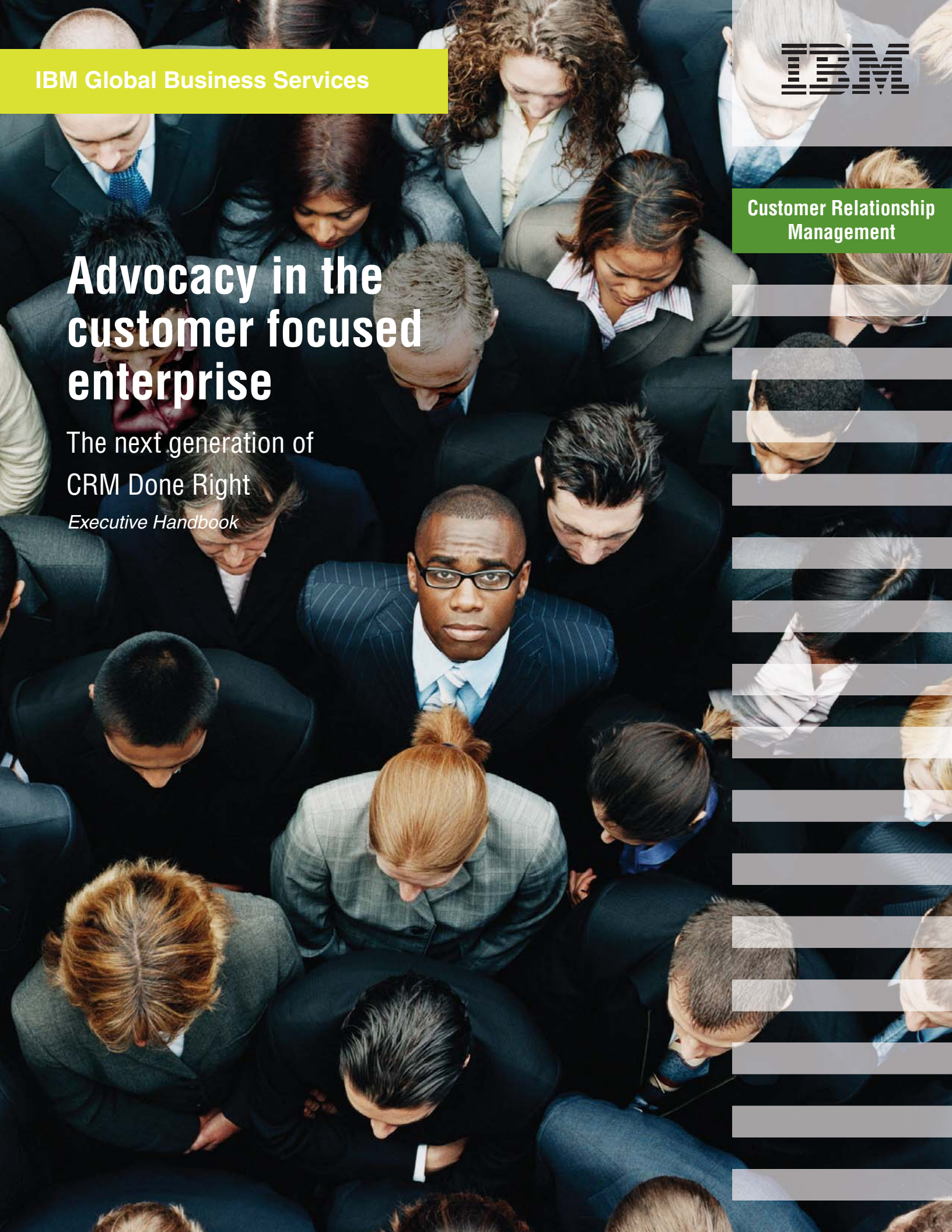


Advocacy in the customer focused enterprise

The next generation of
CRM Done Right
Executive Handbook





Advocacy in the customer focused enterprise

The next generation of CRM Done Right

Executive summary

The growing bifurcation of the marketplace between the two extremes of *product commodity* and *customer needs-based solutions* will make rapid losers and winners across different industries. Innovative companies know that they cannot merely sit safely in the middle anymore. Leading companies want to build strong bases of loyal, profitable customers who are also advocates for the company. *Customer advocacy* is a measure of *customer attitude* toward a company.

In order to drive sustainable, profitable organic growth and competitive differentiation organizations must better integrate and align the way they treat customers with their go-to-market strategy and branding at each touch point of the relationship. Achieving this is a continual, uphill battle as competitors increasingly raise the stakes. Customers' expectations continue to rise – largely through their experiences with a boundless commercial world – but also through unrepentant brand marketing and well-publicized customer focus programs. Given the vast number of customer interfaces companies have to manage – multiple channels, front-line employees and customer segments – the key challenge is to create the right experiences at the right time in the right way for the right cost.

To complicate matters, customer experiences have emotional characteristics which companies historically haven't been good at delivering. The customer experience is more than an analysis of hard metrics about speed, availability and information. These tactile performance measures are critical, but real progress in shaping the customer experience has to involve the emotive aspects

of high impact interactions. The key to achieving emotive success is understanding the customers' needs and expectations. By doing so, companies can understand what the most important interactions are – the “moments of truth” – and prioritize delivery on these interactions.

Building meaningful experiences is a daunting challenge in this environment, particularly given the sheer number of customer interactions any one company must address across many different businesses within an organization. A new perspective is needed for delivering customer experiences – one that builds a competitively superior experience while prioritizing a company's resources and investments. The core of this view is defined by three simple guidelines that apply to each and every customer interaction:

1. Delight customers when it makes sense (and cents)
2. Fix where the company fails on its promise
3. Right-size delivery when an interaction doesn't matter

Companies who excel in the customer experience arena operate as “customer focused enterprises (CFEs).” The CFE embodies six key characteristics, and applies innovative approaches and resources as it grows and improves:

- Customer authority
- Customer dialog
- Integrated execution
- Solution experience
- Human performance
- Customer focused organization.

Developing a new vision for better customer experiences is only the beginning. Changing the enterprise requires the transfer of customer experience ideals from the drawing board to real life operations. The “CRM Done Right” framework provides a sound, structured and proven path for organizational transformation, from securing agreement on a comprehensive vision to confirming commitment throughout multiple implementation phases.

Business leaders across industries can benefit from the CFE ideals, leveraging innovation enabled by the fusion between technology and business processes as a means to help ensure that the right customers have the right experiences in the right ways and at the right times – this is innovation that truly matters.

New light on the customer experience

This executive handbook discusses a new approach to delivering customer experiences and becoming a CFE. These findings and perspectives are based upon the latest IBM customer experience research of customers and CRM decision makers.

This handbook is a continuation of the IBM “CRM Done Right” series, following 2004’s “CRM Done Right, executive handbook for realizing the value of CRM”, which focused on how to make successful CRM transformations within large organizations.¹ These handbooks, along with future publications, can be used in tandem by business leaders seeking to improve their CRM operations.

IBM has refined the technique for understanding, designing and fulfilling advocate-building customer experiences and becoming a customer focused enterprise. These perspectives were generated through recent IBM customer experience research and experience working on customer experience client engagements.

I. Do we need to do things differently?

An opportunity for customer experience transformation

Innovative companies want to build strong bases of loyal, profitable customers who are also advocates for the company. Companies have long understood that customers are vital, and how they interact with a company or product is the key to their hearts, minds and wallets. It was true before and it’s true now. According to the most recent IBM research, decision makers are twice as likely to prioritize improving the customer experience over hard-line goals, such as predicting loyalty or measuring business outcomes (see Figure 1). In 2005, Forrester surveyed 176 large North American companies and 60 percent of respondents felt that it was “critical” and 36 percent “very important” to improve the customer experience.²

For over a decade companies have been making massive investments in CRM and customer focused programs. These programs have continually raised the bar on customer experiences, making differentiation in the marketplace difficult and playing catch-up an every day event.

Pressure from all sides to raise the customer experience

The stakes are high when it comes to customer experiences. According to a 2004 IBM customer study, 59 percent of customers who have multichannel interactions will stop doing business with the brand after just one bad experience. Conversely, 79 percent of consumers will commit to a deeper product or service relationship with a brand after a satisfying experience.

Customers’ expectations continue to rise based on their collective experience with other companies or businesses. For example, even though utility companies often have a captive base of customers with little room for competitive differentiation, customers are demanding enhanced services, such as online statements or 24/7 phone support, similar to those provided by other business providers, such as mobile phone companies or banks.

Figure 1. Decision makers emphasize delivering on promises and improving the customer experience as top concerns.



Source: 2005 CRM Done Right Executive Decision Maker Research, IBM Global Business Services.

Often, the results are costly service enhancements that provide little or no appreciable return on investment (ROI), while having marginal impact on customers' experiences.

The customer knows companies often have programs to award customers for their business. According to recent IBM research, customers across the board were keenly aware of customer focus programs and have come to expect them among the biggest – and even the big-looking – companies. This should be little surprise, as companies have been blaring “The customer is number one” messages in their branding for years.

