



Strategija. Efektyvumas. Vertė

# NEW RATES OF BUSINESS SUCCESS – IS IT NECESSARY TO TOE-DANCE FOR DEMANDING CUSTOMERS?

*Interview with UAB “Bitė Lietuva”  
Chief Executive Officer **Chris Robbins***

**Justas Gavėnas, CMC**

**Education:**

- MBA (International Business) – McMaster University – Hamilton, Canada (1992)
- Bachelor of Commerce (Finance - Honors) – University of Alberta, Edmonton, Canada (1990)

**Professional experience:**

- Bitė Lietuva, CEO (from 2012)
- Bitė Group, CCO (2010 – 2012)
- Wind Mobile (Canada), CCO (2008 – 2010)
- Vodafone CZ (Oskar Mobile) (Czech Republic), CMO (2002 – 2008)
- Rogers Wireless (Canada), Senior Director of Strategic Planning & Finance (1998 – 2002)
- 21st Century Health (Canada), General Manager & Director (1996 – 1998)
- Nortel (Canada), Manager, Strategic Planning & Finance (1995 – 1996), Senior Financial Analyst (1993 – 1995) / Credit Analyst (1992 – 1993)

**Chris Robbins****Achievements:**

- Prepared and led BITÉ's strategic changes and launch of new services in the end of 2011
- Chief Customer Officer launching new wireless operator in Canada Wind Mobile. From a sales perspective, most successful launch of a wireless operator in Canada to date
- With Vodafone CZ (Oskar Mobile) developed and launched new brand positioning, including full integration across the business, agencies, and partners resulting in the highest brand preference and consideration, and the highest customer delight results in the market
- Achieved highest customer satisfaction & delight in the market and in the Vodafone Group; most recommended operator by customers in 2007; most loyal and bonded customers in 2007
- With 21st Century Health Chris achieved annual revenues growth by 43% per year from \$9 million to \$20 million over a two-year period

**Justas Gavėnas, EKT:**

*“During & after economic recession the majority of companies turned towards operational efficiency: cost optimization, Business process reengineering, elimination of unprofitable activities etc. As a result of these initiatives companies forgot the client & its role in the organization. Do you agree with this?”*

**Chris Robbins:** *“Generally, I’d agree that’s one common behaviour from companies during recessionary or crisis times, but the logic – in my opinion – is flawed. Cost optimization, business process reengineering, and a general focus on costs is something a business must do, and these activities do add value, but the focus should be on eliminating everything that doesn’t add value to the customer. You can never forget the client. So, to us, it’s simply an opportunity to get “leaner”, and have an even better focus on the customer”.*

*“Cost optimization, business process reengineering, and a general focus on costs is something a business must do, and these activities do add value, but the focus should be on eliminating everything that doesn’t add value to the customer” (C. Robbins)*

**Justas Gavėnas, EKT:**

*“Market is continuously saturated with the axiom „The client is always right“. Is this really true?”*

**Chris Robbins:** *“Yes, in a sense. It’s true in the sense that the customer perception of value is what’s important, not the “reality”. But the focus for a true customer oriented company needs to be customer-centric, but actually exceeding and proceeding customers’ expectations. Customer feedback is great for closing gaps, and fixing issues or problems, but to exceed expectations, by definition you need to go beyond just asking them what they want. Our focus is making sure we do the basics brilliantly, and then focus on exceeding customer’s expectations when it comes to service and experience”.*

*“Because in mobile market prices, network quality or availability among operators is practically the same, attention to customers is only one think where company can be different” (C. Robbins)*

**Justas Gavėnas, EKT:**  
*“What are the pros & cons of customer orientation?”*

**Chris Robbins:** *“In our industry, we really do have to have a relationship with the customer. It’s a subscription service. The ONLY way to be successful is an “orientation” to the customer. It’s common sense and business sense. And in a commoditized industry like mobile where prices and technology are essentially identical, it’s the only thing that differentiates a business. Because in mobile market prices, network quality or availability among operators is practically the same, attention to customers is only one think where company can be different.*

*“And at BITE we actually believe and see that a company that has fun, is transparent, and works to earn the trust of customers is successful. So those are the things we consider our “performance indicators””*  
(C. Robbins)

*It is really common sense, but not common practice for most operators, which is another one of the “pros” from BITES perspective.*

