

10 Principles Behind Great Customer Value Creation

Exceptional Customer Experiences don't start with Customer Journey Mapping. They start with great Customer Value Creation.



01

CUSTOMER VALUE CREATION IS THE NECESSARY STRATEGIC BASIS FOR THE SUSTAINABLE SUCCESS OF ANY ENTERPRISE

Interconnectedness, vast quantities of information, and the ability to do previously impossible things, have gifted power to Customers. In the past, Producers mass produced products and services that were 'pushed at' Customers via mass marketing channels. Now, with heightened expectations and choice, Customers expect their needs, wants and aspirations to be met accurately, personally and at the right time.



02

VALUE CREATION CAN ONLY BE BASED ON CUSTOMERS' DESIRED OUTCOMES

Delivering Customer Value - something that is of worth to a Customer, as perceived by the Customer - is only possible if the Customer's wants, needs and aspirations (even if not yet fully understood) are identified. This is the start point for working out what to do and how to do it. Note, too, that when you ask people "How can I best help you?" their answers will change over time.



03

CREATING VALUE FOR THE CUSTOMER IS THE MOST CERTAIN WAY TO ASSURE SUSTAINABLE PROSPERITY FOR ALL STAKEHOLDERS

Other stakeholders are of course important: to continue to serve its Customers, a company must be able to attract talent, make a profit and keep the confidence of its shareholders. BUT there can be only one PRIMARY VALUE FOCUS and that is the CUSTOMER. Everything else follows from that.



04

IT MUST CONSIDER THE COMPETING ALTERNATIVES

The assessment of what something is worth is always based upon choices and trade-offs between available options, including the 'do nothing' option. This is the basis of value proposition development. It can be complex because the choices and options are often based upon personal likes, dislikes and other criteria. Mapping and measuring emotions is hard, but important.



05

IT REQUIRES RESPONSIVENESS, AGILITY AND CONTINUOUS INNOVATION ON THE CUSTOMER FRONT LINE

Customers' wants, needs and aspirations are subject to change. Your company must be able to identify, track and respond to those changes. This often means giving greater decision-making power to customer-facing employees to enable them to create and deliver Customer Value on an ongoing basis. This necessitates a shift from 'command & control' leadership and management to 'empower & enable'.



06

IT MUST REFLECT THE FUNCTIONAL, EXPERIENTIAL AND FINANCIAL ASPECTS OF THE ENTIRE BUYING JOURNEY

Customer Value is experienced in three stages: pre-purchase, purchase, post-purchase. The chain of experiences across these three stages, which needs to be articulated in value propositions, must reflect functional, experiential and financial aspects, all combined to create hard-to-copy differentiation for your organization.



07

CUSTOMER VALUE CREATION REQUIRES ALIGNMENT & CO-CREATIVITY

It requires an organization where everyone in the company - including the Customer - is aligned, and co-creativity is enabled. Achieving this can only happen when an organization's people are fully aligned behind the single goal of maximizing Customer Value. Start with the Customer and map the buying journey all the way back through the organization and beyond. Aim for a silo-free structure in which multi-functional teams involving all parties in the ecosystem - suppliers, the company itself and even the customers - work towards the common goal of Customer Value delivery, profitably.



08

IT REQUIRES NEW CAPABILITIES FROM MULTI-FUNCTION TEAMS

Multi-function teaming obviously requires people who may never have worked together to do so. That's not always easy. Bringing Sales, Marketing and Service into alignment is vital, but it's necessary to go much further. Why? Because things now move too fast for the slow feedback loops that used to typify 20th century organizations. The trouble is multi-function teams won't always agree. There's the need to handle the breakdowns that lead to breakthroughs.



09

CUSTOMER VALUE CREATION REQUIRES VALIDATION AND PROOF

The functional aspects of Customer Value are provable using business modelling of various kinds to demonstrate, for example, Return on Investment. The emotional aspects will be validated and proven via your brand reality. So Purpose and Culture have never been more important than now. All activity needs to deploy all relevant channels, and to include good metrication and feedback.



10

CUSTOMER VALUE CREATION REQUIRES FLEXIBLE, RESPONSIVE RESOURCE ALLOCATION

In a business world where everything moves faster than ever before, excellent Customer Value Creation demands flexibility and responsiveness in resource allocation. Resources must be made available to the teams on the basis of need.



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