

Chief Customer Officer Forum

Mega Trends in Customer Service



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Welcome from the CCO Forum Committee

After last year's successful 10th Anniversary CCO Forum, we decided that the theme for this Forum would be "Mega Trends in Customer Service". Don Peppers, our key note speaker, will open the Forum with his presentation of "**Trust is the New Black**". He'll also lead two breakout discussions on "Obstacles in Becoming More Trustable".

We are pleased with the breadth and depth of the case studies for the day. Xero is a perfect example of a "disrupter business" that has been built using different rules to its' competitors. Trent Innes, will lead a discussion illustrating the advantages of newer business models. TuShare was conceived as a smart logistics solution to the common waste issues of having too much stuff! Imogen Baxter will challenge all of us on how trusted online communities and sharing economy might prove disruptive in many industries.

Former CCOF Member July Starley, has been at the heart of the transformation of Graysonline, and will describe some of the changes that have transformed them from bricks and mortar to a clicks only business. Big data is all the rage. Colin Brigstock, Finity, is an expert in the analysis and use of (big) data in driving new and different business models and will share his insights into some of the "traps for novice players". As we know, CBA is a market leader in development of mobile and online applications. Mark Kessler's case study will explore how new customer facing channels require a different approach to development.

Two of the committee are presenting today. Tracey McFarland, will share lessons QSuper learnt in how to utilise big(ish) data without needing a big IT shop or budget. Andrew Kiel, CUA, will discuss the transformation he led in the lending areas of CUA, where he transformed analogue operations for a digital world.

We conclude the day with Lisa Gray. Lisa will be presenting on, "The Power of Putting Purpose, Customers and People at the Heart of Commercial Decision-making". Lisa is well known as one of the most influential leaders in Financial services at both Nab and Plum. We are looking forward to her insights.

We hope it will be a tremendous day and please join us in welcoming our new members and guests.

Andrew, Michelle, Peter, Tracey, Samantha, David and Graham





Agenda

Tuesday 26 May 2015

- 7:00pm – 7:30pm Arrival drinks at Sepia Restaurant and Wine Bar, North Room
- 7:30pm – 10:30pm Dinner at Sepia Restaurant and Wine Bar, North Room

Wednesday 27 May 2014

The Hilton, Sydney
The Lobby, Level 1

- 8:00am Registration and Coffee
- 8:30am Welcome and Introductions
- 8:45am Opening Keynote: Don Peppers, Peppers and Rogers Group
- 9:45am Coffee Recharge
- 10:00am Break Out Session 1
- 11:15am Morning Tea Break
- 11:45am Break Out Session 2
- 1:00pm Lunch
- 1:45pm Break Out Session 3
- 3:00 pm Afternoon Tea Break
- 3:30pm Closing Keynote: Lisa Gray
- 4:30pm Closing questions and wrap up
- 5:00pm Meeting Close and Drinks



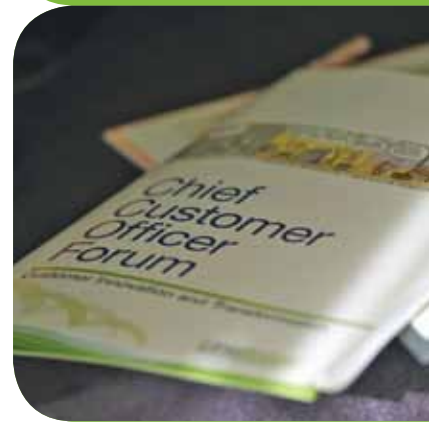
Editorial – Mega Trends Impacting Customers

The trends shaping how customers deal with institutions seem many and varied. It can appear bewildering that so many changes are occurring simultaneously. So we've tried to pick on three that we think are more than just hype. The first is that the explosion of information and mobility means today's customers are more in control (hence we documented a new business model of Me2B in our new book – Your Customer Rules!). The second is that new business models, often driven by data and information will cause more disruption both within and across industries. The third is that change itself will be the source of strategic advantage. We'll explore each in turn.

