A New
Dimension for
Customer-Centric
Success
by Bill Self

A new style of leadership is emerging, one that resonates deeply with customers and leads to stronger customer loyalty. It is revolutionary and sets the organizations that practice it far above the average players in the eyes of their customers. In addition, it is more sustainable because it is a unifying force for all activities within the corporate culture.

With this new organizational mindset, suppliers leave behind "ho-hum" or conventional service and replace it with "ooh-ah" performance. Customers become so captivated by the supplier's deliverable that they are dazzled, delighted and thrilled. Their reaction can be called *"ooh-ah."*

A culture that embraces Customer 3D has moved beyond product-centricity to customer-centricity.

In contrast with delivering this game-changing customer experience, the performance of most organizations in everyday transactional events or touch-points with customers can be described as one-dimensional (1D). This 1D approach is what most of the world means when it refers to "customer service." Although this is important, it represents table stakes—the expectation to get into the game.

The traditional, shallow, 1D performance is no longer enough to ensure success. Too often, businesses lapse into cruise control. They get away from the core value of being customer-centered and what was once their purpose loses its vibrancy. There are three dimensions of organizational behavior that define how we relate to customers. Freshness and growth, however, happen only in the third dimension. We now have a name for this extraordinary performance. We call it Customer 3D.

Old customer basics – no longer effective

1D is the basic, *transactional* category of customer relations. It is necessary, of course, for survival, but not sufficient for growth. Organizations with a product focus evaluate their performance for customers based largely on how their products and services perform and how their employees handle encounters with customers and solve their problems when they occur.

When 1D performance goes well, it is primarily defined by what happens when employees deliver average, ordinary service during a typical buyer-seller event. But if we are not mindful that there is something greater, it's too easy to become immune to customers' experiences and fall into a rut, believing all that needs to be accomplished is this basic service. The 1D category can be described as "looking AT your customers." You are not ignoring them,

but you are looking at them through your supplier eyes. This is the prototype of product-centric behavior.

The success of organizations depends on how they define customer needs. If they think only in terms of individual transactions, then that basic performance is all that will happen. There is a danger that "silos" will develop because of undefined ownership of the customer and employees making judgments based only on the outputs belonging to their departments. Companies with this mindset primarily think in terms of a system that "pushes" goods and services toward the customer. They fail to understand what's missing.

Have you ever had a perfectly adequate customer service experience that just left you flat? The transaction was adequate and the person serving you was pleasant and competent. But there was nothing special about it. The portion that was missing inhabits the territory we call Customer 3D.The breakthrough activities for genuine, world-class customer-centricity happen only in this dimension.

Employees in Customer 3D businesses have a more expansive view. They define their purpose as focused on customer success and all activities that they work on develop from an organizational culture committed to

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differentiating customer performance from competitors. It's a new, creative mindset, which views everything involved with customer connections as a system rather than a sum of individual transactions. Organizations with an organic system in place continuously improve their products and services by pulling customer needs in, owning these needs, and taking care of them. A culture that embraces Customer 3D has moved beyond product-centricity to customer-centricity.

Customer accept too little from their service providers

What the majority of companies consider good service, however, is still under-serving their customer. They believe that delivering friendly, helpful employee engagement during the buyer-seller transaction with customers is enough. However, it is still reactive. Because they are not mindful that there is something better, they become immune to customers' total experiences.

Organizations, therefore, fall into a rut, believing that this basic, courteous, service is the only thing needed. Although it is appreciated by customers, it is still expected and very ordinary in today's world. Unfortunately, most organizations consider 2D performance as the stopping point — and they have conditioned customers not to expect any more.

Proactive solutions for customers

Customer 3D is embodied by a **"solutions"** approach. Activities at this stage are operational and enhance the delivery to customers well beyond the actions of pleasant employees offering an expected helping of 2D service. It is more customer-centered because it causes us to define the corporate purpose in terms of value to the customer rather than the product we currently sell. 3D behaviors are more comprehensive because they involve evaluating every touch-point and internal process to look for improvements that the customer will notice and appreciate.

The drive to Customer 3D is the

most purposeful goal

of any organization.

This is how Theodore Levitt described it in his well-known Harvard Business Review article "Marketing Myopia": "Customers don't want a quarter-inch drill. They want a quarter-inch hole." The nature of 3D thinking is grounded in the belief held by executives that their companies exist not to simply sell products and services, but to provide better solutions to customers.

In addition, 2D supplier-centric leaders think their responsibility is simply to eliminate customer problems—to get the customer to "even." The Customer 3D vision, on the other hand, is developed around abundance and its practitioners are always looking for ways to proactively help the customer. The focus of these 3D organizations is to close these abundance gaps by continuously designing new opportunities to benefit customers.

Gas gauges in automobiles, for example, once simply indicated gas tank levels from Empty to Full. Later, manufacturers introduced the gas pump icon on the gauge to better identify it. Now, it has progressed to include a triangle indicating the side of the car where the gas cap is located. The evolution has created a display that is more convenient and more intuitive for drivers. It's also a great illustration of the thousands of creative 3D ideas in every business just waiting to be implemented.

