

Including our latest ground-breaking
research series, Cracking the Culture Code,
in partnership with The Market Research Group
at Bournemouth University

A guide to:

Building a brand from the inside out

dragonfish
culture + performance

“Companies that invest in employee experiences are 4 times more profitable than those that don’t.”

(<https://www.forbes.com/sites/blakemorgan/2018/02/23/the-un-ignorable-link-between-employee-experience-and-customer-experience/#3dc04dc648dc>)

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Who we are

dragonfish is an award-winning culture consultancy, part of the global Lawton Comms Group, with offices in Southampton, London, Sydney and LA.

We are the trusted partners for leaders in ambitious brands with plans to transform performance through culture change and employee engagement.

Our team is a unique mix of award-winning HR directors, research specialists and commercial marketers with an impressive track record of helping organisations to identify and

build stronger connections between their people, brands and customers to unlock potential and growth.

Our approach has delivered outstanding results across a range of sectors for organisations such as Cloudreach, Carnival UK, O2, National Trust, Karen Millen, Ann Summers, Cunard, Enterprise Inns, Fitness First and many more.



Our award-winning experience

Our approach has had impact and delivered results for brands such as...



Ann Summers



AVON



Go-Ahead

zest.



To view more examples of our work and its impact, visit www.dragonfishuk.com/work

Almost two thirds of U.K. employees (64%) don't understand what their brand stands for and what makes it different.

Culture goes beyond four walls

These days organisational culture goes beyond four walls. Organisations are more visible than ever from the outside. So if there's something amiss with your culture, the world's going to know about it. If your people aren't happy, your customers will feel it. And if your people aren't performing, your customers will tell you about it. Publicly. That's why it's so important to see the role culture can

play in building a trusted brand and a positive customer experience.

But for leaders to commit to culture change, they need to understand and believe in it. It needs to be more tangible. Less fluffy and more objective. Less academic and more commercial. The links between culture and performance need to become more real.

At dragonfish we believe:



Culture is not a project, it's an ever evolving entity



Culture fuels performance by enabling strategy



Culture is the new battlefield for competitive advantage



And culture can be measured and managed

We believe in culture alignment, harmonising employee and customer experience to build brands from the inside out

Companies that lead in customer experience have 60% more engaged employees.

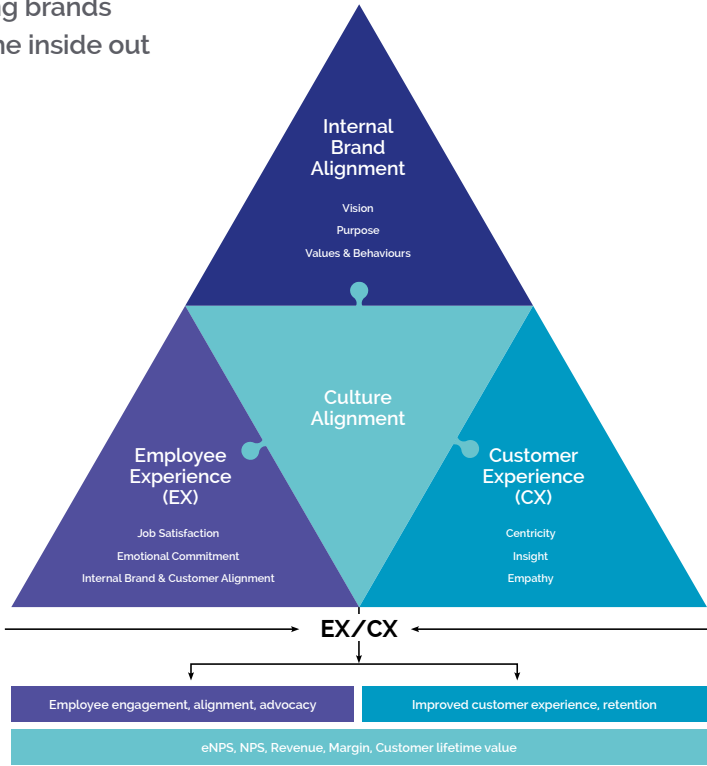
Your people are your brand and deliver your customer experience everyday. Engaged employees create engaged customers. Therefore, we believe that customer experience is inextricably linked. We work with our clients by focusing on

customer centricity, empathy and insight. We know that by aligning how customers and employees experience your brand you can improve performance and increase profitability.



dragonfish culture alignment model

Building brands from the inside out



Our research in summary

In 2017, dragonfish's 'Cracking the Culture Code' research was conducted in partnership with The Market Research Group at Bournemouth University. An online quantitative study asked 105 questions to full-time employees in over 1,200 companies with more than 1,000 staff.

