

INNOVATION SUCCESS STORY

MARCH 2023

Today's Market Leaders are
Technology Powered,
Customer and Product-centric
Organizations



OB
Consulting
Services



Bridging the business-to-tech divide



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Please Recycle



Bridging the business-to-tech divide



PREFACE

The current trend of companies and entire industries being disrupted and reshaped is showing no signs of slowing. It is being fueled, seemingly overnight, by new innovative market entrants who correctly identify and capitalize on ways to provide better and less friction customer experiences. The evidence is clear – following a ‘*status quo*’ approach is a sure way to become irrelevant and a fatal strategy.



Technology has always been the enabler of market disruptors. Examples are popping up almost daily – Robinhood, Uber, AirBnB, Netflix, and of course Amazon. Technology innovation means that traditional industries face a constant battle to remain competitive when faced with nimble, well-funded start-ups that have worked out ‘how’ to penetrate their more established rivals’ customer base with well-constructed, value-driven propositions.

“Get busy INNOVATING or get busy DYING”

Customer-centric

At its foundation, customer centricity is making a conscious effort to hear and understand the voice-of-the-customer on a deep level. It believes in satisfying the customers’ needs and having the customer as the focus for every business decision.

A customer-centric culture transcends across the entire customer journey - customer acquisition through to transactions and aftercare. Every part of the business empathizes with the customer and focuses on giving them the best possible experience.

Product-centric

At its foundation, product centricity focuses on the products brought to market to measure success and determine strategy rather than the customers who buy those products. Product-centric focuses on developing the best products.

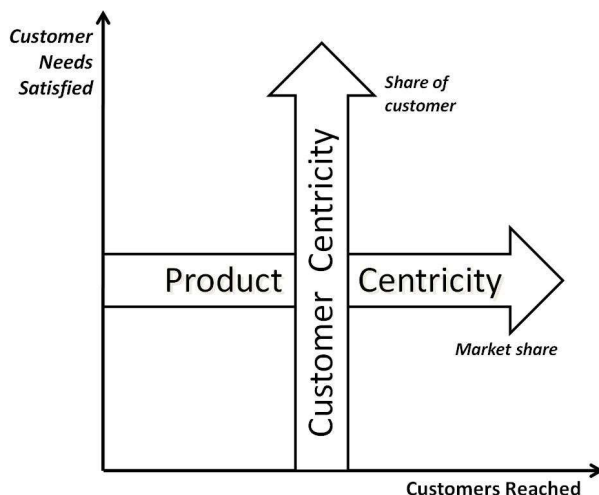
It means having the products as the focus for every business decision. A product-centric culture transcends the entire product development lifecycle – ideation through design/build/test iterations and implementation.

CUSTOMER AND PRODUCT-CENTRIC CAN COEXIST

At OB Consulting Services, we have a strong position that customer-centric and product-centric can, and must, coexist within organizations. We are re-publishing the following content by **Don Peppers** / Customer experience authority, author, speaker and influencer as he succinctly explains the coexistence paradigm.

"In the past I've found it helpful to explain the contrast between customer centricity and product centricity by using a diagram, illustrating visually that these two strategies actually represent different "dimensions" of competition. If you think about it, for a business to be competitively successful, it must meet two conditions:

It must be able to satisfy a customer's need, and it must have a customer who wants that need satisfied. So first we should visualize a 'marketing space' defined by the customer needs a business can satisfy (the vertical dimension) and by the number of customers it has (the horizontal dimension). Then we can map customer centricity and product centricity on the same diagram as shown below:



Product-centric competition is based on having a product that meets a certain customer need, and then trying to find as many customers as possible who want to have that need met. Success is measured by the length of the horizontal arrow (i.e., how many customers are reached). In competitive terms, this would represent your company's market share.

But customer-centric competition starts with an individual customer and tries to meet as many of that customer's needs as possible – across all the company's divisions and business units, and through time (i.e., meeting a customer's needs week after week, month after month). And the length of the vertical arrow represents your share of customer.

