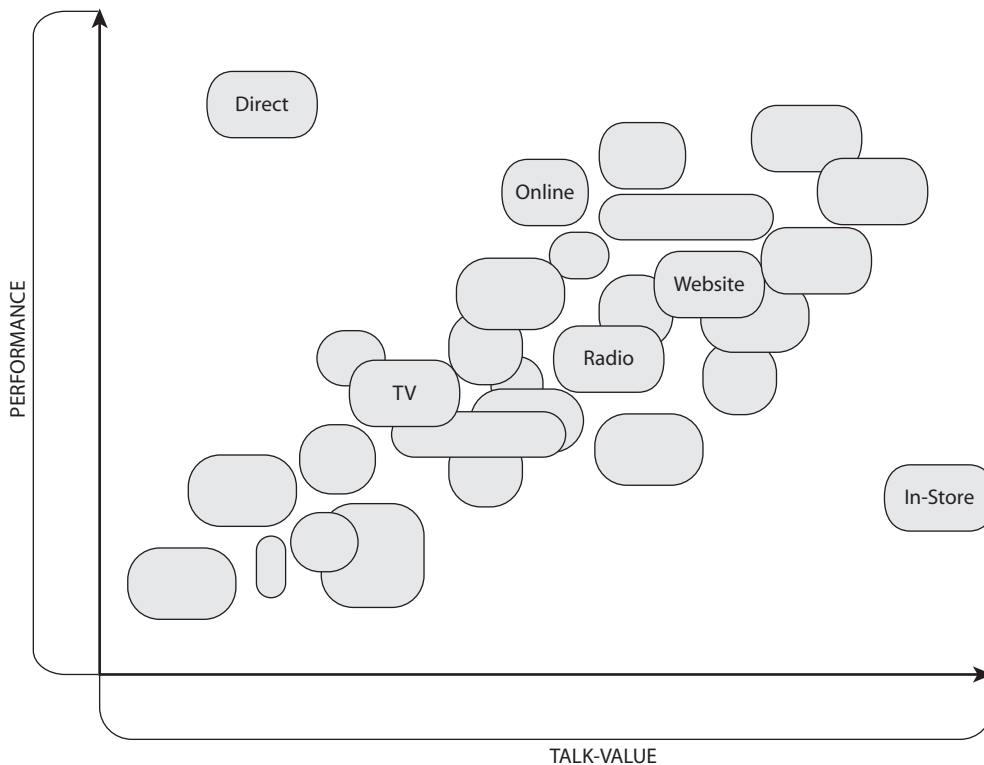
Figure 6.5 Example of a Touchpoint Map

The touchpoint map will show you a couple of things. It will identify places where spending is out of line with performance: This includes spending too little on touchpoints that matter as well as spending too much on touchpoints that don't. Like

any other analytical tool, it's up to you to decide how to use it: The map is simply one view that will help you. Your touchpoint map will also identify the "favorite" or default channels that you are using. You'll quickly see any "pets" that may be used even though they really aren't performing in line with their expected results. To be sure, there may be strategic reasons or considerations for which the touchpoint process fails to account. Again, the touchpoint map is but one of the tools that you'll use in building your overall marketing plan and integrating social media into it.

Wednesday's Wrap-Up

Today you created your touchpoint map. If you're lucky, it is a cloud that tilts up and to the right. If not, you've got some work ahead. But hey, that's why you're reading this book!

My Map Is a Useless Blob

What if your map doesn't look like the one in the figure? In particular, what if all of your touchpoints are "very important" and "high performance?" If that's accurate, then hats off to you. You are clearly a Quadrant II marketer. Of course, you can still get more out of the touchpoint map.

It may well be that everything is working reasonably well: In this case, you'll have a bunch of points in the top-right of your map. Go through the following steps, however, and uncover the opportunities to improve single points. By doing so, you may be able to raise your entire level of performance when it comes to generating favorable talk on the Social Web. What I'm about to show works for maps that are concentrated at the lower-left, too.

First, set your current map aside: You'll still need it. Make a new one, but this time refigure your grades. It is essential that you use a numerical scale: For this exercise, use 1 to 10, where 10 corresponds to "best." Here is the big rule: For each axis, there must be at least one touchpoint *that is rated "1"* and at least one touchpoint *rated a "10."* To achieve this, rank your touchpoints according to talk value. The most important gets a 10, and the least important gets a 1. Now do the same for the performance. Note that your lowest talk point may be your highest performance point. The relative orders of the lists may not be the same. For each list, rate the points in the middle by comparing them with the points at the ends, and then replot your touchpoint map. Doing this will force you to increase the resolution of your map so that you can see differences in quality across your touchpoints, making it possible to increase the overall level of touchpoint performance. Combine this with your first map in the exercise tomorrow.

Analyze Your Data

Take a look at your map (or maps if you made more than one). Which are the touch-points that you can *consider* trimming back, or at least need not focus on right away with regard to social media? If you made two maps, how are you doing overall? A concentration in the upper right means "doing pretty well." A concentration in the lower left means you've come to the right place. Which touchpoints do you need to pay more attention to? Your effort today is key to getting the most out of any social media program that you may launch.

