

# CRM asiakasstrategian työkaluna

From strategy to operations

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**BearingPoint®**

# Our clients can trust us to be at their service when they need it

## BearingPoint in a nutshell

- Over 110 years' heritage as a business partner
- Independent firm owned and operated by its partners
- European roots with global delivery capability
- Unique positioning in Business Consulting

## Selected figures (FY2013)

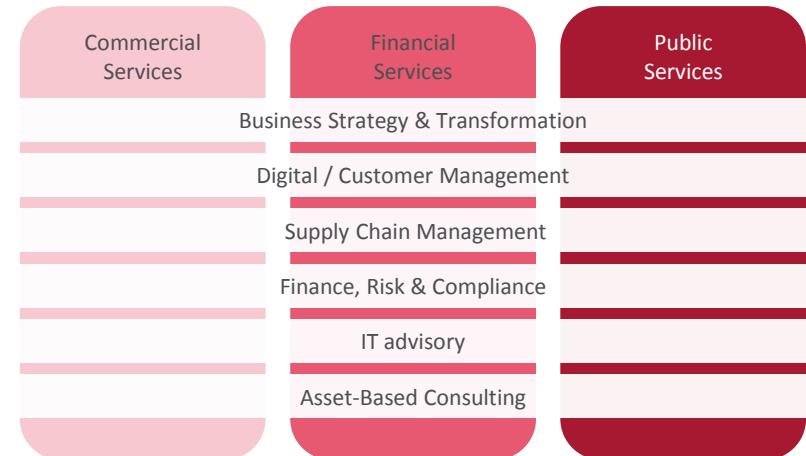
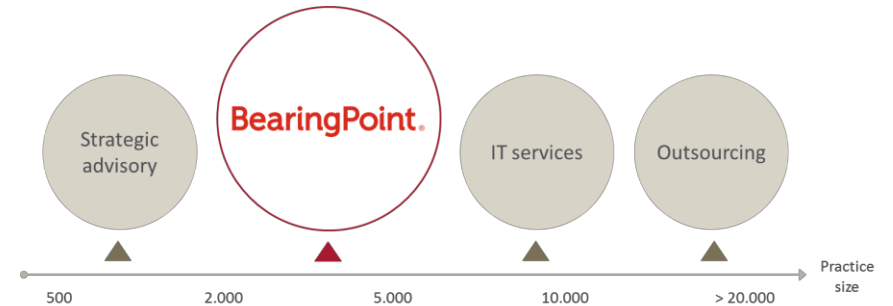
- Partners: 140
- Headcount: 3.350
- Revenues: 550 mEUR
- Customers:
  - 2/3 of Eurostoxx 50' companies
  - Ministries, government agencies and development organizations

## Service portfolio

- Six service lines across industries
- Core industry solutions
- Management, technology and transformation skills
- Global technology and alliance partners

## We transform businesses.

Unique combination of management, technology and transformation skills.



# DCM - Digital & Customer Management Services

**We combine unparalleled industry knowledge, a hands-on approach and advanced analytics to solve our clients' most pressing business challenges**

<b>Customer Insight Management</b>		<ul style="list-style-type: none"><li>▪ 360° Data Management</li><li>▪ Customer Analytics</li></ul>	<ul style="list-style-type: none"><li>▪ Dashboard &amp; Reporting</li><li>▪ HyperCube customer analysis</li></ul>
<b>Channel &amp; Customer Transformation</b>		<ul style="list-style-type: none"><li>▪ Multi-Channel Strategy</li><li>▪ Customer Experience Strategy</li><li>▪ B2B Customer Strategy</li><li>▪ Digital Operation</li></ul>	<ul style="list-style-type: none"><li>▪ Digital Strategy &amp; Governance</li><li>▪ Customer Relationship Strategy</li><li>▪ Customer &amp; channel profitability</li><li>▪ Apps innovation &amp; Open data</li></ul>
<b>Sales Transformation</b>		<ul style="list-style-type: none"><li>▪ Sales Strategy</li><li>▪ Sales Concepts</li><li>▪ B2B Sales and Key Accounts Mngt</li></ul>	<ul style="list-style-type: none"><li>▪ Sales Operating Model</li><li>▪ Sales Force Effectiveness</li><li>▪ e-commerce</li></ul>
<b>Marketing Transformation</b>		<ul style="list-style-type: none"><li>▪ Marketing Strategy</li><li>▪ Marketing Concepts</li><li>▪ Digital Marketing</li></ul>	<ul style="list-style-type: none"><li>▪ Marketing Organizational Design</li><li>▪ Consumer Dialogue Management</li><li>▪ Campaign Mngt Optimization</li></ul>
<b>Service Transformation</b>		<ul style="list-style-type: none"><li>▪ Customer Service Strategy</li><li>▪ Customer Service Design</li></ul>	<ul style="list-style-type: none"><li>▪ Loyalty, Upsell, Retention</li><li>▪ Field Service and Logistics</li></ul>
<b>CM Software Delivery</b>		<ul style="list-style-type: none"><li>▪ CRM Software Selection</li><li>▪ CRM advisory and design</li><li>▪ CRM software delivery</li></ul>	

