



Having a Chief Customer Officer (CCO) has become a badge of honour for customer-centric companies – proof-positive that your organisation is serious about seeing things from a customer’s perspective, ensuring that you deliver on the trifecta of product, price and experience. So why aren’t there more of them? Corrieke Middelhoek, Search Consultant at Leaders Trust /AltoPartners The Netherlands, investigates.

Ten years ago, at the start of the e-commerce revolution, savvy companies realised that while marcomms may have driven customers to their shiny new platforms, what happened next determined the success of their entire strategy: What did people search for? Did they buy? How often? When? Might they be induced to spend more, and how to use both overt (social media) and covert feedback (the once-off buyer; the abandoned e-shopping carts) to drive growth. What was needed was a senior executive with sufficient cross-corporate clout to oversee the end-to-end customer journey, and with enough finesse not to trample on the toes of executives and departments who may interpret this as a meddling shot across their bows.

Enter the Chief Customer Officer. A relative newcomer to the C-Suite, this position’s star is hitched to the digital wagon, to the point where CCOs now spend more on technology than chief information officers in an effort to understand what customers want and how to give them more of it. To do this effectively means having a handle on every single customer touchpoint – from brand recognition and product availability to the entire purchasing experience, including price points, customer service, delivery channels, billing queries, payment platforms, packaging concerns, handling of returns, resolving of complaints, and upselling. This level of engagement means that an effective CCO sits on a gold mine of service delivery and customer data that can be used to flag issues across the organisation and drive continuous improvement. But flagging them isn’t enough – CCOs also need the authority to compel the affected departments to up their respective games or even review their entire *modus operandi* if the data demands it.

And herein lies the rub: organisations that are most in need of such a customer champion, tend to be structured in ways that frustrate inter-departmental cooperation. Customer-service fails are invariably a result of a disconnect between customer expectations and experience: There is no point in a warm and fuzzy big-budget marcomms campaign if your product is perceived to be polluting the waterways, or your legal fine print is unduly heavy-handed, or the smiling service-providers in the TV ad turn out to be hostile and unhelpful. Such disconnects tend to happen when companies are rigidly siloed, and where internal turf wars rage.

Parachuting a caped customer-crusader into this environment or simply giving your marketing executive a new title without the necessary overhaul of related touchpoints is doomed to failure.

Successfully integrating a CCO is therefore not only a sign of a customer-centric organisation but also a good indicator of the organisation's maturity levels and EQ. While appointing a CCO sends a clear internal message about priorities, the position requires a board-approved mandate, the ear of the CEO and the support of the C-Suite colleagues if it is to be anything less than window dressing.

While some have interpreted the appointment of a CCO - and the plethora of newer roles that encroach on marketing's territory including Chief Client Officer, Chief Experience Officer, Executive Vice President Member Experience, or Chief Global Customer and Marketing Officer - as an erosion of the power-base of the marketing department, there are some important differences. The CCO role carries wider commercial responsibility that covers both business planning and strategy and customer operations. Marketing officers with an eye on this expanded mandate need to become serious drivers of growth and profit and shake off the lingering perception that marketing is a creative support function that relies on dark arts to woo customers. The crucial difference between traditional marketing roles and these relatively new positions is the expectation that they are not only custodians of the customer experience but also significant drivers of growth. In the broadest terms, the CCO is responsible for profitably aligning the company's deliverables with strategic customer needs and values. To do so, the CCO follows an iterative process of understanding critical customer issues and goals, assessing the business and customer impact, and (re) aligning the company deliverables and processes to meet them.

Wanted: Customer Crusader to Drive Growth Strategy

So, you've got a board mandate to differentiate based on customer experience, and you've done the necessary internal work to break down silos and flatten structures. Here's our checklist for the ideal CCO to champion your customer-driven growth strategy.

Internal vs external: This is one position that needs to understand the full workings of the company which explains why the majority of CCOs tend to be internal hires who have significant history in their industries and companies : eight years is the median. About one quarter of CCOs formerly held operations positions in their companies.

Domain skills: Cross-border specialist with a strong tech bent. Has a background in one or more core corporate activities, such as Corporate Strategy, Operations, Marketing, IT, Product Development, Legal, HR, Sales, Finance or Digital.

Top Skill: Cooperability and inclusivity. Has proven skills in leading cross-discipline teams.

Best known for being: Change Agent and Trend Spotter.

Super power: Active listening, including harvesting and mining data.
Obsessed by: Cross functional alliances and accountability.

Leadership style: Influencer, collaborator.

Networking ability: Expert. Must be able to inspire and rally the organisation around a vision.

Numerate: Knows their way around a balance sheet. This is not a touchy-feely role, but one designed to pull profit levers and measure the impact accordingly.

C-Appeal: High. This Executive Committee appointment needs high levels of C-appeal (charm, charisma, courage, connection, confidence, credibility and clarity) to be able to influence how the company prioritises and spends resources and to persuade colleagues to change the way things have always been done.

Must speak tech: Needs to work closely with the CIO to re-engineer the business to meet customer demands and streamline the customer experience. Must be able to master data and technology and understand the tools and systems in place across the organisation, from the marketing technology stack to CRM and analytics tools.

Chief KPI: The only reason to reorganise around the customer is because it makes commercial sense. If it doesn't accelerate growth, something is wrong.

With the accelerated push to digital in the wake of the COVID-19 response, we expect more companies to realign and rebrand their marketing departments around the end-to-end customer experience. While many scenarios have been posited for a post-COVID world, experts agree on one thing: the customer landscape has changed for the foreseeable future. When lockdowns ease around the world, organisations will be faced with traumatised customers who are generally poorer than they were at the start of the COVID-crisis and grieving for loved ones as well as the loss of a lifestyle that is unlikely to return any time soon. These kinds of epoch-making events have a way of changing people's priorities, and with it, their spending habits. The CCO is ideally placed to understand customer's needs and wants and help the organisation respond effectively and empathetically, driving growth in an era of upheaval and uncertainty.

Looking to add the CCO function, or need help navigating the changing customer-centric business environment? Please get in touch - we'd be delighted to help.

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