

Customer Driven Success – Best Practices -

Mark Reeves

Auxiliary Services

University of West Georgia

1601 Maple Street

Carrollton, Georgia 30118

mreeves@westga.edu

Office 678-839-5079

Abstract

Today's college students are savvy consumers of products and services. They lead very busy and often hectic lives, yet they still find time, and make it a priority, to spend their limited monies wisely. Student purchases include books, supplies, clothing, toiletries, electronics, food, lodging, transportation and much more. Most of these product and service offerings are available on the student's university or college campus through Auxiliary Services. Unfortunately, even with this location advantage, it is still extremely difficult for campus auxiliaries to compete with the buying power, variety of offerings, and vast, elaborate marketing efforts of private enterprises such as Wal-Mart, Target, McDonald's, Papa Johns, Borders Books, etc. Customer Driven Success is a practice that is founded on understanding, and effectively meeting, customer's EXPLICIT NEEDS. This practice allows university auxiliaries to successfully compete with private enterprises by providing students with product and service solutions that they truly desire. Student purchases through Auxiliary Services contribute to the financial stability of the university and help to perpetuate the Auxiliary Service program(s).

The Customer Driven Success practices begin with broad research aimed at determining customer's perceived or implicit needs. This work is followed by efforts to narrow or clarify the customer's implied needs so that EXPLICIT NEEDS are identified. These needs are then compared to the university's mission and capabilities, at which point opportunities are identified that could meet both student (external customers) and university (internal customers) NEEDS. Business strategies are then developed and implemented that provide sound opportunities for utilizing limited Auxiliary Services resources to provide the right customer solution(s) at the right time and location for the right price. These successful business strategies lead to enhanced customer satisfaction and greater customer loyalty. Six Sigma practices are then used to evaluate the effectiveness of the program, establish benchmarks for the product and service standards, and identify efficiencies and economies of scale; all of which contribute positively to the organization's financial stability.

Introduction of the Organization

The University of West Georgia is a public university that seeks to achieve preeminence in providing educational excellence in a personal environment through an intellectually stimulating and supportive community for its students, faculty, and staff. The Customer Driven Success practice enables the Auxiliary Services function to better align the services provided so that they more effectively meet the needs of both internal and external customers. This creates greater customer satisfaction, a stronger sense of community, and a more conducive environment for success.

Statement (restatement) of the Problem/Initiative

Every year, approximately 1900 people enroll as new students at UWG and approximately 1100 students graduate. This constantly changing customer base introduces new trends, interests, and demands for Auxiliary Services. The University of West Georgia has limited resources for meeting the dynamic and diverse needs of the external customer population. We want to maximize the utilization of resources to best meet customer needs and perpetuate a strong financial return. The campus administration also faces ongoing changes that impact its ability to provide products and services; some examples would include new regulations, competition, financial pressures, and environmental constraints. In order to best meet external customer (student) needs and internal customer (organization) needs, we are challenged with identifying those optimum solutions that meet both customer groups' explicit needs simultaneously.

Design

Customer Driven Success is the structured practice of uncovering both internal and external customer's **explicit needs**, creating meaningful solutions for better meeting these needs, and implementation and communication of the resulting program enhancements. Statistical analysis (Six Sigma) is used as a key component of the Customer Driven Success practices. Relevant data is benchmarked, measured and tracked; positive trends often indicate that the customer driven program enhancement(s) are successful and should be adopted as standardized operating procedures. The University of West Georgia's Customer Driven Success Best Practices have proven to be successful in a number of areas including Food Services, Bookstore, Summer Conferences, Parking & Transportation, and the Post Office. Both customer satisfaction and the organizations financial status have improved tremendously in each auxiliary area CDS has been applied.

Determining and meeting customer's explicit needs helps the organization generate greater customer satisfaction & loyalty, less resource waste, and enhanced revenues. Product and service offerings that continuously meet customer needs encourage repeat business; which in turn provides opportunities for building lasting relationships. Cultivating these relationships not only helps the organization retain current customers, but also fosters positive "word-of-mouth" advertising which leads to further penetration of the market..

