

NAMING MALLS

RETAIL Time to grow again, says R. Pogosyan, Business Developer of the Dutch fashion brand Mexx **SUSTAINABILITY** The values business. Company values are only credible if they are practiced **DEVELOPMENT** Croatia. The country of smaller retail formats

CUSTOMER TOUCHPOINT MANAGEMENT IN THE TIME OF SOCIAL MEDIA

You don't need to be a detective to track down customer unfriendly processes, systems, and behaviors in almost any company. There are selective highlights everywhere, but somewhere – and usually at the weakest link – the internal service chain breaks. Result: the customers defect. And they tell the whole world about it online. Customer Touchpoint Management can counteract this systematically.

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The scarcest resource in a company is not capital but managers who think about and treat customers with TLC. However, the vehemently demanded customer focus cannot be created through standardized processes, thick handbooks, and instruction manuals. And not through expensive CRM software either. It takes place voluntarily in the hearts and minds of the employees. Their willingness can only be won in realms of possibility and cannot be forced by disciplinary measures.

FOCUSED ON CUSTOMERS OR FIXATED ON PROCESSES?

Ensuring a basic level of quality is certainly advisable and in some cases even vital. But it can also be seriously overdone. The straight jacket of service norms turns employees into robots who spinelessly bow down to the most ridiculous instructions and impose their dull standards on every customer (That is our policy!). Whether on the phone or at the fast food counter, they sound like wind-up dolls. Customer requests are only handled according to policy. There is about zero interest in doing anything inspiring, creative, or exciting. Everything ossifies into mediocrity. Individual customer requests and eventually the customer himself fall by the wayside.

Focused on customers rather than fixated on processes, that should be the motto. For this to happen, all areas of the company have to be systematically networked in order to focus each individual employee in every department on the customers. That sounds trite, but it isn't. Much too often we customers are still explained how things have to work, who is responsible for us, that this has to be done, and that doesn't. Customers should blend in and obey. But they feel bored, misunderstood, neglected, patronized, bullied and eventually driven away.

THROUGH THE CUSTOMERS' LENSES

Customer touchpoints are created wherever the customer comes in contact with a company or its products, services, or brands, no matter whether this takes place directly or indirectly (evaluation portal, press release, word of mouth, etc.). Both positive and negative experiences can occur at every touchpoint. This is why one single negative event at a touchpoint that is important to the customer can lead to an immediate end to the business relationship. For the relationship to be maintained, the sum of positive experiences must far outweigh the negative.

Customer Touchpoint Management is the coordination of all measures aimed at offering the customer an excellent, reliable, and trustworthy experience at every touchpoint without losing sight of the process efficiency. The goal is the continuous optimization of the customer experience at individual touchpoints in order to lastingly strengthen the existing customer relationships and effectuate favorable word of mouth advertising. Doing this means sparing the customer disappointments and creating moments of enthusiasm above and beyond mere satisfaction. The thorough analysis of each individual touchpoint not only leads to stronger customer loyalty, it also frees up internal reserves of efficiency, it leads to the optimization of resources, and eventually higher income by saving costs and time. By prioritizing the income related touchpoints, for example; funds can be steered away from purely technological solutions to communicative and loyalty related interactions. After all, the goal is to focus on the touchpoints that create a brand experience as well as sustainably strengthen customer loyalty, the willingness to recommend, and the competitive edge.



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ANALYSIS OF ACTUAL STATE

The Customer Touchpoint Management process consists of four steps. The first step involves compiling the relevant touchpoints, understanding the processes, and documenting the actual state. The following questions should be asked:

- Which customers come in contact with which employees at which points for what reasons, and how often?
- What does he experience there?
- What do the processes look like at the individual points?
- Are they self-centered or designed from the customer's perspective?
- Do they correspond with natural customer behavior?
- Are they compatible across departments?
- Are they directed in keeping with the brand?
- How well do the employees practice what the brand and company promises?
- Where is there potential for word of mouth advertising and recommendations?
- Who are the most influential recommenders with the best coverage?
- Which offers are actually recommended?
- What is strongly advised against?
- What is doing well?
- What has to go?
- What has to be done differently or better in the future?
- And where is the immediate need for action?

