SUSTAINABLE ADVANTAGE
EXPERIENCE DESIGN'S HIGHEST AND BEST USE

JUNE 2003

MIKE WITTENSTEIN
CHIEF EXPERIENCE ARCHITECT
STORYMINERS™

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Lao Tzu once said that times of great uncertainty are times of great opportunity.

Even in an uncertain economy, the best brands do more than survive. In many cases, they actually succeed and even thrive even while their competition falters. Winning customers' intent to repurchase (brand loyalty) is the key. The way to inspire brand loyalty is to create the positive experiences that customers respond to, both intellectually and emotionally. Experience Design is the tool.

Experience Design combines the disciplines of business strategy, marketing communications/branding, technology, learning and performance improvement, and visual design in a holistic approach to enterprise design, implementation, and outcome measurement.

Right now, enterprises have an opportunity to reinvent themselves to better meet the needs of their customers, and to inspire brand loyalty. They have an opportunity to succeed now, and to reach new heights as the economy improves. Experience Design is the tool. STORYMINERS assists companies in planning, design, and implementation.

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Experience Design is an emerging discipline, but that's not the same as untried or untested. The best companies are using it right now. Many of the parts have already been proven and enjoy success.

Customers make decisions both rationally (analytically) and emotionally (intuitively). While most might believe that most of their decisions are made exclusively with the intellectual side of their brains, the truth is that customers make emotional decisions far more than they realize.

The world's best brands, Disney, Coca-Cola, and McDonald's, for example, succeed in part because they create powerful experiences for their customers that appeal to both the intellect and the heart—to the right and the left hemispheres of the brain, if you will. Knowing that every encounter a customer has with a brand is an experience, every detail—from advertising and product feature sets to store design (at Disneyland, even the color of the sidewalk paint) and delivery—is carefully architected to inspire appropriate emotional and rational outcomes.

Typically, marketers provide potential customers with information about features, and the advantages of those features. That's a good start. But individual features don't create outcomes per se. Sets of features, and the whole end-to-end experience create those outcomes. Experience Designers begin with and understanding of the desired outcomes and the specific, targeted audience. Then, they architect and implement the experiences that inspire those outcomes. Meaningful experiences don't happen by

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accident. Nor do they succeed because of the efforts of any one part of an organization, marketing or operations, for example. Great experiences happen when multiple parts of the business align around singular outcomes. Experience Designers take a holistic view of a business to ensure that it best meets the needs of its customers.

Previously, operations and marketing worked pretty much independently. Operations created products or services, concentrating for the most part on maximizing production, quality, efficiency and cost. In other words, their job was to "make it better, faster, and cheaper." Marketing, meanwhile, was tasked with finding customers to buy the products that the operations side of the enterprise was busy making. Marketing communicated the features and advantages of the products to the customers (appealing to the rational side of the decision-making process)—and then looked for more customers in new locations when the local market was exhausted.

There are two problems with this traditional approach. First, marketing is usually only appealing to the customer's intellect—even though emotions play at least as important a part in the decision to buy. More, emotions play an important role in brand loyalty—arguably a greater one than intellect. Without brand loyalty, enterprises suffer more in a down economy. Second, the traditional use of marketing as a way to find customers doesn't put the company in a position to adapt when the market changes. When John F. Kennedy didn't wear a hat to his presidential inauguration, sales of men's hats plummeted. Hat makers could appeal to a suddenly much smaller niche

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market, or they could adapt to meet the new needs of their customers. Rather than looking elsewhere for customers who still want hats (or trying to convince customers that they still want hats even though they have gone out of style!) Experience Designers adapt their business to continually meet their customer's needs. Because they have inspired brand loyalty, customers still respond, even though the company now makes wallets and overcoats.

Experience Designers begin by understanding the desires of the audience, in a way that goes far beyond traditional demographics. They develop an understanding of the customer that includes the frameworks, filters, and lenses that the customer him or herself uses to understand their relationships with a company and its products and services. Experience Designers use this information to design and implement the experiences that fulfill both the rational and the emotional elements of customers' desires.

