CUSTOMER MANAGEMENT: CREATING A SENSE-MAKING FRAMEWORK FOR DEVELOPING ECONOMIES

Mary Ritz, PhD
Da Vinci Institute for Technology, Johannesburg, South Africa

ABSTRACT: *The aim of the study was to gain an understanding of why most organizations fail in the effective management of the customer despite the fact that it is well accepted and understood that the customer is an integral part of the business and the reason business exists. Although various strategies have been implemented such as, customer service, customer experience, and customer relationship management, the phenomenon remains a challenge. Many reasons could be attributed to the failure of implementing customer management strategies, including a lack of a holistic approach, insufficient buy-in first from leadership and followed by employees, short-term focus instead of long-term, and budget constraints. Though customer management frameworks that advocate for a customer centric approach exist, which is holistic in nature and incorporate a systems' thinking perspective, the frameworks tend to take a western viewpoint or a developed economy paradigm. The assumption seems to be that the frameworks will work and be effective anywhere without being context specific. Subsequently, the study aimed to establish if the customer management phenomenon should not be context specific for it to yield better results. As a progression from this base, the ultimate objective of the research was to create a customer management framework for a specific context, i.e. a developing economy. The Research Methodology assumed was qualitative, and Grounded Theory was the general methodology applied for generating new theory. Data collection methods adopted were: documents, one-on-one in-depth interviews, and an online questionnaire. The sample and population were individuals from a developing economic (Africa), specifically South Africa and Zimbabwe. The research findings established that there are some general customer management principles that are similar and hold true across different socio-economic environments; however, the level of understanding and execution of these principles is fundamentally different. It can be concluded that a customer centric model specifically for a developing world is appropriate to a degree since market conditions and political, social, and economic conditions are different. Recommendations of the study include creating a sense-making customer management framework for a developing economy that is based on a systems thinking paradigm and that takes into consideration external factors such as politics, social, and the economic environment. The framework must be easy to understand and not require huge financial resources or investment to implement and sustain because the developing world (generally) tends to lack capital.*

KEYWORDS: Customer Centricity, Customer Management, Socio-Economic Environment, Business Performance

INTRODUCTION

In order to be successful and remain competitive, organizations must know the needs and wants of their customers (Barwise and Meehan, 2011). The importance of customers has been highlighted by many researchers and academics including: Leather (2013), Brown and Brown (2014), and Van der Merwe (2014). Buttle (2009) states that economic motives are the fundamental reason why organizations want to build good customer relations with their customers. Buttle (2009) further explains that companies generate better results when they effectively manage their customer base. By effectively managing customers, it implies that organizations must identify upfront, acquire, satisfy, and retain profitable customers (Buttle, 2009).

Zairi (2000) further stipulates that customers are the purpose organizations exist - organizations depend on customers and not converse. Lockrell (2013: ixv) explains it as follows: “Your customers are your single source of revenue and profit; without them your company would go out of business and you’d be out of a job.” With that established, it becomes of necessary importance for organizations to make plans for customer satisfaction, experience, and loyalty.

Barwise and Meehan (2011) state that firms that achieve sustained and profitable organic growth embrace the idea of being an “open organization” in principle. They argue that such organizations seem to exploit four critical benefits to accomplish business imperatives:

- Offer and communicate a pure, applicable customer promise
- Build customer trust and brand equity by consistently providing that promise
- Drive the market by constantly refining the promise while still reliably delivering it
- Move further ahead by innovating beyond the familiar

All four critical benefits are directly or indirectly focused on the customer, which reinforces the notion that the customer is of core importance in an organization.

As a result, organizations have made and continue to make attempts to manage the customer effectively and successfully. However, the task seems to be too complicated and chaotic to accomplish. Many reasons and assumptions have been attributed to why customer management remains a challenge for many organizations. The following assumptions are some that have hindered the much needed success:

- Over the years, many organizations seem to have emphasized on specific aspects of customer management in isolation; aspects such as customer services, customer relationship management, customer data management, customer experience, and customer loyalt. Most organizations have not been active in considering the customer management phenomenon (and its constructs) as a system. The reasons why organizations manage the customer management aspects in isolation could be to make it easier and simpler to manage a complex system. But by doing so, the researcher is of the opinion that organizations have created more problems than they have solved.
- In some organizations customer management engagements have not been given priority because of the cost associated with the phenomenon. The cost or investment could be so substantial that organizations may find it “expensive” and difficult to invest in customer management across the board.
- In support of the above opinion, there is a point that argues that although many firms may attempt to improve customer service, it does not follow that all firms will reap benefits from customer services strategies because of cost or implementation difficulties. Though customer service costs are relatively easy to determine, its benefits may be difficult to quantify. However, the more recent literature is challenging this argument and pushing the boundaries on how customer management benefits are being measured successfully (Leather, 2013 and Van der Merwe, 2014).

ISSN 2055-0219(Print), ISSN 2055-0227(online)

- Having worked on numerous customer service projects in different organizations and across a variety of industries, the researcher has learned that only focusing on one aspect of the customer management system seems to not yield sustainable results. In organizations with which the researcher interacted, the customer management training interventions created some hype, short-lived motivation, and often only produced short-term results. This was because leaders focused on training frontline staff (customer interfacing employees) but failed to invest in other areas that support customer management or customer centricity, e.g. systems, processes and leadership.
- Cohen and Lee (1990) argue that although many organizations have made the attempt to improve customer service, it does not follow that all organizations will reap benefits from quality service strategies because of cost or implementation difficulties. Though customer service costs are relatively easy to determine, its benefits may be difficult to quantify (making the matter complex). Once again, the more recent literature is beginning to push the boundaries on how customer management benefits are being measured (Leather, 2014 and Van der Merwe, 2014).
- Customers and customer expectations have evolved over the years and trying to understand the ever-evolving customer and the ever-changing needs has become more complex. Simply providing a quality product or service seems inadequate. Customer management has become more than cliché lines like "the customer is the king" and "smile and be friendly towards your customers." Brown and Brown (2014) claim that customer management must be treated as a strategic imperative and efforts to build and improve it must be concentrated and deliberate.
- Many businesses claim to be customer focused, but only a few are. In regard to the above perception, the researcher has experienced that companies tend to focus on profitability rather than customer needs. Wagner and Majchrzak (2006) also state that customer centric business makes the needs and resources of individual customers the starting point for planning new products and services or improving existing ones. Bijapukar (2012) argues that customer management should form the basis of any business strategy.

Presenting the Problem

The customer is at the center of every business and, hence, the customer should play a significant role in the running of any successful business (CRM Magazine, 2013). Historically, organizations produced goods and services that they sold (a push approach or inside-out approach) and many times customers had no choice but to buy what the suppliers provided. In today's economy, companies have been driven to compete globally in order to maintain their competitive edge (Brown and Brown, 2014). The driving force behind these actions is the customer, who is demanding more and better (Gestin, 2011). As a result of the tough business competition, the customer experience seems to have become of great significance. For example, with the introduction of multi-media and multi-channels, customers can easily communicate their experiences with different brands. It is no longer a case where organizations manage the communication as a one-way stream to the customer. The customer is in a position to feedback to suppliers, other customers, and potential customers (CRM Magazine, 2013). With these developments and the associated complexity, customer management can no longer be treated as "business as usual."

Criticaleye (2011) state that the IBM CEO Study in 2010, a survey of more than 1,500 executives across the globe, indicated that complexity has become a CEO's primary business challenge. Furthermore, "getting closer to customers" was the top business strategy priority for 88% of

ISSN 2055-0219(Print), ISSN 2055-0227(online)

those who participated in the study. Though the study concluded that the customer was a priority, there was no clear evidence that confirmed if CEOs were really driving the customer strategy successfully (Criticaleye, 2011).

In another survey of more than 1,700 marketing executives across the globe, the Criticaleye (2011) study revealed that, while the digital era has created a transformative shift in the way companies engage with their customers, most CMOs feel they are not ready or equipped to respond to the change. Only 26% of CMOs are tracking customer communication (through social media, i.e. blogs) to help shape their marketing strategies, while 42% are tracking third-party reviews and 48% are tracking consumer reviews. In 2010 CEOs wanted to get closer to customers, in 2011 it appeared that their companies' execution of this objective was failing (Criticaleye, 2011).

In one of Kana Software Incorporated's (2011) articles, they state that the hopes of customer service have been placed on customer experience. The belief is that if organizations deliver excellent customer experiences, customers would be satisfied, loyal, and; therefore, increase their wallet-share with an organization. However, although 80% of companies believed they were doing an outstanding job in delivering excellent experiences, only 8% of their customers agreed to such.

The Arberdeen Research (2012) indicates how organizations can meet customer service challenges. Though this is a commendable attempt to solving customer management issues, the researcher believes that a more holistic attempt to solving customer issues is imperative for business continuity and effectiveness within a developing economy.

In assessing the above evidence, the researcher is of the assumption that it may not be adequate to position customer management without being context specific. Consequently, the researcher is interested in creating a framework for customer engagement and the management thereof within a developing market.

The specific research questions for the study included the following:

- Is the customer management phenomenon context specific?
- Is the phenomenon of 'customer' equally entrenched in different socio-economic contexts?
- Is culture inter-related with customer experience and expectations?
- Is business performance defined differently within different socio-economic contexts?
- How do existing customer management frameworks compare among each other and how do they each influence business performance and in which context?

Research Goal

The research departure point was to establish the customer management history and how it has evolved over the last decades. The role customer management has played in influencing business performance was explored. In addition, a critical review as five customer management frameworks was conducted to determine how the frameworks are relevant in the developing world.

The researcher also acknowledged and reviewed existing concepts constituting business performance as related to different socio-economic contexts. In respect of the above, the

ISSN 2055-0219(Print), ISSN 2055-0227(online)

overriding goal for the researcher was to create a framework for customer engagements and the management thereof within a developing economy.

Research Objectives

The research objectives included:

- Defining customer management within a western and southern world perspective
- Defining business performance from a global perspective
- Define customer management and business performance from a systems thinking perspective within a global context.

The researcher utilized the integral research framework of Lessem and Schieffer (2010) as a contextual vehicle in an attempt to develop a customer management framework relevant to a developing world context such as Africa. This allowed the researcher to review existing customer management frameworks that are not context specific from a western and southern perspective.

THEORETICAL FRAMEWORK

The thesis was based on systems thinking principles which examined the customer management phenomena from a relationship between or among different components of the organization. This approach was expected to lead to a more holistic contextual view of the customer management phenomena. By assuming a systems thinking approach, the research could explore the interconnected relationships in the context of an organization within a particular socio economic environment. Most research done by other scholars has mainly focused on components of customer management such as Customer Satisfaction (Munsamy, 2011), Customer Service (Sali-Ameen, 2011), and Customer Experience (Goodman, 2011).

The departing point was to gain understanding of the "Four Worlds" (Lessem and Schieffer, 2010) and then to focus on the 'southern world', which, by implication, includes Africa. Following this was a critical review of five customer management frameworks, which uncovered the relevance of each within a developing economy. The researcher defined what constitutes a developing economy and how the customer management phenomenon is perceived in this economy. It is from these insights that a customer management framework was created and designed that could be relevant to the developing economy, i.e. relevant in terms of how customers are managed.

The theoretical framework allowed the researcher to explore potential relationships among specific aspects and/or sub-systems of the workplace. These included:

The Socio Economic Environment: For the purposes of the thesis, the socio-economic context was the developing world, with specific reference to Africa/emerging market. Developing countries are, in general, countries that have not achieved a significant degree of industrialization relative to their populations, and have, in most cases, a medium to low standard of living.

The Workplace: The global arena consists of many different types of workplaces (organizations) that are both for profit making and non-profit making. In this research, the organizations that were considered are for profit making, corporate companies that are either driven by product and services, profit, employees, and customers.

ISSN 2055-0219(Print), ISSN 2055-0227(online)

Business Performance: Improved business performance will be achieved by regularly evaluating the key business drivers against key performance indicators such as business targets and bench mark data. Barned (2011) stated that key drivers for business performance would include, for example, profitability that can be attained by managing the customer, right pricing mix, and high and quality sales, to mention but a few. One of the research objectives is to define customer management and business performance in an attempt to understand the potential link between the two aspects from a system thinking perspective.

Customer Management: Woodcock and Starkey (2005) define customer management as the way organizations align their resources and deploy any set of business techniques not only limited to marketing, sales, or service. Customer management includes how organizations attract new customers and how they maintain or change how existing customers relate to the company as a buyer of its products and services. Customer management can be described as the ability to interpret and manage the needs and expectations of a customer through effective planning, management, and communication (Woodcock and Starkey, 2005). The authors further argue that customer management is relevant for both products and services.

