THE HUMAN BRAND
A BETTER WAY TO MEASURE CUSTOMER EXPERIENCE & ITS FINANCIAL IMPACT
TWO AGED OLD JUDGMENTS
<table>
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<tr>
<th>Warmth Perceptions</th>
<th>Competence Perceptions</th>
<th>Resulting Emotions</th>
<th>Resulting Behaviors</th>
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<tr>
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<td>Admiration, Pride</td>
<td>Attraction, Loyalty</td>
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<td>Competent</td>
<td>Envy, Jealousy</td>
<td>Begrudging Cooperation, Obligatory Association</td>
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<td>Warm</td>
<td>Incompetent</td>
<td>Sympathy, Pity</td>
<td>Indifference, Neglect</td>
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<tr>
<td>Cold</td>
<td>Incompetent</td>
<td>Contempt, Disgust</td>
<td>Rejection, Disassociation</td>
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</table>
Sympathy & Neglect

Contempt & Rejection

Admiration & Loyalty

Envy & Distrust

Competence
Sympathy & Neglect
- VA Hospitals
- Public Transport
- USPS
- Amtrak
- Travelers Insurance
- Toyota
- Shell
- Bank of America
- Walmart
- Morgan Stanley
- BP
- AIG
- Goldman Sachs
- Marlboro

Admiration & Loyalty
- Habitat for Humanity
- Boys & Girls Club
- DAV
- Minute Maid
- Zappos
- McDonalds
- Honda
- Macy’s
- Best Buy
- Gucci
- Cartier
- Mercedes
- Rolex
- Rolls Royce
- Porsche
- Gucci
- Cartier
- Mercedes
- Rolex
- Rolls Royce
- Porsche

Contempt & Rejection
- Hype Society
- Salvation Army
- Tropicana
- Campbell’s
- Macy’s
- Best Buy
- Gucci
- Cartier
- Mercedes
- Rolex
- Rolls Royce
- Porsche

Envy & Distrust
- Amazon
- Coca-Cola
- Walmart
- JPMorgan Chase
- Citibank
- Exxon
- Walmart
- JPMorgan Chase
- Citibank
- Exxon

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WARMTH AND COMPETENCE

50% more data less loyalty

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WARMTH AND COMPETENCE
My grandmother is passing soon with cancer. I visited her the other day and she was telling me about how she really wanted soup, but not hospital soup because she said it tasted "awful." She went on about how she really would like some clam chowder from Panera. Unfortunately, Panera only sells clam chowder on Fridays. I called the manager, Sue, and told them the situation. I wasn’t looking for anything special just a bowl of clam chowder. Without hesitation, she said absolutely she would make her some clam chowder. When I went to pick it up, they wound up giving me a box of cookies as well. It’s not that big of a deal to me, but to my grandma it meant a lot. I really want to thank Sue and the rest of the staff from Panera in Nashua, NH just for making my grandmother happy. Thank you so much!

Brandon Cook, Wilson, NH
THE
HUMAN
BRAND
WELCOMING GENUINE CONSIDERATE KNOWLEDGEABLE INVOLVED
A HUGE BLIND SPOT
MISGUIDED MECHANICS
FAULTY METRICS

OPERATIONAL STANDARDS

SERVICE QUALITY

PROCESS COMPLIANCE
IMPERATIVES

BECOME MORE

SELF-AWARE

EMBRACE SIGNIFICANT CHANGE

REBALANCE PRIORITIES
1. Destination Planning
2. Discovery Interviews & Internal Assessment
3. Benchmark Customer Experience Assessment
4. HUMAN Brand Customer Segmentation
5. Personalized Communication & Support
6. Predictive Analytics & Financial Impact

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1. This customer experience program will gather critical feedback and insight that enables our firm to build a customer-first culture that ultimately drives its growth & profitability.

2. In addition to serving customers first, this program will benefit all company functions by providing fact-based reporting on its performance and progress.

3. Unlike other feedback tools, this program will provide insight on the overall relationship with each customer and track performance on loyalty drivers.

4. This will assure customers that their needs will be heard and acted on, while delivering timely guidance to all company functions on how to better serve them.

5. As a result, the company will achieve consistent improvement in customer likelihood to recommend and account retention, especially among SMB accounts, that enables stronger revenue and profit growth in late 2014 and beyond.
BENCHMARK ASSESSMENT & CUSTOMER SEGMENTATION

Q1 2014

Committed Supply Partners
- 30% (25% of revenue)
- Frustrated Reliability Seekers: 13% (23% of revenue)
- Indifferent Supplies Avoiders: 7% (10% of revenue)
- Transactional Order Placers: 21% (13% of revenue)
- Satisfied Reliability Seekers: 29% (29% of revenue)

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<th>CSP</th>
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**WIDELY VARYING CUSTOMER PRIORITIES**

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WIDELY VARYING CUSTOMER PERCEPTIONS

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HUMAN BRAND LOYALTY DRIVER FINDINGS

PRICE OF ENTRY
- Delivery
- Ordering
- Inventory
- Communication
- Pricing

LOYALTY DRIVER
- Complaints
- Integrity
- Employees
- Service
- Worthy intentions
- Compliance
- Selection

NICE TO HAVE
- Credit
- Sustainability
- Billing

POINT OF DIFFERENCE
- Needs
- Personalization
- Relationship
**PERSONALIZED COMMUNICATION & SUPPORT**

- A HUMAN Brand segment identification algorithm was developed to classify each customer based on their priorities and enabled much more personalized communication and account support.

<table>
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<tbody>
<tr>
<td>Improvement of online tools for orders and tracking</td>
<td>Proactive problem resolution</td>
<td>Cross selling offers to expand account</td>
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<td>New customer referral incentives</td>
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<tr>
<td>Greater emphasis on value and discounts</td>
<td>Improved shipping and billing processes</td>
<td>Emphasis on service &amp; delivery reliability</td>
<td>Reduced drop-shipping and Increased inventory on certain products</td>
<td>Cross selling offers to expand account</td>
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<tr>
<td>Communication of improvements in response to feedback</td>
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SHIFT IN CUSTOMER SEGMENT & REVENUE MIX

**Q1 2014**
- Frustrated Reliability Seekers: 13% (23% of revenue)
- Indifferent Supplies Avoiders: 7% (10% of revenue)
- Transactional Order Placers: 21% (13% of revenue)
- Satisfied Reliability Seekers: 29% (29% of revenue)
- Committed Supply Partners: 30% (25% of revenue)

**Q1 2018**
- Frustrated Reliability Seekers: 4% (45% of revenue)
- Indifferent Supplies Avoiders: 4% (5% of revenue)
- Transactional Order Placers: 20% (17% of revenue)
- Satisfied Reliability Seekers: 27% (25% of revenue)
- Committed Supply Partners: 45% (45% of revenue)
As a result of HUMAN Brand focus, tracking and experience improvements, customer satisfaction, likelihood to recommend and loyalty all increased by double-digits.
Structural equation modeling confirmed that for every 1 point increase in warmth and competence perceptions, customer loyalty increased by .91 points.

In addition, for every 1 point increase in customer loyalty, annual revenue per customer consistently increased by an average of 12%.
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A BETTER WAY TO MEASURE CUSTOMER EXPERIENCE & ITS FINANCIAL IMPACT