



What does it mean to be a truly customer-centric organization?

With Tom DeWitt, PhD.

About the Speaker



Tom DeWitt

Director of CXM@MSU
(Customer Experience
Management at Michigan
State University)

- Dr. Tom DeWitt joined the marketing faculty of the Eli Broad College of Business at Michigan State University in 2018.
- He is the founder and Director of CXM@MSU, an entity designed to engage industry in the advancement of field of customer experience management (CXM).
- CXM@MSU hosts an industry best practices symposium twice a year, delivers a CXM workshop series, and is creating an online master's degree in customer experience management.
- Tom is also the founder and president of CX of M - Michigan's Association of Customer Experience Management (www.cxofm.org).
- Tom is regularly called upon for his expertise in CXM by Fortune 500 companies.
- Tom has travelled to over 40 countries and has lived in China, Singapore, South Korea, Ecuador, and Hawaii.
- He also hosts a podcast on customer experience management - The Tom & Bob Show

The Agenda

01

Customer-centricity:
Why bother?

02

The Importance of the
customer experience

03

Customer-centricity &
customer experience

04

Customer-centricity
defined

05

Benefits of being
customer centric

06

Habits of customer -
centric organizations

07

CC Score

08

Challenges in being
customer-centric

09

Strategies to overcome
the challenges

Customer-Centricity: Why bother?

**80% of CEOs believe they offer
superior customer experience
Just 8% of their customers agree**

Source: Bain & Company

“

51% of customers will never do business with a company again after only one negative experience.

Source: NewVoiceMedia.com

“

74% of people are likely to switch brands if they find the purchasing process too difficult.

Source: Salesforce

“

Improvements in customer experience can lead to a **10% to 15%** reduction in customer churn, **20% to 40%** increase in win rates of offers, and **50%** lower costs to serve.

Source: McKinsey & Company

Great Customer Experiences Don't Happen in a Bubble





POLL

Do you consider your organization to be customer-centric?

01

Yes

02

No

03

Maybe



QUESTION

What words would you use to describe what it means to be a customer-centric organization?

