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DEPARTMENT OF AEROSPACE ENGINEERING

19MEE304 Total Quality Management

Topic: Customer Focus – Customer Orientation

Introduction

- **Definition:** Customer focus is a **business strategy** that prioritizes meeting and exceeding customer needs.
- **Objective:** Build long-term customer relationships, enhance brand loyalty, and drive business success.
- Importance:
 - Increases customer satisfaction and retention.
 - Helps in **product innovation and service improvement**.
 - Creates a **competitive advantage** in the market.

Key Principles of Customer Focus

- 1. **Understanding Customer Needs** Identifying customer pain points using surveys, feedback, and data analytics.
- 2. **Delivering Quality Products & Services** Aligning business processes to exceed customer expectations.
- 3. **Continuous Improvement** Using **Kaizen**, **Six Sigma**, **and TQM** to enhance the customer experience.
- 4. Customer Feedback Integration Implementing Voice of the Customer (VoC) programs to refine offerings.
- 5. **Building Strong Customer Relationships** Personalization and customer engagement strategies.

Customer Orientation in Business

A. What is Customer Orientation?

- A **company-wide mindset** where every decision is made with the customer in mind.
- Ensures that **marketing**, **sales**, **R&D**, **and operations align** with customer expectations.
- **Example:** Amazon's **customer-first approach** drives its success in e-commerce.

B. Key Elements of Customer Orientation

- 1. **Customer-Centric Culture** Employees are trained to prioritize customer needs.
- 2. Personalized Experiences AI-driven recommendations (Netflix, Spotify).
- 3. Fast & Responsive Service 24/7 customer support, chatbots, and selfservice options.
- 4. Loyalty & Rewards Programs Encouraging repeat business (Starbucks Rewards, Amazon Prime).
- 5. **Data-Driven Decision Making** Using analytics to understand customer behavior (**Google Ads targeting**).

Measuring Customer Focus

A. Customer Satisfaction Metrics

- 1. **Net Promoter Score (NPS):** Measures customer loyalty based on likelihood to recommend.
- 2. **Customer Satisfaction Score (CSAT):** Direct rating from customers after service.
- 3. **Customer Effort Score (CES):** Evaluates how easy it is to interact with a company.
- 4. Retention & Churn Rate: Measures the percentage of returning customers.

B. Business Performance Metrics

- **Customer Lifetime Value (CLV):** Predicts total revenue a business can earn from a customer.
- First Response Time (FRT): Speed of customer service response.
- **Resolution Time:** How quickly customer issues are resolved.

Case Study: Apple's Customer-Focused Strategy

- **Product Innovation:** Apple **listens to customer feedback** for product enhancements (e.g., iPhone Pro models with better cameras).
- Exceptional Service: Genius Bar & AppleCare provide high-quality support.
- **Customer Loyalty:** High brand loyalty due to premium experience and ecosystem integration.

Best Practices for Implementing Customer Focus

- 1. **Leadership Commitment** Senior management must advocate for a customerfirst culture.
- 2. **Employee Training** Equip staff with skills to enhance customer interactions.
- 3. **Customer-Centric Processes** Streamline operations for faster, personalized service.
- 4. **Technology Integration** Use **CRM, AI, and analytics** to optimize customer interactions.
- 5. **Feedback Loop Implementation** Regularly update products/services based on customer input.

Conclusion

- Customer focus is the foundation of business success.
- Companies that prioritize customers **enhance loyalty**, **profitability**, **and market reputation**.
- Investing in customer orientation leads to long-term sustainability and growth.