

# **Customer excellence – today's imperative**

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# Prioritize! Customer Excellence



# Customer Experiences is no longer a trade-off

Higher sales

OR

Lower costs





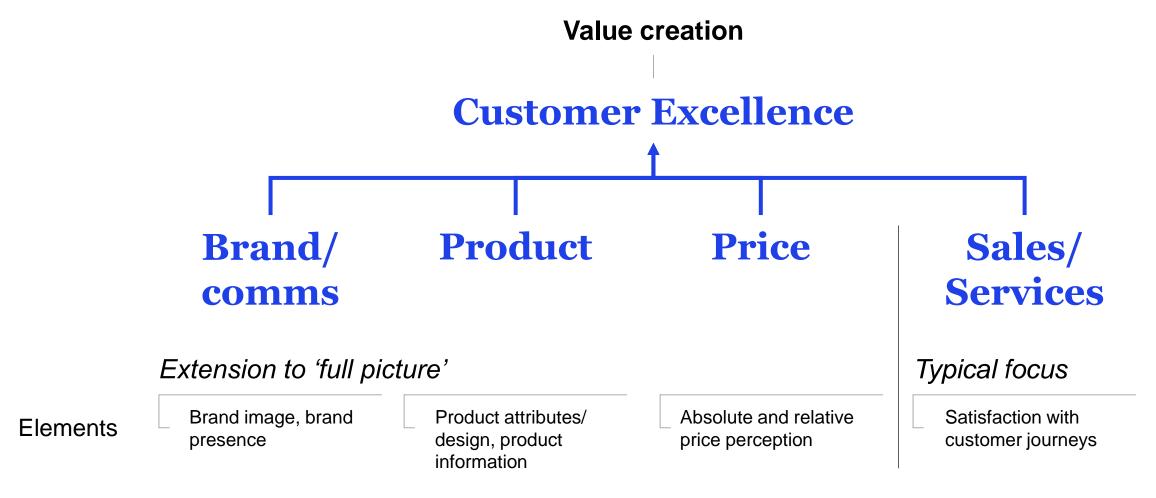
## Embrace the new opportunity

Insurance Example





### CX reflects total performance

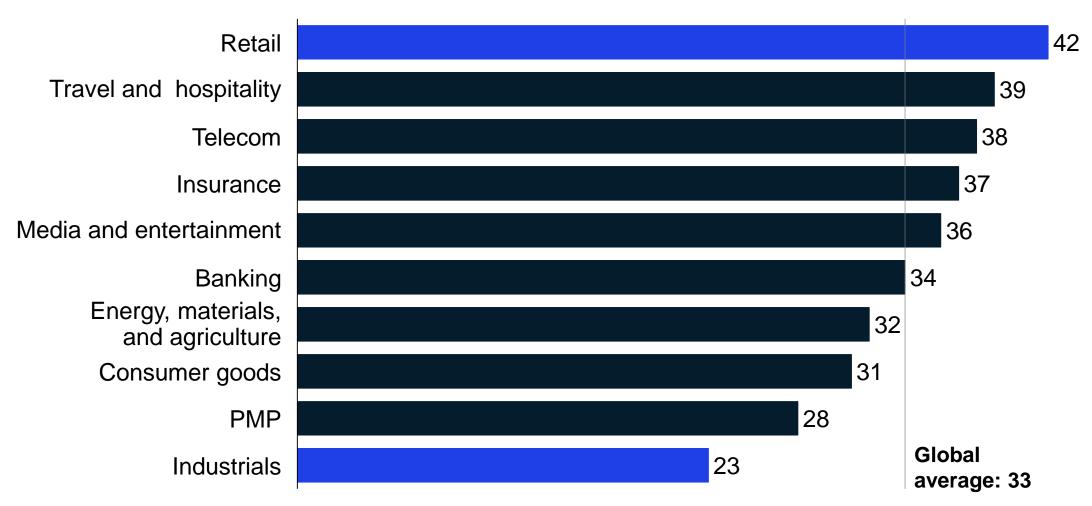




Accelerate!
The new normal

# Digitization is progressing

McKinsey's digital quotient (out of 100)



# Good news: the glass is half full



The need to transform understood and endorsed

**Digital spin-offs and ventures** funded

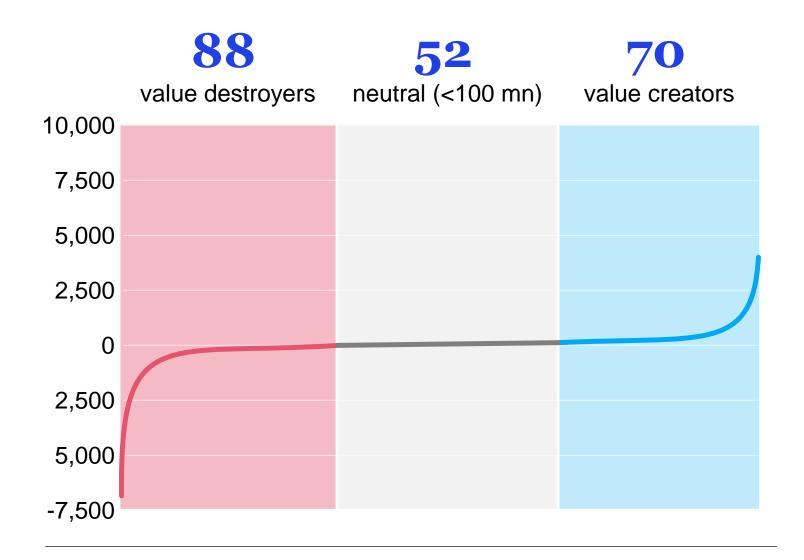
Online partnerships established

New ways of working tested

Customer experience discovered

# However, there is maximal polarization – example insurance

Average economic profit, 2013-17, USD millions (n=210)



USD 6 bn value destroyed p.a.

