B2B Marketing™



ARE B2B MARKETERS JUST PAYING LIP-SERVICE TO CUSTOMER CENTRICITY?

In association with

SQUIZ

PUBLISHED MAY 2015 | B2BMARKETING.NET

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Introduction

Businesses can't help but become increasingly aware of the need to better align themselves with their customers in today's modern market place.

Customers and their needs have changed due to the digital and technological innovations that are profoundly reshaping not only the B2B landscape, but also the entire marketing world.

As Simon Hall, senior director at Dell, said at the recent B2B InTech conference: "Marketing has changed more in the last two years than it did in the previous 50."

More than ever before, B2B marketers need to get close to their customers, listen to their needs and engage them throughout the buying process – and afterwards.

But the sands are shifting: communicating with customers in the digital age when they are 'always on' and moving between multiple channels means marketers need a total rethink in what's required to reach them.

For this report, we teamed up with digital agency Squiz to find out how B2B marketers are responding to this shifting paradigm in delivering customer centricity in the digital age. We ask:

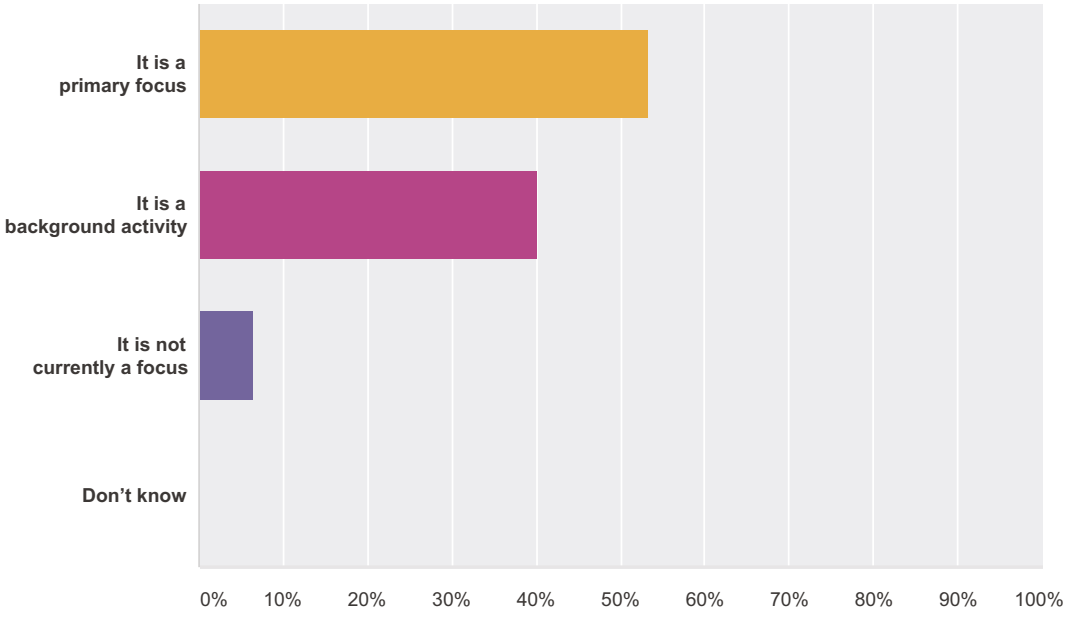
- Are they focused on providing a high-quality and effective user experience?
- Are the technologies to meet these goals successfully integrated and delivering what they're supposed to?
- What barriers and skills gap still exist for companies trying to take a customer-centric approach?

Are B2B marketers just paying lip-service to customer centricity?

1

A knowledge/action disconnect

Figure 1 To what extent does your team actively seek information about what your customers want and need?

