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Defending end-customer value

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In the 30 years I've been an entrepreneur consultant I've had the opportunity of sitting with senior management teams from enterprises in diverse industries to infuse customer centricity into their products and services. This has been both a pleasurable experience and the toughest job in my business life.

I've always faced two types of clients; those interested in achieving customer centricity, and the large section that's quite indifferent. The interested ones put tremendous effort to understand how core the customer is. They drive hard to inject this core inside their organization, facing the difficult job of changing employee behaviour. The second type of clients enters the comfort zone of ad hoc adaptability. They deliver what's feasible as per their backend capability and act as though customers will accept it. This is the trouble-free route of changing the bottle, not the wine; and hoping against hoping that customers will not notice.

Without end-customers, where is business?

Enterprises agree to this, but miss out on driving it seriously as business truth. It makes me very uncomfortable when management level people barely put in effort to understand the end-customer's subconscious mind where buying motivation resides. I cannot fathom why trying to own the end-customer's mindshare is not the first priority of every enterprise. After all if an

enterprise can find out what to do to change the end-customer's behaviour towards favouring its product or service, that enterprise can smile all the way to the bank.

I believe in nonstop enterprise learning using customers as teachers and insight dispensers for business improvement. The ability to absorb human culture and behavior, anticipate economic and political phenomena in advance, co-opt technology advancement and dig deep into the social and psychological aspects are all necessary at this level to know how to respond to the market. However, industrial heaviness sometimes becomes so overpowering that managers get waylaid from the track of discovering and satisfying end-customer need or desire. In India in particular, it's a huge dilemma.

Because managers do not always live in the end-customer's domain, it becomes difficult to make them understand micro layers of end-customer centricity. I very often become stubborn in defending the value that end-customers should legitimately be receiving. It's become my passion and obsession to add end-customer benefit in any enterprise I work for. To tell you the truth, I'm addicted to observing human behavior. Wherever I am, with the family, in the sports ground, entertainment or working environment, seminars, condolence visits, while travelling, watching television, Internet surfing, visiting painting museums, or receiving response from my readers, my eye turns to watch behavioural traits and reactions. The rapport between people of any age and economic stratum, their relationship with some product or service, are indeed very telling.

No matter where and in which country I am, I don't hesitate to ask if something raises my curiosity. 'Why' something I never ask as the person gets intimidated; it's the 'how' I enquire about, and learn about the purpose. Learning can never be achieved when you are in the challenger mode. Rather I try to make learning conducive for both of us, me the learner and the end-customer as teacher. These ingredients have helped me understand end-customers in every industry wherever I have entered because no industry can run without an end-customer. Challenging a learning seed is totally destructive; as is the preconceived notion, which intellectuals and professionals are said to be guilty of. Preconception actually kills unearthing the new.

Corporate transformation is mere jargon: It's true that behavioural change cannot be an easy job in a company aligned to market dynamics. You can transform a material in a machine to make products; iron ore can become steel. But human beings cannot be transformed like that. Actually changing employee behavior can be a nightmare in our country's multi-behavioural heterogeneity, because people work and interpret the same subject very differently inside an enterprise. When they go into social and family life, it's diametrically different. That's why a huge drive from management is required to thoroughly educate employees on the purpose and objective of internal behavioural change according to changing end-customer trends. The company has to patiently work to make employees understand the benefits of end-customer centricity. Not only will the enterprise get better returns, but employee skills will improve, careers will get furthered, which in turn will impact the enterprise. It's a very painstaking task. Unfortunately, most enterprises would rather spend money buying hallucinating capital assets than training human capital.

Indian enterprises are largely growing in a demand-led market. Just to illustrate, look at the contract. Organized retails in Western countries have captured more than 50% market share in every FMCG category. They sell high

quality private label products at 30% lower price than national brands. So most manufacturing company brands are in a tight situation. Indian manufacturers are likely to face this condition too when this market matures. But managers today mistakenly believe that once they've performed in their key result areas, they've achieved the business strategically. In reality they have merely supplied to existing demand. They have not worked to sustain their business, make it long-term sticky nor worked to deliver differently to get end-customer mindshare for repeat purchase consistently today and tomorrow.

Need to deal with new market realities:

Having brought end-customer centricity into several Indian enterprises in 15 years, I've seen growth happen when end-customer centricity is tightened, and slacken when corporates get diverted to make easy money trading in diverse categories. When they lose sharp competency focus and capability, they become like conglomerates selling products in different categories wherever there is demand. With complacency and routine comfort, they bring products from China or cut price to make volume. They've still not taken seriously the global predator-competitors ready to kill to grab market opportunity.

To capture local and global markets with sustainability, enterprises need to cultivate the passion for end-customer centric drive and change employee behaviour to align with that. The best way to do so is to grab the changing behavior of end-customers.

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