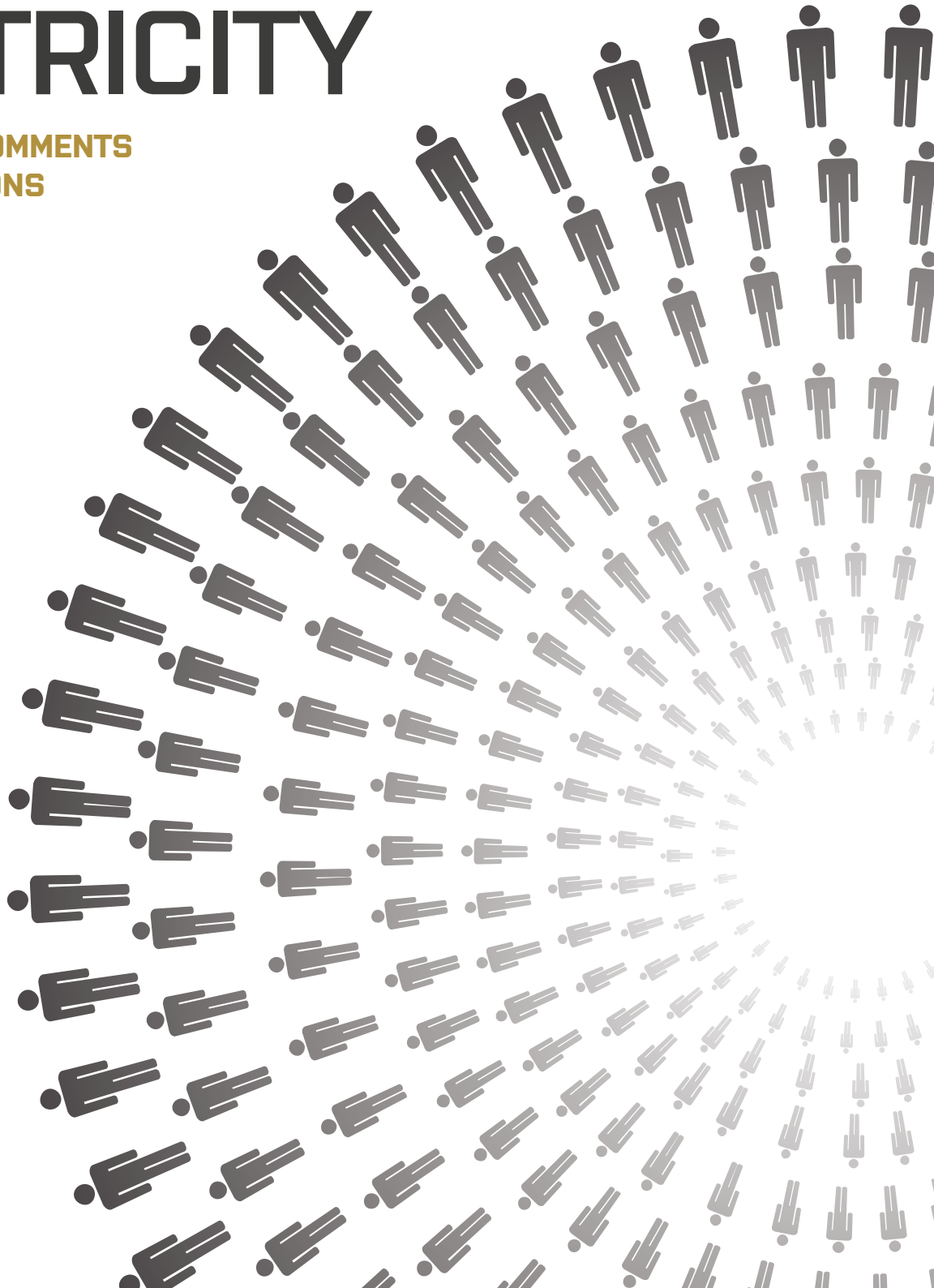
B2B Leaders

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ROUNDTABLE:
CUSTOMER CENTRICITY

SUMMARY OF COMMENTS AND CONCLUSIONS



February 2014

Roundtable: Customer centricity

Customer centricity is the subject of much discussion and debate, but how many organisations can genuinely claim to have achieved it? This roundtable examined what it truly means for a B2B organisation to put the customer at the heart of the business, and discussed the steps required to achieve this goal – as well as the obstacles likely to be encountered along the way.

