

# The Credit Crunch A Time to retreat?



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## Beyond Philosophy Services:

Beyond Philosophy is recognized as the worlds thought leaders in Customer Experience. We have written three international bestselling books on the subject. Formed in 2002, Beyond Philosophy works internationally with organizations such as IBM, FedEx and American Express to name a few, from our offices are in London, England and Atlanta, Georgia, USA.

We help improve our clients Customer Experience by harnessing our knowledge and experience of practical implementation around the globe. We have proven expertise in de-risking implementations, increase speed of project delivery and saving costs through our engagements. Our tools and techniques are renowned for their practical application and have been tried and tested in many sectors.

Our services are:

**Strategic Guidance** – We work with all levels of management in an organization and guide them on the decisions that need to be taken to improve their Customer Experience. We start by asking three key strategic questions:

- ▮ What is the Customer Experience you are trying to deliver?
- ▮ What emotions are you trying to evoke?
- ▮ Is your Customer Experience deliberate?

Our consultants work with the organizations to answer these key questions and put in place actions that will improve the organizations revenues, retain customers and save costs.

**Training** – We have well developed training programs for organizations from senior leadership to front line people. We also have developed specific training for Customer Experience professionals, whom we train and certify on our tools and techniques. We believe in “experiential” training, getting the delegate to feel what their Customer Experience is really like. We use real-life case studies to demonstrate our key points.

**Market Insight and research** – We specialize in conducting Customer insight on the subconscious and emotional aspects of the Customer Experience. We have developed models, with London Business School, that can predict revenue benefit an organization can enjoy through improving their experience. We put in place measurement tools that can measure the total Customer Experience.

**Conference speaking** – We have a team of people who deliver high quality conference speeches around the globe on how to improve your Customer Experience.



## **Tighten Your Customer Experience Belt in a Credit Crunch Only if You Want to Be Left in the Dust.**

I always remember watching a film of a racing driver in the late '50s. He had just won a race where there was a fatal accident. He was asked, "After seeing the accident, did you slow down?"

His reply has always stayed with me. He said this:

Whenever there is a bad accident, other racing drivers slow down. I don't. I see this as my opportunity to win. I accelerate and drive harder than before. As others slow down, I pull ahead of them and win.

This, for me, is the same as the credit crunch. Having worked in big business all my adult life, I am more than aware of what is happening today. The "Powers of Darkness" are gathering. There are those people in an organization who have never really believed in the benefits of improving a customer's experience. They think cost cutting and efficiency is the answer to everything. The Powers of Darkness are "inside out." They will see the credit crunch as their time to strike.

The Powers of Darkness are starting to cast their shadow far and wide in companies. They talk of the doom and gloom that will befall the company if we do not cut costs. And while professing their support to customer focus, they say now is not the time. Now, they say, is the time to cut costs. Now is the time to become more efficient. Now is the time to look internally. They say, "When times are better, we will relook at improving customer experience."

As the doom and gloom spreads, the clouds thicken and people start to waiver. Maybe they are right. Shouldn't we forget about improving the customer experience for a while? This doubt spreads, and the clouds eventually overshadow the fledgling shoots of a customer-focus approach. Ultimately, they wither and die. Customer experience is seen as a luxury, not an essential.

And sure enough, I recently spoke to one client who was running a customer experience initiative and she was told that the customer experience project team was to be disbanded. Why? The official reason was that the company had "completed the customer experience work" and could now "pass it to the operational teams to build on this work."



While I would agree that this is the ultimate goal for any organization, the roots need to be strong and firmly established. In this client's case, the roots are not strong enough. In my view, the company is doing this at the wrong time and for the wrong reason. This will eventually undo all of the team's good work, and I guarantee the competition will catch up. I also guarantee that two years from now, my client's executives will realize their mistake. But such is life.

My advice is the opposite. This is the time to invest. This is the time to accelerate, not slow down. This is the time to put some space between you and the competition, as those businesses *will* be slowing down. This is a time to identify the Powers of Darkness and banish them from the organization once and for all. This is the time for leadership to stand up and be counted. This is the time when leaders' true principles are tested.

I appreciate that during these times, businesses need to save money, but life is full of choices. Let's be clear: There are *always* money and resources available. It's only a case of where they are deployed.

The other day, we were presenting to a client on some market research we believe the company should be conducting. As I walked through reception area, I noticed it was being gutted and refurbished.

This client did not have any customer research to talk of. The people I was meeting with started to question if such an investment was worthwhile. What was the ROI? A decent question. My response was to ask them, in a friendly way, what the ROI was on the refurbishment of the reception area. The cost of this refurbishment must have been four times the cost of the research. The point was made.

All businesses need to look at their costs during a credit crunch. It would be silly to suggest otherwise. But is cutting costs on improving the customer experience the right approach? No. Leaders should see this as a time of opportunity, rather than threat. In the wake of 9/11, Southwest Airlines famously allowed its customers to have a refund or change tickets. Other airlines didn't. The long-term benefit on customer loyalty is obvious.

It is easy to keep to your principles and values and beliefs when everything is going right. It is when things go wrong that you are truly tested. That's when what you do should still reflect those principles and values and beliefs. Be very clear that this is a test of leadership. Actions speak louder than words.



So ask yourself this. What do you want to be remembered for by your people and your customers when the credit crunch is a distant memory? Are you cutting or investing in customer experience? Do you see this as an opportunity or a threat? Are you advancing or retreating? During these challenging times, we will see the leaders' true colors.

### About the Author

**Colin Shaw** is the Founder of Beyond Philosophy, a consultancy, training and Customer research organization. They are recognized as thought leaders in the Customer Experience and are located in London, England and Atlanta, Georgia USA. Colin is an International bestselling author and widely acclaimed public speaker. For further information on the Customer Experience, and to read Colin's blog and videos, please visit Beyond Philosophy at [www.beyondphilosophy.com](http://www.beyondphilosophy.com)