# BearingPoint is a globally recognized leader in CRM strategy and implementation

... our Thought Leadership and distinctive point of view on Customer Relationship Management market trends is recognised

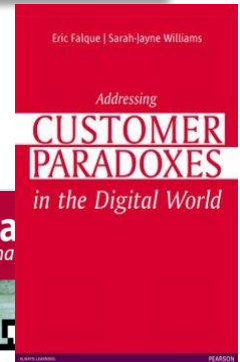
... we are into the 6<sup>th</sup> edition of the Annual Customer Award Event in partnership with TNS Sofres: an assessment of CRM best practices of 130 companies in 11 sectors, based on 4000 customer interviews

... we are 'Visionaries' in Gartner's '2013 CRM Magic Quadrant' on the strength of our vision for CRM - notably collaborative and social CRM - and ability to deliver complex transformation programs

... we publish our convictions and best practices about CRM in a booklet updated every year:

- 2012: Addressing CUSTOMER PARADOXES in the Digital World
- 2010: Next Generation Customer Relationships
- 2009: Collaborative Customer Relationships

... our UK Customer Management Lead was awarded The 2008 Sunday Times and Management Consulting Association Marketing Consultant of the Year



## Traditional implementation projects last far too long

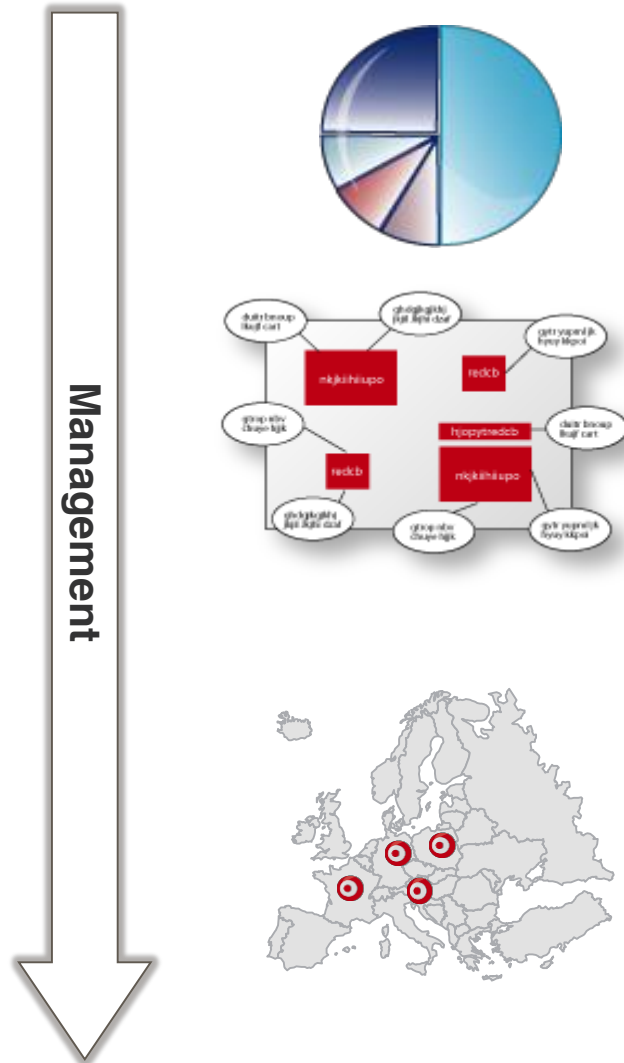
- 80% of the CRM implementation **projects last from 3 months to "eternity"**
- **40% of the projects were rated as "very difficult" or "difficult"** [1]
- Although 69% of senior managers responsible for CRM believe that their companies manage customers well, **key customer processes and practices are either missing or poorly managed.** [2]
- According to survey conducted by Insight Technology Group, 69,3 % of the front office automation initiatives at 200 surveyed companies **failed to meet all of the expectations** they set out to achieve, with 37,1 % producing **no measurable benefit at all.**

The primary reason CRM implementation projects fail is that they are **poorly designed** in the requirements definition stage. **Translating the business opportunities and goals into technical requirements - and translating the technical automation opportunities into business processes** - is far too often the arena in which CRM programs go wrong.

