CREATIVE GOOD

May 2020

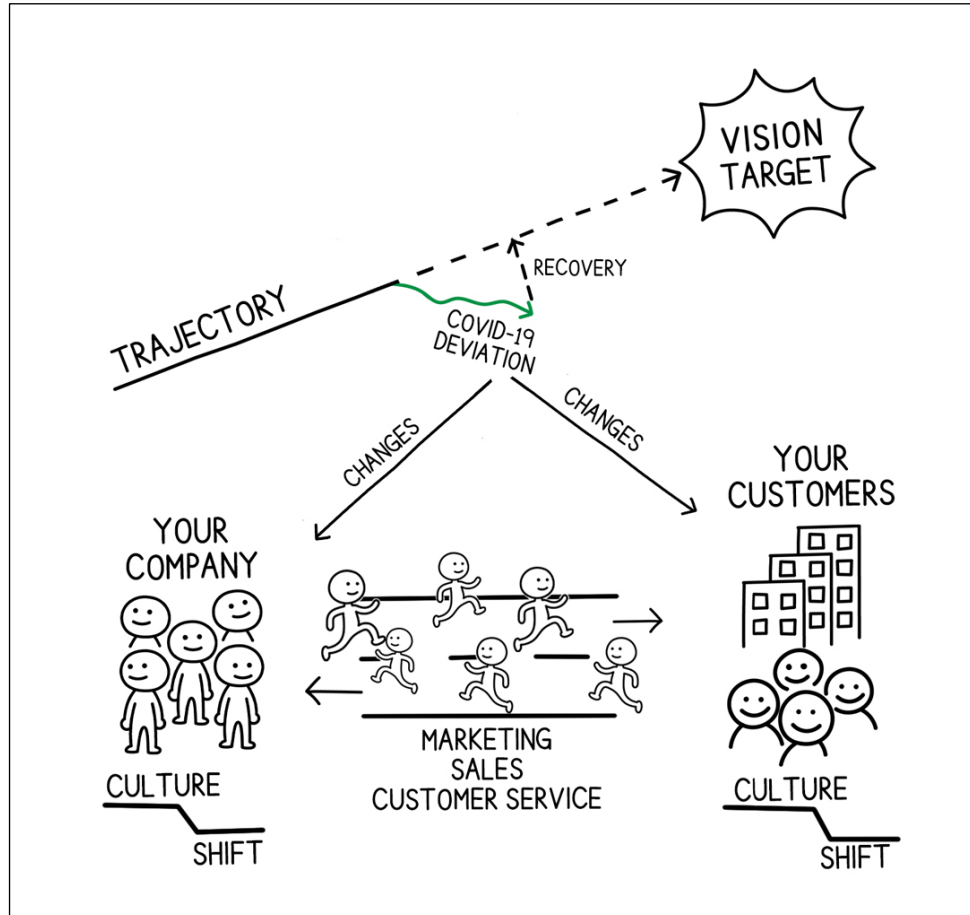# CUSTOMER CULTURE: BUILDING BUSINESS FOR A DIGITAL FUTURE

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Introduction

Stepping into the future, we can see a time when we exit this extraordinary pandemic. When it happens, companies will need a new attitude toward growth. Your employees will exit the crisis as changed people and your customers will come out with different expectations. **This whitepaper provides a framework for planning for that future**, built on best practices we see in the marketplace. Though it's early, we can already see patterns in how teams can build resilient strategies for a dramatically changed landscape.

Change is happening

As the economic effects of COVID-19 are taking hold, it's important to track changes in your business's internal culture. We define culture as a set of beliefs which governs behavior. Your people's daily behaviors are the clearest sign of your company's true culture. Management guru Peter Drucker observed that "culture eats strategy for breakfast." Regardless of any existing high-level plans, your company's direction is set by your people's daily behavior. It's likely that your employees' and customers' belief systems are already changing your culture, right now.

1. Strategy shifts

If you're like most businesses, the crisis isn't altering the long-term vision of your organization. Yet, while the long-term target remains intact, your strategy for reaching your target is definitely changing:

- **Attitudes toward risk are changing.**

    o At a leadership level, it's time to de-risk investments. For example, reduce investment in Lean methods. Constant iteration, "move fast and break things" hoping to bump into the right answer, is riskier. With capital short and headcount lower, emphasis needs to be on making the right decision and launching the right service, the first time.

    o Employee attitudes toward work and the workplace are shifting. For example, some employees are having an existential crisis, thinking, how do my actions matter? But, after working from home, others are thinking, remote work is okay – but is there something between?

    o Customers are more cautious. Businesses and consumers are scrutinizing expenses and will approach a return to normal with caution. After using the pandemic as the opportunity to right size budgets and staff, new investment will meet resistance.

- **Preventative actions are more attractive than ever.**

  - Companies relying on contingency planning are experiencing the cost difference between preventative and contingent plans. Once again, we're reminded "an ounce of prevention," is worth more than a pound of cure. After news of Wimbledon's $141 million payout, premiums of $2 million a year for 20 years look like a preventative no brainer compared to South By Southwest's experience.

