Data*in*Motion

Marketing & Insights

SG SCIENTIFIC GAMES

Insights and Data to Help Manage Today's Changing Consumer Environment

In today's digital world, consumers readily leave reviews of the companies and products they engage with and share their experiences on social media. It has become vital, therefore, that companies have a positive connection with their customers at every stage of the purchase journey. This is what Customer Experience – or CX – is all about. In this issue of Data in Motion, we provide an overview of what CX is, why it matters, and what steps can be taken to ensure that your players have a positive customer experience.

What is Customer Experience (CX)?

The Customer Experience Professionals Association (CXPA) defines CX as "*a chain of interconnected perceptions that customers have of an organization across all touchpoints and people. It can't be reduced to a number or metric. It's more than a feeling and it's not the same as customer service. Customer Experience is the disciplined practice of analyzing and anticipating customer needs in a wholistic way. Good CX represents promises kept and involves strategy, customer understanding, intentional experience design, and measurement.*"[1]

For a lottery, "promises kept" could be delivering on an instant scratch game callout. If, for example, a game claims to be "Loaded with $50 Prizes!", the prize structure for that game should have significantly more $50 prizes than other games at that same price point so that players can feel the difference. Otherwise, there is a disconnect between what is being promised and what is being delivered, and players – especially consistent players – will feel that disconnect, creating distrust and potentially reducing the value that players feel when they engage with the lottery.

Why Does CX Matter?

Providing customers with a positive experience isn't just a nice thing to do – it has a real impact on a company's bottom line. Studies show that consumers are loyal to retailers, products, and brands that consistently provide exceptional value with minimum friction or stress. In fact, a leading Customer Experience research organization[2] found that businesses that prioritize and lead with customer experience retain a higher share of wallet and have customers that are:

2x
More Likely to Purchase

8x
More Likely to Try Other Offerings

15x
More Likely to Share Positive Word of Mouth

What Makes a Good Customer Experience?

PwC, a leading global professional services consultancy, recently found that 80% of American consumers point to the following elements as being key to having a positive consumer experience[3]:

• Speed
• Convenience
• Knowledgeable help
• Friendly service

For lotteries, this can mean having the right systems in place to facilitate the purchase of games (speed), providing players with access to information and purchase options on digital and mobile channels (convenience), and retailers that have been trained on the most recent games (knowledgeable help) and are excited to share what those games have to offer (friendly service).

It stands to reason that a customer would spend more and refer more business to a brand when they have had a *good* experience, but what happens when a customer has had a *bad* experience? PwC researched this as well and found that in the U.S., even if people loved a company or product, 59% will walk away after several bad experiences, and 17% will walk away after just one bad experience.[4]

Designing the Customer Experience

Companies with strong customer experience programs focus on five core competencies that ultimately affect five key functional areas of the customer journey. Here is the framework that these companies apply to create an excellent customer experience:

Functional Areas of the Player Journey & Customer Experience Competencies

Functional Areas - Player Journey

1. **Awareness** — Products & Promotions
2. **Product Experience** — Physical & Digital Experience
3. **Points of Presence** — Retailer/Purchase Experience
4. **Process & Service** — Enabling Friction-free, Secure Play
5. **Culture** — Player-centric Design & Innovation

CX Competencies

1. **Research VOC** — Understanding Players at Depth & Communicating to All Stakeholders
2. **Prioritization** — Identify & Focus on Most Impactful Opportunity for Player & Business
3. **Design** — Define/refine Experience Based on VOC Insights & Brand Alignment
4. **Enablement** — Provide Stakeholders with Resources to Deliver the Right Experience
5. **Measurement** — Quantify Quality of Experience & Link to Overall Performance Metrics

One of the most important competencies that an organization can develop is a strong *Voice of the Customer* program (or in a lottery's case, a *Voice of the Player* program). It is critical to understand the needs and expectations that consumers have, as well as how the company, product, or service is delivering on those needs and expectations. This input becomes the foundation for identifying and prioritizing the most impactful opportunities to improve the overall consumer experience, ultimately enabling a more positive customer experience. Players Clubs, focus groups, panel discussions, customer service lines, and online surveys are just a few tools that lotteries have employed to hear the Voice of the Player.

Final Word

It would be easy to think of CX as just the visible interaction that a customer has with a product or company. But that's just the end result. For lotteries, the customer experience includes any number of processes and activities that the customer (i.e., player) never sees. From game design, to inventory solutions that eliminate out-of-stock situations, to security measures that ensure the integrity of every ticket, all these behind-the-scenes components ultimately have a huge impact on the experience our players have.

Sources:
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