



CXO FOCUS

THE CUSTOMER
IS ALWAYS RIGHT
& CIOs KNOW IT

—
JULY 2019



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**The customer is the boss,
creating a new leadership style**

Ask yourself, what was your recent interaction with a supplier, recruiter, publisher, bank, retailer or travel organization? Chances are it was a web-based interaction. If that interaction was successful you may then have progressed to a face-to-face meeting, visit to a store, office, facility or event. It's inevitable that an interaction via technology is an integral part of customer service for any organization in any vertical market. As a result, today's C-level business technology leaders are highly customer centric, because the customer's first touchpoint with an organization is most often via technology.

Research by auditing and advisory company KPMG states that customers demand "more speed, more access, more information, more choices, more connectivity, more personalization, and more simplicity." Seeking to understand how the CIO has to be customer centric found that "organizations that deliver seamless, responsive, relevant and consistent customer experiences are able to grow higher revenues and become more resilient to market disruptors." The research found the modern customer centric CIO is responsible for providing "insight to the customer," which is using the power of data and information technologies to create a personalized experience for the customer. A customer centric CIO is also constantly working in tandem with chief marketing officers (CMOs) as well as sales directors to ensure they and their teams are making optimal use of technology to meet the needs of the customer.

KPMG also states that CIOs must focus on delivering technology that enhances the customer experience by improving the ability of front-line staff to serve the customer, this can be artificial intelligence or mobility.

Although a radical departure from the old view of IT leaders as service providers, the research also found that operational reliability and resilience is as much a part of the customer centric CIO as it was in the past.

"This industry has been obsessed with the transaction," said Andrew Jordan, Chief Product & Technology Officer at corporate travel management firm Carlson Wagonlit Travel, which recently rebranded as CWT. Jordan's job title is typical of the latest wave of CIOs that have become oriented toward the customer, technology and product. Technology has changed corporate and individual behavior, which has to be reflected in the services an organization offers. Thus, being overly focused on the "transaction" can detract an organization's ability to be focused on the services and products it offers. Since joining the global travel firm, Jordan has been focused on delivering a technology culture that reflects the findings of the 2018 KPMG research, where data drives customer insight and launched a variety of new services.



By understanding the customer better, we'll be able to develop a set of services for 21 million customers

Wendy Pfieffer, CIO of global cloud technology leader, Nutanix says the need to be customer-centric has changed the personality of being a CIO. "In the past it was not so much a part of our job to be outward focused, but that has changed. If your business is transactional, then having the CIO support and understand that is vitally important," Pfieffer adds to Jordan's view on how the transaction process has changed and makes the CIO more involved.

"By understanding the customer better, we'll be able to develop a set of services for 21 million customers," says Yves Le Gelard, Chief Digital Officer (CDO) with energy and utilities firm Engie on the importance of data in all customer strategies. The CDO adds that his data led strategy, which includes the use of AI, will help the firm retain customers. As a million sales and business books state, customer retention is vital to reduce the operating costs of any organization.

Fabio Veronese, Head of IT Operations at Italian utility firm Enel agrees, "we are collecting data every 15 seconds," adding

that his organization has seven to eight years' worth of customer data that will inform its strategy.

As well as understanding the customer, Dominic Howson, CIO for UK bread maker Hovis says part of his role is to use technology to help the business win customers by being at the top of its game.

"Allow the bakers to focus on making great bread," he says of how a series of automations have reduced paperwork and improved the workflow of the business. Globally experienced CIO Mark Lockton-Goddard agrees with Howson. As a change leader with the specialist consultancy Embracent, Lockton-Goddard is helping a European-wide veterinarian business that is growing rapidly. The CIO and his team are putting in a new operating model, as well as new technology "that will help them grow."

"Being customer centric can often be about how we organize ourselves as a business," Lockton-Goddard says.



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How to be customer centric

“You have to make yourself comfortable with the products,” says Nutanix CIO Wendy Pfieffer.

The KPMG research endorses Pfieffer’s view, “for the organization to truly embrace and enable a customer-first approach, customer technology alignment in the IT business model is mandatory. As such, the CIO is now expected to be a leader in aligning the technology strategy to drive the customer agenda forward.”

In developing this “aligned” strategy, it requires the CIO to move beyond a purely technology leadership role. Jordan at CWT sought out and built a data practice that not only informed CWT and the CIO, but also developed into a consulting service that on a number of occasions has been the initial engagement with CWT and its customers. Jordan describes how CWT has become a consultancy that reshaped the internal business travel arrangements of an organization.

CIO of international shipping insurance firm North of England P&I James Holmes

spent time away from IT in a previous role in the retail sector developing a new retail concept. The key lessons from developing that concept were incorporated into the businesses wider retail chain. Holmes says that experience has been highly beneficial as he now leads a major business and technology transformation.

Mark Aikman, a technology leader with Upfield, the world’s largest maker of plant-based consumer packaged goods adds, “there is nothing wrong with creating a subculture if it produces results.” Aikman adds that the CEO like the customer wants results and that for CIOs to turn their teams into customer centric operations may require alternative ways of thinking.

However, as a CIO becomes more customer-centric the demand for such skills are set to increase. As KPMG concludes, “today’s customers are better informed, better connected and more demanding than ever before. Customer experience is overtaking price and product as the number-one brand differentiator.”



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