*The only “con” would be that it’s more difficult to communicate and execute than a pure price message, or coverage message. But it has the massive advantage of being true and human. That’s the best”.*

**EKT Managerial insights at a glance:**  
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**Justas Gavėnas, EKT:**

*“One organizational leadership consultant once told that „Money is the applause of fun“ illustrating that financial indicators are the end measures of the successful activity of the company and not being the final goal per se. What is Your view on the key performance indicators to measure success?”*

**Chris Robbins:** *“Exactly! Financial indicators are the result, not the objectives. The KPIs to us are the ones that measure loyalty, satisfaction, repeat purchase, and – especially – customers recommending your product or service to their friends and family, to people they care about and who trust them. That’s the ultimate measure of a company doing good by it’s customers. And at BITE we actually believe and see that a company that has fun, is transparent, and works to earn the trust of customers is successful. So those are the things we consider our “performance indicators””.*

**ABOUT UAB “BITĖ LIETUVA”**

- BITĖ Lithuania together with BITĖ Latvia belong to BITĖ Group which is one of the largest telecommunications business group in the region
- BITĖ is in strategic partnership with Vodafone from 2003
- A study by the independent research organization EPSI Baltic has showed that private and business customers are most satisfied with BITĖ Lithuania and BITĖ Latvia services third year in the row
- EBITDA (earnings before interest, taxes, depreciation and amortization) of BITĖ Group reached 156 million Litas, or 10.6 percent more than in 2010. The Group has maintained a stable level of revenue - 606 million Litas

**Justas Gavėnas, EKT:**

*“Recently BITÉ launched the new marketing campaign for demanding clients. What are the pre-requisites of this re-positioning?”*

**Justas Gavėnas, EKT:**

*“Recently Tele2, using Communications Regulatory Authority survey data, actively stands with delicate comparative advertising telling potential clients that there are no significant differences among mobile operators therefore price should be a dominant criteria for purchase. Omnitel’s brand revitalization is followed by a slogan „First of all You“. I am not sure, how exactly I should perceive Omnitel’s slogan as the average consumer but I do clearly understand the low price argument of Tele2. What is the real point of differentiation of BITÉ in this competitive surroundings?”*

**Chris Robbins:** *“Well, it wasn’t really “re”-positioning. BITE has always focused, and excelled at, how we treat our customers. We have incredibly loyal customers, and highly satisfied customers. What we launched wasn’t a campaign, or an offer, it was simply a clearer approach and even better focus to become “great” at something that we’ve always been good at: customer experience”.*

**Chris Robbins:** *“I actually agree with Tele2. And if you look around the world, and especially Europe, you’ll see that almost all mobile operators offer the same coverage, products, and at the same prices. As this “convergence” happens, obviously price and coverage become less important because there’s no real difference.*

*In the rest of Europe, and now also in Lithuania, we’re seeing customers absolutely demanding great coverage, and price, but also wanting an operator they can trust, understandable tariffs, accurate invoices, and great service when they need it. So our “point of differentiation” is to deliver the great coverage and price, and then on top of that, to excel on how we treat our customers”.*

**Justas Gavėnas, EKT:**  
*“Both Omnitel & BITE move towards orientation to client and Customer intimacy. Is there anything internally within BITE organization to back up this initiative as a sustainable competitive advantage? What are the exact points of difference?”*

**Chris Robbins:** *“Actually around the world, everyone is talking about customer intimacy, because they realize with the power of customers, social networks, and the convergence of the “rational” things, the customer relationship is the most important area to focus. The problem is for most operators, it’s only talk.*

*For BITE, before we launched our new communication we undertook a massive development program, even though we were already the best in the market at having a customer focus. As examples, we focused on getting our invoices perfect and then “guaranteed” them with the three times money back promise; we made sure our pricing and services were understandable and simple with new tariffs; we made sure things like accidental roaming and data usage didn’t happen.*

*Also we make sure that every new employee has 3 weeks of training on our culture, our focus on customers and spends 2 weeks talking to and servicing real customers. That’s every employee from Finance to Technology to Marketing and – of course – sales and care. We’ve pushed decision making to our customer facing teams so they can answer and solve customer problems as fast as possible. And our results in this area are the best I’ve seen in Europe.*

*We don’t lock customers into long term contracts. To us, while we never want to lose a customer, we say “Customers stay with us because they want to, not because they have to”. Those are real “points of difference”. Saying something like “customers first”, but not doing anything different is the same as lying in my opinion. That’s not a way to build trust”.*