The Customer Driven Success practices included seven (7) clearly distinctive efforts; or steps. The first step involves determining external customer's (student's) ***Implied Needs***. These needs are very general and can often be no more than perceptions. The University of West Georgia uses a "broad-to-narrow" needs analysis approach. Tools, such as industry research that identifies universal trends, surveys, focus group meetings, and simple observations (class

schedules, parking habits, and foot traffic), are used to better understand customer's implied needs. Student needs constantly evolve in-part because of the ever-changing student population; the annual departure of graduating seniors and the influx of new freshman. The results of the "implied needs" research often serves as barometers as to how well the organization is doing concerning current general product and service offerings.

Step two of the Customer Driven Success practices is distinguishing between implied needs and explicit needs. *Explicit needs* are those needs that customer's have specifically expressed as being important to them; where implied needs may include customer "wants" or "general aspirations". Solutions to implied needs may be general *features* of service or product offerings that produce only minimal customer satisfaction. Because features only "somewhat" meet customer's needs, customers often assess features based on price alone; it is very difficult for campus auxiliary services to compete with private enterprises solely based on price. On the other hand, because customer's explicit needs are solved by providing solutions that generate true *benefits* for the customer, the customer's buying decision becomes based much more on "value" than "price". Thus, it is critical that the organization clearly understand which customer needs are implied and which are explicit. This involves taking the general implied needs that were identified in step 1 and drilling-down deeper to determine which of those needs are truly as important, and often essential, to the customer. Campus mapping, intercept PDA surveys, Town-hall meetings, etc aid the University in this research. An example of the difference between implied needs and explicit needs can be noted in recent research conducted by Auxiliary Services at the University of West Georgia aimed at determining the most effective way(s) the organization can "communicate" product and service offerings & enhancements to the student body. Students told us during preliminary research that, they value information, and that

MySpace, Facebook and text messaging were three of their preferred methods for communicating. The implication here is that we can best communicate changes in the program using the three communications mediums mentioned above. However, further research to clarify students explicit needs, indicated that while students do want to receive important communications from the university, they do NOT want that information communicated via text messaging, MySpace and Facebook. They view those mediums as their personal platforms for communications, and similar to how we don't appreciate telemarketers invading our home phone medium during the evening dinner hour, students don't want us invading their private networks. Students told us explicitly that they prefer campus auxiliary services news be communicated to them via campus email, posters, flyers, etc. Not surprisingly, these solutions have proven to be very successful on our campus and the content of which is viewed as benefits to the students.

Step three includes uncovering solutions the University can offer that coincide with the University's mission (internal customer needs). It is important for Auxiliary Services to understand the organization's capabilities and not commit to solutions that are not possible or practical for the University to provide. Specifically, at the University of West Georgia, solutions must compliment the university's mission of seeking to achieve preeminence in providing educational excellence in a personal environment through an intellectually stimulating and supportive community for its students, faculty, and staff. Under the Customer Driven Success best practices model, solutions that are desired from the student body that do not compliment the university's mission typically should NOT be implemented.

Once the external customer's (student's) explicit needs are determined and the internal customer's (organization's) explicit needs are clarified, the next step (4) is to find areas where the two group's needs overlap and can be solved by a similar or the same solution. These

opportunities are ideal and investment in them typically produces benefits to both internal and external customer groups. This in-turn, generates greater customer satisfaction, which most often leads to reduced costs to serve, and / or enhanced organizational revenues.

Step five is the actual implementation of the new procedure or solution. Task groups, big or small, should evaluate the solution and identify who it affects, how it affects them, and what can be done to best prepare those affected. For example, extending the hours the dining hall is open, not only meet the student's explicit needs of being able to eat later in the evening, and the university's need for expanding capacity without building a new facility, but also impact custodial, parking, residence life, and other areas of the university. These constituents must know and understand the upcoming changes so that they can weigh-in on fine-tuning the solutions, as well as, proactively prepare their operations for the impact. Likewise, not only do the internal customers need to be made aware of the upcoming changes in product or service offerings, but so do external customers; the students. West Georgia makes students aware of enhancements through posters, emails, postcards, letters, table-tents, and presentations. The phrase, "You spoke, we listened" can be seen throughout the physical campus as well as the University of West Georgia website. Without communicating to students, changes may go unnoticed and students become frustrated with the University's perceived apathy towards their needs. Implementing changes can be futile if the students are unaware that those improvements have been made.

