



Euro Attractions Show

Customer Centricity: Luis Huete

luis huete



CLIENTING: mastering the challenge of Customer Centricity

0 Mapping the hot issues around customer centricity

My top concerns

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The top concerns of others in the group

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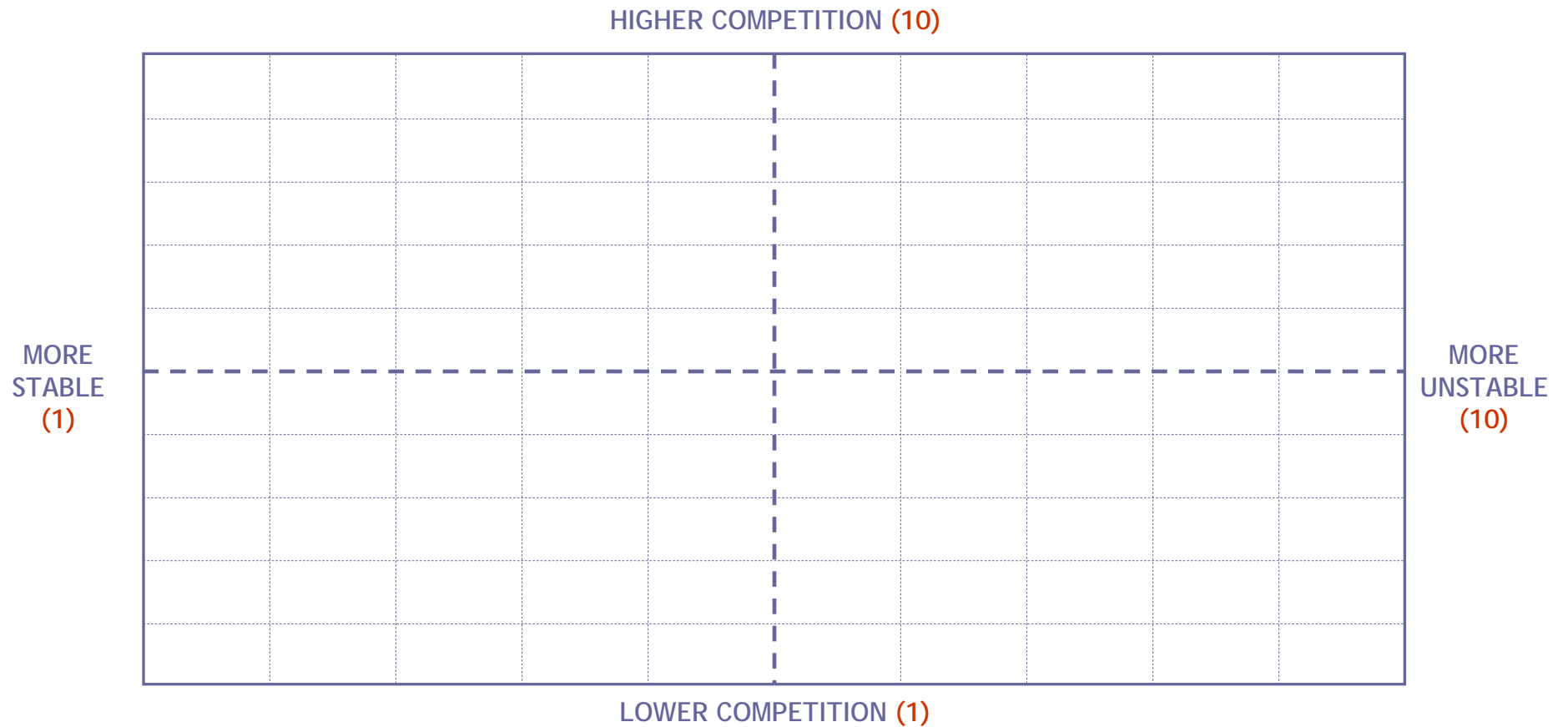
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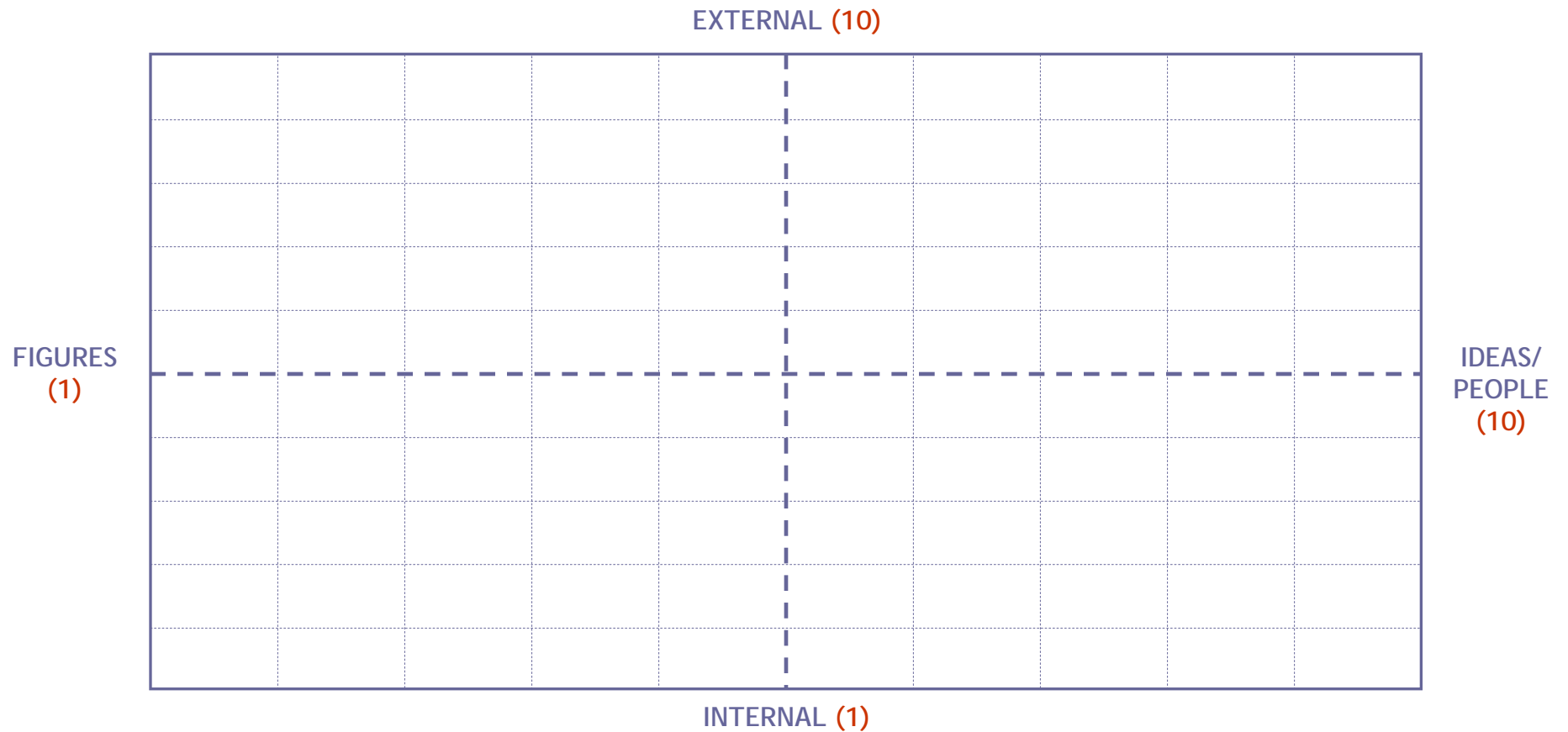
1 Where are we heading...

