Role of a customer champion



Role of a customer champion – Paper Example

Key role of marketing is to act as customer champion to the organization. There are two highlight points in this argument, one is if organizations have to act as customer champions among all the other orientations that they can choose, and the other one is if it is the role of marketers in each organization to be the ' customer champion' between other alternative positions.

Marketer's roles in an organization

Marketer's role by the time:

Pull/push method: Since 1950, marketing has been on a push/pull model that the manufacturer designs a product to fulfill a need and then persuades the customer to buy that product by advertisements, promotions and different kinds of distribution tactics.

Customer-centricity: the next level of marketer's role in organizations with more involvement of customers.

Customer advocacy: a new era in marketing in which marketer is the customer's advocate.(Urban, 2005)

The marketer's role has significantly changed during the past years, for example the development of social media, made the marketers' role more strategic and complicated. Considering the history of business, it shows that marketing has played a role in even the simplest early businesses.(burrow, 2009)

In marketing, there are metrics that relate to customer satisfaction: advocacy, loyalty, margin, market share and the rest. Marketers' main jobs are creating a marketing plan that ensures the metrics are on the right track, and engaging and supporting everyone across the business to ensure delivery. In other words, their role is to create the future and deliver it today.

We all know that marketing is about more than creating the advertisements. (Gooding, 2006)

New products and services require marketing, in order to find and build relationships with different types of customers, to speak to them in an innovative way and sometimes reach them through different channels. Marketers have to connect with mass-market consumers and help them to imagine how this new product would enhance their life. It is not a small task. (Kelley, 2010) They should also be involved in product development, and since they are the closest to customers' opinion, it is their responsibility to share new ideas to match the company's offer to the customers' needs and wants. (Asis, 2003)Most fundamentally, marketers must bring the outside-in perspective to balance, and often lead the inside-out aspects of business. (Fisk, 2006)

Different approaches

Product-orientation: the company's knowledge about its customers is often vague and general. The customers' segmentation is not very precise, and since the company cannot predict the customers' behavior accurately, the strategic objectives of the firm are also unclear.(Matheson, 2006)

Customer-centricity: is the orientation of a company to the needs and behaviors of its customers, rather than the internal drivers, like quest for short-term profit. (Landy, 2010)From this basic strategic difference other different organizational features flow. These are the two extremes, but different strategies in every organization will result in different degrees of customer-centricity. Nokia is a good example of a hybrid structure of products and customers. It moved from a product-centric company to one that is still product-centric, but also has added a customer-centric component.(Galbraith, 2002)

Knowing which type of marketing organization exists within a company is crucial. Every organization has to ensure that their type of marketing organization actually fits what the company is trying to do. (Mitchel, 2006)

Market and customers' changes

Customers today are more different and individual, more intelligent and difficult than ever, while 100 years ago, a new car buyer would be more than happy to buy a Ford Model T, a model that hardly changed in decades, in ' any color as long as it's black'. (Fisk, 2006)

Thanks to new media, Facebook, Twitter, Google, YouTube, eBay, Amazon and etc. customers now have an unlimited access to information about a company, its products, customer reviews, seller rating and almost whatever they want to know in no time. There are no time and place barriers any more. No matter where the customers are, they can buy from everywhere. Therefore the old methods of marketing are much less effective now customers can easily find competing products and compare them in order to find the best product at the lowest price. With the simple and visible star ratings, even they do not have to bother themselves reading through lots of https://assignbuster.com/role-of-a-customer-champion/ comments.(Urban, 2005)So in such a market it is almost impossible to survive without transparency.

Although among all these approaches in the 21st century customer-centricity is the most popular and successful one but there is an exceeding tactic with almost the same basic principals called ' customer champion'.

Definition of customer champion:

" Advocate for your customers and they will advocate for you." It is a twoway relationship between the company and its customers for a common benefit of both. (Urban, 2005)In very simple words they become a trusted resource and partner. They build trust and respect. Customer champions believe that when you focus on the relationship rather than the business, business will come. (O'Brien, 2010).

The whole concept is to motivate some changes in the organizations' approach toward customer-centric strategy in order to meet new changes, in which customers are in power, they have various needs, their own independent means to research the market and more bargaining power. Also they are now more individualistic.(Fisk, 2006) This approach is mostly based on representing the customers' interest by providing them complete and unbiased information, always be there for them and give them some advice on which product is the best, even with comparing with competitors. This kind of partnership leads to a long-term loyalty.(Urban, 2005)

Besides having the skills in customer-centricity, using revolutionary tools to gain value from customer conversations is one of the must dos in order to be

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a customer champion. It can be achievable by seeing things through the eyes of the customers and serve them as a dedicated consultant. It sounds more like a slogan rather than a strategy, to bring the voice of the customer to the centre of the business, but by utilizing certain skills it will be possible. (Newby, 2010)

