



# **New Council Providers and Customer Focus**

Andy Mudd, Head of APSE Solutions



# Drivers

- Emerging commercial focus
  - Financial imperative
  - Commercial principles
  - Social policy and joined up service provision
- A rapidly changing market place
  - From delegation of budgets
  - Through to autonomy
  - Fragmentation
  - Followed by consolidation?

# The most basic commercial principle!



Goods in



Goods Out



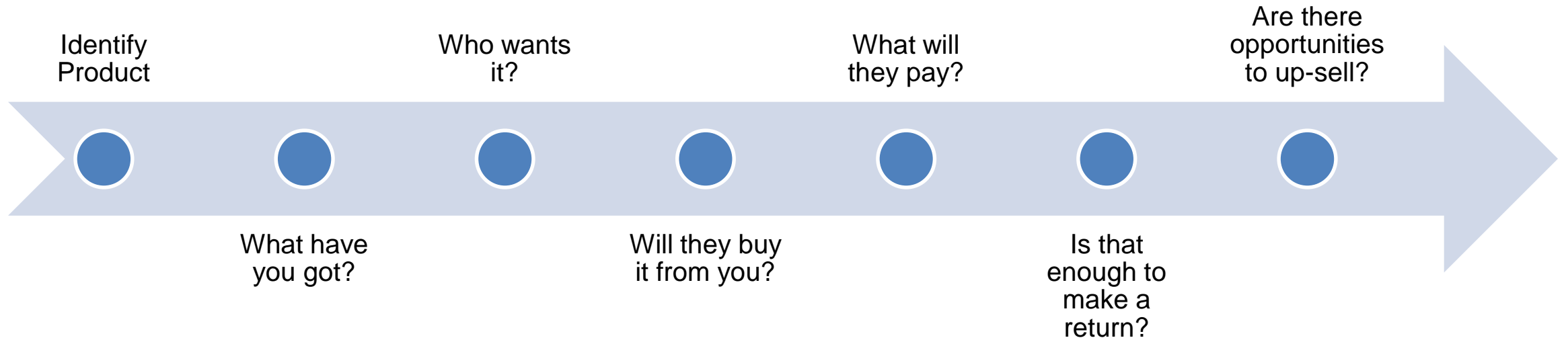
Value Added



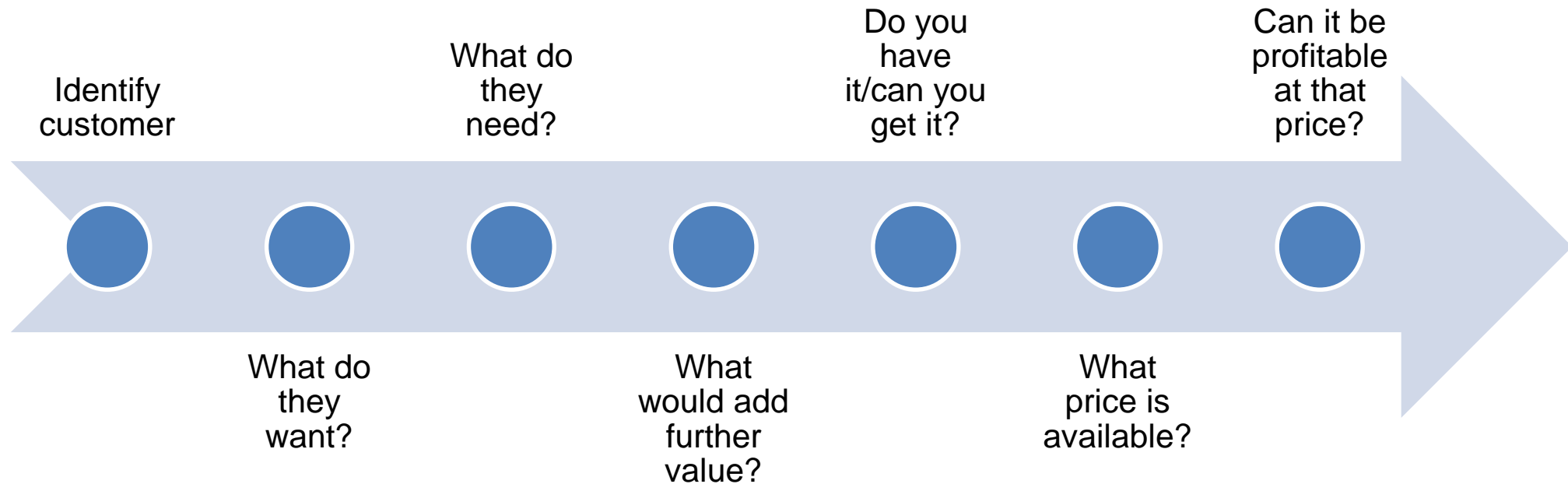
# But how do you do it?

