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CUSTOMER-CENTRICITY: Emerging Trends and Leading-Edge Insights

Are you familiar with recent buzz terms such as customer-centricity, customer obsession, and customer experience? We hear them a lot these days. What do they mean? Why are they important? What's in it for you to learn more about creating a more customer-oriented organizational culture? In my curiosity to learn more about this corporate evolution, I interviewed executives and managers from organizations that exemplify customer caring. They shared their understanding of customer-centricity, related challenges, risks of not addressing customer experience, and best practices. I wanted to share this value-packed knowledge with you so that you may learn from and apply it as well.



CUSTOMER-CENTRICITY AND ITS RELATED TERMS AND INITIATIVES are a response to our rapidly changing world where offerings and services may be replicated relatively quickly. They are also a response to our increasingly cyber-based environment where we are at risk of losing connection with each other as human beings, a core human need. Pure and simple, practicing customer-centricity means putting the customer at the centre of all areas of what we do from interaction with customers to making it easy for the customer to do business with us to following up to see how the customer is doing and hearing their wants and needs to modify our offerings and how we do business accordingly.

According to Morana Bakula, VP Customer Experience at Bond Brand Loyalty, *“our brand of customer-centricity is promised to customers through advertising, modes of media, experiential events, and ways of projecting brand.”* Further she shares that *“it is where the brand expresses itself in human form through its culture, its people, and in the way that people show up.”*



The **PURPOSE** of such concepts is two-fold. The first purpose is to differentiate oneself from one’s competitors. The second is to make genuine connections with the people for whom we are in business and make a meaningful difference in our world.

This is very positive and intuitive yet it **COMES WITH CHALLENGES, CHALLENGES WORTH OVERCOMING**. Without addressing these, there is an enormous gap between what is and what is possible. The three top challenges that were common to those who I interviewed were distraction, organizational silos, and inherent ambiguity.

- 1 DISTRACTION:** Have you ever felt drawn to a solution one month only to be attracted by another solution a few months later? Creating customer-centric culture takes belief, persistence and patience. A distraction by a new quick-fix solution or, alternatively, by a slow change in bottom-line results can pull this worthy endeavour off-track.
- 2 ORGANIZATION SILOS:** Have you ever tried to implement an idea to make your organization a better place and been stalled by divisions within the organization? Often, within organizations, there are functional divisions that are, for various reasons, quite separate from each other (Adam Taylor, Managing Director, Canada at Development Dimensions International). For customer-centricity, collective action and alignment around the values related to both team and customer engagement are required. There are significant benefits to creating a seamless experience for the customer.

An illustration of when this is not the case is when we call an organization, get transferred from one department to another only to be put on hold and have to repeat our story over and over again. We know how frustrating that this can be. Would we want this for ourselves, our team members and customers? Would we rather they feel valued?

- 3 **INHERENT AMBIGUITY:** Have you ever tried to implement something that has many moving pieces which makes it difficult to measure? As you consistently enact your culture, it will evolve over time. Because we are dealing with the nature of human beings and human systems, all is not clear-cut.

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Although there are these very real challenges, **there is much at stake if we do not shift organizational focus to our customers.** “*Products and services can be replicated; culture cannot*” (Morana Bakula, Bond Brand Loyalty).

Without customer focus, “*you build the wrong products and experiences*” (Jeff Cates, President & CEO of Intuit Canada). “*You do not have the agility required to respond to the market quickly*” and “*Your competitive advantage is not realized*” (Adam Taylor, DDI). “*Your costs increase,*” says Morana Bakula: “*It takes 4-5 times more to attract a new customer than to keep an existing customer.*”

All interviewees said that “*to ignore customer-centricity is to become irrelevant.*” In today’s marketplace, expectations are high, and competition is stiff. Without customer engagement, your organization is ultimately at risk of going out of business.

It is important to consider the benefits of doing what it takes to create a people and customer centric culture. Why is the word ‘people’ coming in here? Without your people being engaged, it is very likely that your customer will not be engaged. Your people are who enact your culture through their behaviours. They demonstrate the behaviours required to engage your customer. It starts with you, your leadership team, and your team members--your internal customers--and is created from there.

This leads us to **best practices.** What do companies that have invested in creating this environment do to create, improve and sustain customer-centricity and the related customer loyalty and advocacy?

They have a strong belief that enables them to be focused and remain patient. They create alignment between their people and their vision and between what they provide and their customers. They address ambiguity by creating clarity and ongoing communication as well as common language to communicate relevancy at each level and area of the organization and by measuring how this is impacting internal and external customers.