  - Employees will come out of the crisis having vetted management's actions during the crisis against the company's mission statement. Any perceived disconnect will start as a crack, but develop into a gaping fissure, of discontent.

  - Coming out of the crisis, the closer companies are to their customer bases, having retained and maintained business, the more prepared they will be for growth. The more companies are distracted by internal issues and ignore customers today, the harder they'll have to work to return to growth.

Building the company's long-term value is still the goal. Part of what will make organizations more valuable is how they reacted to internal and external changes in risk, and the extent of preventative measures put in place for the next crisis.

2. Internal culture shifts

The instant shift to digital has been jarring. Much like the post-WW2 shift women experienced – being asked to return to the home after having been in the workforce for several years – it will be difficult to ask post-Corona workers to commute to and from the office and spend over 40 hours a week in a cubicle.

- **Remote working will be more attractive than ever.**

  - The tools are workable. The longer teams are forced to use them, the more useful they become. In 2007, as new digital productivity tools infiltrated the office, Mark wrote Bit Literacy to help people master those new technologies.

Today your teams are experiencing the same challenges. Engaging with new tools, finding new ways to increase productivity, even as they work from home.

o Remote is always "in the office," resulting in a time shift. Smartphones started workers being always-on; now people are always in the office, and their work habits are changing. Early morning and late-night people don't need to be forced into the same workflow. By finding what fits, employees are getting more done with less effort.

o Your next best recruits will look for a blended work situation because it makes them feel more in control of their time. Choosing between a job that's requires commuting five days a week to a cubicle, versus hybrid remote work with visits to a modern office, is an easy decision for Gen Z (and older generations, too).

- **Your managers aren't prepared to manage blended workforces.**

   o The challenge with remote working has always been remote management. What do you do when your go-to management skill, "manage by walking around," is gone? Like employees need to learn new technology tools, management needs to learn new tools and tactics to manage remote workers.

   o Information is more abundant than ever, but harder for remote workforces to find and make sense of. Dashboards, sharing tools, and communications platforms are proliferating. Choosing the right portfolio for each team is critical

   o Soft skills are taking on new importance. Building trust remotely via new communication tools isn't natural. Clearly communicating desired outcomes is tough. Deciphering intent via email is hard. Right now, your internal practices are being established – both qualitatively in communication style, and logistically via the choice and usage of technology. These should be improved and then

extrapolated across the organization.

3. External customer shifts

Customers also have shifted to all-digital interactions. Whether conducting transactions or doing research ahead of time, customers expect all functionality and data to be at their fingertips via a browser – with instantaneous response, easy interaction, and responsive frameworks, equally servicing laptop or mobile usage. Successful teams in the future will listen closely to customers' needs, and pain points, and design their product roadmaps accordingly.

- **Online-only interactions will dominate.**

  - Simple, fast, solid website design will become even more important. With all their interactions online, customers will become more sensitive to slow, outdated, or "clunky" web platforms.

  - Customers will widely adopt, and expect companies to serve them with, a full suite of connection platforms: messaging, videoconferencing, and data presentation (dashboards).

  - Ironically, customers will become more accepting of old-fashioned phone calls, as "Zoom fatigue" sets in and they long for a conversation without an accompanying video stream.

- **Customer research will become even more important.**

  - The "spaghetti method" – throwing things against the wall to see what sticks – is too risky for this moment, when customers want the *right* interaction the *first* time. Thus it will be even more important to understand what customers want.

  - Choosing the right research method is critical. Merely sending out a survey – while effective as part of a larger research portfolio – will not give enough insight to make product and strategy decisions. Companies will need to

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actively reach out to customers with "listening labs" (covered in Mark's book *Customers Included*, 2nd Edition) to observe their experience and find out their unmet needs.

Best Practice: Build a Customer Culture

Given the shifts above, it's vital for businesses to build a customer culture, both in how the team treats customers and how the internal culture is managed.

The interaction between your culture and the customer is sales and marketing, which is where next steps will reside. We recommend these steps:

1. Survey your company culture for changes. Find out how employees are coping, both emotionally and practically. Pay close attention to what's working better than before (perhaps they appreciate not having a commute) and what needs improvement (for example, perhaps they lack a certain feature or tool that would speed their workflow).

2. Talk directly to customers, via videoconference or phone call, to discover their pain points (which may have changed recently) and any opportunities, new or longstanding, to address them.

3. Create a roadmap with prioritized next steps, based on the intersection between culture and customer needs. This roadmap will help reduce the time it takes to get to the ideal intersection point for this next phase.

Contact Us

We're happy to have a conversation about your next steps.

Feel free to contact us with any questions or comments.

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P.S. For more on our approach, read our books *Customers Included* and *The Human Being's Guide to Business Growth*.

Who we are

We're strategy consultants with complementary strengths – *building for customers* and *building for culture* – both of which will be essential for survival in coming months.

• **Mark Hurst** is the founder of Creative Good, a New York-based customer experience strategy and research firm. As the author of two books on technology and customer experience, Hurst has spent over 20 years helping companies build strategies for a digital future.
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• **Greg Chambers** is an Omaha, NE based consultant who helps growing companies build sales and marketing practices that are a perfect fit their size and disposition. He has written a book on business growth and spent decades in sales and management.
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