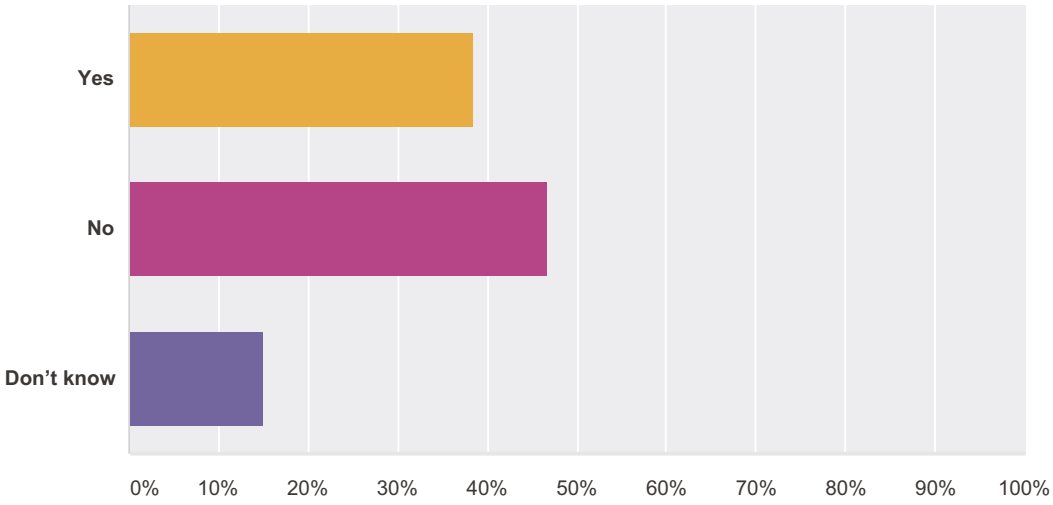


Sixty-eight per cent of our respondents stated that customer centricity was 'vital' to their marketing efforts, with a further 23 per cent describing it as 'important'. Almost all marketers are persuaded of its necessity and, generally, our respondents also thought they were doing a good job: when asked whether they believed their organisation was customer-centric, 64 per cent of respondents answered yes.

But while this seems positive, further investigation shows a more mixed picture. Getting into the details of a customer-centric approach, we asked marketers to what extent their department actively sought information about their customers' wants and needs. Fifty-three per cent claimed it was a primary focus, but that still left 40 per cent of respondents describing it as a 'background activity' and a small but remarkable seven per cent saying that listening to customers was 'not currently a focus'.

An industry where almost half of organisations are treating customer insight as a background activity – or not a focus at all – does not seem compatible with a view that most B2B marketers have fully embraced customer centricity.

Figure 2 Do your customers receive a consistent brand experience across all channels?



Likewise, our respondents' initial belief that they are confident with delivering a customer-centric service is also undermined to an extent by their ability to deliver cross-channel marketing.

While most B2B marketers are comfortable with multichannel marketing, delivering their messaging across various platforms so the brand is visible in a wide array of spaces, cross-channel marketing is more complex.

Cross-channel campaigns are integrated and cohesive, optimised for different formats but delivering consistent and complementary marketing messages through different media.

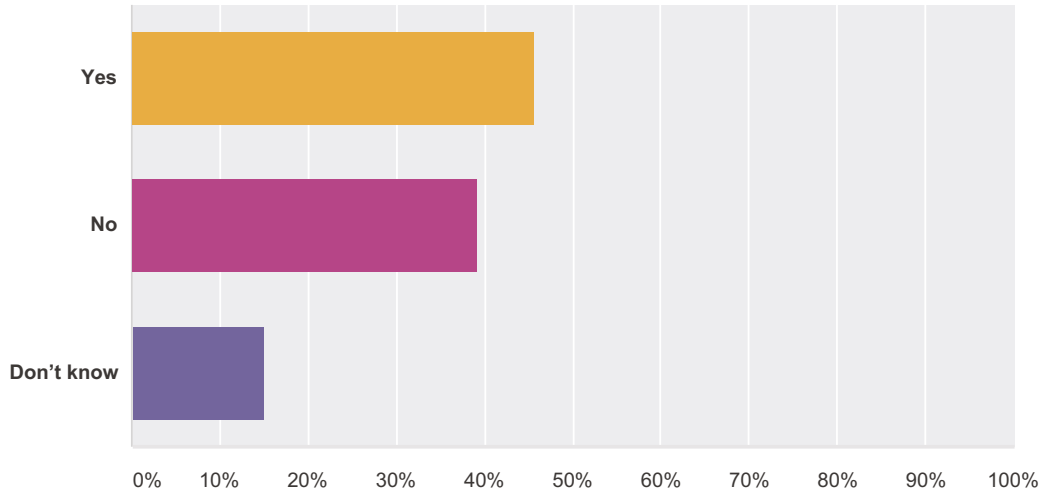
Good cross-channel marketing requires detailed strategic planning and the breaking down of organisational silos to ensure all facets of marketing are on the same page. Perhaps due to this complexity, a mere 38 per cent of marketers feel their customers receive a consistent brand experience across all channels.

One of the key B2B marketing concepts to emerge over the last few years is user experience (UX) – and its importance is only going to grow in the future.

User experience – literally, the experience customers have when interacting with a website, digital platform or brand – is a relatively new gauge of marketing success because there simply haven't been the metrics to measure it. Now though, with various specialist web tech businesses offering UX research and testing, the design and functionality of customer-facing digital platforms can be measured without recourse to gut-instinct.

User experience

Figure 3 Do you think the majority of your customers would regard the customer experience you offer as 'impressive'?