This discussion sought to explore this issue, understand the extent to which preconceptions are true (or otherwise) and how practitioners were responding to it. Some key questions that we sought to address were:

- Beyond the hype, what does customer centricity really mean? How do customer centric organisations behave? How realistic an ambition is it to achieve this state?
- What kind of behaviours and benefits should the customers of customer centric firms expect?
- What kind of clout does marketing need to have within the organisation to become customer centric?
- Is customer centricity a marketing challenge, a business challenge or both? How do you frame the challenges involved for different stakeholders?
- Who should 'own' the customer within a B2B organisation? Should it be marketing or sales… or someone else? Is talk of ownership constructive or destructive?

The roundtable took place at the offices of B2B Marketing and was attended by B2B leaders (senior client-side marketers) from a range of different industries and sectors. Bearing in mind the sensitivities of the topics discussed and the opinions expressed, details of attendees have been kept confidential. However, here follows is a summary of key responses or points made.

Key comments made and conclusions:

1. **Customer centricity is part of the trajectory for startups**
   There is a typical journey that a B2B startup will go on: from customer centric when preparing a business plan, to product focus when launched, to brand focused when a suite of products emerges, to customer focused when they realise that something needs to change.

2. **Customer centricity is a top down philosophy…**
   For an organisation to be customer centric, buy-in and commitment from the board and senior management is essential, otherwise it will never get off the ground. This is easier said than done. This group can often be a key barrier to ultimate embrace of customer centricity. It was felt by one attendee that in their organisation would never be truly customer centric until the current generation of senior management (who didn't wholeheartedly buy in or commit) had retired and/or left the business.

3. **…but other stakeholders can derail it if not brought on board**
   The role of other stakeholders in the organisation can be equally important. Middle management are critical for success – they can just dismiss the whole thing as being

hype and meaningless, or another restructure, which will change again in six months time. Technology people can also be resistant, and believe they know best, as can fee earners in professional services firms, who have direct client relationships. Each needs to be managed carefully and separately.

4. If you fake it, you will fail

Authenticity is key for effective customer centricity – you can't just pretend you're customer centric. It's far more than just a badge or some more jargon – there are a wealth of buzzwords used in marketing by every company and this is often one of them. Those in the customer facing roles have to believe it and act accordingly. It is likely to require fundamental behaviour change.

5. Marketing can't own it, but must lead it

Marketing should drive the migration to customer centricity, leading by example, and convincing key individuals about the resonance and meaning for them. But they cannot own it. It has to be something that is owned either by the board, or across the whole organisation. But while marketing will play the lead role in making customer centricity happen, it isn't a campaign that can be timelined and forced to happen at a particular pace. It's very much an ongoing project.

6. A value (or values) exchange is essential

From a customer's point of view, customer centricity looks like a relationship where there is some kind of value exchange between the buyer and the seller. Integrity is key, customers must truly believe the vendor is focused on them. This may mean that salespeople may have to turn down potential sales if they don't believe the product or service on offer to the prospect is relevant and/or appropriate for them. This may impact on sales in the short term, but in the long term will generate better business and more loyal customers, which is more profitable.

7. Good customer centricity starts way before 'first contact'

Today prospects typically make contact much later in the buying cycle, having done their research through content, and generated a much better idea of what they are after before making contact. As a result, if an organisation wishes to be customer centric, the service ethos needs to kick in much earlier than before, with a view to creating a different kind of relationship with a prospect who is better informed.

