

SELF-STUDY GUIDE

ITIL® 4 SPECIALIST: DRIVE STAKEHOLDER VALUE



ITIL® 4



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ITIL® 4 Specialist: Drive Stakeholder Value | r1.0.1

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- ITIL® Foundation (ITIL® 4 edition)
- ITIL® 4 Specialist Create, Deliver and Support
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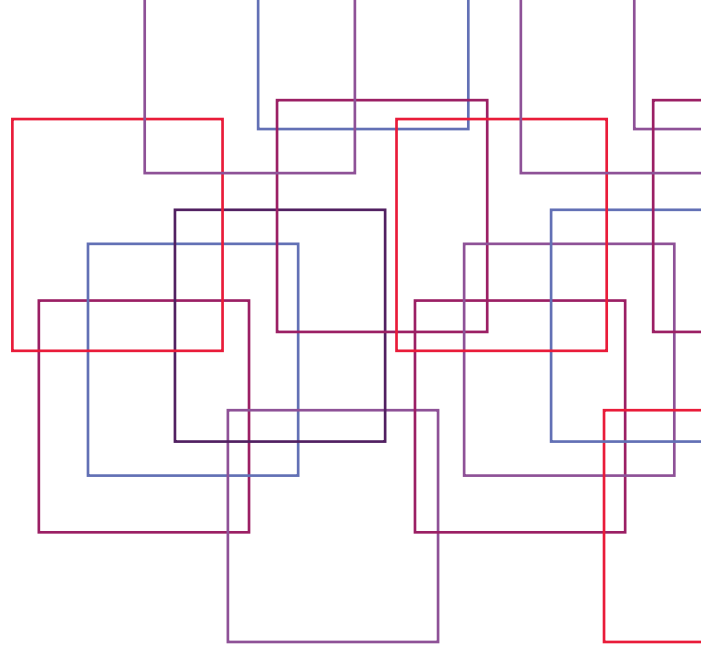
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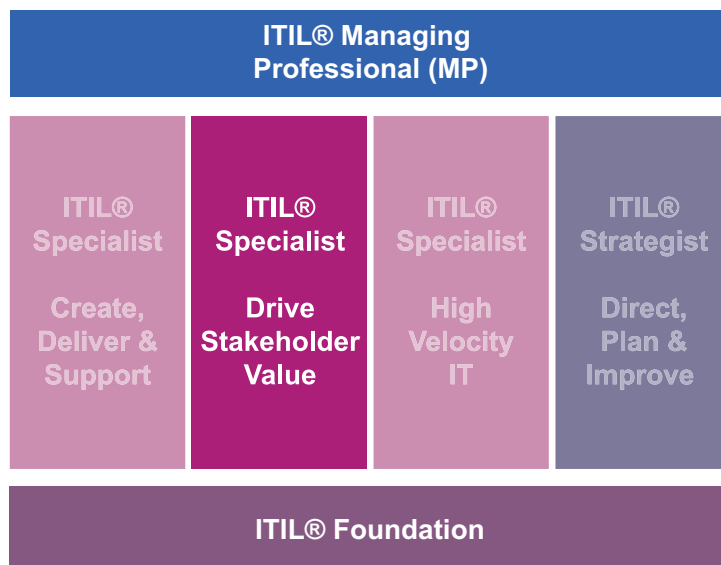
Introduction



Overview

The ITIL® 4 Specialist: Drive Stakeholder Value module is part of the ITIL 4 Managing Professional stream and you need to pass the related certification exam for working towards the 'Managing Professional' (MP) designation.

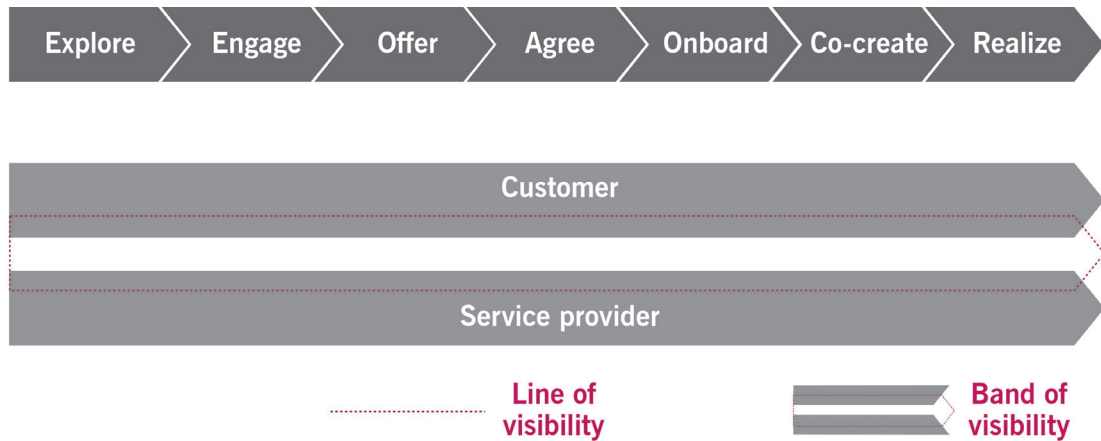
ITIL® 4 Drive Stakeholder Value covers all types of engagement and interaction between a service provider and its customers, users, suppliers, and partners. It leads organizations on a service journey in their service provider and consumer roles, supporting effective interaction and communication.