There are existing models of customer management which may range from key account management, relationship marketing, and customer experience (Woodcock and Starkey, 2005). However, they do indicate that each of these is only a component of customer management and not customer management in itself. For the purposes of this research, the term customer management was defined to include all possible components of customer management, ultimately resulting in the concept of customer centricity. Therefore, customer management and customer centricity were used interchangeably.

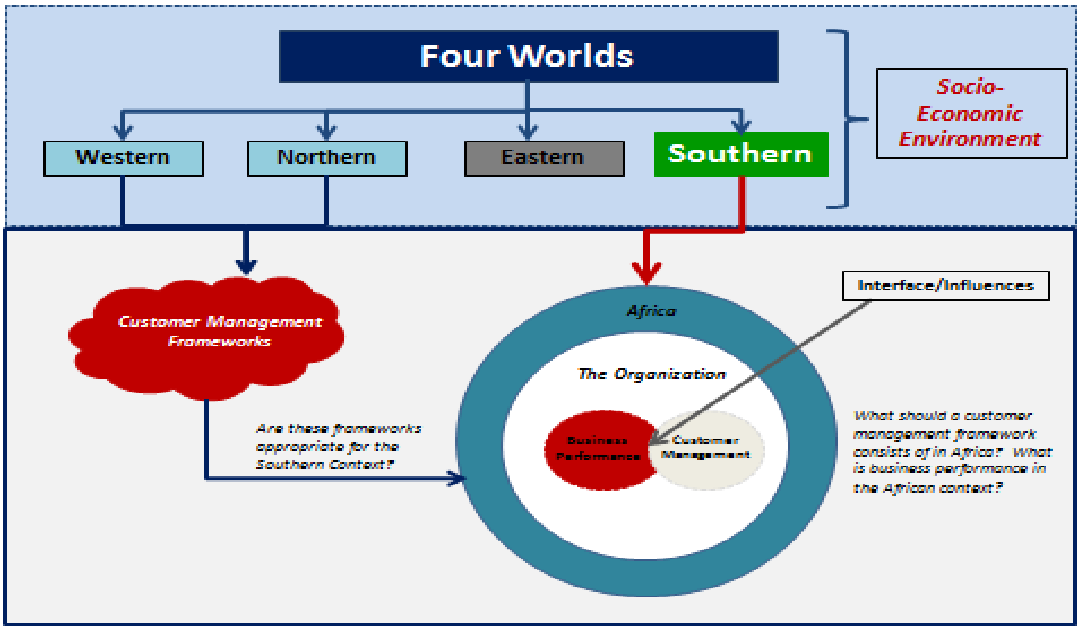

Figure 1.1: Customer Management (A Conceptual Framework)

LITERATURE REVIEW

Definition of Customer Management

Woodcock and Starkey (2005) define customer management as the manner an organization brings into line its resources and deploys any set of business techniques above sales and service to acquire new customers and maintain and transform how existing customers relate to the company as a buyer of its products and services. Their definition of customer management seems to have an in-depth connotation as opposed to one that merely defines customer management as managing customer relationships. This definition takes into account other aspects of the organizational system that are not normally directly associated with customer management.

Leather (2013) defines customer centricity as a system and operating model that enables an organization to plan and provide exceptional and outstanding customer experiences. The design allows an organization to gain, maintain, and develop targeted customers efficiently for the benefit of employees, customers, and stakeholders. Leather's (2013) definition not only focuses on how the organization and shareholders benefit, but takes into consideration the customer, employees, and other stakeholders, giving the definition a systems thinking perspective. For the purposes of the study, the author will, therefore, use "customer centricity" and "customer management" interchangeably.

Customer management consists of different components or constructs, such as customer relationship management, account management, customer service, and customer data management. However, some organizations have unconsciously adopted one or more of these customer management components or constructs managed in isolation without taking systems thinking into account (Woodstock and Starkey, 2005).

Customer and Customer Management Evolution

Peppers and Rogers (2000) argue that the age of Mass Marketing has come to an end and a new era of Customer Relationship Management has become apparent and more significant for business success. They state that the customer expectations have risen and continue to rise. The need for companies to know and understand their customers has never been more important in view of the competitive environment that prevails. A 2008 Aberdeen research study concluded that the twenty first century companies do not have much choice but to actively encourage customer feedback and treat customers as strategic assets in pursuit of improving operations, marketing, research, product development, and the overall customer experience. Customer feedback initiatives help businesses retain existing customers, acquire new customers, and identify new revenue sources (Kobie Marketing, 2010). In conjunction with the above business analysts, economists and stockbrokers are beginning to consider customer management more earnestly, believing that it has become an important intangible measurement that determines sustainable long term business performance (Woodstock and Starkey, 2005).

Customers have become more demanding, less loyal, and less willing to forgive companies whose products and services do not meet their high expectations. Customers are becoming increasingly selective and diversifying their suppliers (Kumar, 2006). The changes in the customer behavior (i.e. becoming less loyal and switching products) have prompted company innovations such as customer loyalty programs and relationship marketing to try and retain customers (Kumar, 2006).

ISSN 2055-0219(Print), ISSN 2055-0227(online)

The changes in markets and consumer lifestyle are having a powerful impact on customer behavior (Kumar, 2006). The main trends in customers' lifestyles and attitudes include the following:

- Cash rich, time poor – more people have more disposable income but find themselves with less time to do the things they can now afford. Such people want convenience and speed and have become comfortable doing business over the phone and the Internet (which offer them the speed and the convenience).
- Increased leisure time – other people have more leisure time and this change has reflected in the growing popularity of eating out, use of health and fitness clubs, and other leisure activities.
- Increased technology ownership – consumers are adopting new technologies such as mobile phones, personal digital assistants (PDAs), digital video discs, computers etc. Older age groups, particularly retired people, are also embracing the internet (O'Connor and Galvin, 2001).

Technology has enabled customers to research and know more about the different brands available, resulting in new demands on suppliers. This has caused suppliers to become increasingly competitive and have had to listen to the customer to remain profitable (O'Connor and Galvin, 2001). Over the past few decades the digitalization of the business environment has revolutionized the way organizations think, plan, and execute (Larsson and Lundberg, 1998). For example, social media has had an impact on how businesses engage with their customers. Engines such as Facebook and Twitter have given customers the voice and platform to provide and share experiences of different brands (KPMG, 2013). Besides sharing information on products and services on the marketplace, customers make their purchases online and seem to prefer to engage with the suppliers online.

Because customers are demanding better products and quicker introduction of new features, the end result has been an increase of products and the shortening of product life cycles (O'Connor and Galvin, 2001). The demand for greater flexibility in the purchase of goods and services is leading to a multiplication of distribution channels and customers. One of the drivers for global brands is the fact that customers seek similar goods, values, and standards of service as they travel abroad (O'Connor and Galvin, 2001). Over the past decades some companies have both cut the average time to take a product to market and shortened the life cycle of the product.

The focus on goods rather than services led to a mass-market, product-focused marketing strategy in which business tried to sell the same product to as many people as possible. This product-focused, mass marketing strategy led to a high cost of acquiring new customers and a low cost for customers switching to other brands (O'Connor and Galvin, 2001). Due to market globalization, the growth in the services economies and technology advance markets has shown the following changes:

- *Competition for customers is becoming more intense:* As trade barriers are removed and geographic boundaries are redefined both by established and emergent trading blocs, the location advantage is being eroded for most companies.
- *Markets are becoming more fragmented*: In a developed market where supply exceeds demand, customers have differentiated needs. To address customers' particular needs, the market has to be initially broken down into multiple segments, which would later facilitate individualized marketing

ISSN 2055-0219(Print), ISSN 2055-0227(online)

- *Differentiation is becoming more difficult*: The quality of product (attributes) has risen substantially in the recent past and is no longer a source of competitive advantage for many companies. Brand loyalty founded on product differentials is just relative, not an absolute matter. As products' quality differentials are diminishing, companies have to seek competitive advantage in close service-focused relationships (O'Connor and Galvin, 2001).

Table 1: Comparison of Marketing Strategies (Journal of Computer Information Systems, 2001)

Evolution	Time Period	Features	Drawbacks
Direct Sales	Since Long Ago	Small stores, intimate one-on-one service, personal relationship was key, provided intimacy and knowledge about customer and developed customer loyalty and trust	Cost inefficient, small scale of business
Mass Marketing	1960s	Centralized large-scale production, wide geographic distribution and one-way communication on a grand scale, cost efficiency, promoted by mass media, brand recognition, measure of success, market share	Customers do not have the sense of connection, low customer loyalty
Target Marketing	Mid-1980s	Use IT to target customer by mail or telephone, communicate directly with targeted customer, potentially receiving direct response from a customer, response rate became the central metric	Market share remained the primary measure of success, customer interaction at a superficial level, not far enough
Customer Relationship Marketing	1990s	Develops an intimacy with customers using IT and maintaining mass production and distribution systems, recognizes both customer knowledge and personal interaction yield customer trust and loyalty, measure of success, share of customer	Difficult to implement, involves various business functions, mainly for consumers instead of industrial customers

The above facts clearly confirm a customer management evolution that has occurred as a result of the customer being more knowledgeable and expectant. The customer has become more demanding and, as a ripple effect, providers or organizations have had to be creative and innovate to produce differentiated products and services. The evolution has had an influence on the entire global market, and has; therefore, put the customer management phenomenon at the core of a business strategy.

ISSN 2055-0219(Print), ISSN 2055-0227(online)

Influence of Customer Management on Business Performance

Business performance is defined as generating the maximum level of profitability possible given the human, financial, capital, and other resources it possesses (Luftig, 1998). It is comprised of the diverse collection of strategy management, operations management, human resources, organizational behavior, information systems, marketing, and management accounting and control (Neely, 2002; Marr and Schiuma, 2003; Franco-Santos and Bourne, 2005).

A successful business is one that operates efficiently and effectively. Improving the efficiency and effectiveness of the business requires an understanding of the key business drivers within the organization and a practical approach of how to implement processes that will optimize the identified key drivers (Barnes, 2011). Improved business performance will be achieved by regularly evaluating them against key performance indicators such as business targets and bench mark data.

Business performance is measured by three measurements; first, profitability scientifically defined as the degree of financial performance (Reimann et al., 2010). Secondly, customer satisfaction, which is defined as the degree of customer-oriented success, and, finally, market effectiveness, which is defined as the degree to which the firm's market related goals had been achieved. These measurements capture both quantitative and qualitative aspects of business performance and have been applied in strategy research (Reimann et al., 2010).

According to Stock (2005) there is significant evidence that customer satisfaction is an important driver of profitability. Singh (2006) goes further to establish that not only is customer satisfaction a key driver of business profitability, but customer loyalty and retention are key drivers of profitability as well. There is a positive connection between customer satisfaction, loyalty, and retention.

Numerous factors have an impact on customer satisfaction. According to Hokanson (1995) factors such as employee friendliness, knowledgeable employees, helpful employees and service quality, good value, accuracy in billing, and many others have an impact on customer satisfaction. According to Hoyer and MacInnis (2001) satisfied customers form the foundation of any successful business as customer satisfaction leads to repeat business, brand loyalty, and positive word-of-mouth referrals.

In support of the above, Peppers and Rogers (2000) also confirmed that a number of research studies have established that customer satisfaction has an impact on repeat purchase, loyalty, and retention. The studies all concluded the following:

- Satisfied customers are most likely to share their experiences with other people to the order of perhaps five or six people. Equally well, dissatisfied customers are more likely to tell another ten people of their unfortunate experience
- Furthermore, it is important to realize that many customers will not complain and this will differ from one industry sector to another
- If organizations do not deal with customer satisfaction/complaint they are likely to lose the customers which will become costly, as they would need to recruit new customers, which is another costly exercise in itself (it costs 25% more to acquire new customers).

Though customer satisfaction is imperative, it is not enough. Customers must be extremely satisfied so that it leads to customer loyalty (Bowen and Chen, 2001). Bansal and Gupta (2001) claim that; building customer loyalty is no longer a choice for organization, but a way of building

ISSN 2055-0219(Print), ISSN 2055-0227(online)

sustainable competitive advantage. They further assert that the strategic imperatives for building a loyal customer base are as follows:

- Focus on key customers
- Proactively generate high level of customer satisfaction with every interaction
- Anticipate customer needs and respond to them before the competition does
- Build closer ties with customers
- Create a value perception.

