



*A Closer Look:*

# The Science Behind a Customer-Centric Culture

by Lydia Lichtenberger, Matt Syrett, and Matthew Ferstle

*Leverage this framework to make lasting, customer-centric organizational changes.*

**M**ore choices and heightened expectations have changed the rules of customer engagement. Creating a customer-centric culture has never been more necessary—or overwhelming. In fact, according to SDL’s Global CX Wakeup Call report, nearly half of customers can’t remember having a recent successful customer experience. Today’s customers (and employees) require organizations to go above and beyond to earn, grow, and nurture their relationships. Take shopping, for example. No longer just a needs-based activity, it has become highly experiential. Customers expect experiences that are authentic and relevant to their needs. To make shopping fun and engaging, retailers and manufacturers are investing in new formats and digital solutions to not only gain deeper customer insights, but also establish trust and shopper loyalty through increasingly convenient and customized products, services, and experiences. According to Microsoft’s 2015 Global State of Multichannel Customer Service Report, 60 percent of consumers have a more favorable view of the brand if its self-service offering is mobile-responsive. These modern consumers are much more informed and empowered to make decisions; they want more choice in how and when they engage with retailers.

As you look to modernize and meet the demands of your customers, what do you need to consider and where do

you start? How can you embrace and tactfully lead the cultural transformation within your company? Here are 11 dimensions to consider during preparations to help make the change stick.

• **STRATEGIC ALIGNMENT** •

Always begin with strategic alignment. What are you trying to solve, improve, or adjust? How does your vision for creating a customer-centric culture align to your company’s short- and long-term strategic objectives? Any initiative should complement the overall goals of your company. Use a top-down approach to create programs and projects that support your company’s mission and vision.

core, examine whether your overall strategy includes providing exceptional customer experiences.

