

10 STEPS TO BECOMING CUSTOMER DRIVEN

How to build a company that will keep those customers you worked so hard and spent so much money to get

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There are only three ways to grow a business: acquire new customers, sell more to existing customers or keep your existing customers for longer. In a crowded and competitive market like ours, the strategy that makes the most sense is customer retention. Indeed, the aim in all businesses should be to keep your profitable customers with you for a very long period of time. The best way of ensuring your customers stay with you for the long haul is to become customer driven.

Becoming customer driven, making your customers the centre of your universe, must become the driving force behind your business. Many managers dream of leading customer driven companies but few do. Mostly that is because they lack a plan, a road map that will show them how to do it. Here are 10 steps for becoming a customer driven company.

Step 1 is to make sure everyone understands why customer retention is Number 1. Without this common understanding your staff will not understand why keeping your existing customers is crucial to your business success and why, therefore, your organisation must become customer driven. It is particularly important that all senior managers and team leaders understand how important it is to keep your existing customers, and are committed to the business strategy of first retaining customers, and then increasing the range of products and services you sell to them. So many companies talk about retaining customers but in their day-to-day activities focus on acquisition.

Step 2 is to create the right culture. Your company culture reflects the kind of company you want to run, what your organisation stands for, and the kind of experience you want to create for both your customers and your staff. You cannot expect that people will understand the importance of putting customers first, of being committed to delivering the solutions customers need, of learning as much as they can about their customers and of using this information to change the way they run their part of the business, all by themselves. You must create a customer driven culture where the right behaviours are taught and rewarded, and the wrong behaviours are eliminated. Step 2 also involves becoming an effective leader, since this is the only way you can develop the right culture. Effective leadership must come not just from the CEO, but from any one in a position of responsibility. Leaders are made, not born and there are a number of things you can learn to do to develop an effective leadership style.

Step 3 in becoming customer driven is to sell what your customers are buying. Because your customers do not want your products and services but rather the value they can extract from them, you must make creating superior customer value the main focus of your business. Successful businesses understand the value their customers are seeking. They also know that value equals benefits minus costs and they use this equation to drive their business because they know their customers use it to evaluate whether they should continue to do business with them. This means making your customers the centre of your universe and accepting that the only point of view that really matters is your customer's. What are their goals and dreams? Which obstacles stand in their way? How can you make them successful? And most importantly, what is it that you have that they want so badly they are happy to pay for it? These are the things your customers will value. These are the products and services that will sell.

Step 4 You cannot create value for your customers by sitting on the sidelines. Step 4 describes how you must enter your customer's world. The aim must be not to satisfy your customer, but to make them successful. To do this you must get to know your customers. You also need to train your staff to think like your customers and to see the world through your customers eyes. Asking them questions is a good way of getting to know your customers. Most importantly, each team should set service standards and then monitor their performance against those standards. This puts a hard edge on being customer driven.

Step 5 With a culture that focuses on customer retention and creating superior customer value, and with an understanding of your customer's world, you are now in a position to focus on Step 5, which is to operate effective and

efficient processes. Inefficient processes cause customers to be disappointed and create waste. Both of these are very expensive for your company. Many companies fail to deliver the service they promise because their processes are not effective or efficient. Many others try to lower their operating costs by slashing budgets and staff numbers while running inefficient processes that produce large amounts of waste.

Step 6 Processes can not operate themselves, of course. It takes people to make it happen. Therefore, Step 6 in becoming customer driven, is to [get the right people doing the right things](#). Who should you be recruiting? How should you handle them once you have hired them? What is the best way of maximising their performance? The way an organisation is structured will have a great bearing on how well people do the right things - even if they are the right people to begin with. Organise people into mini business units. If you want to turn employees into business people, the best way to do that is to put them in charge of their own little businesses within the framework of your company. And then hold them accountable for the results!

Step 7 to becoming customer driven is to create an AWESOME customer experience. This step outlines the minimum you must provide in the way of customer care, and it is really the first step in making it happen. It is the change that your customers will notice first. In spite of your best efforts, things will sometimes go wrong. The key to keeping your customers when the gremlins strike is to establish a recovery process which all staff are trained to use. Without the proper training, people will react instinctively to protect themselves rather than to look after your customers. With an AWESOME customer experience and a recovery process as a foundation, and with the infrastructure provided in Steps 1 to 9 in place, you will keep your customers for longer - which you may as well do since you put a lot of time, effort and money into getting them in the first place.

Step 8 is to manage your relationships with your key customers. You have gone to a lot of work to capture your customer's attention and to create a great experience for them so it would make good sense to have an on-going relationship with them. The stronger the relationship, the better the chances they will continue placing their business in your hands. As you know from your personal life, relationships take a lot of work to build and even more work to maintain. This step outlines the stages relationships go through and what your company can do to develop a long-term mutually beneficial relationship with your key customers.

Step 9 Because your customers' expectations are always increasing, and because your competitors are always improving, Step 9 is to strive continually to find a better way. Improvement is not optional if you want to stay in business. The best approach to finding a better way is to listen to your customers, review the data from your processes and then use a formal problem solving method. Make sure you involve your staff. If they work as a team, they will be able to use their expertise to find new and better ways of doing things. Your job is to create the environment where continuous improvement and innovation can happen. A structured project management approach will pay the biggest dividends.

Step 10 Of course, all of this is not going to happen unless you do some things differently. Step 10 is change! Your job is to both lead and manage the change process, for that is what it is, a process. If you follow the basic principles for managing change outlined in this step, you can transform your company into a customer driven one. Your customers, your staff and your company's shareholders will all see the benefits as a result.