STERKE SERVICE BEGINT MET EEN STERKE DIALOOG

The Services Organisation as a Lever for Increasing Customer Value

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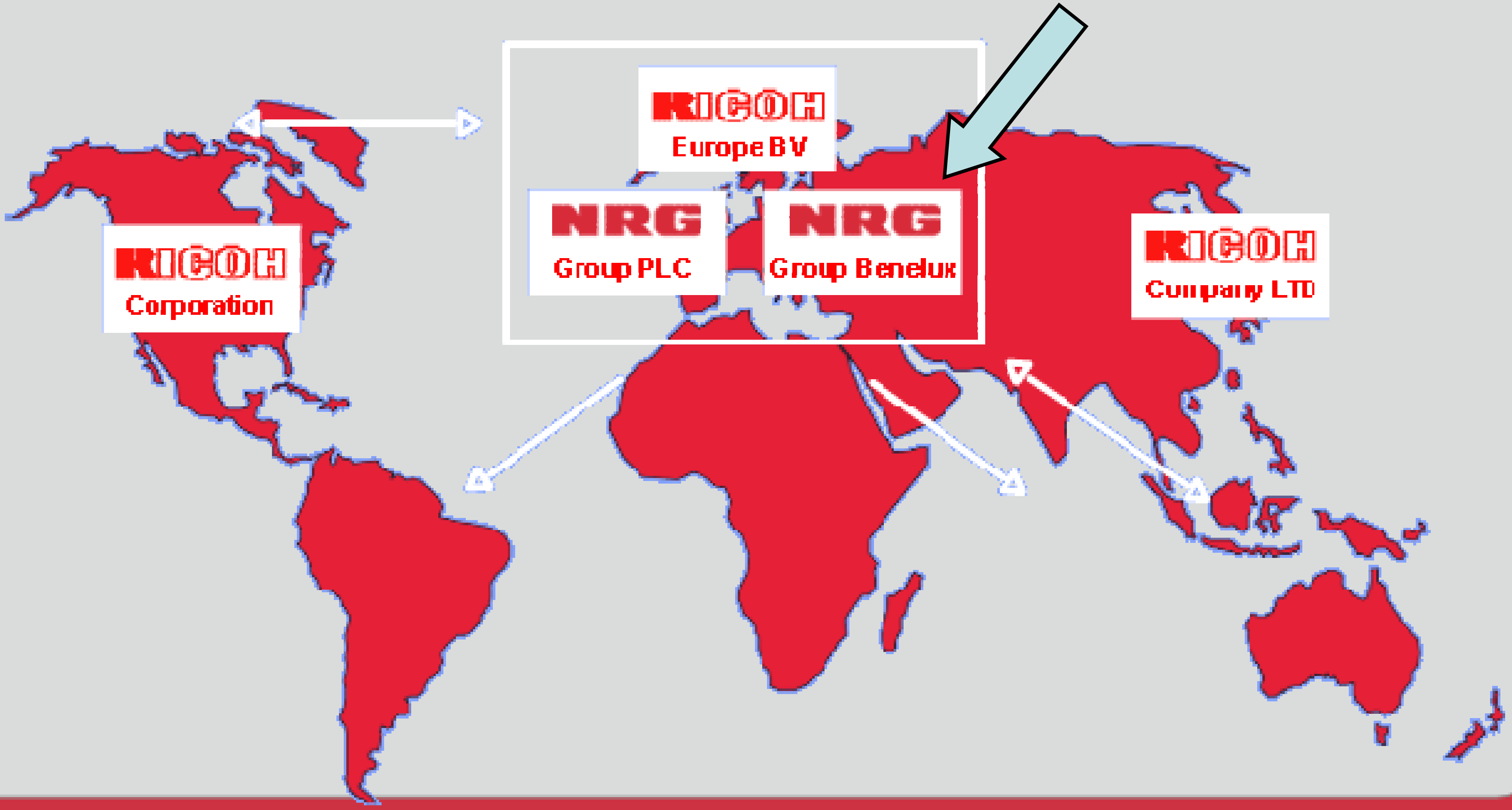
Introduction Nashuatec

RICOH GROUP



RICOH
Europe BV

NRG
Group PLC

NRG
Group Benelux

RICOH
Corporation

RICOH
Company LTD

Brands

nashuatec

- Nashuatec NL
- Nashuatec Belux
- Nashuatec Services

NRG

Rex-Rotary

- NRG Document Management
- NRG Repro Facility
- Document Consulting

LANIER
A RICOH COMPANY

- Rex-Rotary

Market leader Benelux

Turnover	€ 280 mio
Service Level Agreements	42.000
Clicks	9 billion

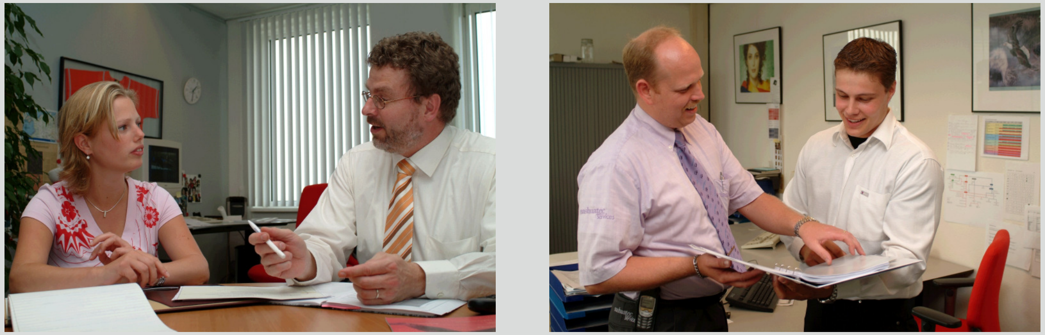
Nashuatec Services 700 employees

Business Lines : - Technical Services
- Knowledge Centre
- Customer Contact Centre
- Service Level Agreement Mgmt
- Staff: HR, Marketing, Programme Management

NRG Group Benelux
Vision

NRG Group Benelux wants to be a provider of distinctive document solutions to improve the productivity of customers.