...markets?
...competition?



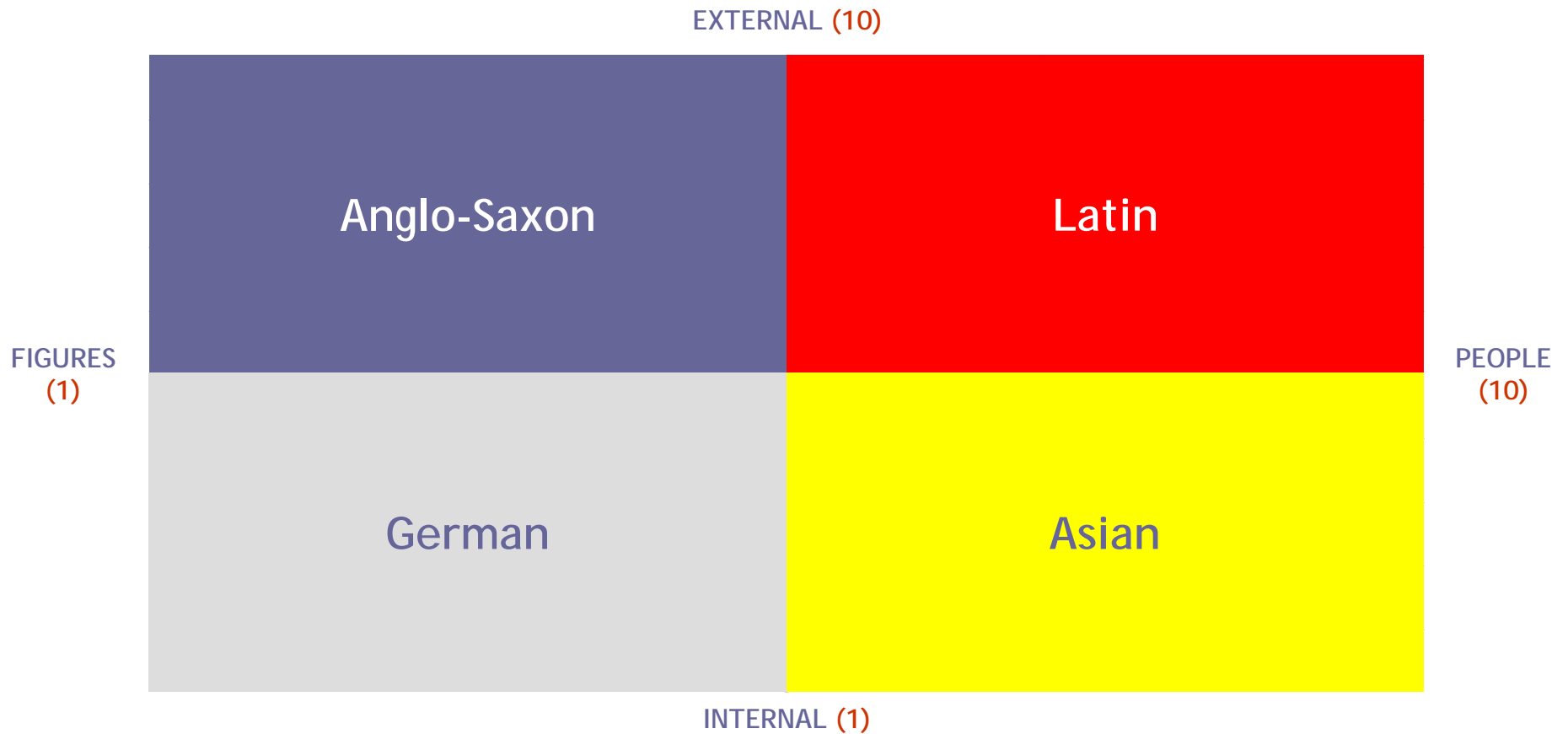
2 Where are we spending most of our energy:

figures or ideas/people?
internal or external?