　　With social media, what *you* are saying is only part of what drives the actual conversation. On the Social Web, it's your lone voice versus many. What happens *after* message uptake, purchase, or whatever your "conversion" is defined as can often be the larger part of the conversation. If you are overspending in one area when trying to generate favorable conversations, at the least you are not being as efficient a marketer as you could be. At worst, you are actually consuming resources that could be better applied elsewhere. While some particular touchpoints may seem inconsequential — and others self-evident as to their fundamental correctness — the real value of the touch-point map is recognizing that channels you may not have been active in are actually driving the conversations that you have to clean up after or otherwise account for at the point-of-purchase. Jump back to the previous chapter on the social feedback cycle if you are unclear on how these concepts relate.

Thursday's One-Hour Exercise

For today's hour, make a list of the candidate efforts to cut and candidate efforts to boost. Along with each, identify the teams, products, customers, and vendors that are likely to be on the receiving end of your decisions. Pay special attention to the high-importance, low-performance touchpoints. *These are your big opportunities*. For each opportunity, identify specific internal constituents — the people, teams, departments — that you will need to engage in order to bring about the changes you think need to be made.

- What are your lowest talk-generating touchpoints?
- What are your highest talk-generating touchpoints?
- Which of your high-talk touchpoints are low-performing from your customer's viewpoint? Make a note of these.
- Which of your high-talk touchpoints are high-performing from your customer's viewpoint? Take care to identify and preserve these.

　　As you work this information into your plan, prioritize it: Focus first on the high-talk/low-performance touchpoints, as these are generating negative word-of-mouth and detrimental social content. Focus next on the low-talk, high-performance touchpoints: What could you do to make these more visible on the Social Web? Examine each of your touchpoints in this way.

Thursday's Wrap-Up

In today's exercise, you took your map and extracted insight. If your map affirmed everything you are doing — if all of your touchpoints that matter are being reflected positively in conversations on the Social Web (as well as borne out in your CRM and customer service and community management data) — then this a truly valuable exercise: You've established your readiness to implement social components in your marketing program. Your map is essentially saying that you can step up to the conversations without fear or hesitation. More likely, you've uncovered some touchpoints that are working well, and some others that are not. That's a great outcome too: You've now got a map to guide your preparations as you set up to use social components in your overall marketing program. Your map will help identify the places where social media can be applied effectively and where it is most likely to get noticed.

Plan Your Next Steps

I'm going to assume that your touchpoint map and subsequent analysis revealed at least one point where you can improve. I'm also going to assume that this point is associated with a marketplace outcome that you'd like to *improve* rather than simply a touchpoint that indicates an area of overspending. In other words, I'm assuming that you've got some work to do before you roll social media into your marketing programs. If this is not correct — if everything is truly perfect with regard to your touchpoints — then congratulations: You are exempt from the next challenge, and may leave the stage.

Friday's One-Hour Exercise

Take your number-one opportunity: The most important touchpoint from the perspective of generating talk that you are simultaneously performing poorly on. Today you're going to outline a plan to address this touchpoint and its performance. Here are the key things to focus on as you develop your plan:

- What is the issue? Is this the wrong audience or a poor customer experience?
- Did you set the right expectation? Did you over-promise? Or under-deliver?
- Who else is involved? Who are your primary internal constituents when it comes to moving this touchpoint up and to the right (or down and to the left) on your touchpoint map?
- Which of the required actions are directly within your control?
- How are you going to fix this?

Pull these answers together and set them aside for now. You will use these when you get to Chapter 13, "Objectives, Metrics, and ROI" and Chapter 14, "Present Your Social Media Plan" where you'll be completing your social media plan.

Friday's Wrap-Up

Today you took your first steps in building a social media campaign. Even if the primary impact of the actions you've planned are aimed at Operations versus Marketing proper, you've taken steps toward impacting and influencing the conversations on the Social Web. More importantly, you're setting about it in the *right way*. Remember, on the Social Web, you can't directly control the conversation. Instead, you influence it by setting an appropriate expectation and then delivering on it. That is the simple, time-tested formula for the effective generation of beneficial word-of-mouth, and by extension that same approach works on the Social Web. The touchpoint map you developed is the first of the trending and analysis tools that you'll use to chart your work on the Social Web.

By looking at the places your customers — and potential customers — come into contact with your brand, you identify all of the places you can influence them. By plotting performance against importance, you can evaluate the suitability of your current marketing efforts as an agent of influence in a *social* versus traditional media context. This combined action — measurement and trending, and then folding the results back into your marketing and operations programs — is your only effective assurance of sustained winning on the Social Web.

Chapter 6: The Main Points

- Touchpoint analysis leads to an understanding of the core elements of the experiences that will be talked about on the Social Web in conversations relating to your brand, product, or service.
- The touchpoint map is a systematic representation that quantifies the contribution and performance of individual touchpoints.