The internet and the explosion of related devices has reset the playing field between providers and customers. Customers can now easily compare prices and access reviews and opinions about most products and services. Connected social media has given everyone the power to damage a brand or build it up. This in turn has caused new intermediaries to emerge that are seen as trusted sources of the reviews and opinions. Re-intermediation is everywhere from Travel to Insurance to Utilities. In Your Customer Rules! we describe responses to this customer power. We describe seven key needs that remain for customers like "give me choices" (of channel, product, process) and "make it easy for me". Then there are higher order behaviours like "trust me" and "help me do more". In short this mega-trend requires that companies move from "managing customers" to working with or for them. That's an unnatural act for many businesses.

Trend two is business model disruption; it has been talked about a lot and we've no doubt it will continue. At the heart of these disruptions we see both new technologies and changed use of data and information. Uber, AirBNB and the like are creating new market places using today's networks and customers trust of each other as reviewers. Other companies are using data to power tailored offers such as insurance new entrants that can price "markets of one" (another Don Peppers idea that is now real) using data driven underwriting. Whilst data analytics has been much hyped, we have yet to see the value of it being shared with customers. The risk is that new entrants will disrupt those who turn the value of data solely into profits, rather than sharing those benefits with customers.

New technology has smashed down many industry walls such as communication and media. It's been documented that channels and devices are being adopted faster than ever before. We therefore think that change itself is the third key trend. We see the pace of change intensifying as technology enables start-ups to scale faster than incumbents. Steve Jobs said, "If you don't have the courage to cannibalize your own business someone else will". Therefore change capability becomes critical. Our





proposed response is to create internal business models with change 'designed in'. So operating models need to span channels and products as well as being scalable and flexible. Our approach to design of these operating models is to build 'components' that enable and embrace change such as expandable process sets that can extend to new products and services.

In our view strategic success may come less from those who predict exactly what the next change is and more from those who anticipate that there will be change and can deal with it. It will be interesting to discuss over the day which trends the CCO Forum members are experiencing and how well placed we are to deal with the new climate.

David Jaffe, Graham Howard and Peter Morrison
LimeBridge Australia

Opening Keynote

Trust is the New Black, Don Peppers, Peppers and Rogers Group

Customer trust has always been important to a business, but recent technological advances have made it much more so. Moore's Law says that computers get a thousand times more powerful every twenty years, but Zuckerberg's Law says that every twenty years we interact a thousand times more with others. However, the more we interact, the more trust we demand in others. It is trust that makes interactions efficient. The nature of interactions today generates unprecedented levels of transparency (which means untrustworthy behaviour is quickly outed). Already, today's consumers are demanding a higher standard of trustworthiness from businesses. It's no longer sufficient simply to charge what you advertise and do what you say you'll do. Instead, customers expect you to proactively protect their interest and to help them avoid mistakes and oversights.

In this presentation, Don Peppers will discuss:

- How technology has changed the "dimension" of competition;
- The two requirements for earning trust – doing things right, and doing the right thing;
- Why many of today's most common marketing practices will soon become untrustable; and

How to recover and keep the trust of customers, after it has been undermined or lost.





Breakout Sessions

Obstacles in Becoming More “Trustable”– Don Peppers, Peppers and Rogers Group

We are most fortunate Don Peppers is able to follow his opening key note presentation with two breakout sessions exploring “Obstacles in Becoming More “Trustable”. Don will take some of the ideas he presented in his key note and explore the issues in delivering them in practice. He’ll talk of examples of obstacles companies face when trying to become more customer-centric and trustable. These problems fall into three main categories and he’ll explore each and how they have been overcome.

Don will cover:

Capabilities: Inadequate systems, tools, or data to deliver genuinely customer-centric services

Alignment: Metrics, accountabilities, responsibilities are not aligned with customer-centric goals

Mindset: Employee culture or “hidden rules” that conflict with being more customer-centric

This discussion should enable all Forum members to explore issues they have and share problems and solutions.