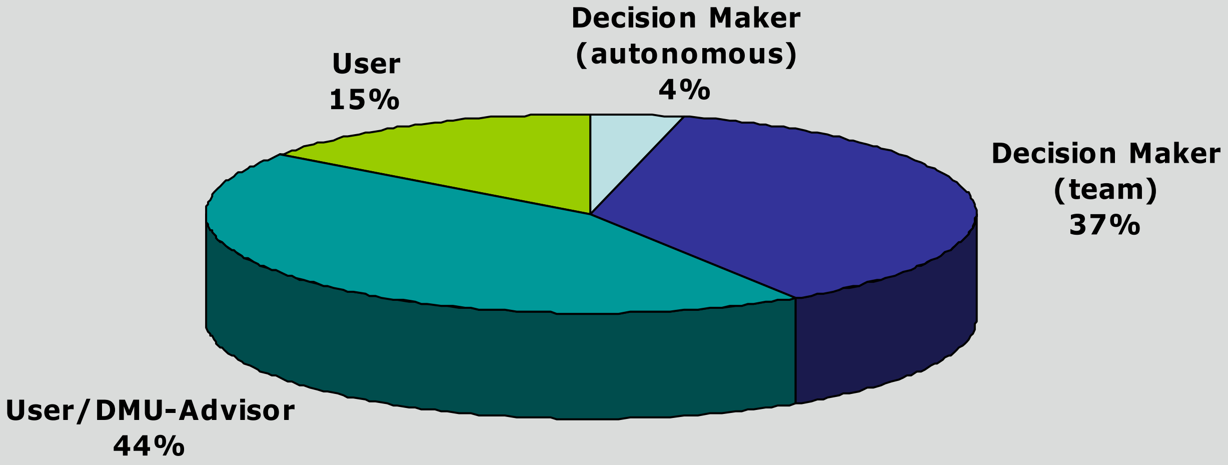
Nashuatec Services



Adding value for our clients and NRG by
Focusing on the Customer Experience

The Importance of the Services Organisation

- 60.000 monthly customer contacts
- 41% is directly involved in the decision making process
- 44% has an advisory role in the decision making process



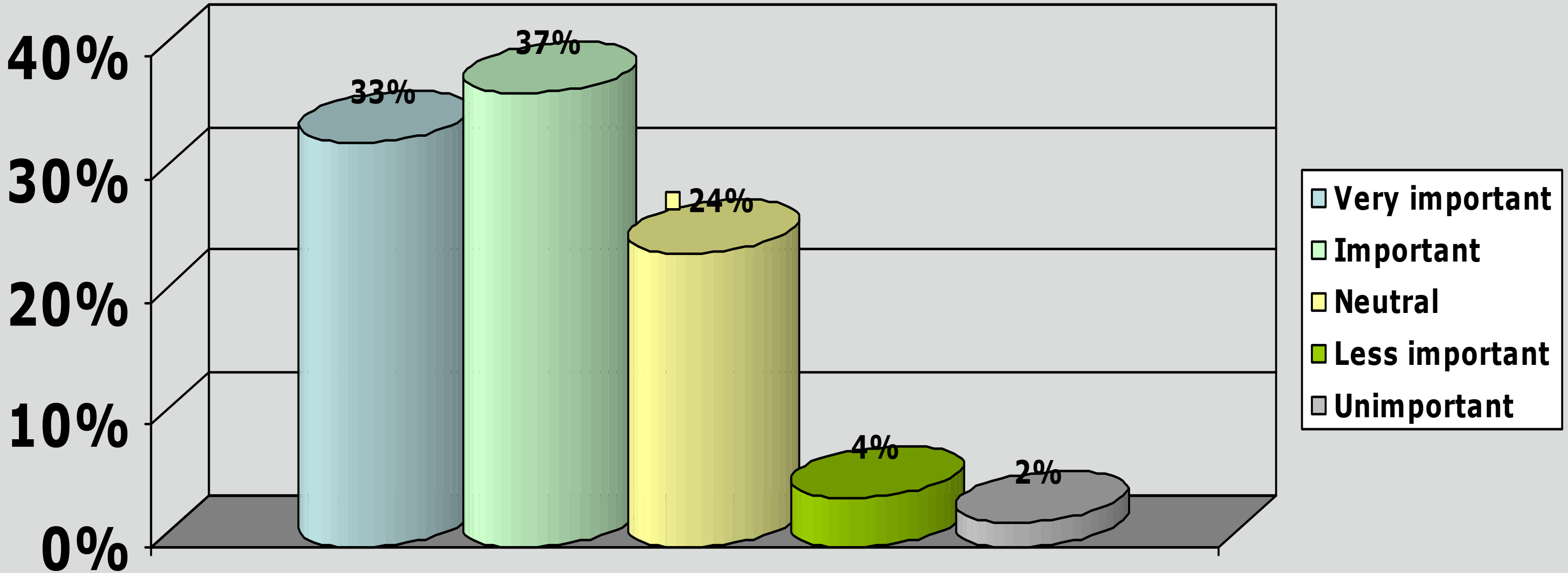
The Importance of the Services Organisation