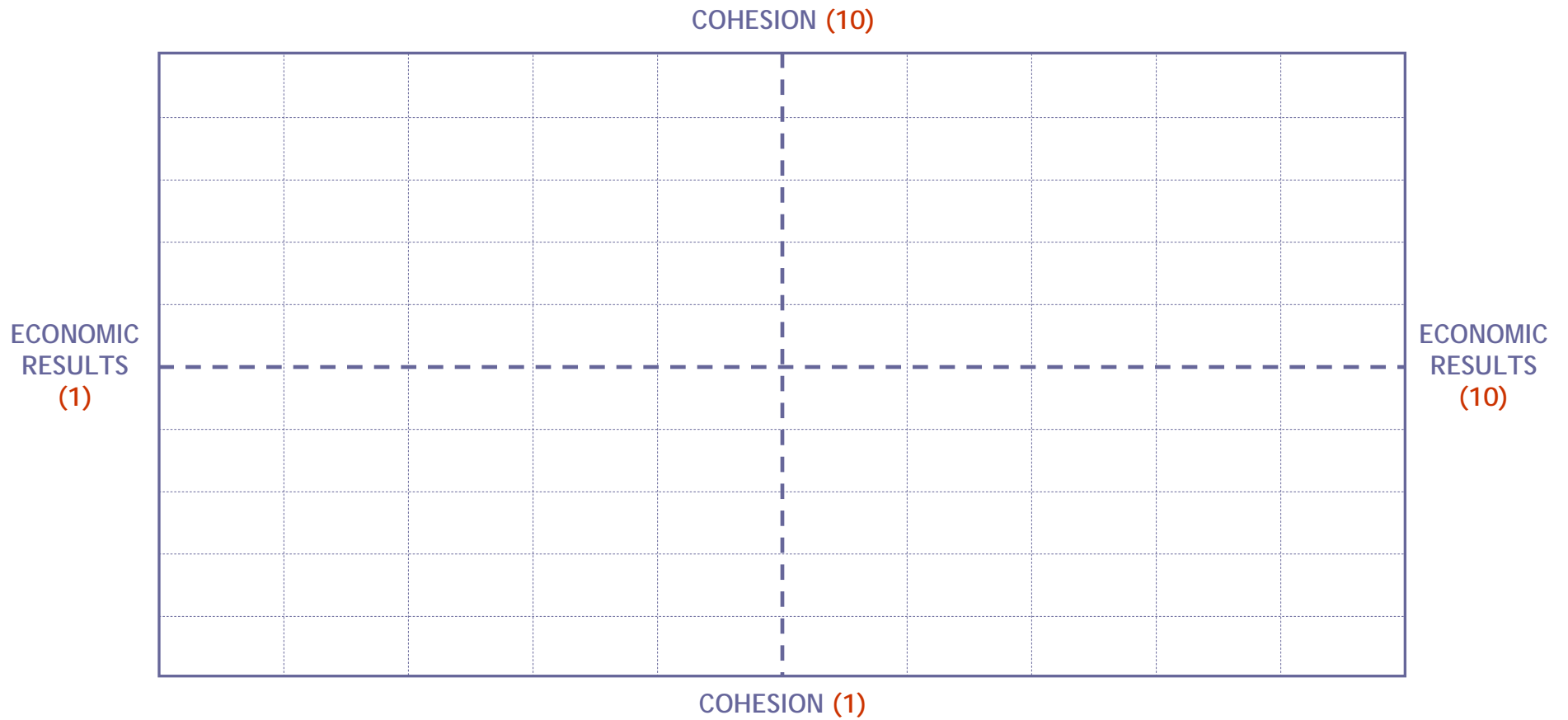
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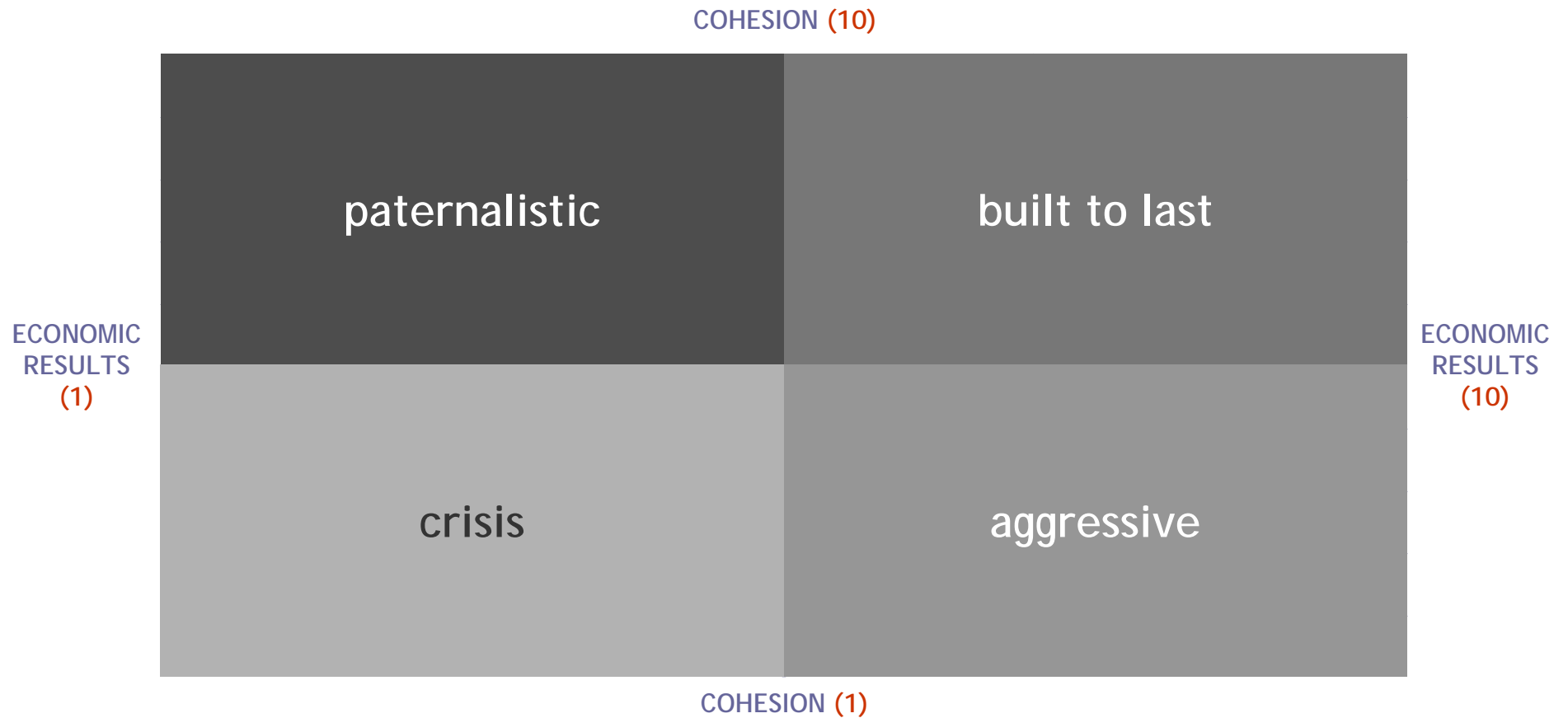
3 How high is our cohesion and our financial results...