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The purpose of the ITIL 4 Drive Stakeholder Value is to guide stakeholders, whether they are customers or service providers,

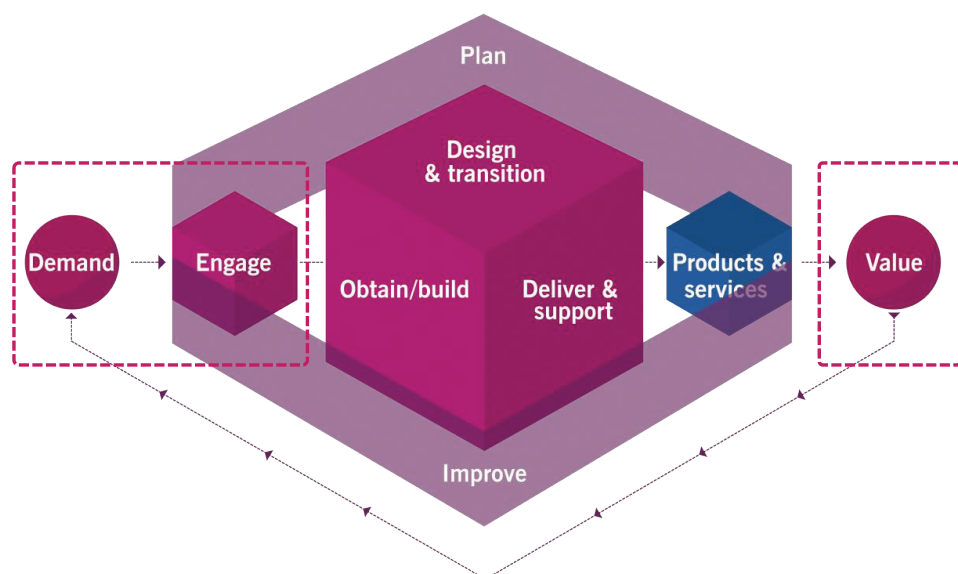
through the principles and practices of co-creating value through services. To drive stakeholder value, stakeholders contribute to the creation of service value through the stages of a generic customer journey, as depicted in the figure.



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ITIL 4 Drive Stakeholder Value and Service Value Chain

The following figure depicts how Drive Stakeholder Value maps to the ITIL service value chain. The Drive Stakeholder Value covers the beginning and the end of the value chain. At the beginning of the value chain, it is about the engagement with the stakeholders for whom the value is created. At the end of the value chain, it is about how value is realized. Some other activities of the service value chain are also referred in the Drive Stakeholder Value module, but the main focus is on the Engage activity.



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Key Audience

The target audience for the Drive Stakeholder Value includes, but are not limited to, the following:

- Service management practitioners involved in interactions with customers, users and suppliers
- Team leads and middle management of service providers
- Service and product owners, service designers
- Relationship managers, service level and service experience managers

Professionals with following job titles are expected to benefit from the ITIL® 4 Drive Stakeholder Value certification.

- Business Relationship Manager, Account Manager; Service Delivery Manager, Service Level Manager, Enterprise Architect, Solution Architect, Business Architect, Business Analyst, Project Manager, Demand Manager, Portfolio Manager, Supplier Relationship Manager, Vendor Manager, Contract Manager, UX Designer, Consultants
- Product Owners, Marketing Manager; Knowledge Manager; Customer Service Support; Cyber Security Manages

ITIL® 4 Specialist: Drive Stakeholder Value Course

Overview

The ITIL® 4 Specialist: Drive Stakeholder Value course is a 3-days course based on the ITIL® 4 Specialist: Drive Stakeholder Value exam specification from AXELOS. With the help of concepts and terminology, exercises, and examples included in the course, you will acquire relevant knowledge to pass the ITIL® 4 Specialist: Drive Stakeholder Value exam.

The ITIL® 4 Specialist: Drive Stakeholder Value course guides the service providers and consumers to contribute to the creation of service value by following the steps of a customer journey. These steps guide how all stakeholders contribute to the creation of service value by:

- Exploring value propositions
- Fostering relationships
- Keeping engagement channels open
- Shaping demand
- Designing service offerings
- Aligning with and agreeing on expectations
- Co-creating service experiences
- Realizing value.

Learning Outcomes Covered in the Course

The ITIL® 4 Specialist: Drive Stakeholder Value course covers the content in relation to the following learning outcomes of the exam specification for ITIL® 4 Managing Professional: Drive Stakeholder Value certification:

1. Understand how customer journeys are designed
2. Know how to target markets and stakeholders
3. Know how to foster stakeholder relationships
4. Know how to shape demand and define service offerings
5. Know how to align expectations and agree details of services
6. Know how to onboard and offboard customers and users
7. Know how to act together to ensure continual value co-creation(service consumption / provisioning)
8. Know how to realize and validate service value

Structure of the Course

The ITIL® 4 Specialist: Drive Stakeholder Value includes 8 modules.

- Module 1: Customer Journey
- Module 2: Customer Journey Step 1: Explore
- Module 3: Customer Journey Step 2: Engage
- Module 4: Customer Journey Step 3: Offer
- Module 5: Customer Journey Step 4: Agree
- Module 6: Customer Journey Step 5: Onboard
- Module 7: Customer Journey Step 6: Co-create
- Module 8: Customer Journey Step 7: Realize

Course Components



Course Content



Example and Tips



Activities



Exam
Information



Additional
Components

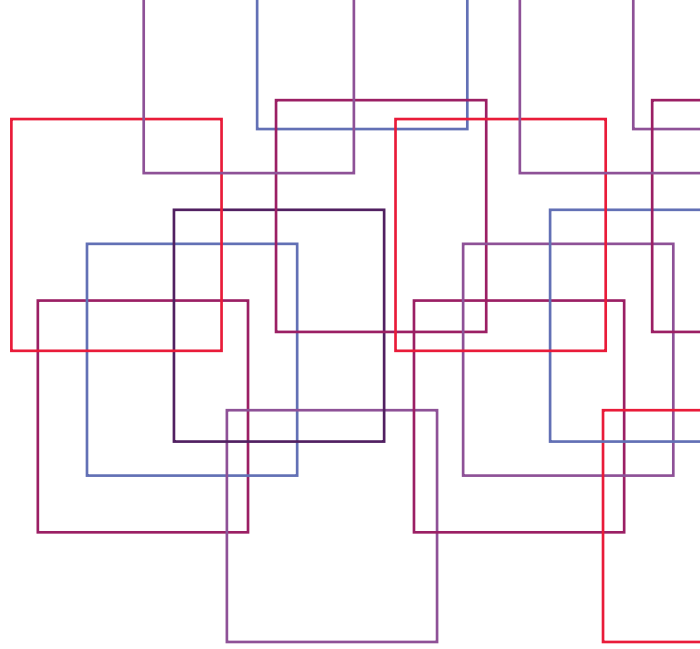
Exam Details

- **Bloom Level:** 2 and 3
- **Exam Format:**
 - Close Book format
 - Web-based and paper-based
- **Questions:** 40 Multiple Choice Questions (MCQs) of 1 mark each
- **Passing Score:** 70% (28 marks out of 40)
- **Exam Duration:**
 - 90 minutes
 - 25% extra time for non-native English speakers (113 minutes in total)
- **Proctoring:** Live/Webcam