*From this diagram it should be clear that **customer centricity doesn't actually conflict with product centricity**, because they aren't opposite in direction but orthogonal, so they have little or no effect on each other. That is, the strategies and tactics you follow to be more product-centric will have little effect on your share of customer, while customer-centric strategies will have little effect on your market share."*

Don Peppers full article can be found: <https://www.linkedin.com/pulse/20130123164215-17102372-explaining-customer-centricity-with-a-diagram/>

CUSTOMER FIRST

At today's market-leading companies, **technology is not the primary focus** – instead, they think about the **customer before the technology**. They understand technology by itself is of little value. The value is realized with the right application of the right technology at the right time to meet the right need.

Leading companies look at a solution through the lens of a customer, as it makes them look at the features they're trying to deliver differently, and it makes them look at outcomes differently.

"A satisfied customer is the best business strategy of all" - Michael LeBoeuf



They consider things like:

- In what areas are our customers not satisfied with their experiences and choices?
- How can we provide customers with more flexibility, power and control?

To successfully implement innovative technologies, leadership must focus on:

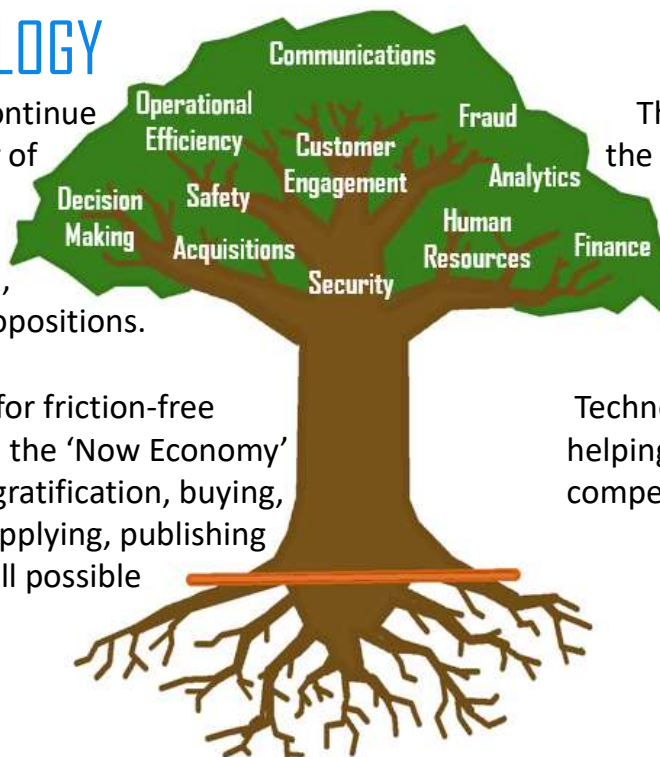
- Ensuring the technology is needed
- Ensuring it enhances and enriches their customers' and employees' experiences.

Implementing technology for technology's sake is useless, a waste of money and time.

ROLE OF TECHNOLOGY

Technology has and will continue to be the ultimate enabler of innovation. However, it must be accompanied by business well-constructed, customer value-driven propositions.

Technology is the enabler for friction-free customer engagements. In the 'Now Economy' of instant interaction and gratification, buying, selling, booking, renting, applying, publishing and account opening are all possible while on the move.



The company who can catch the customer with their online offering and maintain confidence through to the end of the sign-up process will be rewarded.

Technology will remain crucial in helping businesses maintain their competitive edge.

TECHNOLOGY ENABLERS

- Computer Vision
- Natural Language Processing
- Natural Language Understanding
- Machine Learning
- Robotic Process Automation
- Speech-to-Text

THE TAKE-AWAYS

The customer experience is at the heart of every business.

Customer centricity and product centricity are approaches to business models. Both approaches are vital for any business growth. In fact, these two approaches ideally go hand-in-hand, but it is important to understand the difference to know how to properly run your business.

Technology is an enabler to innovation. It is vital to make sure it is useful for the business – that it will deliver real value.

Before starting to implement any new technology, take time to carefully frame the problem – and how you will know when you solve it.



We look forward to discussing how we can help your business in **translating today's technology to tomorrow's business value™**.

(800) 571-4077



**We invite you to contact
us to learn more**

www.obconsultingservices.com

