

in this month's issue: delivering the promise

In this month's issue of Dimensions, Quadrant examines the increasing importance of positive and consistent experience across the growing range of points of contact which customers now have. Most companies are recognising the need to manage 'customer experience' but this is not reflected in their structure or in the integration of responsibilities within the organisation. With so much focus and resource being poured into branded products and services, commentators such as WPP's Martin Sorrell think the match between brand promise and actual customer experience will be an issue for many organisations and a major point of competitive advantage for others.

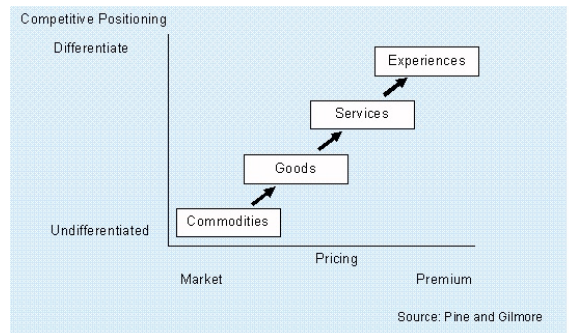


it's time to elevate customer experience

Technology is making information and transactions ever more accessible to customers, meaning that organisations, brands, products and levels of service can be checked out, cross referenced and potentially discarded in minutes. Equally, they can be discovered, researched and bought in a similarly rapid timescale.

Technology may provide an opportunity for cost rationalisation - if customers can be encouraged or incentivised to use certain channels - but it also brings the 'anytime, anyplace, anywhere' Martini effect, as the UK banks discovered when they started to close down branches. With this rise in consumer accessibility and influence comes an associated rise in expectation and inevitably, an increasing intolerance of poor customer experiences. This is clearly a significant risk to the health of any business, as brand and customer experience are the two key areas where organisations can differentiate and add value.

Premium brands are particularly at risk. The 2005 Promise Index suggested that service delivery in two thirds of the UK's top brands is failing to meet consumer expectations and that the negative gap, between image and actual experience, is increasing. Only in the travel & leisure and e-commerce sectors, where expectations are relatively low, was there a positive rating of experience over expectation.



Customer experience can create significant value, as illustrated by the diagram above. This was recognised in a recent survey amongst UK FTSE 100 companies, commissioned by London Business School. 81% believed that improving customer experience was more important than other activities, but only 33% have anyone responsible for managing that experience! Instead, there tend to be multiple points of responsibility across corporate communications, marketing, operations and customer service. (Source: Foviance)

We believe the start point for tackling this issue lies in two key areas. Firstly, by conducting a rigorous mapping of customer contact moments (described by Comet as the 'Deliverable Customer Journey') in and across channels, to establish how customers are interacting - backed up by research into customers' contact preferences. Secondly, by elevating the role and profile of customer experience responsibility within organisations, to transcend individual departmental silos. Quadrant's experience in customer management has shown the need to fully understand the customer journey and then be able to apply integrated solutions to all touch points.

One organisation we admire that has led the way in integrating customer experience successfully is Argos, with its 650 UK stores, two catalogues a year, three contact centres and a website that gets two million hits per week. Argos has won Retail Week's 'Multi-Channel Retailer' of the year two years running and has just picked up their 'Online Retailer of the Year' and 'Customer Services Initiative of the Year' awards as well.



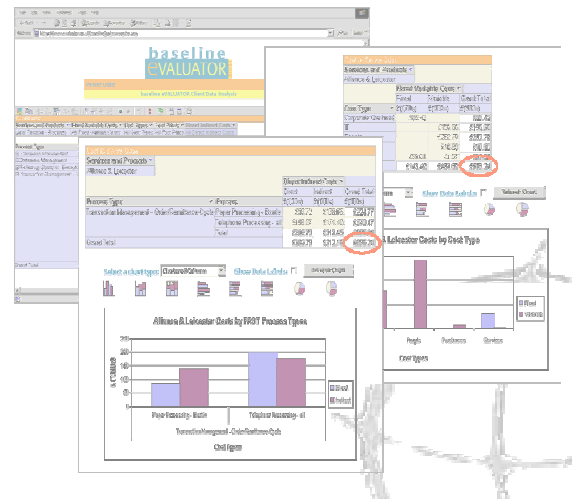
Part of Quadrant's expertise in customer management is in 'cost to serve' evaluation. Our start point is this question - 'Which major decisions in customer management is it safe to make, without knowing the impact on the cost to serve?'

Our definition of cost to serve is the annual cost of administering an account-based relationship with a customer. We have developed a unique product called **eVALUATOR** which has an analytical web-based tool at its heart and can turn any functional costs into customer-facing and activity-based CRM processes.

Wrapped around **eVALUATOR** is Quadrant's competence in working with clients to:

- Improve customer segmentation
- Migrate customers over channels
- Optimise customer management
- Reduce the cost to serve

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welcoming new clients

Major news this issue is the award to Quadrant of a framework agreement with OGCBuying.solutions. This means we have been successful during a competitive procurement process, fully compliant with EU Directives. The framework allows customers throughout the public sector to place orders with Quadrant under standard terms and conditions of the agreement.

OGCBuying.solutions help customers save money by providing public sector organisations with a route to purchasing high quality products and services quickly, efficiently and at highly competitive prices.



Catalist is the OGCBuying.solutions brand for a series of frameworks and we have been awarded a framework for Marketing Consultancy and Market Research, together with our market research partner, BMG. This partnership will bring benefits for all our clients as part of a complete marketing and research service.

what we do and who we work for

Quadrant is a leading London-based consultancy which offers strategic advice and solutions for major private and public sector organisations.

We work closely with client teams to deliver market breakthroughs and revenue growth, using a sustained and customer-focused approach.

If you think that we might be able to help you to deliver a more integrated customer experience, please give Huw Watkins a call on 020 7240 7200 or email him at huw.watkins@qcl.co.uk and we would be very happy to arrange a no obligation meeting.

