

PRODUCT CENTRICITY VS CUSTOMER CENTRICITY

OBJECTIVES

At the end of this chapter, readers should be able to:

- Know what customer-centric enterprises are;
 - The characteristics of CCEs;
 - Customers' perspective of CCEs;
- Functions that CCEs are meant to play; and
- Differences between Customer-Centric and Product-Centric Enterprises.

Before we begin, you should know that organisations must focus on something once they are in business. Traditionally, organizations do focus on their products. They weigh their achievements based on how their products are doing and their percentage of the market share. In this chapter, we intend to look at both product-centric and customer-centric enterprises and see what their focus are. We will be discussing this under the following headings.



Product-centric Enterprise

The main focus of a product-centric enterprise is to gain increased product offering and increase their market volume. Organisations in product-centred enterprises are ranged based on the volume of their products that they are able to release into the market. Even employees are rewarded based on the volume of sales they are able to make in a year.

Reduced Cycle Times

In the product-centric enterprise, the focus of the enterprise is to reduce the time required before their goods got to the final consumers. At times, they may be forced to reduce prices so that they can have some form of upper hand over their competitors.

Quality

Organizations that are customer-centric are more concerned with coming up with quality products that will stand the test of time. They believe that if they can do that, they will be able to attract more customers through quality products that they offer.

Characteristics of CCEs

One important point to know about CCEs is that they always resolve issues completely. A good CCE will not go to sleep while customer issues are not resolved. I once had an issue with an old generation bank, I went to the bank to deposit some money only for me to get there and be told that my account had been dormant for over three weeks so it has taken some time now and as I am writing this to you, the issue has not been resolved.

That is not a good example of a CCE. It shows the bank is not serious about their customers. A CCE should be able to resolve customer's issues completely no matter the number of customers that are involved.

CCEs employees must completely focus on the customers. They must have the full autonomy to resolve customer issues. They must be able to decide on the right way to treat their customers. They must not be under any undue influence whatsoever as far as customer issues are concerned. Customers must be more paramount than the company's policies,

CCEs allow customers to interact across multiple channels. The organization only needs to meet the customers at the right place with the right products and services. As a customer-centric enterprise, you can't force customers to come and meet you at your branch offices. You must be able to allow customers to choose the way they want to be served.

The true mark of a customer-centric enterprise is that they choose to be loyal to their customers even when there is no immediate reason to do so. Everything about the customers may be pointing to the fact that they are not profitable at the moment, but a truly customer-centric enterprise will continue to revolve its life around the customers.

Customers' Perspective of CCEs

Customers dealing with an organisation desire them to be honest and fair to them. They expect the management to be men of their words. They must be able to add value to them. Like I have said in the previous chapters, there are some things that the organization promised to offer their customers *for* using their products. They must be able to meet or exceed some of their customers' expectations.

Also, the organisations that claim to be customer-centric must be able to provide emotional support to their customers. They must be able to develop a long lasting relationship with their customers. Customers expect that a CCE must not place short-term gains before the ultimate satisfaction of their hard-earned customers.

The customer also expects the organisation to train their employees to place customers' interest above any other. Employees relating with customers must be held responsible for all customers that they are dealing with. The fact that you are a marketing or sales agent does not mean that you will not know anything about customer relations. They must be able to project a good image of the organisation.

One thing you should know as an organisation is that you have to know much about your customers. This includes the deliberate study of their behaviours and wants. You should also know that when you are dealing with various levels of customers, you cannot be 100 per cent customer-centric to them all. This is because one customer may be more profitable than the other.

Customer Centric Enterprise

1. Customer Acquisition

While Product-centric enterprise focuses on how they can increase their market share, customer-centric enterprise is more concerned with how they can acquire new customers. They also shift their attention away from their products and focus on their customers by asking questions on what they want and how their needs can be met.

2. Customer Profitability

While Product-centric enterprise is focusing on how they can produce a quality product at a cheaper price so as to increase their profit margin, customer-centric enterprises are more concerned with how they can increase the profitability of their customers. They continue to strategize on new means of penetrating their competitors' customer base and evolve an effective customer strategy that will ensure that customers derive satisfaction from their interaction with the organisation.

3. Support and Service

While Product-centric enterprises continue to think of ways of coming up with quality products so as to increase their market share, Customer-centric enterprises are more concerned with how they can evolve better ways of serving their customers. They try to ensure that customers derive maximum satisfaction from their interaction with the organization. They always ensure that customers have a total experience irrespective of the channel that they have chosen to interact with the organisation.

SUMMARY

From this chapter, we have been able to discover that:

- Customer Centric Enterprises are organisations that revolved around the customer

- We also discussed some of the characteristics of CCEs which includes the fact that their employees are empowered to solve customer issues completely. They also allow customers to interact across multiple channels.
- We also look at some of the differences between Product-centric enterprise and CCEs. We observed that CCEs focus on customers while Product-centric enterprise focus on their products and how they can increase their market share.

Brainstorming Session

1. What is a product-centric enterprise?
2. What are the characteristics of CCEs?

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