Getting it right as a pure play on line business – the GraysOnline story

GraysOnline has emerged from a Bricks and Mortar auction business to become a “Pure play” on-line business that has also become an acquirer of like businesses. This has been a transformational journey requiring new ways of thinking about customers and new internal capabilities. Former CCOF member Julie Starley has been at the heart of that transformation and will describe some of the changes such as revised customer measures and improvement processes, collaboration with their third party providers and getting all departments focused on things that matter to customers. This is a rare example of a business metamorphosing in response to customer trends and emerging as a different business. It should generate interesting discussion on how businesses can embrace digital disruption

How Big Data is Reshaping Models in the Insurance Industry

Advances in the analysis and utilisation of (big) data are driving a range of new and different business models and techniques for optimising business performance. The Australian insurance industry has a long history of using extensive data analysis to design and price products. Using some case studies from personal lines insurance, Colin Brigstock,





one of Australia's leading actuarial experts, will illustrate some of the different ways in which data-driven approaches are influencing business models and improving business outcomes. He will also share his insights into some of the "traps for novice players" that can befall a business when embarking on a data-driven journey.

It's the Fast That Eat the Slow – Born in the Cloud

Software cloud business Xero has had such dramatic growth that it has had to rethink normal assumption on all aspects of its operating model. It is a classic example of a disrupter business that has been built using different rules to its' competitors. Being a "pure cloud based" business extends beyond the software to how they think about sales, interacting with their customers and service in all senses. This impacts the channels they use for customer acquisition, how they maximise them and how they think about long term customer engagement. This will be a fascinating discussion to illustrate the advantages of newer business models.

Building a True Community

In an increasingly connected, tech-savvy and resource-restricted world, communities are developing in fascinating new ways. TuShare was conceived as a smart logistics solution to the common waste problem of having too much stuff by former CSIRO Exec, James Bradfield Moody. In the 16 months since launch, the TuShare team has quickly learnt that real community building requires a completely different mindset. How have TuShare built trust, loyalty and generated feedback from within their community? If you want to be challenged on how trusted online communities and the sharing economy might prove disruptive to the status quo, this will be an interesting case.

Tailoring Product and Customer Experience through Big (and Small) Data

QSuper has had to respond to the industry disruption caused by self-managed super funds and looked for ways to be more responsive to the needs of each member. CCOF member Tracey McFarland will describe how QSuper has used a mix of internal and external data to create a sophisticated product, member experience and channel strategy that responds to individual needs and behaviours. This case has interesting lessons in how data and smart research can make a big difference quickly. Tracey also has many practical lessons in ways that data can be obtained and used without needing a big IT shop or budget.





Transforming analogue operations for a digital world

When he took over Credit Union Australia's lending operations, Forum member Andrew Kiel needed to find ways to compete in a tough market. In this case he'll describe how he tackled it and why some trends such as digital platforms are not always as beneficial as people expect. He'll also describe how product and process can be interrelated and the appropriate sequence of work for major system projects using his idea of "operational fitness". This case also raises interesting questions on scale and how to partner with others to create flexible capacity.

CBA's Process to meet Customer Expectations in a multichannel world

The Commonwealth Bank is a market leader in development of mobile and on line applications. Mark Kessler is responsible for these developments and the associated user experience. He runs one of the largest user customer centred design teams in Australia. However, it is the way they work and think about these developments that make them unusual. Mark will describe some of their unusual methods such as their true "agile" approach, their innovation centre and approach to fine tuning. This case study will explore how new customer facing channels require a different way.

Closing Session

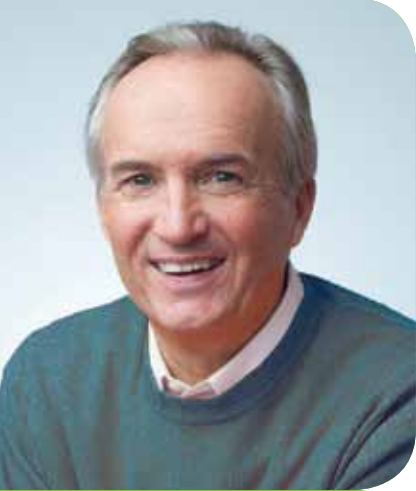
The Power of Putting Purpose, Customers and People at the Heart of Commercial Decision-making, Lisa Gray

In business, the key to sustainable transformation is placing purpose, customers and people at the heart of commercial decision-making. While not for the faint-hearted, it requires an innovative mindset to conceive of a different approach and courage to see it through against the odds. The path less trodden can attract opposition from many quarters and in many forms. It takes true stamina and resilience to face that opposition whether it comes from competitors, commentators or colleagues.

Real transformation though, is possible and has its reward in the creation of a "movement" that becomes self-compelling and self-propelling.