Pressure isn't coming just from the customers. Companies mock each other in public forums about customer treatment. A recent airline television commercial expounds the most basic fulfillment of customer services in jabs at the shoddy service associated with commercial flyers. “People give me their bags and I put them on the plane,” a confident baggage attendant proclaims. Other ads emblazon customers with generic numbers on their heads in “cattle call” lines. Others show bad companies gleefully shouting “no” to every customer who calls asking for service. Pointing out other companies' poor experiences in advertising has almost become its own trade.

Clearly, one of the most significant ways customers develop expectations about experiences is through a company's own marketing and branding. Marketing organizations work hard and pump millions of dollars into creating expectations with customers. However, marketing messages often paint a much rosier picture than a company's operational reality. *How many companies would base their brand messaging on their actual operations?* How many companies would put their memorable shortcomings into a bright TV spot that highlighted their weathered hotel rooms, their indifferent clerks or their painfully long call wait times?

How many companies would base their brand messaging on their actual operations?

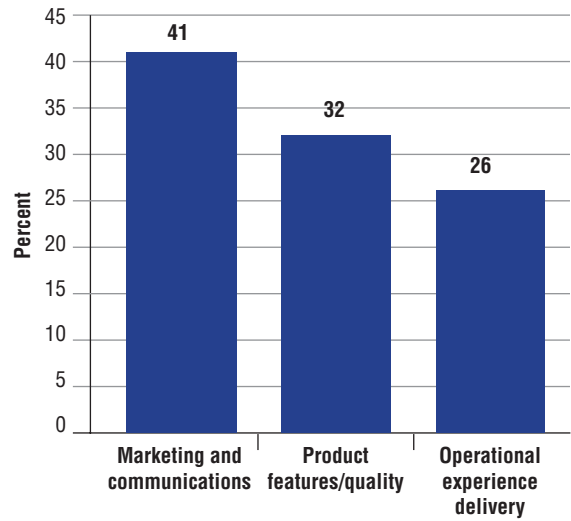
According to recent IBM research, executive decision makers overwhelmingly agree that their companies fulfill on their brand promises (69 percent). This sunny outlook certainly may help business leaders to sleep at night.

Still, executives cite using marketing tactics (41 percent) more than any other method in building brand expectations (see Figure 2).

A shot in the dark

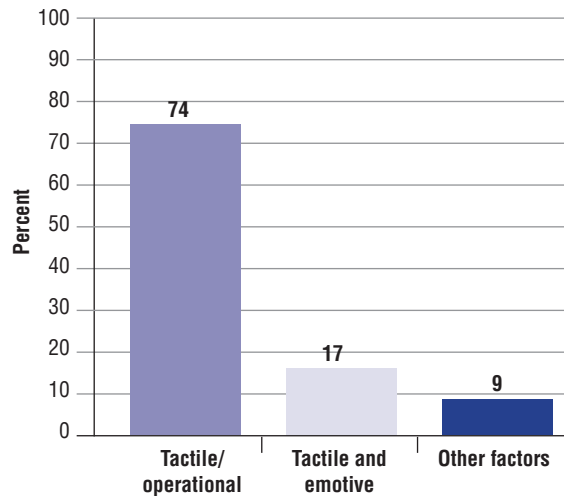
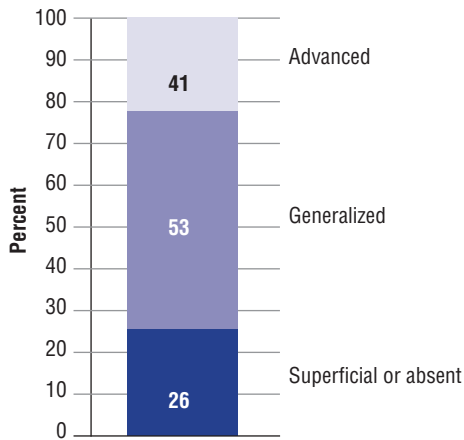
Regardless of whether companies use marketing, operations or a combination of both to set expectations, it's clear that companies must take outward action to influence their customers' perspectives. A problem is created when companies take action without really understanding their customers. According to IBM research, 79 percent of business leaders have only a generalized or superficial/absent understanding of their customers. As a result, we could interpret that business leaders continue to act on an operational basis or "what can be made faster or more efficient," versus what the customer may value most. Another telling figure is that 74 percent of business leaders make decisions based upon what's right for their operations, versus what is right for both them and the customer (see Figure 3).

Figure 2. Most executives strongly believe that they live up to the brand, although most also rely on marketing to deliver expectations.



Note: 2005 CRM Done Right Executive Decision Maker Research, IBM Global Business Services.

Figure 3. Most companies have shortcomings in their understanding of the customer experience.



Source: IBM Executive Decision Maker Study, 2006; IBM Global Business Services.

By acting without understanding the customer, and focusing mostly on tactile and operational attributes, companies are taking a “shot in the dark” at their customers, often investing in tactics that may miss the needs of the customer and are quickly copied by their competitors.

Creating advocates

Customers’ expectations have grown and are being prodded on all sides. Business leaders must decide whether it is important to maintain the *status quo* or reach out for the competitive lead. Those who opt for the lead need to build and manage their share of *customer advocates*.

Advocates are superior to neutral or dissatisfied customers. Advocates spend more, remain customers longer, and refer family and friends, thus increasing the quality of the existing customer base and new acquisitions. On the flip side, antagonist and agitators of a company destroy value by driving up service costs, demoralizing front-line employees and complaining to anyone within earshot. Accordingly, the goal of customer focused companies is to manage and retain advocates while migrating other customers toward advocacy.

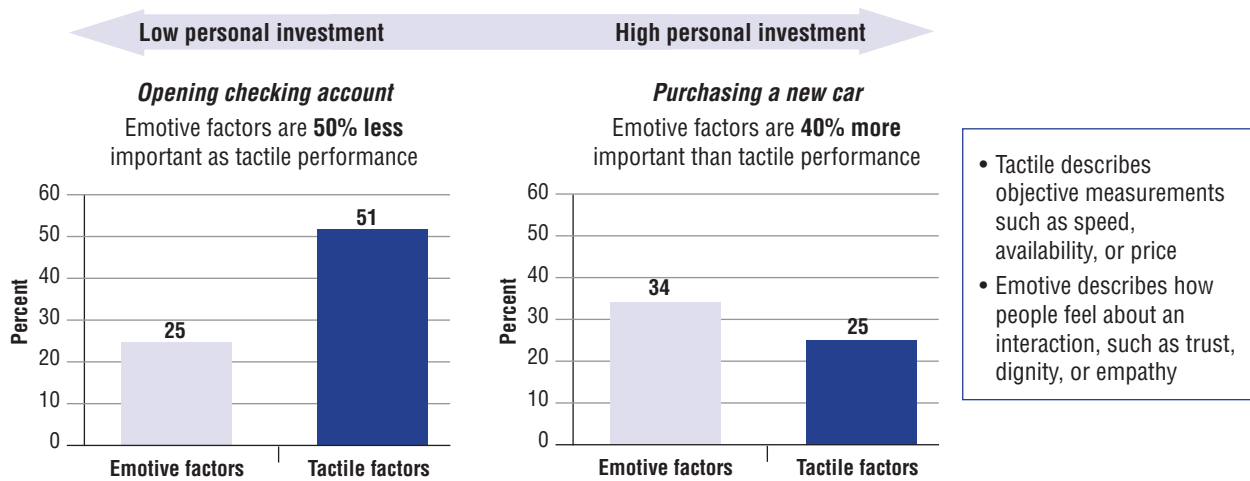
More than just meeting tactile needs: The emotive side of the customer experience equation

Each interaction has different *emotive* levers that come into play and, depending on the customer’s perspective, may completely overshadow the tactile aspects of the interaction (see Figure 4). Customers may require their emotional needs to be fulfilled, such as being treated with dignity or honesty.

According to IBM customer experience research, emotive factors are often equal to, or more important than tactile attributes, from a customer’s perspective. Although reasons for purchase are almost always a combination of factors, in many cases customers attribute emotive reasons, such as dignified treatment to be as important as fundamental tactile attributes such as price and quality.

An intriguing variance in understanding emotive versus tactile needs is that neither is consistently more important over an entire array of customer interactions. Sometimes emotive factors are more important, and for other interactions tactile factors are stronger. According to IBM research, there was a general correlation between the amount of *personal investment* (the time, energy and

Figure 4. Emotive impact is important, and sometimes most important, depending upon the customer’s investment in the interaction.



Source: Values are weighted averages of respondents’ response. IBM Quantitative Consumer Research 2006, IBM Business Consulting Services.

value a customer places within an interaction) and its emotive relevance. When customers have a high personal investment, emotive factors typically become more dominant.