After completing this training, you will be planning to take the ITIL® Specialist Drive Stakeholder certification exam. To give you an idea about the certification exam, sample paper (or mock exam) is included within the course.

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1



CUSTOMER JOURNEY

Module Objectives

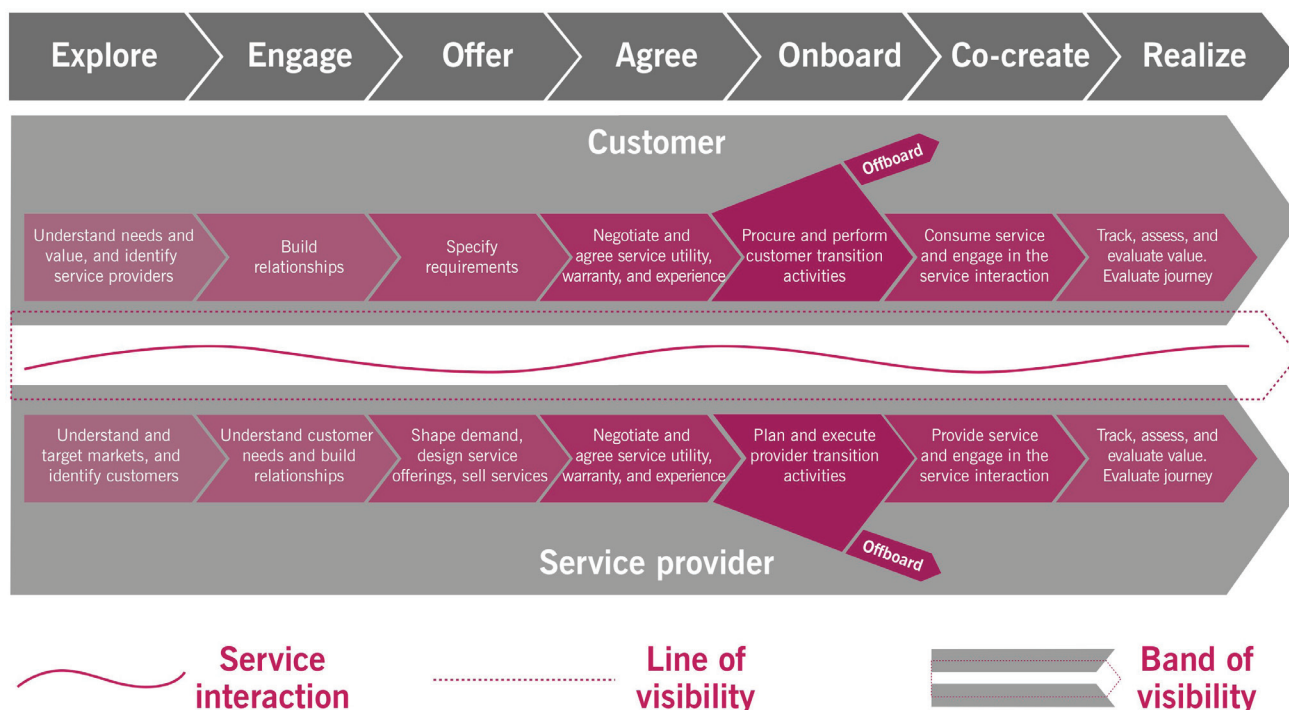
This module is based on the following assessment criteria of exam specification:

- Understand the concept of the customer journey
- Understand the ways of designing and improving customer journeys

Purpose of the Module

Customer Journey

“The complete end-to-end experience customers have with one or more service providers and/or their products through the touchpoints and service interactions.”



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If you are a service provider, you are in the business of customer experience. For a service provider, it is not enough to focus on *what* you deliver (products and services), but *how* you deliver for your service consumers is as important. It is therefore important for service providers to identify, understand, and master the customer journey: the complete end-to-end experience customers have with an organization from their perspective.

This module will introduce you to how you map, understand, design, measure and improve the customer journey as a whole.

Purpose of Mastering the Customer Journey

The purpose of mastering the customer journey is to maximize stakeholder value through co-creation, not only focusing on outcome but also experience.

	For the service consumer	For the service provider
Facilitate outcome	<ul style="list-style-type: none"> To gain optimal service value and experience from the service relationship To understand what the service consumer fundamentally wants and needs and not just what the consumer states 	<ul style="list-style-type: none"> To identify and support the specific service consumer behavior and outcomes that matter To optimize and improve products, services, and customer journeys for future value realization

	For the service consumer	For the service provider
Optimize risk and comply	<ul style="list-style-type: none"> To ensure key business risks have been identified and addressed 	<ul style="list-style-type: none"> To focus on the customer satisfaction issues and key areas with the highest payouts related to cost invested
Reduce cost and optimize resources	<ul style="list-style-type: none"> To work together with the service provider to commit and optimize the use of resources during the whole service lifecycle 	<ul style="list-style-type: none"> To work together with the service consumer to commit and optimize the use of resources during the whole service lifecycle To be fair and transparent regarding costs

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Touchpoints and Service Interactions

Touchpoint

“A touchpoint is any time a service consumer or potential service consumer comes in contact with the service provider and/or its products.”

Service interaction

“A service interaction is a value co-creating reciprocal action between a service provider and a service consumer.”

