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Customer Centricity

By Vanessa Gavan



Customer Centricity – The Key to a Sustainable Future

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In today's competitive environment, customer centricity is not aspirational – it's essential. Achieving a genuinely customer centred business is not easy, but with the right program, tools and support, any organisation can get there.

Personalisation and mobilisation are just two of the global megatrends identified recently by the CSIRO as impacting every organisation over the next decade. These two trends will drive fundamental changes in behaviour, tipping the scales for customers to be even more discerning, educated and demanding than they are today. We predict organisations will experience even greater challenges in the quest to build brand loyalty and sustainable customer relationships.

In such a dynamic marketplace, customer centric businesses will thrive. While others struggle, they will retain and grow customers by delivering on-target solutions that satisfy their customers' expectations every time.

What does consumer centricity mean?

Put simply, creating a customer centric culture is all about understanding your brand value and delivering it consistently to customers. This doesn't mean doing

everything customers want. It means focusing on what they value most, in line with your overall business strategy and brand promise. For example, the most important thing for a budget airline customer is price. While passengers might like extra leg room, they don't want it at the expense of low airfares.

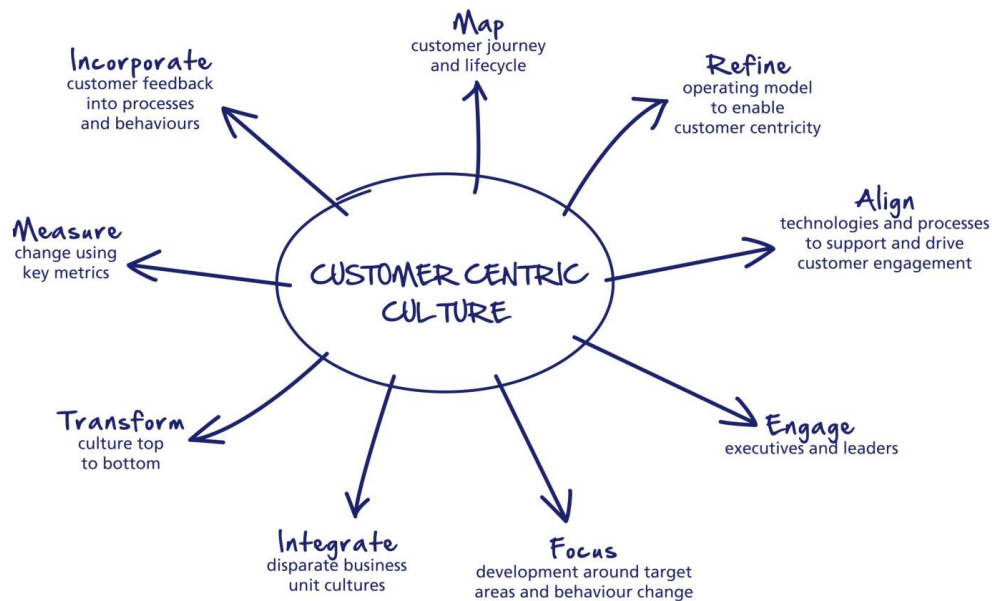
Many elements make up the customer centricity journey, and every Maximus client is at a different stage. So we start by helping to define what being customer centric means for your organisation and investigating how well you are meeting your customers' expectations. We frequently find a large gap between the two.

It's a fact that many companies believe they are delighting customers when their culture and systems are designed to disappoint them. In a global survey by the Chief Marketing Officer (CMO) Council, 56% of companies described themselves as customer centric. Only 12% of their customers agreed. Our customer experience program helps businesses to close the gap.

Creating a customer centric culture

Redesigning your organisation to put customers at the centre of every business decision can be challenging, especially if your business is product-focused, highly diversified or change-resistant.

Sometimes, we work with clients that have tried and failed. Some have addressed the issue from a cultural standpoint, others have revised their strategy and execution. Both approaches have flaws: they



either lack the essential customer perspective or they neglect the people element.

