

Customer IMPACT

Agenda

Doing Business from the
Customer's Perspective

An excerpt from the forthcoming book by the same title

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A QUEST TO UNDERSTAND THE CUSTOMER

It used to be that offering a highly desirable product at a fair price would ensure you a steady stream of customers with little competition for their patronage. Today, this no longer holds true.

Partly because of the wide variety of suppliers and partly due to the large number of information sources and easy communication powered by social media, customers have seized control of how they are 'sold to', with the effect that marketing techniques that used to work now fall quite flat: by the time the message reaches the potential customer, a decision has likely already been made, and perhaps for a competitor's product.

In order to position themselves competitively, organizations need to rethink the 'customer experience' – in particular when it actually starts and stops. The single most important step in this rethinking is to take the customer's perspective, that is, to look at one's business, from the outside in, as one's customers do.

Difficult but rewarding

Taking your customer's perspective is a rigorous exercise that should cover all the phases of an individual's decision-making process and (at least) acknowledge all the touchpoints – or points of contact, whether directly or indirectly connected to you – that can be used to gather information in pursuit of that decision. But those who spend the effort may discover surprising new customer segments and business processes.

Especially in the age of digital communication, it's crucial to have a foundation for viewing your business from the customer's perspective, in order to develop effective and modern communication strategies. This book presents exactly that: an approach for seeing your brand, organization and products through your customers' eyes, a guide for prioritizing internal resources and actions (IMPACT), and a framework for structuring interactions with your customers: the Customer IMPACT Agenda. We illustrate these ideas and hypotheses with current business examples in use at leading-edge organizations and present materials intended to help you in navigating through the whole process yourself, in your own company.

Having sown these seeds in your mind, I now invite you to think differently about your business as we explore the importance of doing business from the customer's perspective.

Part I: Taking the Customer Perspective

In this section, we describe the foundational ideas on which the Customer IMPACT Agenda is built: first, what the customer experience really entails, when it starts, when it stops. Here, we really move the bookends!



Second, but perhaps most important, is the customer's perspective, which means looking at your organization from the outside in, just as a customer does. Never mind all that handy jargon that allows you to skim over topics without questioning what they imply... We talk about the way people go about taking a decision to purchase or do something we want to be involved in (isn't that what makes a customer a customer, after all?), as well as the myriad ways they find out about that something, or (try to) communicate with the providers of that something.

And third, fully embracing the concept that you should start with your feet on the ground, we offer a way to help you decide where your limited resources – both human and otherwise – should be spent for maximum IMPACT. Are you ready to take a fresh look and possibly toss some long-held marketing beliefs out the window?

CHAPTER 1, THE CUSTOMER AND 'CUSTOMER EXPERIENCE'

Before we can change our understanding of our customers, first we have to let go of some old ideas about markets and marketing; we then have to start thinking like our customers do. In traditional marketing terminology, the customer experience only begins once a consumer purchases and starts using a product or service, which leaves quite a lot of the customer's actual experience with an organization off the table. However, meaningful consideration of the interactions that happen before the customer ever directly engages with you can have far-reaching effect.

CHAPTER 2, THE CUSTOMER('S) PERSPECTIVE

We dip briefly into human psychology to help understand the emotional and social motivators, as well as the physical mechanisms, at work when individuals make decisions of any kind. All this has direct implications for both the definition of customer experience and the way we should view the process by which customers make purchase choices and take decisions.

This, in turn, expands opportunities for influencing prospects into territory that marketing has heretofore been unable to address. Examining the complete customer experience – including all phases of the purchase decision cycle and considering all the major preferred touchpoints – from the customer's own perspective can lead to the discovery of surprising new customer segments and business approaches.

CHAPTER 3, IMPACT: A RATIONAL APPROACH

While most organizations will have only one or two main decision cycles that apply across the entire customer base, there may be big differences in their target audiences' behavior and preferred touchpoints at each step of the way. These must be identified for all the major customer segments.

After careful consideration of customer segments and touchpoints used at each step in the decision cycle, you may find you have quite a few touchpoints to address! IMPACT is a practical approach that helps you sort those touchpoints into gradated "relevant" and "not now" categories, allowing you to concentrate on what's really important to your customers – both BtoC and BtoB.

Part II: Applying the Customer Perspective

Sometimes, taking a step backward is the only way to get a running start. That's what looking at the entire customer decision chain – including the phases that are normally not considered in the classic scope of 'customer experience' – does for your understanding of the customer: it gives you the opportunity to initiate interactions with individuals before they've even bought anything from you. This takes a huge, iconoclastic mindset change: thinking about your business from the actual, external-to-your-organization, scary new stance called the 'customer's perspective'.

