

## “Mind the Gap” - Customer Pathway Management:

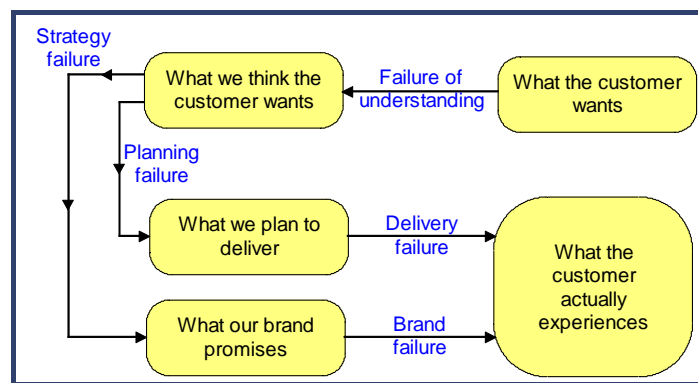
### Mind the Gap

As customers, it's often easy for us to spot the gaps that exist between the promises that suppliers make and the service we actually receive. Recent gaps that I've experienced include:

- I was promised a 'phone call confirming a delivery date and yet never got the call, so had to "chase" the supplier. They claimed not to have been able to get me on the number I had given them
- I bought a product and was told it would be compatible with something I'd already got. It wasn't, so I now have to buy something else to solve the problem
- I was asked to supply some information and then got a call telling me that I'd not included something vital that would enable them to process my enquiry. Unfortunately, they hadn't actually asked for that key piece of information and I hadn't "guessed" that they needed it

It's interesting to speculate on the root causes of these gaps; some seem to be about capability of the supplier's people, some are due to processes that clearly aren't "joined up", and some are more simply that the supplier doesn't understand the customer's needs.

We use a simple model to help us identify and diagnose the nature of these gaps:



The first gap is the organisation's failure to understand what the customer actually wants, so that the interpretation of requirements is then flawed. This might be caused by a simple lack of customer requirements analysis, or lack of market research. Getting this wrong, may cause two further failures; firstly developing strategies and making brand promises that don't align with the customer's needs, or secondly, developing internal plans to produce "the wrong thing".

We're probably all familiar with examples of inappropriate brand promises or delivery plans, such as the banks who advertised that they will answer your 'phone call within 3 rings, when what you really want is error-free statements; or the railway operators who painted their stations and trained their staff in customer care, when what customers actually wanted was on-time train services.

The other two gaps are a) failing to deliver what you planned to deliver and b) failing to live up to your brand promise(s). Either of these are seen as actual experiences by the customer and are the two areas where customer complaints may arise, or where customer satisfaction and loyalty are destroyed. The causes of these failures are, however, rooted in the other three gaps.

It is clear from this model that definition of the specific gaps will require both an internal and customer diagnosis. We call this approach, together with improvement strategies, Customer Pathway Management.

### Customer Pathway Management

Customer pathway management is a process that begins with knowing and understanding what your customers want, and ends with proof of their satisfaction with you as an organisation.

It includes:

- Identifying customer needs and expectations, not only of your unique products and services, but also of the level of service you provide
- Examining your processes and functions to ensure they are customer-centric
- Encouraging and enabling your employees to be able to focus entirely on the customer
- Implementing actions to improve the customer experience
- Measuring internal performance, customer behaviour and customer perception to determine what further action is required

### Why do it?

Almost all organisations would claim to be customer-focused, yet the reality of customer experience often doesn't match the promises that are made. In the private sector, customers are lost and cannot be regained, and in the public sector too much dissatisfaction arises, resulting in a vicious circle of financial penalties - reduced services - dissatisfaction. There are no winners!

Actually understanding what customers want and being able to marshal even scant resources goes a long way towards creating the kind of experience that most customers seek. Ensuring that your employees are truly customer-focused is not only effective in terms of value-add for the customer, but efficient too.

### Our Approach:

We use a four stage approach to customer pathway management:

Stage 1: Diagnostic gap analysis

Stage 2: Planning for improvement to integrate the customer offer and the customer pathway

Stage 3: Action to achieve the best possible customer experience

Stage 4: Measurement of the customer experience

We use proven tools and techniques at each stage to build towards improving how the entire organisation can better serve the customer. Firstly we identify the gaps using a combination of face-to-face data collection (internally and with customers), and analysis of existing performance data (e.g. complaints data, delivery performance and internal failures). It's fascinating how often there are subtle, but significant, differences between internal perceptions of customers' needs and what the customers actually say. For example, customers might say they want on-time delivery, but this might be expressed internally as a "3-day lead time" requirement.

The second stage involves enabling leaders to plan for customer pathway management, and to harness the potential of all employees to offer an effective and positive experience. Often this will include a series of interactive workshops and experiential learning, during which the diagnostic data is fed back in a way that allows the organisation to see things from the customer's perspective. Developing specific plans to address the gaps is completely dependent on the issues emerging from the diagnosis and the priorities agreed by the client organisation. It might involve improvement of processes, people capabilities (knowledge and skills), IT systems or measurement systems.

Stage three includes support for implementing changes based on earlier plans and stage four involves the use of a range of techniques including satisfaction surveys, mystery shopping and so on, to confirm the level of improvement achieved and the degree of any further change that is required.

All of our clients have unique customer opportunities and problems, sometimes quite fundamental, for example having no data that identifies customer expectations; sometimes the problem is one of employees not seeming committed to the organisation; sometimes it is lack of feedback after a service or product is delivered.

At Ad Esse we don't adopt a one-size-fits all approach to improvement; we always begin with our client's needs. Therefore our services may range from conducting customer focus groups, to facilitation of brand workshops with a top team, to a one-off process improvement "blitz" event.

However, whatever we do will be set within a coherent framework for managing and improving the customer pathway.

### **What Our Clients Say:**

Over many years, our team has supported organisations to improve the experiences of customers in both the public and private sectors. Some comments from clients:

*"We made major changes to our service and pricing policy based on your findings about price sensitivity, which led to increased customer satisfaction and increased revenues".*

*"We thought we knew what our customers wanted, but after the focus groups we realise we'd made so many assumptions about it".*

*"An amazing spin-off is how enthusiastic the staff are now since they were trained to run focus groups with customers".*

*"Although we work in the public sector, being able to demonstrate value for money and to show how we are different is really important; the brand workshops really moved us along".*

*"We had never considered gathering data in such different ways - we now not only know more in general about our customer, but what we do know is so precise that it has really helped us change things for the better".*

### **More Information:**

You'll find client case studies and more information about our improvement approaches on our website:

[www.ad-esse.com](http://www.ad-esse.com)

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