Experience Designers listen to their customers, and leverage their company's agility to shape the offers, operations, and marketing to best meet the customers' needs and wants. Then, every detail, every single encounter a customer has with the brand, is carefully architected and implemented to contribute to the total experience — and to shape the customer's response on every level. Every experience contributes to the brand's story — and to its financial success.

Put another way, marketing's job isn't just to market to customers. It's just is to listen, to find out what customer's want and need, how they want it,

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and what other products and services would enhance the experience and better solve their problems. They also study the customer carefully, so that they can fulfill needs and desires the customers may not even know they have. Operations uses this information to adapt and shape its offer to better serve the needs of the customers even as market conditions change. Communication is two-way—from the customer to the enterprise, and from the enterprise to the customer.

Experience Design is a new language for business, because it's something that everyone has an effect on, and everyone ultimately benefits from. Experience Designers know that change begins internally. The best brands begin by creating experiences for their employees, knowing that will translate into positive experiences for customers. Over the long term that translates into success for the enterprise — and its shareholders. For once, everybody wins.

As noted, Experience Design is about doing things for customers—listening to understand their needs, and adjusting the product/service mix and/ or the company's operations to better meet their needs. That's just the beginning. Experience Designers understand how the customers want the products and services delivered—the experience that surrounds the products and services.

But it's also about creating a chain or circle of positive experiences. In the long run, a positive experience for employees is good for customers. What's

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good for employees and customers is also good for management and shareholders.

Of course, even the most innovative strategy is only as good as the implementation, and the end results. One of the major problems with traditional strategic business consulting is that even the best plans can't always be implemented. Experience Designers ensure that the management-view blueprint is the same as the implementation-level blueprint. They focus on making sure that the blueprint is actionable—-a strategy that can be implemented, measured, expanded, and adapted.

Like architects who design buildings, Experience Designers stay involved after the blueprint is delivered to ensure that the plan is implemented correctly, and that it achieves the appropriate results. We don't just make suggestions—we are an integral part of the solution, and we are accountable for the results.

What's next? Lather, rise, repeat. In other words, keep changing, keep improving, keep building better experiences. The competition is watching. They're sure to follow and implement some of the same changes in their own enterprises. That's just fine. Let them play catch up. The savvy Experience Designers are already working on the next phase. Experience Design is an on-going process of continual improvement to create better and better experiences—for everyone.

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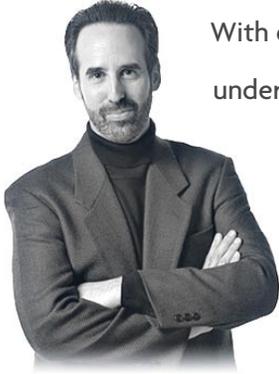
With over twenty years of frontline experience, Mike sees, feels, and understands the customer's perspective. He knows how seemingly small attentions to the customer's point of view can elevate their emotions and earn their passionate brand commitment. He knows how to reshape organizations to deliver greater value to their consumers and greater profits to their shareholders – particularly through the customer experience.

Mike definitely practices what he preaches. He identified a customer-centric strategy that won IBM a $1.2 billion outsourcing deal with Air Canada. He pinpointed the approach and positioning instrumental for Delta Air Lines worldwide employee communications portal. He designed an innovation management system for McDonald's to clear a $300 million backlog of technology projects. He prototyped the new customer experience at Wingate Inns on video, saving $1 million and improving time-to-market by one year. Mike also launched two of IBM's first marketing consulting practices – enabling the company to reach Chief Marketing Officers globally.

Prior to STORYMINERS™, Mike was the e-visionary at IBM Global Services, responsible for identifying future trends in marketing and branding and for preparing his area to do business in new markets. He also co founded Galileo, one of the nation's first interactive agencies, and several technology start-ups.

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