[1] CRMCommunity.com Survey

[2] Customer Management Scorecard Survey, QCi Ltd

# Customer strategy and segmentation in practice



## Strategy

- Competitive situation, market dynamics, business areas
- Company revenue, profitability and other business goals & targets

## Customer strategy

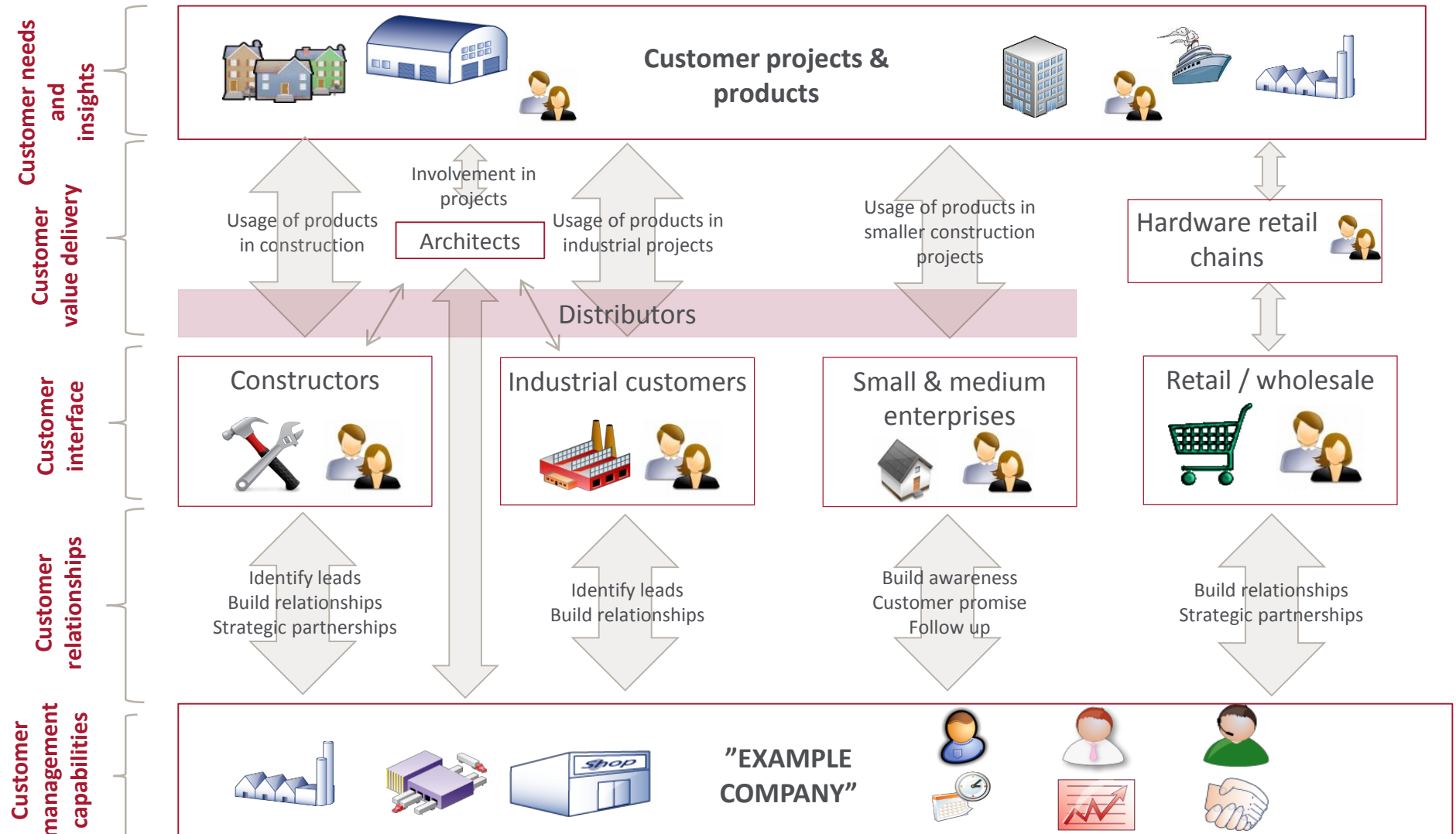
- Customer segments, what are the target customer groups that we want to focus on
- Product & service offering, service levels
- Segment specific revenue, profitability and other goals