Once you identify the needs people are trying to fulfill, interpret how they go about making decisions, and know which communication channels (touchpoints) individuals – whether they're customers (yet) or not – are inclined to use to talk to or about your organization, you greatly expand the range of opportunities you have for influencing the way those individuals perceive your brand, your products or services, and your company.

FROM UNDERSTANDING TO APPLICATION

Armed with this new perspective, you may suddenly find yourself overwhelmed by the options. Do you need to be present on every social media outlet available? How many resources should you invest? (How many do you have?!) Our practical IMPACT approach gives you a framework for making those tough calls: Facebook? *NO*. Twitter? *Assign someone to keep an eye on it*. A community forum, perhaps? *Yes, get someone to set it up*

now! Whatever it is for your particular company, the straightforward exercises in IMPACT will help you to do due diligence.

But others have gone there before you, and that's what the rest of this book is about. We'll first learn from organizations that have already started this journey – both of their successes, their 'aha' moments, and their lessons learned. Because by sharing, you can quickly become more adept (See Chapter 4).

And yet... there's more. We talk about how can you make those touchpoints flow together, and yet still call it a single 'customer interaction' (see Chapter 8). And what data you should try to capture (or not) about those interested parties (possible customers?) checking out your company: (see Chapter 7). And, if you do have a significant presence on one of those social media channels, what you could do with those vast quantities of 'customer' information flowing in (Chapter 9). Or, how you can go about measuring the customer perception (Chapter 11). Furthermore, in this day of technology, how you can get your most important resources – your staff – not only to understand but to willingly participate with the customer perspective in mind (Chapter 12).

We'll cover each of these topics, among others. Most importantly, we'll summarize a straightforward approach, cookbook style (Chapter 13, Executing with IMPACT: a Practical Approach), along with everything you need for your own first workshop around the topic (Chapter 14, Taking Stock: the Workshop) to help you on the road to implementing a Customer IMPACT Agenda.

CHAPTER 4, APPLYING THE CUSTOMER PERSPECTIVE TO CUSTOMER STRATEGY

Once an organization has taken the customer perspective for its products and its customers, how can that insight be applied to daily business issues? We'll take a look at ten great examples of how diverse organizations have defined and applied the customer perspective to internal processes, and, at the same time, start answering some of the questions you surely have by now: how, why, when, and what about X?

CHAPTER 5, BTOB IMPACT

Even wizened BtoC executives have admitted experiencing true "Aha!" moments as together we fleshed out the critical steps of their customers' real decision cycles.

But in the BtoB world, where the transactions can be so much more complex and involve so many more participants, this re-orientation exercise can lead to a vastly better-grounded understanding of, and focus on, the various aspects of the business – as the customer sees them. Taking the customer perspective here is quite possibly even more enlightening and effective than for BtoC.

CHAPTER 6, SME IS BEAUTIFUL

Serving customers well and efficiently is not just for industry giants. By taking the customer's perspective, any size organization can focus their scarce resources to consistently delight existing customers and attract new ones. Especially in a world hyper-connected by social media – which, by the way, can be used just as effectively by small or medium-sized enterprises (SMEs) as by large corporations – it's important to keep a cool head and find out what matters to your customers before investing in the latest marketing trend.

This is a practical approach, with SME examples to help you see that doing even one simple but relevant thing (from the customer's perspective!) can have a big effect.

CHAPTER 7, "GIVE-TO-GET" IN A CUSTOMER-CONTROLLED WORLD

Yes, segmentation and other data-based insight techniques require data – and our new understanding of the customers' touchpoints helps us to focus on where to get that data. But, in our drive to collect ever more information from our customers – just to serve them better, of course! – are we missing something? Or worse, getting utterly misleading data? Here, we discuss a basic mechanism of social anthropology that applies directly to this problem: reciprocity.

Give-to-get is, simply: taking as little information as possible and doing something with it to delight the customer.

CHAPTER 8, TOUCHPOINT CHOREOGRAPHY

It's not always workable to accept the customer's every choice of touchpoint – many times we need to guide them beyond their initial entry point through what could be a whole series of touchpoints, so that we not only satisfy but delight them. This is where we start to unite the customer perception with the organizational reality around us.

CHAPTER 9, BIG DATA IMPACT ON CUSTOMER INTELLIGENCE

The explosive combination of a., needing to know more about our customers with b., applications (such as social media) that produce huge quantities of data and c., the ability to store, process and evaluate those data has produced a new 'problem'. But dealing with 'big data' is no different from dealing with too many touchpoints: you just need to prioritize and to focus your efforts until you can decide whether the result would be worth going after it.

