
INDEX

A

- ABC Inc. example, 111–112
- Acquire pivot point
 - in customer experience, 108
 - in talent management cycle, 175
- Acquisition cost, definition, 27
- Action
 - answers to questions and, 138–143
 - specialty manufacturing company example, 139–141
 - standards of voice of the customer, 141
- Alignment
 - dimensions of, 144
 - internal, 144–148
 - internal and external brands, 193
 - in talent management cycle, 175–176
 - value creation mindset and, 143–149
- Amazon, 162
- Anticipate moments, 108
- Apple, 162
- Application segments, 37
- Ask, act, and align approach (Triple “A”s)
 - action, 137–143
 - alignment, 143–149
 - asking questions as obligation, 130–135

- as key element of Level III, 130–149
- Assessments
 - on-site, 50
 - for potential for success, 2–7
- Attract pivot point
 - in customer experience, 108
 - in talent management cycle, 175
- Awareness, 89–92, 170

B

- Base profit, definition, 28
- Basic business model, 97
- Beijing 2008 Summer Olympic Games, 137
- Biannual surveys, 71–72
- Blind spots, 181–182
- Boeing Company, 199–200
- Brand, definition, 39
- Business-to-business collaboration, 204–205

C

- Capacity for change
 - assessing capacity and level of change, 160
 - categories of change in, 158–159
 - characteristics of, 159–162
 - as element in customer focus framework, 152, 157–162
 - levels of change in, 158

210 Index

- CFMM. *See* Customer Focus Maturity Model (CFMM)
- Change
capacity for, 152, 157–162
driven by customer's experience, 157
role in strategy, 8–9
- Change management practices
as area in internal management system, 153–162
defining customer focus, 153
dual treatment in, 155
internal communications and, 154–155
one leader's approach to change, 182–184
role of customer focus point person in, 154
for sake of customer's experience, 156
use of customer focus metrics in, 153–154
- Channel segments, 37
- Chief commercial officer, 18, 28
- Chief marketing officer, 17
- Clarity
asking questions as obligation and, 130–131
as performance driver, 162, 163
performance questions related to, 164
- Coaching, 178
- Commerce Bank, 85
- Committed leadership, 152, 180–186
- Communication
bottom-up process of, 131
customer focus and, 153
internal, 154–155
- Competitions, 170–171
- Competitive change, 159, 161
- Competitors, 38
- Consequences
as element in customer focus framework, 152, 166–172
financial, 166–169
at Harley-Davidson, 169
negative, 171–172
nonfinancial, 169–171
- Contests, 170–171
- Coopers & Lybrand, 117, 199
- Cost savings, definition, 28
- CRM systems. *See* Customer relationship management (CRM) systems
- Customer advisory boards, 74
- Customer behavior, characteristics of, 23–24
- Customer communities, 50–51
- Customer driven process
improvements, examples of, 109–112
- Customer engagement, as element in customer focus framework, 71–76
- Customer experience, 156
- Customer experience advocates/
champions. *See* Customer focus point person
- Customer experience index, 167
- Customer experience officer, 18, 133
- Customer experience pivot points
characteristics of, 174
mapping, 106–108, 109, 110
from point to point, version A, 107
from point to point, version B, 108
from point to point, version C, 108
- Customer experience readiness survey
objectives of, 92
sample of, 93
- Customer experience touch points

- examples of customer-driven
 - process improvements, 109–112
 - mapping, 108–117
 - Value Driver Priority Matrix and, 113–115
- Customer focus
 - alignment and, 143–149
 - beliefs about, 33–36
 - business drivers behind, 22
 - causes for short-lived initiatives, 12
 - commitment at W. W. Grainger, 168
 - company capabilities for successful, 95
 - compass, 98–99
 - customer satisfaction measurement and, 18–19
 - customer-strategy-connection
 - exercise, 20–22
 - defining, 153
 - derailers, 102–103
 - employee skills for successful, 95
 - execution derailers, 12
 - internal management systems and, 153
 - intersection of customer–supplier employees, 82–83
 - maintaining awareness
 - of expectations and opportunities, 89–92
 - mapping pivot points, 106–108
 - mindsets in, 145
 - mutual profitability and, 43–44
 - paradox, 82
 - personal responsibility for goal, 167–168
 - positive consequences in efforts, 165–172
 - priority predicament and, 19–22
 - as process, 101–121, 143
 - role of communications in, 154–157
 - role of employees, 82–83
 - shared sense of ownership and, 80–81
 - sustaining, 143
 - 10-point framework, 13
 - 10-point framework and Customer Focus Maturity Model, 16
 - training courses, 95–96
 - über policy for, 157
 - variables for success, 13
- Customer Focus Compass, 98–99
- Customer focus framework
 - capacity for change, 157–162
 - committed leadership, 152, 180–186
 - in customer-centric business strategy, 15
 - customer engagement, 71–76
 - Customer Focus Maturity Model and, 16
 - customer segmentation, 37–41
 - elements of, 206
 - employee engagement, 79–94
 - joint workouts, 83, 116–121
 - process orientation, 105–116
 - strategic drivers, 18–32
 - template for, 13
 - training and tools, 94–99
- Customer focus groups, 49
- Customer focus liaisons/coordinators.
 - See Customer focus point person
- Customer Focus Maturity Model (CFMM)
 - basic version of, 14
 - characteristics of, 14–15
 - customer's perspective in, 62
 - dimensions of, 15
 - Level I
 - activities, 123–124
 - purpose of, 104, 187

