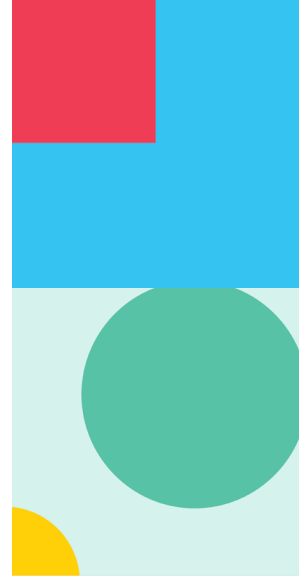




# The Six Principles of Building a Memorable Customer Experience

# Contents

The Six Principles of Building a Memorable Customer Experience .....	3
What Is a Strategic Inflection Point? And Why Does It Matter? .....	4
The Six Principles of Building a Memorable Customer Experience .....	6
Reciprocity .....	7
Liking .....	8
Social Proof .....	9
Authority .....	10
Scarcity .....	11
Consistency .....	12
Now, a Recap on Building a Memorable Customer Experience .....	13
Four Questions to Self-Assess Your Brand's Customer Experience .....	14
About Iterable .....	15



# The Six Principles of Building a Memorable Customer Experience

Between a global pandemic, economic uncertainty, and social unrest, it's safe to say that the rules of business have changed.

While the events themselves are making a global impact, the effects on companies are not new. Unexpected change is a part of life. As former Intel CEO and founder Andy Grove recounts in his book, [Only the Paranoid Survive](#):

*"Sometimes [business] rules change—often in very significant ways. Yet there is no flashing sign that heralds these rule changes. They creep up on you... without warning. You know only that something has changed,*

*something big, something significant, even if it's not entirely clear what that something is."*

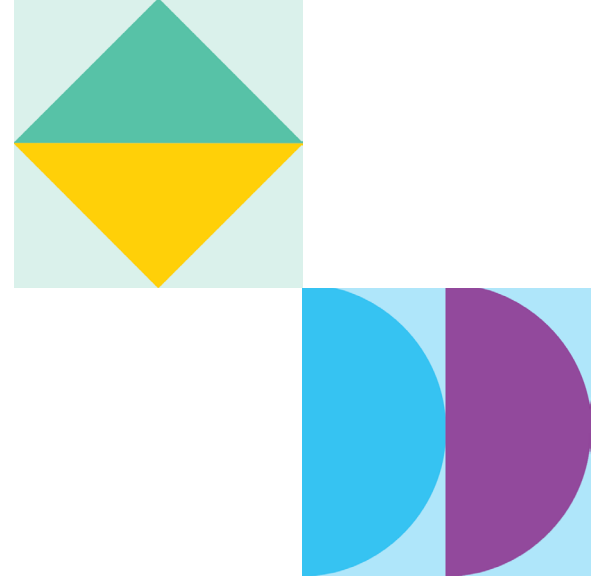
Not only is it stressful for a brand internally to experience this shift in rules, but it also affects how the entire company delivers a memorable customer experience.

That's why it's important to focus on building one using human-centered principles that will always be relevant, regardless of current events.

Once you read this guide, you'll find:

- ▶ What a strategic inflection point is (and why it matters)
- ▶ The six principles of building a memorable customer experience
- ▶ A customer experience assessment worksheet to identify strengths and weaknesses