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Service interactions include:

- Transfer of goods
- Provision of access to resources
- Interaction with operant service provider resources
- Joint service actions

Every customer journey involves a number of touchpoints and service interactions between the service provider, service consumer and other stakeholders. Touchpoints and service interactions are two different aspects. The important consideration is that both touchpoints and service interactions are part of the customer journey and have an influence on the service experience and the outcome.

EXAMPLE

Touchpoints and service interactions are two different aspects. For example, a user may be in contact with the product, such as laptop, without interacting with the service provider. As an example of service interaction, an insured may enter into an interaction with the insurer (service provider) through a third-party insurance agent without being in direct touch with service provider.



Identifying, understanding and managing potential touchpoints and service interactions is a key to consumer experience.

The customer journey rarely follows a predefined path between touchpoints and interactions. Some journeys may follow a simple well-defined and logical path, but most journeys are more complicated and are developed based on earlier states and transitions or they even follow a complex pattern and dynamically emerge along the way.

The first step to identify the touchpoints and service interactions by making a list of all the places and times the service consumer might interact with the service provider or come into contact with the service provider, its products or brand. Initially, this task of figuring out all touchpoints and service interactions may seem difficult, but you can manage this task by stepping out of your role into customer's role. By having the customer mindset, you can identity, list, and experience all touchpoints and interactions.

However, identifying and understanding the touchpoints and service interactions is only enough. It is very likely that individual touchpoints may perform well even if the overall experience is poor. Customers experience service providers through end-to-end experiences, not touchpoints. So, to improve service consumer satisfaction, you need to make sure that each touchpoint leads to a good customer experience, and that the journey, as a whole, delivers on customers' expectations.

Module Topics

- Mapping the Customer Journey
- Designing the Customer Journey
- Measuring and Improving the Customer Journey

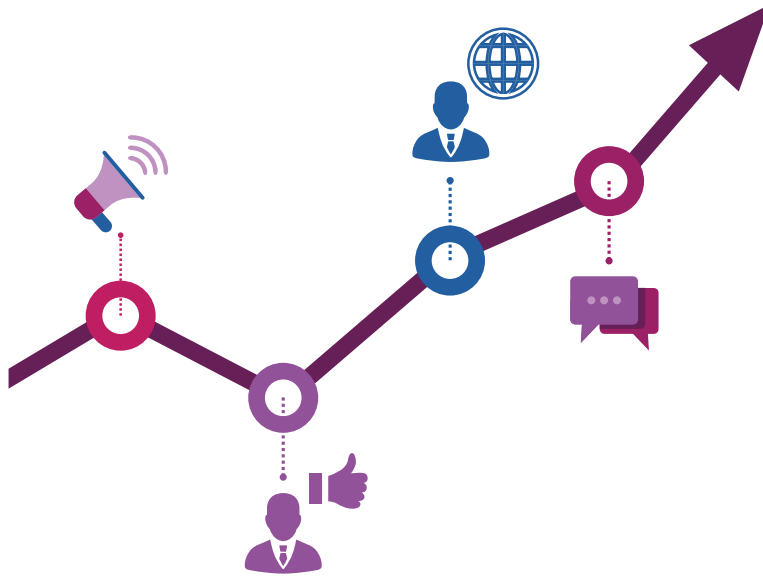
MAPPING THE CUSTOMER JOURNEY

Introduction



The service consumer's experience across the entire journey, and not simply individual touchpoints and interactions, is the most important consideration.

In addition to identifying, understanding and managing individual touchpoints and service interactions, the customer journey and service experience should be mapped and analyzed end-to-end.



It is common to generate high individual touchpoint-satisfaction scores but unacceptably low scores across the end-to-end journey. This can be because the individual roles and teams that manage touchpoints and service interactions are at the risk of losing sight of what the service consumers perceive and want or the job they have to do; although the individuals and teams may work hard to optimize their own contributions to the customer experience. This is especially common in multitouchpoint, multichannel, always-on consumer environments. The numerous potential customer interaction points - across channels, devices, applications, and more - makes consistency of service and experience across channels difficult. It, therefore, requires managing the journey, and not simply individual touchpoints.

This does not mean that the touchpoints and service interaction management and thinking is of no value. The expertise, efficiencies, and insights that individual roles and teams exhibit are indeed important, and touchpoints and service interactions will continue to represent invaluable sources of insights. What is required is that in addition to identifying, understanding and improving individual touchpoints and service interactions, the customer journey and service experience should be mapped and analyzed end-to-end.

EXAMPLE

The service consumer's experience across the entire journey, and not simply individual touchpoints and interactions, is important. For example, the act of subscribing to a virtual server from a public cloud service provider is a touchpoint within a customer's journey. Researching, subscribing to, integrating with, and being onboarded onto the service would constitute the full journey from the service consumer's perspective.

Customer Journey Maps



A customer journey map visualizes the story of the service consumer's experience.

It not only identifies key interactions that the service consumer has with the service provider, but it also identifies feelings, motivations and questions for each of the touchpoints and service interactions.

