



CUSTOMER MANUFACTURING GROUP

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BEING CUSTOMER-CENTERED

WHAT IT IS AND WHAT IT MEANS FOR YOUR BUSINESS

Over the past few years, the buzz keeps growing about “customer experience”. As with most buzz terms, there’s a high level of misunderstanding about what the term really means – and even more important, what it means to business. We’ll help you understand what customer experience is and how it relates to brand experience. We’ll introduce two principles for being customer-centered and provide good reasons to adopt them, with their strong influence in the gaining and retaining customers.

Brand Experience Versus Customer Experience

Let’s take a (not so) flight-of-fancy and look at your business in terms of your customer experience. To do that, let’s start with a brief look at brand experience as a point of reference. You have an identity – a company name or logo, sales and marketing tools and materials; you may have trade or consumer ads and you probably have a website. These are commonly seen as what *represents* your brand.

A brand experience, however, is more. It is about the customer’s connection with the value proposition of a product or service – about attributes with which s/he wants to be associated. Think Hewlett-Packard’s dependability or Lexus Motors luxury.

The customers’ desire to associate themselves with the brand and its attributes can drive their purchase. This is clearly true in consumer products but is also true with industrial or commercial products as well. These brand attributes are as often intangible as they are tangible.

Whereas brand experience is often built on the intangibles, customer experience is built on the tangible. A customer’s “brand experience” may result in a particular expectation of what their customer experience

will/should be, but the overall customer experience is the actual trump card in the customer’s ultimate perception of the brand. If they don’t agree with each other, the customer will follow what they personally experience, no matter what the spin is in the branding.

What is Customer Experience?

Customer experience is not just how your customers perceive you, but how they experience your company in its entirety. It affects your customer’s initial inclination to choose your product or buy your services and their predisposition to do so again. Your customer experience includes each and every activity that touches your customer – obvious and explicitly customer-facing activities – online or offline, and less obvious, internal activities, that, nonetheless affect customers; initial contact through the “Thank You” and follow-up at the end of a transaction, through the lifecycle servicing – these all play into the customer experience.

Customers develop allergies to companies that provide poor experiences for them and become a referral source for those that delight them. Think about your own experiences as someone else’s customer: who do you revile and who do you rave about – and why?

The vast majority of companies would say they put their customers first. But their actions indicate that this is not always so, and they are not customer-centered. Being customer-centered means finding out and anticipating what the customer wants and needs, and then meeting or exceeding their needs and expectations. Customer-centered companies ask, "What would delight my customer at every step" and then deliver on the answer.

Putting customers first and providing an excellent customer experience can differentiate you from your competition and provide a substantial, positive impact to your bottom line. As we said, there is a lot of buzz about customer experience and being customer centered. What differentiates the companies that *think or say* they're customer-centered from those that are reaping the rewards of *being* customer-centered is whether they walk the talk and consistently leverage customer-centered methods and customer-centered design.

How to be Customer-Centered
The first step towards being customer-centered is to embrace and act on the following principles:

1. You are not your customer
2. Your customer's mental model of your business is very different than yours or that of your CEO, VP of Marketing, VP of Communication, your staff, your customer service reps, your marketing content writer's, your visual designer's, or your sales staff.

You've probably seen, and maybe subscribe to principle #1. It's one of the foundations of good marketing. The second principle is where the rubber meets the road, where you are challenged to stretch, and then act, beyond your own views: to find out what is important to your customer and how they organize and associate what you have to offer them – their mental model. This is the principle that governs communicating, organizing information, and creating actions based on your customers' preferences and comfort, not yours.

Embracing both principles will help shift your thinking when you consider business alignment, integrated marketing strategies, marketing processes and governance; internal-facing and customer-facing call-to-cash and click-to-cash processes; and customer service, to name just a few areas of your business that touch the customer.

Acting on both principles will result in an improved, if not superior customer experience, giving you a competitive advantage and the ensuing direct and positive impact on your bottom line. These principles work for and apply to businesses of all sizes – whether your staff is a large enough to be a group of specialists or comprises a small group who wear many hats; whether you are business-to-business or business-to-consumer, whether you sell direct or through channels.

The more customer-centered you become, the easier it is to identify, align with, and act on those things that will make a difference to your customer, and – you got it – your bottom line.

You may already have accepted these principles and strive to think like your customers. Great, you're off to a good start. Most leading-edge business, in fact, are somewhere along the customer-centered continuum. But, if you are not using customer-centered methods designed to validate or explode your thinking, and/or are not testing and monitoring what you are doing, you are still relying on *your* mental model of what *your customer's* mental model *might* be. Falling into this particular pit may "look like a duck." But it doesn't "quack like a duck," isn't being customer-centered, and it won't deliver sustainable results.