...cohesion?
...economic results?



3 How high is our cohesion and our financial results...

...cohesion?
...financial results?



3 How high is our cohesion and our financial results...

...cohesion?
... financial_results?



From Left : Dan Reid – Chief Operating Officer, Giorgio Burigana – Executive Director – Development, G. Narasimhan (NARSI) – Group Finance Director , Christian G. Buchli – Corporate Projects Director, Bernhard Bohnenberger – Managing Director, Eva Shivasani – Creative Director, Sonu Shivasani – Chairman & C.E.O., Andrew Gibson – Managing Director Six Senses Spas, Raymond W.S. Hall – Chief Marketing Officer, Chris Eddis – Director

3 How good are we managing...

...cohesion?
...financial results?

Six Senses Virtuous Circle



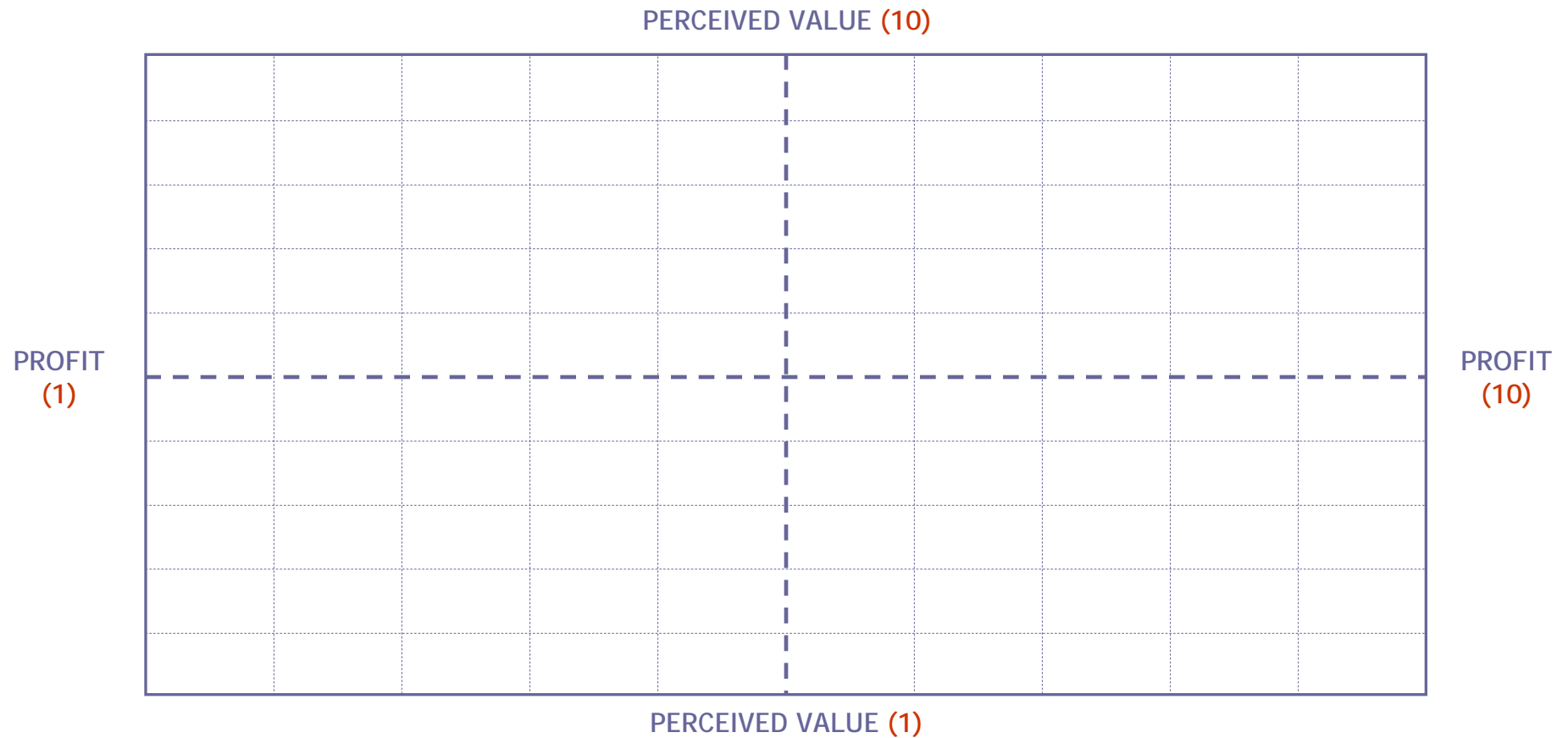
4 When is customer centricity most needed?

How high are the opportunities for growth?
How high is our market share?



