The returns on Nespresso’s **customer relationship innovation**:

1. **Provide better customer experience**: improve tastes, machines & services based on feedback.

2. **Better customer service**: due to the direct personal interaction (‘Le Club’).

3. **Increase customer loyalty**: through more targeted promotions and unexpected rewards.

4. **Increase consumption**: through timely replenishment reminders (crucial for installed based profit model).

5. **Customer retention**: targeted discounts for people who haven’t ordered in a while.

6. **Improve customer advocacy**: through personalised services and perks for referrals.

7. **Improve your R&D process**: by prototyping new flavours on limited member base.

8. **Richer data**: verbal feedback, when correctly evaluated, is more valuable to understand customers’ desires.
Worksheet - Customer relationships

Take action now & boost your innovation skills:

1. List your company’s key offerings. Which of the above ways to relate to your customer do you use and which ones are new opportunities?

2. What could be totally new ways of relating to your customer, how could you implement those and what would be their value?

Check out www.InnovationTactics.com for more
Notes - Customer relationships