5

questions about
performance

1,200+

organisations

90

questions
about culture

15+

sectors

What did we find?



*Sales growth of more than 20% YOY, 3+ years of consecutive growth, reputation considered 'excellent'.

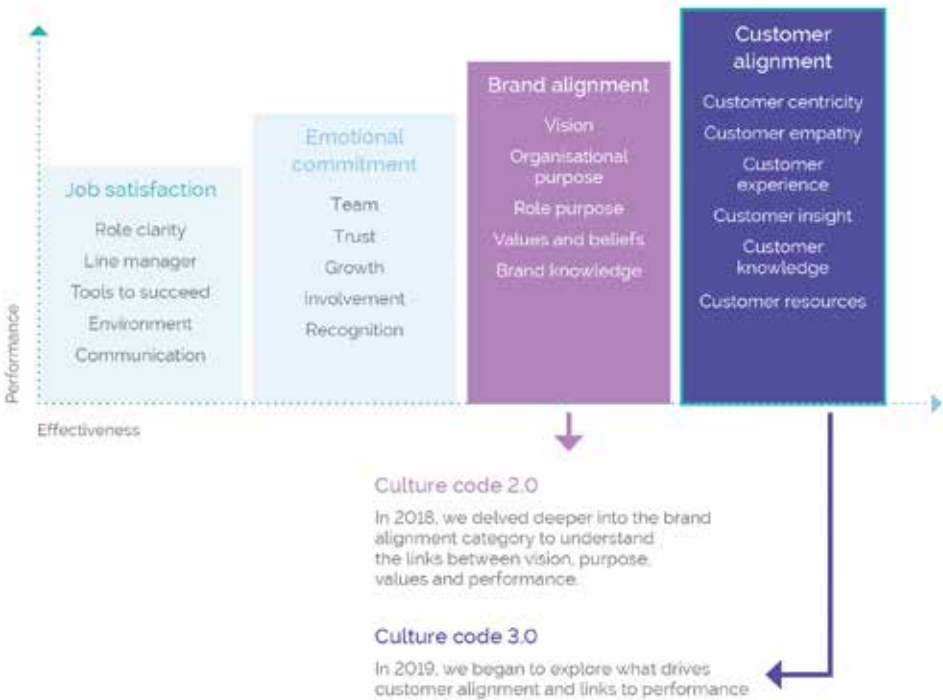
Culture Code 1.0

Our 2017 research identified that whilst job satisfaction and emotional commitment are core foundations of culture, the difference between average and high performing organisations was

minimal. The greatest difference can be found in brand alignment and customer alignment so we decided to explore this further through two deep dive studies, using a similar methodology.



A roadmap for culture change



“Understanding the links between your people, your brand and your customers is the key to driving sustainable growth.”

Culture Code 2.0 - Key findings

1

Vision tops purpose and values

Vision exerts the strongest influence on performance, followed by purpose. The final variable, values, has a negligible influence on performance because the relationship between them is less well understood. This shows that values and behaviours have the potential to drive performance but only when successfully embedded.

2

Great managers are key to embedding culture

Our research showed how important middle management are in driving and embedding culture change. Manager enablement around culture is fundamental to success.

3

Creating a compelling and motivating culture narrative and framework

Research showed that companies fail to excite and inspire employees around their vision, purpose and values. Creating a compelling strategic culture narrative and framework that inspires and motivates everyone, everyday, is important.

Culture Code 3.0

Our latest 2019 ground-breaking research into the links between customer alignment and performance showed that out of 6 key factors, customer centricity, customer insight, and customer empathy had the strongest correlation to business performance.



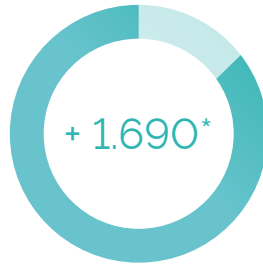
Centricity

I feel that leaders in my company put the customer at the centre of everything we do



Insight

My manager uses customer data and insight to inform the decisions they make



Empathy

I always listen carefully to what our customers' needs and wants are

Key findings

Customer at the heart

Our research shows achieving high levels of customer alignment starts with leaders who are truly customer centric. Those that put the customer at the centre of their strategy, at the heart of decision making, and consistently present in everyday conversations are the ones which will win.

Understanding, applying, and sharing customer insight

A lot of organisations have access to a wealth of customer data. But how many turn this data into actionable insight? With the right team and capabilities, this is actually quite easy to get right. It's about using your customer insight to make improvements and adjustments to help optimise the customer experience, and share the subsequent successes and learnings with the rest of the business.