Sivadas and Baker-Prewitt (2000) state that the ultimate objective of customer satisfaction measurement should be customer loyalty. Fornell (1991) also concludes that high customer satisfaction will result in increased loyalty for the firm and that customers will be less prone to offers from competition. Bowen and Chen (2001) claim that there is a positive relationship between customer loyalty and profitability.

Anton (1996) establishes that when there is an increase in customer loyalty the following usually occurs:

- Increased purchases of the existing product
- Cross-purchase of other products
- Price premium due to appreciation for added-value services

RESEARCH METHODOLOGY

The study was based on a qualitative research methodology. Given the phenomenon, qualitative research could be appropriate when there is a need to discover a new theory from a systems thinking perspective within a specific context.

The researcher's ontological and epistemological perspectives are underpinned by systems thinking; it should; therefore, be understandable why the chosen mode of inquiry for the thesis was qualitative. The qualitative paradigm allowed the researcher to inquire about the customer management phenomenon holistically and not in isolation. This resonated with the researcher's thinking process that built on the premise that if organizations need to address customer management issues, they need to consider it holistically and not only attend to certain components of the phenomenon.

In view of the above, the researcher critically reviewed five customer management frameworks and perspectives with the intention of adding individual perspectives from research participants through fieldwork. The research required an understanding of the different cultural and socio-economic context within which customer management resides. It is generally known that qualitative research is concerned with understanding the processes, the social and culture contexts which underlie various behavioral patterns and is mostly concerned with exploring the "why" questions of research. In terms of the customer management frameworks that the researcher critically reviewed, the intention was to uncover why customer expectations could be different for different customer segments.

Both non-empirical and empirical research approaches were applied. The literature review was grounded in non-empirical research methodology which included a review of the existing knowledge of the customer management phenomenon. The purpose of this review was to

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establish the common trends in the customer management arena and also to find historical information or knowledge that may influence the researcher's thinking and paradigm.

The qualitative research was based on a grounded theory approach in order to develop new theory from the research's discovery and findings. Grounded theory enabled the researcher to acquire rigorous insight in the customer management phenomenon.

Sample Design

At the literature review phase, the researcher encountered a variety of customer management perspectives and frameworks. From the review the researcher identified five customer management frameworks that were critically reviewed as part of "documents". The five customer management frameworks were based on the following authors' work: Faulkner (2003), Leather (2013), Van der Merwe (2014), Brown and Brown (2014) and Gulati (2009). The decision to choose these frameworks was based on the approaches the authors adopted, the way they developed their themes, and their overall perspectives of the customer management phenomenon. The researcher sought to evaluate how each perspective could influence or contribute to the customer management phenomenon. The frameworks were referenced as documents, a part of data collection.

In addition to the five customer management frameworks, other stakeholders were identified to participate in the study. Testa (2002) states that groups of stakeholders selected for a study are dependent on a number of factors, including the goal of the study, as well as the number, accessibility, and types of stakeholders. Thus, identifying stakeholders who have an understanding or interest in the area of study is fundamental to this approach. Purposive sampling was ideal for the study as the researcher had a specific purpose, which was to determine how people understood the customer management phenomenon in a specific context. The sample had to be individuals who could share true and actual experiences of the customer management phenomenon and had some insight into the subject matter.

The assumption was that professionals over a certain age with a diverse work and educational background would fit the sample criteria. Participants included both men and women from different races, but all Africans based in Africa at the time of the study. All participants were 18 years and older, and most of them had higher education including post graduate qualifications. Participants had to be fluent in English, although for all but two participants, English was their second language.

The participants were divided into three groups. The first group consisted of 130 participants who were all from the researcher's network and were easily accessible. An online questionnaire was deployed to this group first. Eight of the 130 participants completed and returned the questionnaire to the researcher. The second group consisted of the TT100 small companies, and 53 online questionnaires were deployed to the owners and senior executives of these companies. The online questionnaire consisted of 12 questions, with one two-part question. Five of the 53 participants completed and returned the questionnaire to the researcher.

The third and final group was the one-on-one in-depth interview group. It consisted of senior managers and decision makers from diverse industries in both Zimbabwe and South Africa. The industries included telecommunications, banking, insurance, and financial services among many others. A letter of invitation was sent to 60 decision makers explaining the purpose of the study and its objectives in advance. Aspects of privacy and confidentiality were explained.

ISSN 2055-0219(Print), ISSN 2055-0227(online)

Data Collection

Different data collection methods were employed to provide acceptable answers to the research problem or question(s). The research data collection methods for this study were aligned with the qualitative research and analysis techniques. The following data collections methods were adopted for the study:

Documents: The researcher critically reviewed five customer management frameworks as part of the primary document review. These frameworks critical reviewed were Faulkner (2003) Leather (2013) Van der Merwe (2014), Brown and Brown (2014) and Gulati (2009. Patterns that merged from these documents were noted and coded accordingly. For a research purposes documents need to be reliable, accurate, and authentic – and the five frameworks met the criteria.

Observations: This is a systemic process of recording the behavioral patterns of participants, objects, and occurrences without necessarily questioning or communicating with them. Before observation takes place, a researcher must make sure he or she understands what needs to be observed, understanding the focus and the purpose (Maree, ed. 2010). Observations were only applicable during the one-on-one interview exercise. The researcher assumed the role of "Observer as Participant" – which means her role was to get into the situation, but mainly focused on her role as an observer in the situation and not a participant. The researcher observed the participants body language, verbal, and vocal communication styles. Observations allowed the researcher to gain a deeper understanding of the phenomenon.

The researcher also adopted the following methods to record the observations:

- Anecdotal records – the researcher made short descriptions of basic actions that she observed and captured key phrases or words
- Running records – the researcher attempted to describe and made note of the context of the situation under observation

Interviews: The aim of qualitative interviews is to see the world through the eyes of the participant. The aim is to obtain rich descriptive data to help the researcher understand the participant's construction of knowledge and their social reality. For this study, open-ended questions were adopted and this allowed for true conversations with the participants with intention to explore the participant's views, ideas, and attitudes about the customer management phenomenon.

The researcher conducted one-on-one in-depth interviews with 20 business leaders from Zimbabwe and South Africa. They included CEOs, Managing Directors, Marketing Directors, Entrepreneurs, and Business Consultants. All participants were African and were based in Africa at the time. The interview questions comprised of 12 main semi-structured and open ended questions with 14 follow-up questions.

Each interviewee gave input based on their personal expertise and experience pertaining to the customer management centricity phenomenon. Interviews were recorded and transcribed verbatim (i.e. including errors, and other verbal or physical expressions).

Questionnaire: In addition to the one-on-one in-depth interview, the researcher deployed a questionnaire to 53 representatives of the TT100 companies in South Africa and 130 professionals based in South Africa and Zimbabwe. The questionnaire consisted of 12 open-

ISSN 2055-0219(Print), ISSN 2055-0227(online)

ended questions to allow for further probing. However, no further probing could take place because questionnaires by their nature do now allow for that.

Data Analysis

There are techniques of analyzing qualitative data. Data analysis has the research question(s), theoretical foundation of the study, and appropriateness of the technique for making sense of the data (Kawulich, 2004). Generally, data involves the researcher immersing himself or herself in the data and then looking for patterns and themes, searching for various relationships between data that can assist the researcher to understand what meaning could be deducted from the data, and then presenting the information (Kawulich, 2004). The researcher analyzed data off the field soon after the fieldwork concluded.

For the study, the researcher adopted the following data methods:

- Grounded theory analysis – this technique allowed the researcher to identify concepts and categories emerging from the text and linking the concepts into substantive and formal theories
- Hermeneutics or interpretive analysis – this technique allowed the researcher to constantly interpret the text to understand meaning and directives from the data
- Narrative and performance analysis – the technique allowed the researcher to discover repeated similarities in participant's stories.

As per grounded theory analysis, certain tasks must be accomplished before an in-depth analysis of the data occurs. Thus, the researcher coded transcribed data from field interviews and interview notes (Kawulich, 2004). Merriam (1998) argues that the process of data analysis is complex which moves back and for the between data and concepts, between descriptions and interpretations, and using both inductive and deductive reasoning. In this regard, Glaser and Strauss (1967) describe the grounded theory approach as a constant comparative method in which categories, properties, and hypotheses are used to provide conceptual links between and among categories and properties. Constant comparative methods can be used to analyze data by assigning codes that reflect various categories and properties to units of data through sorting them into groups of similar substance or meaning.

Strauss and Corbin (1990) provide direction for the researcher to develop grounded theory using three types of coding, namely: Open Coding, Axial Coding, and Selective coding which the researcher adopted for this study.

As part of the data analysis, all qualitative inputs were used (documents analysis – five customer management frameworks, online questionnaire, and one-on-one in-depth interviews) to determine fundamental components that may have influence on developing a customer centric framework for a developing world.

As part of the data analysis process the researcher took the following steps:

First, all data obtained from all documents (five customer management frameworks) relating to customer centricity was scrutinized, tabulated, conceptualized, coded, and categorized. All online questionnaires from the 13 participants were printed and filed as hard copies and also backed up by filing them electronically. The one-on-one in-depth interviews were audio-recorded and transcribed. The files were filed electronically as they were too large to print.

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All data was from all sources were captured in a Microsoft Word document, allowing for better data manipulation. The coded responses were included next to the participants' responses allowing the researcher to track each respondent's responses. Coding was used to identify key concepts, categories, and emerging themes. Concepts were coded with a combination of an alphabetical and a numerical symbol, for example, A1, A3, A22. As coding progressed, a numeral was added to the initial code to indicate which participant had provided certain input. There were a total of 32 participants, in turn, numeric numbers 1 to 32 were allocated in view of that. For instance, if respondent number one contributed a concept like "Customer centricity is hard to measure" the researcher would add the open code (A1) and the respondent number just outside the bracket. It would therefore, read and look like "Customer centricity is hard to measure, (A1)1. As mentioned, this allowed the researcher to keep track of what was said, its occurrence and who said it.

Coded responses from each source were included into different tables, grouped together by similar codes, known as Open Coding. The concepts were then tabulated to indicate potential categories. This next step of coding is known as Axial Coding. Selective Coding followed, in which all the categories were tabulated with an indication of the central categories, as well as a short description of the central category.

Because data from the online questionnaire and one-on-one in-depth interviews were very large, the researcher added an extra step to Axial Coding. Initially, the researcher worked with Open Coding, and a second order of concepts were derived from these initial concepts as an addition and second step. Following that, core categories were derived from the second order of concepts. The extra Axial Coding step assisted with streamlining the concepts and sub-categories to a more manageable state. However, this additional step was not applied to the analysis of the documents, as the number of concepts were of a fair size and were manageable. The only unforeseen limitation with adopting the second order of concepts and then core categories process is that some other valid ideas may have been lost. Nonetheless, the researcher strived to ensure all important input was included by making sure recurring concepts were carried through to the second tier of concepts, and through to the main categories to formulate themes.

The researcher went through the data breaking it down into pieces to examine closely, compare relations, similarities, and dissimilarities through the coding process. Data was analyzed line by line and paragraph by paragraph where the text was too elaborate. In vivo coding was applied where the researcher adopted words that participants used in the interviews or in responding to the questionnaire. The Open Codes were labeled, recorded as concepts, grouped according to how similar they were for further analysis. Concepts and codes that had no relation were eliminated from further analysis. Similar and related concepts that reoccurred several times were identified and were progressed to the next stage of the process (Axial Coding).

Concepts derived from the five customer management frameworks, online questionnaires, and one-on-one in-depth interviews were handled separately and uniquely. In some cases, where short comments were given, the verbatim responses of the source(s) or respondent(s) were coded verbatim and conceptualized while, in some cases, longer sentences had to be broken down into smaller units, and; therefore, had similar semantical meaning, although the wording of the original responses were somehow altered.

The Axial Coding process was followed by Selective Coding, whereby categories were tabulated and themes were extrapolated from them. At this stage, codes for online questionnaire and one-on-one in-depth interviews were integrated. The five customer management framework codes

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were treated and coded separately. This remained the case throughout the study because the researcher wanted to distinguish the difference between the "African voices" and the five customer management frameworks.

Forty-four (44) themes were derived from the customer management frameworks and sixty-one (61) themes were derived from the online questionnaire and the one-on-one in-depth interviews. Therefore, research findings were based on these themes.

FINDINGS

Because the researcher wanted to separate and distinguish "voices" from the developing economy from the customer management frameworks, findings were divided into sections. The first section considered findings derived from the five customer management frameworks themes. The second section consisted of findings derived the online questionnaire and one-on-one in-depth interviews themes. Similar themes that depicted the same meaning were clustered together under main sub-heading. This assisted in constructing the conceptual frameworks as summarized at the end of sections 1 and 2.