212 Index

Customer Focus Maturity Model (CFMM) (*continued*)

Level II

- benefits, 60–61
- challenges in progress to and through, 77–79
- focus of, 123
- goal of, 125
- objectives, 57–58, 64
- purpose of, 104, 187
- transitioning from Level I, 74

Level III

- characteristics of, 188–189
- elements of, 127
- increasing reach of, 188–189
- keys to, 185
- objectives, 15, 205
- partnering, 199
- process of, 125–126
- value chain initiatives, 202–205
- maturity levels in, 6–7, 15
- service values and, 89
- 10-point customer focus framework and, 16
- voice of the customer and, 51–52, 71, 187

Customer focus measures. *See* also Customer satisfaction measurement

- intermediate measures, 29
- linkage of measures, 19–30
- role of customers, 30–32
- ultimate measures, 29
- use of, 28–32

Customer focus point person, 87, 154

Customer interviews, 49–50

Customer loyalty. *See* Loyalty

Customer point of view, test for, 134–135

Customer relationship management (CRM) systems, 97

Customer satisfaction

- characteristics of, 24–25
- customer as important, 35–36
- customer is always right, 34
- customer loyalty vs., 26
- lifetime value of customer and, 36
- service values and, 89
- whatever it takes notion and, 34–35

Customer satisfaction measurement, 10

- change management practices and, 153–154

customer focus efforts and, 28–32

customer views, 31–32

factors added by responding customers, 31

financial measures and, 29

intermediate measures of, 29

surveys, 29, 72

ultimate measures of, 29

Customer segmentation

criteria for, 37–38

as element in customer focus framework, 37–41

use of Segment-Priority Tool in, 38–41

value involved in customer base, 38

Customer service representative, 97

Customer–strategy connection exercise, 20–22

Customer–supplier employees, 82–83

Customer views, 31

Customer’s chair, 131

D

Decision maker, 37

Dell, 19

Dell, Michael, 19

Deployment, 176

Derailers

customer focus, 102–103

execution, 12

- Development, 176
- Dialogue
 benefits, 73
 voice of the customer surveys and,
 70–76
- Differentiation
 as core capability, 185
 Tech Box Company example, 64–70
 touch points, 61–64
- Dual treatment, 155
- E**
- Employee–customer engagement,
 composite score for, 91
- Employee–customer engagement
 vehicles, 85
- Employee engagement
 composite score for employee–
 customer engagement, 91
 in customer focus, 80–81
 as element in customer focus
 framework, 79–94
 examples for, 83–89
 maintaining awareness
 of expectations and
 opportunities, 89–94
 role of employees, 81–83
- Employee satisfaction, 90–92
- Employee segmentation, 178
- Engage pivot point, 108
- Enterprise value, creation of, 82
- Exit pivot point, 177, 178
- External customers, 129
- F**
- Fear Uncertainty Doubt factor (FUD
 factor), 135–137
- Feedback, 34
- Financial consequences, 166–169
 customer experience index, 167
 group incentive programs, 166
 at IBM Corporation, 168
 individual customer focus goal
 approach, 166
 personal responsibility for customer
 focus goal, 167
 at United Services Automobile
 Association, 168
 at W. W. Grainger, 168
- First impressions, 107
- Focus groups, 72–73
- Ford Taurus, 117
- “Freedom with Fences,” 147–148
- FUD factor. *See* Fear Uncertainty
 Doubt factor: (FUD factor)
- G**
- Gates, Bill, 137
- GE. *See* General Electric
- GE Appliances, 109
- GE Aviation, 199–200
- General Electric (GE), 85
- General Mills, 204–205
- General Reinsurance Corporation, 117
- Geographical segments, 37
- Gillette Company, 162
- Group incentive programs, 166
- H**
- Hamel, Gary, 12
- Harley-Davidson
 consequences at, 169
 “Freedom with Fences,” 147–148
 Harley Owners Group, 51
 intellectual curiosity at, 131
 questions asked at, 132
- Harley Owners Group (H.O.G.), 51
- Hi-Po. *See* High-potential (Hi-Po)
- High effort–high gain quadrant,
 113–114
- High effort–low gain quadrant, 114
- High-potential (Hi-Po), 88