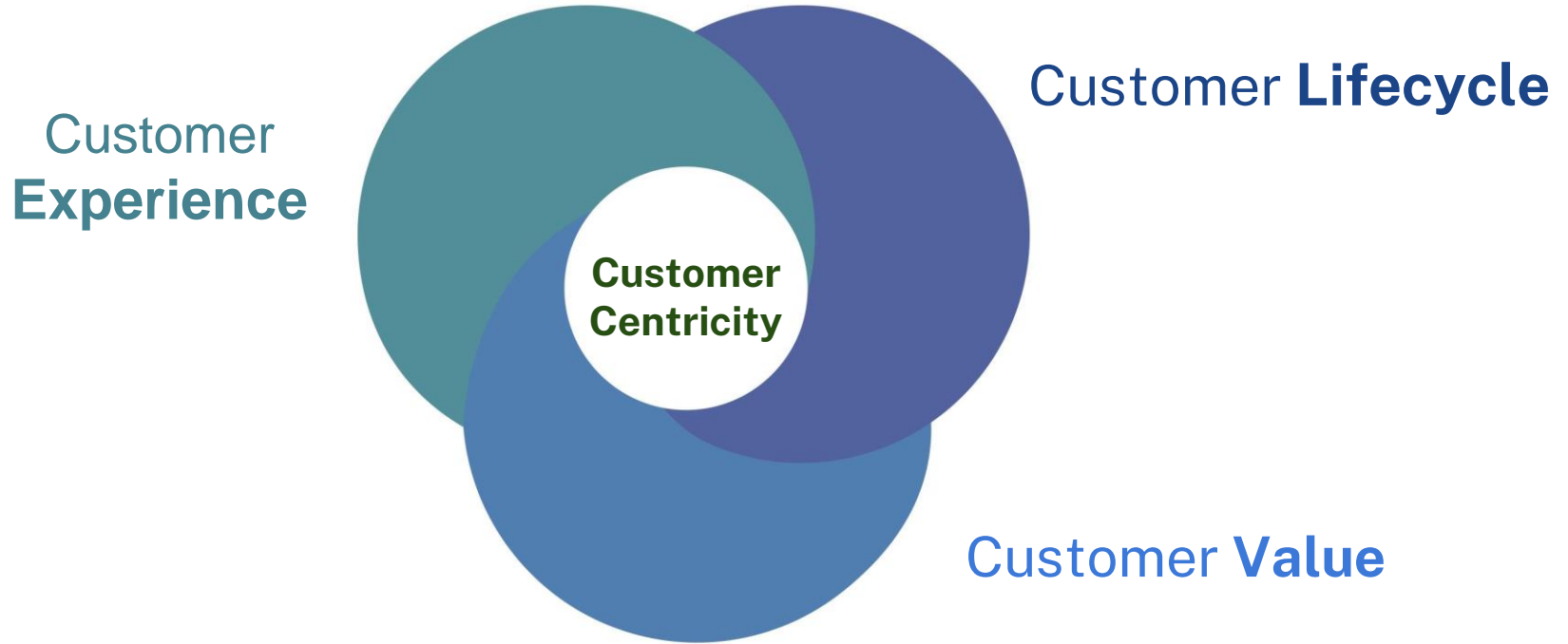
Go to poll at: poll.ev.com/tomdewitt982

What words would you use to describe what it means to be a customer-centric organization?



Customer-Centric Organizations

Customer-Centricity



Customer-centricity

Customer-centricity

Putting the customer central to your long-term company vision as well as your daily processes (such as the products/services you offer, the way you communicate, the channels you use) in order to strengthen the relationship with your customer

Customer experience

The sum of all experiences or interactions a customer has with a company, both online and offline