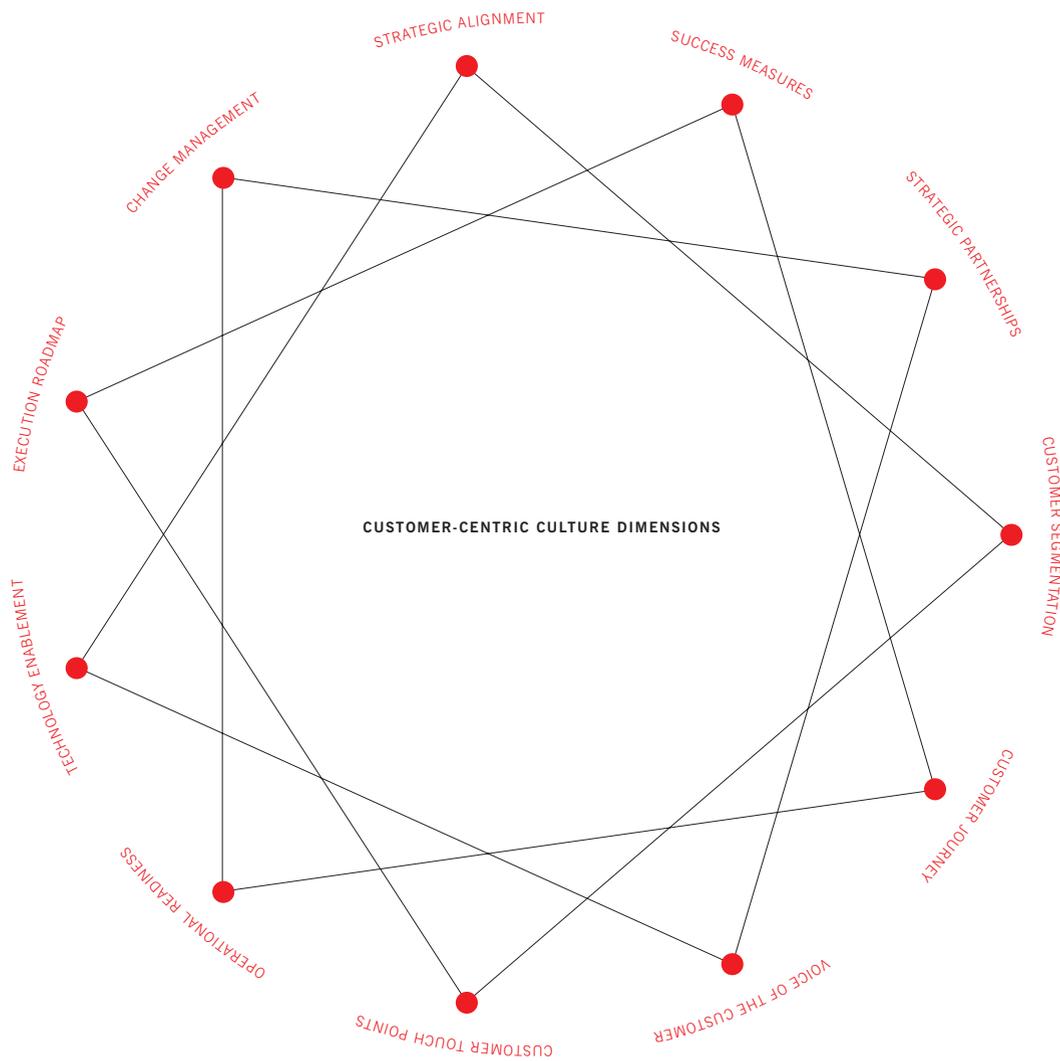
• **SUCCESS MEASURES** •

How do you measure the success of your changes? Some find it difficult to see the value of (much less fund) customer experience initiatives that have only a vague goal to “make the experience better.” While that goal sounds warm and fuzzy, it is hard to communicate the benefits of such programs. To avoid this, discuss up front what would constitute success. Establish success measures that help to strategically communicate to stakeholders the benefits of shifting

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Customer-focused organizations have a unique opportunity (and challenge) to develop strategies that deliver less transactional and more personal experiences. Expectations are changing with the growth of new digital technologies. Companies must find comfort in trying bold new concepts that rethink the experiences and services delivered. At your company’s

to a customer-centered business approach. A set of data points, metrics, and methods for attributing results that are defined, manageable, and agreed upon are needed for customer experience initiatives to be valued by organizations. Tactical measures should also be created to inform short-term progress and next steps.



• **STRATEGIC PARTNERSHIPS** •

What external parties contribute to your business's customer experience? The influence strategic partnerships have on the success of your customer experience should not be overlooked. Therefore, it's important to carefully consider the needs and abilities of existing and potential partners, too. Collaboration is key. Supply chain and other functional business partners can be included to make contributions to improve your customers' experience. Vendor partners might bring the expertise to enhance the execution, delivery, and performance of your technology solutions. It is essential to be aware of and use the resources and capabilities available, especially when

working together, to achieve an organization's desired vision and objectives.

• **CUSTOMER SEGMENTATION** •

Who are your customers, what do they care about, and how do you engage with them? Experiences and outcomes matter, so how do you design the right solution? Use customer segmentation to identify your different customer groups. The ability to collect meaningful data to identify and make insightful decisions against these segments has never been easier. Leverage the Internet of things (sensors, devices, etc.), workflows, applications, and networks to create detailed profiles of each customer. Leading organizations effectively expose the value from these

new sources of information to demonstrate and position a more personal, connected focus on their customers.

• **CUSTOMER JOURNEY** •

How do your customers interact with your business before, during, and after a purchase? Consider different stages like initial engagement, checking out, making a return, managing loyalty information, or contacting customer service. As you decide what customer experience improvements to bite off, make a framework outlining the customers complete experience. Create a customer journey: Group customer activities into chunks and then further break them down into tasks. The journey will become the foundation for planning other customer experience programs.

NO. 1

## Align to the Big Picture

NO. 2

## Phase In the Change

NO. 3

## Track Progress Toward Goals

NO. 4

## Reward Success

NO. 5

## Anticipate Hurdles

### • VOICE OF THE CUSTOMER •

For example, you can map feedback obtained from your customer (often referred to as the voice of the customer) against specific aspects of your customer journey to identify what is and isn't working well. Experiences will vary among customer groups, so be sure to tie in information against your identified customer segments.

### • CUSTOMER TOUCH POINTS •

Do you know all the scenarios that prompt a direct interaction with your customer? Identify all possible customer touch points across your customer journey. Angela Ahrendts, Amazon's senior vice president of retail and former CEO of Burberry, once said that "you have to be totally connected with everyone who touches your brand." Every time a customer interacts with a business, they form an impression of the organization.

A word of warning: Customers do not work or see things in silos. They may experience only a part of what you define as the full journey. And when they do interact with your company across multiple aspects of a journey, they assume that the dots (or gaps) have already been connected. Customers expect a connected, seamless, pain- and worry-free, and frictionless experience. They don't like to jump over hurdles or manage unexpected obstacles. Siloed internal operations create disconnected, disjointed, and undefined experiences. From discovery through the point of

purchase and after, all customer touch points should be designed to enhance, excite, entice, and engage.

