



OPEN FOR
BUSINESS

Why customer
centric organisations
are winning more

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NEW GAME,
NEW RULES



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NEW GAME, NEW RULES

Customers expect to seamlessly interact with companies through multiple touch points – any time of the day or night



New Game

Customers now have complete access to company and competitor information and the power to instantaneously share positive and negative feedback.

New Rules

Companies must invest significantly in their people, processes and technology to meet these expectations.

Expect this “Age of the Customer” to last at least another 10 years

Source: Forrester, Competitive Strategy in the Age of The Customer, Oct 2013

Age of Manufacturing
Mass manufacturing makes industrial powerhouse successful

1900-1960

Ford, RCA, GE, Boeing, P&G, Sony

Age of Distribution
Global connections and transportation systems make distribution key

1960-1990

Wal-Mart, Toyota, UPS, CSX

Age of Information
Connected PCs and supply chains mean those who control information flow dominate

1990-2010

Comcast, Amazon, E*TRADE, American Express, Google

Age of the Customer
Power comes from engaging with empowered customers

2010-?

Contenders include Facebook, IBM, Best Buy, Apple

HIGH STAKES



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Between 2009
and 2012, leading
customer-centric
organisations
generated:

1.8 times greater gross profits

3.4 times bigger net incomes

2.4 times larger share prices

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Customer Centricity delivers:

25%

Customers that are
'advocates' stay
18-25 percent
longer than 'neutrals'
or 'detractors'

60%

Customers that are
'advocates' spend
30-60 percent more
than 'neutrals' or
'detractors'

410%

Customers that are
'advocates' make
110-410 percent
more referrals than
the 'neutrals' or
'detractors'

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Source: PwC 2012 Productivity in Australian Banking Report

Leaders in
customer
experience
out-pace the
competition

Over a recent five-year period,
customer-experience leaders

grew by 22.5%

while there was a 1.3% decline for
the S&P 500 market index and a
46.3% decline for the laggard
portfolio.

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Source: Forrester Customer Experience Index, 2013

AND IT'S NOT
JUST B2C...

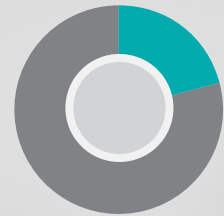
Enterprise buyers
are mimicking
consumer
shopping
behaviours

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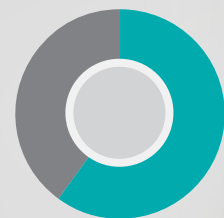


Impact of personal emotion on B2B purchases



21%

more will be paid by business buyers for a product/service that offers an improved customer experience



60%

of business decision-makers say third-party sites and feedback from business partners, industry peers or social channels is more important than conversations with a company's sales teams when making a purchasing decision

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Source: Avanade - Wakefield Research, 'B2B is the New B2C - The Consumerization of Enterprise Sales' October 2013, - Key findings from Australian respondents

THE AUSTRALIAN EXPERIENCE

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Customers
are voting with
their feet

By **taking a customer-centric approach** to technology, Commonwealth Bank has **become the main financial institution** for one in three Australians. It is also Australia's number one online bank and the number one choice for contactless payments.

Roy Morgan Research, June 2013.

A major Australian furniture and white goods retailer delivered the very worst levels of service in 2012. Their results for that year reflected a decrease of 39.2%

Source: Choice 'Customer Service Shadow Shop', September 2012

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WHAT'S
THE REAL
CHALLENGE?



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REALITY CHECK

56% of companies ***described themselves*** as customer centric.

ONLY 12% of their customers agreed.

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SO HOW DO YOU BUILD A CUSTOMER- CENTRIC ORGANISATION?



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Create a Customer-Driven Framework for an award winning business

Source: Harvard Business Review, 'Choosing the Right Customer',
Robert Simon, March 2014

1

Identify the
best primary
customer for
your business

2

Create
processes
to learn what
that customer
values

3

Allocate
resources
accordingly

4

Build an
interactive
control
process to
monitor the
assumptions
that underlie
your choice

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Try these three
simple steps:

1

Connecting more –

Deliver personalised messages and services across multiple channels by leveraging individual customer behaviour and context

2

Doing more –

Act on insights systematically and consistently

3

Seeing more –

Take a broader view of the customer experience, across the whole organisation

Make your
approach to
customer
centricity
holistic by:



Building a clear vision and defined goals



Breaking down functional boundaries



Changing the organisation from day to day – People,
Process & Technology

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Source: Booz & Co, 2010

WHAT TYPES OF CHANGES ARE BUSINESSES MAKING?



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Businesses are investing in technologies

79% mobile devices

57% customer relationship
management (CRM) systems

54% mobile applications

50% social media

84% of companies have changed at least one
business process in the past three years to better
interact with customers.

Source: Avanade - Wakefield Research, 'B2B is the New B2C - The Consumerization of Enterprise Sales' October 2013,
Key findings from Australian respondents

HOW CAN NEC HELP?

NEC is uniquely positioned to help organisations transform their customer's experience. With a range of experienced professionals dedicated to each component of Customer Experience, NEC's Customer Experience consultants can work with your business to design, implement and support a range of customer experience and contact centre solutions to ensure your businesses continues to gain retain valuable customers.

Our comprehensive Customer Experience solutions encompass deep expertise and integration in:

- Customer Relationship Management software
- Knowledge management and portals
- Strategy, governance and planning
- Customer Analytics (Business Intelligence)
- Smart devices
- Contact Centre solutions
- Biometrics



For more information please call us 131 632 or emailus@nec.com.au