For example, purchasing a car requires a high level of personal investment from the customer. The process may take a long time, is research-intensive, requires a lot of personal information, involves a relatively high expense, and includes a bundle of integrity and trust dealings with sales representatives. In the research, emotive factors, such as dignity, were 40 percent more important in this high-investment interaction. In comparison, tactile factors were more important within the relatively low-investment experience of opening a checking account. Intuitively projecting these results forward, we could surmise that there could be great variance across even a single company's diverse array of customer interactions. Emotive and tactile factors would not only change according to broad transaction types, but also by delivery channels, life stage, past experience, customer segment and even time of day.

The operational challenge for leading companies

Building advocates is no simple task, especially given that there are extreme variances in the tactile and emotional performance requirements across interactions with a customer over time. To complicate matters, it's the customer's attitude and mindset that provides the success measure for any interaction. It's the company's challenge to understand the customer's mindset and deliver on it at key touch points.

For the past ten years, there was plenty of work to do in customer-facing departments of large organizations. There were call centers to build, an Internet that popped up, new technologies to better understand customers and new systems to track contacts and history. Although this work isn't finished, turning on new channels or new features online isn't going to generate groundswell differentiation as it has done in the past. *The new opportunity for CRM Leaders may not lie in building new customer experiences, but in preemptively managing the emotional and tactile performance of the existing ones.*

Endlessly seeking perfection in every interaction is cost prohibitive and perhaps futile; A well emphasized customer focus produces business returns.

Business constraints hindering the delivery of perfect experiences are often based on negative past histories and include:

- *It's too expensive* to try perfectly align every interaction to each customer at every point of contact. What's the point of advocacy if it lowers near-term profits?
- *There are not enough resources* to provide human contact for every customer interaction. Besides, there is an equally pressing imperative to reduce and refine resource usage, through productivity, cheaper workforces and automation.
- *There's not enough time* to build out every level of service and treatment. CRM projects are already stacked up in queues at most businesses.

The new challenges and opportunities

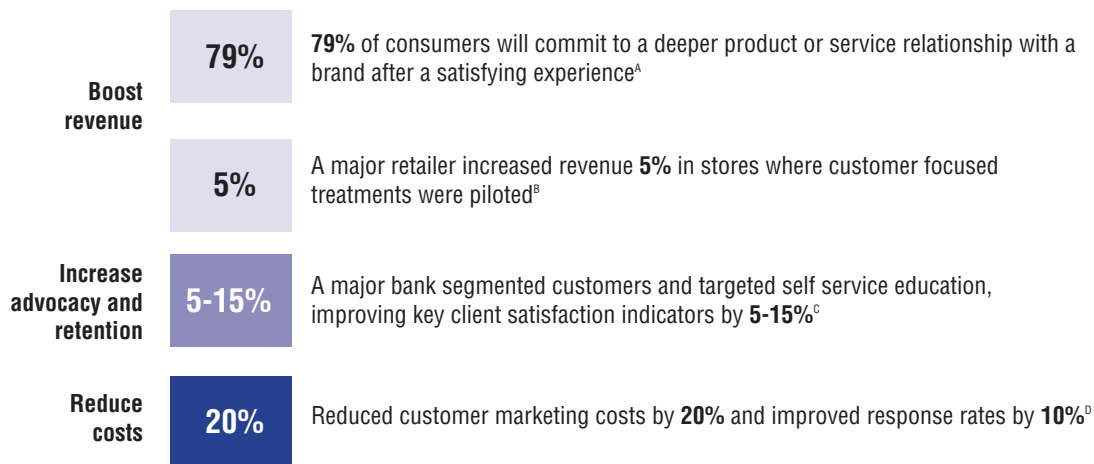
IBM understands the emotional imperative of the customer experience and believes that this area will be a key battleground for companies in the future. Two questions summarize the relevant challenges and opportunities:

- How do companies formalize and deploy the advocacy-building, higher-order emotive attributes, such as dignity or empathy, as promised by their brands?
- How can companies deliver competitively superior customer experiences within a realistic, achievable operational model in a cost effective manner?

More than a ray of hope

Current techniques are incomplete in addressing the customer experience imperative, given the enormity of customer operations at large organizations. But there is a way. Innovative companies are delivering impressive results by applying CRM tools to enhance the customer experience (see Figure 5.)

Figure 5. Marketplace leaders see real returns from their focus on customers.



Sources: ^ALaValle, Steve and Brian Scheld. "CRM Done Right: Executive handbook for realizing the value of CRM." IBM Global Business Services. June 2004. <http://www-1.ibm.com/services/us/index.wss/summary/bcs/a1002689>; ^BPeppers, Don and Martha Rogers. "Best Buy Counts Customers." CIO Magazine. July 1, 2005.; ^CIBM client experience; ^D"Big Blue's Big Bet: Less tech, more touch." Summary of New York Times article. January 25, 2004. <http://www-1.ibm.com/services/au/index.wss/summary/igs/a1005951?cntxt=a1005069>

The following sections describe how companies may successfully create differentiated customer experiences within a realistic and achievable operational model by defining, implementing and managing a customer experience framework.

II. What is the new prescription for the customer experience?

The customer experience is the impact that certain interactions make that create present and future impressions and attitudes toward a company. Perhaps the simplest way to analyze the customer experience is to view interactions. Interactions are when a customer and company communicate or transact with each other. Buying a book at a store, paying a bill online or calling a customer service center are all individual interactions. Rudimentary customer experience analysis can be the simple analysis of key interactions a customer may have with a company.

The customer's attitude is forged during interactions and may be the result of multiple interactions or just a few key ones. Ultimately, the customer's attitude determines whether they are satisfied or not.

Not all interactions are created equal

Different interactions have different effects on customers. Some interactions are very intensive, emotionally taxing, involved, time-consuming, enjoyable or otherwise very important to customers. Other interactions are mundane, unnoticed or otherwise unimportant. Understanding the difference between important and unimportant interactions enables innovative companies to achieve two very distinct goals: 1) improve the customer experience where it counts and 2) prioritize investments, resources and effort against only the most important interactions, thereby increasing ROI.

Three critical elements to apply to customer interactions

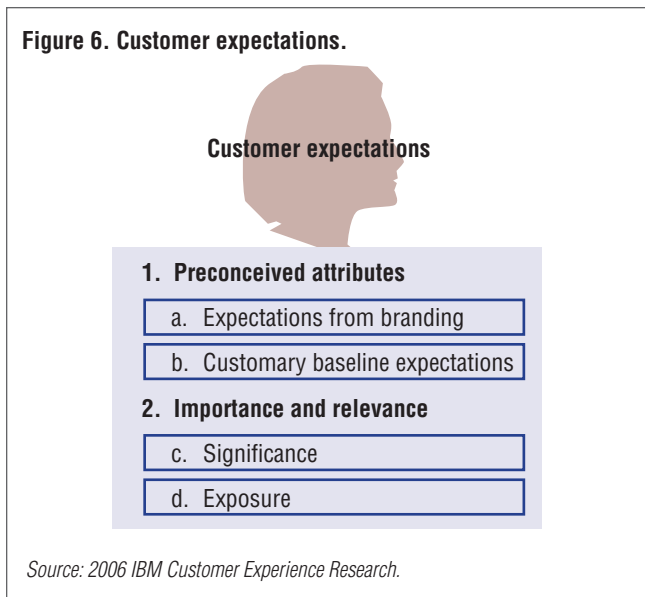
With this in mind, three simple courses can be employed when thinking about designing customer interactions:

1. *Delight customers when it makes sense (and cents):* Identify areas that have the deepest impact on customers, and focus investment and resources there to build advocates where it is financially viable.
2. *Fix where the company fails on a promise:* Verify that experience delivery is matched to expectations and that customers aren't angered because of being

promised one thing and given another. For example, if a hotel advertises premium treatment and services, then hotel employees need to deliver quality service where it has the most impact.

3. *Right-size delivery when an interaction doesn't matter:* Interactions that have little impact on the attitude of the customer may be good candidates to reduce the type of resources allocated to them, freeing up investments to be more focused on high impact interactions.

The customer decides which interactions are important. The customer determines the importance of an interaction. The customer's attitude is created out of a complex mix of different components, with most of them outside of any one company's control. The customer's mindset can be described by *preconceived attributes* and *importance and relevance* (see Figure 6).



Preconceived attributes are what the customer expects when communicating or interacting with the company, its products and service providers. They include *expectations from branding* and *customary baseline expectations*.

Expectations from branding are attributes that the customer expects because of what they know about a specific company. They can be formed by brand promises, reputation, past experience or price. These might be expectations about quality, service level or value. For example, a national bank will be expected to offer a broad array of products and have a transactional Web site. A specific bank might run advertisements that say “free checking and attentive service,” both of which may set brand-specific expectations. Unsurprisingly, IBM research determined that price was a large factor in shaping brand expectations – consumers expect more from high-priced brands.

Customary baseline expectations are what customers expect automatically in dealing with any company within an industry and, in most cases, any business at all. For example, it is commonly expected that stores will be open during the day and that clerks will provide polite service. Although these may seem obvious, baseline expectations continuously evolve with once-futuristic features such as integrated online statements and electronic bill paying capability now becoming part of the baseline.