- Services organisation is the major communications channel with the customer/user
- 90% of the customer dialog goes via the services organisation

Services organisation plays a
key role in the total customer experience

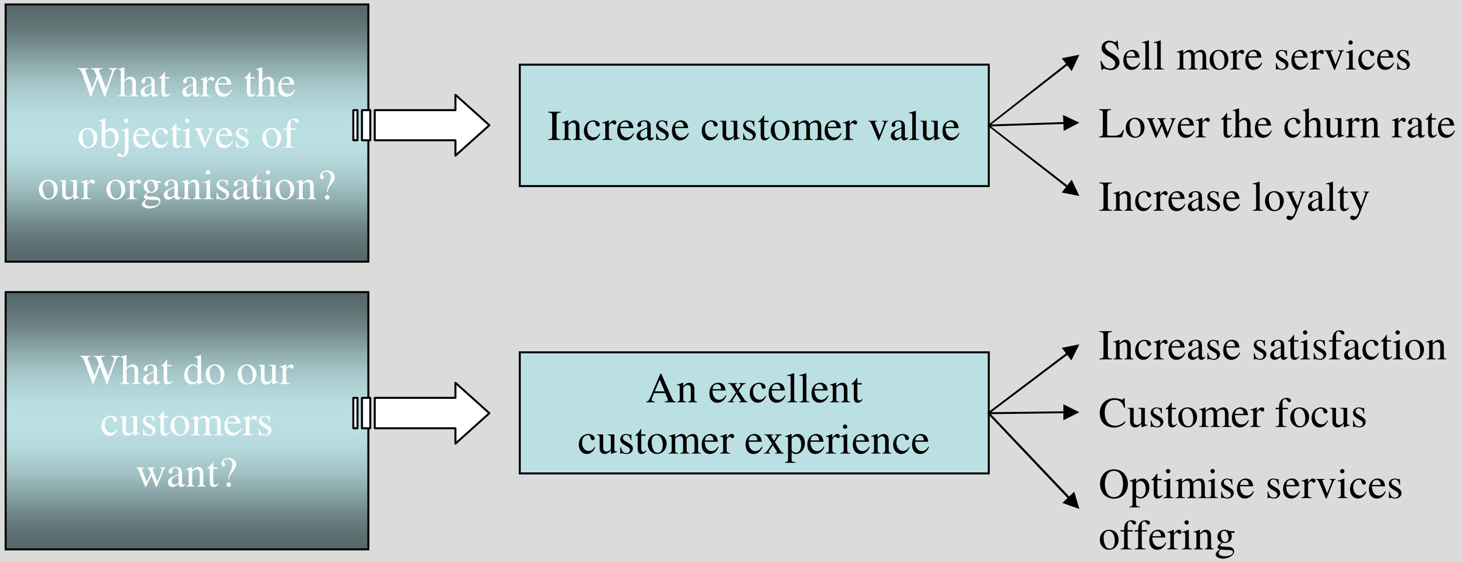
The Importance of the Services Organisation as perceived by the Customer

How important is the services organisation in your decison making to stay loyal to the brand?



Source: Survey Interface Marketing sep/2005

Setting up the services organisation that "thinks" customer experience



What are the objectives of our organisation?