- Sell something that somebody wants to buy
  - Market size/market share
- At a price that provides a return on expenditure
  - What cost?
  - What price?
- On a sustainable basis
  - Returning customers
  - New customers/products

# Product focus



# Or customer focus



# Either way it is always the customer that determines whether you have a business



- Building a compelling offer
  - What does this mean?
- Imitate existing successful products
  - Traditional approach
  - Head to head competition
  - Probably starts with the product
- Attempt to create a new offer
  - Blue Ocean Strategy
  - Creating uncontested market space
  - Always starts with the customer

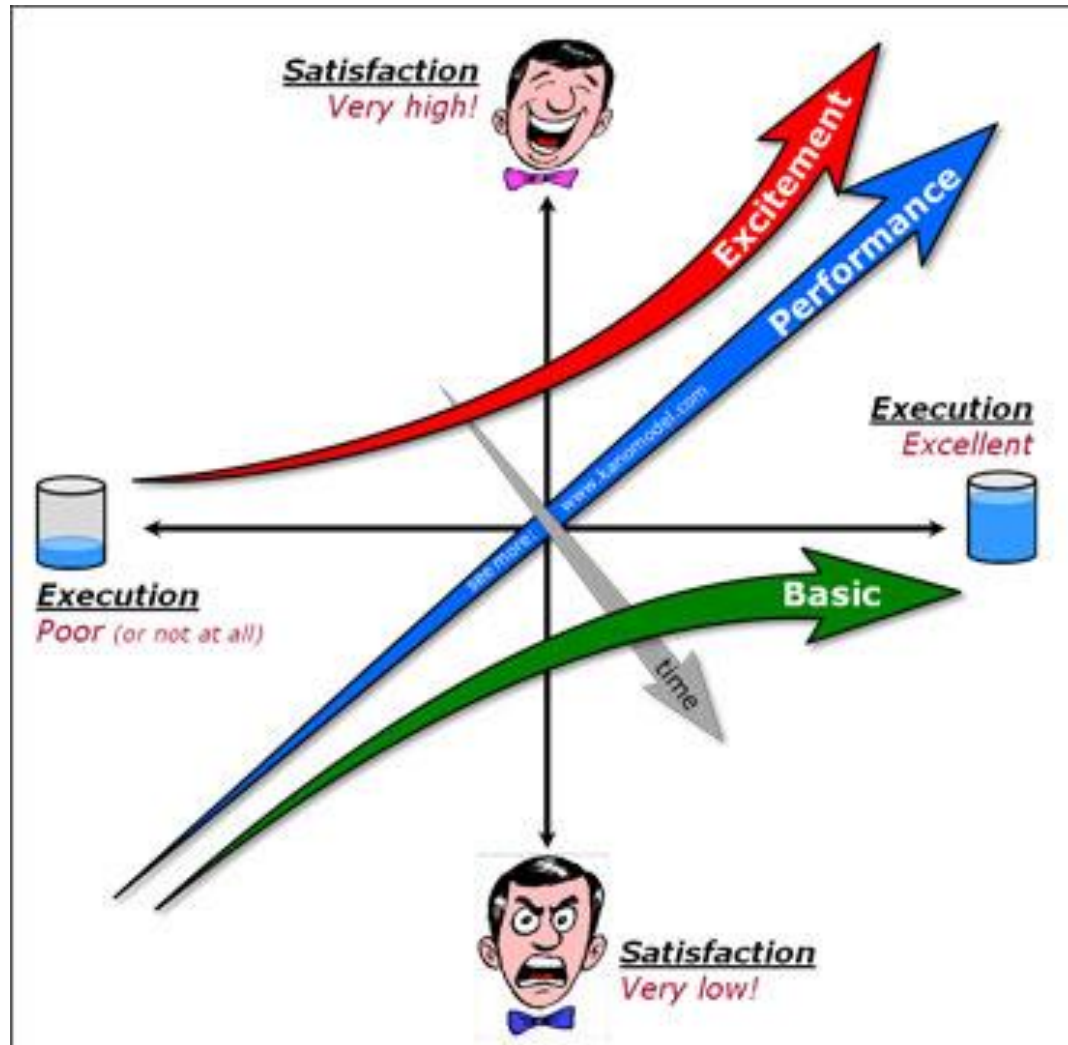
# Resources and competitive advantage: Do you have a USP?



<b>SUMMARY OF THE VRIO MODEL</b>				
<b>IS IT VALUABLE?</b>	<b>IS IT RARE?</b>	<b>IS IT HARD TO IMITATE?</b>	<b>IS THE FIRM ORGANIZED AROUND IT?</b>	<b>WHAT IS THE RESULT?</b>
<b>NO</b>				<b>COMPETITIVE DISADVANTAGE</b>
<b>YES</b>	<b>NO</b>			<b>COMPETITIVE EQUALITY</b>
<b>YES</b>	<b>YES</b>	<b>NO</b>		<b>SHORT-TERM COMPETITIVE ADVANTAGE</b>
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>NO</b>	<b>UNUSED COMPETITIVE ADVANTAGE</b>
<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>YES</b>	<b>LONG-TERM COMPETITIVE ADVANTAGE</b>