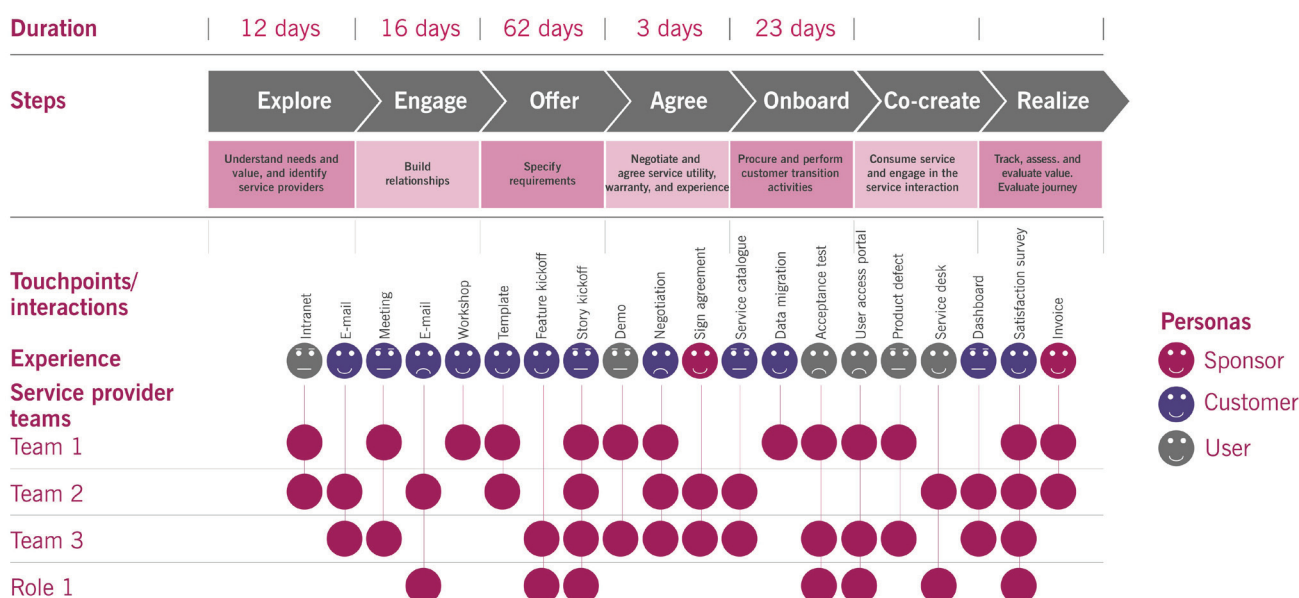
A customer journey map has the objective of helping the organizations to learn more about their stakeholders.

Mental Model

A mental model is an explanation of someone's thought process about how something works in the real world.

A customer journey map communicates the journey, along with the emotions that are experienced by a customer at every stage of the journey. A customer journey map considers the people's **mental models**, the flow of interactions and possible touch points. They may combine user profiles, scenarios, and user flows; and reflect the thought patterns, processes, considerations, paths, and experiences that people go through in their daily lives.

To map a customer journey, it is important to consider the organization's stakeholders, the journey's time frame, channels (telephone, email, portals, service catalogues, in-app messages, social media, forums, recommendations), and actions that happen before, during, and after the experience of a product or service.



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A simple customer map typically includes the steps of the journey, the duration, the touchpoints and interactions, the personas, the service experience and the service provider teams and roles who interacts with the service consumer. Depending on the purpose, the complexity and nature of the customer journey, other attributes such as service consumer goals, service provider goals, products and product features, channels, environmental properties, data sources, moments of truth, and prior improvements may be added to the map for each step. Some attributes may be decomposed into sub-attributes.

Mapping of customer journeys can be done through several techniques and models, such as the Customer Journey Canvas. In addition, different software solutions are available to visualize personas, stakeholder maps, scenarios and customer journey maps including storyboards, emotional journeys, service blueprints and many more.

Personas



A persona is a fictional, yet realistic, description of a typical or target customer or user of a service or product.

A persona is a model instead of an actual living human, but personas should be described as if they were real people. They are human-like snapshots of relevant and meaningful commonalities in a customer group or segment and are based on user research.



Ichika Student

"I need to be able to travel to relax, meet new friends and get inspired without going bankrupt"

A day in the life of Ichika

- Early up, grasps a coffee on her way to the university
- Bicycling everywhere
- School all day, studies at night, work in a coffee shop in the weekends
- Her apartment is never in order, her fridge is empty, and she's always buried in a book or her laptop

Background:

- 20 years old
- Single
- Lives in the center of the capital city
- Full-time university student (Marketing), part time worker

Finances

- Household income of \$28,000
- She is conscious about what she spends her money on

On-line behaviour

- Social media are her life-line
- She is tech-savvy and quickly adapts to new applications and solutions
- She is interested in trying new and exciting digital services

What she's looking for

- Cool, new experiences or adventures
- Visiting musical festivals as part of her travel experience

What influences her

- Friends and colleagues
- Magazines, blogs, articles and marketing publications

Hopes and dreams

- Travel the world
- Have the flexibility to be able to pick up and go where she wants
- Not to worry about financials

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It is generally not practical nor feasible to map individual customer journeys as each end-to-end experience of a customer with one or more service providers represent a separate customer journey. The customer maps generally represent a generic flow for a group or segment of customers to allow the service provider to focus its efforts. To represent a group or segment of customers, personas can be used. Personas summarize the key characteristics for one or more individuals who possess similar attitudes, goals, and behaviors in relation to a service and a service provider.

Creating persona is different from defining consumer groups or segments. When segmenting broad categories of consumers, ranges are used in order to summarize attributes of the entire group. On the other hand, a persona is a singular user derived from these data ranges to highlight specific details and important features of the group.

Although personas are archetypes, not actual people, they should be described as if they were real. When creating personas, you should focus on general attributes and relevant characteristics related to the use of the service to avoid creating bias.

Scenarios



Scenarios are short stories about the service consumers and their representations, the personas, who try to achieve their goals by using the service or product in their context.

Customer scenarios are specific to customer segments and contexts.

INFO

Good scenarios are concise and answer the following key questions:

- Who is the user? - Use the personas that have been developed to reflect the service consumer groups or segments
- Why does the service consumer want the service? - Note what motivates the service consumers as well as their expectations.
- What goals does the service consumer have? - How can the service consumers achieve their goals? - Define how the service consumers can achieve their goals through the service, identifying the various possibilities and any potential barriers.

Good scenarios are concise and answer the following key questions:

- Who is the user?
- Why does the service consumer want the service?
- What goals does the service consumer have?

A scenario-based approach helps to identify the ideal experiences for the scenarios that are most important to the different customer segments. The different experiences can be combined to create a high-level customer journey map that is applicable to all.