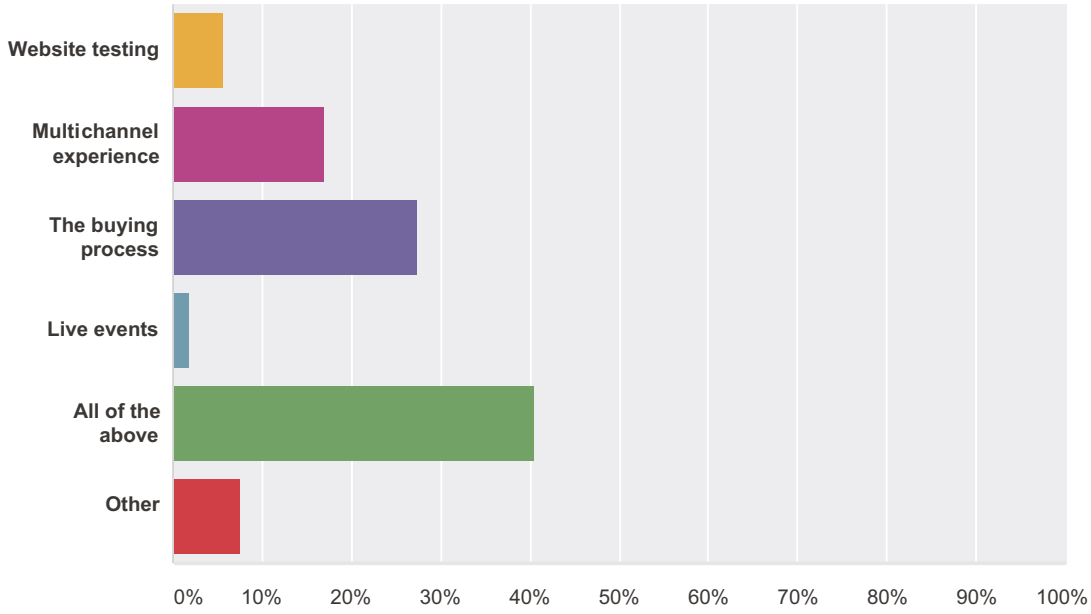
From our research, it would seem that most B2B businesses are not investing sufficiently in the strategies that can deliver it. Only 46 per cent of our respondents thought their customers would regard their user experience as 'impressive'.

Unpicking this further, we asked our respondents to identify the areas of UX that were most highly emphasised by their organisations. The results revealed a distinct bias towards initiatives centred on their business, rather than initiatives centred on their customers.

The top areas of focus were 'how easy you are to do business with' and 'product user experience', which were both ranked as being given 'maximum emphasis' by 24 per cent of respondents and 'no emphasis' by four per cent and eight per cent respectively.

Product user experience may sound like a customer-centric answer, but in terms of mentality it focuses on post-sales satisfaction – the job has already been done – rather than listening to and interacting with customers throughout the entire buying cycle.

Figure 4 When you think of the phrase 'user experience' what comes to mind?



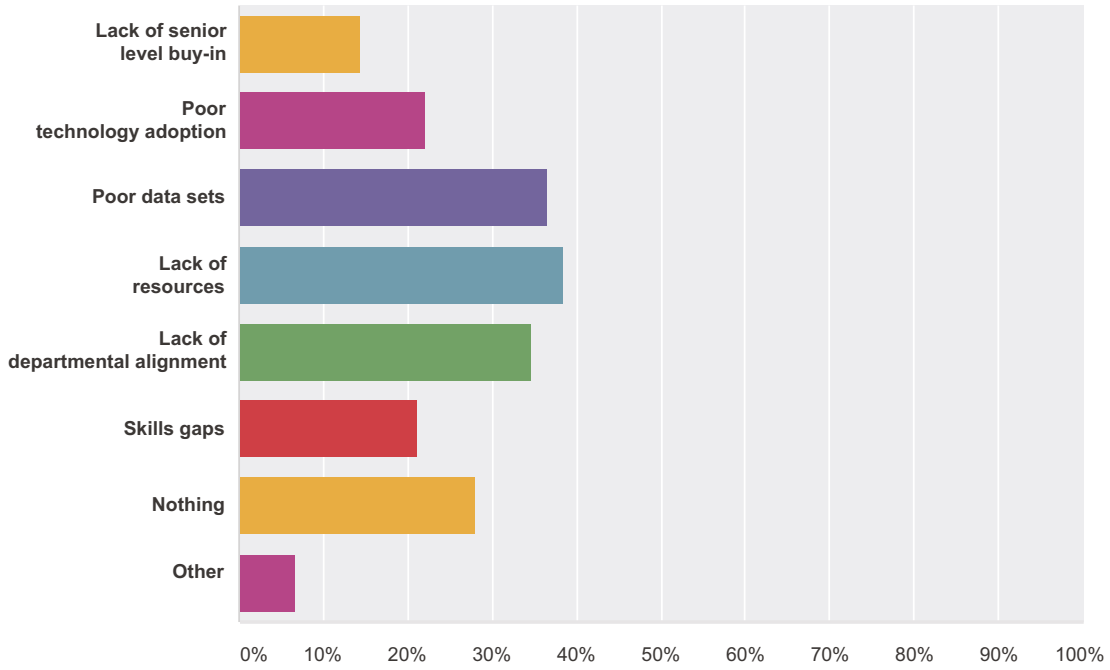
By way of contrast, initiatives specifically designed to improve UX were ranked lower by our respondents.

