

# Fit for Customer Interaction

*How do automotive manufacturers with multi-level sales structures align their interaction center organizations with increasingly demanding customer and product requirements?*



## Situation and challenges

The customer is moving more and more toward the focus of interaction, leading to more frequent and intensive customer dialogues in different channels. For companies selling their products in multi-level sales structures, this will require enormous alignment and coordination efforts in the future.

Multi-level structures have variable dimensions and characteristics. This will be shown in the following case examples.

### Case Study 1: Automotive

In the automotive industry we usually find sales in a three-level structure comprising headquarters, country or regional organizations and the dealer (retail) network. Above all, increasingly complex products paralleled with a growing product portfolio impede qualified product and service consulting. Country organizations often implement their own market-specific interaction center solutions, causing a very heterogeneous system landscape for the organization as a whole. An additional issue is the interface to retail, which claims control of customer contacts and acts widely independently. Thus, satisfying customer care and service cannot be guaranteed if coordination of the interfaces and the clear definition of the customer-contact points are not managed successfully.

### Case Study 2: Insurance

In the insurance industry, customer interaction mostly takes place on two levels. The customer is approached via different channels: sales agents, brokers, direct business or partners. At country or headquarters level, we find that a customer service center is the central point of contact to convey the customer to the appropriate channel.

The independence of the sales channels leads to a lack of coordination and

insufficiently synchronized customer-care and service processes.

Furthermore, there is no comprehensive overview of contracts and data of the individual customer, making the preparation of customized offerings and service concepts difficult. Not to mention the cannibalization effects between sales agents and other channels, leading to untouched cross- and upselling potential.

### Allocation of dialogue functions

Due to its complexity, customer dialogue in companies with multi-level sales structures needs to take place on several levels. Reasonable and clear allocation of the dialogue functions to the sales levels is crucial to achieving efficiency.

Today the determining factor for successful customer care is knowledge over all products and services. This can be differentiated with regard to scheme and specification:

#### Scheme vs. specification of knowledge

	Scheme	Specification
Definition	"General aspect of an object": e.g. a number used in arithmetic	"Specific aspect of an object": e.g. blue color of a number written on a paper
Example Vehicle	Configuration of the vehicle	Selected car on the court of a dealer
Example Contract	General issues re conditions & provisions	Specific contract offer with a rebate

Source: Arthur D. Little

Customer dialogue related solely to the scheme of a product or service can be centralized at country or supra-regional level. Additional "genius functions" with specific expert knowledge may be applied to cover large-scale regions for selected topics. Dialogue covering the concrete specification of a product or service has to take place near the customer, and is not suitable for centralization due to its individuality.

Apart from product knowledge, the

urgency of the dialogue needs to be considered. The higher the urgency, the more the dialogue should be allocated to central or country level.

### Efficient rollout

The governance and strategic guidelines for the rollout of the future interaction center structure is defined centrally. This includes not only allocation of the functions, but also role descriptions of the project and operational phases, as well as rollout plans describing the specific steps to be taken. Headquarters also defines additional parameters regarding KPIs and IT and CRM functions, in order to ensure a consistent and standardized measuring system and IT architecture. The defined parameters are to be understood as strategic guides. The implementation is under control of the markets to enable a flexible reaction to market-specific requirements.

The centrally defined framework is cascaded top-down to the following sales levels and supported by a "train-the-trainer" concept. This allows a parallel rollout in different regions and provides the necessary flexibility.

Complex interaction center organizations in multi-level sales structures are able to cope with future challenges using the efficient approach described above.

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