Increase customer value

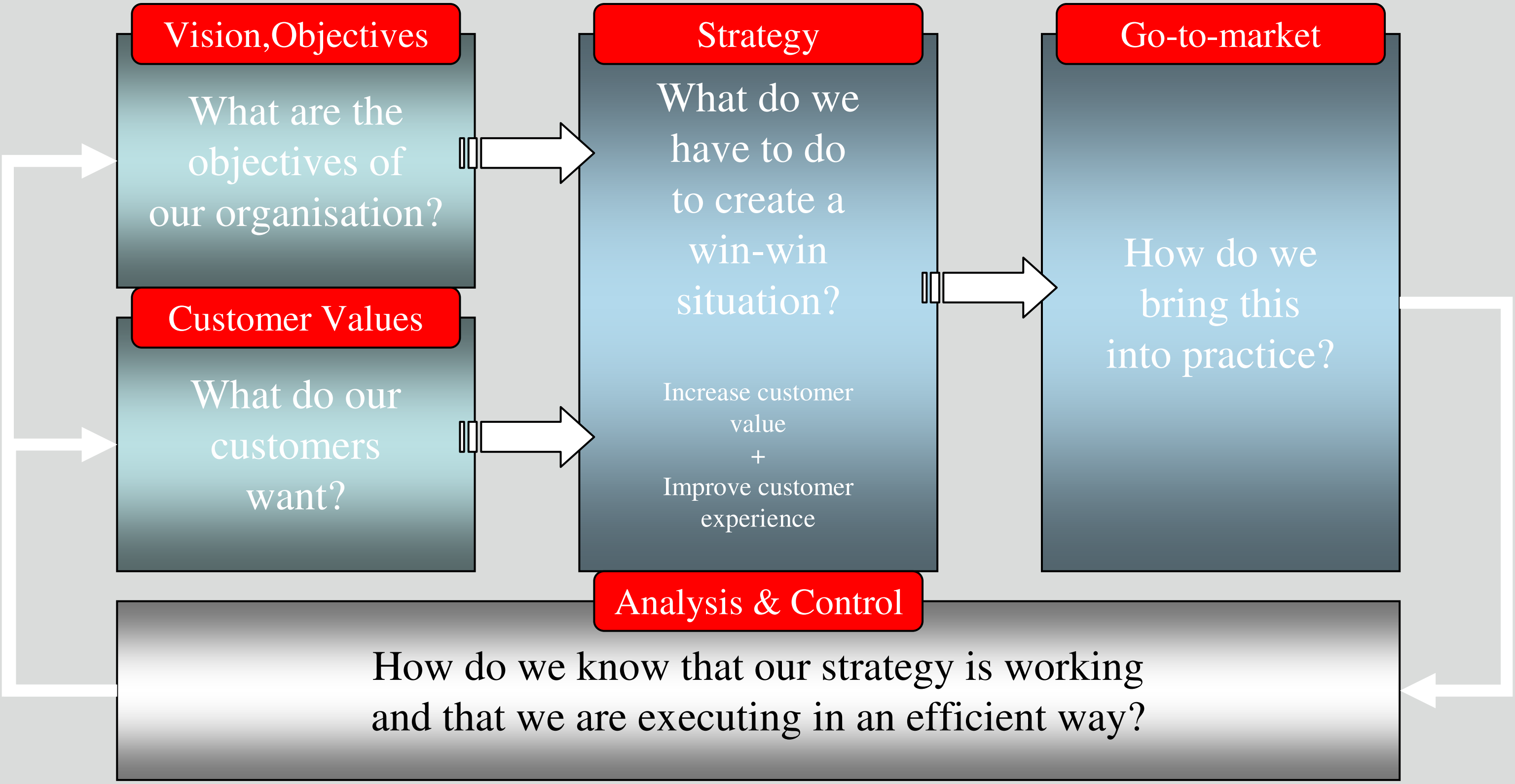
- Sell more services
- Lower the churn rate
- Increase loyalty

What do our customers want?

An excellent customer experience

- Increase satisfaction
- Customer focus
- Optimise services offering

Customer value management concept for the services organisation



Vision,Objectives

What are the objectives of our organisation?

Customer Values

What do our customers want?

Strategy

What do we have to do to create a win-win situation?