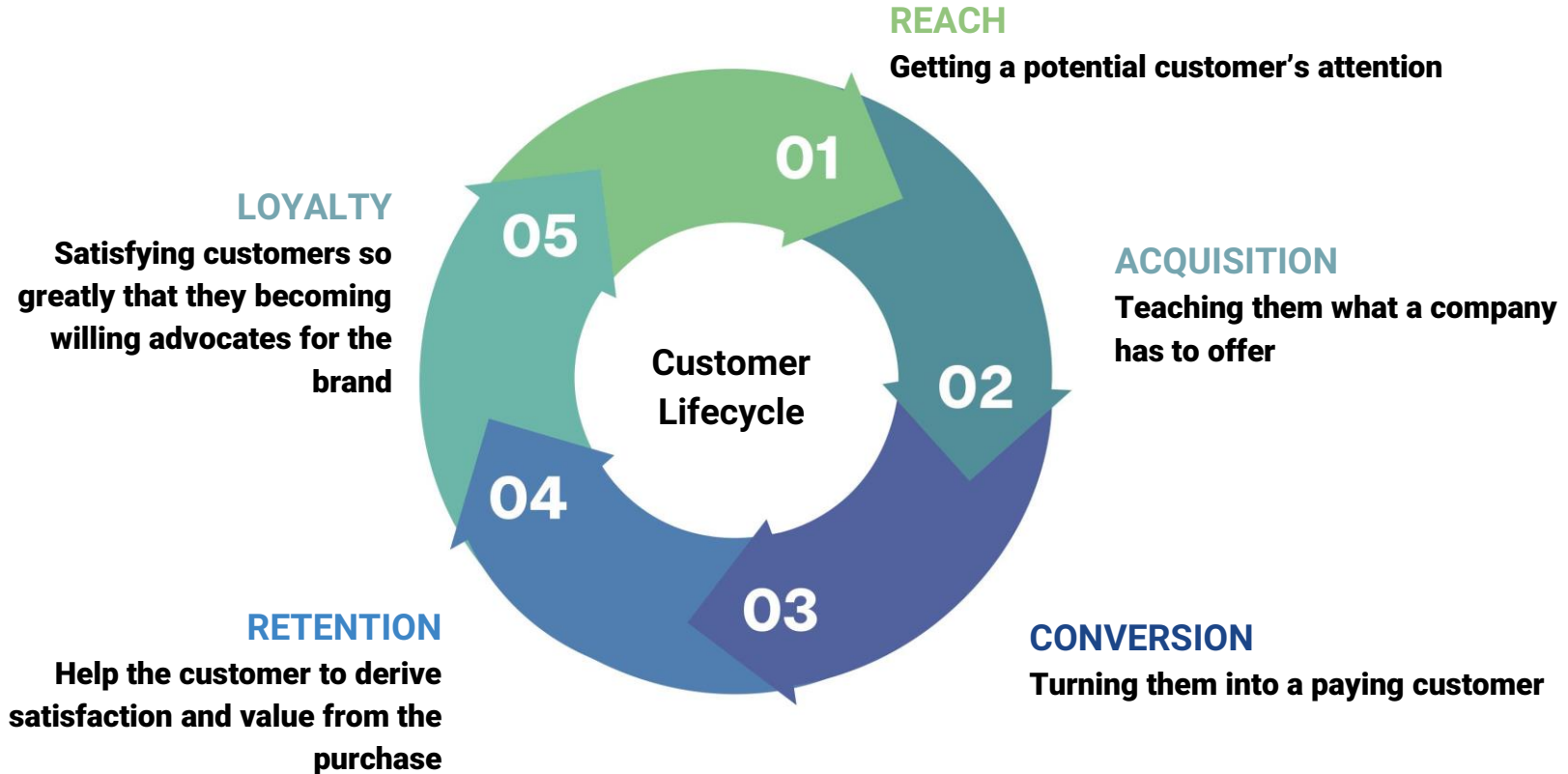
Customer value

The total value of a customer, both actual and potential value, both directly and indirectly (referral value like promoting a company, the influence on social media)

Customer lifecycle

The (natural) evolution a customer goes through as defined by one or more aspects related to his or her needs (life stages, lifestyle and relationship with company)

Customer Lifecycle



What do customer-centric organizations look like?

Habits of a customer-centric organization

- 01 Continuously listening to customers
- 02 Consistently following up with customers on their feedback
- 03 Acting proactively to anticipate customer needs
- 04 Building customer empathy into processes and policies
- 05 Respecting customer privacy
- 06 Sharing knowledge internally with customers
- 07 Motivating employees to stay engaged
- 08 Acting systematically to improve the customer experience.
- 09 Creating accountability for customer experience improvements.
- 10 Adapting to customer demands and circumstances in real-time.



POLL

Which of the following habits of customer centricity does your organization exhibit?

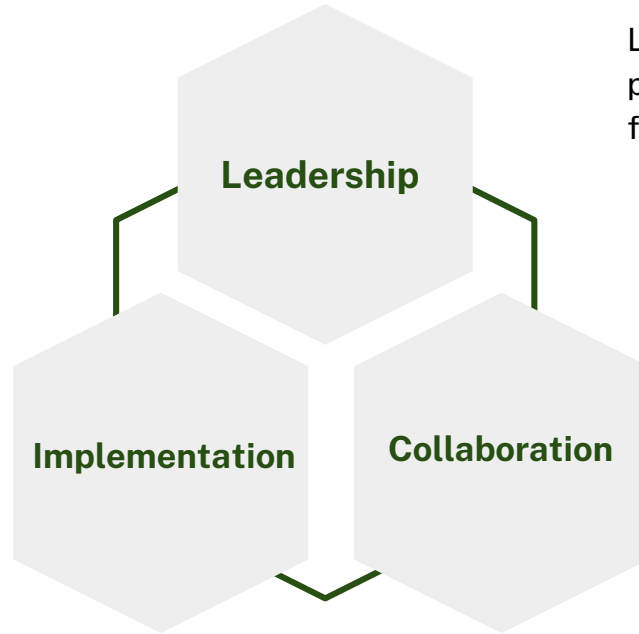
- A** Continuously listening to customers
- B** Consistently following up with customers on their feedback
- C** Acting proactively to anticipate customer needs
- D** Building customer empathy into processes and policies
- E** Respecting customer privacy
- F** Sharing knowledge internally with customers
- G** Motivating employees to stay engaged
- H** Acting systematically to improve the customer experience
- I** Creating accountability for customer experience improvements
- J** Adapting to customer demands and circumstances in real-time

