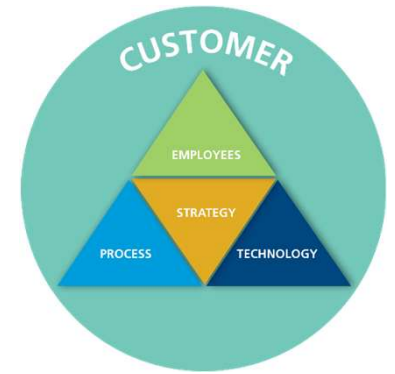# Improving Customer Experience with ERP

September 25, 2016

What is Customer Experience?

- The new competitive battleground

- It's a customer's reality as they select, get, and use a solution

- A customer's perception of the interactions they have with or about a brand

- **Overall experience** equates to how a customer feels about a company and its offerings

THE JOURNEY NEVER ENDS
"One of the profound lessons I have learned is that customer satisfaction is a moving target.
You can never declare victory."

Source: J.D. Power III, Satisfaction – How Every Great Company Listens to the Voice of the Customer, February 2, 2006

ERP as an Experience Enabler

- ERP is both a Customer **and** User Experience enabler

- Most people equate CRM systems with customer experience initiatives and ERP as the 'backbone' managing data & processes that drive the business

- **Consider this:** ERP supports the ability to deliver an order correctly **and** on time as well as services supporting initial customer purchase - returns, repairs, invoicing, and AR

The Customer Experience Lever

By focusing on customer needs and building stronger relationships…

- Customer retention increases

- Existing Customers spend more with companies providing good CX

- Existing Customers become less price sensitive

- Customers are more likely to make referrals

- Customer acquisition costs decrease as you attract new Customers by referral

- Customers become more forgiving of service failures when they do occur – and they will

- Loyal Customers engage & provide feedback, informing continuous customer-relevant service improvements

One of the biggest costs any business has is attracting new customers.

Key Customer Experience Competencies

- Deliver what customers value

- Provide touch point consistency & reliability

- Understand hand-offs across internal silos

- Monitor & reward based on customer health

- Capture and act on feedback to make customer-relevant improvements

- Fuel decision-making with timely insights & indicators

Key Barriers to Customer Experience

- Lack of focus on customer's journey **and** their experience

- Ineffective, inadequate systems -> inability to adapt business processes to change

- Lack of back-office / front-office integration

- Lack of accurate & timely information -> poor decision-making capability

- Organizational & information silos exists -> hinder data sharing and visibility

- Unsynchronized customer touch points across channels

- Inadequate integration **and** collaboration with suppliers

- Lack of measuring impact of improvements

....Customer Experience Improvement is not a game of "whack-a-mole" --- focus, focus, focus!


Directions
NORTH AMERICA

Remove Key Barriers to Customer Experience

- Reduce customer friction in the journey

- Assess alignment

- Develop Master Data Management strategy

- Provide shared, internal visibility into key customer information

- Consider ERP integration with front-office (CRM)

- Assess channel consistency

- Prioritize and focus on most customer-relevant changes

Harness the Power of Essential Customer Metrics

- CFOs are becoming increasingly engaged in strategic decision making & value delivery for companies

  - Traditional KPIs are not sufficient when it comes to customer experience

  - Essential Customer Metrics are a necessity for proactive risk monitoring strategies

- Risk Management is about potential loss or gain of something of value

  - What does every business value most?

  - Effective risk management must be informed with meaningful & timely data

  - Gain visibility into customer profitability & service consistency
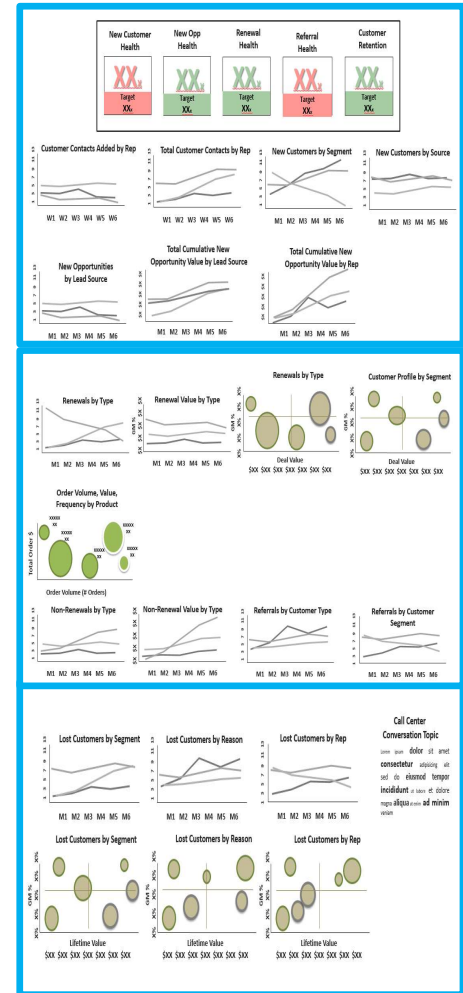
Additional Reading

- Ask the Expert: New Series on Improving the Customer Journey

- Ask the Expert: Are Customer Advisory Boards Needed?

- Ask the Expert: How Does a Poor Accounts Receivable Experience Impact your Customer?

- Ask the Expert: Can Inventory Optimization Make or Break the Customer Experience?

- Ask the Expert: Should CFO's focus on Customer & Sales Risk Management?

- Ask the Expert: How can data drive Customer Acquisition & Retention?

- Ask the Expert: Can poor Master Data Management sabotage customer experience?

- Biking to the Best Customer Experience with BI&A