**Let's get started.**

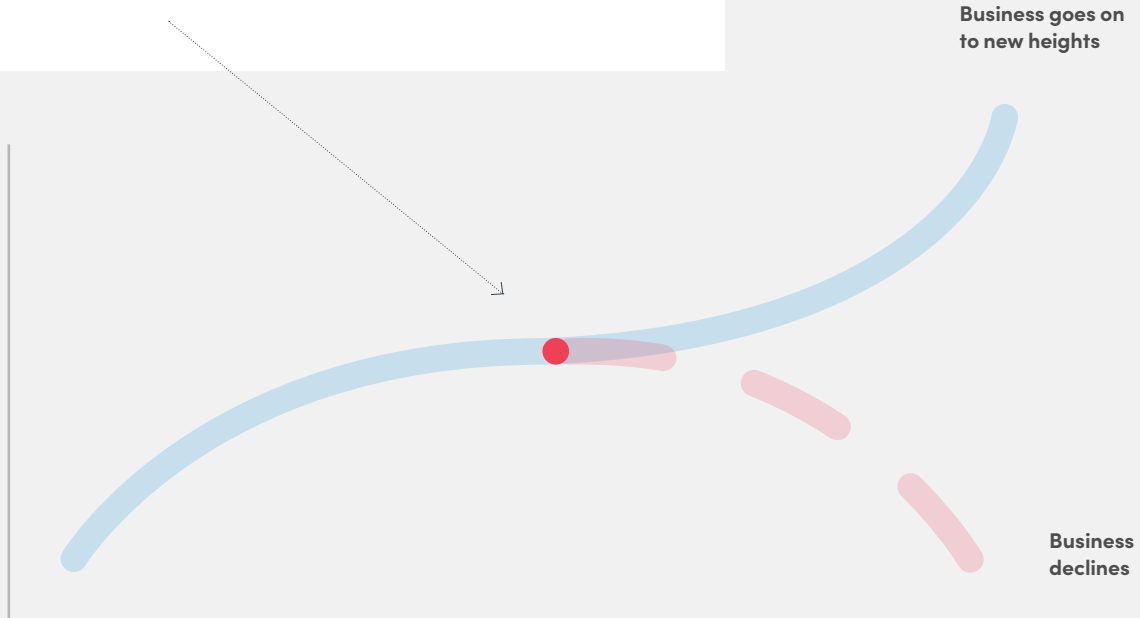


# What Is a Strategic Inflection Point?

(And Why Does It Matter?)

Before we dive into the specifics of what a memorable customer experience entails, let's talk about the importance of a strategic inflection point, defined as:

- ▲ **THE INFLECTION POINT** When a change in how some element of one's business is conducted becomes an order of magnitude larger than what that business is accustomed to...things happen to your business that didn't before, your business no longer responds to your actions as it used to.





We built up a major organization practically from scratch to answer the flood of phone calls. We had not been in the consumer business in any big way before... now suddenly, we did from one day to another and on a fairly major scale.

**Andy Grove**  
Founder & Former CEO, Intel

To illustrate what a strategic inflection point is, Grove recounts his personal experience of managing Intel through the [“Bug in the Pentium processor” crisis](#) that ended with the company taking a \$475 million hit to their business.

Though Grove doesn't say so explicitly, this instance in Intel's history transformed its entire customer experience permanently. He writes:

*“We built up a major organization practically from scratch to answer the flood of phone calls. We had not been in the consumer business in any big way before...now suddenly, we did from one day to another and on a fairly major scale.”*

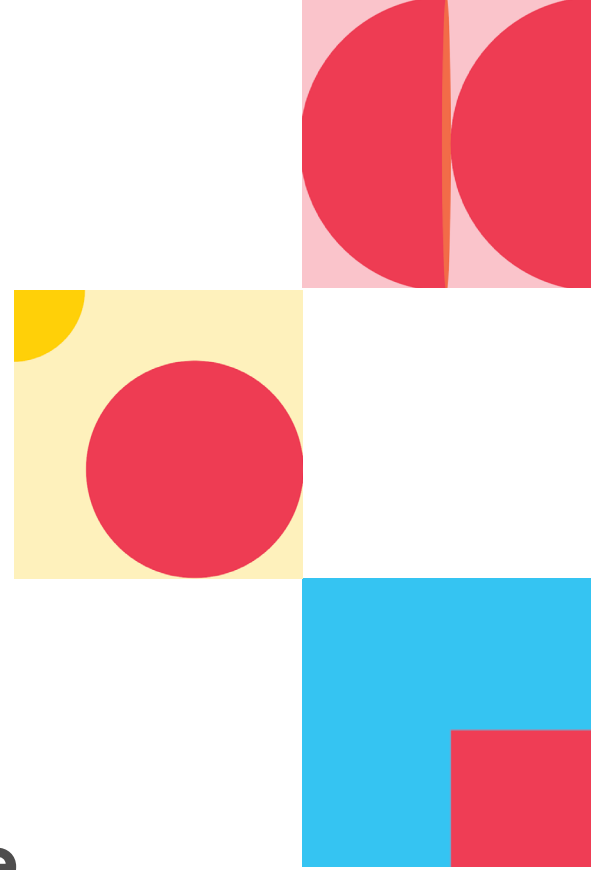
Even though this event happened in 1994, the similarities between Intel's strategic inflection point and what **brands are currently navigating because of the COVID-19 outbreak** are obvious. This is supported by

our recent survey of 500 B2C marketers who are concerned about the [growing demand for “convenience and safety.”](#)