## Sales operations

- Managing potential
- Targets for new customer acquisition
- Customer account planning, customer data management
- Sales operations planning, e.g. what customers to focus on
- Other resources: what is our value proposition that we believe we can deliver
- Pricing and profitability management
- Distribution and channel partners
- Personal metrics on financial goals

# New CRM needs to manage the whole customer value delivery ecosystem beyond the direct customer relationships management

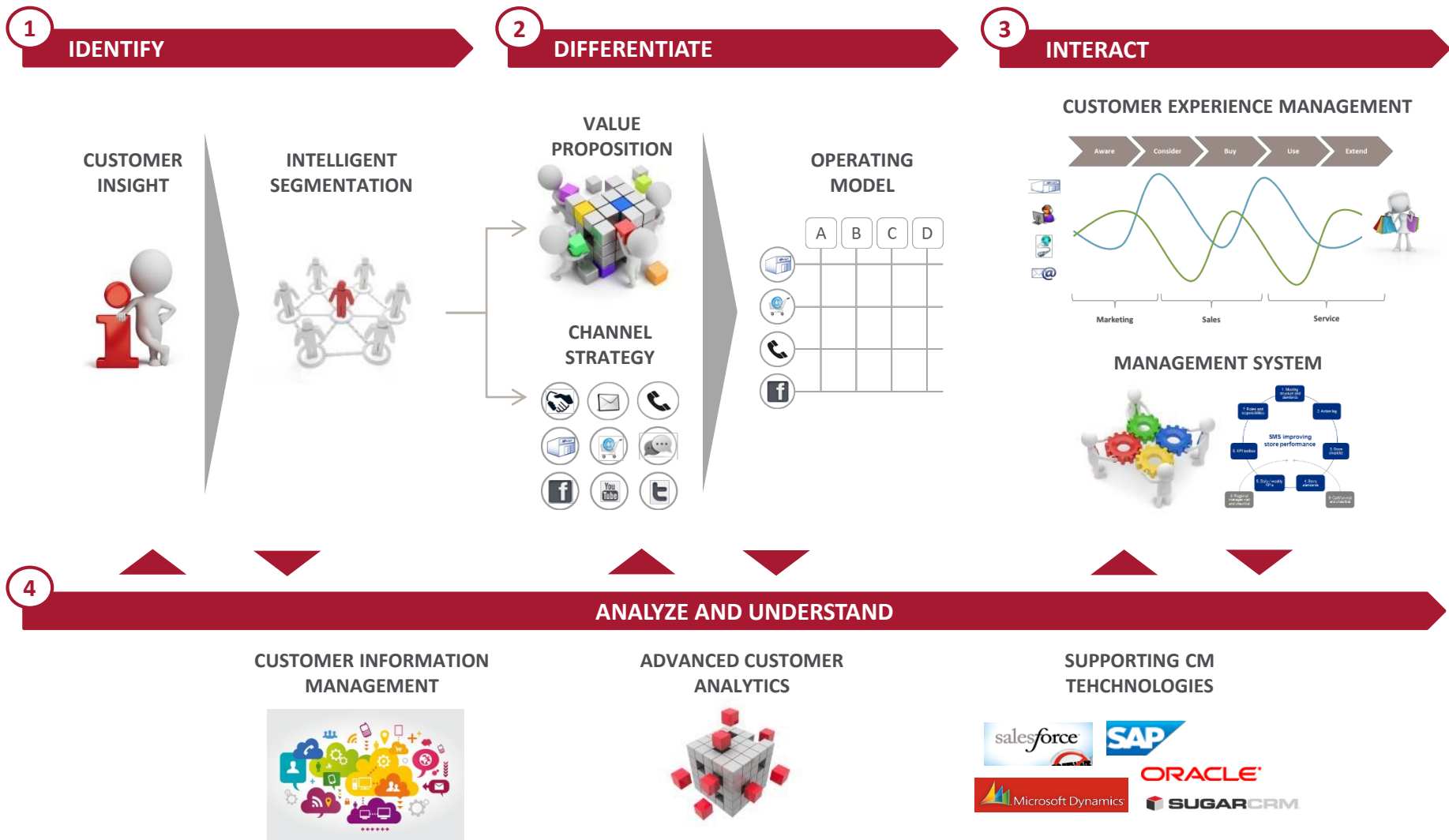
## Example company's operating environment





# Successful customer management is based on four key components

## BearingPoint's approach to customer management





# Identifying customers and creating intelligent segmentation model

## BearingPoint's approach to customer management

1.

