



# Brand-driven CX Service Innovation



**Touch Points**  
SERVICE DESIGN PERSPECTIVES

*To help companies build predictable, high quality relationships with their customers, we have developed a process we call 'brand- driven service innovation' that we have applied to Virgin Mobile, a mobile phone operator in Australia. Like the customer-focused company it is, Virgin mobile continuously measures their customer experience satisfaction, resulting in a well-defined numerical index. Virgin had reached a position where they were looking for outside assistance in driving that index upwards.*

But what makes the case interesting is that Virgin wasn't interested in just being on par with industry standards, they were looking for a uniquely differentiated service delivery and customer experience. In fact, they were looking to deliver the famous Virgin experience to mobile communications in Australia.

In working with Virgin Mobile to bridge the gap between their current customer experience and the desired branded customer experience, our work demonstrated that even large customer-focused companies like Virgin can use service innovation to bring value to companies and customers.

### **HERE ARE THE TOP 3 LESSONS:**

*1. Don't hire a service design agency first and then a business consultancy. Hire them together.*

The world in general, and our clients in particular, are not short on good ideas. What they are short on are ideas that make commercial sense and fit their business strategy. Having business strategists involved at the outset ensures that any ideas are shaped by the commercial strategy along the way and marry customer opportunity with market opportunity. It's the right way to balance the out-of-the-box creativity with the in-the-box business rigour, right from the outset. And it's far more powerful than leaving the creative work to the designers and then throwing it over the wall to the business folks to figure out how to make it work.

Throughout the Virgin project, the business analysts were involved just as heavily as the design team. In the research stage of the project, they were focussed on analysing a Net Promoter Score study to find out which stages of the Virgin customer journey contributed most to customer satisfaction and what aspects of service delivery (such as staff flexibility, transparent cost structure or adequate information) actually drove customer satisfaction in these stages. We also calculated the potential business value to be unlocked in each of those stages.

This thorough quantitative analysis gave both Virgin and us a clear focus on those parts of the customer journey that truly needed attention and where improving customer experience was a worthwhile investment.

Later on in the project, we used design research and rich emotional customer insights to get the organisation on board for the business redesign that followed. In flipping traditional thinking, we then used rigorous business metrics to build trust in and commitment to the outcome of a process that had already had emotional commitment from senior management.

The moral of this first lesson: don't think of business and design as separate entities, or consecutive stages in a process. We taught Virgin to work in this way and, as a result, were able to unlock this synergy between business and design right from the start.





*2. You can't outsource service design. You need to be 100% involved in the research, design and implementation.*

The second important lesson is that service design is not something you hire in from the outside while you go about your business, only to implement the ideas at the end of the project. The service delivery eco-system is the lifeblood of a company like Virgin mobile. Its redesign has to be rooted in the bedrock of the organisation and has to be felt emotionally and understood rationally by all its staff and managers.

From the outset, we involved Virgin in every step we took, not as an audience to our process or as a recipient of our insights, but as active contributors and co-creators. That means more than involving your client in an occasional workshop. It actually means involving them in tasks that you would normally do such as designing the research set up, visiting customers in their homes, doing store visits and analysing research results such as customer diaries. We believe that the ownership of the research and design process should lie with the client. And the only way to do this is to let the client do the work with you. Does that mean we can lean back? Not at all! It means we have a responsibility to clearly explain how we do what we do. We need to educate the client in how we use design thinking



to make sense of complexity, how we use visualisation to connect concepts and insights into a holistic framework, how we use our customer empathy to find the real answers behind the obvious ones and how we iterate between analysis and synthesis and intuition and metrics.

*3. Brand is not something you sprinkle over your services as decoration. Brand is fundamentally what differentiates you from your competition, so it should be the source of service innovation.*

In many companies, the brand is used as means to differentiate a given proposition by communication and advertising, but if the proposition itself isn't different, the brand is confined to making promises it can't keep. That's why we believe - and we tell our clients - that their brand is the promise they make to their customers, but the customer experience is the promise they keep. This sheds a different light on the concept of branding. Rather than leaving it to the marketing department to use

the brand mainly for communication, the brand becomes the shared focus and vision throughout the entire company, to inspire purposeful change and to drive meaningful growth.



This new view of a brand needs to be deeply rooted in what truly differentiates the company: its internal assets, culture, (human) resources and capabilities. It needs to connect precisely to customers' genuine needs, desires and aspirations. And it needs to resonate deeply with the people in the organisation who are responsible for service innovation and delivery.

Virgin has a very strong and differentiated brand proposition throughout the world. For Virgin Mobile Australia this had led to a fresh and inspiring brand communication. Intuitively they knew their brand was not sufficiently being used to drive service innovation, but they also knew that they needed help to do it. Thus, we set out to help Virgin with precisely that.

We first took Virgin through what their brand values really mean to them in terms of future business opportunities. And we explored how Virgin's core philosophy of breaking conventions to delight and better serve customers could be applied in the telecommunications industry.

Then we took the Virgin team outside, to delve deep into the lives of their customers in order to better understand their values and motivations. We used our customer insight tool, the [7daysinmylife.com](http://7daysinmylife.com) website, to learn to understand how the virgin brand philosophy was relevant in the lives of these people. Together with Virgin, we learned that fairness is much more about giving people attention than about an equal exchange. We learned that control is much more about creating understanding than about giving people options. And that simplicity is much more about being human and open than about simply stripping away complexity.



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