Every process can be improved. Remember when guests entered their names at busy restaurants, then had to wait nearby to hear their names called? That process became more dignified when guests received a buzzer for notification that a table was ready. Now, some restaurants are sending text messages to guests as a further improvement over the awkward buzzer.

3D customer connections are operational improvements of existing products and services to make them incrementally better for customers. They arise from an organization-wide strategy of designing products and processes to make them simpler and more intuitive for customers.

Genuine customer-centricity

The Customer 3D strategy is *transformative*. At this stage, organizations have created a system that hones their ability to develop complete attentiveness to the customer. Whereas a 2D mindset involves solutions to processes or products that already exist in one form, but which can be improved or tweaked to make them more

customer-focused, Level 3 behaviors are geared to inventing new products and services which are focused on making life easier for customers. Customer 3D *is where intuitive ways for truth emerge.*

> *High amplitude is the destination of the Customer 3D journey. Successful companies have an excellence quotient that they never compromise.*

Customer 3D proactively addresses opportunities to make tasks more convenient and less time consuming for customers. Think, for example, of the moving walkways in airports. After they were invented, passengers still had to walk from Point A to Point B. However, it became much easier for them. Or, when Apple introduced the iPod, it became easier and user-friendly to download and listen to music, bringing millions of additional customers into the MP3 space.

High amplitude

Negative energy disappears. The 3D approach to customer connection is based on design thinking, which makes us attentive, like a good designer, and helps us "discard pre-existing ideas." (Milton Glaser, Drawing is Thinking) *In Customer 3D, you and your people connect seemingly unrelated ideas or processes.* As in design, we become deeply aware, or conscious of, what we are looking at through the mechanism of trying to "draw it." Ambiguity in business disappears because a 3D approach clears the mind of all the clutter and lets us focus on what the customer will value. Customer-centered thinking is the nexus that positions customers at the center of a situation or process and connects them with the business as a whole.

This culture of *"thinking what no one has thought—about what everybody sees"* (Schopenhauer) is the essence of Customer 3D behavior. It elevates organizations above the complacency of being satisfied with the way in which they deliver customers' everyday experiences. It is strategic, because working at this stage, as Glaser says, "moves the mind" to structure a new reality for customers. *Customer 3D attentiveness to the customer, like design, contains "the energy of its maker."* It generates success because it's grounded in the philosophy that the customer completes the work we are doing. Naturally, organizations that navigate to this way of thinking are seen as more customer-centered. Customer loyalty is heightened because they are providing goods and services that their customers love and need.

The activities and thinking that take place in the 3D dimension of customer connections create a new type of passion that radiates customer-centricity. The drive to Customer 3D is the most purposeful goal of any organization. In design, Glaser says, "The task is to understand what we are looking at" and the same techniques apply to help us view our businesses in the context of what the customer is thinking. The commitment to embracing Customer 3D *frees up learning through movement and experience to generate a fresh, attentive view of how products and services impact customers.* The result is a wholeness that the customer experiences and values. This paradigm shift brings one other very important element into play—a unifying structure.

Organizations that operate in the Customer 3D dimension have a positive, customer-centric culture that rises above the perception of customer transactions as fragments of a whole, which is typical of a 1D mindset and performance.

Sales follow excellence for customers

Customer 3D can be understood by the term "amplitude," which is defined as the fullness that is created when the cultural shift is made. Malcolm Gladwell, in What the Dog Saw, discusses this critical dimension as it is used by sensory-analysis experts to describe food flavors that are blended and balanced, that "bloom" in the mouth. One expert, Edgar Chambers, explained, "The difference between high and low amplitude is the difference between my son and a great pianist playing 'Ode to Joy' on the piano." All of the most delicious brands, which we love, exemplify this high amplitude. We all recognize the superiority, for example, of a gourmet chocolate chip cookie, when compared with the packaged off-the-shelf brands offered in a grocery store. The blend is special and much more complicated than simply saying "Go out and get a better recipe." Gladwell continues, "When something is high in amplitude, all its constituent elements converge in a single gestalt." Just as we can identify the difference between

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Coca-Cola and Pepsi compared with private-label colas, we can deeply understand the difference in the organizations that connect extremely well with their customers. The amplitude manifests itself as a balance or blend in an outcome that is superior to the rest of the market and customers clearly recognize it.

High amplitude is the destination of the Customer 3D journey. Successful companies have an excellence quotient that they never compromise. The secret, however, is not in products and marketing. The secret is in creating this excellence from the viewpoint of the customer, because that is who will ultimately be the judge of whether that high status is deserved. The secret is in becoming customer-centered.

One great example is Pixar. They have a core value that their organization will produce nothing short of excellent, amazing animation. This approach is liberating because it forms the foundation of the confidence employees need to make decisions and take some creative risks. They are not afraid to challenge the status quo if it will produce a better result for their customers. Pixar is outstanding at doing what we all should do—make the deliverable the best it can be <u>before</u> the customer experiences it.