### IDENTIFY

#### CUSTOMER INSIGHT



##### Customer perspective:

- Behavior, loyalty, social & demographic factors, life stage and needs/attitudes

##### Company perspective:

- Customer current and future value, profitability, propensity to buy more, churn rate etc.

#### INTELLIGENT SEGMENTATION



##### Intelligent customer segmentation

- based on intelligent use of customer data and analytics

- Identifying and segmenting company customers creates basis for all the other customer related strategic decisions and business processes.
- Identifying potential and existing customers to build business relevant segmentation model requires use of both market and customer information.
- Segmentation can be described as process of subdividing customer portfolio (including potential customers as well) into multiple categories, based on attributes as behaviors, value, and needs. Segmentation process phases include:
  - Business need analysis
  - Examination of customer data available and data sources
  - Data collection
  - Data analysis and identification of customer dimensions
  - Determining final segmentation model
  - Profiling customer segments for business purposes.
- Segmentation enables company to identify the highest revenue-generating customers, value-destroyers, which consumers should be targeted for acquisition, and who should be earmarked for cross-selling.

# Differentiating company value proposition and channel strategy for different target segments

## BearingPoint's approach to customer management

2.

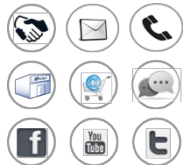
### DIFFERENTIATE

#### VALUE PROPOSITION



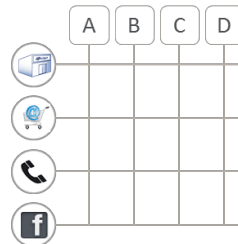
- Offering, brand, experience, complements, total costs

#### CHANNEL STRATEGY



- Business objectives for channels
- Channel options and preferred solutions per segm.