Section 1: Customer Management Frameworks Findings

The following findings emerged from the five customer management frameworks and divisional headings were creating that described and elaborated on the findings.

New Market Landscape: The global market has become dynamic as the customer has taken a broader definition, technology has changed the landscape of business, competition has become high, and customers have become more demanding. In support of the above notion; Gulati (2009) and Leather (2013) state that the evolvement of the global economy has put pressure on organizations. Competition is on the rise, markets are maturing, and product life cycles are shrinking. Therefore, gaining a competitive advantage through products and services only is no longer enough. Technology has changed how business is done where products and service can be easily imitated; hence, geographical boundaries no longer exist as a result of globalization. Therefore, for an organization to remain relevant, organizations must focus on customer centricity as a differentiator.

Customer Centricity: Customer centricity is a system and an on-going and ever evolving process. This makes innovation and creativity more imperative to keep up with an ever-changing system and the ever-evolving customer. Because customer centricity is ever–evolving, it requires all organizational elements such as technology, systems, staff, leadership, and the finance department to work together in collaboration and cooperation.

Customer centricity means offering differentiated, distinctive, and relevant experiences to the target audience. Leather (2013) defines customer experience as an eco-system and operating model that enables an organization to design and deliver an exclusive and distinct customer experience. This is based on the fact that excellent services and great customer experiences mean different things to different peoples.

Customer Centricity Implementation and Sustainability: Education and on-going training enables customer excellence and also sustains a customer culture in an organization. Thus, education and training of both employees and customers is a strategic imperative for customer

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centricity implementation and sustainability. Gulati (2009) states that education can be formalized, regularized, and quickly rolled out through the organization to deliver a consistent message and produce consistent behavior. Gulati (2009) further claims it is a strong vehicle for changing and transforming organizations into customer centered organizations. Education and training will include a wide array of elements. For example, organizations will have to understand customers, their specific needs and behaviors, they could learn about products and services, or learn new skills and competencies (Leather, 2013). On-going orientation, coaching, and mentoring make up parts of the education and training required to succeed. Customers can also be provided adequate information about products and services and the organization. Other stakeholders such as partners must participate in some of the training and education programs to enable a holistic approach and understanding. Education and learning; therefore, become circular in approach and on-going to ensure all stakeholders are positively impacted.

In addition, communication, cooperation, collaboration, teamwork, and putting the customer at the center of the organizations are attributes required to achieve customer centricity. Customer centricity and customer excellence failures have been attributed to a silo-based mental approach among several other reasons. Each one of the five customer management frameworks authors, Faulkner (2003), Leather (2013), Van der Merwe (2014), Brown and Brown (2014), and Gulati (2009) recommend integration and true teamwork to attain a sound customer culture. Communication needs to be effective from top-down, and the right communication strategies need to be adopted ensuring a consistent message. Teamwork is based on the premise that customer management should not be left to one department only, but must be the responsibility of the entire organization. Collaboration and cooperation ensures all team members' attitudes and behaviors are customer focused. Gulati (2009) also argues that coordinating is a requirement, as it aligns all activities and information around the customer. By building these levers, the organization extemporaneously puts the customer at the center, which is the essence of customer centricity.

Customer centricity implementation and success requires leadership commitment with a clear vision and planning for execution. Leather (2013) claims the key to an effective customer-centric implementation and sustainability is an innovative and integrated strategy driven by passionate and committed leaders. Moreove, Brown and Brown mention that for customer culture to be successful, leadership buy-in becomes imperative. Once leadership is committed, it is their responsibility to ensure employees are engaged and have buy-in.

Substantial investment is a requirement for it to be successful and sustainable. Most organizations make the big mistake of thinking that customer centricity is an expense, and; therefore, do not make the necessary investment in terms of financial resources, human resources or any other resources for that matter. This is the usual case where an organization has a short-term focus rather than one that is long-term. Although, customer centricity requires a large upfront investment, the benefits outweigh the initial outlay of resources in the long term (Leather, 2013, Van der Merwe, 2014, Gulati, 2009). Organizations that invest into customer centricity accordingly reap strong results.

Lastly, customer centricity is creative, innovative, and changes ways of thinking and doing providing a competitive edge and achieving business sustainability. Leather (2013) states that for organizations to be successful; they must innovate on behalf of the customer, while simultaneously collaborating with the customer. Organizations must be able to identify where future value will be created, and this can be ways employees are managed and incentivized, in the way teams collaborate and cooperate. Brown and Brown (2014) speak of having foresight

ISSN 2055-0219(Print), ISSN 2055-0227(online)

to envision a future that is different from the current one. Leaders have to inspire staff members to think about future needs and propose innovative and creative ways of meeting anticipated future needs.

Customer Centric Organizations: Customer centric organizations are organizations at the forefront that constantly meet customer needs and achieve sustainable business performance. They are externally and internally focused. Organizations at the forefront tend to get everything right about customer management. The result is that they excel in customer satisfaction, customer loyalty, retention, acquisition, and cross and up-selling strategies – which allow sustainable business performance (Faulkner, 2003). Leather (2013) claims the above mentioned dimensions are an integral component of customer centricity. Where the organizations at the forefront seem to cut themselves above the rest is in the way they take into account their organizations' economic, social, and environmental impact in the communities in which they operate. Van der Merwe (2014) calls this kind of business operation the "higher purpose", which gives organizations a deeper meaning than simply making gains.

Gulati (2009) claims that customer centric organizations are resilient organizations that understand customer needs and problems and simultaneously uncover and anticipate future customer needs. Gulati (2009) claims they take an out-in approach, which means they put the customer at the center and first before their organization's objectives. Resilient organizations creatively deliver something of value to the customer instead of obsessing over pushing products. This provides organizations some flexibility, which is particularly beneficial in turbulent times. Resilient companies perceive themselves as solving problems with and for customers rather than selling to customers. They are more focused on the end result to solving customer problems than the means – resilient organizations are not limited by their boundaries. These organizations are true customer centric organizations.

Purpose for Business Existence: Whether an organization is customer centric or product centric, the main purpose is to be profitable in a sustainable way. This cannot be achieved without acquiring and retaining the right customers upfront. Customer retention can be achieved if customers believe they are getting value and benefit from using a service or product. When that happens, organizations gain by making profits and increasing revenue and market share among others. Value becomes a two-way stream allowing a win-win situation between the customer and the organization. According to Leather (2013) value can be created through cross-selling and up-selling strategies that improve return on investment. Formal engagement of high value customers and key accounts becomes a critical part of creating value. The challenge with creating value is that organizations do not define value upfront and thus, it becomes difficult to measure.

Universal Principles: Organizations would not exist or would not be in business if they did not have customers. Leather (2013) describes the customer as the ultimate end-user of a product or service. Business performance and sustainability are driven by customers. A happy customer means they can be retained over a long period of time and be an advocate for a brand, which improves business performance. Any resources spent on the customer are not an expense, but an investment.

There is a correlation between excellent service (customer focus) and business performance, i.e. excellent performance results in business success. Brown and Brown (2014) stipulate that there is correlation between customer culture and business performance. They claim customer culture drives customer experience and profitable growth. In support to this, Leather (2013) advocates

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that there is an opportunity to generate economic value and competitive advantage in a customer centric-model.

A long-term focus is imperative for business success and sustainability regardless of business type or location, this becomes another universal truth. However, most organizations report on short term results - for example, quarterly financial results. This puts pressure on leadership to perform and make short term gain. It doesn't help the business in the long term, but only serves the shareholder. The quest for profits at all cost has caused some businesses to close down. A long-term focus requires that organizations consider both the intangible and tangibles when measuring business success. A long term focus is required when transforming an organization to a customer centric model.

Another commonality among organizations is the measurement of business performance by financial and shareholder value. However, this trend is changing and more organizations are beginning to use a combination of the intangibles and tangibles to measure business performance. Leather (2013) mentions and recommends three intangibles that are imperative and align with customer centricity:

- Employee competence including values, knowledge, and loyalty
- Internal structures that include patent, management systems, models, and culture
- External structures such as customer knowledge and relationships and brand value

Customer Centricity Measurement: Customer management measurement and monitoring is critical when implementing and sustaining customer centricity. On-going measurement and customer engagement performance benchmarking are a part of embedding customer culture. Leather (2013), states that sustainability requires balancing the diverse range of stakeholder expectations, while simultaneously requiring measures that reflect the delivery of the long term strategy. The real driver of that growth is the customer. Though customer satisfaction is a good measurement tool and a good start, it cannot be relied upon in isolation as customers who are satisfied still leave their service providers. Thus, customer advocacy and retention are needed to fortify measurement. Van der Merwe (2014) also recommends measuring using customer lock-on and lifetime value.

Strategic Intent: For true customer centricity transformation to take place, organizations require strategy and plans for execution. The organization must be purposeful and have vision and objectives. A value system that supports the intended strategy and vision is vital and it has to be instilled as the organizational culture (Faulkner, (2003), Leather (2013), Gulati (2009), and Van der Merwe (2014). In addition, organizations must articulate the value proposition ensuring that the proposition adds value to the customer, and that it aligns with the brand promise (Leather, 2013). Leadership must; therefore, ensure effective communication to the entire organization about the organizations strategic intent and the roadmap to achieve the strategic goal. There has to be enough understanding and buy-in of the strategy, values, mission, purpose, and value proposition for customer centricity to be a success.

The Management of Customers: To be customer centric, organizations need to identify the target audience, know them, and understand their needs. To manage them effectively market segmentation, which is aligned to strategy and corporate culture, must be considered. This is made possible through data mining. Understanding customer insights and expectations increases customer satisfaction, loyalty, retention, and advocacy – which ultimately offer and increase customer and organizational value.

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Customer centricity is not about people, customers, products, and service only. Processes, systems, and technology must align with the customer strategy to offer employees and customers support. The entire organizational support structure must align and be consistent with customer centric standards.

Customer Centricity Achievement: There is an inter-reliant relationship between employees and customers. Customer centricity transformation means customers are happy and employees are highly engaged. Leather (2013:73) defines employee engagement as a "principle that measures the extent to which employees feel both an emotional and rational connection and commitment to your company values and culture." Gulati (2009) states that people are the strongest representation of culture in an organization and its most powerful ambassadors. So, inculcating people with customer centricity and the value of cooperation requires careful recruiting, socialization of new employees, education, and training. Employees must be engaged and feel like a part of the company vision and strategy. Alternatively, customers must be happy and satisfied with the level of service and overall treatment. Once these stakeholders are happy, then an organization may know it has successfully embedded a customer culture.

Customer Centricity Challenges: Many reasons are attributed to customer centricity challenges. Because customer centricity is not easy to measure and convert into financial meaning, most organizations neglect it and place priorities in more objective and tangible aspects of the business. However, though it is difficult to measure, it is a fact that linking performance criteria to customer centricity and incentivizing accordingly is a great motivator in changing behavior. Thus, measures such as customer satisfaction (i.e. measures that are not financial) must be used to measure customer centricity. Van der Merwe (2014) also suggests using customer lock-on, customer loyalty, and customer lifetime value to measure customer centricity.

Though most organizations know that the customer is the most valuable asset and needs to be managed effectively for business success, experience confirms that the contrary happens in most cases. Customer centricity faces many challenges and they vary from organization to organization. Lack of customer strategy, resistance to change, internal focus, and a lack of knowledge and commitment are some of the challenges organizations face when trying to implement customer centricity (Van der Merwe, 2014).