Increase customer value
+
Improve customer experience

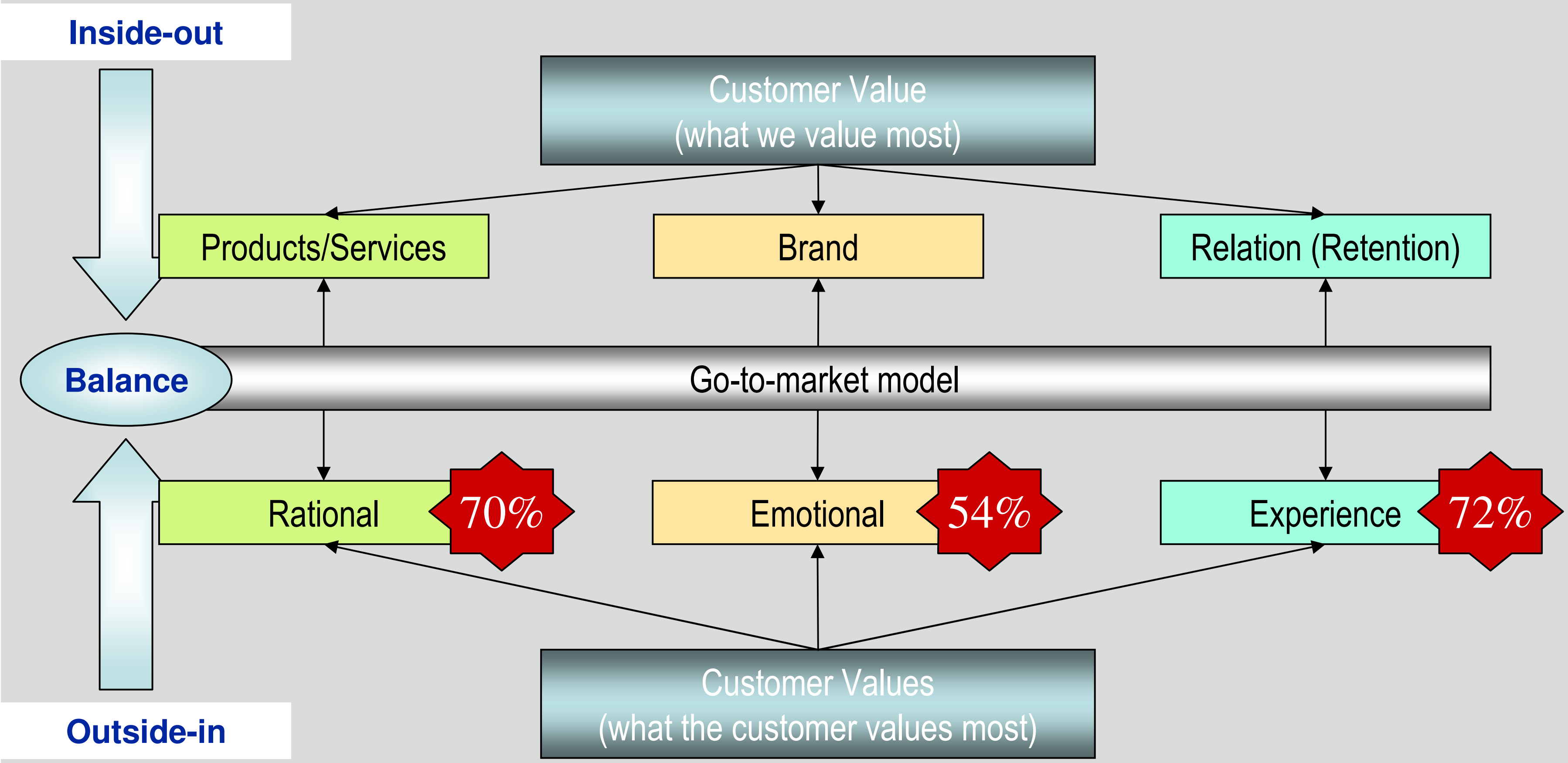
Go-to-market

How do we bring this into practice?

Analysis & Control

How do we know that our strategy is working and that we are executing in an efficient way?

… What do we have to do to create a win-win situation?



Inside-out

Customer Value
(what we value most)

Products/Services

Brand

Relation (Retention)

Balance

Go-to-market model

Rational 70%

Emotional 54%

Experience 72%

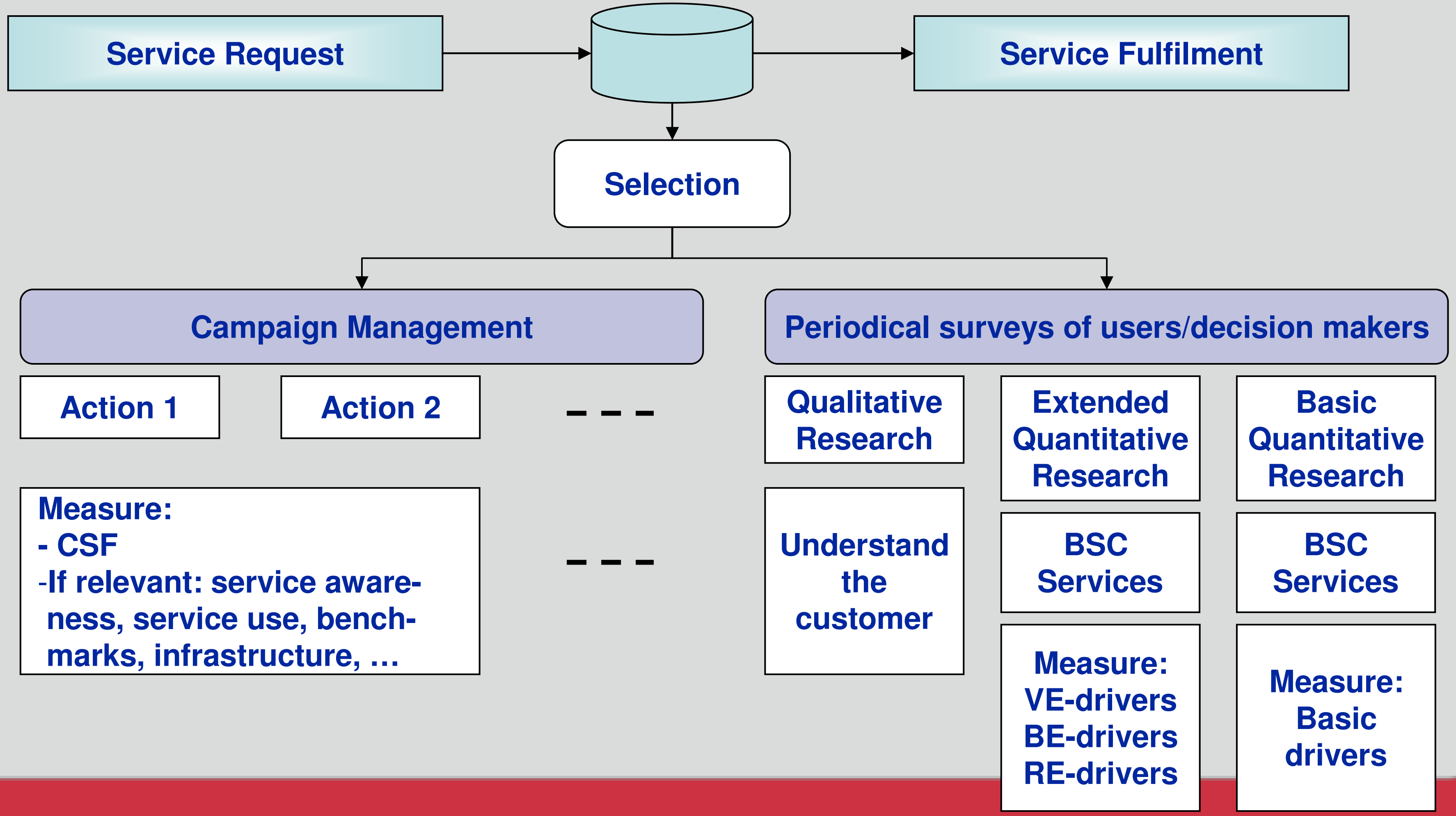
Customer Values
(what the customer values most)

Outside-in

How do we bring this into practice?

