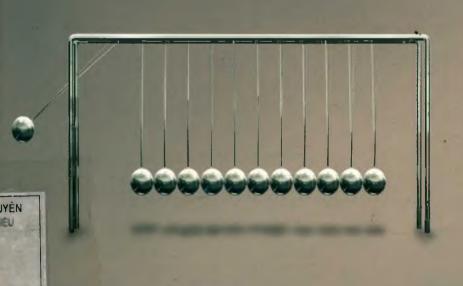


BEFORE THEY DO

ANTICIPATE



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KNOWING WHAT CUSTOMERS NEED BEFORE THEY DO

BILL THOMAS & JEFF TOBE



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CHAPTER

Strategy—Creating and Destroying Customer Value

- Assess your strategy's potential for success
- · Dispel common myths about strategy and its drivers
- Introduce the Customer Focus Framework and Maturity Model

It's estimated that as many as 90 percent of strategies fail to deliver the value or results they were intended to. In most cases, that "value" is generally interpreted to mean shareholder value, return on capital employed, or some other proxy for a predictable and dependable return on investment. Some of those failures are significant, some are modest, and some are incremental—but in all cases, the feeling is . . . they could have done better.

Our experience shows two main reasons why strategies fail to deliver as promised. They were either faulty in design, or they were faulty in implementation. And oftentimes, it's some of both.

Scott Glatstein, "Why Strategies Fail: Bridging the Gap between Thinkers and Doers," MWORLD, Fall 2008; The Journal of the American Management Association, Volume 7, Number 3, page 26.

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This holds true whether you're trying to develop a broad business strategy or a more specific customer focus strategy. Chances are, if your organization has a formal customer focus strategy, you feel pretty good about its chances for success. And if you personally played a role in designing that strategy, you're most likely feeling quite bullish about it. Let's see. The following pages contain a brief assessment that will give you some insight into what you might realistically expect about your customer focus strategy's likelihood of success.

Assessing Your Strategy's Potential for Success

This self-assessment is meant to help you evaluate the potential for success of your business growth strategy and its underlying customer focus. Generally, the higher your score in a given question or area, the greater potential your organization has of succeeding in its customer focus efforts—thus generating the growth you want from your business strategy.

The thirty (30) questions address various aspects of the Customer Focus Maturity Model[®] (CFMM) and 10-Point Customer Focus Framework, which will be covered in great detail throughout this book. We've chosen questions that represent a wide range of customer focus critical success factors, but it is not meant to be an exhaustive or allinclusive list of such questions.

NOTE: There are no right or wrong answers, only the answers that most closely reflect your company's current state. Some of the questions may sound similar, so please read them carefully to understand the difference they're meant to capture. You may struggle a bit on some of them trying to differentiate between a specific department or function in your company and the company as a whole. For this assessment, we are focusing on your company as a whole. Reflect the answer that most closely describes your views about the entire company. Once you have answered all thirty questions, there are instructions at the end of the assessment to help you through the next steps.

To begin, for each question, indicate which answer most appropriately reflects your current view of your company (note we use the term "company" to mean both for-profit and non-profit organizations).

Access this assessment online at www .ANTICIPATEtheExperience.com/assessment or scan the QR code.



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	For each statement below, please indicate the number (acore) that best reflects your level of agreement or disagreement with each respective statement as follows:
ī	
ı	Our growth strategy is more about creating value for our customers than it is about creating demand for our offerings.
100	We are a change leader more than a follower in our key customer markets.
3	Our customers play a significant role in helping us determine our customer focus philosophy.
の	We use customer insights to define our definition and measures of strategic success.
5	Our company views retaining current customers as more important than going after new customers.
1	We know the average annual profit of each-of our customer segments.
7	We take specific steps to understand how each customer defines value in their relationship with suppliers like us.
	We have a formal process for setting and communicating expectations with new customers.
)	We take specific, consistent steps to understand exactly why customers choose us and why customers leave us.
0	We identify and focus on all the various touch points in the customer organization.

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F	or each statement below, please indicate the number (acore) that best reflects your level of agreement or disagreement with each respective statement as follows:
11	Every employee in our company can describe our customer focus to people outside of our company.
12	Communityees understand the role the customer plays in the growth and financial account of our company.
13	Our employees understand how their individual financial well-being and job security depend on our company's success.
14	Every employee in the company and remain the rate they play in our sustainer focus.
15	Every employee is equipped to play their respective role in our customer focus.
16	We take clear rags to half customer-forward capabilities throughout the entire company.
17	"Customer-focused" describes our company culture more than it describes a function or department within our company.
10	We focus on the entire and-to-end customer augustance, not just the tales and survice aspects of it.
19	We have a process in place for ensuring we know what our customers' future needs might be.
20	One loyal customers understand what we expect of them in terms of brand advocacy and new business referrals.
	Section B Total Score