Conceptual framework derived from the above findings:

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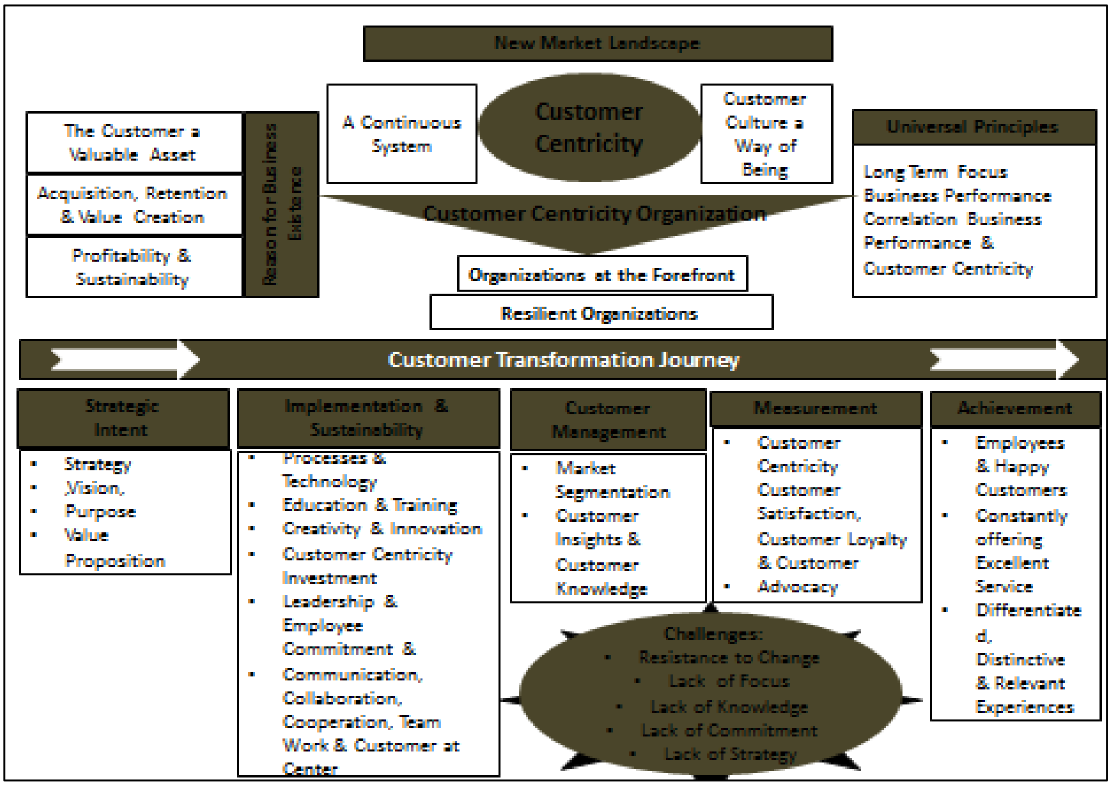

Figure 2.1: Part 1: Conceptual Framework derived from Emerging Themes – Customer Management Frameworks

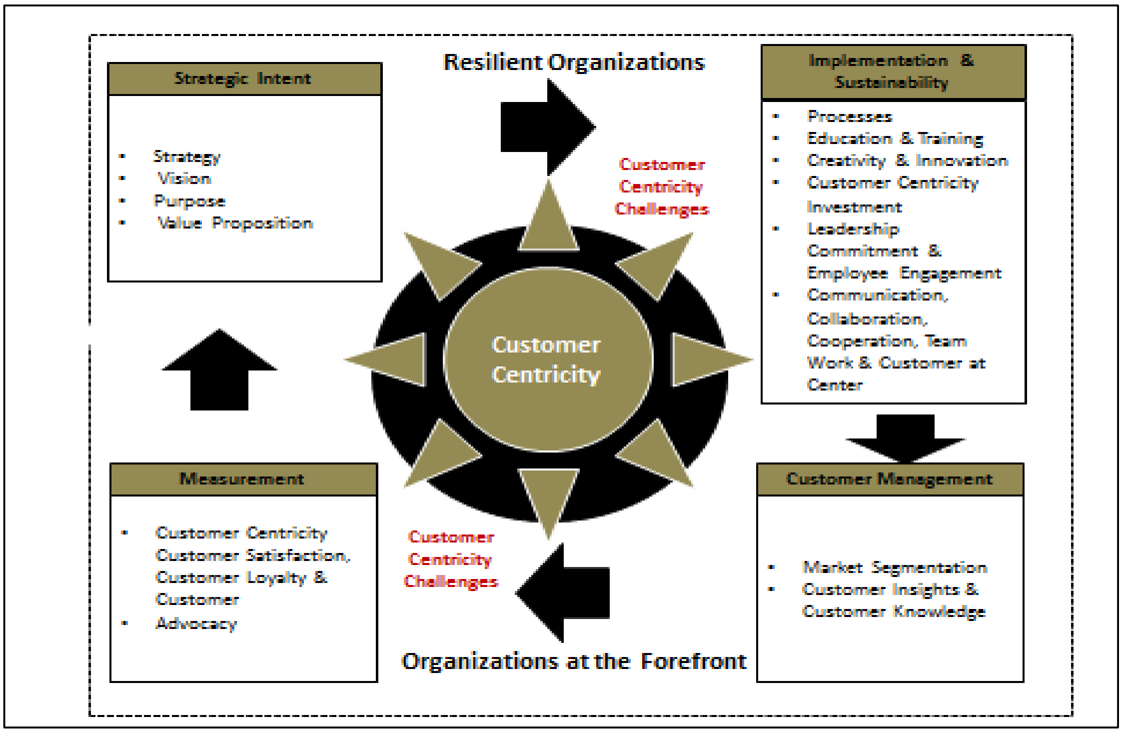

Figure 2.2: Part 2: Conceptual Customer Centric Framework derived from Emerging Themes – Customer Management Frameworks

Section 2: Online Questionnaire and One-on-One In-depth Interviews Findings

ISSN 2055-0219(Print), ISSN 2055-0227(online)

Strategic Intent: For true customer centricity transformation to take place, an organization requires a clear strategy, vision and well defined goals and objectives that are implementable and sustainable. Proper plans need to be in place to successfully execute the strategy. Respondent 24 argued that,

> *"We must see customer centricity as part of the business plan."*

The organization must be purposeful and have vision and objectives. Leadership must make sure to effectively communicate the strategy and intention to the entire organization. In unison, employees must provide input so that they have a sense of ownership. There has to be enough understanding and buy-in of the strategy, values, mission, purpose, and value proposition for customer centricity to be a success.

Universal Principles: The ultimate customer is the end-user of a product or service, and a customer can also be referred to as a partner. Other stakeholders are also considered customers as they partner with the organization to realize the organization's business objectives. The end-users may be engaged as partners when they co-create products and services and find new ways of using the products and services, among other things. Other partners may include stakeholders such as suppliers and distributors who also assist in achieving the desired business outcomes. The type of business determines who the customer is. In some organizations, the customer is only the end-user, but, in other cases, brokers, for example, would be considered as customers. Respondent 18 defined customer as follows:

> "*In our context we have a couple of stakeholders before we zone into the customer. Key stakeholders for us include people who buy the products, people who distribute the products, the legislatures and the societal stakeholders such as government, public sector, and non-profit organizations – people who are concerned about social welfare*"

Whoever the customer is for a particular organization, they must be treated as a valuable asset to achieve profitability and business sustainability. Leather (2013:36) states that, "customer is an economic asset that yields future cash flow." It is this in mind that that customer centricity is based upon; it puts the customer first and at the center of the organization. Treating the customer as a value is directly linked to customer value.

Customer value has two perspectives: the first defines customer value as the customers' perception of the benefit they derive from consuming or utilizing a product. If the perception of the product is positive, the chances are the customer will be willing to pay for the product or service or even pay a premium price for the same product or service. In addition, if customer value is believed to be beneficial to the customer, this will result in customer satisfaction, loyalty, and advocacy. Customer value may consist of different constructs, for example, convenience, price, location, and ease of use. The kind of product being offered also determines customer value, for example, an essential product or a luxurious product may be perceived as high value product; hence, the customer value associated with it would be high. Subsequently, what makes customer value is dependent upon the core service offered and the customer's perception of it.

The second perspective is the organization's, which defines customer value as the economic and financial benefit derived from customer relationships. Respondent 17 defined customer value as the following:

> "*The revenue we are generating from the client and also the margin we are getting…"*

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The two dimensional meaning of customer value supports the mutually beneficial relationship that is meant to exist between organizations and their target audiences. .

Another universal truth states that there is a strong correlation between customer centricity and business performance, i.e. customer centricity drives business performance. If an organization has a strong customer culture, business results will improve. Organizations that are customer centric outperform those that are not, as a long-term focus helps to build customer loyalty.

If a business exists to acquire and retain customers, business performance can be meaningful if it is measured against customer centricity, i.e. business performance is meaningful if it is aligned to business purpose.

Different organizations have different parameters of how they measure performance. For example, an organization may choose to measure performance by number of products produced or by total sales. Others may choose to measure by market share increase. The different methods can be used in isolation or in combinations. Respondent 23 claimed that there is no single way business performance can be measured. Thus, different ways that business performance can be measured are:

- Business performance is measured against business objectives, goals, and strategies, and the basic principles of business performance are the same across different socio-economic environments. This suggests that business performance measures how an organization performed in respect to the intended result.
- Business performance can also be measured by key financial indicators such profits, revenue, and share value.
- Business can be measured by non-financial indicators like customer satisfaction and customer retention.

A combination of financials and non-financials could also be used to measure business performance. This would mean measuring the impacts of financial, environmental, and the social. This broad definition is becoming increasingly significant in the new world economy, including the developing world

In addition, an organization with a long term focus is more customer centric and the result is profitability and business sustainability irrespective of market conditions.

A short-term focus on business is not sustainable as it tends to focus on shareholder value only and does not focus on customer centricity. Alternately, a long-term focus permits an organization to be more profitable and improves business sustainability irrespective of market conditions. It is befitting to have a long-term focus in an organization because customer centricity by its nature requires long-term investment, planning, significant resources, and requires skills and capability development. These requirements take a long time to achieve. To support the above Respondent 25 stated that:

"*An organization has to have a long-term perspective because customer value is unlocked over all the life stages of the customer lifetime. Customer value is not unlocked by a single purchase of a product…*"

It makes business sense; therefore, for customer centric organizations or organizations to aspire to be customer centric and take a long-term view of their business.

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The study also explored if business performance could be measured or defined differently in different socio-economic environments. An assumption could be made that business performance could differ in different socio-economic environments, but that assumption does not seem to hold true according to the study. It appears the measurement of business performance is evolving in both the developed and developing economies that in some cases, organizations factor in the financial and non-financial measurements. In some situations, organizations focus on the narrow view of simply measuring through financial measures.

It is apparent that business performance is defined differently at an organizational level. However, the principles are the same: organizations measure performance regardless of the measurement method and business type and the organization's beliefs on how business performance should be measured will determine the parameters to be adapted. The most important aspect is to acknowledge that customer centricity affects business performance, and that business performance must be measured and understood. However, the exact measurement can differ in different socio-economic environments because customers in different socio-economic environments have different expectations, market conditions, and environments. Different cultures also have different needs and requirements.

Customer Centricity: Customer centricity is a business philosophy and culture that takes an end-to-end approach to customer management. An end-to-end process means managing customers from time of acquisition through their life cycle as they remain a customer. Furthermore, the entire organization is aligned and geared towards managing the customer for the long-term for business sustainability. This includes, people, systems, all departments, and processes among many different business variables for becoming customer focused. Putting the customer at the center of each business decision is the ultimate measure of customer centricity. This means that before any business decision is made, it should be established upfront how the decision would impact the customer. Respondent 16 defined customer centricity as follows:

> *"It is an internal organizational culture or value, a culture in which an organization understands and acts based on the importance of customers, the importance of customers being that a customer centric organization will tend to put issues of the customer ahead of many other things with respect to how they deal with many other issues."*

In support, Respondent 24 also said:

> *"Customer centricity means the business is centered-around making the customer happy and this becomes a company philosophy.*"

The same respondent also pointed out that customer centricity had different elements to it such as customer service, customer experience, customer retention and repeat business, and emphasized these elements needed to be treated holistically not in isolation to achieve customer centricity. This notion supports the concept that customer centricity is a system and, for that reason, should be treated and managed as such to be successful.

Another dimension to customer centricity is its on-going and continuous approach, which implies that customer centricity cannot be completely achieved. Companies can always do more to enhance customer management and customer experiences as the customer and the business environment keep evolving. In line with the above, Respondent 18 claimed that the customer centricity "*…phenomenon is actually evolving, as people find out more their understanding becomes better and better, so clearly it is not static.*"

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Operationalize and Sustainability: The operationalization and sustainability of customer management remains complex and challenging and most organizations fail in this arena. Customer centricity does not operate in a vacuum; instead, it is most effective in a specific context. Therefore, it becomes key for organizations to understand the context in which they are operating by understanding their customers and their customer's world. Customer centricity enables organizations to immerse in the customer's world, and allows the customer to provide input about solutions offered. Identification of market segmentation, gaining customer insights, and understanding customer expectations constitutes good customer management by offering differentiated experiences and relevant services. Respondents 21 and 25 highlighted that since they do business in South Africa with diverse cultures, value systems, and beliefs, it was important for them to understand each culture and its implications as an empowerment strategy to provide differentiated and distinctive customer experiences. This is done by:

- Identifying the target market
- Gaining customer insights and understanding
- Understanding customers' different expectations
- Understanding customer needs and requirements
- Engaging customers and gain their input
- Offering relevant solutions

In addition, an effective communication strategy across the organization will assist in managing and sustaining customer centricity transformation for the long-term. Communication must flow from top to bottom, and bottom-up. All stakeholders including external stakeholders must be communicated with and made a part of the initiatives and transformation. Different and appropriate communication platforms must be adapted. In addition, customers must be engaged through the right forums on an on-going basis. Communication must not be a one way stream, but customers and other stakeholders must be permitted and encouraged to provide input.

