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The Challenges of Becoming Customer Focused

If customers drive business success, then becoming customer focus is mission critical. Trying to stay customer focus is considerably difficult. Here are some of the many challenges you will have to confront if you expect to be customer focused:

- <u>Higher Customer Expectations</u> Customers are becoming very demanding. They now expect almost everything: Low costs, high quality, excellent functionality, perfect solutions, and so forth. And this trend is not letting up! So you must constantly find ways to improve and do things better, knowing that customers will demand more and more going forward.
- <u>Shifting Flows</u> Customer preferences will shift as people migrate and age. Economic and cultural trends will impact how people buy products and services. The market is very much psychologically driven and trying to unravel this can be quite daunting.
- <u>Abundance of Choices</u> Years ago we all had limited choices when it came to products and services. Now you see incredible specialization and niche marketing, providing customers with a wide range of products, features, and services.
- <u>Intense Competition</u> The world of global competition has given rise to an extremely intense competitive environment. As long as a company has access to the global community of resources (programmers in India , designers in Italy , low cost manufacturing in China), then it really doesn't matter where the business is located at.
- <u>Innovative Improvements</u> A static product or service without innovative improvements is at risk. You can't simply continue to provide the same identical value proposition to the customer over and over again. It must evolve and change to meet changing requirements and needs of customers.

"Customers have taken control of our companies' destinies. Customers are transforming our industries. And customers' loyalty - or lack thereof has become increasingly important to executives and investors alike. If you try to understand the ups and downs of the current economy by focusing on technology trends and investment fads, you're going to miss the true underlying shift that's underway. Customers are in control. They're changing the face of business as we know it. And your company's value is in their hands. Your customer franchise has suddenly become the scariest and the most crucial resource for your business." - The Customer Revolution: How to Thrive When Customers are in Control by Patricia B. Seybold

All of this can be quite challenging, but there are ways of making your business customer focused. For example, you will need great people on the front lines dealing with customers in a personal way and great products and services with strong underlying support from marketing, distribution and other logistical processes. All parts have to work together – product development, marketing, customer support, and any organizational unit that plays a role in touching the customer. An enterprise wide approach is needed since you want to great customer service to become a core value for the business.

You should also put emphasis on things that move from just customer satisfaction to customer loyalty. For example, creating a brand that customers identify with can help set your product or service apart from the many choices in the marketplace. Another trend that appears helpful is one-stop shopping. For example, people want convenience such as shopping at Wal-Mart to easily purchase everything they need. Therefore, you will need to have easy access for executing sales and service after the sale. People want the "whole package" and not just a small piece of the package unless you are highly specialized and extremely good at what you do. Accessibility and availability are now important factors behind servicing customers. Just walk into any airport, food store or bank - you see customers getting tickets from machines, not from the ticket agent, people using self-checkout at food stores, and conducting bank business through an automated teller machine. These new tech-interfaces have become part of the new reality of customer access and service.

"Relationships are a way of describing the evolving intellectual and emotional context in which customers' interactions with companies take place. Together, interactions and relationships generate customer experience which in turn influences how future customer behaviors and attitudes unfold. Smart managers actually work backward from the appropriate customer experiences they wish to deliver, to the interactions and relationships that shape those experiences, to configuration of the interfaces and interface systems that will successfully mediate those relationships. Why is this important? Increasingly, companies differentiate their offerings not by what they sell but by how they sell it." - Best Face Forward: Why Companies must Improve their Service Interfaces with Customers by Jeffrey F. Rayport and Bernard J. Jaworski

If you expect to service customers really well then you'll need a lot of feedback systems in place – tracking customer satisfaction ratings, internal statistics and measures, market research, and quality control processes. Also, don't be reluctant to drop bad customers – they tend to prevent your company from focusing on the good customers. You want to assign your best people to your best customers – this is the fertile ground for customer loyalty (the ultimate goal).

Finally, many companies are implementing formal customer relationship management systems to pull all of this together. A comprehensive system can be powerful for analyzing and transforming information into intelligence. This can help lead to predictive type planning by customer segments using rather formal tools such as Behavior Maps. All of this gets back to not just technology, but the ability to listen, learn, adapt and predict what you must do to better service your customers.

"Listening does not mean corresponding. Listening does not mean simply looking at someone while she speaks to you. Listening means being actively engaged in the process of seeking to understand another person. Listening is not just about what you do, it is about what your partner experiences. It is, therefore, a contact sport. Listening without contact, without dramatic connection, is like looking without seeing. And given the uniqueness of being really heard, the customer will remember long those who listen well." - <u>Customers as Partners: Building Relationships</u> that <u>Last</u> by Chip R. Bell