

How Did We Get Here?

Changing Sources of Competitive Dominance - from Products to Customers






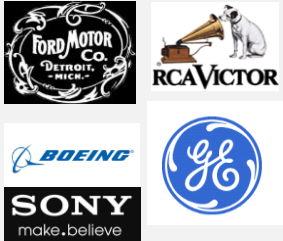

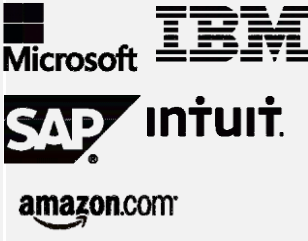

For decades companies have sought market dominance through products, by being smarter and more efficient at making, distributing, or selling them. In product-focused organisations process and distribution efficiencies are the focus, and the customer is merely the end-point of the operation. They have developed strategies, structures and systems, and evolved processes, people and culture aligned to create competitive advantage in production, distribution or marketing. The product, not the customer, is at the core. But product-centricity is now giving way to customer-centricity.

"We have entered the Age of the Customer - an era when focusing on customers is more important than any other strategic imperative." (Forrester Perspective: *The Business Impact of Customer Experience*, K. Bodine & M. Dorsey, 2015).

In the new millennium, the accelerated development of data gathering techniques and analytics have enabled detailed tracking of customer interactions to improve all aspects of the customer experience. This has been an important pre-cursor to development of customer-focus strategies. Globalisation and technology have unleashed forces of change that demand more agile organisational responses to this shifting competitive landscape.

How prepared are you and your business to respond to these changes in the external environment? How much time and effort do you put into retaining your customers?

Development of Customer-Centricity through the Ages of Competitive Dominance

Age	1900-1960	1960-1990	1990-2010	2010+
Source of Competitive Dominance	Manufacturing 	Distribution 	Information 	Customer 
Strategic Advantage	Mass manufacturing, with economies of scale and standardisation of products, make industrial powerhouses dominant.	Global connections, transportation networks, and warehouse and storage systems are key to distribution success.	Connected computers and supply chain logistics enable control of information flows to dominate.	Digital disruption, the shift to mobile, access to ubiquitous information, and big data empowers buyers to demand a new level of customer-obsessed focus.
Organisation Focus	Product Centric	Distribution Driven	Market Focused	Customer Obsessed
Customer Focus	Customer Service	Customer Service	Customer Experience	Customer Centric
Customer Centricity Maturity	Low			High
Customer Information	Basic customer details recorded manually or in relatively inaccessible data systems.	Data bases of customers permit targeting of major market segments by broad socio-demographics and location.	Customer data and analytics permit market segmentation, customer analysis and tracking of buyer behaviour.	Big data turned into deep customer insights enable transformation of customer experience, customisation of products/services, and infinite buyer and market granularity with predictive capability.
Leading Companies				

(Source: Adapted from *Forrester Perspective: The Business Impact of Customer Experience*, K. Bodine & M. Dorsey, 2015).

Discover more about creating a customer-centric organisation with your customers front and centre of everything your company does. Find out more about the wisest investment you can make in your business. Go to www.customerwise.co

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