The companies in the marketplace celebrated for providing excellent customer experiences that come from being customer-centered –

Nordstrom and Amazon are consumer sector examples – have raised the bar for all. Customers are looking for better ease-of-use (read an easier and more intuitive experience), and are less forgiving when things are not easy for them.

Think about your own shopping experiences, whether "shopping" as a business or as an individual. Poor experiences lead customers to look elsewhere for an easier purchase path.

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So, it follows that the less you design your business around the customer, the more opportunities and reasons you give them to abandon their purchase with you.

Who is the Beneficiary of Your Internal Processes?

Many of the activities you think of as internal are, in fact, part of your customer experience. Internal processes are not customer facing – that is why we call them internal, right? But let's take another look, because many of these processes may be customer *affecting*.

The wall between what is internal and what is external is often thin or non-existent when it comes to what your customer is exposed to and how it influences their perception of you. Each process involved in delivering information and each touch point between departments and/or the IT systems that support them may affect the customer and therefore offer an opportunity to provide the customer a better experience.

Or it can, as it often is, be an unrecognized pit into which the customer's experience and perception free-falls. A common place this happens is where sales hands off to customer support, but that is not the only instance.

One way to remove some of these "pits" and improve the customer experience is through the application of Lean Thinking. A key tenet of Lean Thinking is to focus on the value being added by asking yourself if the customer processes you have in place

are adding value for the customer. Take it a customer-centered step further and ask if the process still adds value when the customer experiences them.

How many times does a customer have to provide the same information (account information, personal information, etc.) to you in the marketing, selling and customer service process, either on the phone or on your website? Would you be annoyed if you were in their shoes?

Or, when a customer is looking for information to help them make a decision to buy your product or service, how many different sources with different marketing messages are they exposed to in their information gathering? If, for example, a customer read your marketing literature, looked at your web site, talked with a salesperson or looked at/read your direct mail or direct email, would it feel like they were dealing with a single company or many different companies? Has the burden of correlating and making sense of all that information been left to the customer?

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And what if you do your business through channels instead of directly? You may not control the way the product or information is *presented* through your channel, but you still own the information. Again, find out and provide what the customer is looking for to make that buy decision.

Don't be lulled into thinking that, since you are providing what your channel distributor is looking for, you are satisfying your customer's needs. Your channel is not your customer, merely the pass-through. Differentiate yourself from your competitors, even in a channel setting, by providing the information, as well as the product, that your customer needs.

Common Problems With Simple Cures

Inconsistent and unhelpful information is one of the prime problems that erode customer confidence with its negative customer experience. You most likely make use of some or all of these as part of your marketing:

- printed literature
- web site
- telesales
- field marketing
- direct mail

Are the voicing, messaging and information consistent across these? Or is it painfully obvious that different people created each at different times for different purposes? This leaves your customers feeling like they are listening to descriptions of similar products/services from different companies, even though they are all you.

Even more importantly – is the information you provide your customer organized and presented according to *their* tasks – what they are trying to find out or do – and how *they* want to think about your product or service? Yes, that mental model again!

A Real Life Example

A while ago, I went to the website of a medium-sized company about a specialized product I wanted. This company had a reputation for providing good products in a niche market — one that others told me would that would meet my needs.

The site was not very easy to navigate. It was organized in a way that obviously paralleled the way the company was structured and not in a way that helped me find the information I came for.

The information on the web site was what I call "all about them." There was a lot of marketing fluff, but none of the information I was looking for in order to make a buying decision. Since I had gotten a good referral on the product, I decided to go an extra step and contact the company to get my questions answered. It was hard to find contact information on the site. I finally found an address and sent an email with questions, the answers to which would help me determine if the product was right for me, along with my email and telephone contact information.

They responded, but it took more than a week — I had given up. They did not answer all my questions. They did, at least, answer the one that told me that the current product wasn't compatible with what I already had, and offered that the next version would be. I had to email back to ask when this next version was scheduled to release and if they would let me know when it did. I never heard back from them.

Let's look at a few of the things they did wrong from a customer perspective.

- They didn't organize their information according to how a customer might think about it. *The organization was based on their internal viewpoint. This is one of the most commonly identified mental model mistakes on web sites.*
- They didn't provide information I wanted or needed to make a buy decision. It was all marketing fluff about them and about what they considered important. *Another mental model mistake, this one indicating that someone (or a group of someones) thinks they know what information customers should want or use without ever asking what customers actually do want.*
- They didn't answer my email promptly. *My guess is they didn't have processes in place to handle a request like mine and had to track down someone for the answer. They have not considered how their internal processes impact the customer.*
- In their email they offered a future version of their product without providing any useful information about when it would be available. *Customer-unfriendly behavior, plain and simple.*
- Having given me what they considered a good enough answer, they didn't respond to my follow-up email. *With my two rounds of questions, I provided them multiple opportunities to keep me engaged — something only a very interested buyer would do. Their behavior was not only customer-unfriendly; it was a statement of customer expendability.*

This company provided a horrendous customer experience. Essentially, they asked their customer, me, to do all the work towards the sale and then signaled that my business was unimportant to them. Although I had been referred to the product, not only did they not get my business, they have earned a negative referral from me.

