



FRAME Customer Management Planning

- What is our **current capability** in managing customers?
- What does **best practice** look like?
- Where should we aim in terms of a **future state**?
- What is the **scale of change** we would need to achieve?
- Is that scale of change really **feasible**?
- What **capabilities** do we need to put in place?
- Where should we start and **which order** should we do things?
- Are any of the things we need to do **dependent** on others?
- How much **internal resource** will we need to allocate?
- Where will we **need external** support?
- **How much** is this all likely to cost?
- What level of **benefits** can we realistically expect?

You know you need to increase the value that your organisation is driving from its current and potential customer base. You suspect that a substantial degree of change is needed in the way you manage customers and prospects. You may have already invested in some components of your Customer Management capability: Customer Experience Mapping; CRM Technology; Customer Analytics; a Loyalty Programme; Satisfaction Research. Yet these individual elements are failing to deliver the sort of returns that you were expecting – assuming you knew what you should have been expecting. You know you need to get closer to ‘best practice’ but are not sure which are the most important areas to address with limited resources, and in any case, what is ‘best’ practice?

A huge amount of ‘investment’, time and energy is wasted by organisations every year putting Customer Management programmes in place that were always doomed to failure or were dramatically over-engineered for their current state of maturity. Many others have missed out on potentially huge returns by not putting programmes in place when really needed. Both of these situations are entirely avoidable if you have access to the necessary experience, tools, resources and knowledge.

FRAME is designed to help you address this challenge quickly and cost-effectively. It is a specially developed approach, knowledge base and toolset, based on the experience of some of the world’s most forward-thinking practitioners. It delivers its value in a surprisingly short engagement that puts you in a ‘ready-to-go’ position for a programme that can achieve the transformation you need. The Approach is pragmatic in style and realistic in terms of time input needed from your staff. It provides an engaging output that helps align your stakeholders and provides a reference point for the duration of the programme.



FRAME is delivered by a trained Customer Management Practitioner. You can be confident that they are delivering against a clearly defined process that brings together the intellectual property in the FRAME Toolset, the expertise of the FRAME support team in the UK and the local or market knowledge of the Practitioner. The process has frequent interactions with your team but is designed to enable



your input to be only as comprehensive as you wish, leaving much of the work to the Practitioner and the support team if you need to. The whole process typically takes around 4 weeks.

your FRAME Practitioner. A quantitative assessment of each individual change is provided as well as clear identification of the areas of change that are going to be the most challenging.

The FRAME Road Map

This is the core output from the FRAME approach. It has three main parts which are outlined below. For a fuller illustration of the Road Map please see the separate document.

The **Programme Plan** delivers a top level programme overview as well as a very detailed activity-by-activity plan with durations for each activity and the dependencies between them clearly shown. Priorities, inter-dependencies and timings are based on a combination

of input from the FRAME knowledge base and input from you on your specific market conditions and corporate strategies.

The **Business Case** defines the level of manpower and non-manpower resources required as well as the financial benefits that should be expected.

These benefits are calculated using a specially developed approach based on real-life experience, published

research findings and academic input. The business case provides specific improvement targets in terms of key measures, increased numbers of customers and enhanced profitability. In addition to the agreed business case shown in the FRAME Road Map, you will be provided with the modelling tool used in its construction so that you can continue to look at other business case scenarios as your Programme develops.

Formalisation of the Customer Proposition



Formalization and embedding of an enterprise-wide understanding of its overall core value proposition and what makes it different from other companies. Expansion of this overall proposition into multiple tailored propositions addressing the needs of specific sub-sectors of customers across the portfolio of products and offerings that the bank can provide.

V-REAP Profile of this Area

| | |
|-------------------|--------|
| Alignment | High |
| Flexibility | Medium |
| Performance | High |
| Efficiency | Medium |
| Value Proposition | High |

Scale of this change

Incremental Medium Not incremental Significant

Attractiveness of this change

| | |
|-------------------|--------------------|
| Low on the change | High on the change |
| Low on the change | High on the change |

Current Capability

Broad based customer proposition work has been done based on customer needs research. The propositions have defined the benefits to customers and are primarily product based. No specific material exists to explain the proposition to internal audiences. No research has been carried out to understand how well staff, channels, customers and prospects understand these propositions.