To complicate matters further, Google announced that [third-party cookies](#) will no longer be used by 2022, meaning brands have to change to using [first-party and zero-party data.](#)

It's official: **Between current events and sweeping policy changes, brands are smack in the middle of multiple strategic inflection points right now.**

So what can we do about it? And how does it impact the way your brand delivers its products and services to customers?



# The Six Principles of Building a Memorable Customer Experience

Regardless of what changes in your business, one thing that always stays the same is that your customers are human. They want to trust you like they would anyone else in their life.

Lucky for your brand, there are tried-and-true persuasion principles that will always be a part of a memorable customer experience, whether it's 1994 or 2021.

This belief is backed up by decades of research by professor and author Robert Cialdini. A scholar of the psychology of influence, he discovered it's easier to get people to see your point of view if you know what

levers to pull beforehand. As a result, he breaks it down into six foundational principles of what he calls "pre-suasion."

1. Reciprocity
2. Liking
3. Social Proof
4. Authority
5. Scarcity
6. Consistency

Let's break each of these principles down, one by one.



# 1. Reciprocity

Reciprocity is the idea that if customers feel like they “owe you something,” they’re more likely to, say, make a purchase. For example, [Cialdini](#) points to the higher lifts in sales at Costco when samples are offered.

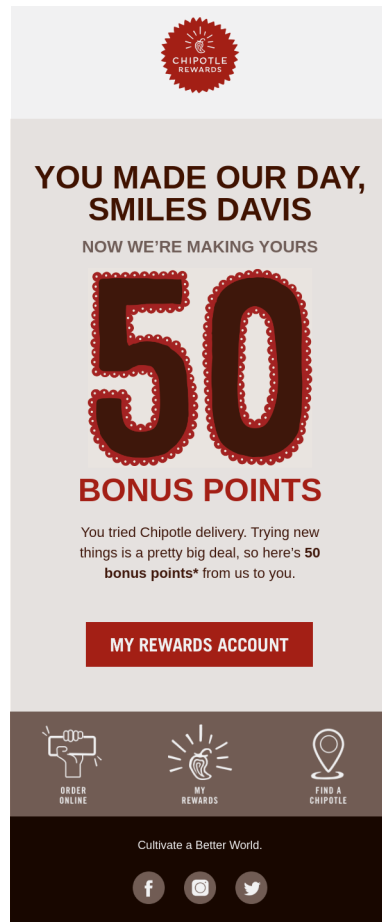
But unfortunately, reciprocity isn’t always that simple. To be as effective as possible, [these “favors” need to meet two criteria:](#)

- They must be meaningful and unexpected
- They must be customized to the individual person

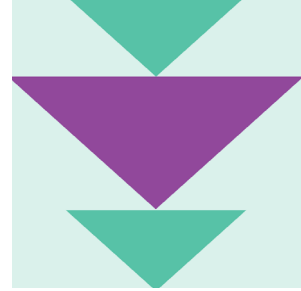
Translation? If a person doesn’t drink coffee, you’re probably not going to influence them with a Starbucks gift card.

To see how reciprocity can play out for your brand, let’s look at the following rewards email from fast casual chain [Chipotle](#). Thanks to technology, reciprocity is easy to apply in your customer messaging if you have personalized information about their activity. Here, the Chipotle

team knows that this customer tried their delivery service. As a token of appreciation, they’re offering 50 bonus points to their loyalty account.



Fast casual chain Chipotle rewards a customer for trying their delivery service. Source: [Really Good Emails](#)



- ▲ Want to incorporate the principle of reciprocity into your customer experience? Start with your loyalty/rewards program. Ask yourself: “Are our rewards meaningful, unexpected, and customized to each customer’s activity and preferences?”
- 



While reciprocity will always be a powerful method of influence, it must be noted that the delivery methods for meaningful experiences in 2021 are very different from those used in 1994. To surprise and delight customers across mobile apps, email, and push, marketers need access to high quality customer data, and need to be able to activate that data in real time.

