

# Customer focus

A Guest Article by Malcolm Wicks  
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### Feeling undervalued?

Did you know that credit card companies send you 72 offers a year for one of their products? Many more if you're a high net worth person. (Being rich can have its downsides!) In the end it gets annoying and you realise that companies like these don't put much value on you or your time. It's even worse if you have one of their cards already and new customers are being offered a better deal!

But of course credit card companies are not the only organisations whose marketing or operations makes us think badly of them. Just try listing all the companies who don't treat you well as a current or potential customer. It may include phone and utility companies and, at the risk of raising your blood pressure, certain call centres.

### Guilty

Got your list? OK, now comes the hard part. Think about the marketing and operations that your company runs. Do you use any similar practices that might annoy or waste the time of your current or potential customers? The established company that can't think of one or two examples is a rarity. The problem is that when we build systems or run marketing campaigns we focus on ourselves. We rarely look at things from a customer's perspective or fully put ourselves in their shoes. That is a big mistake.

Let me explain why. If you ask a salesman why a particular customer no longer does business with them they usually blame aggressive competition. In most cases this is wrong. Surveys tell us that competition is the main reason in less than 10% of situations. Around 13% of customers leave because they are unhappy with the products but a whopping 65% leave because they perceive an attitude of indifference towards them from the company or their employees.

Customers don't like being annoyed, treated with indifference or suffering from poor service and they vote with their wallets. Not surprisingly the companies with the biggest customer churn are credit card companies and mobile phone organisations. Because so many customers keep leaving they ramp up their marketing to get new customers and reduce their service levels to save costs. Inevitably things only get worse.

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Most need to learn the number 1 rule of being customer centric. Think of all the ways that you are “mistreated” by suppliers in your business and personal life and never doing those things to anyone else. Companies that are really customer centric have the lowest churn rate in their segments and often have better than average revenues per customer.

If this all sounds like common sense to you, you’re right, it is. So why don’t all companies operate in customer focused ways? Most are so busy running the business that they simply forget to be customer focused.

### **So what can you do in your business to avoid this trap?**

First, no matter what size of business you are, make one person responsible for being your customers advocate. That means thinking from a customer’s point of view and asking questions like “how does this add value to our customers?” Or “What would our customers think if they saw us doing this?”

Second, regularly talk to customers about their issues outside of what you are trying to sell them. Knowing more about them means that you are less likely to do dumb things and you may discover some new ways to present your products, or perhaps even some new products to offer. Walk round a big Tesco store and you’ll get the idea.

Finally, ensure that you carry out regular customer surveys and always include the key question “Would you recommend us to one of your friends?” Get a large number of positive responses and you must be a truly customer focused business.

*Malcolm Wicks*

If you would like more information on any of the points covered in this Guest Article, please contact **TCii** on **020 7099 2621**.