**Justas Gavėnas, EKT:**

*“What are current trends in worldwide telecoms positioning? Do innovation leaders still dominant force?”*

**Chris Robbins:** *“In some countries, the first mobile operators, the “incumbents” often still have the most market share, but for most, it’s a downhill trend. In most markets, the “leader” position is more varied. When I was with Vodafone, what we saw across more than 25 countries was as price and technology converged, as operators all had access to, and offered, the same “innovation”, the things that became important for customers were trust, simplicity, retail and call centre service, and a human, transparent approach. Those are emotional things, but once the “rational” needs are taken care of, those are what are important to customers”.*

*“Saying something like “customers first”, but not doing anything different is the same as lying in my opinion. That’s not a way to build trust”  
(C. Robbins)*

**Justas Gavėnas, EKT:**

*“What are the most important things for telecoms customers today? In Lithuania and worldwide?”*

**Chris Robbins:** *“Well, as above, it’s the more service and “human” things that are becoming most important. The ability to trust the operator. Accurate invoices. No hidden conditions. Not being locked into a contract. I saw these attributes growing to top importance in other countries, and we’re seeing them as the most important attributes in Lithuania now as well.*

*And customers still want great value, but they’re defining value as both the service they get and the price they pay. In Lithuania, the coverage and prices are the best in Europe, so customer value comes from how they’re treated by the operator. Again, that’s our belief, experience and our approach”.*



**Justas Gavėnas, EKT:**

*“Orientation to the customers seems to be not very profitable and short-term. Do you feel confident that this strategy will work in the long run?”*

**Chris Robbins:**

*“Well, from experience and examples worldwide, I’d disagree with both of those characterizations. Some of the most successful companies in the world are customer oriented. Zappos, Southwest Airlines, Harley Davidson, O2 UK, Virgin Mobile... Even Apple I consider to be “customer oriented”. And the thing about these companies is that they’re all long term successful. In fact, in our business, we’re only successful through a long term relationship with a customer, so we firmly believe in the need and benefit from investing in that relationship”.*

*“I had an employee describe it to me this way: At BITE you can be yourself. You don’t have to be someone else when you come to work. We’re open and flat as an organization. Customers can ABSOLUTELY feel whether the person they’re dealing with is happy, excited and positive or unhappy, bored and negative” (C. Robbins)*

**Justas Gavėnas, EKT:**

*“Could You, please, share with us “behind the scene” material – what you did in BITÉ when company re-positioned itself?”*

**Chris Robbins:**

*“We’ve really been focusing on our employees and partners. We firmly believe that people should enjoy what they do, who they do it with, and where they do it.*

*We’re very focused on having a positive, open, fun, collaborative culture at BITE, and we’ve made great progress in all of this. I had an employee describe it to me this way: At BITE you can be yourself. You don’t have to be someone else when you come to work. We’re open and flat as an organization. Customers can ABSOLUTELY feel whether the person they’re dealing with is happy, excited and positive or unhappy, bored and negative. We want to change the way business is done in Lithuania, and we’re starting on the inside”.*



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**Justas Gavėnas, EKT:**

*“How do you evaluate results after BITĖS re-positioning? In business terms and in customer satisfaction?”*

**Chris Robbins:** *“We’re very happy. We’ve gotten clarity – both inside and outside the organization- on what we’re the best at: How we treat our customers. We actually have Tele2 call centre and retail people calling us for help! I love that! We have the most satisfied customers; we’ve seen an increase in the customers who are choosing BITĖ, both by coming and by staying; recommendations from customers have increased; usage by customers has increased.*

*“We have the most satisfied customers; we’ve seen an increase in the customers who are choosing BITĖ, both by coming and by staying; recommendations from customers have increased; usage by customers has increased” (C. Robbins)*

*Internally, turnover is very low. People want to work with BITE. We get requests every week to talk to other businesses about our culture and approach.*

*“We don’t stop. We’re always reaching to improve... and to have more fun. And this wasn’t and isn’t a “campaign”, so it doesn’t stop. It just builds momentum <...>” (C. Robbins)*

*But in addition to having demanding customers, we’re very demanding of ourselves. We don’t stop. We’re always reaching to improve... and to have more fun. And this wasn’t and isn’t a “campaign”, so it doesn’t stop. It just builds momentum as we get better and better, and our customers are happier and happier”.*



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