**Joey Colvin**  
Content Marketing Manager, mParticle

## 2. Liking

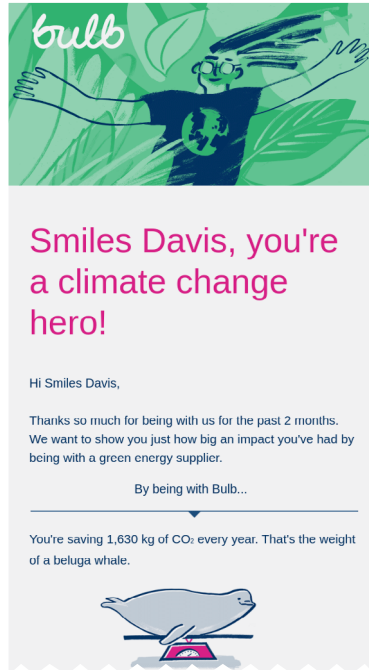
The principle of liking is the idea that customers want to do business with people they know, like and trust.

Sounds simple, right? Yet, how do you break down what gets people to like you individually, let alone for a business?

Lucky for us, Cialdini figured out there are two reasons people might like you:

- ▶ **Similarities:** Because we like people who are like us
- ▶ **Compliments:** When someone makes a positive statement about our choices and values

To showcase the principle of liking, let's analyze the following email from energy supply company [Bulb Energy](#).



Bulb Energy uses visuals and graphs to help drive home the user's impact. Source: [Really Good Emails](#)

Note the following phrase: "you're a climate change hero!" (obviously a compliment). Bulb makes it easy and relatable to show just how much of an impact one user can have on climate change, which is an express mission of the company. By incorporating this principle into their email, Bulb makes users feel like they're part of a larger community with similar ideals and goals, while simultaneously helping them feel better about their choices.

- ▲ Want to add the principle of liking into your brand customer experience? Evaluate your welcome emails. It's never too early to compliment your customers or showcase your similar interests and values.



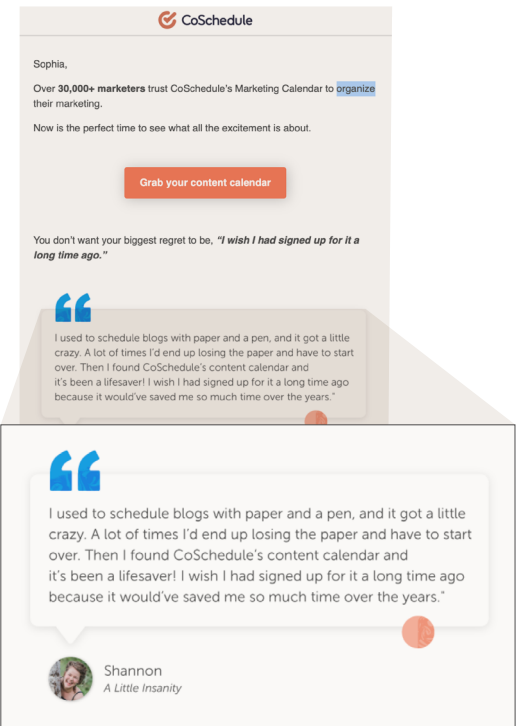
### 3. Social Proof

According to Cialdini, the concept of social proof is that “people think it’s appropriate for them to believe, feel or do something if others, especially comparable others, are believing, feeling, or doing it.” Social proof is characterized by two components:

- ▶ **Validity:** Proof (like data or case studies) that others like and approve of the product or service in question
- ▶ **Feasibility:** Whether the prospect in question believes it’s realistic to achieve the promised results

Thanks to the proliferation of public customer reviews, social proof has become a crucial part of the modern day customer experience. It’s almost impossible for a brand to sell without testimonials of some sort.

Social proof often works best right before the point of sale. For example, let’s see how marketing organization app [CoSchedule](#) uses social proof to encourage passive email subscribers to start a free trial.

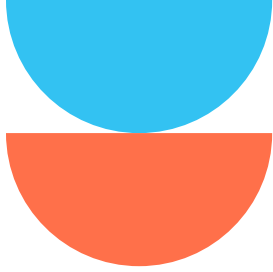


CoSchedule uses social proof to persuade prospects to sign up for a free trial. Source: CoSchedule

CoSchedule is well-known for its gated content marketing tools, like the Headline Analyzer and its prolific blog. So it makes sense that the business had a lot of subscribers on its list who were just consuming content.