- Know (=measure) what’s important to the customer
  - How important are rational drivers like price, quality, service availability, …?
  - How important are emotional drivers like brand image, brand ethics, …?
  - What are the drivers and subdrivers that influence the customer experience?
- How do customers rate our performance for all these drivers?
- How do we benchmark against the competition?

The measurement approach



Service Request

Service Fulfilment

Selection

Campaign Management

Action 1

Action 2

– – –

Measure:
- CSF
-If relevant: service awareness, service use, benchmarks, infrastructure, …

– – –

Periodical surveys of users/decision makers

Qualitative Research

Understand the customer

Extended Quantitative Research

BSC Services

Measure:
VE-drivers
BE-drivers
RE-drivers

Basic Quantitative Research

BSC Services

Measure:
Basic drivers

Measuring beyond the classical inside-out variables…

- Classical inside-out knowledge:
  - "How satisfied are you about our…"
  - Awareness of services and products
  - Use of services
  - …

Inside-out knowledge on its own will NOT give you any insight in the customer experience drivers!

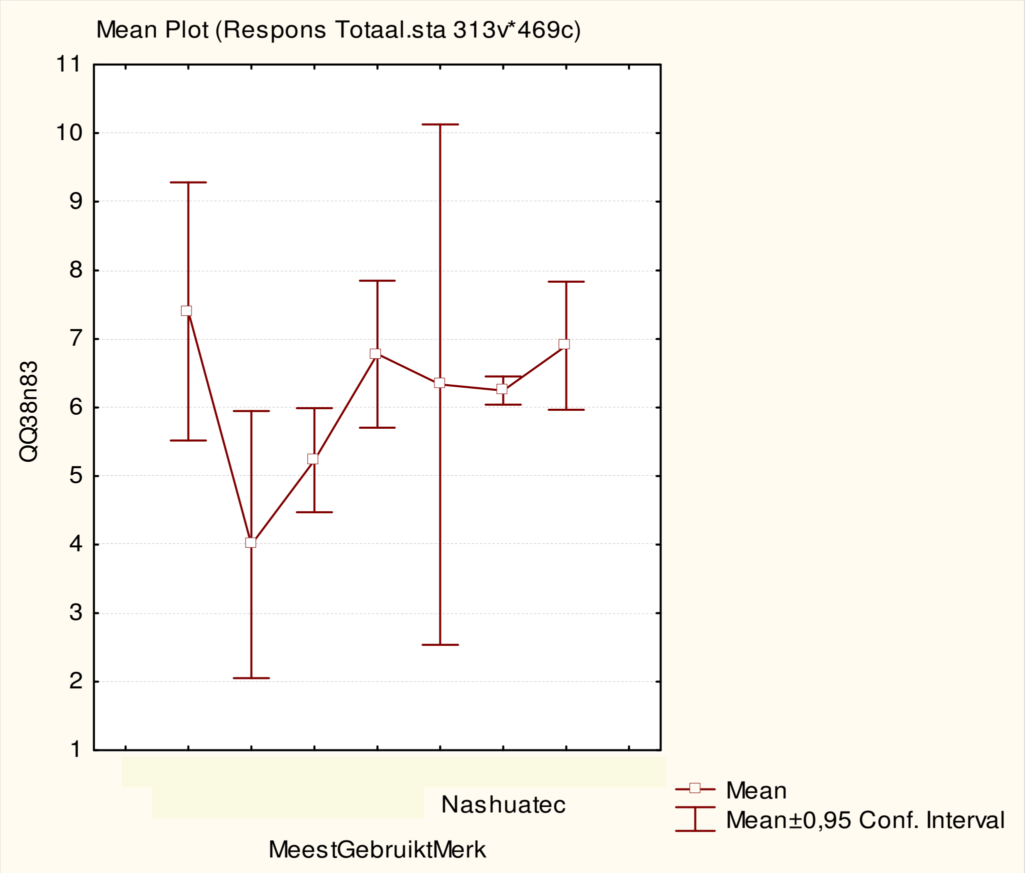
e.g. why do satisfied customers churn?

Measuring beyond the classical inside-out variables…

- What we measure about customer values and the customer experience (some examples):
  - What are the most important drivers for a good relationship, and how do we perform for each of them? How do we perform compared to the competition?
  - How do we perform as a proactive organisation?
  - How well are we doing in fulfilling the customer’s needs? And how do we compare against the competition?
  - What do customers think about our ethics, the attitude of our personnel, our customer focus, etc?
  - How good are we in keeping our customers? (switching behaviour). Which customers are likely to defect, and which offer extra opportunities?
  - How well are we doing as a service organisation? And compared to the competition? What’s positive, and what’s not.
  - What do our customers think about our prices, the availability of our services, the knowledge of our service personnel, our quality. How important are all of these issues?
  - etc