5 Creating (perceived) value and appropriating (economic) value?

How high is the perceived value to the customer?
How high is customer profitability?



6 How strong is the correlation between a satisfied customer...

...and the following loyal behaviors:

new purchases



...buys more and more often the same product

positive referrals



...recommends you and attracts new clients

cross selling



...is favorable to buy different products and services from your company

price premium



...does not care to pay an extra price for your products and services

service cost



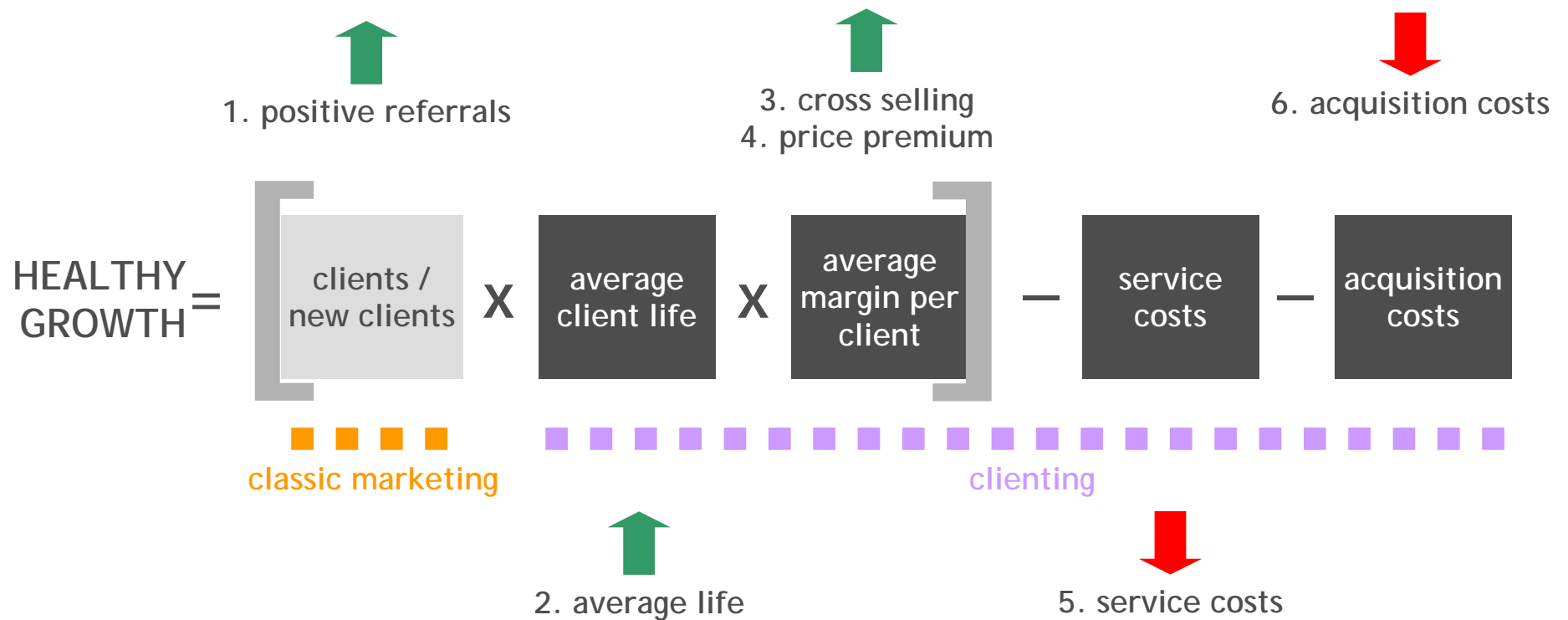
...knows your operating processes and it is easier to deliver him/her a better service

**new clients
acquisition cost**



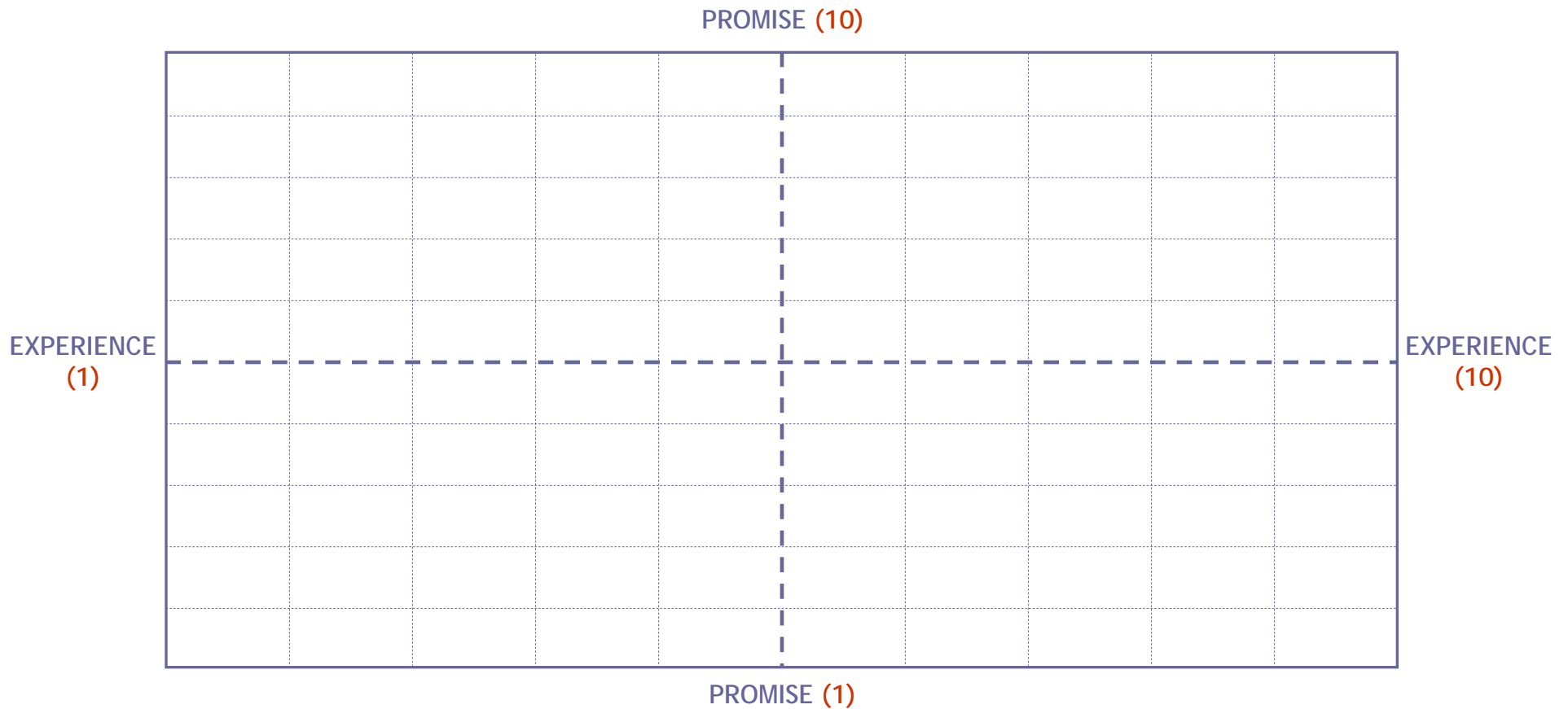
...makes possible saving in advertising thanks to his/her recommendations

