

The Road to Customer Centricity

*Technology is rapidly redefining the customer relationship but more importantly it is shaping buying behaviours of the future. **Bill Payne** of Concentrix reveals how the world's leading organisations really are putting the customer first*

A transformation of the customer experience is underway. It's giving customers transparency and power across multiple channels and those businesses that fail to grasp the opportunities this presents are going to find themselves in trouble.

According to a study* of 1,700 Chief Executive Officers around the

globe, customer obsession was the number one characteristic needed to achieve success for a business.

In a highly fragmented multichannel environment, it's by no means easy to create the right level of engagement and tone of communication. Here is my take on what businesses need to be doing in order to test whether or

not the customer really is at the heart of everything they strive to do.

ARE YOU USING ALL YOUR SENSES?

Twenty years ago life was easy. We listened to customers when they came into stores, called or wrote snail mails to us... that was it. Now customers ►

talk to us and about us online, all the time, through a stream of open, transparent channels, and to our competitors about the products and services we all provide. Mobile technology is transforming our ability to communicate: emails, texts, blogs, networking and micro-messaging sites. Scarcely, there will be more channels to come that we haven't even thought of yet.

Yet, how many companies have restructured their market surveys, customer feedback loops and competitive analysis to be based on customer data they already possess and that is flying around free in cyber space? How many have transformed their customer sensing processes and implemented appropriate tools and techniques to develop insight and feedback? How many are focusing on relationship data versus just transactional data?

Customer centricity is driven by a closed loop of customer data and insight. It's a dialogue, not a monologue.

EXECUTIVE BOARD METRICS

For years boards have taken little time to understand customer feedback and market information. The time has now come for boards to regularly review their customer segments, seeking lessons from success and failure and using the new world of transparency to their advantage to drive retention and growth. In addition to this, the executive team should have personal annual performance metrics for customer retention and lifetime value.

The smartest boards realise the urgency for an integrated approach to customer feedback that seeks

“Using a partner channel can be a smart way to gain momentum”

input across all available channels and is then used to set customer service strategies going forward.

In short, the question that needs to be asked is: have you the technology in place to capture all you need and the reporting dashboards to focus customer accountability at the board level?

BRIDGING THE CMO, COO AND CIO DIVIDE

Although innovation is an overused word, it's absolutely right that we should be looking at every form of customer innovation we can. However, the most customer-centric companies couple the creation of ideas with the rapid exploitation of new processes and technologies. They have the dynamic ability to interlock CMO, COO and CIO responsibilities and to devise cost effective customer service improvements which drive real revenue opportunities.

THE CHIEF CUSTOMER OFFICER

While the organisational structure of companies has developed according to the need to encompass changes of focus and new circumstances, and new roles

have been created (CPO, CIO, CHRO, etc), the view has always been that 'we all own the customer relationship'.

This needs to be revised. At a time of the most profound changes across multiple channels, there is increasingly a need for board level representation of the newly empowered customer. A Chief Customer Officer is required to drive the process and the technology that is needed to transform the customer experience.

ONE VIEW OF THE CUSTOMER

Increasingly, in both our personal and business lives, we crave for data to be uniformly in one place. It frustrates a customer to learn their information is duplicated across multiple channels, such as when a call centre agent can't access information you've entered on the web, or when feedback to surveys isn't acknowledged. Opportunities are being missed to make targeted, sensible offers to customers when there is no meaningful customer profile.

The leading businesses are rapidly seeking to merge their customer data and use it to satisfy their customers and increase retention... are you?

LET'S GET B2P

For years we have talked about B2B and B2C as two different business models. As times goes by, we are expecting our B2B strategies and processes to be as technology infused as our personal lives, and replicate the freedom we have in the B2C world. That drives us all back to the good old days where B2P – Business to Person – is the key relationship that we all need to reinvent. This involves seeing through your information and sales ►

value chain to the end user: the customer. The most customer-centric companies tend to be the most people valuing companies.

ARE YOU USING YOUR GEN Ys?

While the mobile digital world is open to all of us, it is frequently the Gen Ys who are the masters of the medium. Whether it be social media, understanding the power of the internet to connect people, or simply the technology of the future, the Gen Ys are inventing new ways to integrate, analyse and drive insights from data. Are you bringing in the right skills at the right level to drive your insight?

BRAND VALUE

Brand may be the last vestige of loyalty that companies can leverage as promiscuity takes centre stage. Leaders are focusing on using brand through all available channels and on measuring brand value in campaigns in entirely new ways.

Chief Marketing Officers have an opportunity to reinvent brands and move themselves into a commanding position as the customer advocate.

PRODUCT AND SERVICE DEVELOPMENT CYCLES

Integrating your customers as partners has never been more important in both the B2B and B2C worlds. The most successful companies have well established, closed loop feedback from customers into their product and service innovation cycles.

Many use the concept of customer advocacy councils to test new ideas and garner customer insight to push product and service enhancements and developments. The leaders even use customers to develop

“It’s absolutely right that we should be looking at every form of customer innovation we can”

products and services that we don’t even know we want yet. How integrated is your customer feedback loop?

NEW MARKETS, NEW CHANNELS

Outstanding companies have well-structured strategic units that use external and market data to constantly hunt for new markets and are actively looking at the future of channels and ways to integrate customer experience.

They will scour for fresh sources of customer information and develop insights to integrate the customer experience across the brand. They search for opportunities, using partners and collaborators to sell and improve their integration into a client’s value chain. Their ethos is to actively seek business model disruptors to take out the competition and create new market dynamics.

BACK TO THE FUTURE

The customer world is changing at a phenomenal pace. If you redesign your enterprise for the customer based on

today, you will never catch up. You need to be thinking about what the world will look like in three years’ time and strive to future proof everything you do. Those likely to succeed in this age of customer transparency are the organisations that assimilate data and plan, execute and attack.

So capture customer data, use it to develop insights, execute the insights to change your business, products, services, markets, approaches to competitors, innovation and partnering.

Understand where you make profit and where you lose money. Use the data to direct you to profitable revenue.

Only then will you be able to adapt customer insight to shape the customer experience of the future. ■

* IBM’s [2012 Global CEO Study](#)

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Bill’s role at [Concentrix](#) covers the outsourcing of front, middle and back office functions across all industries, of a billion dollar business delivered from over 30 centres globally with over 45,000 staff. He recently oversaw the sale and transition of IBM’s business in this space to Concentrix, having been IBM’s General Manager of the business for the previous five years. He is also a NED at Tekcapital (which commercialises university Intellectual Property) and a Venture Capital Partner at Octopus Investments.

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