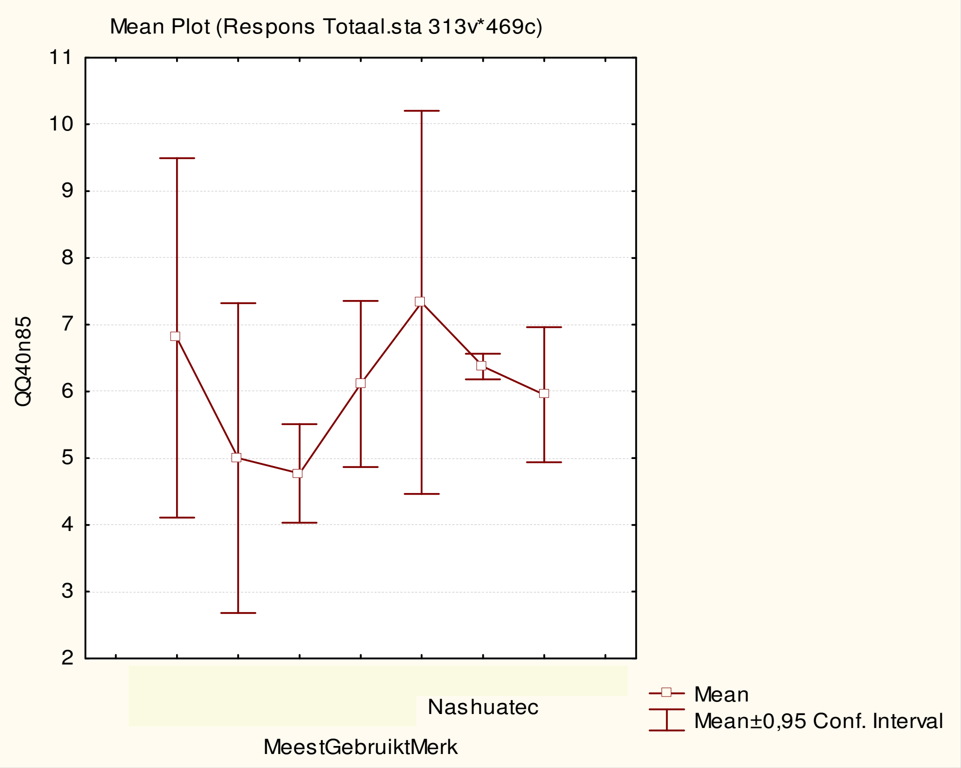
Some examples

Requirements and needs fulfilment



Customer knowledge

How well does the services organisation understand the customer?



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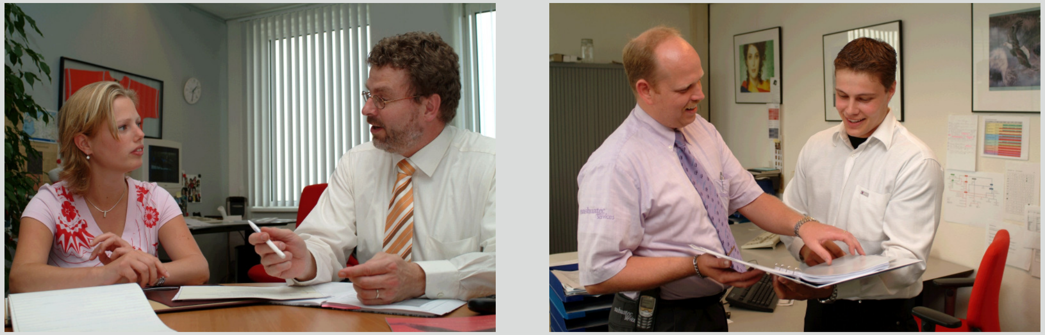

