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# CUSTOMER ACUMEN

INSIGHTS TO BUILD CLIENTS FOR LIFE



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EDITORIAL



Dear Reader,

Every business organisation banks on their sales & marketing team to survive competition, retain customers and at the same time find new ones. This might sound relatively simple when one deals with B2C segments, but by its very nature, becomes very challenging in B2B segments.

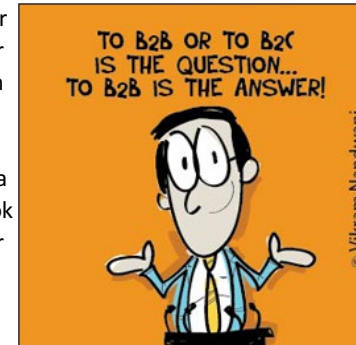
A McKinsey study revealed that in B2B businesses, customers and sales representatives are critical players in building valuable relationships, wherein the sales & customer experience are of paramount importance. Although there is no one size fits all solution in B2B markets across various industries, the study came out with results which can be used as a yardstick for any B2B organisation that is committed to stand out from the crowd and ensure that their customers remain loyal to their respective

firms. B2B journeys require specific tailoring, extra services, or additional checks apart from constant communication, while getting the basics right. Splitting the journey into standard and specialty tracks can minimize complexity. Managing rework, creating transparency and digitizing to reduce the complexity of B2B customer journeys were other aspects which were highlighted by the study.

**Customer Acumen** this quarter takes a look at the **Service Delivery Challenges in the B2B Markets** Jay does away with the misconceptions of the selling function and talks about the 'Selfless Independence' principle made famous by Sheth and Sobel to fix the dilemma while acquiring clients in the B2B segment. In the Spotlight, we have the CEO of Tata Communications Transformation Services, **Sandeep Bhatnagar**, who gives us an insight on serving clients in the challenging B2B segment and on building lasting relationships with customers in the telecom sector.

We feature **Anisha Motwani's** powerful read on brands - '**Storm the Norm**'. The author offers a collection of stories about brands that went against the tide and carved a niche for themselves. Our witty in-house Cartoonist, **Vikram Nandwani**, offers a Shakespearean twist on his take of 'B2B' markets, guaranteed to make you smile.

On this joyful occasion of festivals in October, Team ELS would like to wish our readers a Happy Dusshera and a Happy Diwali! As always we value your relationship with us and look forward to feedback and comments on what else you would like us to feature for your benefit.



There are various myths associated with the Selling function. One of these is that Salesmen talk a lot. Any professional salesperson will tell you that this could not be further from the truth! Professional Salespersons *listen* more than they *speak*; they ask the right questions, absorb the various signals from the customer and then respond judiciously.

Another myth is that you cannot say 'no' to the customer. In other words, always acquiesce to all the customer's requests. This mindset compels the salesperson to be unassertive and submissive and leads him to agree to customer's requests, even if it hurts you to do so. Invariably, the salesperson returns to his office base & faces internal challenges from his own organization - usually from his superiors and often from finance - who chide him for making concessions that are just not in the seller's interests. I am sure you have witnessed or even experienced this in your career.

The real issue in such cases is not the lack of negotiating skill, even though it manifests itself as one. The core issue really is the mindset of the salesperson who has been fed on wrong messages that the customer should not be turned down - ever. Any

deal that is worth having has to be win-win, that is, it has to genuinely meet some of the essential requirements of both parties. Suffice it to note that the 'win' is defined in different ways by different parties to the transaction; hence, leading to a mutually beneficial relationship. More on this on another occasion.

This principle is often put to test in B2B relationships. Take the case of the Telecom Consultant who has nurtured a relationship with a prospect and converted him into a client after months of persuasive and subtle effort. Having built the bridge, he is looking forward to a long run of business with this client and things are going well for him. From formal and stilted conversations, the tenor has now changed to frequent & informal exchanges between them, leading the Consultant to believe that the returns will now flow for the months of effort that have gone into building a client. However, an unexpected fly in the ointment appears. The client seeks inputs (products or services) from the Consultant that is not part of the essential bouquet of offerings from the seller's firm. For instance, it could be a lesser known product that is not part of the contract or perhaps a service offering that is prejudicial to the seller's larger interests, including something that infringes the established position of the seller's firm in the eyes of other clients. The dilemma for the Consultant in such cases is: how do I turn down the request of my new client (who has been wooed with great difficulty & who is a promising large account) and risk all future business?

