

How close to your customers are you REALLY?

Across most automotive organisations you will hear the mantra ***“everything we do is centred around the customer”*** for some this is an entrenched truth, for most it’s an optimistic, misguided claim.

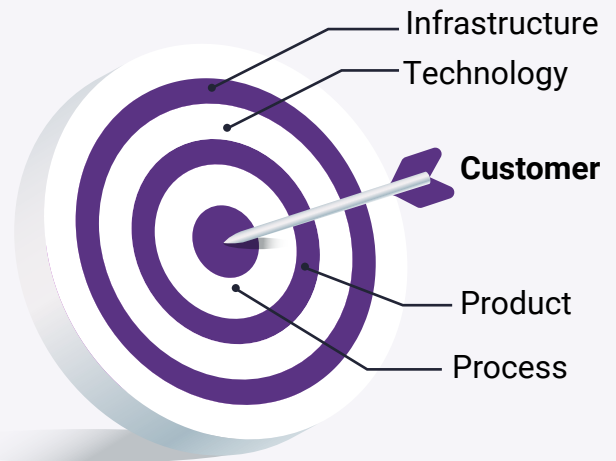
So, what is customer closeness / centricity and why does it matter? In simple terms, its where an organisation has the capability to align with its customers’ needs and values. It allows brands to serve their customers better.

This capability has at its core a thirst for customer insight that reveals why a customer chooses and uses your brand. From these insights, great companies act and operationalise how to improve the brand experience for the customer. Customer closeness, when done correctly, galvanises action.

Why it matters is obvious!.....superior customer performance drives increased profitability.

According to Forbes ***“customer centric companies are 60% more profitable than companies that do not focus on customers”***.

The Harvard business review similarly concluded ***“your company is 50% more likely to overperform if it incorporates direct employee to customer connections at multiple stages of the planning process”***.



Unfortunately, most companies do not live their mantra. Often there is a symbolic attempt to evolve a customer driven organisation. Lip service techniques such as the famed ‘Bezos’ customer chair in the boardroom do not make you Amazon! Customer centricity does not live in the customer services department alone, it pervades the whole organisation.

Customer closeness is principally driven by company culture through an absolute commitment by the organisation’s senior management to engage directly with customers on a consistent basis. Further, all proposals made to management decision makers must consider the impact upon customers as well as the financial benefit on a sustainable basis. So often decisions are taken because of short term-gain and often ignore the intended and unintended consequences upon the short and mid-term of these actions.

Customer centricity should never be a stand-alone action.

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CUSTOMER SERVICE IS NOT A DEPARTMENT IT IS **AN ATTITUDE**

For example, at OEM level it is often informed by set piece, large research programmes built to assist product development or messaging testing for advertising, for example.

We have moved beyond this era of sender (brand) to receiver (target customer) via a diet of obtrusiveness delivered by mass media.

Today, customer closeness should benefit from the current focus on company culture & digital transformation that encompasses data driven, omni-channel customer communication. Precision towards the customer should be at an all time high yet reality is often very different.

Retailers are traditionally far sharper towards the customer through direct customer interaction. The best absolutely live by the 'retail is detail' ethos which translates to organizing their business through the eyes and actions of their customers. With changing distribution strategy models, it remains to be seen how these approaches 'step up' towards improved customer closeness via genuine insight.

Customer expectations continue to change at an accelerated pace. Next day delivery, price comparison websites and virtual showroom are simple examples of the ongoing retail revolution.

So, irrespective of the scale and nature of your automotive business, the current issues transitioning the sector dictate your urgent assessment of your own customer closeness. Are you truly on it? Is what you think is happening actually being delivered to your customers? You will likely be surprised!



So in summary, Customer Closeness really matters, take some time out with your team to review your approach and delivery. Here are some tips you can readily implement:

- 1** There is no substitute for personal experience. Make sure all your management team meet with your customers directly. Its revealing and memorable.
- 2** Onboard all your new recruits with structured 'meet our customers' sessions. It establishes the culture, correct habits and makes them hungry for 'signposting' from customer insights.
- 3** Over a 30 day period, personally validate / audit your company's customer journey. Review all inbound & outbound (online & offline) experiences to ensure they are aligned with your customer's needs and wants.

FINAL THOUGHT

“ Effective customer closeness is NEVER A TACTICAL PROGRAM, rather a key strategy rigorously implemented through CUSTOMER INSIGHT LED ACTIONS. ”