# Defining Customer Centricity

Chapter 1

Customer Centric Strategy
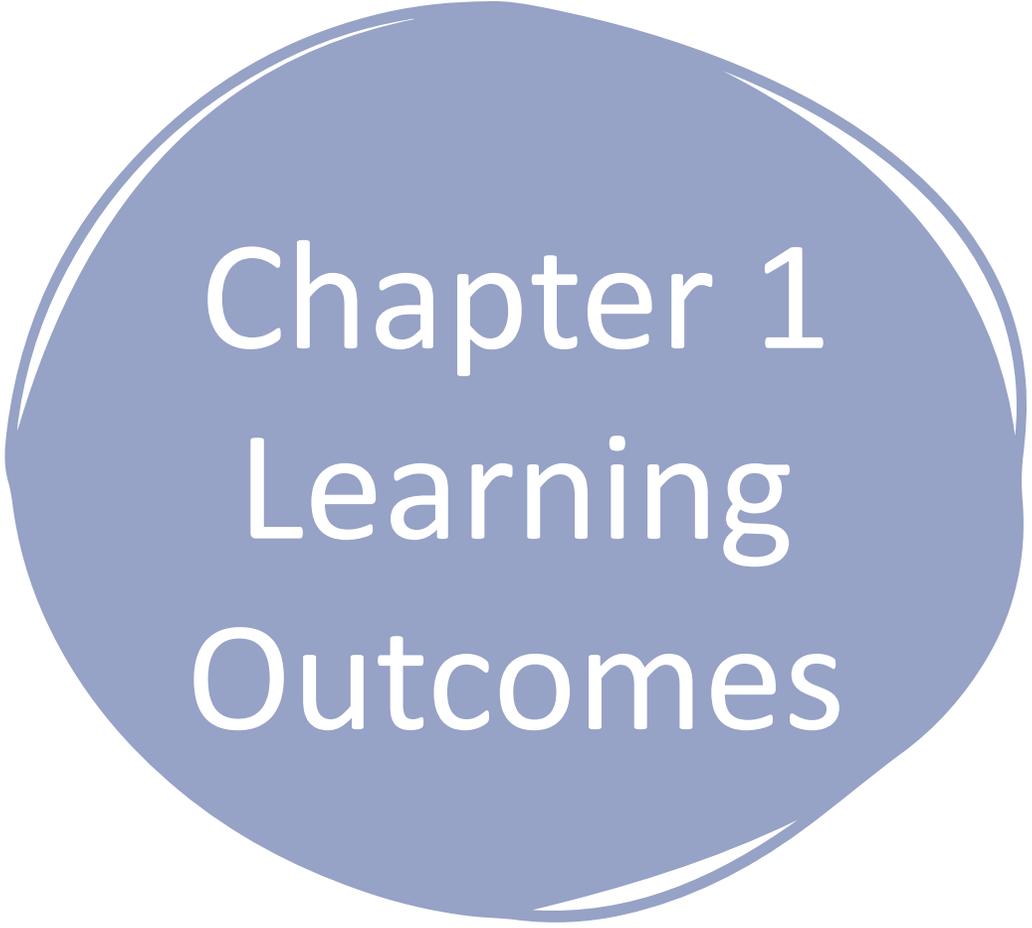
**Chapter 1 Learning Outcomes**

1. Define the term "customer service".

2. Define the term "customer experience".

3. Define the term "customer journey".

4. Define the term "customer centricity".

5. Discuss how changes in consumer behaviour affect how companies serve customers.

6. Discuss how technological advances affect how companies serve customers.

# Customer Service versus Customer Experience



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Customer service is the assistance and advice provided by a company to customers throughout the customer journey; before, during and after the sale.