Top 25 creating 72% of value

Limited movement along the power curve

#### "New normal" accelerates the polarization



# Economies of scale

"Sizeable investments in technology, data, and brand, but zero marginal costs



# **Economies** of scope

Unique skills, data, and talent as new differentiators yet scarce resources



# Network effects

Customer access and ownership exponentially drive the value of the network

The value of time moves to infinite (for all industries!) – decisive transformers benefit

Tough news: filling the glass is more tricky

Re-think, innovate and deliver!

The need to transform understood and endorsed

Invest in the core!

Digital spin-offs and ventures funded

Think ecosystem!

Online partnerships established

**Develop capabilities and mindsets!** 

New ways of working tested

Own the customer!

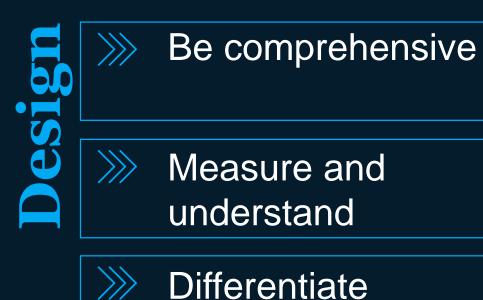
Customer experience discovered



Deliver!
True Customer
Excellence



## The Customer Excellence imperative





Integrate the approach

>>> Invest

>>> Involve the organization

# Design Be comprehensive

> Simplicity DNA

15 year olds as acid test participate in pilot

Digital and analytics enabler for CX with no touch

# Design

#### **Measure and understand**

Raising the Bar on Client Experience

Made it Easy to do Business with the Bank Made You Feel They Appreciated Your Business

Is Someone You Would Return to for Your Future Financial Needs

ALL BRANCH ROLES Consumer / Citigold / Small Business

Was knowledgeable about your accounts and business with the bank

Valued your time

Was friendly

Confidently answered your questions

Made your business their top priority

Genuinely cared about you and your needs

Showed a willingness to assist with any questions or problems you had Made your business their top priority

Made sure your needs were met before concluding the transaction

Asked you questions to better understand your needs

Showed a willingness to assist with any quartie

citibank

Was Knowledgeable about Citigold/Small Business Products, Services and Benefits

#### BANKERS

Clearly explained the benefits of the products or services as they related to you

Was knowledgeable about your accounts and business with the bank

Made sure your needs

Pragmatic measurement

Closing the loop

Real-time feedback



Promores

# Design

Differentiate



Fully automated standard processes offering maximum efficiency

93%

Customer understanding

Differentiated steering

First-time-done incentive

High-quality personal customer contact when it matters



## The Customer Excellence imperative





# Deliver

#### >>> Integrate the approach

#### Re-think!

#### Customer focus

Start to solve the issues most relevant to your customers

Involve customers in every development step

As incumbent, build on the value creation potential of the existing customers



#### Business model imperatives

Start with the "maximum aspirational proposition" before working on "minimum viable products"

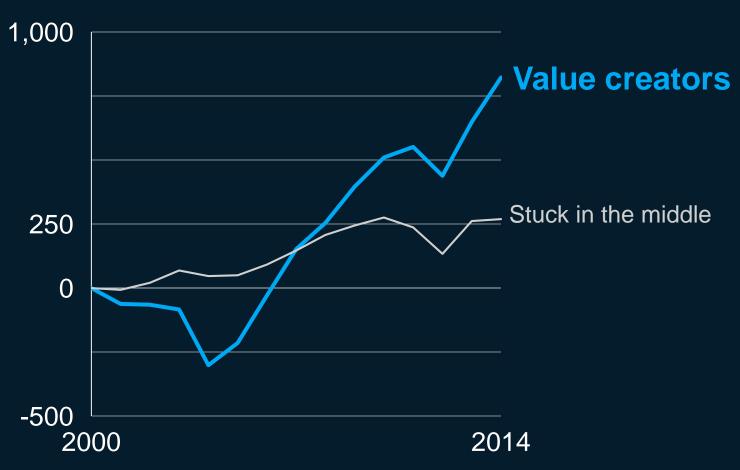
Focus on key value levers to reset the economics

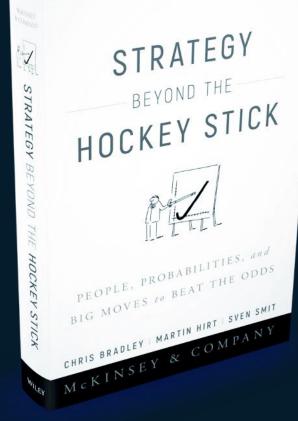
Leverage your existing assets

# Deliver

#### >>> Invest

Average economic profit, normalized to zero, USD millions





- > Investments required
- > Track record as pre-requisite
- > Impact controlling

# **Deliver**

#### >>> Involve the frontline

Engagement throughout the hierarchy, percent

	Transforn failed		mations successful	
CEO	83		94	
Senior leaders	83		94	
Leaders of transfor- mation initiatives	79		89	
Line managers		57	82	
Frontline employees		46	73	

## Start today!



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Thank you!