- 1 FOCUS:** In order to focus on something, with so many available distractions, one must believe what they are doing is important and meaningful. *“This creates actions and results”* (Morana Bakula). It also *“supports boundaries relating to priorities”* (Lindsay Hammond, KPMG and Shannon Bayer, AVP Strategic Partnerships, Linkage, Inc.) and informs *“organizational structure to provide what is important”* (Liz Stretch, Chief People Officer at ATB).



It cannot be done as a pure justification to the end of increased market share or return on investment. It must be done from the mindset that this is the right thing to do for the right reasons so that it is worth persevering, experimenting, fine tuning, and continually innovating. As Carol Taylor of Mary Kay put it: *“For us, P&L means People & Love rather than the traditional Profit & Loss”*. People and love lead to profit; lack of people-focus and love lead to loss.

- 2 ALIGNMENT:** Alignment comes from recruiting people with people-centricity in their DNA (Liz Stretch, Chief People Officer, ATB Financial). Alignment also comes from providing clarity



about why this is important, modeling from leadership and clear direction from leadership (Jeff Cates, President & CEO, Intuit Canada), consistency (Lindsay Hammond, KPMG), continued conversation, values alignment, training (Lindsey Smith, CIR Realty), latitude and accountability for all to do what is right in the moment for the customer, processes that allow your team and customers to interface easily with each other and with your systems (Morana Bakula, BBL, and Lindsey Smith, CIR), and acknowledgement and rewards for exemplifying team and customer engagement. Alignment takes dedication.

- 3 CLARITY:** To combat uncertainty, we need to support transition with ongoing communication, clear and common language, training and flexibility so that each team member may translate the vision into their areas of responsibility and “create positive impact rather than simply checking a box” (Adam Taylor, DDI). In addition, because uncertainty is inevitable, coaching for embracing uncertainty, normalizing it, and providing tools to deal with it are important. People need to feel safe to try new approaches, make mistakes, and learn in this ever-changing environment.



It is also important to decide, up front, what success will look like, establish a benchmark for where the culture is at currently for both internal and external customers, what the relevant indicators are, and how to measure them. In order to do this, one must ask the right questions.

Asking the right questions and using the relevant measurements are means to set the right direction and observe progress along the way. This is mirrored by Adam Taylor, DDI: “*Have the right conversation with customers*”, and Jeff Cates, Intuit Canada: “*Keep asking ‘What is important?’*” “*In conversation with clients, show what good looks like so they can make an educated choice*” (Shannon Bayer, Linkage, Inc.).

This is a challenging and worthwhile opportunity to position yourself, your team, and your organization for success in this complex world of the 21st century Knowledge Era, where *“businesses are undergoing a vast cultural shift—transforming from the mass marketing, product-siloed thinking of the Industrial Age to the customer-empowered culture of the Information Age and the Age of Transparency, where the primary goal is building relationships with individual customers who become measurably more valuable to the enterprise”* (Peppers & Rogers, 2016). The prior Industrial Era command and control leadership no longer applies for many organizations.

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Leadership Coaching and Organizational Culture Consulting can support you in your transition to a new way of leading and being successful in this quickly changing world both from a bottom-line perspective and from the more altruistic perspective of providing a workplace that supports people to be fulfilled, happily productive, and openly innovative. This, in turn, supports customers to feel valued. It supports what we have now *“a service-based economy”* (Shannon Bayer, Linkage, Inc.).

As published by the International Coach Federation (the leading global organization dedicated to advancing the coaching profession by setting high standards, providing independent certification and building a worldwide network of trained coaching professionals),



“Coaching is ushering in a new corporate culture that increases productivity by changing it from command and control to collaboration and creativity. Coaching helps facilitate executive education and training and helps integrate innovation and technology into corporate learning.

It's helping close the gap between younger employees and experienced business people by empowering employees and encouraging creativity and collaboration. This increasing engagement is essential for corporate cultures to move forward with industry trends.”

In conjunction with the strength of objective third-party coaching, organizational culture consulting from a systems perspective, from a balcony view, can bring new ideas to liberate your people to create the culture to adapt that will engage your customers, keep them coming back, and recommend you and your offerings to others.

If you would like to discover more about how to understand how to create the customer-centric evolution of your business and the related engaged leadership and organizational culture, contact us to continue the conversation.

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RESOURCES

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