Importance and relevance weigh each interaction in the minds of the customer, answering the customer question, “This is how much I care about how the interaction happens.” IBM assesses importance and relevance using two categories, *significance* and *exposure*.

Significance measures the importance of having the interaction completed in a certain fashion. It's the difference between “this has to happen” versus “it's good that it happens.” For example, it may be critical for a customer to transfer funds to cover a check, but not critical that it be done online. Significance is determined by customer necessity, preference and convenience. Breakdowns in delivering significant interactions can create irreconcilable breaches in customer confidence and often tie into the customer's sense of customary baseline expectations.

Exposure describes what personal investment, potential gain or risk the customer may experience from the interaction. For example, completing a mortgage application is intrusive because it takes a lot of time, a lot of personal information, the interaction is *critical* (the customer must borrow money) and the result (approval or rejection) may have a significant emotional impact. A customer may respond emotionally to personal information being collected, find it extremely important to be treated with respect or find a loan application rejection very emotionally jarring. On the other hand, a customer may find a misspelled name on a bank statement emotionally irrelevant or may even find access to a live teller unimportant if that customer only interacts via the Internet and ATMs. Exposure is determined by factors such as psychological concerns, customer's financial situation, their schedule or personal beliefs.

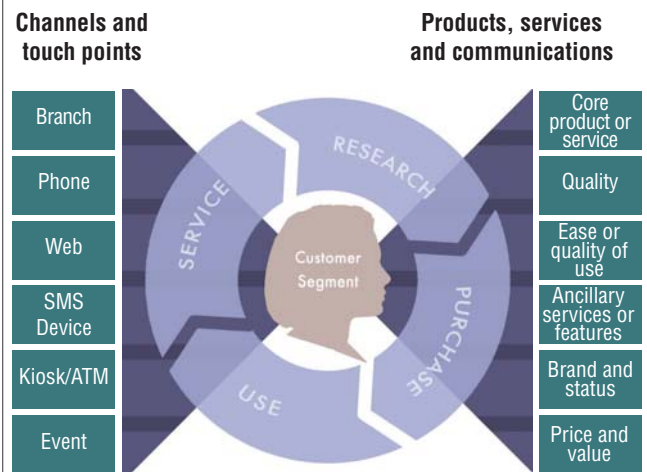
Measuring the importance and relevance of an interaction answers the question “How much do I care about this interaction?” from the customer’s perspective.

In the context of a simplified customer experience analysis, an organization would understand the breadth of customer interactions and the corresponding customer expectations for each interaction. These may be understood for one general experience, for individual customer segments or on a customer-by-customer basis.

Delivering emotional and tactile performance

The company, now understanding what the customer finds important, must align experience delivery with the customer’s needs. A traditional view of customer operations can be broken down into two key dimensions: *channels and touch points* and *products, services and communications* (see Figure 7).

Figure 7. Companies must align channels and touch points and product and services delivery attributes to customer’s preferences.



Source: 2006 IBM Customer Experience Research.

Channels and touch points are where interactions take place, and how they are executed and enabled through the specifics of the medium. This has comprised much of the traditional CRM focus on customer experiences. Touch points, in this context, may include the retail operation, the call center or the Internet. It may include distribution channels as well, such as a direct sales force or a distribution partner.

Products, services and communications are the tangible goods, saleable services and messages transferred to the customer via the channels and touch points. Traditionally, companies focused on products and services as the core of their business and competitiveness. In many industries, these components have been the baseline of most experiential differentiation. As products commoditize, or as competitors multiply, these differentiators dim in importance.

In a basic customer experience analysis, these two dimensions often define the basics of an interaction, as interactions are hard to separate from the location at which they occur. Now, more than in the past, coordinating experiences across channels and products presents unique challenges. For example, a customer may bank online, at an ATM, at the branch and through the phone. The customer expects certain information, features and products to be available at each channel. Similarly, if customers are provided particular experiences for their checking accounts, they may very well expect a similar experience for their mortgages.

The new view: Understanding emotive versus tactile performance

Tactile performance includes the physical qualities of the interaction, such as consistency, availability or convenience. At a tactical level, they may be represented as metrics, such as call wait time, length of sales cycle, e-mail response time or shipping speed (see Figure 8).

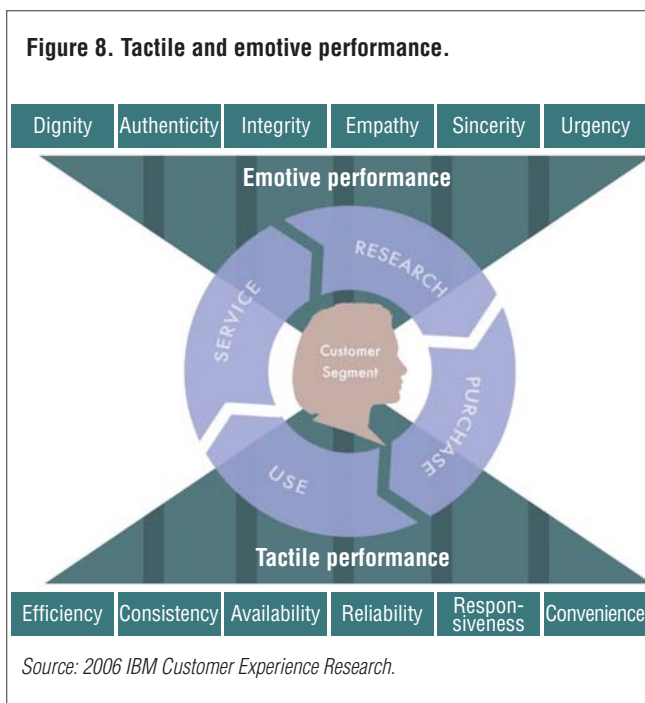
These attributes are often easily measured and have been the focus of CRM engagements over the past decade. Like channels and product attributes, there is increasingly less opportunity for companies to differentiate in these areas.

Emotive performance describes the intangible, subjective ways in which customers are treated, such as being trustworthy, genuine or empathetic. These attributes present the greatest opportunity for differentiation in the marketplace, largely due to their lack of operational attention by most companies.

Success in improving emotive performance will require a new set of tools and techniques for most organizations. In many instances, *human performance* (discussed in the next section) will carry the greatest weight in addressing emotive performance. Human performance factors control the manner of a sales representative or a phone agent.

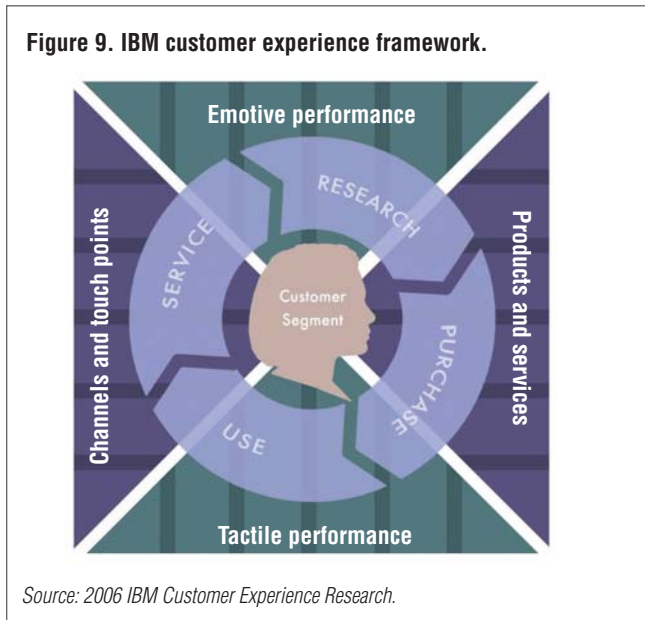
Machine generated or non-human types of interactions may also have deep emotional significance. For example, breaking the news of a failed loan application via a form letter may seem cold to customers. Within other interactions, such as paying bills online, customers may not expect emotional relevance. All interactions should be measured for their appropriate emotional treatment.

Tactile performance is often the primary focus of experience building. In many regards, it will continue to be the main focus of many CRM organizations. Looking forward, the emotive performance will become the new battleground for competitive differentiation and leaders will be those that include both in their customer experience designs.



Putting it all together: IBM customer experience framework

Integrating all four dimensions of the customer experience elements constitutes the IBM customer experience framework (see Figure 9).



Prioritizing on behalf of the customer with moments of truth

The importance and relevance of an interaction are often why an interaction may leave a lasting impact and change the customer's attitude toward the company. Interactions that do this are called *moments of truth*. Understanding moments of truth is vital to the success of customer experience initiatives. From a customer point of view, they are the most critical interactions in creating advocates or antagonists.

Moments of truth are most easily understood as points where customer focus provides the highest potential to influence a customer's perception of the interaction. A company can create an unfortunate moment of truth by under-delivering on a baseline expectation. Different moments of truth and events may be prioritized as inconsequential (see Figure 10).