However, the benefit that can be derived from prudently-acquired customer intelligence is both enormous and beyond debate! We'd like you to set aside any *a priori* anxiety you may have concerning big data and consider the potential locked up inside your customer data.

CHAPTER 10, SOCIAL IMPACT

Social media is seen by many organizations as a class of new channels that can be used to communicate and interact with both prospects and customers. While there are some good best practices for using social media, there have been far more non-starters – and the occasional well-publicized disaster. One key reason for this is that few organizations understand social media from the customer's perspective: it's about the social, not the media.

To make it concrete, we'll also take a look at an example that analyzed the sentiment, topics and individual contributors of blog posts to see how those individuals can (and can't!) influence the community around them.

CHAPTER 11, MEASURING CUSTOMER IMPACT: DELIGHT VS. SATISFACTION

We've focused on taking the customer's perspective by defining the decision cycle and identifying relevant touchpoints. We've talked about what data is available and how it can be gathered and used, as well as how to choreograph a rewarding experience for all participants. But so far, we haven't measured the effect of interaction as seen from the customer's perspective. For many organizations, this means measuring customer satisfaction. But there's more to it than that.

CHAPTER 12, BONDING THE HUMAN TOUCHPOINT

While companies go to great lengths trying to divine an understanding of the customer and implement corresponding changes at the operational level, it's easy to overlook how these activities will affect the needs of customer-facing staff.

So, what happens when we announce to our employees that we've devised a wonderful new strategy for improving the customer experience – or anything, really – and they're the lucky ones who have to make it happen? The reactions usually range between dismay and uprising! Furthermore, do they even have the capabilities to enact our new program?

It seems obvious: no matter how well-founded and brilliant the measures we undertake to impact the decision cycle of our customers, it's all for naught unless we spend some time focusing on the humans behind the touchpoints.

Part III: Implementing the Customer Perspective

Congratulations, you've reached the nuts-and-bolts part of the book! In this section, we talk about the practical aspects of implementation: taking the customer perspective at your company. We provide guidance for assembling a customer perspective team, determining the initial business priority and customer segment focus, building the decision cycle, and identifying relevant touchpoints. Plus, we give you some tips and tricks along the way. And then we place at your disposal a wealth of materials – templates you can use – that have been tried and tested in myriad workshops I've conducted with a wide variety of clients.

In the last dozen chapters, we've laid out the key components and characteristics of a customer perspective:

- Orienting towards the customer's view of the purchase decision process, and away from the organization's selling process
- Learning that the decision process, and the associated customer experience, starts far before and ends far after the purchase/use of a product or service
- Taking that new understanding and applying it to a wide range of business topics
- Discovering which touchpoints – traditional channels as well as social and non-traditional media – the customers deem most important in their decision-making process
- Deciding on how to IMPACT those touchpoints
- Measuring the effectiveness of touchpoints, and the customers' satisfaction
- Collecting and combining data to create new insight that we can feed back into the equation
- And iteration of the whole process! Because changing customer touchpoints and business requirements will require cycling through and reusing this process regularly

These components are all part of a structured framework we call the *Customer IMPACT Agenda*, which we'll define in enough detail in Chapter 13 that you can apply it to your organization without having to pull in an external consultant. In addition, we'll refer repeatedly to an initial Customer IMPACT workshop, outlined step-by-step in Chapter 14. Furthermore, we've made a wealth of materials available for you to download from the CIAgenda website, which you can access using the code you received when you purchased this book.

CHAPTER 13, EXECUTING WITH IMPACT: A PRACTICAL APPROACH

Our goal is to provide a delightful customer experience by aligning the organization to the customer's perspective, needs and decision-making cycle and implementing enabling

processes around that new knowledge to IMPACT the touchpoints that are most relevant for them.

Sounds good, but how does an organization go about actually doing it? First you need a structured series of activities that lead to a restricted, hoped-for result. Armed with what you learned from that, you start again.

CHAPTER 14, TAKING STOCK: THE WORKSHOP

I regularly work with companies to help them break through the old organization-oriented perspectives and develop their own customers' decision cycles.

These sessions are very rewarding, although the participants nearly always go through the same predictable phases: skepticism → grudging resignation to go along with it → the initial “oh my, this isn't so easy” reaction → total engagement despite oneself → and finally, the “WOW!”

However, with this book and the materials presented here, and the commitment of a select group of your willing colleagues from a variety of customer-facing and back-office disciplines in your organization, it's possible to run your own workshop to determine your own customers' decision cycle for a specific target group, the key touchpoints, and the IMPACT priorities they require, so that you can lead them to your products or services.