At times like this, it is useful to adhere to first principles of being a Trusted Client Advisor. A key principle here is that a good Trusted Advisor is able to display what Sheth and Sobel call, '*Selfless Independence*'. This is the ability to be your own man even in the face of intense temptation or fear generated from your current client relationship. Temptation from the lucrative contractual benefits of continuing the client relationship, by keeping aside issues of conscience; or, fear arising from the danger of losing or weakening the carefully developed business after much difficulty, by daring to candidly speak your mind. Clearly not a happy situation to be in!

In his work, Sobel speaks of 3 kinds of 'Selfless Independence':

The *first* is *Intellectual Independence*. This addresses the question of intellectual integrity. Is your perspective your own and can you substantiate it & passionately espouse it? Or, do your views change with 'moods' of the client? In other words, do you compromise your thoughts to satisfy the whims of your client in an effort to curry favour?

The next is *Emotional Independence*. Are you vulnerable emotionally when you deal with your client? Yes, all relationships (be it personal or professional) have challenging episodes and perhaps, face occasional flashpoints. However, if you are fragile emotionally then your ability to be objective and dispassionately view a situation and offer counsel, could be jeopardized. In your attempt to stay in the relationship, you end-up paying a heavy price to satisfy even minor fancies of the client. The net result: a one-way and ultimately exploitative interaction.

And, finally you have *Financial Independence*. The desperation for business often causes a Consultant or salesperson to compromise his personal integrity. This is manifested in the inability to be true to the ethics of the profession and leads to fatal short-cuts in the pursuit of lucre. Once, your soul is sold, then it is downhill all the way.

It is useful to ask yourself the question, 'Are you bringing real value to a client relationship?'. If the answer is 'No', then go back to the drawing board and dig deep within to find something of value to offer. Otherwise, there cannot be a sustainable partnership. If the answer is 'Yes', then stay the course. Both of you will create a win-win business if you are a true professional with 'selfless independence'.



SPOTLIGHT



## Sandeep Bhatnagar

Chief Executive Officer – Tata Communications  
Transformation Services Ltd (TCTSL)



*Sandeep Bhatnagar is the Chief Executive Officer of Tata Communications Transformation Services Ltd (TCTSL), a wholly owned subsidiary of Tata Communications Limited. He is responsible for defining and delivering the next stage of business growth and leading TCTSL's business globally. He would also be driving group synergies to create the "Service Factory" within TCTSL for the group companies.*

*Mr Bhatnagar joined TCTSL in May 2013 and has over two and half decades of experience in leading global organizations. He has been associated with leading Indian/Multinational organizations such as CMC Limited, Siemens, HCL Technologies and Wipro Technologies in India, Germany and United Kingdom in the past.*

*A keen learner, he believes in the power of team work. He has built business portfolios and has managed and transformed complex business processes and operations in his different assignments. Mr Bhatnagar has developed expertise in large engagements and a deeper understanding of business verticals including Telecom, Retail, Automobile and Manufacturing, amongst others.*

*Mr Bhatnagar holds an Engineering degree (Electrical and Electronics Engineering) and Masters from BITS, Pilani and has a management degree from Faculty of Management Studies (FMS), University of Delhi. He has also been to IIM, Bangalore and Wharton School of Business, Philadelphia (USA) for Executive Management Programs.*

**CA: B2B markets are complex compared to standard markets. In your view, what are the challenges companies face while serving B2B clients?**

**SB:** Serving B2B audience that is multifaceted, oblique, and complex is always a demanding task. The B2B market expectations from the service providers are often to help address the evolving business challenges. Hence, the approach is to identify a trusted partner to help keep the business at the forefront of tech evolutions and innovative solutions. So there is an unspecified need for the partner to build the trust factor and relationships across multiple stakeholders and influencers. In our case, the trust factor comes naturally with our brand promise and values of the TATA brand which is widely respected. While the growing influence of digital and disruptive technologies can be a good channel, it can also be a distraction if not managed well. The purchase process with B2B is getting more consumerised though, with an increase in the number of communication channels. There is a greater involvement of influencers and decision makers in the process who in turn are influenced by the dynamics of peer-to-peer networks in the industry and opinions. So the whole process of identifying the key decision makers and influencers, then nurturing the relationships, building the trust and thought leadership can be very complex and challenging.

Obviously these and several other factors result in considerably long sales cycles.

