



The Customer Value Network

. . . trading insights with leading-edge practitioners of customer value management and value-based pricing

The Customer Value Network

The Customer Value Network is a membership group for companies that are implementing programs to improve customer-perceived value. At meetings, members learn and share strategies for building customer focus, economic value, customer satisfaction, relationships, and loyalty. These strategies help companies attract and retain targeted customers. They lead to improved performance, pricing, profitability, and shareholder value.

Customer Value Network Facts

- Two meetings per year -- one in North America and one in Europe
- Participants from: Marketing, Product-Market Pricing, Market Research, Customer Satisfaction, Strategy, and Business Excellence
- Annual dues \$8,000 per company/division

Activities at Meetings

- War stories on how CV analyses have led to business insights and success
- Workshops on topics such as measuring customer perception, intelligence gathering, processes for formulating innovation strategies, pricing, etc.
- Discussions led by Dr. Bradley Gale on recent developments in marketing, pricing, and strategy that enrich Customer Value Management
- Discussions of relevant articles and books

Network Focus

Customer and competitive strategies: Identifying and targeting profitable customers. Segmenting markets based on benefits that customers value. Crafting effective value propositions. Building long-term relationships.

Pricing and monetary value: Estimating the monetary value of your offering versus competing offerings. Shifting from cost plus to value-based pricing

Injecting customer value analysis into key account management and relationship building: Using information technology and customer knowledge to improve customer service and relationships with customers.

Growth: Surface unmet customer needs and create new markets. Designing strategies for building market share, share of customer, and overall business results.

Customer metrics and business performance: Linking customer value, loyalty, brand affinity, retention, and acquisition to share of customer and market. Linking metrics on customers, competitors, employees, and business results.

Customer Value, Inc.



Network Members (September 2006)

BOC Gases	Guildford UK
Canada Post	Ottawa
Ciba SC	Basel
EBS Building Society	Dublin
Ingersoll Rand	Brussels/Galway
Orange	London
Perkins Engines	Peterborough
Solvay	Atlanta
Syngenta	Basel
Telstra	Sydney
Trane	New Jersey

Steps Toward Building an Effective Customer Value Management System

- Join the Customer Value Network. (Why reinvent the wheel when you can network with, and learn from, the world's best practitioners?)
- Pick a high level executive champion. Identify who will do the work - educating management, conducting initial studies, participating in Network meetings, etc.
- Decide on organizational placement. Effective systems have been built within Marketing, Customer Satisfaction, and Business Improvement functions. Some systems are centralized at the corporate level; others are decentralized, coordinated at the division or business unit level.

- Educate key players.
 - ◆ Read "Customer Value Accounting for Value-Based Pricing"
 - ◆ Attend the Gale overview seminar. (It's given two times each year in conjunction with CV Network meetings.)
 - ◆ Check out our web site . . . www.cval.com.
 - ◆ Schedule an in-house seminar to increase executive awareness on the importance of managing customer value.
- Run a pilot study on one or more key Product lines.
- Use us as a sounding board to discuss your issues and concerns. Put your own issues on the agenda for discussion at the Network meetings. Call Bradley Gale or Don Swire at Customer Value, Inc. with questions about what we have learned are the best practices.

Customer Value, Inc.

Customer Value, Inc. and its consulting arm, GALE Consulting, Inc. specialize in Customer Value Management. Major activities include:

- Customer Value Network: Membership group for companies that are implementing CVM and Value-Based Pricing programs
- Workshops: Sessions to help product teams formulate strategies to improve customer perceived value
- Consulting: Full range of services to help clients implement CVM & VBP
- Software: Simulate actions to improve customer-perceived benefits and value; develop a Marketing War Room

Bradley T. Gale

Bradley Gale, president of CVI, is a leading authority on the management of customer value.

Dr. Gale's book, *Managing Customer Value: Creating Quality & Service that Customers Can See*, published by The Free Press, was reviewed by *Publishers Weekly* as



"arguably the most useful marketing study since the formative works of Peter Drucker, Philip Kotler, and Michael Porter . . . may shape business thinking for years to come."

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