The relationship between UX and data, as well as UX and technology, were both categories that fewer respondents regarded as being an organisational priority and, concomitantly, more regarded as being relatively unimportant. Perhaps this suggests a lack of sophistication when it comes to the concept of UX.

It's clear from our survey that marketers are thinking about the right things when it comes to UX: when asked what came to mind when they thought about the phrase 'user experience' with the options 'the buying process', 'multichannel experience', 'website testing' and 'live events', the stand-out response was 'all of the above' identified by over 40 per cent of respondents. Marketers aspire to make their businesses customer-centric, but barriers to making this happen evidently still exist.

Barriers to UX

Figure 5 What, if anything, is preventing your organisation from adopting a customer-centric approach?



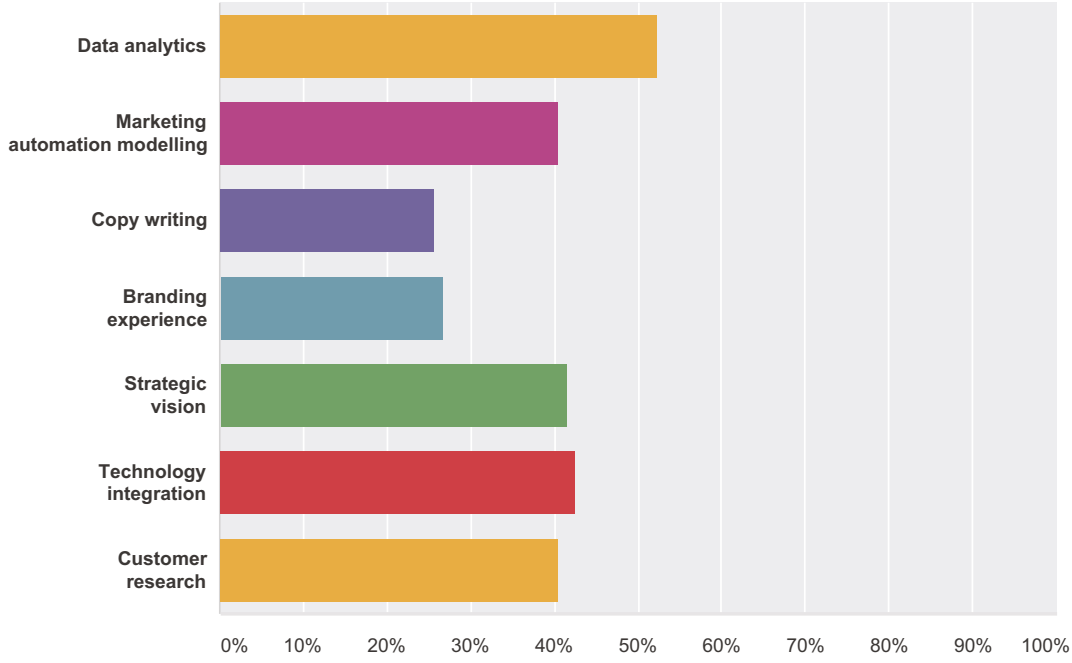
Deficiencies in the attention paid to the relationships between user experience and data and technology are a large aspect of what is preventing B2B marketers and their organisations adopting more customer-centric approaches.

Our survey showed that aside from the familiar 'lack of resources' (38 per cent), the next two factors were almost as pressing and more structurally problematic: poor data sets accounted for 37 per cent of responses, while interdepartmental alignment was identified as an issue by 35 per cent.

Departmental alignment is increasingly becoming the key to the successful implementation of innovative approaches, and customer centricity is no different. When strategic plans fail, it is often because of poor communication throughout the organisation, expectations that aren't clearly defined, goals and objectives that aren't measurable, and a vision that is difficult or impractical to implement.

Put extremely broadly, marketing, sales, IT and senior management may all have different ideas of what success looks like when it comes to implementing the necessary strategies and technologies to achieve a customer-centric approach, so communication is vital between departments before investing in a customer-centric strategy.