Desired Capability

The organization will have constructed a simple but comprehensive description of the overall current customer proposition. This will have been based on interpretation of needs research to identify the five or six key areas addressed by the organization in terms of satisfying customer requirements. They will have formally reviewed the option to have a single proposition for all customer and prospect types but will have decided to adopt differentiated propositions for each customer segment. Mechanisms will have been substantially implemented to prevent elements of segmented proposition creeping from one segment (usually the high value customer segments) to other segments. A number of specific tactical customer propositions will have been developed to exploit identified market or segment opportunities.

Communication devices will have been created to enable the effective communication of the proposition to customers and the organization will have carried out a research exercise to understand how well customers understand the overall proposition of the organization and each element of it. They will have also have created devices to enable the communication of the proposition to internal audiences and will have carried out a formal check, among a representative sample of staff that they fully understand the organization's proposition. A process will have been put in place to ensure regular checking of this understanding.

Input to proposition development activity will have been widened and opportunities to review the proposition at a very basic level will have been introduced in a way that encourages radical thinking and identifies potential discharges in the proposition. A review of product development processes will have been done to ensure that there is interest within the proposition development activity.

The changes needed

77. Basic proposition footprint for the average customer
Complete your work to extract from basic needs research and the proposition description the five or six key areas addressed by the organization in terms of satisfying customer requirements. From the needs research attempt to scale these to create a view of their relative importance for the average customer.

78. Proposition communication devices for customers
Complete your work to create communication devices to enable the effective communication of the proposition to customers. This will include clear descriptions of what customers should expect against the key elements of the proposition, possibly in the form of a customer charter.

79. Research of customer and prospect understanding of the proposition
Carry out a research exercise to understand how well customers and prospects understand the overall proposition of the organization.

80. Proposition communication devices for internal audience
Create communication devices to enable the effective communication of the proposition to internal audiences. These will include descriptions but will also include diagrams and graphics to help support the explanation and to enable it to be easily re-asserted without the need for long explanation.

81. Basic service level definitions for each proposition element
Complete your work to define, for each element of the proposition, the service level that customers should expect to receive from the organization and that staff should expect to deliver to customers.

82. Confirmation of proposition understanding of key staff
Carry out a formal check or research exercise among a representative sample of staff that they fully understand the organization's proposition.

83. Regular checking of staff and channel proposition understanding
Put in place a process to ensure regular checking of the understanding that internal and channel staff have of the proposition. Ensure that this is done in a way that will trigger remedial action if understanding is seen to be falling in any particular group or channel.

84. Proposition communication devices for channels
Complete your work to create communication devices to enable the effective communication of the end-customer and channel propositions to channels. These may be two separate propositions or may be combined into one. The customer elements of the proposition may need to be tailored from the internal audience version.

85. Tactical customer propositions
Complete your work to develop specific tactical customer propositions to exploit identified market or segment opportunities. They should be more than simple product bundling with a clear differentiation from business-as-usual.

86. Vanilla versus segment proposition decision
Formally review the option to have a single proposition for all customer and prospect types or to vary the proposition by customer value, types or segments. Ensure that the vanilla option is fully explored as it has been successful in many organizations.

87. Development of segmented versions of the proposition
Complete the work to develop segment-specific versions of the overall proposition and of the proposition footprints. These need to be based on an understanding of the relative needs of each segment.



The **Change Definition** part of the Road Map provides insightful current and desired maturity descriptions for each of the 41 areas of Customer Management. It also defines the capabilities that need to be put in place to move from the current maturity level to the desired maturity level. These capabilities are based on the FRAME knowledge base of over 500 potential activities, detailed input from your own staff and expert recommendations from

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