



Ultimate Guide to Customer-Centricity

Putting the Customer at the Core of Your Business



Presented by
CUSTOMER•RADAR

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Introduction

Take a good, hard look at your business. Are you customer-centric? What leads your business? The customer, or the bottom-line?

For some businesses, customer experience isn't their driver. For big discount retailers who have the "stack 'em high, watch 'em fly" mentality, customer experience isn't at the forefront of what they want to do. They're less concerned about whether they make a great impression or not because they have leeway on price. They know that if they can be cheaper than their competitors and market that well enough, they'll succeed.

But what about retailers with less weight to throw around? Or those who don't want to simply cut prices? Is customer centricity important?

We say yes. In fact, **it's critical.**



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The case for customer centricity

Today's business landscape is like none before.

Information is available at the touch of a button, and customer expectations are higher than ever. No longer does price or quality alone dictate a business's success. Today's deciding factor? Customer experience. For retailers to remain competitive, providing an outstanding customer experience is critical.

But don't just take it from us – new research has emphatically linked customer experience to profitability, showing that **86% of customers would be willing to pay more for a better experience**. This means that price doesn't have to be the only frontier which businesses compete on. There's another way, and as Amazon and other low-cost online retailers undercut virtually all other competition, having a successful customer experience strategy is key.

In the past, customer experience was arguably less important to the growth of your business. If you had the right product at the right price & at the right time, you were likely to win. A poor customer experience meant your reputation would be damaged, and you would most likely grow slowly, but it was less likely to drag you under.

Fast forward to 2018, and customers' expectations have evolved. Social media, internet and the smartphone mean information spreads like wildfire. One unhappy customer can lead to hundreds or thousands of potential customers lost. Customers are making purchasing decisions based on a total experience – not just their face-to-face interactions, but every single touch point with a company. As a result, the way we do business has fundamentally changed. Organisations unwilling to give customer experience the focus it demands quickly become irrelevant – in 1935, the average lifespan of a business was 90 years. Now, it's 18 years. The landscape has changed. **Customer experience is king.**

So, how do you determine if your business is customer centric enough to deliver the phenomenal customer experience necessary to thrive?



How to determine if your business is customer centric

Your business might have the words “customer” or “service” in its mission statement, but don’t let that lull you into a false sense of security.

Just about every business in the world has in their mission statement that they provide great customer service. The question is: Does your company actually follow through? Is the customer at the heart of your business, or are decisions driven by the finance or operations department? Do you talk about the customer every day, or just look at what they think once a quarter?

Take a look in the mirror and consider how you would answer those questions. Identify the areas in which you are focusing on customers and the aspects where you’re driven by other considerations. If the customer isn’t close by every key decision, then the reality is, your organisation isn’t customer centric.

In our experience, the most successful businesses in the world are the ones who genuinely talk about the customer in every major decision. If you’re changing a major system or process, think about why you’re doing it. Yes, you can do it for business efficiency reasons but is the ultimate goal to deliver a better outcome to the customer? How will this choice affect your customers?

By consistently asking yourself whether decisions will serve your customers in the best way possible, you’re arming yourself to make great customer-centric decisions.



Putting the customer at the core in four steps:

Here at Customer Radar, we believe the key to making your business customer centric is simple: Ask. Act. Improve. This is our philosophy, and we've built our business around this outlook. And here's how you can do this too, with four simple steps:

1. Gather validated, real-time feedback

Without visibility, it's easy to ignore the customer.

Because customer experience is intangible, it's difficult to see or know what the customer thinks. Unlike your financials, which are easy to report on and measure, there's no single stock standard way to measure customer experience yet. The result is, many businesses do customer feedback wrong.

As it stands, the average manager spends two hours per day looking at data. But it's the wrong data. The process is static – a snapshot in time, with valuable focus allocated based on recommendations rooted in past performance. In this day and age, that's like driving on the motorway only looking in the rear mirror. Not only a waste, but dangerous.

What's needed is validated, real-time feedback. You need to know what your customers are thinking right now – not what they thought months ago. Unless your business specialises in telepathy, you'll need a validated, reliable method of doing this in real-time. There's no use basing significant business changes on anecdotal stories, or old, stale data. Ensure that you're receiving a constant flow of actionable feedback from your customers, and you're well on your way to being in tune to their needs. Investing in a measure like a smart Net Promoter Score platform, which is set up so that feedback goes directly to your staff in real-time, can make all the difference.

Fact beats opinion every time. Move your business towards having the customer at its core by making sure all important decisions are backed with solid, meaningful data to take the guesswork out of your operations.



2. Create customer champions

No organisation will become adept at customer centricity simply by measuring and setting standards. It's a start, but there needs to be accountability for the gap between what your customers are saying they want, and where your organisation currently is. When combined with transparency, this is an incredibly powerful tool for putting the customer at the core of your business.

That's why you need a customer champion.

A customer champion is someone who puts the customer's voice first. Someone who makes sure that the business is making it easy for customers to give feedback, while also ensuring that the business is then using that feedback to act and improve.