Figure 6 Which of the following skills gaps do you see in your organisation?



But perhaps the most pressing reason that some marketers are struggling to be the champions of UX in pursuit of customer centricity is that there are still large skills gaps to close in relation to data and technology implementation.

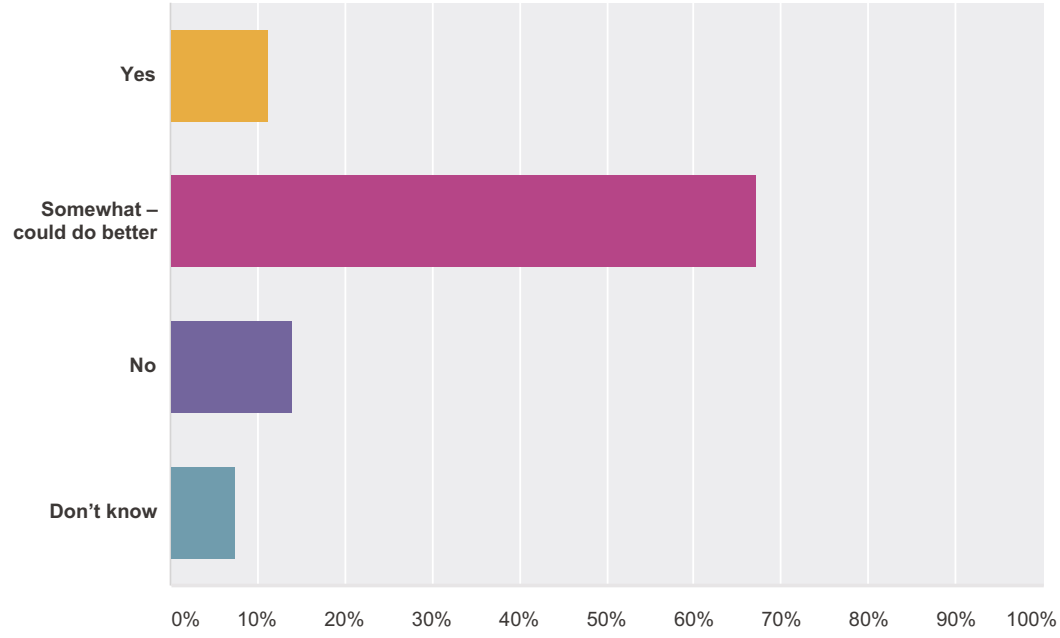
Almost half of marketers feel that a digital skills gap is hindering their organisation's success, with 52 per cent seeing a skills gap in data analytics and 42 per cent in strategic vision.

This is not a situation that marketers are satisfied to sweep under the rug, with over 50 per cent of our respondents stating they are currently focusing on closing these skills gaps.

Making the most out of marketing technologies and achieving a more customer-centric approach requires extremely good data management and insight. As businesses address their data skills shortages, a rise in the confidence with which marketers use marketing technologies and maximise their efficiencies should be expected.

A lack of tech strategy

Figure 7 Are your investments in marketing technology currently delivering the desired returns?

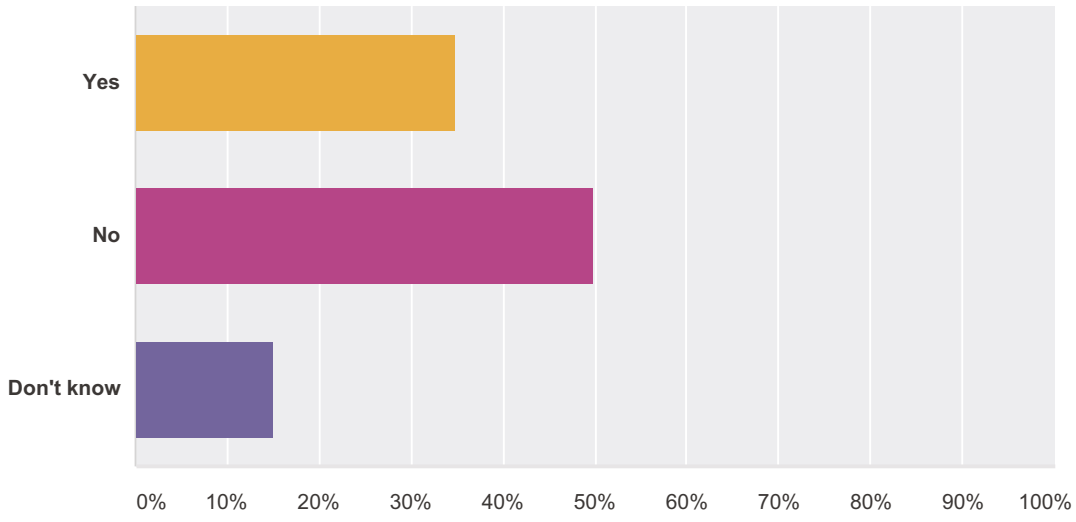


For now though, many of the difficulties businesses are facing in developing a better UX lie in the use of marketing technologies.