However, some marketers may be on the fence about paying for a content calendar when their spreadsheets or Google Calendars are working, which is why the testimonials from marketers are so much more powerful than the typical “Start a free trial” email.

- ▲ Not sure where to insert social proof in your brand’s customer experience? Add customer testimonials into a promotional email or a bottom-of-the-funnel landing page.



- ▲ If your brand is selling a technical product or going through a **crisis**, apply the principle of authority by choosing an appropriate spokesperson to deliver the message in question. For extra effect, use a video to supplement your message.

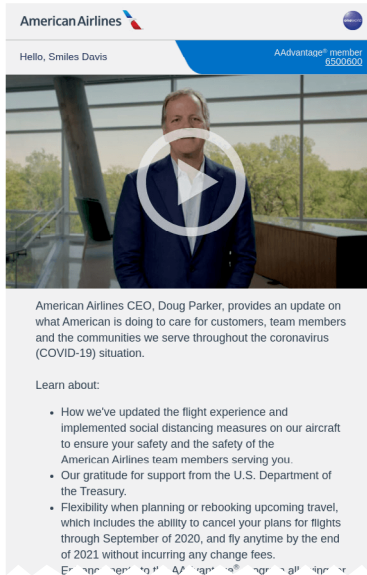
## 4. Authority

The principle of authority is the idea that people listen to (and are influenced by) others that are believable and trustworthy. It's not just about the content and the delivery mechanism of the message—it's also the status of the person who delivers it.

Cialdini singles out two qualities in a leader who exudes authority:

- ▶ **Trustworthiness:** Whether the person “presents information in an honest and impartial fashion”
- ▶ **Expertise:** Whether the person is qualified to speak about the subject at hand

Authority is essential in a customer experience if your product or service has a highly technical component, but especially important



American Airlines uses its CEO as a spokesperson during the COVID-19 outbreak. Source: [Really Good Emails](#)

during an **emergency or crisis**. To demonstrate, let's look at an email sent during the COVID-19 outbreak from the CEO of [American Airlines](#).

Due to the hygienic nature of the crisis, public transportation like air travel came under intense scrutiny. American Airlines responded with a detailed email and video message outlining the ways in which the airline was adapting to take care of customers.

The company needed someone with authority to deliver a practical, yet positive message to their users. A CEO is a natural spokesperson, and using video as the medium builds a connection with the audience by removing the impersonal barriers that come from silently reading an email. It creates the feel of a direct conversation between the company and the customer.

By calling attention to these brand highlights, you're able to express authority and trustworthiness.



There are several ways in which a brand can highlight its expertise and authority. Here are just three:

1. **Showcase the company history:** A brand's extended history in an industry shines a light on its depth of knowledge and ability to endure changes.
2. **Openly feature partnerships:** Sharing partnerships shows others have trusted your brand much in the same way your customers can and should.
3. **Highlight any awards or accolades:** These are a good indicator of a brand's ability to successfully implement tactics in noteworthy ways.

**Ron Dod**  
CMO & Co-Founder, Visiture

## 5. Scarcity

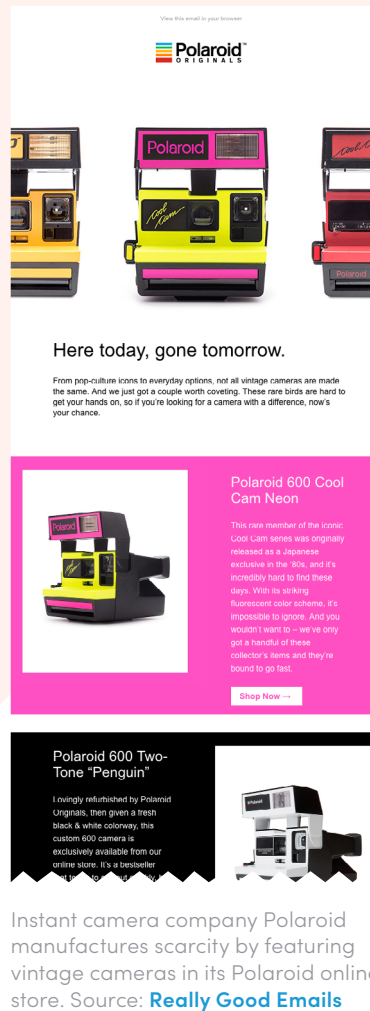
All humans have wants, needs and desires. But that yearning explodes if that desire is in short supply. At least, that's the premise behind [Cialdini's principle of scarcity](#), which raises two points of contention for an individual:

- The possibility of loss
- The judged value of that item

However, scarcity can backfire when used in excess. There are only so many "limited-time offer" messages a brand can send before customers tune them out. So scarcity is not only about the limited time to access something but also how much the customer "values" the product or service being offered.

For example, let's look at this promotional email from instant camera company [Polaroid](#).

Notice how Polaroid doesn't need to manufacture scarcity to get the attention of a customer—the cameras are vintage, which implies that there aren't many in supply to begin with. By simply describing the history of the cameras, the perceived value of owning the item increases substantially.



View this email in your browser

**Polaroid**  
ORIGINALS

Here today, gone tomorrow.

From pop-culture icons to everyday options, not all vintage cameras are made the same. And we just got a couple worth coveting. These rare birds are hard to get your hands on, so if you're looking for a camera with a difference, now's your chance.

**Polaroid 600 Cool Cam Neon**

This rare member of the iconic Cool Cam series was originally released as a Japanese exclusive in the '80s, and it's incredibly hard to find these days. With its striking fluorescent color scheme, it's impossible to ignore. And you wouldn't want to -- we've only got a handful of these collector's items and they're bound to go fast.

[Shop Now](#)

**Polaroid 600 Two-Tone "Penguin"**

Recently refurbished by Polaroid Originals, then given a fresh black & white colorway, this custom 600 camera is exclusively available from our online store. It's a true collector's item.

Instant camera company Polaroid manufactures scarcity by featuring vintage cameras in its Polaroid online store. Source: [Really Good Emails](#)

- ▲ Instead of relying on limited-time offers, brands can
- employ the principle of scarcity by highlighting the
- limited quantities of highly coveted products and services in their promotional messages.



Consistency is key in how brands should approach consumers at every turn. Think about how customers interact with a brand and whether or not the story and ethos of the brand carries through each interaction.

For instance, subscriptions have become increasingly popular as a way to provide a reliable, consistent experience over a longer period of time. Brick-and-mortar stores have also evolved during the pandemic, offering consistent shopping experiences online and offline through adoption of BOPIS.

**Ki-Hoon Chung**  
Integrated Media Team Lead, Within

## 6. Consistency

You know the idiom of “practicing what you preach”? That’s the easiest way to sum up the principle of consistency. [According to Cialdini:](#)

*[People] want to be as consistent with [their] existing commitments – such as the previous statements we’ve made, stands we’ve taken, and actions performed.”*

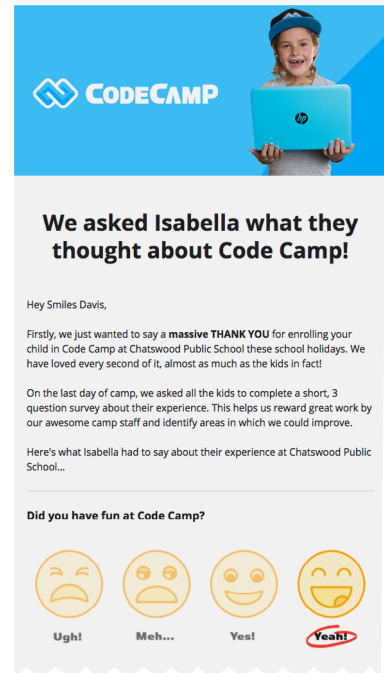
In other words, we don’t want to be accused of saying one thing but doing another.

Which is why it’s an important part of the customer experience to always be asking for [feedback from your customers](#). If brands can get a customer to document in writing what they like about

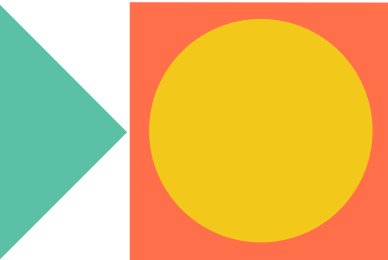
their customer experience, the chance is high they will remember and make another purchase in the future.

