

# DM NEWS

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## Improving Customer Relationships: Beyond the Buzz

by Bill Dean

Customers are always a hot topic. But lately the discussions on customer relationships, including retention, satisfaction and loyalty, have intensified. What is the basis for these discussions, and, more importantly, what are leading organizations doing to improve customer relationships?

Smart organizations have begun to realize that customer relationships are not the domain of an individual, team or department. If the accuracy of invoices or the professionalism of installers or the cleanliness of your store or office is lacking, then the relationship can suffer no matter how well the salesperson or "owner" of the relationship performs. Smart organizations know that they can best enhance relationships with customers by improving customer interactions – or touchpoints – across the entire enterprise.

Touchpoints are all of the communication, human and physical interactions your customers experience during their relationship lifecycle with your organization. Whether an ad, Web site, salesperson, store or office, touchpoints are important because customers form their perceptions of your organization and brand based on their cumulative touchpoint experiences.

To improve customer relationships, there is an innovative new movement called customer touchpoint management, or CTM. CTM reflects an organization's concerted efforts to improve customer relationships through the management or optimization of touchpoints. Optimization can include filling identified gaps with new touchpoints, modifying underperforming touchpoints or eliminating redundant ones. This process can include optimizing individual touchpoints, or

groups of related ones, such as those that make up a process.

Improving customer relationships can deliver tangible results. For example, as a result of consistently superior touchpoint experiences with her local Lexus dealer, the marketing executive of a \$5 billion division of a Fortune 10 conglomerate became motivated to improve the customer-centricity of her own organization. She recognized the effect of consistently positive touchpoints on her brand perception of Lexus, her purchase decision and her resultant advocacy of the automaker.

Avis implemented a CTM initiative to understand and improve customer touchpoints. As a result, Avis gained market share in key travel markets and became a leader in customer loyalty and satisfaction as measured by Brand Keys and JD Powers.

Both companies, along with other forward-thinking organizations, are applying the concepts of customer touchpoint management to improve customer relationships. The benefits are powerful, creating happier customers and employees, and improving the financial metrics that create happier owners.

*Touchpoint Metrics is now part of MCorp Consulting, online at [www.mcorpconsulting.com](http://www.mcorpconsulting.com).*