Customer-Centricity Score (CCScore)

Customer-centricity score (CCScore): 3 Dimensions

Implementation

Deliberate implementation of customer-centered processes and systems makes it possible to deliver truly relevant and holistic customer experiences.



Leadership

Leadership captures the main parameters an organization uses to focus on its customers holistically.

Collaboration

Collaboration refers to a thoughtful, open and tolerant way of working across all organizational structures in order to develop a customer-centered approach.

Leadership

Incentives: We prioritize customer satisfaction goals as well as financial or technical goals (sales goals, sales targets, time-to-market, releases, etc.)

Commitment: Management champions a customer-focused approach by their actions.

Enabling: Management has given employees the necessary tools to be on the job.

Openness: Our company culture encourages employees to be innovative and independently come up with novel solutions, as new ideas enrich the firm.

Prioritization: Employees are aware that customer orientation is important, as customer orientation is perceived as a top priority in the company.



- Software company that replaces company's core system of record for HR and finance
- Boasts a 97% customer satisfaction rating
- 96% of Millennial employees say Workday is a great place to work

Core Values

- **Employees** Hire the best and expect great accomplishments
- **Customer Service** Every investment and decision has customer in mind
- **Innovation** Aim for innovation in all aspects of the business
- **Integrity** Stick to commitments, treat everyone equitably, and communicate openly and honestly
- **Fun** Invest in events that help employees and families to connect
- **Profitability** Profitability allows organization to meet employee and customer needs

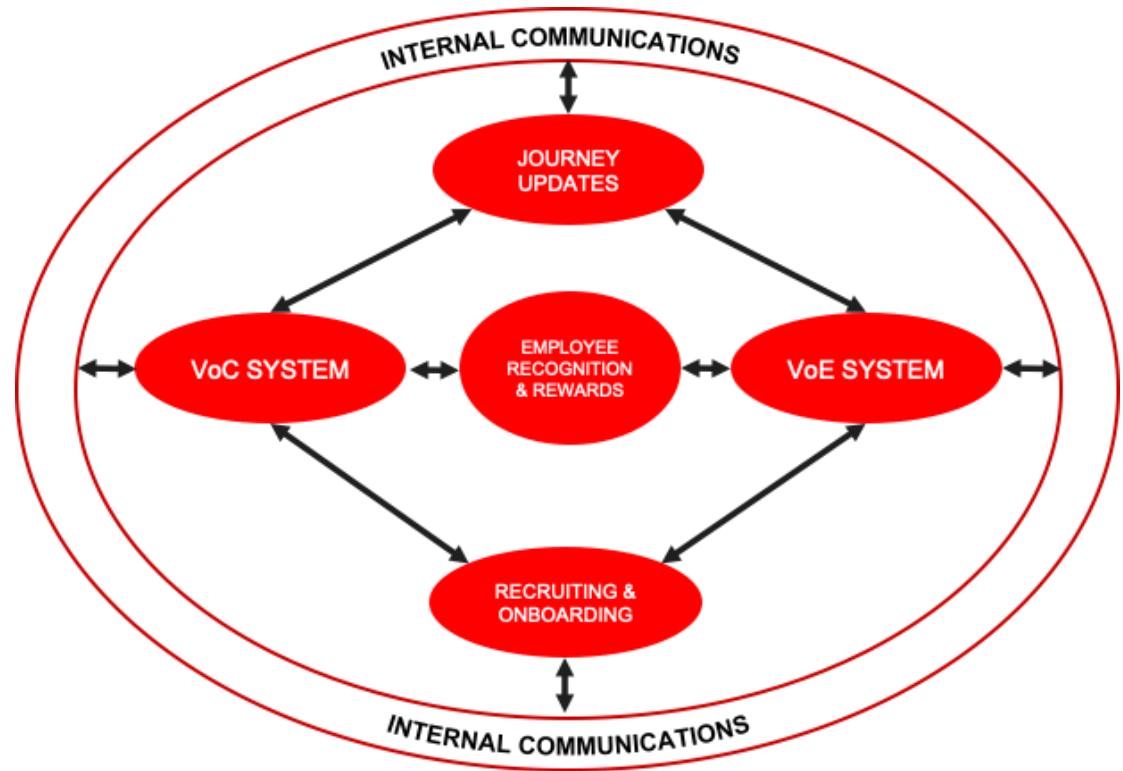
Alignment: All business units are constantly in contact with customer touchpoints.