However, the principle of consistency can show up in other forms that we don’t expect. For example, let’s look at the following email from [CodeCamp](#), an after-school program for kids.

Instead of simply surveying the participants and processing the results internally, CodeCamp goes one step further and notifies parents of what their particular child said about the program. In this instance, the child’s customer experience is highly positive—and what parent wants to deny their children of something that’s educational, but also enjoyable?



After-school program CodeCamp sends its customer survey results to the real decision makers—the parents. Source: [Really Good Emails](#)



- ▲ Apply the principle of consistency to your brand’s customer experience by regularly asking your customers for feedback. If you can get them to write something positive, the likelihood is high they’ll return for a repeat purchase.
- 
-



# Now, a Recap on Building a Memorable Customer Experience

Between the events of 2020 and sweeping policy changes, brands are currently experiencing a multitude of strategic inflection points right now.

In other words? How we have done business in the past is changing rapidly, and most likely won't return to the original state.

This transition is tricky to navigate and affects the way customers perceive your brand's products and services, but marketers can build a memorable customer experience during any circumstance as long as they focus on the six principles of human influence detailed above:

1. Reciprocity
2. Liking
3. Social Proof
4. Authority
5. Scarcity
6. Consistency

Bringing these principles into the fold when building your customer experience ensures your brand is taking the customer's preferences, interests, and context into account.

Now that you have a tried-and-true set of principles to draw from, how are you going to create a memorable customer experience that stands out from the crowd?

 **READY TO EMBRACE THE CHANGE** and build a memorable customer experience? Take our self-assessment on the next page to evaluate how your brand measures up to consumer expectations today.

# Four Questions to Self-Assess Your Brand's Customer Experience



- |   | Yes                      | No                       |
|---|--------------------------|--------------------------|
| 1. Do you have a plan to transition from third-party data to first-and-zero-party data?                                     | <input type="checkbox"/> | <input type="checkbox"/> |
| 2. Do your company values align with the customers you are trying to attract?   | <input type="checkbox"/> | <input type="checkbox"/> |
| 3. In addition to email, do you make an effort to reach out to customers via other channels, like push, SMS or direct mail? | <input type="checkbox"/> | <input type="checkbox"/> |
| 4. Do you incorporate any of the six principles of human influence into your marketing channels?                            | <input type="checkbox"/> | <input type="checkbox"/> |
| a. If yes, where? Example: loyalty campaigns, website homepage, etc.  |                          |                          |

Principles	Location
<input type="checkbox"/> Reciprocity	
<input type="checkbox"/> Liking	
<input type="checkbox"/> Social Proof	
<input type="checkbox"/> Authority	
<input type="checkbox"/> Scarcity	
<input type="checkbox"/> Consistency	

A memorable customer experience doesn't happen overnight and there is no single path to take. By answering these questions, we hope you've been able to identify some strengths and some gaps to address as you set out building the perfect customer experience for your audience. If you want some help in figuring out how to make these ideas a reality, reach out!



# About Iterable

Iterable is a cross-channel platform that powers unified customer experiences and empowers marketers to create, optimize, and measure relevant interactions and experiences customers love. Leading brands, like Zillow, DoorDash, Calm, Madison Reed, and Box, choose Iterable to power world-class customer experiences throughout the entire lifecycle. Visit [iterable.com](https://iterable.com) for more information.



## Your data when you need it. Where you need it.

Integrate all your data silos with Iterable to orchestrate seamless campaigns and easily send messages across all the channels your customers prefer.



## Understand your customers as the individuals they are.

Go beyond segmentation and really know your customers based on all their demographic, lifecycle, and behavioral data directly on the user profile.



## Take away the busywork. Unleash your creativity.

Iterable AI helps you decide when to send a message and how often to engage—so you can focus on building engaging campaigns for customers.



## Grow better with analytics and experimentation.

Get all the analytics you need to make better decisions and iterate more quickly through experimentation across the entire customer journey.

Trusted By:

 box

 fabletics

 Fender

 SeatGeek

 STRAVA

 Zillow

If you want to learn more about Iterable, please request a demo.

[Request Demo](#)