**CA: As a senior professional in the Telecom sector, please share what is the key to building client relationships for the long run in your sector?**

**SB:** Client relationships will continue to thrive on the trust you build in the brand and these are still pivoted around some age old values like quality of services, customer experience, fair business dealings and adherence to contracted commitments et al. With the advent of newer channels and tech, what is changing as an expectation is that, today, customers expect their partners to be agile, innovative and proactive to drive transformation which is a big focus for the Communications, Media and Entertainment (CME) sector. Tata Communications Transformation Services (TCTS) came into being 10 years ago to consolidate, centralize and optimise the operations of three large communications companies that were acquired by the Tata group. Considering people diversity, technology complexity and geographical expanse of these acquisitions, this in itself was a large transformation project. So transformation has been at the very core of our services portfolio and to our approach in providing next generation solutions to the CME industry. This approach has helped us to remain entrepreneurial and be proactive, agile and adaptive to tech developments. Also, Tata brand is globally well known for its high ethics and core value systems which profess and practice “Leadership with Trust”. And last but not the least, TCTS brings in a unique operator perspective, as a paradigm shift, to the next generation managed services proposition blending the real world transformation experience from operations of large, complex global networks to the CME industry. All these factors go a long way in helping us connect and build long term relationships with our clients. Telcos today are challenged to transform operations from legacy to new technologies as the need for IoT, M2M, virtualization (SDN/NFV) gets more real. To our customers, we provide a seamless connection between the old and new world. It is important to understand the customer business and as a subsidiary to telco ourselves, we bring in an enormous experience of transformation. We also bring in the neutrality of platforms, agnostic nature of services and ensure that all new technologies are successfully experimented by us in our engagement with telcos.

**CA: It is said that customer centricity is slowly replacing customer service in all industries. Are these just buzz words? What are your views?**

**SB:** Today is an era of instant gratification. The demands of the hyper-connected customer, who has so much of easy access to information and the ability to influence peer groups through digital and social channels cannot be underestimated. Customer loyalty is a passé. And customer experience becomes complex and critical for the CME industry, where the customers have many easy and compelling choices. Uniform customer experience becomes paramount for every touch point, right from billing to payments, quality of voice calls, frequency of call drop and data speeds on the move. Regulatory compliances and obligations, competitive pressure posing ‘free for all’ and ‘eat all you can’ models can further add to the challenges in these markets. So whether it’s the product portfolio decisions or business strategy, customers takes the centre stage. And this is not enough. Operators in the CME industry have to go a step further and become predictive, proactive and innovative in their approach to customer satisfaction and retention. They are expected to ensure that they have a value proposition for hundreds of micro segments, competitive product mix which can be customized and ensure Quality of Service (QoS) available 24x7. Today’s service providers have to become predictive about customer needs and become proactive in resolving customer issues. They have to plough through the massive piles of data in every form (Big Data) and accurately forecast needs, ensure that the right product is made available and predict fault-lines in services across voice, data and VAS, to resolve issues even before they surface, impact customer experience and threaten to tarnish the brand. This is a no easy feat. This obviously means that you will have to put the customer at the centre of your entire business strategy and ensure flawless execution of this customer centric approach every time, all the time.

**CA: The B2B space is expected to grow at attractive rates compared to B2C, especially in the IT services and Telecom sectors. How does servicing client needs in the B2B sector differ from that in the B2C sector?**

**SB:** While B2B businesses have better growth rates these are also more complex in terms of client expectations. Their needs, purchase cycle and service delivery expectations are also very different. With multiple decision makers and influencers being involved in the purchase process, B2B customers mandate high degree of value creation. While service providers in B2B markets would expect longer term contracts, the overall trend is shorter, multi-vendor contracts which come with bigger expectations on year on year cost efficiencies to be passed on to the business. Customer acquisition lifecycles are also typically large and churn can be more detrimental when compared to B2C. While there is a growing expectation on partnership approach with risk and reward sharing, the services space itself is being rapidly commoditized. There is significant disruption from new technologies, automation, robotics and artificial intelligence. So if you see, the overall contract values are eroding unless the service providers have proactively invested in bringing transformational solutions for value creation. So new partnerships, tech and services innovation, ecosystem play and platforms will become more critical to sustain and grow in these markets. As mentioned earlier, customer centricity can become more critical in B2C markets. B2C markets are more volume play and have their own set of challenges like high customer churn, supply chain issues, technology adoption and fierce competition on account of low entry barriers. Being a managed services providers in the CME industry, we are compelled to think B2B2C and B2B2B, as we build solutions with the end customers in mind. In my view, irrespective of market segment, B2B or B2C, the services industry will have to adopt a startup culture, be more agile, adaptive and innovative to be successful.

**CA:** Could you please share with us how Tata Communications Transformation Services Limited (TCTSL) manages to engage with its global customers to create a special role for itself in a competitive market?