Customer experience is the result of an interaction between the customer and the company. It is how customers perceive their interactions with the company or brand.
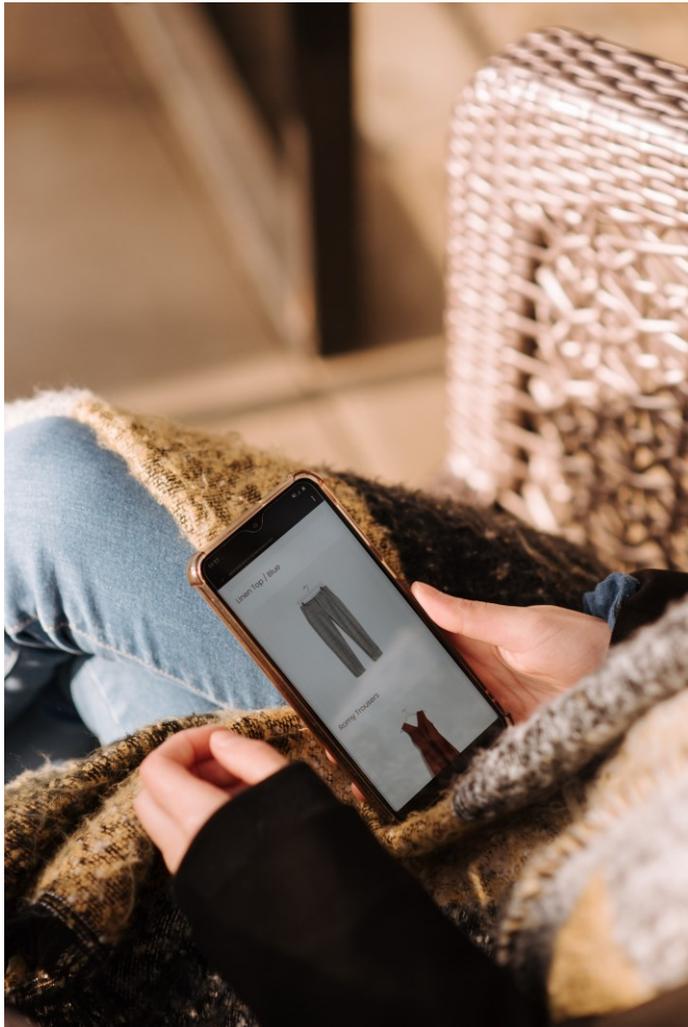
Photo by **Anete Lusina** from **Pexels**