Results

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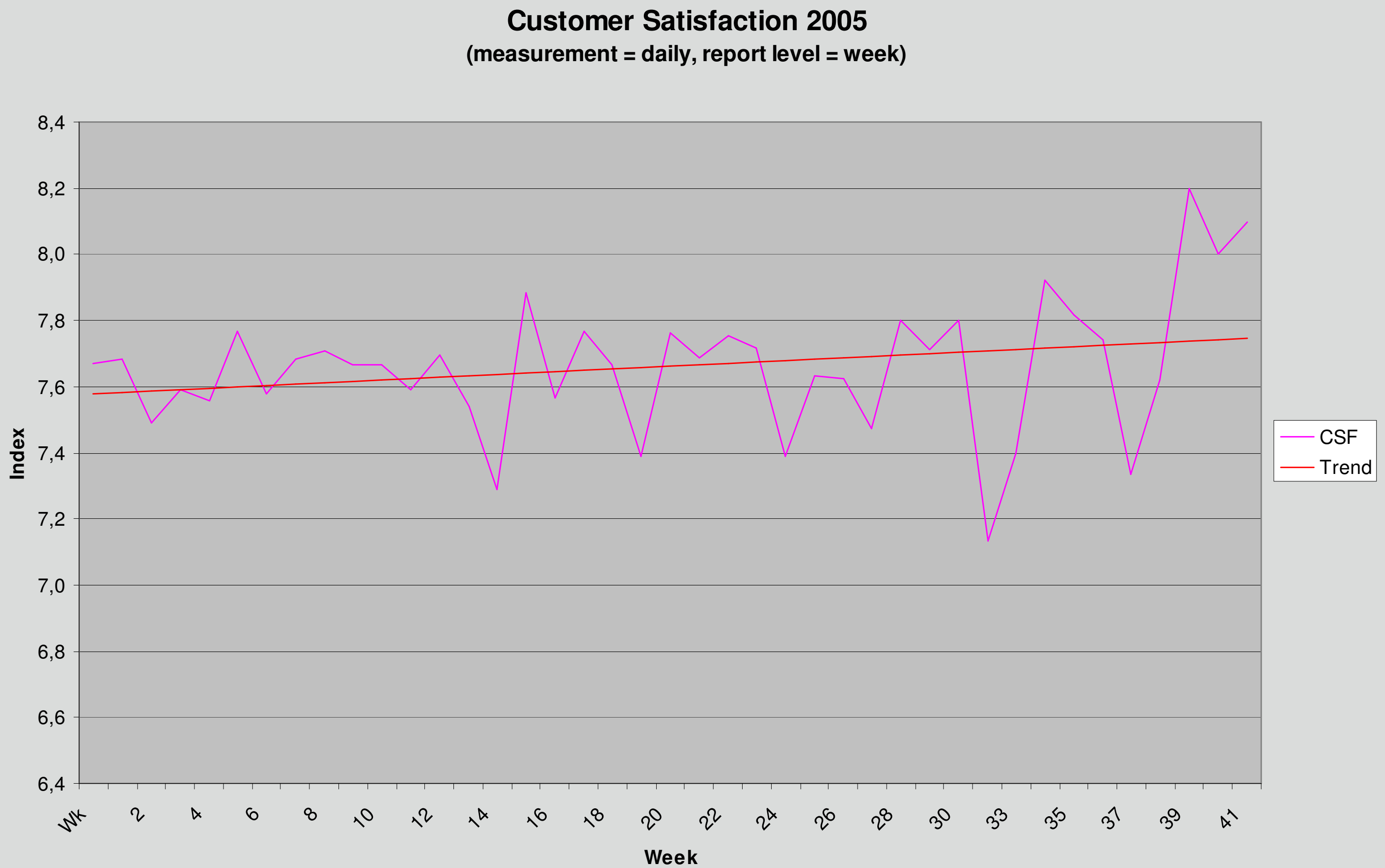
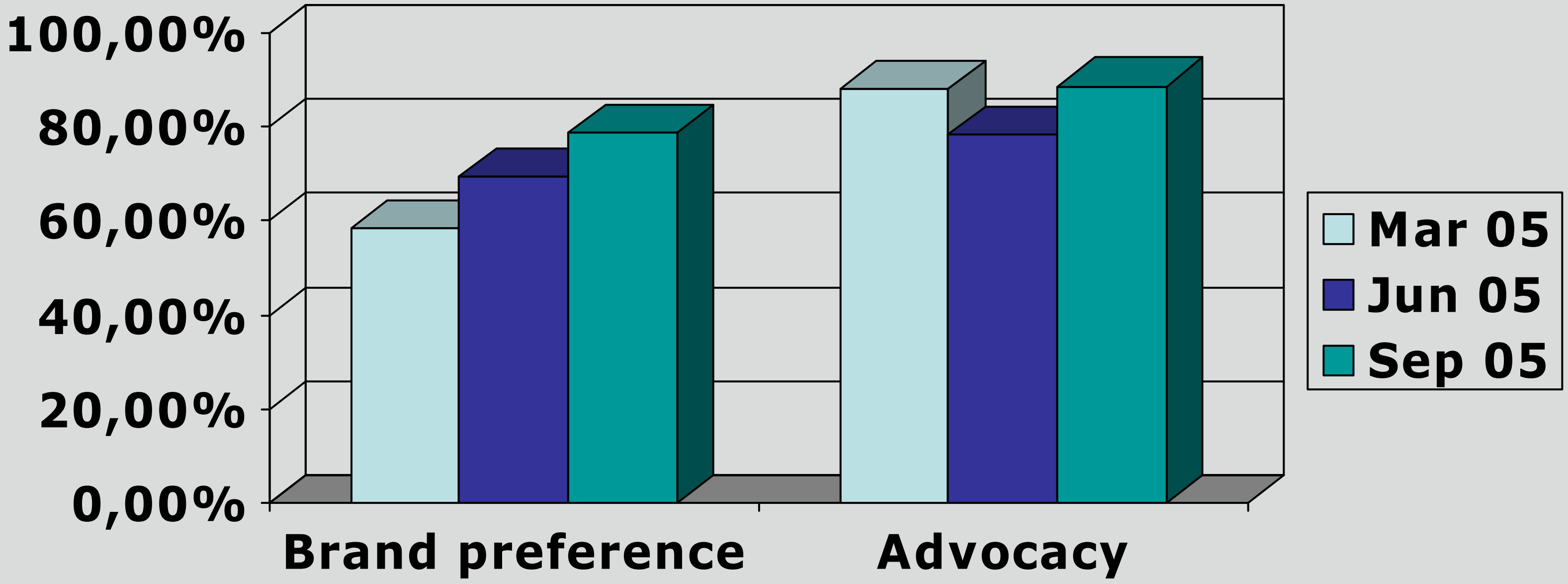
Results for Customer Satisfaction



Brand preference & Advocacy



Increasing customer value

- 2002: € 40.000 extra services invoiced
- 2003: € 300.000
- 2004: € 700.000
- 2005: € 1.600.000
- 2006: € 2.000.000 (target)

Conclusion

- We managed to continuously increase the contribution to the customer value, while improving customer satisfaction, brand preference and advocacy
- A services organisation will be more successful if it focuses on finding a good balance between customer value and customer experience
- A services organisation can be an important lever for increasing customer value