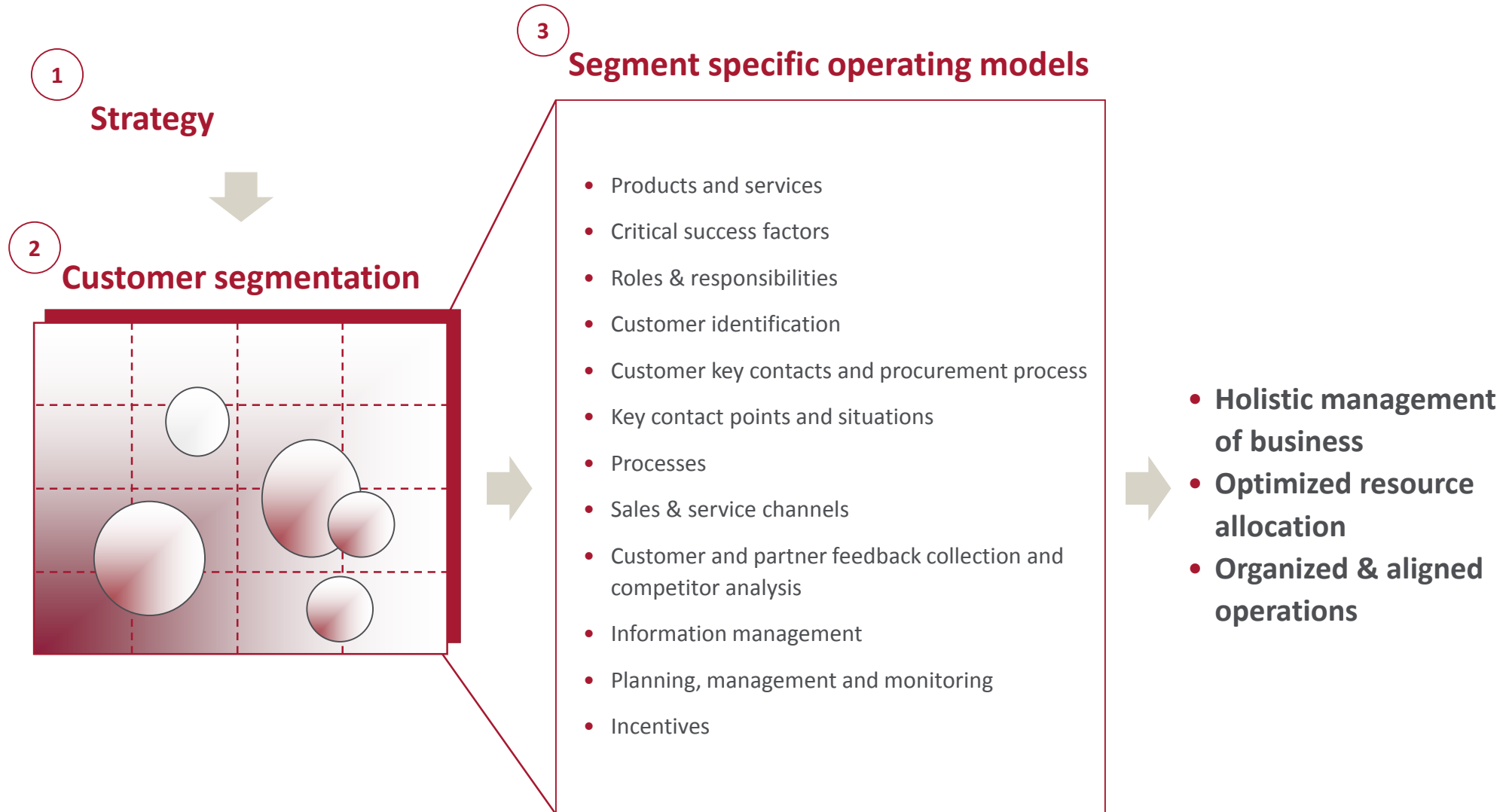
#### OPERATING MODEL



- Targets and responsibilities per channel and solution line

- Creating differentiated company value proposition and channel solutions for each target segment are core strategic business decisions.
- Creation of value proposition and channel strategy are both based on segmentation and knowledge about identified customers.
- Building a relevant value proposition for customers which creates competitive advantage for the company includes different elements for BtoB and BtoC customers. Different aspects to consider are e.g.:
  - Product and service offering
  - Brand elements and positioning compared to competitors
  - Pricing and total costs for customers
  - Customer experience
  - Business partnership and support
- Channel strategy should support value proposition thus create superior customer experience while consider and support cost efficient business processes as well. Examples of things to consider:
  - Enabling low cost self-service portals for customers to optimize cost to serve.
  - Enabling additional sales via eCommerce sales channels

# Segment specific operating model



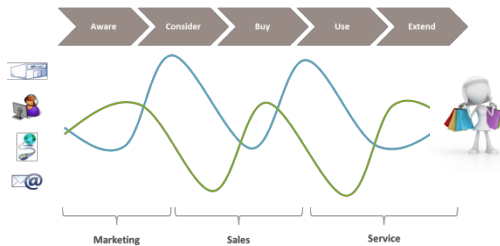
# Managing the customer experience in every customer process and phase of customer journey

## BearingPoint's approach to customer management

3.

### INTERACT

#### CUSTOMER EXPERIENCE MANAGEMENT



- Identifying core operations
- Integrating marketing, sales and service processes
- Identifying and managing "moments of truth"

#### MANAGEMENT SYSTEM



- Organization
- Roles and responsibilities
- Targets
- Reporting

- Effective customer management requires well designed and executed processes for the company to be able to create superior customer experience.
  - Processes of marketing, sales, service and their sub-processes should be mapped.
  - Marketing, sales and service processes should be integrated to enable efficient customer management (e.g. marketing leads to sales, service to sales).
- To ensure solid interactions with customers companies need to:
  - Identify and map its customer operations including data points within process phases
  - Plan and organize well designed management system, which identifies roles and responsibilities in the organization, sets frames for the targets and clear guidelines for reporting.
  - Plan and execute customer experience blueprint which identifies core operations and customer touch points influencing customer experience as well as clear guidelines how to manage these core events ("Moments of truth").
- Effective interaction requires clear frames and guidelines for the organization. Additionally, people in customer facing operations should have the opportunity and authorization to serve customers case by case to build lifetime value of the customers.

# Building customer insight and facilitating successful interaction with information management, advanced analytics and supporting technologies

## BearingPoint's approach to customer management

4.