Understanding the Customer Experience

“The point of the story is that every single interaction, the most minute details of the interaction you have with your customer, are an opportunity for you to create something remarkable.”

– Joey Coleman, *Experience This! Host and CX Expert*

The customer journey maps are useful for understanding the customer experience. However, customer experience is not only defined by the interaction between the service provider and the service consumer but is also affected by conditions or aspects that are partly or fully outside the service provider's influence. Some aspects such as brand touchpoints and the environment (including the digital environment) also influence the customer experience.

To get a complete picture of customer experience, customer feedback surveys at major touchpoints or setting up customer experience management software can play a key role. This feedback should not only reflect the individual customer journey touchpoints and service interactions but also examine brand touchpoints and environmental conditions and their impact on comfort, ease and speed.



As part of the examination of the customer experience, among other consider the following questions:

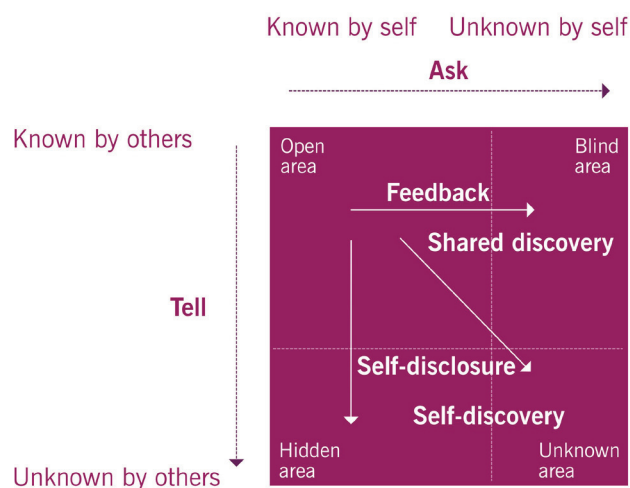
1. "What is the customer doing at each one of the steps?"
2. What encourage or discourage the customer from moving to the next step?
3. What emotions does the customer feel in each one of the steps?
4. Does the customer have questions that are difficult to find answers to?
5. Where does the customer get hung up?
6. Could uncertainties cause the customer to give up and find a different service provider?
7. What kind of obstacles does the customer confront in each of the steps?
8. What are the cost and risk factors?"

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The Johari Window

It is important to realize that the service provider cannot achieve an overall picture of the customer experience without involving the service consumer in the analysis. The Johari window shows that there are spots The service provider therefore needs feedback from the service consumer in this blind area of the relationship. Similarly, there are areas that are only known to the service provider but would benefit the customer experience if the service consumer was aware. These areas should be disclosed to the service consumer from the service provider.



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Scenario

Customer Journey

Purpose

Understand the concept of the customer journey and how it is designed.

Scenario

ElectricRox is a fast-growing electric valve company in Europe. The Board of Directors has concluded that for ElectricRox to compete in the marketplace, it is not enough to focus only on the products and services. They need to highlight the importance on how the services are delivered to customers and not just focus on what the organization offers. The Board members are aware of the ITIL best practices, however, there is a lack of knowledge about what is the relevance of customer journey to their business.

You are a member of a consulting firm. The Board of Directors of ElectricRox has invited you to provide an explanation of what customer journey is and how is it relevant for ElectricRox.

DESIGNING THE CUSTOMER JOURNEY

Plan the Customer Journey



Plan and design customer journeys that support optimal value co-creation and lead to best-in-class customer experiences.

Customer journey design is part of service design. However, a customer journey may span more than one service or product and one service or product may support more than one type of customer journey.

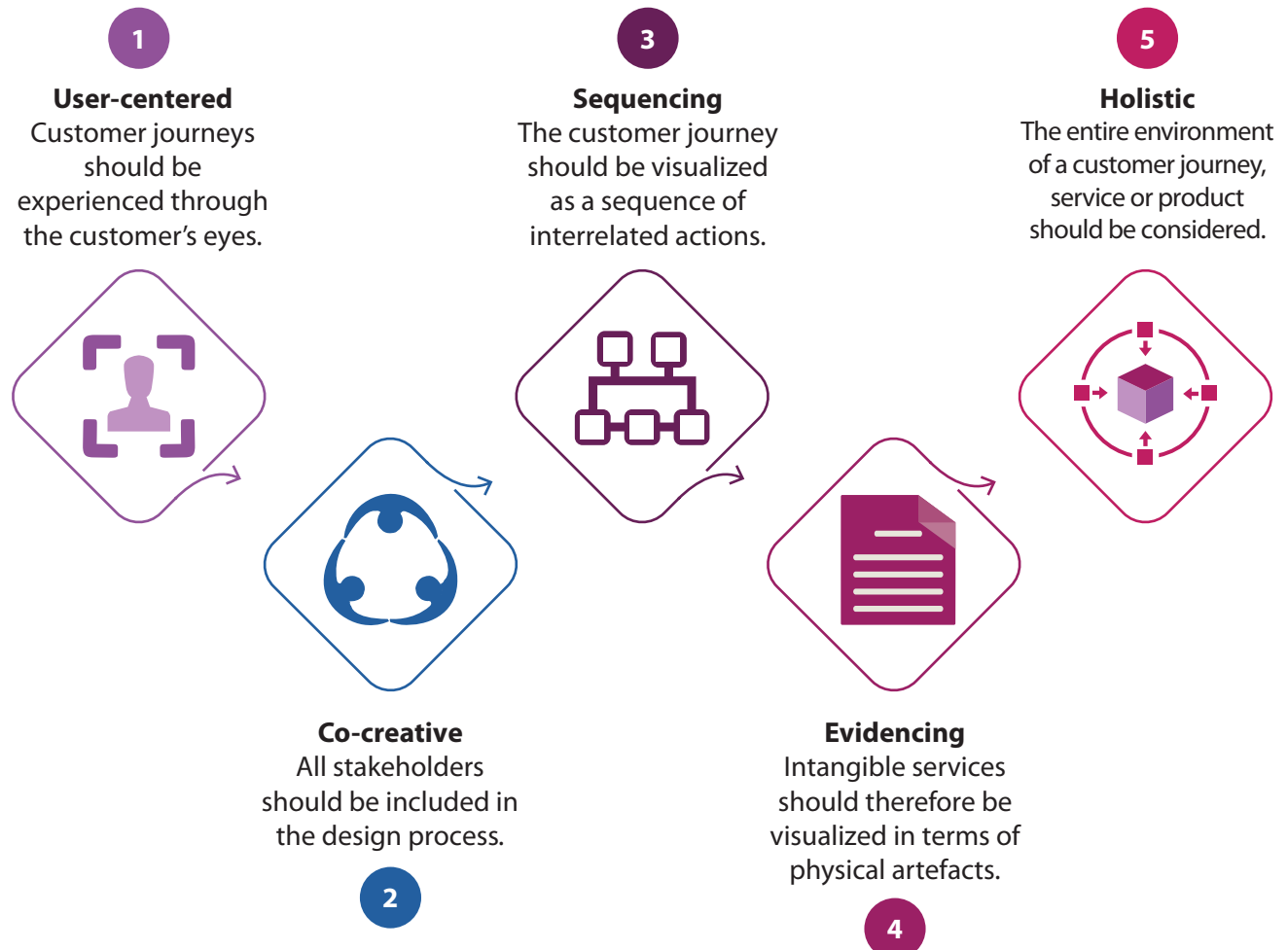
Before designing the actual customer journey, the desired outcome and customer experience should be defined. The expected value from the journey and how each stage can contribute to the co-creation of value should be considered as part of the definition. The definition of value should include, but not necessarily be limited to outcome, emotional experience (how the journey, services, products, brand and environment make you feel), utility, warranty (including availability, capacity, security, continuity and usability), risk and compliance as well as cost and resources.