Figure 10. Moments of truth identify the interaction attributes with the highest value to the customer.

		Over delivery	Under delivery
Emotional relevance	High	<p>Moment of truth!</p> <p>A first-time buyer's mortgage preapproval is delivered by hand, delighting the customer during a stressful time</p>	<p>Moment of truth!</p> <p>The bank loses cancelled checks in the mail, creating panic of identity theft for the customer</p>
	Low	<p>Inconsequential</p> <p>The bank delivers the finest mailed statement available, which the customer tosses before opening</p>	<p>Inconsequential</p> <p>The bank misspells the customers name on a statement</p>

Sources: IBM Global Business Services Customer Study 2004.

Moments of truth allow a company to prioritize investment and resources on interactions that really matter. For example, if within the loan application process there is a unique moment of truth, then that process requires focus on improving, meeting customer expectations and fine-tuning emotive performance.

This also allows companies to understand which interactions warrant low priority. For example, the best-designed and most elaborate mailed statements are non-events if customers throw them away before opening the envelopes. Over delivering on emotionally irrelevant events will not make any advocates and is a waste of resources. Moments of truth will vary by customer segment and finding them for the most profitable segments become very powerful.

Meeting the challenge: The appearance of perfection

While being perfect may be impossible, prioritization enables companies to appear more perfect, more often and sooner. The challenges are listed in Figure 11.

Figure 11. Prioritizing with moment of truth analysis.

The customer experience...	Moment of truth prioritization allows...
It's too expensive	Focus on what really counts
There are not enough or the right kind of resources	Innovative deployment of resources, including low-cost and automated options
There's not enough time	Identification and realization of capabilities and benefits in the both the short and long term
Things are going to change anyway	Improvement of the here-and-now without spending on programs that will be obsolete before they are finished

Source: IBM Global Business Services.

A note of caution: Don't overlook the basics

Even the most unimportant or emotionally irrelevant interaction can be soured into a disaster if there is unexpected rude treatment or a fundamental breakdown in delivery. For this reason, basic delivery against brand-specific and baseline exceptions is absolutely critical. Most companies still must make this an ongoing priority. This point is understated in this document and many companies would be greatly improved by making just baseline and brand-specific delivery progress.

III. How do we operationalize this new view?

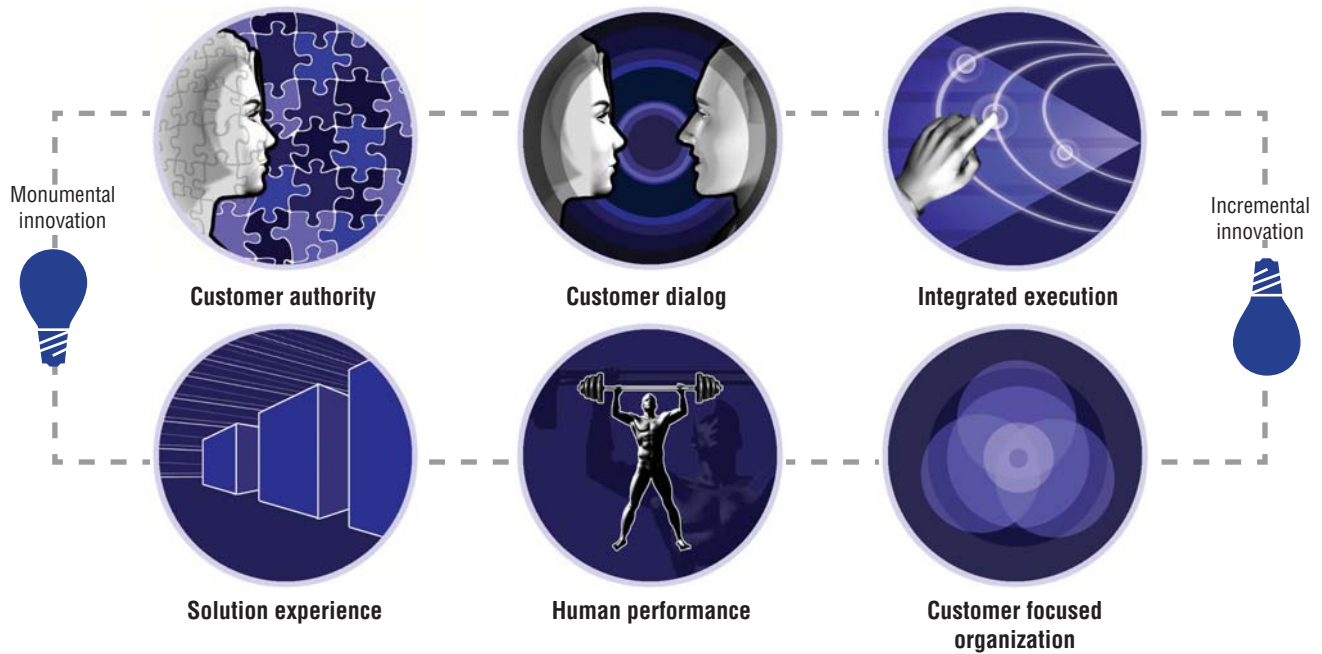
Operationalize customer experiences through a Customer Focused Enterprise

The CFE is a best in class company that understands the entire customer experience and delivers against it to build customer advocates while deploying resources effectively and efficiently. The CFE embeds new competencies and practices into the company that make leading-edge customer experience strategies viable and operational. The CFE model is composed of six top-level characteristics (see Figure 12).

CRM straight talk

The customer experience is more than an analysis of hard metrics about speed, availability and information. These tactile performance measures are critical, but real progress in shaping the customer experience has to involve the emotional aspects. The key to understanding emotional success is understanding the customers' needs and expectations. By doing so, companies can understand what the most important interactions are: moments of truth. By prioritizing delivery on these key moments, companies can deliver the right experiences at the right times and build customer advocacy within a realistic, achievable operational model.

Figure 12. Competencies of the customer focused enterprise.



Source: 2006 IBM Customer Experience Research, Qualitative Consumer Research, Executive Decision Maker Research.

Listed below are the descriptions of the six characteristics of the CFE. Embedded in each competency is a discipline of innovation that defines and shapes change within each function.



Customer authority

Customer authority is the consumer driven, “outside in” approach to designing customer interactions that delivers against the specific behavioral levers that drive optimal customer behavior. Companies who understand customer authority are able to approach their customers in ways that build advocacy through knowing the mindset of their customers, while simultaneously understanding the value of the customer to the enterprise (See Figure 13).

The key competencies and indicators of customer authority are designed to capture information from high value customer interactions to drive the design of differentiated treatments and include:

- *Customer intelligence:* Capture customer information that creates true insight, including interaction data,

transaction data, demographics and contextual information

- *Moments of truth:* Moments of truth are identified and delivered upon operationally and inconsequential events are prioritized, enabling the company to achieve customer experiences closer to perfection within a realistic operating model.
- *Outside-in experience design:* Design customer experiences based on a full understanding the customers’ baseline and brand specific expectations, emotional relevance, and the expected tactile and emotive performance.
- *Multidimensional segmentation:* Customers are defined by narrow segments that cut across life stage, product usage, behavior profile and profitability.
- *Feedback loops:* Formal means are established to learn about customers’ opinions and use them – at both the individual customer and aggregate levels – to redefine business processes.
- *New customer research methods:* New approaches to understanding customer needs, emotions and behaviors are utilized to advance the designs of customer operations.

Figure 13. Customer authority, wrong versus right.

CRM done wrong <i>The automatic insurer</i>	CRM done right <i>A caring mortgager</i>
<p>An insurance company devises an extensive project to automate claims letters sent to its customers. The project involves coordinating multiple databases, multiple partner channels, a retail agent channel and several mail houses.</p> <p>The project successfully automates the claim mailing process, but fails in many important aspects. Customers are notified of rejections and exceptions through an impersonal letter. Perceived as an emotionally charged event, customers are disheartened by the firm's lack of sensitivity. Brokers are not informed when letters are mailed and thus are not well equipped to adequately handle this dis-service.</p> <p>Customers vilify the organization, becoming Agitators warding off other potential customers.</p> <p><i>Source: IBM Global Business Services.</i></p>	<p>A mortgage provider seeks to streamline the loan application process. With a largely paper- and agent-intensive process, the project seems rife with opportunities for cost cutting.</p> <p>Upon completing active customer research, the mortgager learns that it is essential for agents to hand-hold most applicants through the process: most of them are scared, confused about jargon and have limited experience with loan applications. They also learn that the acceptance/rejection process is also a key moment of truth.</p> <p>The mortgager places more focus on paper-reduction efforts within the back-office and at selective spots within the agent base. New sensitivity training is offered to agents to better equip them to lead customers through the application process.</p>



Customer dialog

Customer dialog refers to a business's ability to communicate and transact with customers intelligently and responsively during each interaction, on a customer-

by-customer basis. This is achieved by capturing discrete behavioral triggers, secondary events and patterns. This information is used to generate specific communications, then route these communications in a seamless multi-channel fashion based upon sophisticated business, channel capacity and customer preference rules (see Figure 14).

