

STRATIVITY

01. STRATEGY

02. CREATIVITY



Customer Experience Management Benchmark Study

Complete Solution Before Delight

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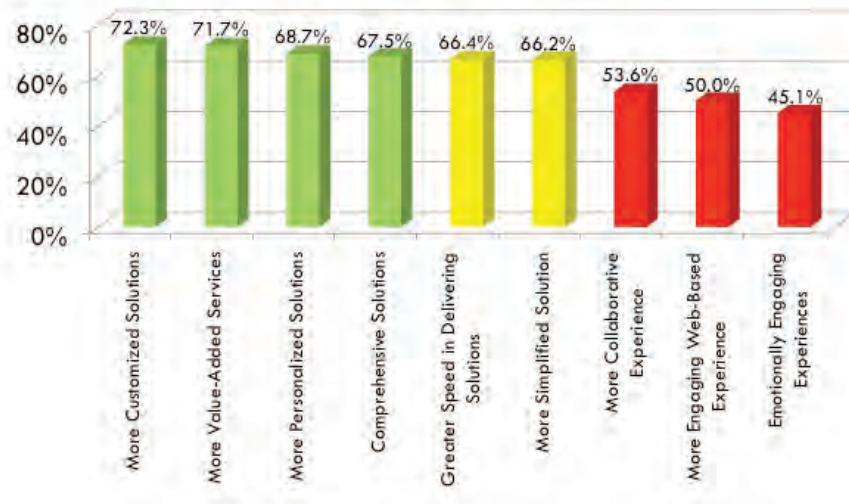


Executive Summary

Customers are more interested in solutions that are customized, complete, and delivered quickly and simply than they are in products that target their emotions.

Companies interested in earning their customers’ loyalty through delightful customer experiences should focus on delivering a customized and value added solution first before attempting to delight their customers with bells and whistles. Despite much fanfare about exotic designs of customer experiences, customers are still seeking companies that solve their entire issue rather than just a portion of the problem. This is the clear message of Strativity Group’s latest Customer Experience Management Benchmarking study. The 379 executives who responded to the CEM Benchmarking study noted overwhelmingly that customers are more interested in solutions that are customized, complete and delivered quickly and simply than they are in products that target their emotions.

Define and Deliver then Delight



Furthermore, the benchmarking study highlights a critical gap between companies’ recognition of the importance of customer-focused strategies and their ability to successfully develop and implement such strategies. The executives surveyed responded overwhelmingly that their companies lack the three foundational elements critical to any customer-centric program:

1. a clear customer experience strategy
2. employees with the tools and empowerment necessary to deliver extraordinary experiences
3. a systematic mechanism to transform customer feedback into actions



Understanding the basic economics of customer relationships is critical to designing and implementing successful customer strategies.

Further adding to the challenges companies face as they attempt to develop and implement the customer strategies that they agree are critical to their success is the fact that few companies understand the economics of their customer relationships. Unlike other operational aspects of the business where a disciplined and often scientific approach is taken, few companies calculate the fundamental financial drivers of customer relationships. It has been our experience that understanding the basic economics of customer relationships is critical to designing and implementing successful customer strategies. Without the ability to quantify the economic benefits of improving the customer experience, customer strategies are based on “common sense” instead of economic results. We have found that strategies lacking proof of economic benefit flounder when prioritization, resource allocation and investment decisions are made.

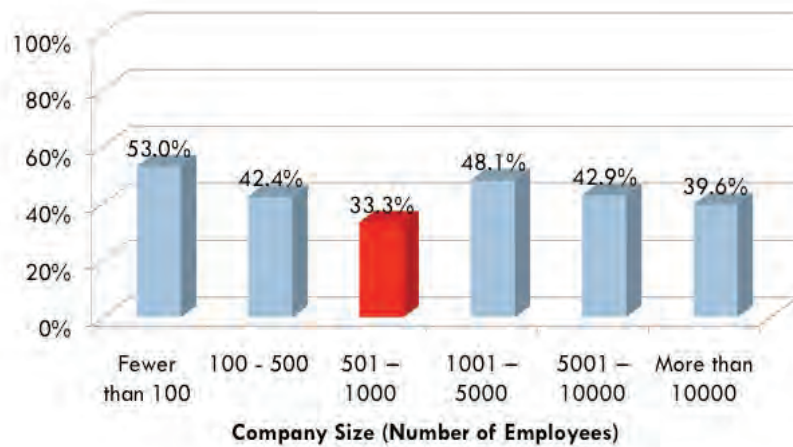
Finally, It should come as no surprise that executives from smaller companies believe that their companies are closer to the customers and are more deserving of both their customers’ and employees’ loyalties than their larger counterparts. This reinforces our experience that size increases the distance between executives and their customers as organizations become more product-centric and focused on operational efficiency. A heightened focus on the customer provides a competitive advantage to small companies, who must continue to nurture this advantage. Large companies, who often are enamored with creating a one-size-fits-all solution, increasingly find themselves in a never-ending competition to be the low-cost provider. The challenge is that cost advantages are, with few exceptions, not sustainable. Forward-thinking large companies embrace customer-focused strategies both to:

- › capture value by removing defects from the system that annoy customers and cost shareholders
- › know how to differentiate the experience for unique customer segments to maximize value

Interestingly, the survey also shows that mid-sized companies struggle as they grow in size to define themselves and their customer strategy. Managing the transition from a small company that focuses on customization and differentiation to a large company is critical for companies as they grow. To continue their success as they grow, mid-size companies need to rediscover their roots as customer-focused companies and carefully manage their growth. Mid-size companies that fail to do so could easily get trapped between small companies which profit by delivering a premium experience for which customers are willing to pay and larger companies that can beat the mid-sized companies on price in any fight based on cost.



Our company deserves the customer's loyalty



Survey & Research Methodology

The research was conducted via a structured, anonymous, on-line survey which was used for assessment and qualitative insight. 379 surveys were submitted by executives from North America, Europe, Asia and Latin America. Participating companies represent a wide range of sizes and business types. For more details about the Global CEM Benchmarking study, please visit www.Strativity.com email info@Strativity.com or call (201) 843-1315.

About Strativity Group

Strativity Group, Inc. is a global customer experience research and consulting firm which assists organizations with the creation of differentiating experiences and profitable customer relationships. Utilizing research, consulting, education and communication programs, Strativity creates and implements customer experience strategies for its clients. At the core of its methodology is the development of action plans that are used to drive organizational change.

Strativity Group, Inc. works with Global 2000 companies as well as emerging businesses around the world. Our clients include Akibia, American Management Association, AMO, Capital One, CATIC, Circle K, CA, Crowne Plaza Hotels & Resorts, Dimension Data, DVTEL, FedEx, Herbalife, ICMI, Honeywell, Jacada, Lockheed Martin, Nokia, Nordea, Nortel, RightNow Technologies, Sage, SAP, Seagate Technology, Siemens, The Fund, University of Pennsylvania, Verint Systems and Wyeth.

Among other milestones, Strativity Group established the industry's first and only CEM Benchmark Study and developed the industry's first CEM Certification Workshop. For more information on Strativity Group, please visit <http://www.strativity.com/> or email info@Strativity.com.