

Developing customer-centric relationships

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Today service is the key differentiator in any buying decision and therefore closing the loop with all processes around customer service and relationship marketing strategies are essential to the success of any business. The sum of all customers' experiences is equal to the company's image and brand.

To profitably compete, companies need to get to know their market and become their customer's advocate, by offering as many personal and professional touch points to ensure that the company is easy to do business with. It has also become imperative for organisations to develop their marketing strategies from the consumer's point of view, to ensure that anything that may annoy them, such as an influx of unwanted marketing material, is eliminated and any technological barriers are improved upon.

When evaluating current service levels and developing new marketing strategies, customer complaints are the best source of feedback, to assist in understanding the type of experience a person is having with your organisation and give insight and knowledge about operational deficiencies. This feedback can be obtained through various customer relationship marketing systems that provide opportunities for consumers to confidently view their opinions. Gaining insight into what really motivates customers' decision making, will foster long-term relationships with them, and therefore a company's business must be re-invented based on customer feedback in order to remain customer-relevant.

This approach to marketing was true before the development of computers and knowledge databases, but new tools such as web services have allowed much greater value in the decision making process. Although many executives were disillusioned by the web and the economic turmoil that was caused by the dot.com burst, today there is a different view of the web as a formidable business enabler rather than a "medium", and as the most cost-effective and interactive communication tool.

Wallet share

Technology's evolution has made it easy to gain insight into customer behaviour, however human intelligence is required to understand customer behaviour, analyse it and then conceive targeted campaigns that will drive additional 'wallet share' and increase the lifetime value of the customer. It is therefore not about technology but rather a clear strategy from people passionate about customers that aim to evolve business processes using technology.

For instance the contact centre industry in the past battled to integrate all of the information required to offer their agents visibility of all customer interactions and streamline every stage of the customer process. The old silos within organisations meant that knowledge was not communicated enterprise wide, timeously, in order to create the desired customer

experience. The challenge has always been to ensure that any employee likely to have any contact with the customer has the specific customer's information at their fingertips at the point of assisting the customer with sales, service or marketing enquiries.

Using a web-centric approach ensures that a company can offer consistent customer service across all channels - by providing a central knowledge base and customer database that contains all customer information and can be accessed by every organisational department. The convergence of the internet with voice, mobile and TV and its ability to display the same application on a self-help terminal in store, or on an intranet for the call centre and other employees and/or extranet for business partners, makes it the most efficient application available for centralising organisational data. Due to the open nature of the web-centric approach, employees can handle all transactions regardless of channel, and provide visibility of interactions across channels. Web based applications allow for cross-channel reporting and analysis to take place, as well as assist in applying cross-selling programmes through all customer interactions.

Web based applications provide a new way for efficient regular communication based on permission or 'opt-in' marketing, all of which is driven by technology and processes. The customer at this point selects what he or she wants to receive 'communication', based on their needs and previous experiences. Most other forms of advertising or communication are intrusive, as the customer has no choice but to see a print ad when looking at stock prices in the paper or to watch a TV ad during the broadcast of their favourite programme.

The difference with permission marketing is that it is based on long-term curriculum where the consumer gets an incentive for volunteering information and a selfish motive to continue, for example, offering the customer regular interesting facts or discounts and giveaways. The objective is to offer interesting, useful and relevant information and product specific benefits and then to re-enforce and fine-tune the incentive. The goal is to increase the level of permission, as well as customer interest and loyalty.

Web-centric

Despite the availability of other communication channels, such as the post, voice, mobile, and TV, the web is by far the most affordable and convenient channel as it has the highest reach and a very rich interface. However, any investment in a web-centric approach to relationship marketing should be based on return-on-investment (ROI).

Managers should therefore develop a proactive and strategic approach to web-centric marketing by determining if the web appeals to a segment of, or the whole of its target market, how the actual and perceived value of its products or services can be increased through the use of the web and how the web can be used to change the costs, speed and quality of its processes, as well as how it can be used to enable new relationships with target segments through interactive experiences.

Although most companies are not ready to be fully transparent with their customers, which is what this direct channel demands, the old cliché, that 'the best customer is a knowledgeable one', is being challenged. Great customer service is therefore the best means to encourage repeat purchases especially since the web has given the customer speed, choice, control and comparability.

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