7 Natural growth is based on the quality of the customer experience



8 Balancing the selling and the servicing capabilities?

How aggressive is the value proposition and the sales machine (selling)?
How good is the customer experience (servicing)?



9 Servicing: mastering the customer experience

$$\text{SERVICE EXPERIENCE} = \frac{\text{tangible benefits} + \text{intangible benefits}}{\text{price} + \text{inconvenience} + \text{uncertainties}}$$

classic marketing

clienting

enjoyable

"I really like this"

efficient

"This works very well"

functional

"This works well"

run on the mill

"Nothing special"

ugh!

"I didn't like that" (single event)

not again

"I'm not happy with this" (often)

loathing

"I hate this... I want to leave"

} working in the intangible benefits

} solving problems and claims
(inconvenience + uncertainties)

10 A great service experience needs a great business model...

a great service experience...

- fair value
- fast response
- customization
- proactivity

...needs a great business model

operating leverage

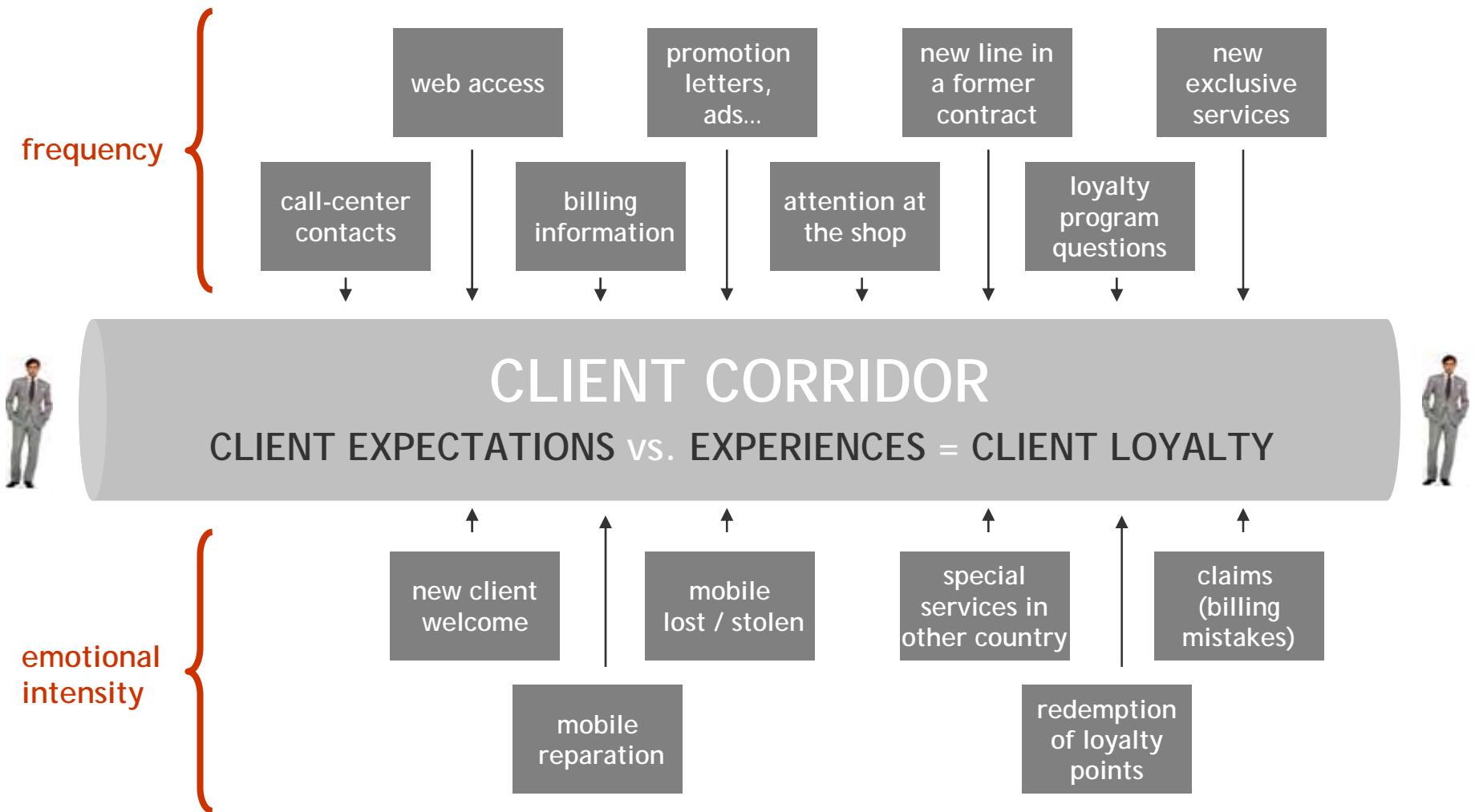
positioning

VALUE PROPOSITION solutions	TARGETING needs
VALUE CHAIN back-office	CHANNEL + DISTRIBUTION front-office

personalization

systems integration

10 ...and a solid reengineering of the client corridor...