Cross-functionality: Teams work impartially across organizational boundaries. There is no silo mentality in the firm

Persistence: Once decisions are given the green light within the company, they are put in place.

Learning Culture: The firm is continuously developing its products. Customer and employee feedback are integrated through a continuous improvement system.

Tolerance: Employees can express their opinions freely and are encouraged to try out new things without any consequences.



- Largest malpractice insurer in the United States
- Created cross-functional teams to address customer-centricity goals as a part of an organization wide effort to manage the customer experience
- Each team has representatives from multiple departments

#3

Implementation

Personal Responsiveness: Employees can respond to customer feedback in real-time with individual solutions ("moments of truth", "magic moments").

Customer Integration: Customer input is integrated into the development of new products and service solutions.

Experience Design: The desired customer experience is clearly defined from start to finish. The experience is in place and everyone is familiar with it. Everyone knows their role in the customer experience chain.

Customer Insight: Employees really understand the needs of the customers. Information on customer insights is available in the firm.

System Support: All systems, processes, and channels are designed to successfully support customer satisfaction.



- \$2.7 billion manufacturer of shoe brands such as Saucony, Merrill, Sperry, Chaco, CAT footwear, and Stride Rite.
- Consumer insights oversees 10 different brands serving a wide range of market segments



Insight Communities

- Focus on building relationships
- Made up of a cross section of customers, employees, shareholders
- Work more closely with C-level executives and marketing teams to deliver information quickly and to account for customer needs early in development.
- Produce high quality feedback on how stakeholders think and feel about their products.

Benefits of being a customer-centric organization

1.

Increased Customer Satisfaction and Loyalty

Customer satisfaction is a necessary, yet not sufficient requirement for loyalty.

2.

Help organizations to recognize growth opportunities

Are you selling 'drill bits' or 'a hole in the wood'? Anticipating unmet needs and focusing on creating a unique value proposition.

3.

Increased Employee Satisfaction and Loyalty

73% of those who consider customer satisfaction to be a key priority find their job to be meaningful and 85% expect to be in their job in two years

4.

Increased profit and market share

Customer-centric organizations are 60% more profitable than their counterparts.

Challenges in being a customer-centric organization



Advice moving forward

1.

It starts at the top

Get leadership buy in and vocal support for customer-centricity

3.

Engage the organization

Engage everyone in the organization in a customer-centric vision, mission, and values exercise

2.

Create a CXM governance team

Create a team that spans your organization, both horizontally and vertically, in both customer facing and non-customer facing roles

4.

Understand your customers

Segment your customers, create customer personas, map out journeys, and understand their pleasure and pain points



Questions?

Submit your questions in the Zoom chat

Keep in touch!



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podcast/the-tom-and-bob-show/id1513629176

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