The desired value should be defined for each major stakeholder involved in the customer journey.

Next, the actual design of the customer journey can begin. It is not practical to design each and every individual journey. The customer journeys are designed for representative personas and scenarios. This is about what is designed is a customer journey model.

Service Design Thinking

At a high level, Marc Stickdorn's five principles of service design thinking may be adopted to guide the design process.



The five principals of service design thinking:

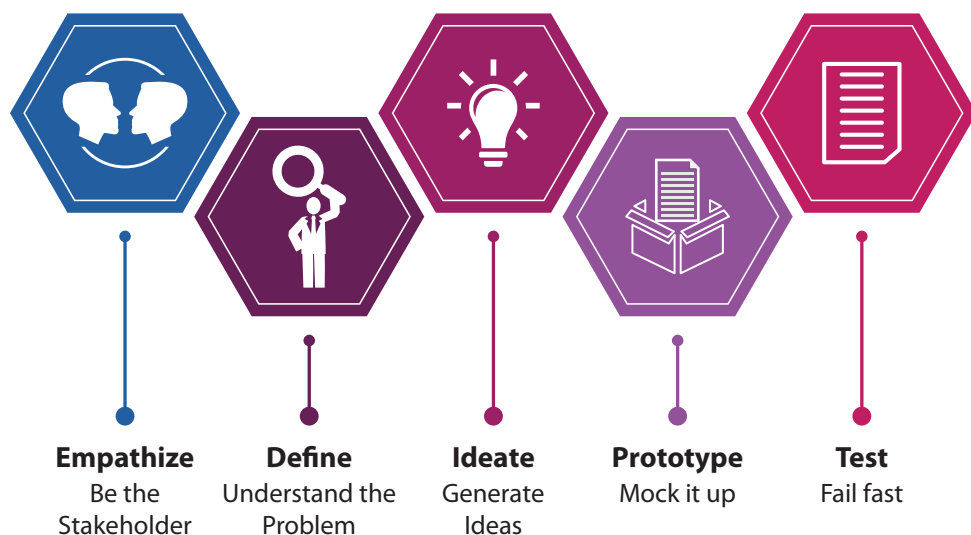
- **User-centered:** The customers and users need to be put at the center of the design process. This requires an understanding of the customers and users beyond mere statistical descriptions and empirical analyses of their needs. Customer journeys should be experienced through the customer's eyes.
- **Co-creative:** A vital aspect of design thinking and a fundamental part of service design is to facilitate co-creation in groups that are representative of the stakeholders. All stakeholders should be included in the design process.
- **Sequencing:** Service design thinking can use analogy of a play or movie to visualize customer journey. This movie would consist of a series of static pictures, which would be combined to create a moving sequence. Service design thinking uses this analogy to deconstruct customer journeys into single touchpoints and interactions. These, when combined, create service moments. Touchpoints and interactions take place human-human, human-

machine and even machine-machine, but also occur indirectly through third parties, such as reviews from other customers or through print or online media. The customer journey should be visualized as a sequence of interrelated actions. Every customer journey follows a three-step transition:

- Pre-service period (getting in touch with a service),
 - Actual service period (when the service consumers actually experience a service)
 - Subsequent post-service period.
- **Evidencing:** Physical evidence or artefacts can trigger the memory of positive service moments and thus, through emotional association, continue to enhance customers' perceptions of the service they have received. Service evidence can thus prolong service experiences beyond the service period far into the post-service period. Also, service evidencing can help reveal inconspicuous backstage services. Intangible services should therefore be visualized in terms of physical artefacts.
 - **Holistic:** We see, hear, smell, touch, taste and emotionally feel the physical manifestation of services. The entire environment of a customer journey, service or product, as well as alternative customer journeys should be considered.

Customer Journey Design Process

A typical customer journey design process may be described by approaches, such as Hasso-Plattner Institute of Design at Stanford:



At a practical level, the design of customer journeys does not differ much from other design processes. Although design processes are in reality nonlinear, it is possible to articulate an outline structure and iterative approach.

The design approach described by the Hasso-Plattner Institute of Design at Stanford includes the following steps:

Empathize

- Understand the stakeholders for whom you are designing.
- Understand the human needs involved.
- Define and test personas and scenarios.
- Set aside your own assumptions about the world in order to gain insight into the stakeholders and their needs.