The key competencies and indicators of customer dialog drive the execution of each transaction and include:

- *Realtime, intelligent messaging:* Apply knowledge to every communication through the application of relationship attributes, life event information and data driven insights.
- *Value exchange:* Demonstrate to customers that the information they provide will be used to their benefit and that customers feel a balanced trade is made in companies acquiring customer insight.

- *Voice of the customer:* Understand and integrate the customer's perspective in designing interactions. Encourage customers to provide feedback and insights. Use the customer as a reason and champion to transform business operations.
- *Realistic segmented treatment:* Provide treatment to customers based on their preferences and profitability. Verify that the strategies are possible with available resources, as some programs may be difficult to deploy within complex organizations.
- *Event-based rules:* Define and maintain a library of event-based rules that trigger communication events based on customer and company actions.
- *Active recovery and service-to-sales:* Establish a service-to-sales approach that senses sales opportunities during in-bound customer contacts and effectively "earns the right" to transition to sales activities. Be proactive in service recovery to create advocacy-building moments out of potential breakdowns in the customer experience.

Figure 14. Customer dialog, wrong versus right.

CRM done wrong <i>The uncoordinated rental car agency</i>	CRM done right <i>The dialoging mobile agent</i>
<p>A rental car customer is invited to join the premier club and is told of the benefits she would receive, including expedited check-in, a dedicated service line and extra airline miles. The customer earned this privilege by renting the same car in New Jersey on business travel for an entire year.</p> <p>Upon arriving at the rental car booth on a vacation in Florida, the “premier” line is closed, despite many agents within the booth. She is told that this branch doesn’t “honor premier.” After waiting in line, the customer is asked for all of her rental information, what kind of car she’d prefer and her insurance options – all information she had kept on file with the company for years.</p> <p>The rental clerks then clumsily tries to push an upgrade and close the transaction by inviting the customer to join the new loyalty program, which that branch would be participating in soon.</p> <p><i>Source: IBM Global Business Services.</i></p>	<p>A customer calls outraged to a mobile phone provider, wondering how there was no indication that his son’s roaming charge would be so expensive (several hundred dollars above the normal monthly cost). The customer threatens to change providers, even knowing the expense of canceling his contract.</p> <p>The agent explains that this billing plan is written in the contract, but sympathizes with the customer. Upon reviewing the customer’s profile information, the agent offers the customer a partial credit for his son’s overage.</p> <p>The agent carefully interviews the customer about his family mobile phone needs and upgrades the plan to one that can accommodate the son’s expected roaming. The agent is able to transfer the customer’s wife and daughter to the same plan, saving the customer money on his overall mobile expenses.</p>



Integrated execution

Integrated execution is how companies deliver a consistent experience and allow intelligent, cross-channel execution of customer interactions. Different

channels are used to enable a consistent interaction based on customer needs, preferences and profitability (see Figure 15).

The key competencies and indicators of integrated execution match customers’ preferred touch points with channels to drive seamless and consistent interactions:

- *Method of choice:* Allow customers to personalize and choose the channels they prefer for interaction, receipt and delivery of information.
- *Cross channel interaction coordination:* Enable customers to continue interactions and dialog over multiple channels, seamlessly allowing them to switch without disruption or loss of information.
- *Distributed delivery:* Deploy resources to reduce the need for central infrastructure and thereby lower costs. Use this as an opportunity to meet customers at their preferred locations to improve the customer experience.

- *Demographic circles:* Understand how customers prefer to be treated in terms of culture and nationality. Provide customers an experience that is consistent with their own culture, such as matching accents or speaking patterns – increasingly more important with distributed workforces.
- *Partners as an extended view:* Treat partners as an extended view of the enterprise by equipping them with the ability to emulate the brand, operations and skills of the company to become transparent to the customer.
- *Operational customer profile:* Create a consistent customer profile that is shared and used across channels, media, divisions and touch points.
- *Component-based processes:* Design customer facing processes so that components of each process can be reused and reconfigured, as the sequence and complexity of processes changes over time and across segments.

Figure 15. Integrated execution, wrong versus right.

CRM done wrong <i>Airline agent in the dark</i>	CRM done right <i>The cross-channel toner</i>
<p>An airline customer plans two itineraries for the same vacation online, including airfare, hotel and car rental. Nearing completion of the planning, he learns that purchasing an infant ticket can only be done on the phone.</p> <p>Upon calling the airline travel desk, the airline agent is unable to see either of the travel options saved by the customer online. Aggravated, the customer must work again through both scenarios with the agent, often giving the agent pricing information that is seemingly available only online. At one point, the agent asks the customer to look up nearby airports because it would be faster for the caller to do, versus the agent using his clunky system.</p> <p>Almost finishing the air ticketing transaction, the customer hopelessly asks about the hotel and car specials and reservations he planned online. The agent is baffled, unable even to provide phone numbers and recommends the customer visit a travel Web site – which he does, for this and future transactions.</p> <p><i>Source: IBM Global Business Services.</i></p>	<p>A business customer orders a printer toner from an online office supply store that specializes in serving small business accounts and asks for overnight delivery.</p> <p>The fulfillment system recognizes that it cannot fulfill the order in time. A flag is sent to an agent, who locates the needed toner at a store near the office of the business.</p> <p>An e-mail and an outbound call are placed to inform the customer of the shipping delay on the toner, as well as its availability at a local store. The office manager receives the call, is thankful that their order wasn't ignored and tells the agent that she will pick up the toner the next morning.</p> <p>A flag is sent to the store to reserve the toner for morning pick-up. Upon picking up the toner in the morning, the clerk is aware of what has transpired, apologizes to the customer and offers a coupon for her next online visit.</p>



Solution experience

Solution experience is about delivering needs-based solutions (combinations of products and services) that contribute to the holistic customer experience, based

on the wants and needs of the customer as understood across the enterprise (see Figure 16).

Key competencies and indicators of solution experience enhance the ability to develop and provide relevant, integrated and customized customer services and products:

- *Needs-based orientation:* Transform sales and product delivery to address the needs of the customer, delivering custom solutions versus one-size-fits-all products, where appropriate.
- *Customer focused design:* Bring the voice of the customer and customer insights into the product design function. Understand the tactile and emotive performance required of the product to improve the experience.

- *Bundles and up-sell sophistication:* Create customer-focused solutions through offering bundled product sets. Use logical, sophisticated up-sell strategies that gain the customers' permission to move into a sales discussion.
- *On demand availability:* Refine manufacturing and distribution toward customer-centric models that utilize new technology, partners and distributed resources to increase the availability of products and services.
- *Pricing, place and promotion:* Integrate customer strategies into core product marketing decisions, including new pricing models, new distribution schemes and new marketing modes.
- *Individual customer product personalization:* Enable products to be fitted for a "market of one" through understanding customer insights, preferences, needs and profitability.

Figure 16. Solution experience, wrong versus right.

CRM done wrong <i>The copy-cat furniture store</i>	CRM done right <i>The informed Internet bundler</i>
<p>A top-end furniture store, copying a competitor, begins offering no-payments-for-a-year financing on luxury furniture. With little understanding of customer needs or preferences, the furniture store makes several key mistakes.</p> <p>First, their brand of luxury furniture is tarnished by the impression of the credit program. Also, investments in advertising and establishing the credit logistics go wasted, as few customers take the bait.</p> <p>Finally, the customers who do take the bait have a much higher propensity to default, resulting in many orders in credit negotiations, bad debt and spoiled returns.</p> <p><i>Source: IBM Global Business Services.</i></p>	<p>A broadband Internet service provider continually polls its customer base for new insights for product enhancements. The company is able to understand, contextually, what customers want. The company reconciles this data to actual online usage, including service calls and trouble tickets.</p> <p>The company puts together new product features based on this data, including products that appeal to customers' requests and reduce service expense, such as troubleshooting tools and spam blockers.</p> <p>The company considers moving heavily into broadband voice over Internet protocol (VOIP) services, but leads the decision leaning heavily on customer segment analysis.</p>



Human performance

Human performance is how companies foster sustained employee commitment and engagement to allow employees to better meet personal and organizational

objectives, all while better serving and being advocates for the customer (see Figure 17).

The key competencies and indicators of human performance include the recruitment, training and incenting of customer facing personnel and include:

- *Agile workforce:* Provide employees with human development progression planning capabilities based on personal and lifestage objectives. Build the ability to redeploy resources smartly.
- *Cognitive-based change management:* Utilize human development techniques that move beyond traditional skills and basic knowledge retention. Develop an approach to obtaining employee and leadership commitment, engagement and productivity.

- *Role alignment:* Use personality and competency evaluations and tools to best match employees with jobs that fit their personalities and skills. Use these techniques in recruiting and to deploy existing staff.
- *Personal customer commitment:* Provide each customer-facing employee with motivation to sustain a customer focus.
- *Knowledge management and continuous learning:* Enable resources to leverage institutional knowledge quickly and systemically. Provide a basis for continuous learning throughout the employee population.
- *Parallel interest and rewards:* Align personnel interests and motivations with job roles and use customer-focused metrics to measure success. Align performance metrics and employee compensation to customer-focused goals and objectives.