As part of customer centricity transformation, research, training and education become a part of the business architect. First, organizations must research and gain knowledge about their target audience to offer the right products and services. Not only is the understanding of the target audience imperative, but the understanding of the market conditions is important. Business is influenced by many factors including politics; thus, organizations will have to understand how this will and can affect their business operations. Respondent 19 pointed out that in most African countries the local government is highly involved in business dealings and transactions, and, as a result, an organization entering a market with such an influence must understand that dynamic to make well informed and intelligent decisions.

Training and education is two-dimensional. Organizations will need to ensure their employees are skilled, empowered, and have the right competencies to perform the necessary duties. Training may include training on systems, processes, products and service, customer standards, and procedures. In contrast, organizations need to ensure customers are also trained on products and services, their functionality, and how to access information on different platforms. For business success and sustainability, training must be on-going and must be practical in approach to ensure true behaviour change. In support to the above Respondent 24 stated the following:

> "*In terms of internal staff, continuous training is required and they must be exposed to the master plan in terms of customer centricity, drive them through the annual reviews and Key Result Areas (KRAs) and make sure they are doing taking the actions to be customer centric."*

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Finally, a customer centric culture must be driven at an executive level, which means senior leadership must be committed to ensure proper transformation takes place. This means leadership must be devoted to invest money and the necessary resources in the implementation and sustainability of customer centricity. Secondly, all employees must buy–in, must be empowered and well positioned for the change.

Customer Management Undertakings: The management of customers can be done in different ways. One way is to ensure an organization has standards and procedures that can be followed to improve business performance and sustainability. The standards and procedures could be a step-by-step guideline or could stem from a customer centric framework. Communication and training on the standards and procedures is paramount to ensure a consistent message across the organization and uniformity. The standards and procedures could also be measured against team or individual performance (Key Performance Indicators). Measuring customer centricity against team or individual Key Performance Indicators will assist in embedding a customer focused culture. Ultimately, Customer centricity standards and procedures are required for customer management, customer centricity implementation, and sustainability enabling business performance achievement.

To manage and enhance customer experiences, a dedicated team can be identified to manage customers. This does not mean the entire organization would not be involved in customer management; it simply means dedicated teams will manage complex customer management issues. Relationship Managers could be identified to carry these duties.

As part of customer relationship management, customer incentives become essential to stimulate and encourage repeat business. Incentives could be provided to key customers, or to customers who helped co-create products and services. Incentives will make customers feel special and enhance customer experience. However, incentives must be appropriate for the different customers.

Both internal and external communication is vital when managing customers. Employees must communicate any changes or any information that will assist in managing and enhancing customer experiences. Consistency and uniformity are of major importance in carrying out the communication. Customers must be engaged in order to gain feedback and input about the service and products being offered on an on-going basis. Customer engagements will develop customer trust and fortify the partnership, and this can be achieved through dedicated customer management teams.

Customer Centricity Challenges: The entire organization needs to understand customer centricity and its prominence for it to be a success. However, most African organizations do not understand customer centricity. They are not aligned with the customer centricity concept, and, as a result, they tend to focus more on financial returns than on customers and regard customer centricity as a non-value add. This is because customer centricity benefits and values are not apparent nor realized in the short-term, but in the long-term. Due to unstable business conditions, most organizations in the developing world tend to focus on the short-term. Consequently they focus on selling products and services to make a quick return. Respondent 21 claimed that customer centricity did not exist in South Africa, but a culture of selling was prevalent. Organizations fail to understand that customer centricity is more than making financial gains, but instead it is about serving and helping people solve real problems and needs.

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The understanding that exists currently is theory-based and not practical. This means that at a high-level, organizations seem to understand the concept and its importance, but do not understand it holistically and thus fail to make proper and long lasting transformation. As a result, a true customer culture is not inculcated in the organization. In situations where it appears organizations understand the phenomenon, employers and employees seem to understand it at different levels. In these circumstances, senior managers understand customer centricity, from a strategic point of view, but fail to cascade the message to the rest of the employees. The result is that employees understand customer centricity at a functional level and not as a strategic imperative, which impedes true collaboration and integration. In other cases, employees tend to understand customer centricity better than employers because they interact with the customers more closely (both professionally and socially). Senior managers are too far removed from the business' day–to-day functions and from a social perspective. For example, a senior executive fails to understand a customer whose lifestyle and standards of living are significantly below theirs. A comparison of a customer who lives in a township of South Africa and a business executive who lives in the suburbs of South Africa illustrates this point. The lack of understanding of customer centricity or the inconsistencies cause challenges to effectively implementing and sustaining customer centricity

Because there is a lack of in-depth understanding of customer centricity and its importance, organizations fail to commit to see the completed transformation. In support of this, Respondent 18 stated that;

"*There is no buy-in from leadership, they lack the ability to build structures and make things work.*"

That means leadership does not commit to take the right steps and invest in a meaningful way. This attitude cascades to the rest of the employees who become complacent and reluctant to change.

Organizations lack resources and financial investment to put towards building a customer centric culture. Respondent 31 indicated that the market the organization operates in was so volatile and unpredictable that customer initiatives were not a priority; the organization had more pressing challenges. Respondents 30 and 32 were also of the same view that the economy they operated in was so volatile that it did not require long term plans, they had to conduct business based on short term plans and not long term to survive the economic hardships.

Closely related to the above element; is the fact that most organizations make the mistake of treating customer centricity as a cost not an investment. Customer centricity requires huge investment and a long-term focus. That is contrary to some of organizations who are short-term focused that want immediate returns.

Other internal challenges to customer centricity implementation and sustainability include resistance to change and infightings. One of the most difficult issues most organizations face is to change people's behaviors to reflect the intended values. Power struggles and teams clashing cause distraction and hinder progress.

Culture clashes and barriers have complicated how service is delivered in South Africa and Zimbabwe. Operating in a developing economy means, technology, infrastructure, systems, and processes tend to be lacking, which has had a concentrated negative impact on customer centricity. Market conditions and political environment also impact the success of customer

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centricity. In a volatile economy, organizations are forced to not look into the long-term, but, rather, the short-term because they are trying survive the hardships.

Contextual Implications: Economics, Politics, Social and Globalization: The management of customers in different socio-economic environment should differ on the basis that customer expectations are different and so are economic and market conditions. The social and cultural contexts are also different. Customer expectations are lower in the developed world and are higher in the developed world as the levels of advancements and customer expectations are different, which affects how service is delivered. In support of the above, Respondents 20 and 23 argue and make the distinction that developed economies are highly competitive. Customers in those environments know their consumer rights and their expectations in terms of service delivery are quite demanding. Conversely, developing economies are less competitive and customers lack knowledge of their rights. This difference; therefore, determines the differences in customer management and services offered. However, though the management may differ, the essence and the principles remain the same. For example, customers deserve to be treated with respect and fairness no matter the market conditions or socio-economic environment. There also seems to be different expectations for multi-national companies. The argument is that multi-culture plays a role in how customer experiences are managed. Customer expectations, which are driven by culture, determine the level of service and experiences organizations offer. If customer expectations are lower, that will drive the quality of service offered. It is; therefore, up to the organization to understand a people's culture and what it is deemed important and offer relevant services and products.

Organizations must also not assume they understand a people's culture – they need to immerse themselves in that culture and understand its dynamics to offer relevant solutions with desired outcomes. Research, education, and training become significant in understanding social and cultural dynamics of a community.

Organizations do not operate in isolation but in a system. What happens in certain spheres may affect what happens in another sphere. Thus, organizations need to consider the external environment in terms of economic conditions, culture, and politics when developing a customer centric business model. Ignoring these may impact negatively on the success of customer centricity. Most respondents from Zimbabwe argued for this notion distinctively having experienced challenges in the political, social, and economic spheres in the last couple of years in the country. The instability has had a negative impact on service levels, customer loyalty, customer satisfaction, and skills development.

Underpinning Structures: Having leadership and employee commitment and buy-in is not adequate. There should be an investment into internal support structures, which need to be put in place. The right systems and technology are required for better management of customers and to improve and enhance customer experiences. For example, frontline employees need to follow certain processes and procedures to perform certain functions, while customers will simultaneously require certain technology and infrastructure to interface with a brand.

For an ever-changing and evolving market, innovation becomes critical for organizations to remain relevant. Innovation can be used to develop new products and services, but, above all, it can be used to better serve customers. New ways of managing the customer throughout his or her buying cycle are important. Innovation and new ways of doing business will be required to protect market share from competitors.

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The right people with the right skills and attitudes must be employed and developed for business success. Rewards and incentives must be provided to motivate a customer culture. This means an organization's hiring processes must be aligned with the customer centricity strategy. Where skills and competence gaps exist, training and education will be required to address these issues.

Measure and Monitor: The measurement of customer centricity is not easy for most organizations because the phenomenon is qualitative and quite subjective in nature. For customer centricity to be successfully measured, it must be defined upfront. Organizations must determine and define what success will look like and then follow up with appropriate measures. To yield better results, customer centricity measurement should be holistic in approach, which means financial and non-financial measures should be adopted. For example, revenues, market share, quality of service, customer value, and customer retention and share value could be used as measures. Customer feedback in the forms of questionnaires, mystery shopping, customer surveys, focus groups, and customer evaluations can also be used to measure customer centricity.

Conceptual framework derived from On-line questionnaire and One-on-One In-depth interviews Findings

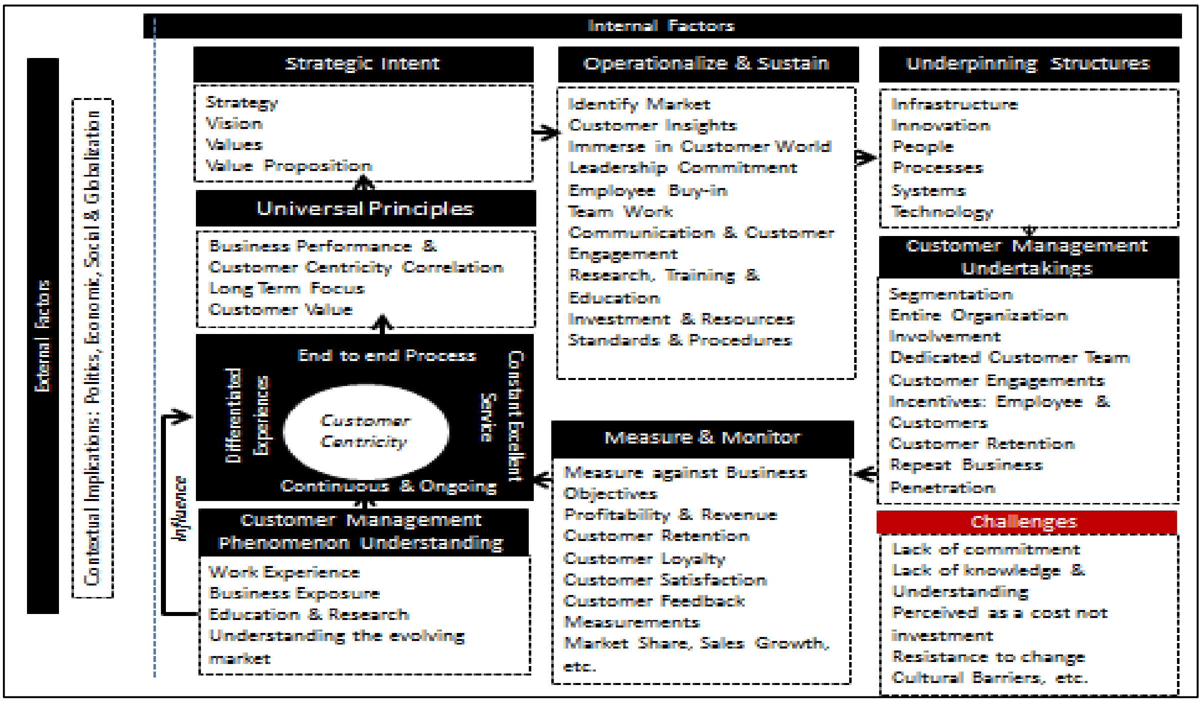

Figure 3.1: Part 1: Conceptual framework derived from the online questionnaire and one-on-one in-depth interviews