Lisa Gray is known for leading successful transformations and knows only too well the barriers faced, the challenges to overcome, and the deep sense of achievement that accompanies winning in a new way. From building a "challenger" superannuation company from the ground up to leading Nab's Fair Value strategy and Break-Up campaign, Lisa has a myriad of insights and lessons to share – many learnt the hard way!





Don Peppers

Guest Speaker Biographies

Don Peppers, Peppers and Rogers Group

Recognized for more than 20 years as one of the world's leading authorities on customer-focused business strategies, Don Peppers is an acclaimed author and a founding partner of Peppers & Rogers Group, the world's premier customer-centric management consulting firm. The Times of London has listed Don among their "Top 50 Business Brains," Accenture has included him in its global list of the "Top 100 Business Intellectuals," and the U.K.'s Chartered Institute for Marketing put him on its list of the "50 most influential thinkers in marketing and business today." In 2013, Don Peppers, along with partner, Martha Rogers, were inducted into the Direct Marketing Association Hall of Fame.

Don has a popular voice in the worldwide media, and as a top 100 "Influencer" for LinkedIn.com he has more than 220,000 followers for his regular blog posts.

With co-author Martha Rogers, Ph.D., Peppers has produced 9 international best-sellers, collectively selling well over a million copies in 18 languages. Peppers and Rogers are often credited with having launched the CRM revolution with their very first book, *The One to One Future: Building Relationships One Customer at a Time* (1993). Inc. Magazine's managing editor called this book "one of the two or three most important business books ever written," while Business Week called it the "bible of the new marketing." In 2011, the authors released a second, updated edition of their widely used CRM textbook for university use in graduate level courses, *Managing Customer Relationships: A Strategic Perspective*.

Previously, Peppers was the CEO of Perkins/Butler Direct Marketing, a top-20 direct marketing agency. He holds a B.S. in aeronautical engineering from the U.S. Air Force Academy, and a Master's in public affairs from Princeton University's Woodrow Wilson School.

Lisa Gray

Lisa Gray is an exceptional business leader with an enviable track record in leading companies through transformations and industry disruption. Her accomplishments are characterized by large scale cultural change underpinned by world-class leadership of teams and delivering outstanding commercial outcomes.

Lisa's career spans 25 years predominantly in financial services and more recently in property. Lisa has held various executive roles at Nab including Group Executive, Enterprise Services and Transformation, effectively



Lisa Gray



Chief Operating Officer and Group Executive, Personal Banking where she turned around Nab's personal banking business and master-minded the highly regarded Fair Value strategy and "Break-up" campaign. As the founding Managing Director of Plum Financial Services, she took an innovative approach to corporate superannuation taking it from a start up to No. 2 in the industry. Lisa has also held various senior leadership roles at MLC and Axa.

Lisa is a winner of the Telstra Business Women's Award for medium-sized enterprises and the prestigious Rupert Murdoch Fellowship for Leadership and Management.

Lisa has also guided many organisations as a board director including St Vincent's and Mercy Private Hospital, Victorian Government's Mental Health Reform Council and the Australian Graduate School of Entrepreneurship.

Colin Brigstock is a Principal of and Chairman of Finity Consulting Pty Limited.

Colin has almost 40 year's experience in general insurance, 14 years with NRMA Insurance Ltd in various actuarial and executive roles and now 25 years as a consultant with Finity Consulting and its precedent companies.

He is regarded as one of Australia's experts in the manufacture and distribution of personal lines insurance, regularly advising a range of insurers on the development and implementation of product and pricing strategies. Colin is a Fellow of the Institute of Actuaries of Australia and a seasoned adviser to both client boards and client executives.

Imogen Baxter, Head of Product and Community, Tu Share

Imogen Baxter's super power as a kid was endlessly nerding out about history and politics. At 16 she was volunteering in Parliament, at 17 she was working 3 jobs to self-fund a trip to the UN and at 18 she was at uni, discovering stories of everyday heroism.

Upon graduating with First Class Honours, Imogen moved to Australia to find the people who were doing good stuff.

Starting life like most new grads, working for love not money, Imogen got involved with Oxfam, The St James Ethics and Sustainable Business. After a chance meeting with TuShare Founder, James Bradfield Moody, Imogen is now General Manager at TuShare, Australia's fastest growing sharing community.