# Customer Touchpoint

A customer touch-point is a point in time when the company connects in some form with the customer (e.g., website, phone, email, social media, retail store, returns, service, and products).
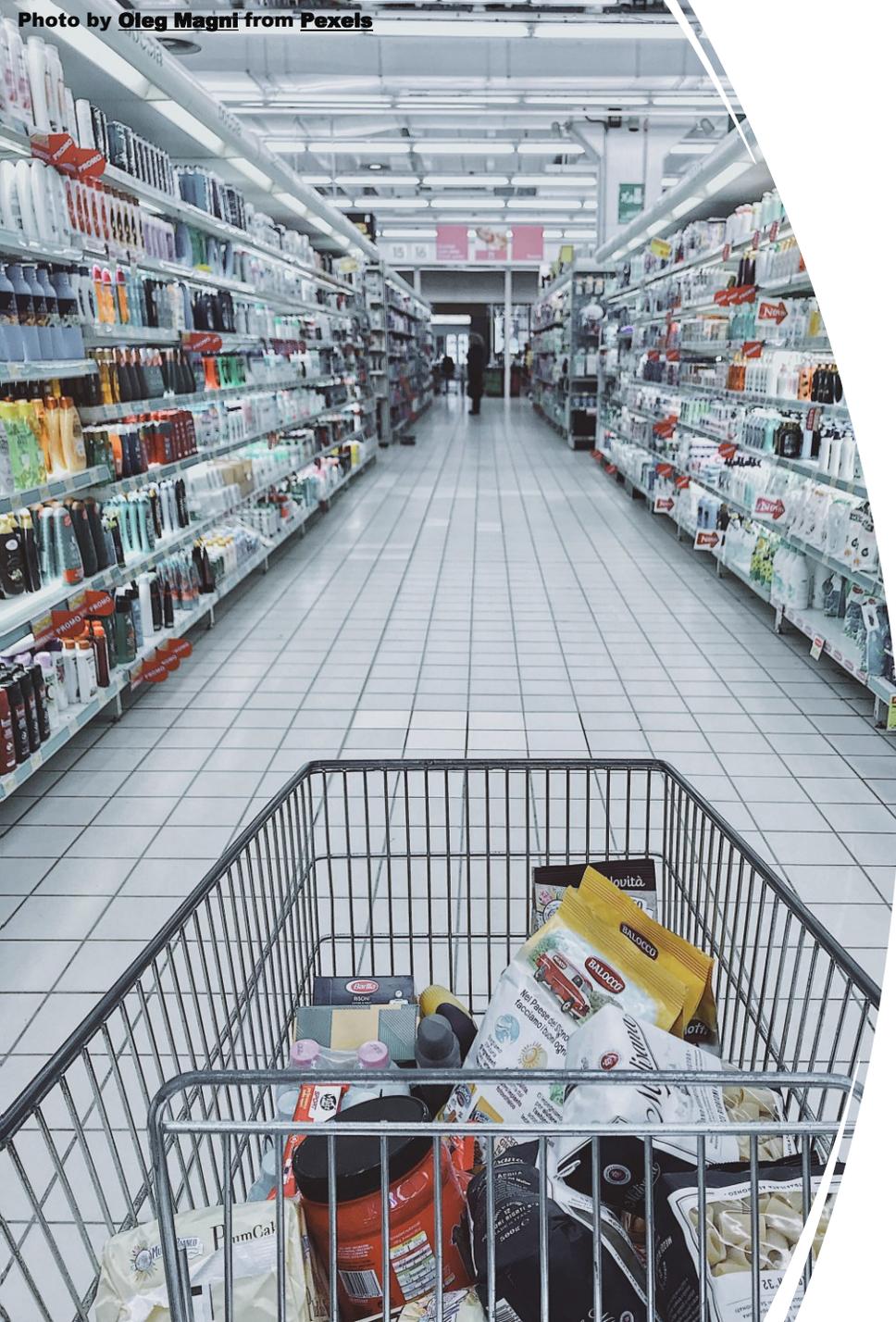
# Customer Journey

The customer journey is the complete sum of experiences that customers go through when interacting with a company and its brands.

# Customer Journey Map

The customer journey map is a visual depiction (diagrammed or written) detailing the path the customer takes from the time the customer first discovers the brand, to purchasing, and beyond.



Photo by **William Fortunato** from **Pexels**

# Customer Personas

Personas are fictional customer types created to represent real target customer groups.

In building a customer centric business, personas and customer journey maps are important strategic tools.



Photo by **Jopwell** from **Pexels**

# Customer Centricity

Customer centricity is a way of doing business that fosters a positive customer experience before, during, and after the sale in order to drive repeat business, build customer loyalty (which leads to customer referrals), increase business growth, and gain a competitive advantage.

# Forbes List of 100 Customer Centric Companies

1. Trader Joe's customers love the unique products, personalization, and great service, as do employees. The grocery chain is leading the way in sustainability to reduce food waste.

2. Lululemon found innovative ways to adjust to at-home fitness growth, including building a robust omnichannel experience and offering virtual classes.

3. Nike's app offers recommendations through chat and connects customers to in-store workshops and events. Nike is also opening more Nike stores with a shoe bar and consultations.

# Factors: Economic shift from Manufacturing to Service

- globalization of the economy

- government deregulation

- government programs

- customers expecting personalized experiences

- increased use of technology both by customers and businesses

# Consumer Behaviour: Personalization

Personalization has become integral to the customer journey and is now a key driver of brand loyalty across all channels.

Canada Goose and The Running Room are good examples of companies that offer personalized experiences. Can you think of other examples?

