

BEST FACE FORWARD INTRODUCES “SMART” FRONT- OFFICE AS CRITICAL PATH TO COMPETITIVE ADVANTAGE



In their new book, renowned business strategists Jeffrey F. Rayport and Bernard J. Jaworski advocate improving service interfaces with customers through effective and efficient use of humans and machines.

AS COMPANIES SEARCH for new ways to attract and retain customers in an increasingly competitive marketplace, authors and recognized business strategists Jeffrey Rayport and Bernard Jaworski offer a guide to securing long-term loyalty *and* competitive advantage in *Best Face Forward: Why Companies Must Improve Their Service Interfaces with Customers* (Harvard Business School Press, January 20, 2005).

The authors—proven experts on the impact of information technology on companies’ service and marketing strategies—argue that today’s companies must increase their focus on improving customer service interfaces by reengineering the front-office in order to meet today’s more advanced market demands. Rayport and Jaworski recommend that machines in front-line roles should be integrated with people in order to radically improve efficiency and effectiveness—creating a system of interfaces with customers that will bring the ways firms touch their customers into alignment with their broader strategic goals.

“Technology is revolutionizing—and humanizing—service,” say Rayport and Jaworski. **“Visionary companies understand this critical service component and are recruiting machines into the workforce for greater value.”**

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JEFFREY F. RAYPORT & BERNARD J. JAWORSKI

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TECHNOLOGY—HUMAN WORKFORCE

Today's successes are based on how well firms manage their interactions with customers, and the most farsighted executives are seeking alternative ways to improve efficiency and effectiveness. They realize that bringing machines into the workforce has sparked a revolution in how they serve customers and stay competitive.

In *Best Face Forward*, the authors illustrate how today's forward-thinking firms are harnessing an effective mix of customer interfaces to surpass typical levels of performance and service. Based on extensive research inside both start-up ventures and mature businesses in industries including retail, restaurant, consumer goods, media, and finance, Rayport and Jaworski outline the best approach to breaking down and managing an organization's customer interactions by targeting tasks for employees, technology, and a combination of the two. The authors advise organizations to combine "smart" front-office devices and intelligent networks throughout their consumer channels to both establish and capitalize on customer-service relationships. Readers walk away with strategies that can be implemented immediately to improve the customer experience and enhance customer loyalty.

Best Face Forward reframes the question from "what human jobs will technology eliminate?" to "what jobs are more efficiently performed by automation? And which jobs are best performed by people?" Visionary and compelling, this book shows how new roles for technology and people will radically reshape business and competition—and ultimately create a "people-rich" workplace that benefits customers, employees, and shareholders.

AN INTERVIEW WITH JEFFREY F. RAYPORT

Talk about technology as the catalyst for increased competitive advantage.

Like no time before, technology is playing an integral role on the "front-line" of business—that is, where a company's employees interact with its customers. Increasingly, machines are working alongside these employees to help manage interactions and relationships, creating a "smart" front-office that drives prospecting and secures customer loyalty. It is the quality of these interactions with customers, which result in a better customer experience, that becomes the source of competitive advantage. Quality service has become a critical strategic weapon in helping companies establish and sustain competitive advantage.

In *Best Face Forward*, you talk about the combination of smart devices and intelligent networks that help establish commercial relationships and drive customer loyalty. Can you give a few examples of this recipe for success?

Success comes when machines are placed in prominent roles to help manage customer interactions in a way that makes the experience more efficient for the customer and more effective for the company. Examples of the smart device-intelligent network combination include Web sites in retailing, ATM's in banking, touch-screen kiosks in shopping, drive-thru windows in fast food, slot machines in casinos, and e-ticketing machines in airports. In these instances, human labor has been augmented or replaced altogether, and machines are serving customers in expert and highly satisfying ways. In fact, we are finding that machines often elicit responses from their human customers that not only are positive and personal, but are also emotional.

What is the front-office reengineering revolution?

Today's new machines can interact with customers in compelling ways, which creates a new mandate for business leaders and managers around the world that is parallel—but opposite—to that of a century ago.

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Leading businesses need machines to behave more like people, and not vice versa. Just as some machines in industry proved more skilled than humans in performing certain tasks while incurring lower costs, today's front-line machines are driving a parallel revolution of effectiveness and efficiency. We call it the front-office reengineering revolution—and it is turning the business world on its ear with regards to how firms organize work, relate to customers and markets, and establish competitive advantage.