Figure 17. Human performance, wrong versus right.

CRM done wrong <i>This is low cost?</i>	CRM done right <i>The informed business to business sellers</i>
<p>In an expedited effort to improve short-term profitability, a bank moves the majority of its tier 1 (most basic level) customer support to low-cost, offshore locations.</p> <p>The training is rudimentary and hurried, leaving the otherwise capable offshore center unprepared to answer most requests.</p> <p>The frustration of customers contacting the center is magnified by the appearance of incompetence and the agents themselves are blamed as much as the company.</p> <p>Angry customers are regularly transferred to domestic tier 2 (with more experienced staff) centers, where their cases have often boiled over into aggression. The company suffers the cost of the double calls, loses many customers and tarnishes its reputation across the board.</p>	<p>A business to business (B2B) software company launches a new initiative to enter the small and medium business market with a new software product and a new direct tele-sales force.</p> <p>The make-up of the salesforce is created by matching personality profiles with those most likely to empathize with small business owners.</p> <p>New training techniques are employed that go beyond script recital and enable the new sales force to react dynamically to prospects.</p> <p>Knowledge management tools are deployed within the salesforce to help agents answer questions and seem more knowledgeable about small business sectors than they could be otherwise.</p> <p>The salesforce is deployed and is very capable of selling sophisticated software.</p>

Source: IBM Global Business Services.



Customer focused organization

Customer focused organization entails how functional groups and lines of business collaborate to fulfill customer-centric strategies and tactics. for example,

adjust organizational boundaries and measurements to facilitate customer segment-focused activity by redefining profit and loss (P&L) responsibility (see Figure 18).

A customer focused organization focuses on the managing and nurturing of a customer experience driven enterprise and includes the following key competencies:

- *One mind, one company:* Align vision, mission and culture around customer strategies and communicate throughout the organization. Build programs that take customer culture beyond rhetoric.
- *Segment-influenced operating model:* Redefine silos, divisions and organization around customers segments so that decision making can be made in the interest of customer-focused strategies, not short-term divisional objectives. Place decision making authority in line with customers and segments, versus

products and channels. Place corporate accountability, including revenue attribution and budgeting, under the management of customer-focused leadership.

- *Executive and middle management alignment:* Verify that all levels of management are in step with customer-focused initiatives, especially middle management where buy-in can be most difficult.
- *Cross-functional collaboration:* Enable departments and channels to collaborate on fulfilling singular customer experiences and customer strategies.
- *Customer leadership and alignment:* Establish top-level executive leadership that advocates for and has authority to serve the customer. Examples of titles may be Chief Customer Officer, Chief Loyalty Officer or SVP of Customer Experience.
- *Customer-focused business architecture:* Define and build against customer focused blueprints that align business architecture components toward customer strategies. Plan for people, processes, systems, data, governance, rules and organization that define a customer-focused enterprise.

Figure 18. Customer focused organization, wrong versus right.

CRM done wrong <i>The customer pledge with no teeth</i>	CRM done right <i>Reality “in synch”</i>
<p>A large auto manufacturer commissions an enterprise-wide customer focus strategy and blueprint project, stretching across product lines and partner channels. The multiyear project is research intensive with demonstrable ROI, a clear partner focused vision for the future and detailed implementation timeline, showing detailed partner benefits in a multigenerational transformational roadmap.</p> <p>The company, still organized by product lines, falls back on its old ways and is unable to maintain commitment, despite the CEO mandate. The product-based P&L structure helps ensure that the product line’s short-term objectives will never adequately address the needs of their partners.</p> <p><i>Source: IBM Global Business Services.</i></p>	<p>A national realtor seeks to launch a new relocation service. The offering itself has great profit and loyalty potential for the organization, but the agent and departmental view of the product is in contention with traditional metrics.</p> <p>The organization builds cross-functional teams to address the varying problems posed by the relo service, including compensation credits for agents, customer stewardship programs among regional offices, coordination between sales and marketing, and integration of shared training.</p> <p>After launch, the program is largely successful within the organization. Agents are able to participate with a clear understanding of how their own compensation is affected and how the program benefits both the customers and the company.</p>

Innovation discipline

Innovation should fuel the change across the entire CFE. Companies should establish an environment that promotes a systematic ideation capability to cultivate the intersection of insight with invention. Companies need to increase collaboration both within their enterprises and with partners to know when incremental (or monumental) change is beneficial to the entire business model and to act on that change in a meaningful way.

Each of the six CFE competencies is driven by innovation during their ongoing deployment. Some innovation practices include:

- Motivate employees by allowing them a *degree of flexibility* to pursue new creative ideas and explore process efficiency

- *Encourage customer feedback* and leverage their thoughts and ideas to enhance lines of business and prioritize new opportunities
- Compensate employees with rewards – not only for performance, but also for *their personal development*, and performing tasks and activities outside of their normal daily activities
- Create nurturing structures, processes and mechanisms that *guide the maturation of ideas* through innovation delivery
- *Invest in and align the right technologies* and tools to drive an environment that is itself innovative and also supportive of the enterprise’s creativity and innovation pursuits.

CRM straight talk

Delivering successful customer experiences needs to happen across many different disciplines within an organization. Customer focused enterprises embrace six key disciplines: customer authority, customer dialog, integrated execution, solution experience, human performance and customer focused organization. Innovation must drive improvements in each of these disciplines on an ongoing basis as companies grow and improve.

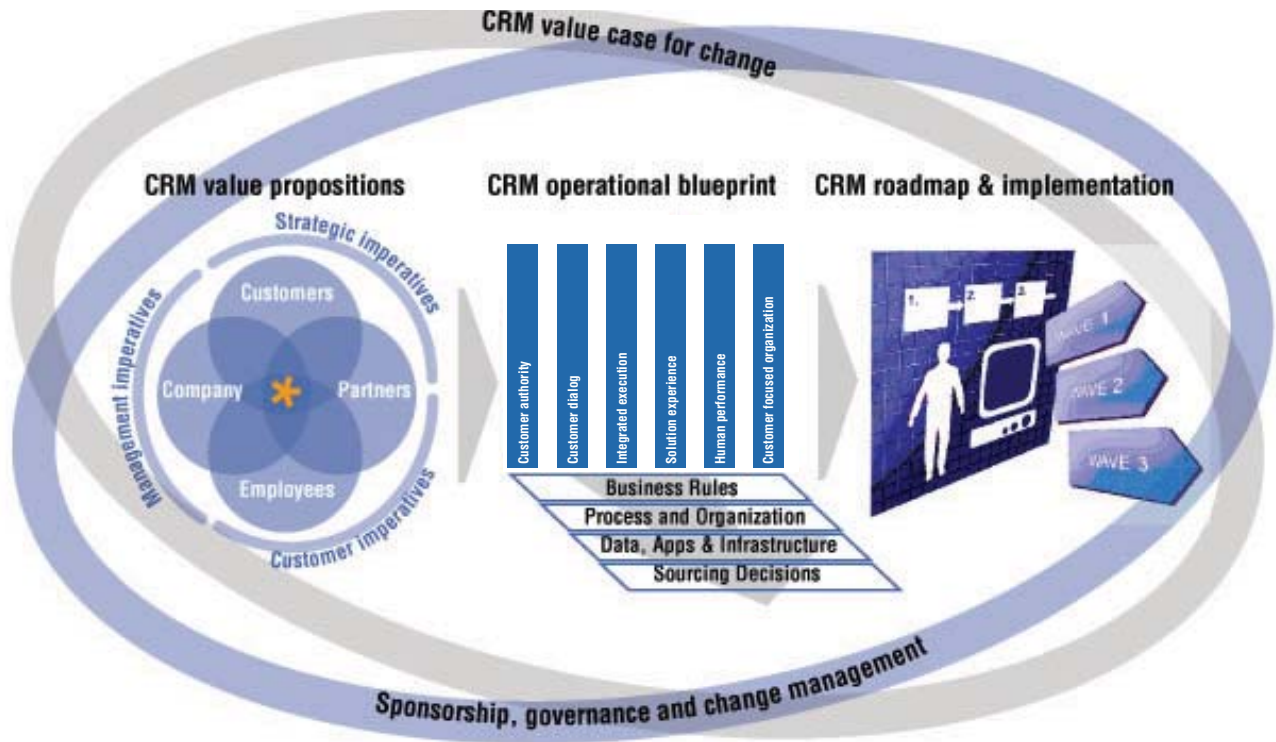
IV. How do we get it done?

Get it “done right” through new IBM project techniques

The CRM Done Right framework for developing sustainable, successful CRM operations is illustrated below (see Figure 19). It has five main interlinked

components that describe key steps to completing transformation projects at large companies. A complete, detailed account of this approach is available in the “CRM Done Right: executive handbook for realizing the value of CRM.”