By being transparent they have to tell the truth to the customer. Therefore considering the quality of the products or services becomes very important. They should be good -not necessarily the best- in quality to eventually win the customers and maintain them for a reasonably long time.(Urban, 2005)

Why customer champion

" The markets change, the economy changes, customers change. If we are not in alignment with the voice of the customer, and if we are not nimble or humble enough to make the changes, we are not there".(Mainz, 2010) Successful examples in the market like Tesco, P&G, IBM and lots of other businesses illustrate the effect of changing the organization's approach with the flow of the super quick changing market. Tesco is the market-leader supermarket in the UK, with a significant presence in Eastern Europe and South-east Asia. They think of marketing as looking after their customers. Actually their core purpose is to create value for customers to earn their lifetime loyalty. They do this by responding to the different and constantly changing needs of all of their customers to deliver what they want, when they want. (Dibb and Simkin, 2006)And this is their secret for such a big success. In IBM even the bonuses are based on customer satisfaction.

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In addition to the fact that others' experiences are promising, there is another reason for organizations that encourage them to go for being a customer champion and it is the ' image'. Some companies believe that it can build brand image and customer loyalty and at the end it results in delight the customers and increase revenue. It can be a differentiation value for the organization in market.(Gunn, 2010)

Marketers as customer champions

Customer champions may have different jobs and responsibilities, but they share a common passion for the customer. Customer satisfaction and positive feedbacks are satisfying result for them.(Collins, 2009)

The customer champion may live on the edge of the organization. By having a constant contact with the customers, they can understand their needs, become familiar with their actions and behaviors. (Kelley, 2010) The marketing people should take the lead in this way, because they are best placed to act as both the voice of the customer and an effective part of business plan. (Gooding, 2006) And also regarding to the nature of the marketing -mostly interaction and communication with customers- it makes more sense to think about marketers as the customer champions.

Possible solutions

As it is mentioned before the push/pull method has been the core of marketing for the past 50 years. Actually it was a solution to economics of mass production. But now with more powerful and wiser customers, the time pressure of the modern life and new technologies, this method does not work anymore. It may result in a short term winning in the sales but undoubtedly will end in losing the customers.

They also can choose to continue with customer-centricity approach, which was urged by the saturation of push/pull marketing and also intense competitive market especially around quality and price. This is the approach of many leading companies in recent years. By emphasizing on customer satisfaction criteria, creating consistency in customer interactions, trying to satisfy the customer with higher quality products and with more customized services. They try to use one-to-one marketing and understand ' each' customer and then deliver a consistent service to that customer. It seems an effective way and customers may like this one-to-one connection, but the problem is the huge amount of data, which companies are getting from CRM programs. (Urban, 2005)They keep receiving feedbacks from customers but most of the times they do not take these feedbacks into account for the upcoming steps. These feedbacks are data, and data is not information, information is not knowledge, and knowledge is not insight. Insight is more profound. (Fisk, 2006) In fact considering the results, for most of the companies, CRM is just an improved way of pull/push marketing.

As mentioned above The third way that they can follow is customer advocacy approach, being a loyal representative of customers' interests and provide them with open, honest and thorough information. They have to simply reflect the reality, because customers now have the ability to find out the truth. (Urban, 2005)

Conclusion

Accepting this concept as a leading approach in the organization and the translation of ' customer champion' from words to action is a tricky job; it requires lots of care, knowledge and skills. It also needs a crystal clear visioning.

As technology advances and consumers become more knowledgeable, selling a product will increasingly demand a well-defined target segment and thorough understanding of customer needs, interests and frustrations. And it just can be achieved by the relationship, which is defined as customer champions.(Fisk, 2006)

The point is that marketers as a customer champion would result in satisfied customers but not necessarily every happy customer is a result of a customer advocate marketer.

Customer advocacy is the right way to do marketing; it is honest, open, and ethical. It can be a difficult decision to make as well, since it may result in short-term losses. But by committing to customers this approach is an easy and long-term decision; in long-term perspective businesses in the front line are the winners. Customers trust them and it will be very difficult for the competitors to change the customers' mind and persuade them to switch to a new manufacturer. (Urban, 2005) By taking this approach, based on the information that companies can get from the customers, products and services will improve. As a result sales will increase and the company can produce more efficiently and costs can decline. But the problem is how to use this knowledge.(Burrow, 2008) I think in today's extremely competitive market, organizations cannot just compete on price and product. They have to deliver a great customer experience and build an extra ordinary trust among customers. The penalty for not doing so is greater than ever since consumers will complain on YouTube, Facebook, and Twitter.(Caballero, 2009) It is the matter of how to implement it. By doing it correctly, the organizations can gain huge opportunities that competitors can never touch.