



**MarketAbility**  
A PENTADIGM Practice

## CVM Diagnostic

### **MarketAbility and Customer Value**

MarketAbility has developed a unique diagnostic tool to evaluate and benchmark the performance of companies on Customer Value Management, based on the five-step Pentadigm CVM model featured in the book, co-written by Phil Allen (CEO, MarketAbility): "Value-Based Marketing for Bottom-Line Success: 5 Steps to Creating Customer Value". ISBN 0-07-139656-X. De Bonis, Balinski & Allen, published December 2002 by McGraw-Hill with the American Marketing Association

### **MarketAbility's CVM (Customer Value Management) Diagnostic**

produces a rigorous and systematic evaluation of a company's performance on each of the five steps in the Pentadigm model:

1. Understand the Customer
2. Commit to the Customer
3. Create Customer Value
4. Obtain Customer Feedback
5. Improve Customer Value

### **CVM Diagnostic Approach and Outputs**

The CVM Diagnostic features a unique set of parameters and measures applied to each of the five steps and involves detailed analysis plus interviews and discussions with client's customers, non-customers and staff at all levels. The results of the detailed study will be presented back to client's team in an interactive workshop, geared to identify for each of the Customer Value Management steps:

1. What client does well today, can reinforce and leverage in the marketplace with target customers.
2. What client needs to improve to be better positioned in the marketplace and with target customers.
3. What client must do differently to win greater success in the marketplace and with target customers.
4. How does client compare with best practice

### **Specific deliverables for client will be a measure of performance on each step:**

#### **1. Understand the Customer**

Understand market and customers, customer segmentation, evaluate competitive position, target customer segments.

#### **2. Commit to the Customer**

Develop customer segment strategy, differentiate offerings to chosen target segments, communicate offerings internally and externally, define and measure key performance indicators.

#### **3. Create Customer Value**

Develop a customer culture through the organisation, define and populate customer value processes, develop customer value infrastructure, implement customer value.

#### **4. Obtain Customer Feedback**

Track won and lost business, proactively obtain customer feedback, measure and track customer satisfaction, manage customer queries and complaints.

#### **5. Improve Customer Value**

Implement short-term improvements, continuous and ongoing improvements to customer value, challenge customer understanding, re-define customer commitments, improve implementation.

#### **6. Key Actions and Initiatives**

The Diagnostic and the interactive workshop provide an action list for immediate, medium and longer term implementation as the basis for future success of the client in the market and at target customers.

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*Practical Marketing for Value Growth*

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