Or does the way the information is organized and presented reflect the internal company perspective or personal point-of-view of the person or department who created it? If any of this applies to you, you are putting the burden of information gathering and correlation on your customer's shoulders. And if that information varies, your believability is at risk, too. *If you want to alienate a prospect before they get very far, this is one way to do it.*

So, what's the cure? One first step is to create a customer-centered message map for each of your products and services. This map will be known to and used by everyone communicating with the customer about that product or service. "Communicating" is used broadly here, including all your marketing and sales vehicles, online and in print — the broader the reach of the map, the greater the gains to your business. Test these messages to see if they resonate. Don't rely on what you think. Find out what your customers think.

Make sure you put feedback loops in place so your message maps keep pace with what you learn about your customers' preferences and informational needs. It's reasonable to expect that some of your most valuable learning will come from your sales staff, with their fingers on the pulse of customer wants. But — don't forget to pay attention to what your customer support staff tells you. It is amazing what you can learn from the people on the front lines that answer questions and field problems. And, speaking of feedback loops, make sure feedback from customers through

your website and general email is addressed promptly and accurately. This is also a component of your customer's experience.

Another common problem is having a complex, redundant or a just plain frustrating sales path. This includes online, as well as offline activities.

What to do? Start by taking an end-to-end look at the sales and transaction chain¹. Map your current process and streamline it for the fewest steps for your customer. If you perceive turf issues among departments, bring in a skilled process facilitator to provide much-needed and much-appreciated neutrality. Don't let potential conflict steer you away from taking this opportunity to get everyone on the customer-centered page. A by-product of this exercise, valuable in and of itself, is the surfacing of inefficiencies and the resulting improvement in inter-departmental communication, not to mention more cost-efficiency. All because you're trying to be customer-friendly.

As you come to understand the touch points in your processes, and in particular how they relate to your customer's experience, it will be easier to determine what to do to improve that experience. And, in addition to identifying whether or not you are adhering to customer-centered practices, you'll inevitably identify and be able to address where you do or do not have alignment within your business.

¹ For more about customer buying processes see the Customer Manufacturing Group white paper *Are You Creating Customers?*, available for download at www.customermanufacturing.com.

Customer-Centricity and Marketing Accountability

Marketing Accountability is another important term being heard these days. Being customer-centered is measurable. You can monitor and improve it. Choosing the right indicators becomes crucial for accountability. It is also important to have your marketing process mapped

IT IS AMAZING WHAT YOU CAN LEARN FROM THE PEOPLE ON THE FRONT LINES THAT ANSWER QUESTIONS AND FIELD PROBLEMS.

thoroughly, as you'll need to be able to identify, not only where you are following customer-centered protocols, but also where you *aren't* doing so. You'll need to know both whether you are doing the right things, in the right places, and how well you are doing then.

The specifics to be tracked and measured will vary depending upon your business model. When viewed together, these indicators can directly tell you whether you are providing a good experience. It can also tell you how the experience you provide affects whether your customers buy from you or buy from you again.

Final Thoughts

We started by making a distinction between brand experience and customer experience. Now we are going to blur the lines. Why? A customer's experience is going to color their experience of your brand — or of your company, if you don't think of yourself as having a brand. Whether that experience is going to polish or tarnish your brand is up to you. The customer experience you provide will shape what they think and whether they want to do, or continue to do business, with you.

Being customer-centered is about your bottom line. No customer was ever alienated because they were delighted or experienced that their needs came first. Here's to your business!

More Information

If you would like more information about how to apply a process to improve your marketing/sales function, simply contact us and we'd be happy to help you get started. From sweeping marketing/sales management process strategies to specific branding or product launch services, Customer Manufacturing Group can help.

Detailed information on our services and a number of Special Reports and cassette tapes and CDs are also available.

If you'd like to learn more about Customer Manufacturing Group, or for a complimentary subscription to *Customer Manufacturing Updates*, give us a call at (800) 947-0140, fax us at (408) 727-3949, visit our website at www.customermanufacturing.com, or e-mail us at info@customermfg.com.

We have offices in major cities in the United States, and our experts travel extensively throughout the world. If you'd like to schedule a meeting when we're in your area, just let us know.