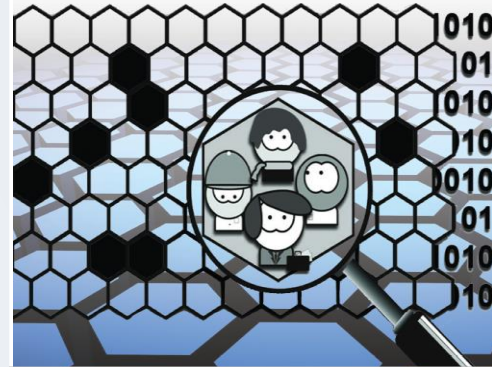


Customer Centricity



Introduction

A customer centric company culture can only be created if the CEO and all other top managers are continuously listening to the voice of the customer and are actively involved in improving customer satisfaction.

Top management prioritization of customer needs should be manifested in many tangible ways, from reviewing top customer complaints to creating incentives for all employees based on customer satisfaction.

The voice of the customer should truly be a priority for all functions, not just the customer facing ones (like call centers) which have an immediate effect on customer satisfaction.

Voice of the customer as a top management priority does not mean that investments should be made to increase customer satisfaction without proper business cases, but rather that the right investment needs are properly identified and that customer treatment is as good as possible at all times given the situation.

Management Actions for Customer Centricity

Frequently review which are the top customer complaints, questions and suggestions.

Define frequently review key customer service KPIs – e.g., call center waiting times.

Set time aside to interact with individual customers – e.g., personally respond to a certain number of e-mails per month.

Visit key corporate accounts and channel partners/distributors on a regular basis to listen and learn.

Visit customer facing staff – e.g., call center operators, regularly to get a sense of the sentiment in the customer base.

Institutionalize customer satisfaction surveys and reviews of the results and implications on a regular basis.

Drive usage of customer focus group and other research to get early customer input on new important initiatives.

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Institutionalize a 'best customer suggestion' – prize given out to the customer that gives the best improvement suggestion.

Encourage all employees to participate in driving customer satisfaction by introducing employee suggestion reward programs.

Create incentives for all employees based on customer satisfaction.

Customer Centricity starts from the upper Management and ends to every possible Touch Point

Capabilities to deliver CRM

Voice of the customer as top management priority

Customer insight

- Understanding of drivers of customer behavior and specific value of activities relating to churn and cross/up sell

Segmentation and customer value

- Customer profitability
- Value based segmentation
- Value VS other scores

Retention and development initiatives

- Customer retention and development initiatives leveraging both outbound and inbound contact and including loyalty program which help drive new product uptake and reduce churn
- Campaigning, loyalty programs and customer experience execution to deliver retention and development initiatives and delivery of a customer experience which maximizes satisfaction

Continues improvement

- Continues improvement strategy for customer data gathering and satisfaction follow-up

Organization

- Cross-functional processes and organization mechanisms, skill building programs, hiring and incentive systems closely linked to CRM objectives and KPIs

IT

- IT architecture and investment prioritization linked directly to key capability building program

Implementation approach

- 'Do-it, try-it, fix-it' approach to implementation

New product development

- CRM input of customer insight to new sticky and innovative product and proposition development



10 questions to ask to assess organizational priorities

1. Does the head of your customer efforts have tangible backing from their boss and the broader senior leadership team?
 - a. Have you defined the roles for each channel and product/business in building customer relationships?
 - b. Is resource access (e.g. customer ownership, IT) to support customer initiatives clearly defined? Are there guidelines for resolving conflicts?
2. Do you have explicit managers leading day-to-day capture of customer opportunities?
 - a. Is someone responsible for translating your customer insights into pragmatic business action plans?
 - b. Is someone making sure channels link, allowing seamless delivery of initiatives?
 - c. Is someone communicating with and making sure that your frontline staff supports initiatives?
3. Do you know who your best customers are, and their growth in the last year?
4. Is someone developing the next 3 ideas to strengthen relationships with best customers?
5. Do you project leaders incorporate changes in customer performance by segment (e.g., sales and profit growth, churn, migration) into next year's business plans?
6. Are you getting value from all the data in your database? Have your channels been able to deliver the last 5 proposed customer initiatives?
7. Do you know your key talent gaps? Going forward? Do you have a plan to fill them?
8. Is performance evaluation based at least in part on customer or segment metrics? Does everyone share the same definitions of these metrics?
9. Is someone analyzing results from customer initiatives routinely? Are under-performing efforts automatically eliminated or replaced with more attractive initiatives?
10. Do marketing and related IT support have a shared vision and plan for how to evolve current technology platforms to support ongoing customer centric efforts? Are current development efforts on schedule?

Answering “No” to 3 or more questions indicates significant organization improvement opportunities vs. high performers

