ADVERTISING

Internal culture defines external brand experience: Forrester exec

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By TRICIA CARR

NEW YORK – To create a customer-centric culture, marketers must work internally to spread the brand message via the hiring process, socialization and rewards to help executives reflect those traits into customer experience campaigns, according to an executive at Forrester's Customer Experience Forum 2012.

Decisions that employees make, no matter the level, impact the customer experience and it is important for brands to align culture with brand goals. To define the type of changes that need to be made concerning culture, a brand must decide to focus on vision, mission and values, leadership or customer service metrics.

"Your brand is what people say about you when you are not in the room, the same way your culture is what employees do when you are not in the room," said Paul Hagen, principal analyst at Forrester Research, New York.

"Culture is one of those topics that is the starting place for many customer experience efforts as well as the ending place," he said. "This is how culture enters the scheme of marketing efforts."

Culture shock

Customer-centric culture is a system of shared values and behavior that focuses employee activity on improving the customer experience.

"All of the activities of a company add up to the value proposition to a customer," Mr. Hagen said. "If those activities hurt the proposition or lose money, the proposition is incorrect.

"A change consists of a different set of behavioral norms, change in the way people act and the way that behavioral norms change," he said.

A company can define the kind of customer-centric culture to create in a few ways depending on overall strategy. This also applies to a company that wants to go from one centric-culture model to another.

The first strategy is based on vision, mission and values. This can be changed during the hiring process.

In the recruitment stage, companies should ask themselves how to select candidates for the types of skill that they are trying to deliver in their customer service efforts.

In terms of job fit and the selection process, companies should interview people who willing to go where the company wants to go in the future.

This stage occurs in the job listing, where companies can go as far as listing key personality traits, to the interview where recruiters can see if those criteria are there.

In this stage, companies can present employees with scenarios based on experiences that the brand wants to create.

Paul Hagen at Forrester's Customer Experience Forum 2012

Lunch break
Looking at an existing employee base in a company, there are two more main focuses in creating a customer-centric culture.

Next is leadership, which is created during socialization, per Mr. Hagen.

Part of socialization is on-boarding and training, which many luxury brands are participating in.

For instance, British department store Harrods sent its employees to take etiquette lessons. The employees took two full-day sessions that emphasized etiquette aspects of multi-cultural awareness (see story).

Also, quite a few luxury brands are training employees to use mobile technology to improve the in-store experience.

For example, Italian label Gucci is equipping its store associates at select locations with Apple iPhone 4S devices that contain a mobile point-of-sale program that lets them process sales, email receipts to customers, access the Gucci Style app and use a translator and currency convertor on the spot (see story).

Communication and storytelling is another part of socialization. Communicating early and often with employees, sharing success stories during meetings and through newsletters and bringing actual customers into company meetings are some of the ways that companies can do this.

"Socialization is trying to brand what you are doing across the company so that more people understand it," Mr. Hagen said.

The last focus in creating a customer-centric culture is the customer experience metrics. Companies should focus on employee rewards to strengthen the results of performance results.

Compensation and promotion should be awarded in a variety of ways such as company-nominated awards, customer-nominated awards, peer-to-peer awards and team-based awards. Many companies have these programs, but they need to be enacted better across the entire company.

"Customer experience so often crosses departments that do not necessarily work together," Mr. Hagen said. "These options reward the whole cross-functional team."

Also, perks are not often aligned with the customer experience.

For example, companies might give a beach vacation, but that has nothing to do with its services. Instead, offer a perk during which employees can experience the brand in a fun way.

Services that improve work-life balance are also important to a customer-centric culture.

"Take away the distractions that do not align with the customer experience," Mr. Hagen said.

Overall, companies should understand what the impact of their culture is and be disruptive in the way that it is run.

"Employee experience precedes customer experience, so your customer experience reflects your culture," Mr. Hagen said. "These are the precursors of creating culture.

"Ask what adds value to the customers and what do customers really value," he said. "The

strategy should be about doing the type of activities that give the value proposition that your company wants."

Final Take

Tricia Carr, editorial assistant on Luxury Daily, New York