THE TARGET STRATEGY

This step is about defining the relevant goals and aspired optimal target situation. The following questions should be asked:

- What product and service quality do we want to offer which customers and at which touchpoints in the future?
- Which resources do we want to use to achieve these service levels? In what way? And with what priorities?
- What are the individual scenarios?
- Should the number of touchpoints be increased? Or reduced?
- Where can the potential for word of mouth advertising and recommendations be best developed?
- Which customer groups or target people can support us most effectively in this process? In what way?
- How should the key touchpoints be optimized and developed in keeping with word of mouth advertising?

THE TO DO PLAN

This step involves the planning and implementation of an appropriate mix of measures that leads from the actual situation to the target situation. A 'quick win,' or a measure that promises quick success, should be at the top of the list. This encourages those involved to continue focusing on the process. The To Do Plan consists of the following points:

- What is our 'quick win' or a fast successful experience?
- Which touchpoints will be optimized and how in order to strengthen loyalty and profitability as well as elicit valuable recommendations?
- Which touchpoints will be relaunched in order to generate competitive advantages and positive word of mouth advertising?
- Which touchpoints will be eliminated without provoking protests and defamation or endangering existing customer relationships?
- Which internal resources, how much of the budget, and what timelines are to be applied?

All of this is to be planned and then implemented in cooperation with the employees. It is particularly important to regularly discuss and practice appropriate behavior at the individual touchpoints with employees who have close customer contact, so that everything becomes second nature and does not seem artificial during their interactions with customers.

MONITORING AND OPTIMIZATION

The focus here is on measuring the results for further optimization of the processes. The following questions should be asked:

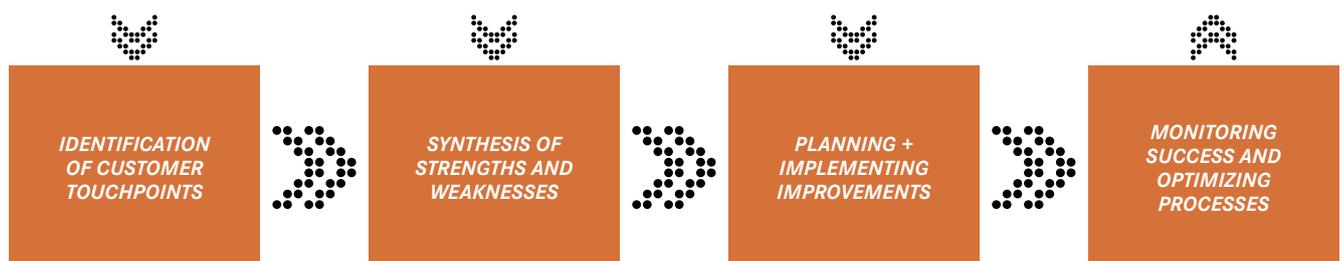
- By which criteria do we want to measure our customer contact performance?
- Which key performance indicators do we want to gather, how, and for whom?
- Will the willingness and the rate of recommendation be reported?
- How will the acquired knowledge be documented and discussed with employees?
- Who introduces the necessary improvements and how?

Storytelling has proved to be very successful for this. The key is using the right stories that illustrate which behavior is desired and promises success at the individual touchpoints and which is not.

CONCLUSION

With Customer Touchpoint Management companies gain a realistic and effective navigation system which helps make customer-related processes transparent and manageable. In doing so, one cooperates with the customers and involves them in the processes. This not only reduces the business risk, but also develops barriers to entry for the competition. Because when you show people that you are really interested in their opinion, their behavior toward the company and its offers improves. This then creates a bond and the 'my baby effect.' And who would want to abandon their baby?

CUSTOMER TOUCHPOINT MANAGEMENT IN FOUR STEPS



SOURCE: SCHÜLLER