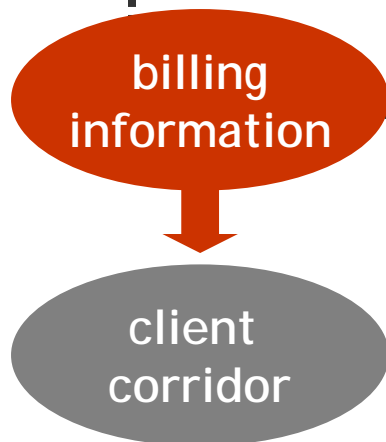
10..improving processes and employees behind the customer “touch points”

PROCESSES INVOLVED

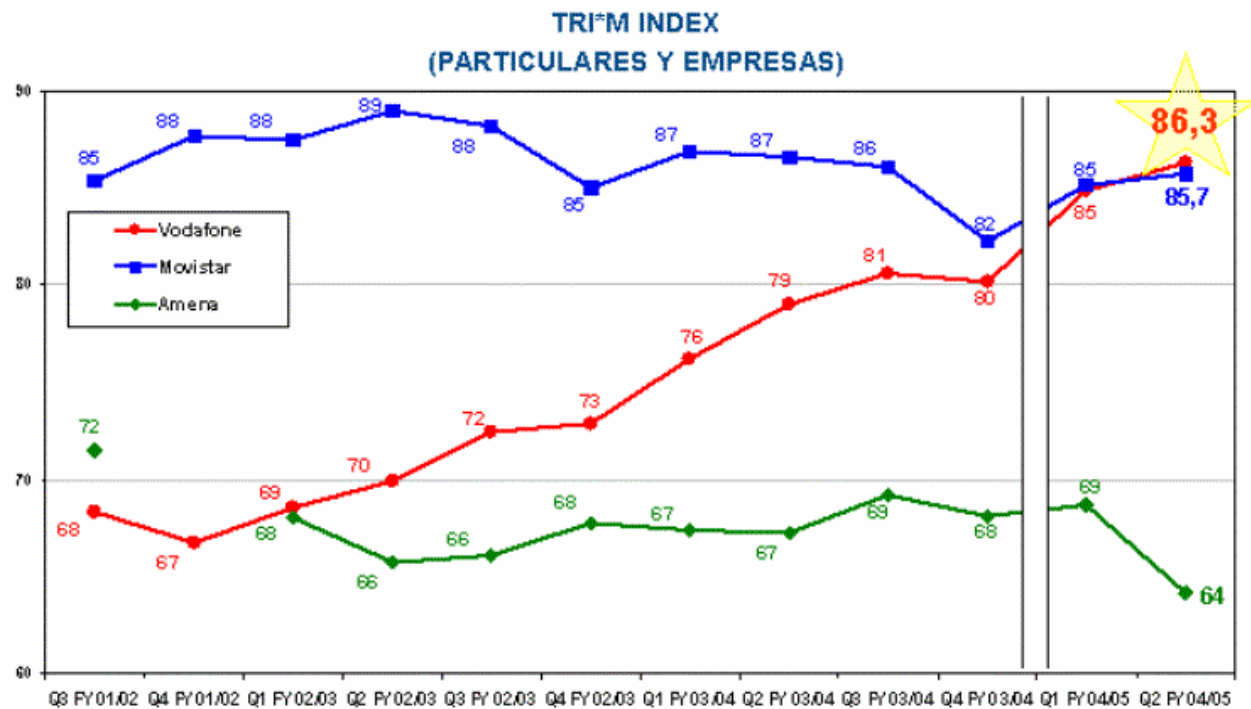
- Marketing strategy for the segment
- Billing
- Communication
- Collection
- Management of billing mistakes / complaints
- Debtors

EMPLOYEES RESPONSIBLE FOR DELIVERY

1. Face employees
2. Operational employees
3. Staff employees
 - culture
 - attitude
 - aptitude
 - training
 - communications skills
 - leadership
 - compensation