In the book, you identify four trends related to technology evolution that make this era what you call “a time of unique opportunity for establishing strategic advantage.” What are these trends?

The trends are not new, yet we believe they have combined to create a threshold effect, enabling what we call “interface advantage,” which is based on the attributes and value of new interface technologies. The four technology trends are: proliferating smart devices; the rising intelligence and interactivity of such devices; the increasingly affective appeal of devices; and the near-ubiquitous global connectivity of information networks that serve to “wire” such devices. It's important to note that these trends signal an opportunity to enhance customer interactions and relationships, while also driving down the costs of managing those interactions.

What are the building blocks of interface systems?

The building blocks of these systems are the interface types themselves. In *Best Face Forward*, we outline and examine the three interface types. First, we tackle the “traditional” interface. This is the purely human interface that has driven customer service throughout history—people enabled by people in the front-office. The second is the “automated” interface, which is appearing more and more as “smart” devices continue to deliver true value to businesses. The “automated” interface is connecting customers to firms and firms to customers on a variety of levels: physical, cognitive, emotional, and

synaptic. Finally, we cover the “hybrid” interface in two forms: people enabled by machines and machines enabled by people. We try to illustrate for the reader the various ways in which humans and machines can work together on the front-lines to lower costs and increase the quality of the customer experience.

In *Best Face Forward*, you use the wildly successful TV-home shopping retailer QVC as a case study. What can readers learn from QVC?

QVC's interface system is a powerful one. It is finely tuned to deliver results—and it does. QVC is considered by many to be the most successful electronic commerce company in the world. Long before the Web, QVC understood and utilized direct channels, combined with human and machine interfaces, to secure customer satisfaction and long-term loyalty. Think about the ways in which the brand touches customers: the anchor interface is the televised programming that features hosts and product experts, along with graphic features that include everything a buyer would need; secondary interfaces are the call centers, which combine human and automated representatives; and then there are the Web site, distribution centers, advertising, merchandising, and QVC's production facility. Readers can learn from QVC's cascading demand that starts with its on-air programming and trickles down through its additional channels. It's also an example of using traditional and non-traditional business fields to create customer demand and loyalty.

Is there anything else you'd like to add?

Yes, in the book we offer a valuable assessment tool that is based on our work with clients around the world. The tool can be used for deploying interface systems or for optimizing portfolios of interfaces already deployed in the market. We offer this as a way for companies to get started on the track to better competitive advantage and greater customer loyalty—by putting their best foot forward.

ABOUT THE AUTHORS

Jeffrey F. Rayport is a former Harvard Business School professor and chairman of Marketspace LLC, a strategic advisory, executive education, and software development business of Monitor Group, which is an international strategic advisory and investment firm headquartered in Cambridge, MA. At HBS for nearly a decade, Rayport developed and taught the first e-commerce course in the nation, authoring over a hundred HBS case studies. Business plans produced by students in his course contributed to establishing many high-tech start-ups, including Yahoo!. Prior to his leave from HBS, Rayport originated the concept of "viral marketing." He also became the only faculty member ever voted "outstanding professor" for three years running by the Harvard Business School Students Association.

Bernard J. Jaworski is Vice-Chairman of Marketspace LLC and President of its Monitor Executive Development business unit. He was previously a tenured member of the marketing faculty at the University of Southern California's Marshall School of Business and the Jeanne and David Tappan Marketing Fellow. From 1994 to 1999, he served as Dean of the Texas Instruments Virtual University. He is the recipient of both teaching and research awards, including the students' M.B.A. teacher of the year award at USC, the Alpha Kappa Psi award (twice) for best marketing-practice article in the *Journal of Marketing*, and the Jagdish Sheth Award (with Ajay Kohli) for long-term contribution to marketing theory and practice from the *Journal of Marketing*.

As partners in Monitor Group, Rayport and Jaworski have co-authored several market-leading business school textbooks focused on strategy and marketing in a networked economy, including *eCommerce* (2000), *Cases in eCommerce* (2001), and *Introduction to eCommerce* (Second Edition, 2003), which have been adopted at more than 400 business schools around the world.

PUBLICATION INFORMATION

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