8. Sales must engage differently

Business buyers don't want to be sold to any more, therefore sales needs to take a different tack when engaging with them. A different kind of dialogue is required. The Challenger Sale ethos, created by the CEB, may have a bearing here, with sales people encouraged to actively seek to challenge elements of how a company is run, and where their best interests like in relation to their product or service.

9. A strong brand is the foundation for customer centricity

There is a link between having a strong brand and being customer focused, but they are not the same thing. Customers need to believe you are credible in terms of the product/service proposition, before they can really develop that kind of customer centric relationship or structure.

10. If you believe it, they will come

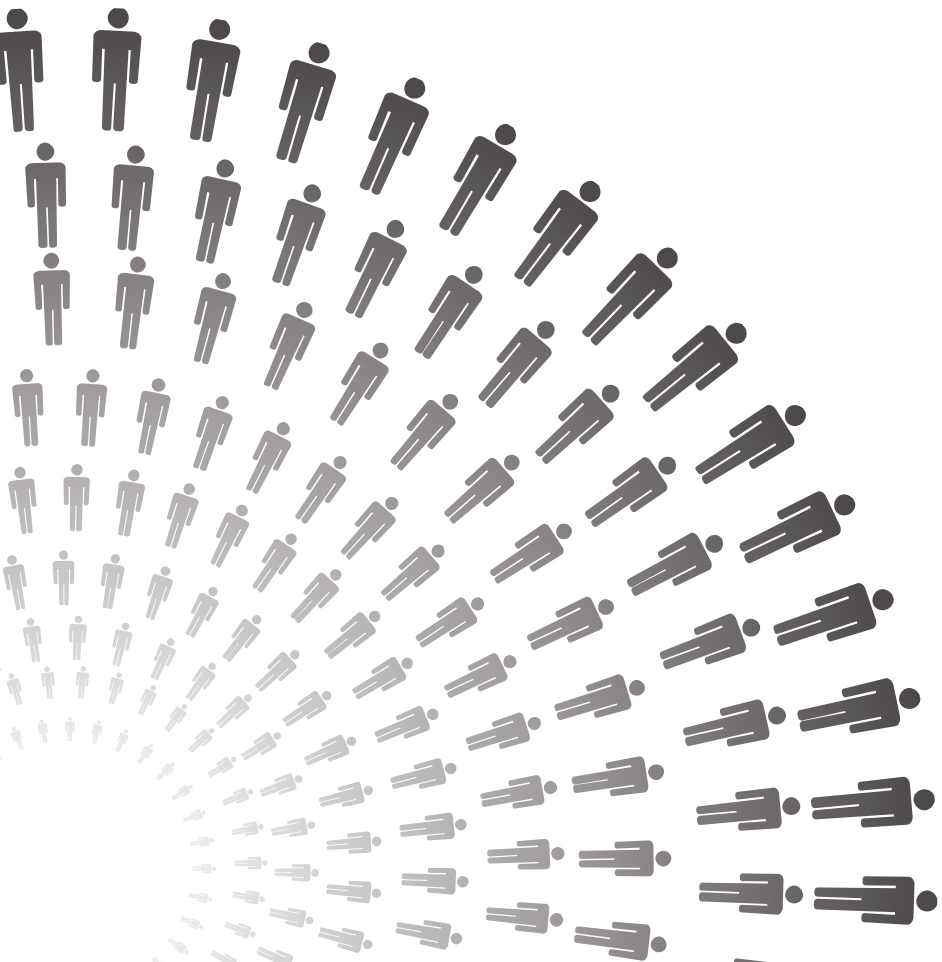
You must have faith in your product in order to be customer centric. If you don't believe that what you're offering is truly worthy of consideration, then you will struggle to make the transition. On the other hand, there is no point waiting forever to launch with the aim of achieving a perfect product. 'Done is better than perfect' may be a good mantra – it is likely to be the marketer's call and judgement on how perfect an offer needs to be.

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For more information on B2B Leaders, go to b2bleaders.net or call Amie Bakker on 020 7438 1370 or email amie.bakker@b2bmarketing.net



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