You can't switch empathy on overnight

The third factor with the strongest link to performance is customer empathy, which takes time to build and can easily be undermined by the short term actions and behaviours of leaders and managers. Building a strong and effective culture where customer empathy can flourish is fundamentally about alignment to the future and what matters today, how we treat each other and the intentions you have for delivering value for your customers (in a profitable and sustainable way). It's important that organisations close the gap between their employee experience and customer experience and make the time for their employees to really understand who the customers are, their wants, needs, and expectations are, along with being given the right skills and freedom to deliver for them.

A photograph of a man with a beard and glasses, wearing a white shirt and a dark vest, standing behind a bar. He is gesturing with his right hand while talking to a customer. The bar is well-stocked with various bottles and glasses. The image has a red tint.


3 top tips for driving brand success through culture and harmonising the customer and employee experience

Our research showed that most marketing teams aren't fully getting to grips with the important role their organisation's culture and employees play in building a trusted brand and positive customer experience.

Among those brands surveyed, this lack of internal brand and organisational alignment is married to poor attitudes around customer experience, suffering reputations, and hindered sales performance. It is clear that efforts to create a differentiated customer experience are being hindered by employees who don't understand what the business is trying to achieve.

So a rethink of how marketing departments work with their "internal customers" might well be in order. With that in mind, what are the key areas CMOs and other members of the C-suite must address in order to improve internal brand alignment?

We've highlighted three in detail over the following pages. ➤



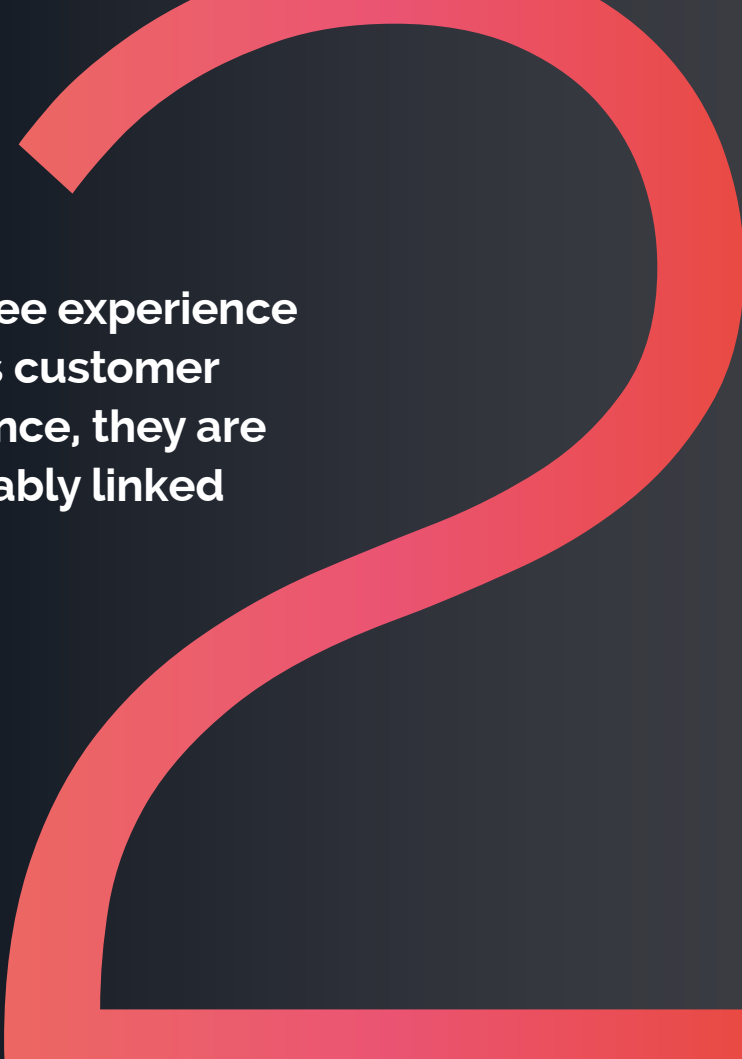
Marketing must work more closely with HR to bring the customer to life for teams

Marketing and HR need to get closer - because when they don't, the tensions between external promise and internal execution can be detrimental to what the brand is trying to achieve.

You can spend millions on the best marketing campaign, but if your customer-facing teams are unable to share that vision effectively through creating the right customer experience, the business results are likely to be disappointing.