# Consumer Behaviour: Technology

Digital transformation is forcing companies to change their business models and adapt to the new market reality.

Customers today are more informed than ever before. They use technology to shop online, conduct research, and compare prices, products, and services among competing companies.

In order to keep up with this new kind of "always-connected" customer, businesses must embrace technology to deliver unmatched customer experiences.



Photo by **Andrea Piacquadio** from **Pexels**

# Technology Trend: Machine Learning

Over the last couple of decades, technological advances in storage and processing power have enabled some innovative products based on machine learning, such as Netflix's recommendation engine and self-driving cars.



**Photo by falco from Pixabay**

# Technology Trend: Remote Work

Working remotely has become a popular choice and employee incentive in some cases for those who wish to work from home. Customer service and sales representatives need to learn how to use CRM software in order to meet customer expectations, whether working from home, at the office, or on the road.  With access to technology, employees can be located anywhere in the world.



Photo by **Photography and graphic design** from **Pixabay**

# Technology Trend: VR and AR

Customer-centric virtual reality (VR) and augmented reality (AR) retail applications today focus on helping consumers experience brands and products without having to go into stores.



**Photo by Gerd Altmann from Pixabay**

# Technology Trend: Internet of Things (IoT)

IoT devices will change eCommerce by turning everyday objects into potential sales channels for retailers.  IoT products and devices include smart and digitized vehicles, laptops, smartphones, smart gadgets, and smartwatches. You may already own some of these devices.

**Photo by fancycrave1 from Pixabay**

# Technology Trend: Business Intelligence

BI can help marketers create a unique customer experience by providing them with data that shows who their customers are, what motivates them, and which channels they use most often. It also helps marketers understand why customers abandon carts or leave negative feedback on social media sites such as Facebook, Twitter, and Yelp.
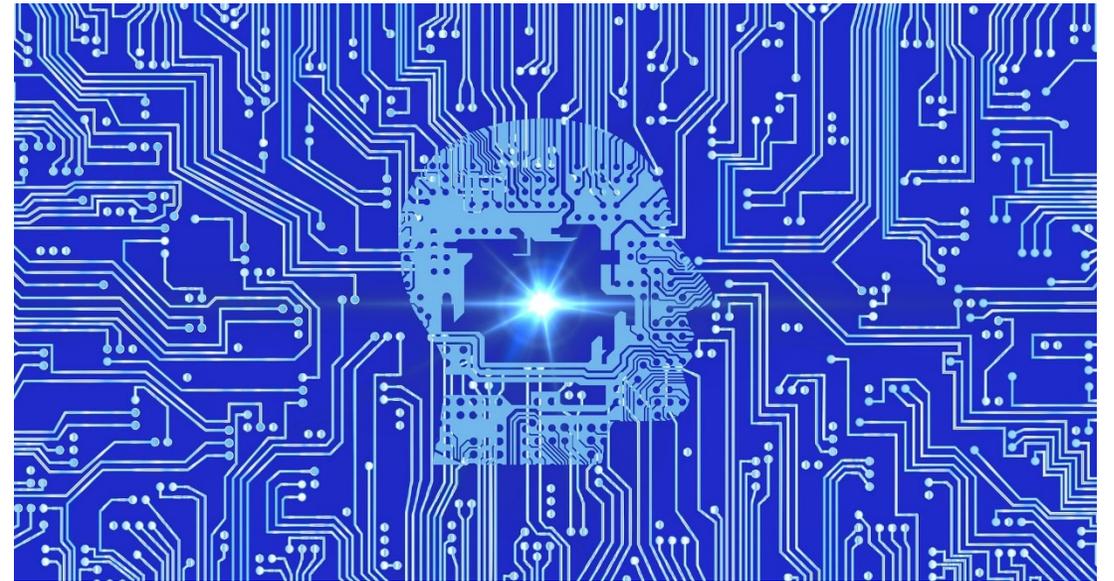


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Chapter 1: The End