Most marketers are familiar with marketing technologies (such as CMS, CRM and email bulk sending systems) and are generally confident in using them. Only 10 per cent of respondents said they lacked confidence in using email bulk-send, a figure which rises for using CRM (12 per cent) and CMS (18 per cent), but which still demonstrates generally good levels of confidence. Newer areas of marketing tech, such as marketing automation (MA) and enterprise social networks (ESN), are less common and are only being used by 36 per cent and 19 per cent of respondents respectively. But those that do use them are relatively confident with their operation, with only 28 per cent of marketers reporting lack of confidence using MA and 23 per cent using ESN.

When asked about their organisations as a whole, however, confidence plummets, with almost 40 per cent of marketers saying that their businesses fail to get maximum value from any of their technologies, and nearly all marketers identifying at least one area where they are falling short – a mere 11 per cent say their organisation's investments in marketing tech are delivering the desired results.

Figure 8 Are your organisation's marketing platforms properly integrated?



While marketers are confident in individual pieces of tech, their systems are not working together to achieve the desired results.

Even though many marketers are looking for ways to improve their customer experience across touchpoints and channels through technological investment, few organisations have aligned their infrastructures with their strategies to serve the needs of multi-platform customers.

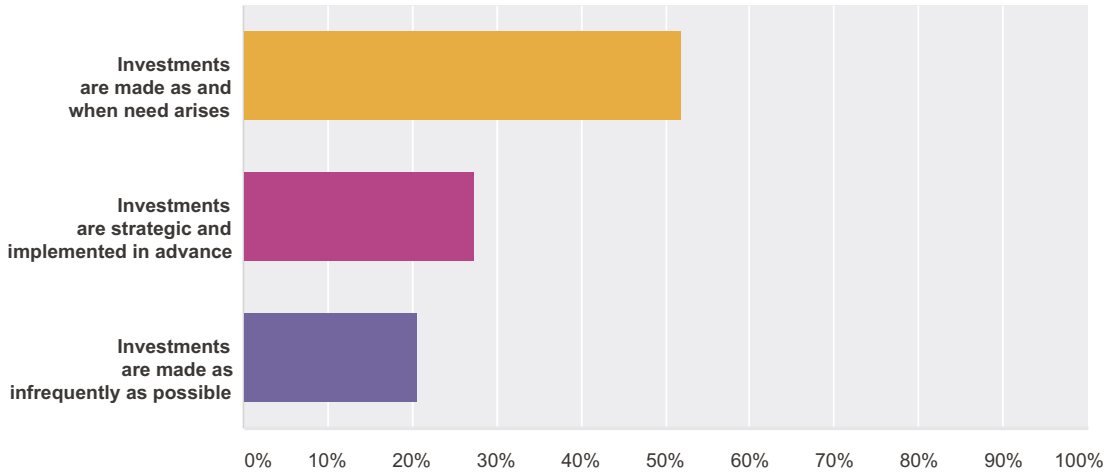
The optimisation of marketing technologies, like cross-channel marketing in general, requires a detailed strategic plan to meet very specific objectives for moving the right data across the technology stack as rapidly as customers move between laptops, smartphone screens, tablets, phone conversations and so on.

The key to such optimisation lies in integration. Behind the 'data analytics' skills gap, marketers' second most commonly identified skills gap was technology integration, with 43 per cent seeing it as an issue.

A large number of marketers, it seems, aren't working with properly integrated systems, but rather are working with several disparate systems at the same time. Joe Stanhope, vice president at Signal, spoke on this point in 2014 saying:

"There are three big points when I look at the issue. The first is that technology fragmentation is a legitimate problem and that it has real consequences. Second is that there's recognition within marketing organisations that integration has business benefits. And third, marketers think their tools are only being used in the most basic ways. They under utilise these massive investments they have made and part of that is because they're not integrated."

Figure 9 How is technological investment approached in your organisation?

