

3.2 Customer Engagement

Purpose

This item asks about your processes for building relationships with customers; enabling them to seek information and support; and managing complaints. The item also asks how you determine customer satisfaction and dissatisfaction, and how you use the voice-of-the-customer data that you collect. The aim of these efforts is to build a more customer-focused culture and enhance customer loyalty.

Commentary

Engagement as a strategic action. Customer engagement is a strategic action aimed at achieving such a degree of loyalty that the customer will advocate for your brand and product offerings. Achieving such loyalty requires a customer-focused culture in your workforce based on a thorough understanding of your business strategy and your customers' behaviors and preferences.

Customer relationship strategies. A relationship strategy may be possible with some customers but not with others. The relationship strategies you do have may need to be distinctly different for each customer, customer group, and market segment. They may also need to be distinctly different during various stages of the customer life cycle. Building customer relationships might include developing partnerships or alliances with customers.

Brand management. Brand management is aimed at positioning your product offerings in the marketplace. Effective brand management leads to improved brand recognition and customer loyalty. Brand management is intended to build the customer's emotional attachment for the purpose of differentiating yourself from the competition and building loyalty.

Customer support. The goal of customer support is to make your organization easy to do business with and responsive to your customers' expectations.

Determining customer satisfaction and dissatisfaction. You might use any or all of the following to determine customer satisfaction and dissatisfaction: surveys, formal and informal feedback, customer account histories, complaints, field reports, win/loss analysis, customer referral rates, and transaction completion rates. You might gather information on the web, through personal contact or a third party, or by mail.

Complaint management. Complaint aggregation, analysis, and root-cause determination should lead to effective elimination of the causes of complaints and to the setting of priorities for process and product improvements. Successful outcomes require effective deployment of information throughout your organization.

Customers' satisfaction with competitors. A key aspect of determining customers' satisfaction and dissatisfaction is determining their comparative satisfaction with competitors, competing or alternative offerings, and/or organizations providing similar products. Such information might be derived from win/loss analyses, your own comparative studies, or independent studies. The factors that lead to customer preference are critically important in understanding factors that drive markets and potentially affect your organization's longer-term competitiveness and success.

SOURCE: 2019–2020 Baldrige Performance Excellence Framework Criteria Commentary - This commentary provides brief summaries of the Baldrige Criteria for Performance Excellence categories and items. It also includes examples and guidance to supplement the notes that follow each Criteria item in the Baldrige Excellence Framework booklet. For additional free content, and to purchase the booklet, see www.nist.gov/baldrige/publications.