214 Index

I

- IBM Corporation, 168
- In-kind awards, 170
- Incident-based surveys, 47–48, 49
- Incremental change, 159
- Individual customer focus goal
 - approach, 166
- Industry segments, 37
- Innovation Task Force, 203
- Inspiration, 7–8
- Install pivot point, 109
- Intellectual curiosity, 131
- Intermediate measures, 29
- Internal alignment
 - aspects of, 144–148
 - mindsets in, 145
 - money-making process and, 145
 - personal responsibility for customer focus goal and, 167–168
 - principles of, 148
 - at W. W. Grainger, 146
- Internal change champions. *See* Customer focus point person
- Internal communications, 154–155
- Internal customers, 129
- Internal management system
 - change management practices, 153–162
 - effective, 152
 - performance management practices, 162–173
 - talent management practices, 173–186

J

- Job rotations, 75–76
- Joint project teams, 75, 116–117
- Joint workouts, 83, 116–121

L

- Land O'Lakes, 204–205
- Leadership
 - blind spots, 181–182
 - commitment, 152, 180–186
 - one leader's approach to change, 182–184
- Leadership development program, 88
- Learning culture, 138–143, 155
- Leverage pivot point, 108
- Leveraging loyalty, 107, 189–194
 - helping your customers extend their loyalty, 190–192
- Lexus Customer Advisory Board, 74–75
- Lexus Owner's Advisory Forum, 74
- Lifetime value (LTV), 36, 89
- Low effort–high gain quadrant, 114
- Low effort–low gain quadrant, 114
- Loyalty
 - benefits of loyal customer response, 26
 - characteristics of customer, 25–26
 - customer satisfaction vs. customer, 26
 - economic benefits of customer, 27
 - helping your customers extend their loyalty, 190–192
 - helping your employees extend their, 192–194
 - leveraging, 107, 189–194
 - mutual profitability and customer, 41–43
 - service values and customer, 89
 - as target, 42
- Loyalty Effect, The* (Reichheld), 27

M

- Manage/meet expectations, 107
- Marriott Corporation, 85
- McCutcheon, Hugh, 137–138

- McDonald's Corporation, 193–194
- Microsoft Corporation, 162
- Mindsets, internal alignment and, 145
- Motorola, 117
- Motorola University, 85
- Mutual profitability
 - customer focus and, 43–44
 - customer loyalty and, 41–43
 - in Level III organizations, 196
- Mutual success, 198–200
- N**
- Negative consequences, 171–172
- Net promoter scores, 11
- Nike, 162
- No-blame zone, 141
- Nonfinancial consequences, 169–171
- O**
- On-site assessments, 50, 97
- Ownership, 80–81
- P**
- Partnering
 - customers and, 200–202
 - Level III, 199
 - mutual success and, 198–200
- Patriot, The* (Emmerich), 11
- Peak performance tool, 162, 173
- Performance drivers, 162–173
- Performance management practices
 - as area in internal management system, 162–173
 - clarity, 162–163, 164
 - drivers of performance, 162–173
 - performance questions related to clarity, 164
 - performance questions related to skill, 165
 - performance questions related to support, 173
 - performance questions related to will, 165
 - skill, 163, 164
 - support, 163, 172–173
 - will, 163, 165–172
- Periodic surveys, 47
- Personal responsibility, 167–168
- Peters, Tom, 161
- Planning, strategic, 11–12
- Plant tours, 86
- Points of differentiation, 61–62, 72, 124
- Points of parity, 61, 72, 124
- Policy manual revisions, 156–157
- Positive consequences, types of, 165
- Potential, definition, 40
- Powers, J. D., 54
- PPG Industries, 111, 117
- Pre-sale activities, 107
- Pre-sale pivot point, 109
- Price premiums, definition, 28
- Price Waterhouse, 117
- PriceWaterhouseCoopers, 117
- Priority actions
 - plotting, 113–115
 - segment evaluation tool for, 38–41
- Priority predicament, 19–22
- Proactive change, 158
- Process improvement, 83
- Process orientation
 - customer-driven process improvements, 109–112
 - as element in customer focus framework, 105–116
 - mapping customer experience touch points, 108–109
 - mapping customer focus pivot points, 106–108
 - use of Value Driver Priority Matrix in, 113–115
 - value chain and business modeling in, 105–106

216 Index

Product segments, 37
Products, definition, 39
Profit, 42
Purchase driver, 37

Q

Questions, as obligation, 130–135

R

Reactive change, 158, 160–161
Referral, definition, 28
Referrals, definition, 39
Reichheld, Frederick F., 27
Relationship, definition, 40
Repetition, 155
responsibility, 167–168
Retain pivot point
 in customer experience, 108
 in talent management cycle,
 177, 178
Revenue growth, definition, 28
Rewards, 166–169, 177
Ritz-Carlton Hotel Company
 service values, 83–84, 88–89
 wow story, 84, 154
Rogers, Will, 158