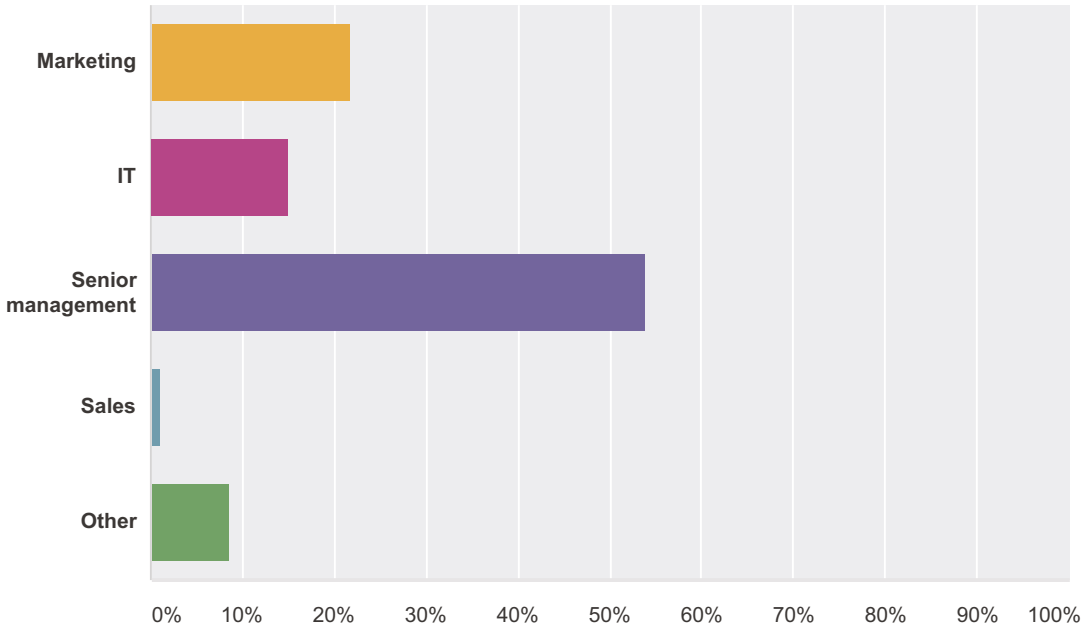


The lack of strategic planning is reflected in what is probably the most revealing question in our survey. According to our respondents, only 27 per cent of organisations are making technological investments strategically and in advance. Fifty-two per cent make investments as and when needed and a worryingly high 21 per cent invest as infrequently as possible.

Of course, such attitudes to technology investment may still be a legacy of operating in an economy still recovering from a profound period of shock. But even so, the tendency to invest in marketing technology only when the need arises does seem to tie in to the attitudes identified earlier: investment is made for the business rather than the customer.

Without a strategic plan in place for what an organisation wants tech innovation to achieve and the necessary steps taken to ensure every department is invested in these goals, new technologies are, at best, going to deliver less than they should and, at worst, prove an active hindrance to a business.

Figure 10 Who is responsible for identifying technology needs in your organisation?



Once again, part of the solution comes back to alignment. In 54 per cent of organisations, senior management is responsible for identifying technology needs and has the final say in technology purchases in 65 per cent of cases.

This is not to say that senior management is out-of-touch and bungling such decision-making: really it is a call-to-arms for marketers, and to an extent the IT department, to provide clearer information on what is required and what is possible in terms of marketing technology for delivering customers what they want, when they want it.

Marketers understand that customer centricity is vital and that marketing technologies have the potential to be a key part of making sure organisations are fulfilling this need. This means the obligation to research, test and implement new technologies falls largely with them – with the aid of external specialists where necessary – to make sure strategic thinking and investment takes place and their businesses are fully embracing a customer-centric approach.

COMMENT: Summary of key findings

2

Steve Morgan, managing director EMEA at Squiz, comments on the findings of the customer centricity report

The results of the survey paint an interesting, if confused picture, of the way UK B2B marketing professionals view their capabilities, priorities and performance.

It's great to see that 90 per cent of respondents appreciate that it's 'vitally important' or 'important' for their organisations to be customer-centric and even better that 64 per cent of respondents think they are.

However, viewed in the context of the findings from the survey, it's highly questionable as to whether these figures can be true:

- Only 53 per cent of respondents are actively trying to find out what it is that their customers want and need.
- Just 38 per cent of respondents believe they're providing a consistent brand experience across all channels.
- Forty-six per cent thought the majority of their customers would feel their experience is impressive.
- Eighty-five per cent of respondents 'agreed' or 'strongly agreed' that human creativity and technology are required to be truly customer centric; but only 14 per cent of respondents' organisations are placing the maximum emphasis on getting that right.

The contradictions don't stop there.

In the digital environments in which we're increasingly interacting with our customers, it's absolutely essential that technology and its role in serving the customer is fully appreciated when answering the question of whether your organisation is customer-centric:

- Only 62 per cent of respondents had access to a CRM and surprisingly, despite the coverage that it's been receiving for several years now, just 36 per cent had access to marketing automation software.
- For those that do have access to technology, only 11 per cent thought they were getting the most out of it and only 41 per cent said that digital skills weren't holding their organisation back.
- Just 27 per cent of respondents are making technology purchases strategically and, even then, they're not being properly integrated – only 35 per cent thought they were.