A collection of impressions or touch points, can and often will form an influential experience that can be shared either for better or for worse. Therefore, it is essential to have a clear understanding of all the interactions and touch points a customer might have, to ensure a positive experience free of inconveniences. Internally, you can perform stand-alone (or independent) touch point improvement initiatives—for example, focusing on a single interaction, or gathering customer feedback about a specific product or service. However, remember to think about how all of the interactions will tie together for your customers.

Retailers are approaching this through omnichannel initiatives that fuse their physical and digital channels together to create more consistent customer experiences. This mentality creates a "unified" experience intended to meet customer expectations, at the first and last miles of service, regardless of the sales channel selected.

So you know what you want to improve and where you want to focus, but how does that tie into your existing operational and technology capabilities? Your customers' experiences are affected by the people, processes, and tools that support them.

### • OPERATIONAL READINESS •

How mature is your company's operational readiness to execute customer experience initiatives? No matter the project or program you are considering, you need to understand how internal operations can support you, and wherever there isn't support, how to create the appropriate level of visibility and ensure sustainability for your efforts.

Are there customer-centric roles and reporting frameworks already in place? For example, do you have roles specifically focused on customer experience embedded within business units (e.g., within a product team or as a user interface designer within a technology team)? Do you have a stand-alone business unit empowered to lead customer experience improvement and monitor programs? What about leadership? Is there a director of customer experience? How do you report current customer satisfaction metrics? Does feedback to your call center fit into the big picture?

### • TECHNOLOGY ENABLEMENT •

What do your customers want, and what can you deliver? It's important to consider how technology can influence decision-making, affect behavior, and be used to create an experience that customers can adapt to and follow. Technology enablement is crucial to support modern customer-centered programs. It should enhance the experience/capabilities, but not compensate for deficiencies. To be

For more on making change stick, see “The Habit Loop: Managing Change from the Bottom Up” by Jennifer Nourollahi and Fred Jewell (*Jabian Journal*, Spring 2016) and “Change Management That Sticks” by Fred Jewell, Kristin Reineke, and Tracy Reznik (*Jabian Journal*, Spring 2013).

ready for the “next big thing,” it’s important to be nimble and have the flexibility to adapt.

Can your technology enable the experience you’d like to deliver? Do you have a unified view of your customers, or are there multiple databases storing different attributes of customer information, including legacy databases that barely communicate with each other? How customer-friendly is your web and mobile presence? If customers request information or a service, do you have near real-time information, or batch jobs that run with significant delays? Are there manual processes that can be automated? If technology restrictions limit your vision, consider enhancements, upgrades, and transformations.

Always consider holistic, future-state process needs before changing technology. Technology should be incorporated or integrated in ways that improve operations, so that consumers will see it as both engaging and innovative. It should enhance the experience, provide flexibility, and offer greater convenience to all customers—not just an individual or targeted group.

• EXECUTION ROADMAP •

How will you prioritize and introduce these changes? As with any program or project management exercise, pull it all together with an execution roadmap. A good roadmap will intentionally phase projects and programs by level of effort and / or cost versus level of impact, and alignment to strategic goals. When you

are ready, take it a step further: Create project plans for the projects you are ready to begin.

• CHANGE MANAGEMENT •

After all the research, investment, and execution, how do you make change stick? As part of your project plan, don’t forget to consider change management. A solid change management approach is crucial to ensuring that change is adopted, so create your plan before rolling out change.

You are already off to a great start if you followed the best practice of ensuring that any change initiative aligns to your company’s overall strategic goals. Can you clearly articulate this alignment? If you can, are you sharing this with your employees, customers, and stakeholders where relevant?

Phase in knowledge of change gradually through your communication plan, and consider sharing the initial quick wins. Don’t forget to plan for the interactions between your strategic partners. How they will be trained and notified of the new ways of working together?

Using your success measures as a high-level benchmark, track progress toward executing your goals. This is where the use of those tactical and detailed success measures will come into play.

Reward success, both for small wins and for hitting overall success goals, with incentives that are relevant to affected groups. If stakeholders request changes in scope,

ensure that you align those changes within the big-picture vision and objectives.

As you wrap up your plan, anticipate hurdles specific to your company culture. Address these proactively by creating plans to deal with them up front. Don’t race to play catch-up defense (or rush a disorganized offense).

Help your company culture become customer-centric. All the variables and connected elements that lead to providing successful customer experiences can be overwhelming to consider. However, if you break down the possibilities into these 11 customer-centric dimensions, you can approach next steps systematically, eventually rolling out your roadmap and making the change stick. ●

**Lydia Lichtenberger**

*lydia.lichtenberger@jabian.com*

**Matt Syrett**

*matt.syrett@jabian.com*

**Matthew Ferstle**

*matthew.ferstle@jabian.com*