Figure 19. CRM Done Right framework.



Sources: IBM Global Business Services.

Key success factors of CRM Done Right

All phases are critical to building customer experience operations and each phase has different considerations, strengths and obstacles as they apply to customer experience operations specifically (see Figure 20).

Figure 20. Key success factors of CRM Done Right business analysis, strategic development and deployment.

Success factor	Summary description	Customer experience consideration
<p>Realize your CRM Value case for change</p>	<p>This is the answer the question “why are we doing this?” The value case for change is the format by which management establishes projected benefits of the project, initiative or program and sets the baseline costs and business implications of making the change. It also defines:</p> <ul style="list-style-type: none"> • Justification for moving ahead with the change • Areas of highest ROI • A framework for prescribing, supporting and monitoring subsequent actions – including when to make incremental “sense and respond” course corrections and when to make significant, strategic shifts 	<p>As customer experience is growingly defined by its emotive performance, as well as its tactile aspects, metrics to understand ROI will have to be defined or revised to truly create a value case for many aspects of the customer experience.</p> <p>On the cost side, understanding moments of truth and being able to better prioritize resources may provide opportunities to identify margin-increasing benefits where they were previously unknowable.</p>
<p>Identify and prioritize your CRM value propositions</p>	<p>Here we define the specific strategies that create value for the various stakeholders in our CRM equation, including the company’s interest, customers, employees and partners. We consider what imperatives are important for business success such as competitive threats, financial pressures or new opportunities. Essentially, we define at the outset how value will be created by our efforts.</p>	<p>Perhaps the most visibly impacted stage for customer experience is the value proposition. The “customer” component of the value proposition is where organizations decide what they are going to provision the customer in terms of treatment and experience. The bulk of customer analysis and experience-focused decision making happens during this stage.</p> <p>Although finding value for the customer may be readily apparent when designing new offerings, companies must still consider their constituents prior to making customer investments.</p> <p>New techniques include active research, touch point mapping, moment of truth analysis, branding impact analysis and defector/promoter analysis. These techniques drill down into understanding the customer experience and deliver blueprint-ready formats for designing operations.</p>
<p>Design your new CRM operational blueprint</p>	<p>By designing the blueprint, the company chooses the end-state operational vision for the new CRM operations. This includes determining what the specific experiences will be for stakeholders, determining how the company will deploy resources, how new technologies and infrastructure are built, how new processes are designed and creating a comprehensive strategy for managing the change.</p>	<p>The blueprint is where the vision for customer experiences is created in the deepest detail. When blueprinting for customer experiences, the entirety of desired interactions, inclusive of their channels, products, services, tactile performance and emotive performance must be considered. This undertaking must also consider priorities and this is where “moment of truth’ analysis brings its highest value.</p> <p>New techniques of in the operational blueprint phase include new maturity models against customer experience definition, particularly in regards to emotive performance. “Day in the life” mapping can provide intuitive illustrations of customer experiences and be used as key design and consensus-building tools.</p>

Success factor	Summary description	Customer experience consideration
<p>Construct your multi-generational roadmap and implement your solutions</p>	<p>The roadmap is the plan the organization creates to realize the blueprint of the CRM operating model. It turns the blueprint into a prioritized, sequence of time-fixed workstreams (also known as projects) that are implemented at a rate that the organization can handle and manage successfully. The multigenerational roadmap, by nature, defines projects that contribute value and ROI on their own, as well as building toward the long-term vision. This duality enables organizations to realize ongoing business value while making necessary interim changes and course corrections.</p>	<p>Customer experience transformations should resemble other large, customer-centric transformations in the road mapping phase. The key differences come in terms of setting priorities based on what the customer values the most and how the organization can build toward them.</p> <p>Attributing profitability contribution to emotive performance can be problematic for organizations new to this. The upside benefits will be measured in traditional CRM metrics as retention, acquisition and market share gains. It is vital for organizations to understand how early transformation phases affect these metrics in order to justify continuation of projects over multiple future phases.</p>
<p>Build support for your CRM efforts and stay on track through sponsorship, governance and change management</p>	<p>By building support for your CRM efforts, you verify that the organization stays committed throughout the deployment of the new operations. Here we answer the question, "Is everybody on board?" Building support for CRM efforts helps ensure that projects and transformations are measured and directed toward their goals. The organization engenders cooperation and collaboration, leadership consensus and a formal policy for making decisions and guiding the efforts. Additionally, the employee population is shepherded through the change.</p>	<p>At the executive level, significant customer experience change may have to occur at the P&L level. As long as decision making authority is kept at product and channel levels, making decisions that affect the entire relationship will always be riddled with the constraints of provincial, short-term goals. At the field level, new techniques should be considered in resource training and deployment. Not all personalities will fit into many emotive performance requirements. New types of training, such as cognitive based change, may be required to usher in a new form of knowledge worker who can respond to both tactile and emotive performance needs.</p>

Source: IBM Global Business Services.

CRM straight talk

Developing a new perspective or vision for better customer experiences is only the beginning. Successful companies must embrace a structured and purposeful means of change to transfer customer experience ideals from the drawing board to real life operations. The "CRM done right" approach provides a sound, structured, and proven path for organizational transformation, from securing agreement on a comprehensive vision, to confirming commitment throughout multiple implementation phases.

Conclusion

Companies ready to move forward with improving their customer experiences have significant challenges ahead of them, but also stand to make significant gains. By employing the CRM Done Right customer experience framework to prioritize resources according to the impact of particular customer interactions, companies can build achievable operational models that create customer advocates.

The first step for most organizations will be to take a long and hard look at their current customer bases and customer operations. Some key questions for companies to explore include:

Do we need to do things differently?

- What have we done so far, and is it producing results?
- Could we do more of what we have been doing?
- Are stakeholders ready to support the effort?

What should we be doing?

- How and why do our customers buy?
- How do we best market, sell and serve?
- How do we turn customers into advocates?

How should we be doing it?

- What business capabilities do we need?
- What can we do now (or soon)?
- How do we close the gap (process organization, technology)?

When should we be doing it?

- How do we make it manageable?
- What is the right order in which to do it?
- How do we get it done?

Appendix: IBM 2005 research findings

IBM conducted extensive research on customer experiences, reaching out to both consumer shoppers and executive decision makers in CRM organizations. The results were synthesized to develop the customer experience framework and other leading customer focused methods now employed at IBM Global Business Services.

IBM Global Business Services conducted a three-stage research project in 2005 as part of the customer experience research project. All phases addressed multiple industries. The three phases were:

- *Qualitative consumer research* – Analyze the nature of customer experience requirements through in-depth interviews:
 - *Research target*: Customers selected represented those who transact in six industries including: Financial Services, Telecommunications, Automotive, Retail, Insurance and Travel
 - *Geographies*: UK and the U.S.
 - *Survey instrument*: Fifty-nine 45-minute, in-depth telephone interviews
- *Quantitative consumer research* – Quantify and identify trends in drivers of successful customer experiences:
 - *Research target*: A mix of consumers were selected from those who made recent product/service purchases in either the automotive or banking industries
 - The respondents were between the ages of 18 and 65, and considered the primary decision makers for the purchase under consideration
 - *Geographies*: Research was conducted in the U.S., Canada, UK, France and Germany
 - *Survey instrument*: Six hundred thirty-one telephone surveys (20 to 25 minutes) with 35 (Banking) and 41 (Automotive) questions
- *Qualitative executive decision maker research* – Discover top concerns and actions from CRM business leaders:
 - *Research target*: Interviewed executives in leadership roles in the solution decisions within four industries (Telecom, Financial Services, Auto, insurance)
 - *Geography*: U.S., France, Germany and UK
 - *Survey instrument*: One hundred eight 45-minute, in-depth telephone interviews

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IBM clients – businesses worldwide, across industries – are today reaping the rewards of a self-sustaining approach to CRM that enables them to accurately assess their strengths and weaknesses, calculate risks, control investments, manage change and set reasonable expectations from the start.

- *CRM Strategy Services* span the breadth of CRM transformation – from planning through implementation and value realization. These services enable companies to develop and manage customer focused and CRM programs in a thoughtful, informed way using a practical, focused, best practices-based process.
- *Marketing and Sales Transformation* focuses on solutions for improving the effectiveness and efficiency of marketing and sales professionals to help organizations utilize customer-related data to uncover patterns and behaviors, deploy marketing programs, increase sales productivity and accurately measure the success – and returns – of customer focused initiatives.
- *Service Transformation* helps clients transform service operations to create customer value, based on reduced service cost and improved customer satisfaction. Service Transformation drives effectiveness and efficiency through the many stages and channels of the post-sales service life-cycle.
- *Contact Center Optimization* improves the efficiency and effectiveness of contact center operations. It covers inbound and outbound, sales and service contact centers and their related self service channels.
- *Business Intelligence* describes an environment where relevant, accurate information is provided in time to respond with speed in making decisions and taking action. IBM provides services that enable companies to learn about their customers via an Intelligence On Demand environment.

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