In step six, the University of West Georgia Auxiliary Services department uses the help of Six Sigma as a key practice in Customer Driven Success. Key Performance Indicators are identified; this goes back to understand the students explicit needs and the university's mission and capabilities. Benchmarking, the mean, mode, median, variance, standard deviation,

correlations and regression analysis, all help evaluate the effectiveness of the changes made, as well as, chart trends moving forward. The University of West Georgia tries to standardize how successful products and services enhancements are delivered (when possible) to ensure consistent high quality to its student body. These standardized procedures are incorporated in the Standard Operating Procedures (Procedures Manual), as well as, Job Descriptions and training platforms.

With a student body that is always transforming, the University must consistently follow suit. Thus, the final step (7) in Customer Driven Success, and probably the one that requires the most discipline, is to strive for continuous improvement. In order to continuously improve, the organization must consistently solicit customer input; otherwise the Customer Driven Success practices can become obsolete or dated. Thus, each time meaningful changes are made, we go back to the customers and once again ask for their feedback as to how we are doing; we gather needs. Determining and meeting customer's explicit needs on a continuous basis consistently generates greater customer satisfaction, less waste, and increased revenues and loyalty. Product and service offerings that continuously meet customer needs also encourages repeat business; which in-turn provides opportunities for building lasting relationships and perpetuating the organization's financial soundness.

Implementation

In order to correctly implement the Customer Driven Success strategy, the steps must be done in order; suitable changes cannot be made unless *Explicit needs* are first uncovered and understood. While getting feedback is important, it is also imperative to remember that students may get frustrated or annoyed if asked to give feedback too often, especially if changes aren't being made. If students are required to take surveys, they may give inaccurate information in order to finish it more quickly. Surveys need to be short, simple, specific, and straightforward in order to be effective. Focus groups are another good way to solicit feedback. Focus groups should be planned, organized, short, simple, and specific. Offering incentives to students to participate can also help the turnout. Industry research and universal trends can help a University to see the broader goals and interests of general student populations. However, be careful in understanding that certain characteristics (geographic location, size, demographics, etc.) can affect trends, so try to look at trends of schools that compare to your own. Coordinating with student organizations and committees to help communicate with students and showing that their feedback matters can really boost interest and morale. A simple way of discovering student's needs and wants are by asking them informally. Go up to groups of students and ask what improvements they would like to see, but also be sure and ask what things they feel the University is doing well. Ask for a balance of negative and positive feedback so that administrators of the feedback don't get discouraged or develop resentment for students. The Customer Driven Success plan does not have a prescribed timeline for effectiveness. Since the plan is a continuous cycle, success never has to stop.

Benefits

Students are more successful when the university is effective at meeting their explicit needs. In the area of Auxiliary Services, this is especially important because we provide food, shelter, and other basic necessities to the students. When students (and parents) feel these needs are being met, and at a good value, they have more time, energy and resources available to focus on academics and their social interests. Students know that the university is making an effort to find out what their needs are, and is committed to meeting those needs; thus students feel appreciated, valued, and important.

Retrospect

Customer Driven Success Best Practices haven proven to be effective across a broad spectrum of auxiliary service offerings on the campus of the University of West Georgia. So much so, that it has become apparent that these practices should not be limited by the amount of time and resources the Director of Auxiliary Services and his immediate staff have to commit. It would be more effective to have a dedicated resource, such as a Customer Relations Manager, assigned to facilitate these practices on a full-time basis; the opportunities for producing solutions that benefit both the internal and external customers are vast ever-evolving.