Define

- Construct a point of view that is based on user needs and insights.
- Re-frame and define the problem in human-centric ways.
- Map the existing customer journey, if any, and map stakeholder experiences to identify any problems in the customer journey.
- Define and plan for the desired outcome, experience and value. Set goals and define metrics.

Ideate

- Brainstorm and come up with creative solutions.
- Create many ideas in ideation sessions to come up with improvements to the customer journey.
- By the end of this phase, the team should have a few ideas to solve the problem.

Prototype

- Build a representation of one or more of your ideas. Adopt a hands-on approach in prototyping.
- Design customer journey maps and service blueprints. Design for the stakeholders' mental models, by asking them to structure the journey or products for you.
- Consider frequency, sequence and importance. Frequency means that things the customers do most frequently should have a prominent position in the sequence. Sequence means that activities that occur in sequence should be presented in sequence. Importance means that important pieces of information need to be given clearly and at the right time. Understanding the customers' mental model and applying the frequency, sequence and importance rule will crack most of the stakeholders' usability needs.
- Verify that the design helps to deliver the planned outcome, experience and value.

Test

- Return to the original stakeholder group and test your ideas for feedback.

INFO

Design of customer journeys involves knowledge and capabilities from different fields of expertise, such as product design, graphical design, interaction design, social design and design ethnography. Also, there are different tools and techniques available for customer journey design.

- Do not avoid mistakes but explore as many mistakes as possible.
- Perform usability testing, role plays and A/B testing, track usage, build in feedback loops and review metrics, role plays to test that the design helps deliver the planned outcome, experience and value.

Leveraging Behavioral Psychology for Design of Customer Journeys



A cognitive bias is a systematic pattern of deviating from rationality when making a judgement. Some examples of cognitive biases are:

- Peak-end bias
- Availability bias
- Loss aversion

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Design of customer journeys involving humans should cater for logical or rational behavior and include knowledge of cognitive biases and intuitive behavior. Emotional intelligence and behavioral psychology are useful for understanding and mastering the emotional aspect of the journey. An evolving list of cognitive biases has been identified in cognitive science, social psychology, and behavioral economics. Some examples of cognitive biases are:

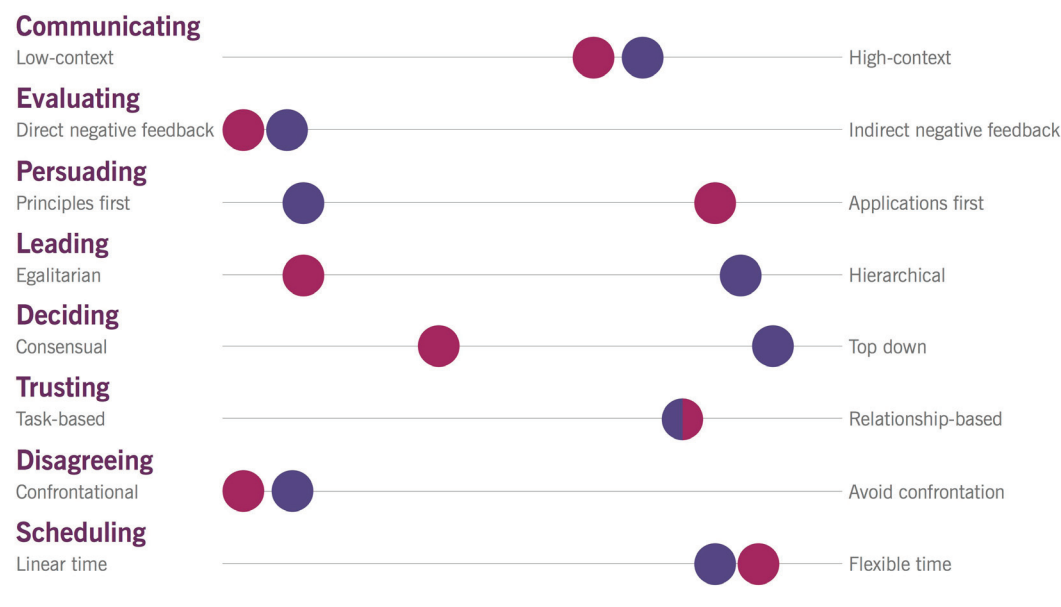
- **Peak-end bias:** The tendency of not perceiving the experience as a whole, but the average of how it was at its peak. So, after using a product or service, the customers tend to disproportionately recall the high and low points of the customer journey and not all the individual aspects of it.
- **Availability bias:** The tendency to base our judgements on events that are most available in our memory, despite the fact that the availability of a memory is often influenced by unique and emotional factors.
- **Loss aversion:** The pain of giving up something is greater than the utility associated with obtaining it. We want to be in control of our journey as well as other immediate aspects of our life affected by the customer journey.

Design for Different Cultures

Culture maps are tools that map cultures to decode the influences of intercultural collaboration. They are useful for analyzing and designing

service consumer scenarios as a basis for customer journey design.

The following figure depicts the culture of two user groups mapped to the eight dimensions to identify similarities and differences. In this figure, each dimension is represented as a scale or spectrum of opposite extremes.



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According to Geert Hofstede, culture may be defined as the collective mental programming of the human mind which distinguishes one group of people from another. Culture is part of the mental model and should be considered when designing customer journeys for different cultural groups or personas. Some examples are:

- users from different countries
- customers from different industries
- users from different teams in an organization
- users from different professions
- sponsors from public organizations.

INFO

Mental models help an individual's orientation in the world; they are the abstract and reductive mental representation of the complexity all of us face in everyday life – the schemas by which all of us understand the world around ourselves (Schneider and Stickdorn, 2012).

MEASURING AND IMPROVING THE CUSTOMER JOURNEY

Measuring Service Quality and Customer Experience

Customer satisfaction is a changing target. To improve constantly, you need to know how you are doing.