ISSN 2055-0219(Print), ISSN 2055-0227(online)

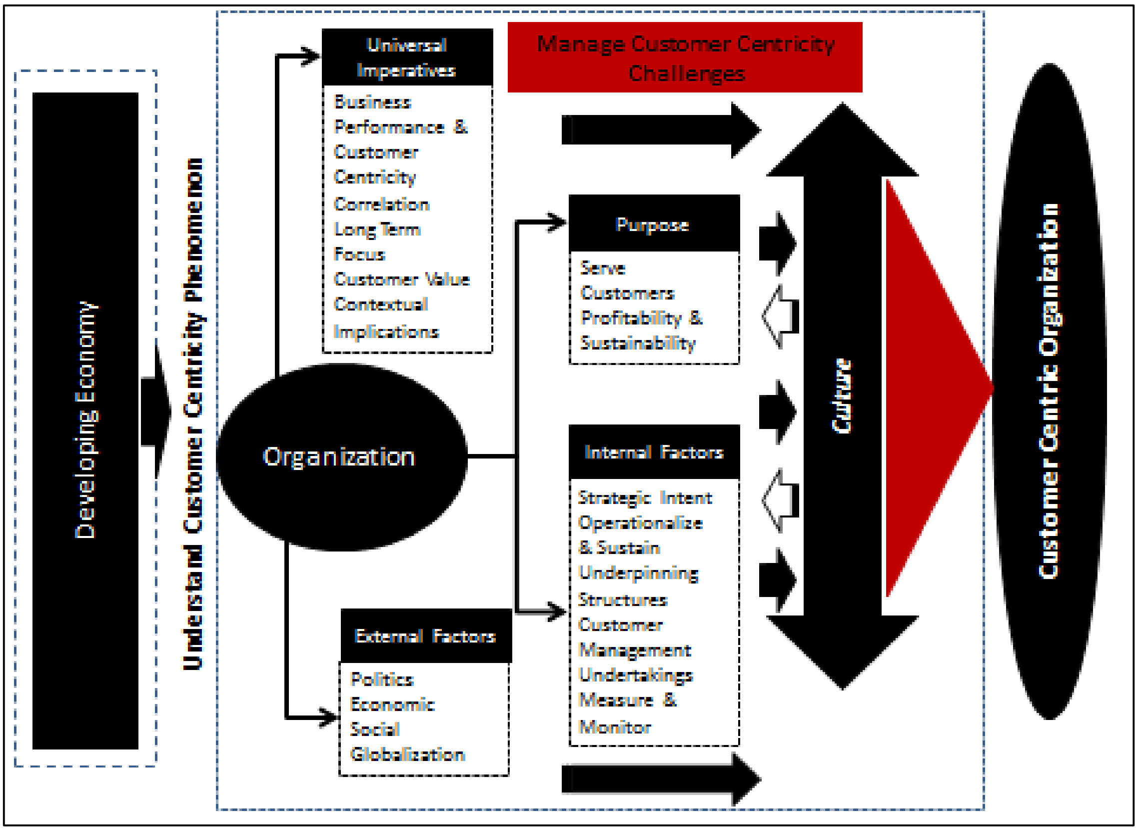

Figure 3.2: Part 2: Conceptual framework derived from the emerging themes from the online questionnaire and one-on-one in-depth interviews

Customer centric framework emerging from documents contrasted with the customer centric framework emerging from the online questionnaire and the one-on-one in-depth interviews

A reflection of the two frameworks indicates that there are similarities in how people envisage a customer centric framework and how it should work. However, a close look and a consideration of the findings highlight some fundamental differences. Before the researcher considers the differences and the similarities, the researcher wishes to highlight that the two proposed customer centric frameworks are not exhaustive and could be improved upon. However, of essence is an understanding of the epistemological perspectives upon which they are based.

The researcher believes that the five customer centricity frameworks were based on a western viewpoint, given the examples of the companies the authors used to illustrate their points. It is acknowledged that two of the authors are from a developing economy and in some instances (in one framework in particular); examples of organizations from the developing economy were provided. But even in these organizations, their main ground-breaking work is innovation and not customer centricity. There is an assertion that their frameworks could be adopted in any situation, and made adaptable to suit the different environments.

Alternatively, the second framework derived from the online questionnaires and one-on-one in-depth interviews (Figure 5.3 and Figure 5.4) was based on the developing economy perspectives. Participants were specifically asked to provide input in what they perceived to be an ideal customer centric framework for a developing world. The assumption is that, when they

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responded to the question they had that in mind. Secondly, all participants were African regardless of race and they acknowledged they gained their understanding of the customer management phenomenon from their work experience and educational backgrounds mainly gained in the developed economies. This is not to say they were not influenced to some degree by other paradigms, consciously or subconsciously. In fact, in some cases participants acknowledged that the customer management phenomenon was a western culture imperative; and the developing world had "borrowed" it. Nonetheless, the customer framework they suggested was purely based on it being ideal for the developing world considering their experience and knowledge of the market. The researcher believes the same cannot be claimed for the customer management frameworks reviewed.

As indicated prior, though the frameworks appear to be based on two different paradigms, there are some similarities and differences.

Similarities

- *Business Purpose*: There is an understanding that the reason why an organization exists is to acquire customers; satisfy their needs by creating value, and, in turn, improve business performance. It is also understood that business performance must be sustainable.
- *Universal Truths/Imperatives*: There is a common understanding that there is a correlation between customer centricity and business performance, i.e. business performance is as a resultant of customer centricity. Secondly, both frameworks point-out the importance of customer value and its creation, from a customer and an organization's perspective.
- *Customer Centricity Definition:* There is an appreciation that customer centricity is a business culture or philosophy that must be adopted by the entire organization to deliver excellent service and differentiated superior experience. There is an acknowledgment that is it an on-going process or system.
- *Strategic Intent:* Organizations must have clear goals, values, and purpose and these must be shared and communicated across the organization to instil a sense of purpose and offer direction.
- *Implementation and Sustainable:* The frameworks have similar strategies on how customer management can be executed and sustained. For example, leadership commitment and employee buy-in among many other factors are critical.
- *Customer Management Activities:* Again, there are similarities on how customers can be managed effectively. One example is through market segmentation and understanding customers (customer insights) needs and requirements.
- *Measuring and Monitoring*: Different instruments can be applied on how to measure and monitor customer centricity. Successful measurement does not only include financial factors but non-financial measures that are in line with customer centricity.

Differences

- *Systems Thinking:* Though the five frameworks acknowledge that customer centricity should be managed from a systems–thinking perspective, they appeared to take an internally focused pattern. Brown and Brown (2014) mention the peripheral in terms of the economy, politics, and social context and how they affect customer centricity, but the others are not as distinctive as the researcher would have liked to see, given the essence

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of systems thinking. In the developed economies framework, systems thinking takes a wider perspective. The model is contextual and reflects and takes a cognizant look at what is happening in the developing economy and acts accordingly. The economy, social context, and political context play a significant role as they impact how business is done in a developing world. Business conditions are unstable and to assume that all will be the same and the solutions will be applicable in different socio-economic environments could be detrimental.

Generally speaking, in a developing world the customer is not as sophisticated and as knowledgeable as the customer in the developed world. In some parts of the developed world however, the customer has become sophisticated and demanding due to globalization. That makes the market dynamic and complex and; therefore, it becomes apparent that customer centricity cannot be business as usual.

- *Culture's Significance:* The developing world model appears to place high value on culture. All customer experiences and expectations are driven by culture. However, the suggestion is for an organization to understand the different cultures and offer relevant experiences. It is also managing and dealing with the different cultures in the developing world setting that makes customer management more chaotic and complex.

  By taking the developing world's culture into perspective, in this case Africa, it takes the Lessem's (2001) principles of how the four worlds should interact, integrate, and not have one culture dominate the business world
- *Long-Term Focus:* This is a business imperative that cuts across all different socio-economic environments and is well accepted. However, in the developing economy, sometimes a short-term requirement is necessary in unstable market conditions. There is that acknowledgement – and it does not disregard long–term focus altogether – but in a chaotic world, a one dimensional approach to solving problems becomes irrelevant.
- *Execution:* Though many common components are shared in the above suggested frameworks, it is the execution that differs. The developing economy has a lack of infrastructure, technology, and it is knowing or not knowing how to make the best of these conditions that affects implementation and sustainability. In most cases, execution fails because of lack of support infrastructures. In addition, knowing how to deliver service to different and unique cultures available plays a big role in the execution. For example, how business performance is measured can be different in different environments, but the principles remain the same.
- *The Market Conditions:* In the Zimbabwean and South African markets, there are a number of dominant monopolies that affect how customer centricity is delivered. If a market is dominated by a few players, the chances to experience and acknowledge true customer centricity are quite low. Monopolies are not motivated to spend resources on improving customer experience if they are getting the business anyway.

The fundamentals principles of customer centricity are the same across different socio-economic environments. What differs mainly are the underpinnings and drivers of the strategy. The actual market conditions, customer expectations and requirements will determine the level of customer centricity provided in a certain environment.

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DISCUSSION AND CONCLUSION

"If the customer is so important and many different customer management strategies have been put in place and there is so much literature on the subject matter, how can most organizations still fail to satisfy and retain their customers? Why is customer management such a challenge?"

This was the premise on which the researcher has based the study and the actual problem questions and goal of the study were derived from this quest.

The overriding goal of this study was to determine if the customer management phenomenon should be treated and managed differently in different economic environments to improve its probability of success. This was based on the viewpoint that most of the literature on customer centricity seemed to be based on the developed world's ways of thinking and doing, and the assumptions given were that these (often) western originated frameworks would work in any socio-economic environment. However, if, as part of this study, the above was proven not to be true, the researcher indicated her need to develop such a framework for developing socio-economic contexts.

The framework would consist of attributes that were considered best and most relevant for the developing world. Therefore, the main objective of the thesis was to address the phenomenon from a socio-economic perspective in the hope of offering new knowledge that can possibly assist people in the workplace to solve some of the challenges experienced in the customer management domain.

The next section considers each of the research questions stated in Chapter 1 of this study and provides conclusions based on the data gathered as documented in Chapter 5.

Problem Question 1: **Is the customer management phenomenon context specific**?

The researcher reviewed diverse literature on customer management phenomenon including five customer management frameworks namely, Faulkner (2003), Leather (2013), Van der Merwe (2014), Brown and Brown (2009), and Gulati (2009). Each of the authors argues that each framework could be adopted in different environments and few elements could be changed to suit certain conditions.

With regards to this study, it can be concluded that the basic principles of customer management or customer centricity are the same across the different socio-economic environments. For example the following facts (among others) hold true in all in different contexts:

- Basic customer management principles prevail across different contexts, e.g. all customers want to be treated with respect and dignity regardless of market or socio-economic environments
- There is a correlation between customer centricity and business performance
- Organizations exist to serve customers and for sustainable business performance
- Customer value is an essential part of customer centricity

However, what differs is how the service is delivered to different people. The difference of how this is done is based on customer expectations, cultural differences, and even the level of customer sophistication. In other words, a service provider could remain respectful towards its customers, but it must understand what respect means to that particular audience. The service provider cannot assume that because they treated their customers with respect in a particular

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manner in one instance, they can; therefore, deliver the same product or service in the same manner and the same pattern. Different approaches work differently in different situations. This is where the service provider has to immerse itself in the customer's world to gain insights that would influence service delivery and translate into differentiated and distinctive customer experiences.

The researcher believes the context specifications of the customer management phenomenon makes it chaotic and complex, as every situation is different and no *one size fits all* approach can be adopted. This is in line with Lessem's (2001) perspective in which he argues that the world of economics and business should not be dominated by one cultural frame, in this case the western way of doing business. Consideration must be given to other cultural perspectives, and businesses are to find a balance within the four cultural perspectives (Lessem, 2001).

Problem Question 2: Is the phenomenon of 'customer centricity' equally entrenched in different socio-economic contexts?

The question was based on the assumption that if the customer centricity phenomenon was not equally entrenched, it may contribute to the challenges organizations are having in the implementing and sustaining it. Secondly, it may also mean that trying to implement a framework based on another economic type may not necessarily yield the desired outcomes in another context if the people perceived the phenomenon differently.

