
Week 5 - Pod 3

CUSTOMER CENTRICITY

Reflections on customer centrality

Customer centrality does NOT suggest that “non-focal” customers should be ignored or “fired;” to the contrary, it is important to have a healthy proportion of such customers to add a high degree of stability and robustness to the overall customer base. (Think of them like cash in an investment portfolio.)

Taking this idea further, there is a **paradox of customer centrality**: the more that a firm tightens its central focus on a select group of customers, the more it needs its “non-focal” customers to stabilize the overall mix.