To provide an independent, external perspective, some organisations engage external management consultants, yet many consultancies miss the point: to build a customer centric company, you don't work from the inside out, you work from the outside in. In other words, your starting point shouldn't be your business strategy, or processes, or even your people - it should be your customers. This is where Maximus starts.

Our holistic, multi-disciplinary approach begins by mapping your customer's journey. Then we work with your people to align your whole business with the goal of improving customer experience.

While every customer centricity program must include a robust review of your strategy, operating model, technologies, processes, and policies, the key to true success will be your people. We go beyond the strategy and process elements that many management consultancies focus on – we also work

across several important human capital levers. These include organisational change management, leadership and mind-set solutions, and customer-focused development programs, reward systems and internal communications. By the end of our program of work, every individual understands the role they play in delivering your customer service vision and the behaviours they need to model.

Maximus' customer experience program is dynamic, interactive and ROI driven. It is also challenging and sometimes uncomfortable. In return, the outcome is a more customer centric organisation, with a measurable and sustainable improvement in customer satisfaction, employee engagement and sales results.

Putting members first leads to increased revenue

Maximus recently enabled a leading Australian Member Services organisation with a wide-ranging portfolio to achieve better customer centricity. We worked closely with them to devise, pilot and

implement a comprehensive member experience improvement solution for all their business units. Just eight months into the program, the first pilot business reports that customer satisfaction has improved significantly and sales are more than \$2M above target.

The solution was weighted around how Member needs were likely to change over the coming decade, the subsequent impact on the business units, and how they could meet these challenges. The organisation was vulnerable to increased competition, yet research identified several growth opportunities if it got to know its customers better, increased brand awareness and standardised the customer experience across its diverse businesses.

The organisation knew where it wanted to go, and engaged Maximus to help it get there. Firstly, we immersed ourselves in its service culture from both sides – customers and front line staff. Then we worked in partnership with our client to design a multi-dimensional solution encompassing strategy, culture, core behaviours, leadership capabilities, processes, support tools, and metrics. We created a clear brand for the solution that generated awareness, excitement and engagement.

A key element was mind-set shifts and lasting behaviour change. While recent acquisitions had introduced new products and services, they had led to inconsistencies in service levels and values. Maximus' solution involved agreeing on a new, whole-of-organisation customer experience vision and a core set of skills and behaviours to support that vision. As part of the initiative, Maximus devised and delivered a series of interactive behavioural

transformation programs that we tailored to the needs of everyone from sales centre staff and managers to blue collar workers.

We piloted the program with three business units and are now working with other parts of the business. Before, during and after the program we conducted a comprehensive ROI study to measure the outcomes. The key results from one sales centre eight months into the program included:

- Sales revenue targets exceeded by \$2.4M
- 110% increase in up-sell and cross-sell transactions
- Customer service KPIs exceeded by 4.6%

All key metrics are continuing to trend upwards, indicating that they are sustainable.

A Customer Centric Organisation:

- Has a clear, customer-centred vision with top down support.
- Makes every business decision in alignment with this vision.
- Knows what customers expect because it asks them.
- Tailors its products and services to what customers want.
- Meets customer expectations with every interaction.
- Regularly measures customer satisfaction and changes accordingly.
- Clearly communicates the importance of customer centric behaviour to every employee.
- Measures and rewards customer centric competencies and performance.
- Employs and promotes people who support customer centricity.
- Expects suppliers and partners to model customer centric behaviours.

¹ Hajkowicz, S and Moody, J, 2010, *Our future world. An analysis of global trends, shocks and scenarios*, CSIRO, Canberra

About the Author

For over 15 years, Vanessa has consulted to a range of leading Australian and international organisations to enhance business strategies, improve executive leadership capability, redesign organisation structures and deliver operational performance solutions.

As an entrepreneur and business leader, Vanessa has lived through every business lifecycle and has refined her abilities to inspire, deploy and motivate people to achieve great things.

Vanessa is wholly and personally committed to ensuring every Maximus solution is insightful, agile and delivers real financial return.

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