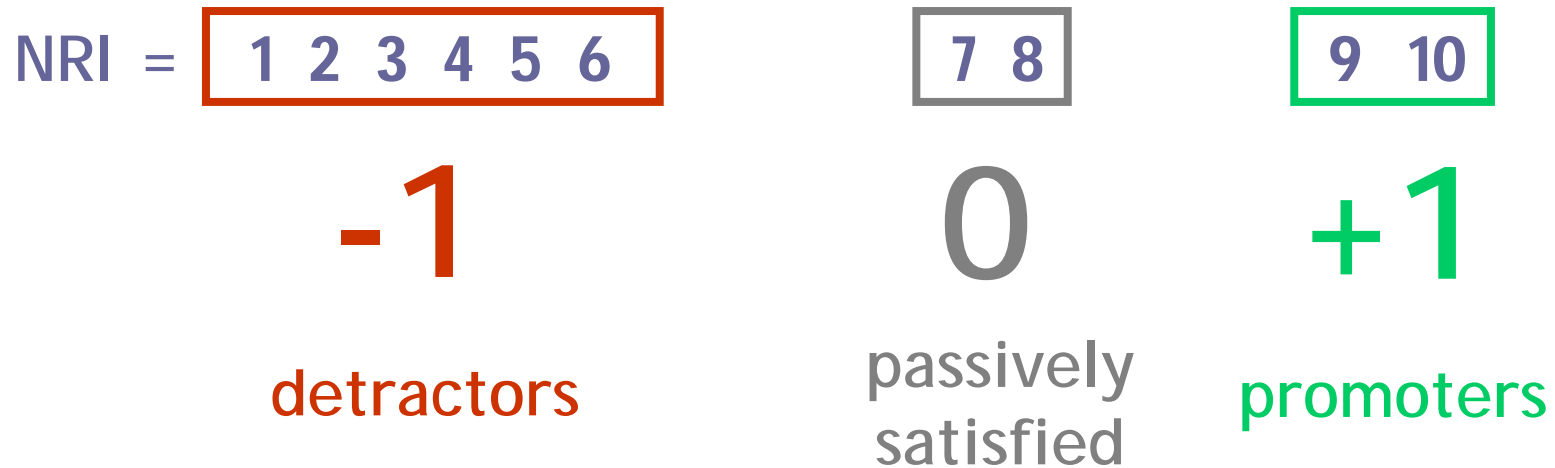


10 Improving the customer experience pays handsomely



11 The one question to know the quality of the customer experience:

would you recommend us to a friend?



12 The five steps of clienting



- who our clients are
- what are their preferences
- how is their behavior
- how do we segment them
- Why do they stay with us
- where do they go to when they leave
- why do they leave
- Who is more profitable
- Who has more potential

- value proposition (products and services we offer)
- market segments we are pursuing (needs)
- front-line organization: commercial model
- back-office organization: operating processes

- service-mix elements consequence of our value proposition
- moments of contact and customer corridor analysis
- client's service experience with our company

- Implementation of the SBM in its four dimensions

- Periodic measures of satisfaction and loyalty in clients and employees
- Management indicators from quantitative data
- Creation of an index which becomes a reference for all the organization in the client oriented culture

12 Segmentation management... what does it takes

Do we split the managerial information by segments?

Have we develop good metrics to grasp the way we manage our customer base ?

Do we do financial budgets using assumptions from our customer base?

Have we develop easy to use information on their customer portfolio to our account managers?

Do we have an efficient commercial planning system?

Does the sales and service force use the segmentation jargon?

Do we really manage by results with a decentralized approach?

Do we have the resources demanded by our segmented approach?

Have we requested the back-office areas to be reorganized accordingly with our segmentation?

Is top management taking enough care of the implementation of the segmented approach?

12 A Customer-Centric transformation takes...

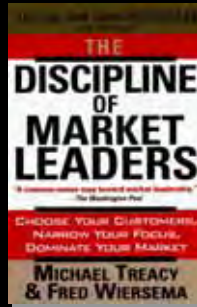
1. Sense of urgency
2. Top people taking full responsibility of the outcome
3. Strong coalition to make it happen
4. Great ideological manifesto. Essence of the transformation.
5. Credible road-map and calendar
6. "Quick wins" mentality
7. Efficient approach to manage trans-functional projects
8. Buy in and internal communication
9. Cultural change
10. Enriching the brand name attributes



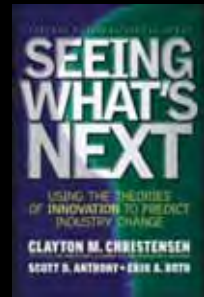
Designing the customer centric organization
 JAY R. GALBRAITH
 Jossey-Bass
 2005



Blue ocean strategy
 W. CHAN KIM and
 RENEE MAUBORGNE
 2005



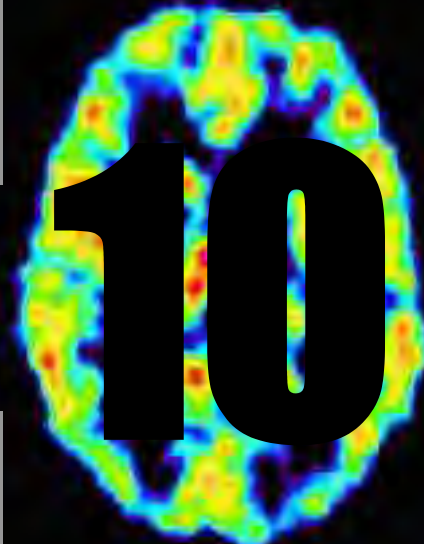
The discipline of market leaders
 MICHAEL TREACY and
 FRED WIERSEMA
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Seeing what's next
 CLAYTON M. CHISTENSEN
 HBS Press
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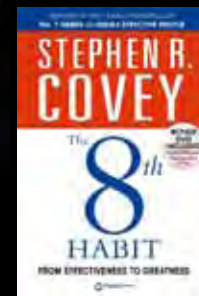
Strategic logic
 CARLOS JARILLO
 2003



GREAT BOOKS TO READ



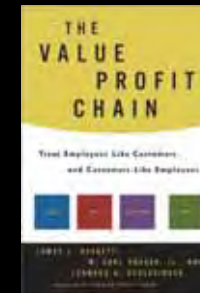
Lovemarks
 KEVIN ROBERTS
 PowweHouse Books
 2004



The 8th habit
 STEPHEN R. COVEY
 Free Press
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The world is flat
 THOMAS L. FRIEDMAN
 National Bestseller
 2005



The value profit chain
 JAMES L. HESKETT, W. EARL SASSER, Jr.
 and LEONARD SCHLESINGER
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Good to great
 JIM COLLINS
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office manager:

Reyes Sánchez de Lamadrid

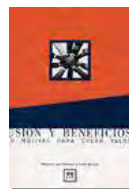
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 LID Editorial Empresarial
 Madrid, 2005



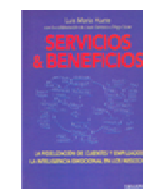
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 Con Wouter van Daalen
 LID Editorial Empresarial,
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Administración de servicios
 Con Lovelock, Reynoso y D'Andrea
 Pearson
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