Our research backs this up. Only a third (33%) of employees believe their company does a good job in helping them understand the needs and expectations of customers. Also, only a third of employees believe their colleagues are putting customers first when making everyday decisions.

High performing organisations are investing in bringing customer segmentation to life for teams. This ensures customer insight is actionable in an operations and service context and it's no longer just the domain of a marketing team. Marketing and HR are now partnering to define and build the culture they need for the organisation to achieve its vision, brand and customer goals.



Employee experience enables customer experience, they are inextricably linked


Employees are responsible for all customer interactions. If they aren't set up to succeed in their role and feel good about it, your customers are going to see the impact. According to our study, only 37% of employees receive praise and recognition when they do good work, and 43% feel valued for their contribution to the business.

**“more than half of employees
say they don't feel trusted
by their line manager.”**

On top of this, 6 out of 10 employees (61%) believe they aren't helped by their line managers to understand their strengths and areas for improvement. Almost half (47%) say they lack access to the tools and resources they need to succeed. Even worse, more than half of employees (55%) say they don't feel trusted by their line manager!

This is incredibly concerning. The cost of a poor employee experience is more than a lost opportunity. Just look on sites such as Glassdoor, and you'll see thousands of employees who are so frustrated that they have simply stopped caring—and that attitude is bound to rub off when they deal with customers, particularly so in large multi-site service businesses where a sizeable proportion of staff deal with customers every day.

Harmonising the customer and employee experience is fundamental to success. Understanding and responding to how your employees feel at work and their experience is the quickest routes to influence how customers feel about your brand.



Make sure your people
feel part of shaping
the culture and
customer experience

Our research found that only 39% of employees say they're motivated by the vision of the business, and less than half (42%) feel they play any part in shaping the future of that business. This seems unsurprising given only 4 in 10 are given the opportunity to be involved in business decisions that affect them.

A great leader once said, it should be the board's aim to make everyone in their business feel like they are the CEO. One thing is for sure, in order to deliver a positive experience for your customers, you have to know your customers better than ever before. And who better understands your customers than the people who serve them every day. You'll be surprised at how little front line staff are involved in decisions that impact the customer experience. And it's the simple things that make a big difference in this area - from regularly seeking and acting on customer feedback your people receive to investing in better managers and platforms where people can share their ideas.

If teams feel responsible for shaping the future and are empowered to continually improve your business, you'll not only get feedback from those who are closest to the customers and understand them the best, but you'll also have frontline teams who feel valued and are invested in your brand. And the only winner will be your customers.

Why bother?

The cost of misalignment in low-performing organisations.

only
23%
of employees say
those around them
understand their
customers well

only
20%
of employees say that
those around them
put customers first in
day-to-day decisions

only
21%
of employees believe
their customers
are satisfied with
their service

only
36%
of employees
understand what their
brand stands for and
what makes it different

only
19%
of employees believe
their company is
good at keeping
their customers

only
42%
of employees feel
they play a part in
shaping the future of
the business

For brands, the upside of getting this right is significant.

Our research found that employees in organisations that grow sales by more than 20% year-on-year are, on average, 30% more likely to understand what their brand stands for and what makes it different.

That's why businesses need to spend more time cracking the links between culture and performance. We've found the most ambitious organisations in the U.K. are considering the role their people and culture can play in building their brand from the inside out and, as a result, are unlocking untapped potential in terms of productivity, customer growth, and financial performance.

Results we're proud of



1pt increase

in employee NPS in an already very strong score over 2018

6pt increase

in NPS amongst highest paying suite guests

Winner

of the 2019 UK Employee Experience Awards, in partnership with dragonfish

WELCOMEBREAK

Culture and performance alignment across **27** sites and **4,500** employees

46pt increase

in employee NPS

3 years

of YOY sales growth



Improving customer experience through employee engagement across **16 countries**

5% increase

in member retention

40pt increase

in member NPS



Embedding customer segmentation through service for the world's largest casino business

14% increase

in customer satisfaction

6% increase

in repeat customer visits

What our clients say

“The team were meticulous and attentive; really getting under the skin of our complex organisation and providing real (and usable) insights to help us move to a new vision for our future. Simply put; great people, great service, great results.”

National Trust

“Dragonfish, you are unique in what you do – nobody else gets the connections between brand, customer and people like you do.”

Ann Summers

“We’d really like to thank dragonfish, you’ve made a real difference.”

Ei Group

“We have chosen to partner with Dragonfish because their methodology makes culture tangible. Backed up by extensive research and experience helping innovative brands, the team’s focus on business performance and their partnership approach will help OS to position culture for long-term, sustainable growth.”

OS

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