Pixar devotes real authority to the product development teams (not executives). These teams are collaborative and they review each

others' work while it is still in process, which inspires further creativity and ensures that there are no surprises in the end when the finished product is delivered. They have developed the ability to recognize how their customers will use and benefit from the stories they create. Their philosophy is not to invent another platform to sell more toys and fast food meals. Rather, they create the best story and the highest quality animation and the sales will follow naturally.

What can we learn from an organization that has one of the highest possible trust levels and favorable brand identities among its customers? Pixar can teach us that uncertainty about the quality of what you are delivering is a recipe for inconsistency and poor performance. *Excellence is not an act; it's a habit that is engrained throughout the organization.* Excellence is grounded in the premise that the entire organization will think like its customers.

> *Thus, the task is not so much to see what no one yet has seen, but to think what nobody yet has thought about that which everybody sees.*
> *–Arthur Schopenhauer*

Customer 3D organizations care only about the best outcomes for their customers. Companies that only focus on profits never really achieve high levels of admiration from their customers. Customer-centricity begins with a goal of excellence, but it is not based on how good you think you are. Instead, it begins and ends with the willingness to let your customers define how excellent you are—and then to perform at the highest level in everything the customer experiences in order to live up that reputation.

Abundance gaps

Have companies given up on trying to build a better mousetrap and resorted to attempting to capture the customer in their trap through product-centric tactics, such as lowering prices and Six Sigma-driven internal efficiencies? These techniques create inertia and reactive decisions in competitive markets. Consider the decades it took the auto industry to realize that old ways would no longer solve its problems. The reality, however, is that proactive value-added customer relationship ideas are waiting to be developed in all industries, if organizations design the right cultures internally.

Customer-centricity delivered in the Customer 3D dimension creates a heliotrophic effect between organizations and their customers. When a plant is put in a window, over time it begins to lean toward the light. There is a natural tendency, as Kim Cameron writes, "in every living system to be inclined toward positive energy— toward light—and away from negative energy or from the dark. The reason is that light is life-giving and energy-creating."

Just as plants "know" which way the source of light is, customers identify with and follow companies that outperform their competitors because of 3D thinking. A number of organizational studies have proven that generous, abundant behavior creates "an upward spiral of improvement." (Cameron and Lavine, Making the Impossible Possible) The resulting actions attract customers who observe a corporate behavior designed to improve their lives (not the suppliers' internal costs). It

creates a sense of attachment and this attraction strengthens customer loyalty. Leadership in extraordinary companies believes in always giving more than they expect to receive.

Traditional product-centered companies are grounded in the belief that eliminating customer problems is all that is necessary. Problems cannot be ignored, of course. But customers view this as ordinary behavior and expect organizations to always take care of problems. In contrast, the extraordinary performances by Customer 3D organizations from enabling customers to succeed and from visualizing a service to those customers that never stands still. As a leader, educate your culture to believe that you will attract more and more loyal customers by doing and being what they want.

Most organizations give lip service to being solutions-providers to their customers. But when they proactively think like their customers, this pattern creates an energy source that attracts customers, just as the sun attracts plants. Instead of simply being a one-dimensional provider of goods or services, these organizations are the center of an ecosystem that delivers what customers need to be successful.

Customers relate to organizations that embody this generative, idea-developing energy toward their customers. Consequently, these suppliers are perceived as much higher performers. They *are legendary, rather than ordinary*.

Customer closeness

The Customer 3D strategy not only improves connectivity with customers, but it also strengthens core competencies in the organization. Rather than a series of "tools" that can be used, becoming customer-centered means creating a "system" for customer closeness. Understanding the criteria for the success of this system is predicated on a culture that is genuine in its beliefs about thinking like a customer. It is fundamental, but powerful, and when implemented properly, it will take your business to the next level. Success, however, only occurs through a concentrated effort.

Great results are ahead for organizations that re-orient to attain the Customer 3D dimension. For example, this new culture creates:

- ➔ High-level performance, driven by design that is natural and customer-centered.
- ➔ More fun for employees.
- ➔ A new form of observation of customer needs, allowing companies to see new and different things while looking in familiar places.
- ➔ Positive economics from increases in market share and Customer Lifetime Value.
- ➔ Closeness to customers, who feel like family because your organization is proactively solving their problems. Why would they go anywhere else?

Renaissance

A rebirth of spirit and high purpose is underway. The traditional explanations of customer strategy and competitive behavior are proving inadequate. On the other hand, considerable power is unleashed with Customer 3D customer connections, creating a more successful future for organizations, based on a future that does not accept the status quo. Most importantly, when companies replace their supplier-centric mentality with one that is customer-centric, a new energy emerges in their internal organization. That new energy manifests itself in greater creativity, empowerment and uniqueness, which attract customers because it is expansive. And it is sustainable because it has a built-in adaptability and responsiveness to working toward the success of the customer.

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