S

Sale pivot point, 109
Sales cycle, 37
Sears, 109
Segment-Priority Tool, 38–41
Share of wallet
 definition, 39–40
 mapping customer focus pivot
 points and, 108
 in segment-priority tool, 38
 in teaming level, 125
 voice of the customer efforts and,
 57
Siemens AG, 131

Site visits, 86

Skills

 applying internally, 196–198
 applying to more customers,
 195–196
 employee segmentation and, 178
 Level II touch point techniques
 and, 78
 as performance driver, 163, 164
 performance questions related to,
 165
 training and, 85, 94–97
Southwest Airlines Company, 129
Specialty manufacturing company
 example, 139–141
Stoner Inc., 49–50

Strategic drivers

 addressing priority predicament,
 19–22
 differentiating customer behavior,
 satisfaction, and loyalty,
 23–28
 as element in customer focus
 framework, 18–32
 use of customer focus metrics and,
 28–32

Strategies

 as achievable, 10
 assessment for potential for success,
 2–7
 as defining desired state/vision,
 11–12
 as doable, 10
 implementation, 11–12, 131
 inspiration, 7–8
 myths, 7–12
 planning, 11–12
 role of change factors in, 8–9
Substantial change, 159
Support, 172–173
Support pivot point, 109

- Surveys
- biannual, 71–72
 - follow-up, 52
 - incident-based, 47–48, 49
 - periodic, 47
 - specialty manufacturing company
 - example, 139–141
 - transactional, 47, 49
 - types of, 47
- T**
- Talent management pivot
- points, 174
- Talent management practices
- as area in internal management system, 173–186
 - blind spots, 181–182
 - managing talent, 174
 - role of leadership in, 180–186
 - talent management cycle, 174–180
- Teaming level
- benefits of, 124
 - characteristics of, 187
 - elevate teaming to partnering, 198–202
 - increasing, 194–198
 - objectives of, 57–58
- Tech Box Company
- analysis, 68–70
 - background, 64–65
 - initial service call, 65–66
 - service visit, 66–67
 - touch points, 64–70
- Teerlink, Richard, 131
- Templin, Mark, 75
- 3M Company, 162
- Thriving on Chaos* (Peters), 161
- “To-do” lists, plotting, 113–115
- Tools
- Customer Focus Compass, 97–98
 - Segment-Priority, 38–41
 - technology-based, 97
 - Value Chain Labs, 117–121
 - Value Driver Priority Matrix, 113–115
- Touch point focus groups, 72
- Touch point interviews, 97
- Touch points
- benefits of techniques, 78
 - customer experience, 108–117
 - differentiation and, 61–64
 - Tech Box Company example, 64–70
- Training
- company capabilities and employee skills, 95
 - core teachings, 96
 - courses, 95
 - an employee–customer engagement vehicle, 85
 - successful customer focus, 94
 - tools and, 96–99
- Transactional surveys, 47
- Transformational change, 159, 161–162
- Triple “A”s. *See* Ask, act, and align approach
- U**
- Über policy, 157
- Ulrich, David, 117, 199
- Ultimate measures, 29
- UMB. *See* United Missouri Banks (UMB)
- Unique value proposition, 62–63, 72, 89
- United Missouri Banks (UMB), 203–204
- United Services Automobile Association, 168
- Unlearning, 155

V

Value chain

- business modeling and, 105–106
- company as part of, 128–129
- extend Level III efforts across, 202–205

Value Chain Labs, 117–121

- core elements of workouts, 118
- example of participants from, 119
- internal workouts and, 197–198
- lab participants, 119
- outcomes from, 119–120

Value creation mindset

- alignment and, 143–149
- developing, 127–130
- value chain and business modeling in, 105–106

Value Driver Priority Matrix

- quadrants of, 113–115
- support and, 172

Vision, defining through strategy, 11–12

Voice of the customer, 11

- advantages of, 53–54
- assessing limitations, 56
- benefits of efforts, 53

key points for Level I of Customer Focus Maturity Model and, 51–52

Level I of Customer Focus Maturity Model and, 46–53

Level II of Customer Focus Maturity Model and, 57–58

Level II touch point techniques and, 195

limitations of, 54–58

programs, 11

reasons for leaving supplier and, 48

standards of action, 141

techniques used to determine, 47–48

Value Driver Priority Matrix and, 113–115

W

Wachovia, 49

Walt Disney World, 128

Walton, Sam, 144

Welch, Jack, 138

Wow stories, 84, 154

W. W. Grainger, 146, 168