**SB:** Tata Communications Transformation Services is indeed a unique managed service provider in the sense that we were built to transform global telecom operations and we were born out of a global tier one carrier i.e. our parent company Tata Communications. It is also very interesting to see that we compete with some of the large system integrators one hand and with large equipment vendors on the other. I think of TCTS as a challenger in the overall telco transformation and managed services industry. We bring along the trust, ethics and stability associated with the global TATA brand, we are agile, multi-domain, multi-technology start-up of the Tata group with a sharp focus on transformation. Today TCTS not only manages the global operations covering terrestrial and subsea networks of Tata Communications, but also manages complete wireless operations of Tata Teleservices (TTSL) in India. Over the last ten years, TCTS has expanded its customer base across continents, helping CSPs optimise legacy operations, re-engineer service delivery processes, transform network operations, service management tools, slice up networks to deliver different levels of performance and accelerate virtualisation through SDN/ NFV adoption.

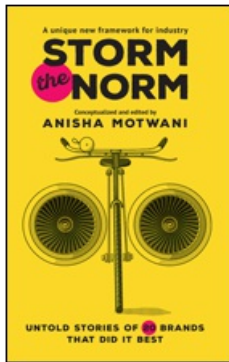
What TCTS really offers global CSPs is the freedom and the choice of partnering with a neutral, branded, trusted transformation partner with multi-vendor, multi domain skill set to transform operations, drive efficiencies, accelerate revenues and enhance customer experience.



# RESOURCE

## Storm the Norm

- Anisha Motwani



Brands. How did leading Indian businesses and the people behind them make them stand out till today? How did these businesses go against what was expected to create fresh new categories or business models or change consumer habits permanently? Anisha Motwani's 'Storm the Norm' attempts to answer these questions and many more in her well compiled, thought through book.

From a fresh perspective, Motwani segments her book into *Legacy Businesses*, *Challenger Businesses* and *Entrepreneurial Businesses*. The first category are companies which have been in India for decades and have continued to stay on top of the game ever since, by bucking the usual trend, and by reinventing and innovating themselves. While companies that have made a significant mark by challenging the leader in their category are termed as *Challenger Businesses*, *Entrepreneurial Businesses* are those that are a standalone or part of a large corporation and through their entrepreneurial spirit, had the ability to unlock hidden opportunities.

Each of these segments have been thoroughly examined through corporate illustrations across various industries and personal interviews. The result: a diverse assortment of stories that give an insight into the various types of levers that can be used to create and sustain a winning brand. Read Legacy foreign brand Cadbury Dairy Milk which won Indian hearts by repurposing its 'chocolate' brand to 'meetha' to tide over its periods of stagnation. Improving market share was not the only way out, but weaving itself into India's cultural fabric proved to be successful for the company. Tata Tea broke all the rules and re-invented itself through its famous 'Jaago Re' campaign. Entrepreneur segment example - India's cinema brand, PVR's Ajay Bijli's ability to spot opportunities and an initial connect with Australia's Village Roadshow Ltd overcame the technical bottlenecks of the theatre scene in the country then and redefined and transformed our cinema viewing experience and other retail entertainment concepts including hospitality, leisure and gaming.

The author's Storm the Norm strategy runs through 20 featured illustrations. A stagnant market laced with commoditized offerings and wafer thin margins coupled with mindless ritualised operations is ripe for a storm. The 'stormer' who has a unique perspective, spots a potential change (one that makes the current norms seem suboptimal). The stormer then conceives a breakthrough either in the form of a new product, process or business model and through prototypes and multiple iterations before arriving at a powerful concept. According to the author, this great concept must trigger a storm that must hit the critical mass at a certain pace so that it can be lapped up by the market surprised by their elegance. The large scale impact of the newly unlocked value begins to show; the synergised economies of scale and scope get triggered and the bandwagon effect follows. Before you know it, the new concept has become the new norm. It does not stop here. The next stormer will try to spot the suboptimal in the norm and pursue the unlocking of a newer surplus that reinvigorates the market. Eventually the storm turns into a vicious cycle.

Former Chief Marketing and Digital Officer at Max Life Insurance, Anisha Motwani draws from her rich experience of over 25 years in diverse industries - Advertising, Auto-Manufacturing, Financial and Health Services, and is a well-known business strategist, speaker and columnist. Motwani has certainly stormed the norm herself by considering corporate examples of companies on which little has been discussed. Known for her exceptional ability to turn deep insight into theory and theories into action, the book is an amalgamation of growth stories of various brands, fighting against all odds and coming out strong. The book is an easy read and hopefully will inspire you to storm the norm and help trigger ideas to lead to or create a winning brand.

FEEDBACK

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