In this study, it can be concluded that the customer's role is understood clearly and the correlation between customer centricity and business performance is understood and equally entrenched. However, though the role of the customer is understood, it does not follow that the management of it is understood. The following were highlighted indisputably:

- Organizations understand the phenomenon theoretically but not practically
- Organizations do not understand the importance of customer centricity
- In cases where there was some understanding, not everyone in the organization understood it
- It was believed no organization was customer centric in Zimbabwe and in South Africa (except in one instance where a department of a bank was claimed to be customer centric, but that did not include the entire organization)
- One participant in the study made a reference to some of the existing customer centric frameworks, but none other participants could name one or confirm they had adopted one within their organizations. Additionally, none of the participants had even heard of any other organization adapting one.
- It was highlighted that Zimbabwe and South Africa had a selling culture and were product centered instead of customer centered.

The researcher learned that the fact that customer centricity is not equally entrenched in different socio-economic environments stands as a main challenge for multi-national companies, especially those that are customer centric and now want to do business in socio-economic environments that are not as customer centric as they are. This would cause potential conflict and requires good leadership, continuous training, education, and a meeting of the minds of the different cultures.

Problem Question 3: Is culture interrelated with customer experience and expectations

ISSN 2055-0219(Print), ISSN 2055-0227(online)

A people's culture determines and influences customer experience. This was one aspect that was highlighted by the study that was not emphasized in the five customer management frameworks. Different cultures have different expectations and for organizations to implement successful customer centricity strategies and sustain them, organizations must understand people's cultural beliefs. This means that organizations must immerse themselves in the customer's world; to understand their issues and desired outcomes and offer products and services that are relevant. Once this is achieved, customer value is created and long term business sustainability is accomplished.

Some cultural dimensions that influence customer experiences include age, gender, race, language, and education. A customer centric model has to consider how these dimensions would affect customer experience and how business is subsequently conducted.

Problem Question 4: Is business performance defined differently within different socio-economic contexts

Customer centricity drives business performance, and the correlation is undeniable. However, business performance has to be articulated and understood in a way that allows for customer centricity to be successful and prevail. According to Leather (2013), business performance cannot only measure the financial aspect, but the customer aspect as well if an organization strives to be customer centric.

According to Reimann, et al. (2010), business performance is measured by three measurements, first, profitability, which is defined by financial performance. Secondly, Reimann, et al. (2010) state that business performance is by customer satisfaction, and thirdly, by market effectiveness, which is defined as the degree to which the firm's market related goals are achieved. This definition includes both the qualitative and quantitative aspects of business performance. Leather (2013) believes business performance must be measured by the triple bottom line, financial, environmental, and community impact for customer centric organizations.

The study established that the above definitions were applicable in the developing context. What was clearly highlighted was that business performance was driven and defined by the organization and not by the socio-economic environment, i.e. each organization defined its own business performance and any of the definitions above could be adapted in isolation or in combination. This means business performance principles are universal across all different socio-economic environments. What is important is to ensure performance is measured in the most applicable way in any situation. For example, if an organization is customer focused, it should mean that its business performance is not financially focused only, but must include customer measurements. This will hold true in most environments. Business performance definition should not differ, but how it is measured can differ. For customer centricity to be achieved, business performance measurement should not only focus on the financial aspects but non financials.

Problem Question 5: How do existing customer management frameworks compare among each other and how do they each influence business performance and in which context?

The authors' concepts of customer management or customer centricity are closely affiliated with minimum variations. The variations could be in depth of content or examples they used to make their business cases, but, then again, it could also be a difference of semantics. The designs of the customer management frameworks seem to be different, but they essentially capture and

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consist of underlying principles that are close to each other and point to the same goal and objective. Each customer management framework reviewed in Chapter 4 makes a strong case for achieving business performance through customer centricity in the long-term. Clearly, they each argue that there is a correlation between customer centricity and business performance. They each contend that business performance must have a broader definition than financial perspective for customer centricity to be achieved. The impression they give is that if any of these frameworks are adapted in any environment they will yield superior business performance. This impression takes us to the next point: most of the examples given of companies that are truly customer centric are not in the developing world. Van der Merwe (2014) mentions some African companies, but these companies tend to be known for ground breaking innovations, not customer centricity. It is a fact that innovation is a part of customer centricity, but it is not customer centricity.

The authors argue that the frameworks can be adopted in different environments. However, this research study concludes that people find that most frameworks originate in the developed world or have ideas from the developed world and; hence, are more impactful in those environments. It was also established that to implement these frameworks, it requires financial investment and other resources that the developing economies do not have. It can be concluded that the developed economies are better equipped to implement the frameworks than the developing economies. Two fundamental truths emerge here:

- Developing economies do not find frameworks that originate from the developed economies or that seem to have influences from the developed world applicable in their own circumstances
- Developing economies do not have the financial means and resources to implement and sustain customer centricity frameworks. This may be due to the fact that developing economies do not have the capital to invest in such frameworks, or it could be that developing economies find these frameworks to be too expensive to implement and sustain.

From the researcher's viewpoint a few fundamental principles need to underline a true customer centricity model for sustainability:

- *Relentless Pursuit of Customer Centricity and Implementation:* The majority of organizations do not yet understand that the customer centricity phenomenon is a powerful strategy to improve business performance and sustainability. If organizations want to stay relevant and compete at a global level, effort must be made to understand the phenomenon in great detail and implement accordingly.
- *A Long Term Focus Is Ideal, But Balance May Be Required in Unstable Markets:* Though a long term focus is ideal for business performance it must be realized that in the developing economies where markets are volatile, unstable, and unpredictable, this is not always attainable. This holds true in a situation like Zimbabwe where inflation went up to record highs in the last few decades. In these cases, senior leadership needs to be innovative and creative to ride the unstable economic trends. Respondent 27 from Zimbabwe argues that the long-term focus is ideal in a stable economy. The researcher emphasizes that a long-term focus is ideal, but in some situations a short-term focus may be necessary until the economy rebounds.
- *Customer Management in Different Socio-Economic Settings:* The management of customers and services offered in different socio-economic environments should differ because customer expectations are different and levels of sophistication are different. In

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a developed economy, customers are more sophisticated and demanding and, as a result, the services levels are likely to be higher. In the developing economy, customers are least expectant and their level of sophistication is lower. However, though differences exist, the principles of customer centricity must prevail regardless of the socio-economic environments. Customers still want to be managed effectively and with respect and dignity across the globe. There are also influences of globalization that organizations must not ignore. Customers in some developing economies are becoming sophisticated and more demanding through exposure.

- *Culture Influences Customer Management Experiences:* Culture plays a significant role in creating customer experiences. Therefore, it's recommended that organizations understand the local cultures where they are operating. The developing world, specifically Africa, has many tribes with different cultures. One way an organization can identify with its target audience is to incorporate some appropriate cultural elements in the service delivery process.
- *Leadership Commitment First followed By Employee Buy-in:* The researcher recommends that if real change needs to happen, it must start at the top. Leadership needs to ensure that customer centricity is prioritized; hence, it receives the commitment it deserves in terms of resources and financial investments. Secondly, leaders must understand and appreciate customer centricity first, before employees do, and their responsibility is to ensure employees are engaged and excited about a customer culture. Leaders need to ensure that they lead from the front by interacting with customers directly on a regular basis. A Chief Customer Officer must be identified to drive customer centricity across the organization.
- *Investment in Technology:* Van der Merwe (2014) makes a case that Africa is making in-roads in the areas of innovation, which means technology is improving. However, not all of the developing world or Africa has world-class technology and infrastructure. In some developing countries basic technology and infrastructure is lacking to the extent that all customer management initiatives can be discouraged. Technology supports and enables organizations to fulfill their customer centricity strategy, so it becomes imperative for organizations to invest in this arena if they want to get ahead in customer centricity.
- *Investment in Training and Education:* Organizations need to understand and appreciate the role training and education plays in the success of a customer centricity strategy. In most instances, training and education suffer because of lack of resources. Training and education is an on-going process so it requires the right amount of investment in terms of time and financial resources. Different training strategies aimed at saving money could be introduced, e.g. train the trainer, and if technology allows, online training could be adopted.
- *Deploy a Relevant Customer Centric Framework for Developing Economies:* A customer centricity framework could be designed that is pertinent to the environment. The framework must originate in the developing world to ensure organizations accept it. At the moment, there seems to be a sentiment that most of the frameworks are from the developed world, and for that reason they are only relevant to the developed world. One that originates from the developing world that uses many illustrations from the developing world could be a good starting point. The framework should be simple and not too complex so that it does not intimidate new users. Its simplicity should not mean or imply that it is not geared to solve complex issues (because customer centricity is a complex issue), but it means it should be easy to understand and implement.

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Affordability and lack of infrastructure are some of the reasons most organizations do not embark on the customer centricity transformation journey. The recommended framework must take this fundamental reality into account. In a developing economy, culture will take center stage, which means all societal cultural aspects must be given much consideration at a strategic and operational level. A framework that provides balanced aspects on how business is conducted at a global level is imperative, because developing economies are a huge part of the international business community. Figure 6.1.; depicts the suggested customer management framework for developing economies based on findings study.

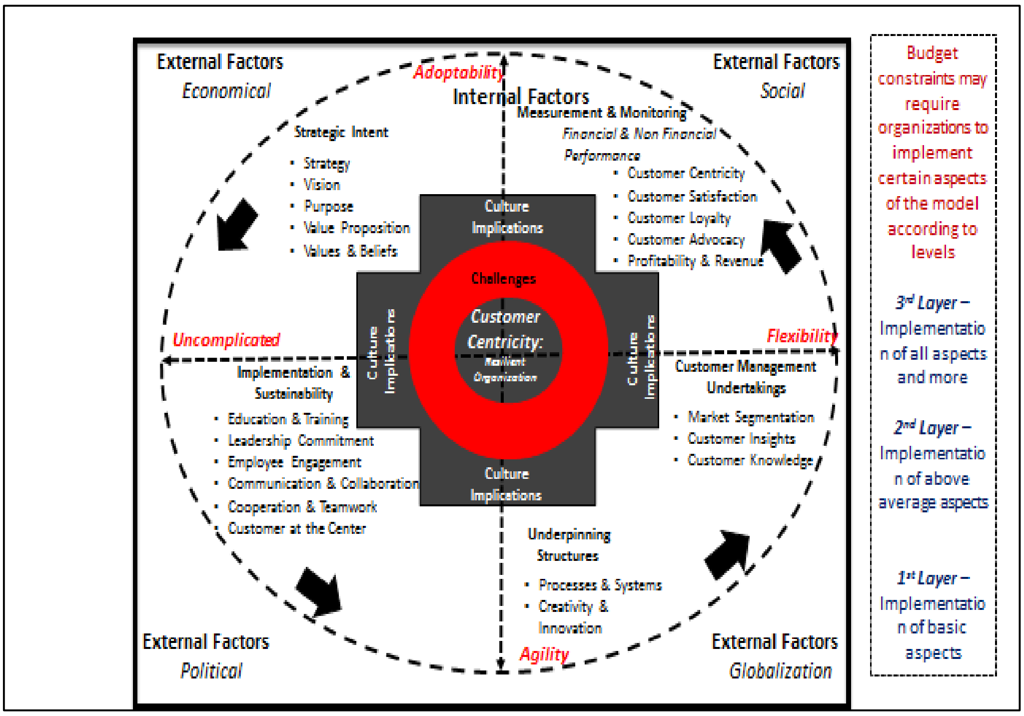

Figure 3: A Sense Making Customer Management Framework for Developing Economies

FUTURE RESEARCH

Customer centricity is a dynamic phenomenon which is becoming significantly important in an ever-changing global economy. The researcher believes more could be done to transform businesses to be truly customer centric. Though Van der Merwe (2014) claims that there are a number of African companies that are customer centric – the researcher believes there is need to provide real case studies of companies that are customer centric in Africa (if they exist), not companies that have only launched innovations. These companies would have gone through true transformation from beginning of the value chain to the end. A thorough analysis of these companies would be required to highlight what worked for them and how it worked. Companies that also failed at customer centricity could also share their experiences of why and where it went wrong and what could have been done differently to avoid failure.

The current study, though not by intention, tended to look at the phenomenon from an organizational perspective more than it did from a customer perspective. A study from the customer perspective would be used in conjunction with this current study to help determine

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what it means to be customer centric from both an organizational and customer perspective. It also means customers can give input on how they want to be treated in the African context. Right now, it has been concluded that because customers are less demanding and sophisticated the management and the services provided should differ. It would be of interest to understand this perspective from the customer viewpoint.

What the researcher found most interesting and fascinating was how close the suggested customer centricity model for the developing economies is to the other five customer management frameworks. It could be concluded that there is theoretical know-how that needs to translate into practical interventions. Therefore, it could be said: *it's not a question of whether frameworks are ideal or not, but a question of tapping into the obvious known and implementing.* It could be a question of changing attitudes towards customer centricity.

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