Colin Brigstock



Imogen Baxter



Mark Kessler

Mark Kessler, General Manager User Experience and Visual Design

Mark is currently the General Manager of User Experience and Design at the Commonwealth Bank where he leads a team of 70+ User Experience and Visual Design professionals. He has the overall responsibility to deliver on executing CommBank's digital strategy through researching, designing and testing customer experiences and designs that achieve business outcomes.

Mark has over 20 years of both client-side and agency experience with a strong focus on digital strategy, design & development, customer lifecycle management, roadmap definition, e-CRM, mobile, social media and ultimately overall user experience. He has worked with numerous Fortune 500 organizations including BT Financial Group, Global Red Australia, Seagate Technology and Adobe that design, develop and implement world-class digital solutions and strategies based on defined business objectives, identified end-user requirements and user-centred design principles.



Julie Starley

Julie Starley, Executive General Manager, Grays eCommerce Group

Julie joined Grays in 2009 leading operational excellence in customer service, logistics and warehousing. Julie has over 16 years experience in the fast paced Online Retail and ICT industries. Previously, Julie held international roles in Vodafone Group with experience in marketing, business and segment growth strategies, customer experience and change management.

Trent Innes, National Sales Director, Xero

Trent is really excited to be driving the growth of the Direct business for Xero in Australia. Xero provides beautiful, easy to use online accounting software for small businesses and their advisors. Xero has customers in more than 100 countries and is quickly growing into a significant global company with teams in New Zealand (Wellington & Auckland), Australia (Sydney, Melbourne & Brisbane), United States and United Kingdom. The company is listed on the NZX and ASX. www.xero.com

Trent's background in the Accounting, ERP and CRM software industry spans 16 years after starting my career as an Accountant. His experience includes business management, sales leadership, channel development, strategic planning and building cloud businesses.

Before joining Xero, Trent was the National Sales Manager of the Microsoft Business Group in Australia managing the ERP and CRM business.



Trent Innes



Tracey McFarland, Head of Group Marketing, QSuper

Tracey is a service industry general manager with experience gained through leadership positions at QSuper, Suncorp Bank, Suncorp Insurance, Telstra and Qantas in areas spanning Marketing, Sales & Service, Operations and Strategy. Tracey has also consulted in direct marketing, operations and change management in the private & public sector. A current member of the CCOF Management Committee and Forum member since 2006, Tracey looks forward to the energy, discussion, challenge and open culture of the CCOF Forum and its professional network of members.

Andrew Kiel, Head of Lending Operations, CUA

Andrew has recently taken responsibility of heading Customer Experience and Business Process Re-engineering for CUA. Over the past three years he has led a number of transformational programs at CUA around lending operations, digital and branch of the future. Highlights have included a reduction in back office unit costs to originate lending of 40% in 18 months, 250% year-on-year increase in online health sales and 40% uplift in digitally originated personal loans, and between 150% and 300% uplift in lending outcomes in concept branch sites. Andrew has also held senior strategy, marketing and customer operations roles at QSuper, BUPA, Telstra, and the SEMA Group. In 2010, Andrew became a Committee Member of the CCO Forum.



Tracey McFarland



Andrew Kiel



Events

Past Forum

CCO Forum 22 October, 2014 Melbourne Changes for the Next Decade

At the October CCO Forum we celebrated our 10 Year Anniversary. We commenced and concluded the day with something thought provoking. John Winning presented the story behind Appliances Online, an exemplar digital business model offering great service. John's presentation was informative, thorough and of huge interest. We concluded the day with one of Australia's leading experts in performance – Richard Charlesworth, a famous Australian Hockey coach. Richard, challenged us on what business can learn from sport.

Our case study sessions, offered a range of stimulating and strategic discussions. The presenters consisted of David Heymann, Google; Nick Adams, Telstra; Michael Volk, Queensland Police; Peter Walker, ATO; Iain Kiernan and Carl Muller, EPA Victoria and Merril Hotchkin and Dee Hovey from Metricon Homes.

Upcoming Events

Site Visits

Two site visits planned.
Details to be confirmed.