It doesn't matter which department your customer champion comes from. What matters is having someone who is passionate about the customer experience and able to influence the entire business. At the automotive retailer **Repco**, for example, there's a frontline retail staff member who is so passionate about getting customer feedback that she drives the rest of the team at her branch to get involved. Similarly, a **New World** supermarket has a customer experience champion who liaises with department heads on a regular basis to address customer concerns, and start customer initiatives. Both businesses have quickly seen a tangible uplift in customer loyalty and upsell value.

If you don't already have someone responsible for driving engagement with customer experiences and the use of customer feedback technology, and you're serious about customer centricity, choose a champion. Decide who's truly customer centric and wants to make a difference in the business, and empower them to lead your customer experience revolution. When it comes down to it, technology alone is not the silver bullet that will improve your customer experience – it's people. So make sure they've got a champion.



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3. Empower all staff to be customer-loving

Capturing feedback and appointing champions will send you well on your way to being a customer centric organisation, but what will really create change is activating your entire staff to be focused on the customer.

What does this look like?

Empowerment. Your people need to know that they have the ability to make decisions on the fly that have the customers' best interests at heart. If your staff are tied up by a bunch of rules and policies, they will inevitably miss fantastic opportunities to 'wow' customers. Often it's the initial response to a problem, or the quick thinking to go the extra mile, which is the difference between standard service and a phenomenal customer experience. By empowering your staff to take these actions, you create an organisation which is truly customer centric.

Give permission to your employees to question the status quo, and make changes. Many long-term industry leaders have mastered this art. Virgin, for example, encourages staff to step outside the square, saying **"It is up to those in charge to empower their employees – not rule over them."** This is not just a trait of small companies and agile startups, corporates can also implement flexibility that allows the customer ambassador to pivot quickly and provide great service. Often new staff may have come into your business from environments which don't necessarily place such a high value on feedback, so creating this kind of culture begins with creating the right expectation on day one.

One of the best ways to impress upon new staff that customers are central in your organisation is simply to provide them with a piece of real-time customer feedback on their first day. Rather than constantly espousing the value of feedback, it's much more powerful sitting down and saying "Steve, we've just received some feedback from a customer about your service. You helped them find the product they were searching for, and you were very helpful and polite." It's safe to say that an interaction like this will quickly make new staff realise the customer is alive within your organisation, and they have the power to influence it positively.

Ultimately, when your team understand the customer has a voice, and your organisation is one that listens to that voice, their approach to service will be entirely different.



4. Begin at the top

If you're a CEO or a business owner, you need to ultimately own the customer experience.

Yes, common knowledge is that "everyone owns the customer experience." Yes, you're busy and have financials to worry about. But no, ultimately nothing is more important for the success of your business than customer experience.

Here's why: Businesses exist for one reason and for one reason only; for their customers. If your customers aren't happy, they leave, and your organisation ceases to exist.

For customer experience to truly be valued in an organisation, the management needs to lead by example and own it. It all starts at the top. When your leaders ask about customer experience scores before financial results, that sets the tone. Your team will see that customer experience is a focus in your organisation, and start treating it as such. Leadership from the front sets the standard of establishing a genuine ethos of customer accountability, rather than a superficial statement.

The best way to achieve this is by leveraging your customer feedback as an opportunity for role modelling. As a leader, your job is to constantly live out the behaviour you'd like to see in your staff. This could be as simple as dropping everything to help a mother with toddlers carry her groceries out to the car—anything that is a visible reinforcement of the actions your customers love. When new team members see this type of behaviour coming from the top of the business, they know how to act.

Modelling positive behaviour goes beyond just talking about the importance of customers. It says to staff, "It's OK to use your initiative to help the customer. That's what we do here." When staff are empowered with this freedom, service levels automatically lift. The same can be achieved through coaching of negative customer feedback – if a complaint comes through, it presents a perfect opportunity to sit down with the team member, and coach them through what they might have done differently, while the experience is still fresh in the mind.



Put the customer in your future

Having great customer experience is aspirational – it's something that you should always strive for, but will never complete. Think of it like staying fit – you have to keep going to the gym and changing things up to continuously get results.

Just like your fitness, customer experience is something you need to consistently work on as opposed to something that you can tick off your list. Work on putting habits in place that will continuously challenge you to do better – make it part of your processes and systems to fully embed it into the day-to-day of your business; share daily reports and set aside time each day for your managers to take action based on the findings. Regularly reward those who are achieving high customer satisfaction scores, or make sure you've got processes in place to deal with any issues.

As retail changes, the only reason many people are going to come in-store is for the customer experience. When they can buy it cheaper on Amazon, why would they buy it from you? The difference is customer experience – and to create a fantastic customer experience, it must be your leading strategy. Only with a commitment to continuous improvement and keeping the customer at the heart of your business will you succeed.

So be honest – are you truly customer-centric? If not, **give us a call**—helping you be customer centric is kind of our thing.