### ANALYZE AND UNDERSTAND

#### CUSTOMER INFORMATION MANAGEMENT



- Enabling 360 view of customer
- Making customer data available to all processes and touch points
- Enriching the customer data during all interactions

#### ADVANCED CUSTOMER ANALYTICS



- Using and understanding internal and external customer data
- Using smart analytical tools for predictive analytics

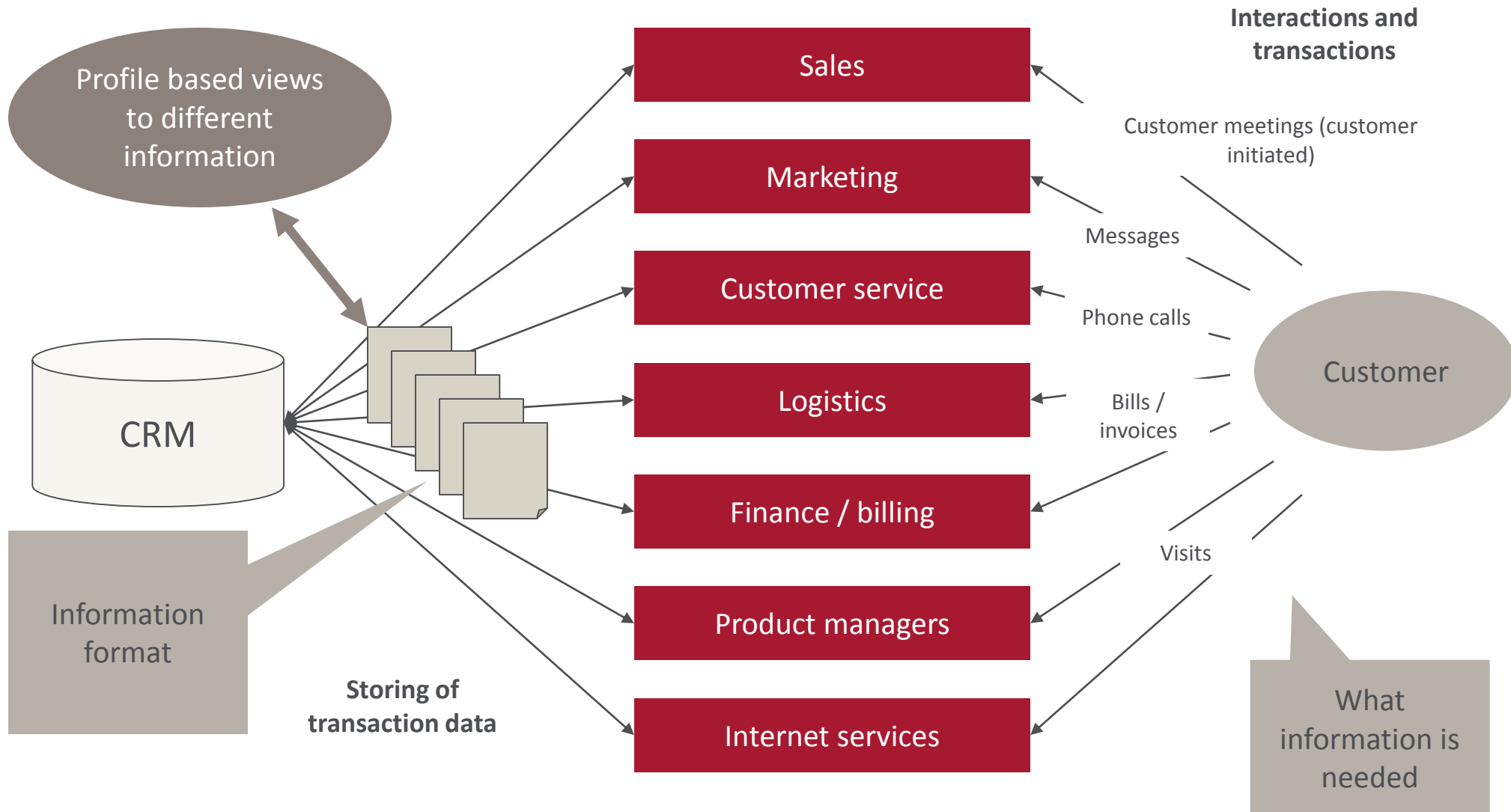
#### SUPPORTING CM TECHNOLOGIES



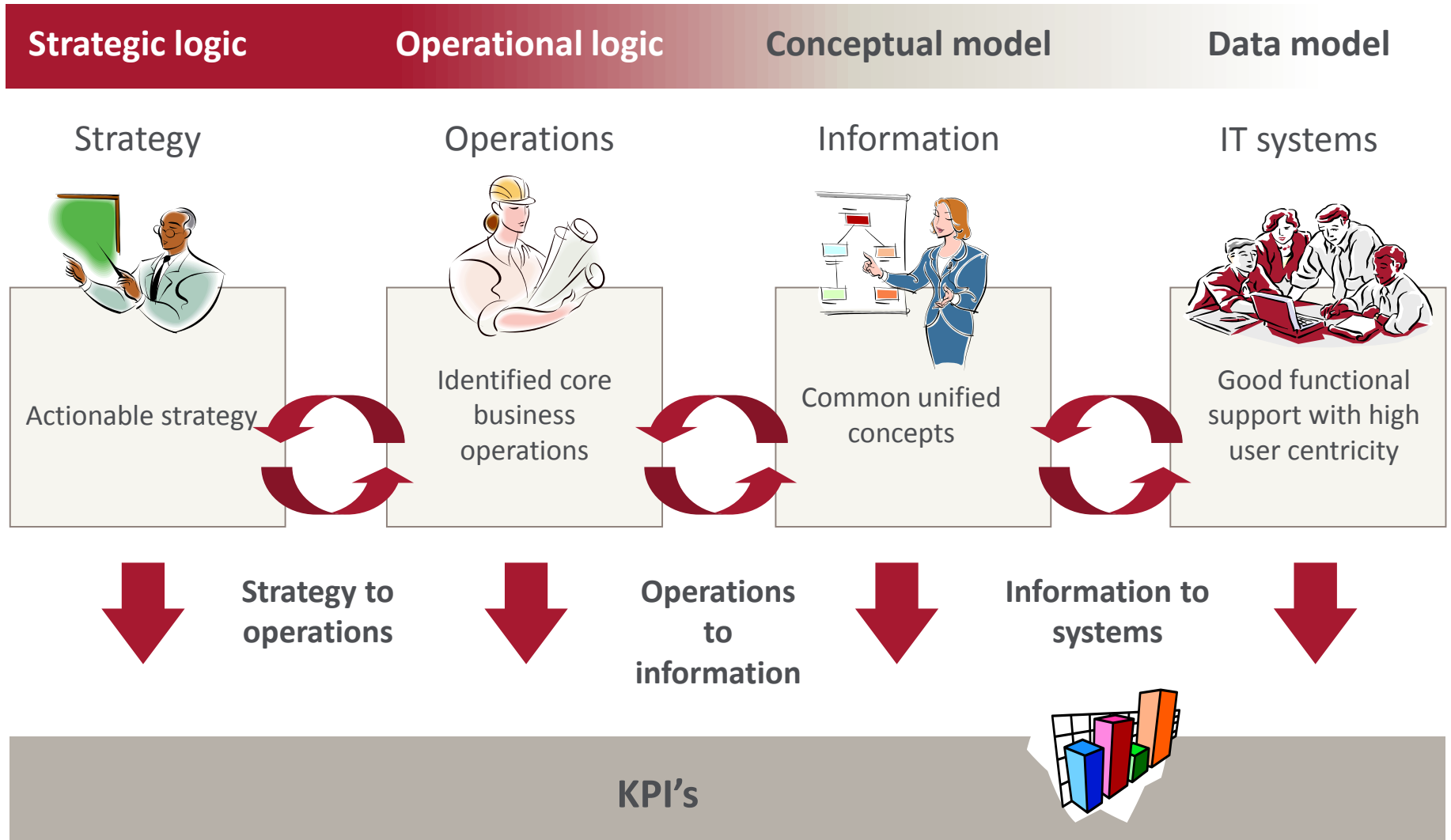
- Utilizing supporting CM technologies to facilitate customer information management

- Creation of successful customer management strategy and operations requires information management, analytical skills and supporting technologies.
- Customer information management and data analytics should never be driven only by IT but business users should be involved to create solutions that serve business needs.
- Customer information management ensures that
  - All the relevant customer data is recognized
  - Customer data is systematically captured, enriched and stored from all interactions
  - Good quality data is accessible by all users and processes
- Advanced customer analytics enable customer insight by using both internal and external data. Use cases for smart analytics can be for example to recognize
  - Drivers of most powerful marketing campaigns
  - Up- and cross-sell opportunities for customers with certain profiles
  - Reasons behind customer churn
- Supporting CM technologies facilitate the customer information management and can support & automate the marketing, sales and service processes enabling efficient operations.

# Operating model specifies customer interactions and the associated data & information



# Information management capabilities need to be based on strategy and operations





Thank you



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