# Kano analysis and customer focus: aiming for compelling



# Who is the customer? demand chain



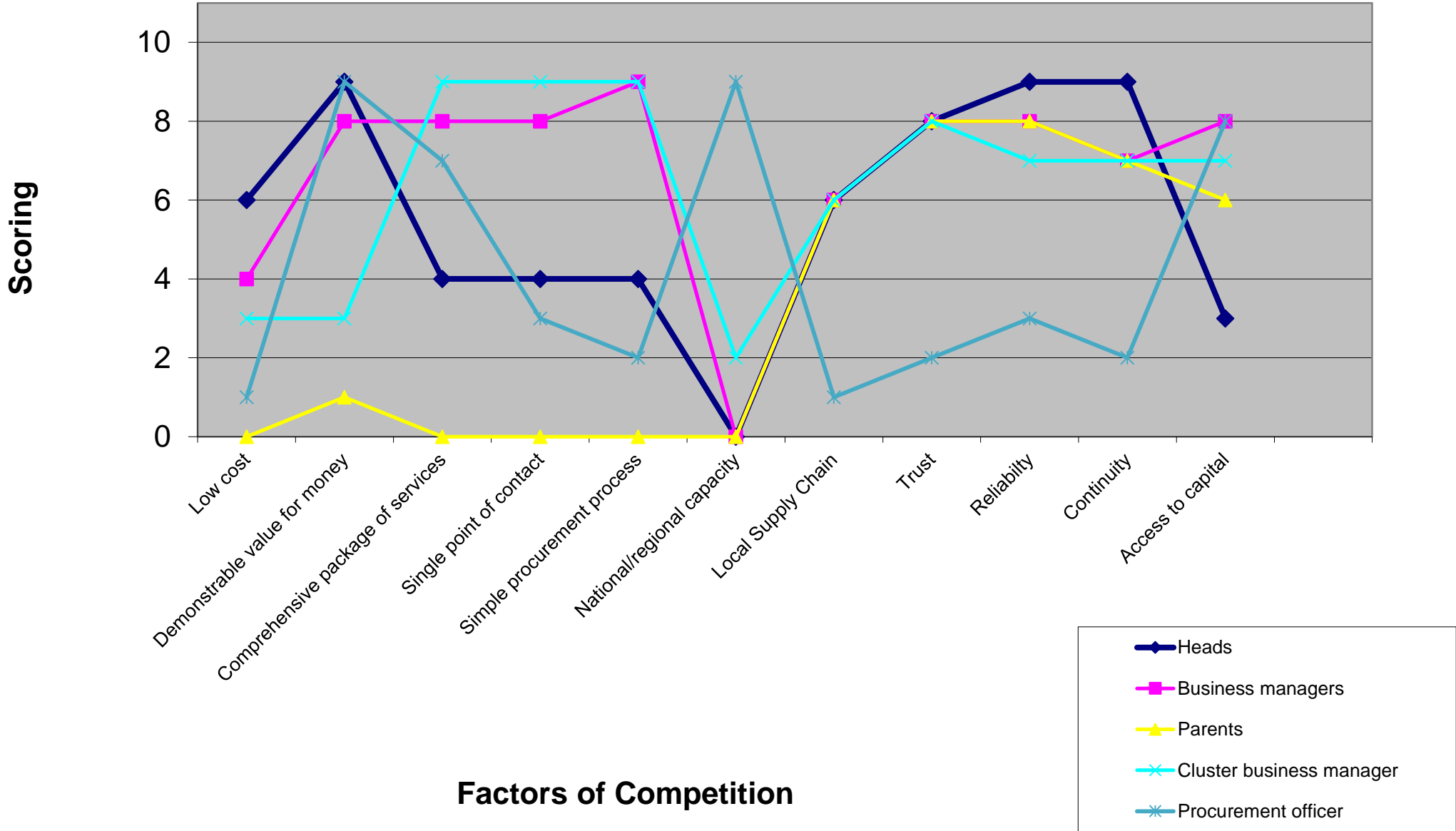
- Schools
  - Heads?
  - Business managers?
  - Pupils?
  - Parents?
  - Governors/directors?
- Local clusters/chains
  - Cluster business manager?
- National chains
  - Procurement officer?

# What sort of things matter to school customers?



- Low cost
- Demonstrable value for money
- Comprehensive package of services
- Single point of contact
- Simple procurement process
- National/regional capacity
- Local supply chain
- Trust
- Reliability
- Continuity

# Buyer group Strategy Canvas





# Consultancy

**Andy Mudd, Head of Solutions, APSE**

**Email: [AMudd@apse.org.uk](mailto:AMudd@apse.org.uk)**

## Interim management requirements

**Roads & Highways, Building Maintenance, Bereavement Services, Environmental,  
Parks & Open Spaces, Waste, Facilities & Leisure etc.**

**Emma Taylor, Client Coordination Officer, APSE**

**Email: [etaylor@apse.org.uk](mailto:etaylor@apse.org.uk)**

[www.apse.org.uk](http://www.apse.org.uk)



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**Association for Public Service Excellence**

2nd floor Washbrook House, Lancastrian Office Centre, Talbot Road,  
Old Trafford, Manchester M32 0FP.

**telephone:** 0161 772 1810

**fax:** 0161 772 1811

**web:** [www.apse.org.uk](http://www.apse.org.uk)