Chief Customer Officers Forum 21 and 22 October “The Impacts of Digital Disruption and Customer Design”. Dinner 20th October, Cumulus Forum 21st October, The Sheraton, Melbourne

Chief Customer Officer Forum, UK

Date: 10 and 11 June, 2015
Organiser: Peter Massey
Phone: +44 (0) 7802 793 515
Email: peter.massey@budd.uk.com
Venue: Hosted by Marks & Spencer,
Paddington Basin Head Quarters

For Further details

Contact: Gillian Goller
Gillian_goller@limebridge.com.au





Member Highlights

New Members



Steve Barnes
IRESS Market Technology
Chief Operating Officer
steve.barnes@iress.com.au



Sue Johnson
Transurban
Group General Manager, Human Resources
sjohnson@transurban.com

Re-joining Members



Julia Oxley
Emergency Services Telecommunications Authority
(ESTA)
Chief Customer and Operating Officer
julia.oxley@esta.vic.gov.au



David McNeil
Click Energy
General Manager Customer Experience
dmcneil@clickgroup.com.au

Read all member bio's on the Chief Customer Officer Forum Website
www.ccoforum.org.au





Past CCO Forum Meeting Topics

Year	Meeting Theme
Oct 2014	Key Changes for the Next Decade
May 2014	Customer Innovation and Transformation
Oct 2013	The Next Wave
May 2013	The Future Organisation
Oct 2012	Operational Excellence
May 2012	Customer Facing Leadership
Oct 2011	Adding Value To Customers
May 2011	How Our People Make the Difference
Oct 2010	Proving that Better Customer Experiences are Cheaper
May 2010	Connecting with the Customer
Oct 2009	Success Stories from Idea to Implementations
May 2009	Customer Service in the Economic Downturn
Nov 2008	Leading Practices in Customer Experience
May 2008	The Transformation Challenge
Oct 2007	Optimising the End to End Customer Experience
May 2007	Using Technology to Deliver Better Customer Experiences
Nov 2006	Proving the Strategic Value of Service
May 2006	Managing and Measuring Business and Human Performance
Nov 2005	Multi Channel Delivery
May 2005	The Strategic Value of Service
Nov 2004	Inaugural Meeting

All past presentations can be downloaded via member login on the CCO Forum website www.ccoforum.org.au





Keynotes and Guests
John Winning, Appliances Online Richard Charlesworth, Professional Coach
Jan Pacas, CEO Hilti Australia Ann Sherry, CEO Carnival Australia
Honourable Jeffrey Kennett Toby Detter, LimeBridge Scandinavia Peter Massey, Budd UK Bill Price, Driva Solutions Joseph Kort, Activeo France
Anders Sorman-Nilsson, Thinqe.inc Scott Farquhar, Atlassian
Megan Quinn, Net-A-Porter Guy Russo, Kmart
Brett Godfrey, Virgin Steve Simpson, Dr Peter Eilyard and Alistair Mant
Dr Stephen Lundin, FISH! Bernie Brookes, Myer
Andrew May - The Performance Clinic Rachel Botsman - Social Innovator and Author
Mark Bouris, Yellow Brick Road Steve Vamos, Board Member
Linda Nicholls, Board Member
Dr Martha Rogers, Peppers and Rogers
David Morgan, Former CEO Westpac
MD Ramaswami, LimeBridge India Toby Detter, LimeBridge Scandinavia David Naylor & Peter Massey, Budd UK Bill Price, Driva Solutions Stephen Pucker, Ad Scopum Lynne-Marie Eccleston, Rhea Ian Northmore, Virgin Mobile Dick Hunter (De11)
Mark Ritson, Melbourne Business School
Jane Hemstrich, former Accenture Asia Pacific Managing Partner Andrew Rowsell Jones, Gartner
Jeanne Bliss, Customer Bliss Peter Murley (UK)
Shane Garland, Woolworths Kevin Panozza, Salesforce
James Strong, Chairman IAG
Prof Paul Paterson, UNSW Paul Harmer, The Brand Surgeon
Too many to list!

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Chief Customer Officer's Action Check List

	Issue or aspect of our end to end customer experience that requires my attention	What changes will I make to improve the delivery of our end to end customer experience
1.		
2.		
3.		

Key Takeaways



Chief Customer Officer Forum



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