So what do we have? Customer-centric organisations that aren't doing it very well? Or businesses that think they're customer-centric, yet aren't taking basic steps to be so? Confused?

We think the key finding from this survey is that UK B2B marketers think they're achieving customer-centricity, but are failing to realise what needs to be done to actually succeed in it.

It's fantastic that the majority of marketers recognise the importance of getting close to their customers: they just need to start thinking strategically and discover what's possible in today's digitalised business environment.

HOW TO:
Put the customer (and prospect) at the centre of everything

3

Steve Morgan, managing director EMEA, at Squiz gives a guide to making sure your organisation is getting customer centricity right

Providing existing (and potential) customers with an experience that makes them confident you're the best organisation to meet their needs is the most effective way of achieving success in today's business environment.

Yes, price and capabilities are critically important, but in a world where goals can be achieved through any number of avenues (and suppliers), your competitive advantage is the service that you provide.



Marketing is in charge

It used to be that sales were responsible for meeting customers' needs, but it's now marketing's role because the way that we do business has changed.

In today's digital world, organisations rely on building and maintaining relationships across multiple channels and mediums in order to grow.

Your prospects and clients are self-directed, equipping themselves with knowledge from your (and your competitors') website first before engaging with sales: viewing content, looking at social channels, reading peer review platforms etc.

What this means is that it's essential for marketing to have an ongoing conversation with them everywhere they can, making you stand out from the crowd.

The four steps to customer (and prospect) centricity

1. It's about 'engagement marketing'

We need to focus our efforts on 'engagement marketing'. It involves engaging people…

As individuals

Based on what they do

Continuously over time

Directed towards an outcome

Everywhere they are

Treating people and organisations differently based on the dynamics of their (constantly changing) relationship with you might sound difficult, but it's about having the content and contact plans that can be adapted to each situation.

Planning here is critical, as is setting up the right personas to target.

While we're all individuals and organisations have their own needs, it's safe to say that the characteristics of your prospects/customers fall into a set of clearly definable groups, so you need to be able to identify and respond to them.

2. If you're not listening and responsive, you're not doing anything

With so much happening out of sight, you need to be able to monitor all channels and attribute activity to individuals.

By analysing what it is they're doing, you'll crack the 'profiling/personalisation self-fulfilling cycle':

'The more you learn about someone, the more you can personalise. The more you can personalise, the more they'll interact. The more they interact, the more you'll learn about them. Repeat.'

Run that through a few cycles and you'll be able to tailor the messaging and response to a degree that positions you as attentive experts who can meet their needs.

3. New rules, new tools

If marketing is responsible for developing and nurturing long-term, engaging, one-to-one relationships that change over time – you need the right tools.

It would be impossible to do this without taking a strategic, joined-up vision of your technological needs. At Squiz, we advocate the creation of something we call the 'Sales and Marketing Engine' – a clever configuration of CMS, search platform, MA, and CRM systems.

Properly combined, they form a technological backbone that facilitates the integration of additional secondary technologies (things like databases, cloud connectors, APIs and plug-ins – such as ecommerce, webinar and social platforms), which cover every way in which a customer/prospect can interact with you.

By creating this interconnected web of technology, the 'engine' can analyse each interaction and respond automatically in the appropriate way; whether that be by personalising the content that the person is seeing on your website, or flagging the need for sales to call.

The key to all of this is the strategic, joined-up bit at the beginning.

Making ad-hoc purchases of technology to address specific needs leads to an environment within organisations of chaos, with information and insights not just becoming siloed in departments, but within individual systems, too.

Getting over this hurdle is the reason why, within so many organisations, customer centricity is an illusion rather than a reality – employees don't have the full picture and cannot respond in the most appropriate way.

4. Supporting the strategic vision – fill the skills gap

The 'Sales and Marketing Engine' can be a piece, and conduit to, much bigger strategic and organisational change that makes your business digitalised and truly digital-first – addressing today's business reality.

What we mean by this is that, to create this technology platform and put the customer at the heart of everything, organisations need to have the right people, processes and skills to keep the wheels of the machine optimised and turning.

It's therefore necessary to analyse all touch-points and staff roles, so that they support the new structure and approach – triggering the right responses at the right time.

In summary

Your prospects and customers are demanding personalisation: contact and content that's relevant and delivered how they want it.

This is becoming more critical, as providing a brilliant experience is fast becoming the best (and sometimes only) way to differentiate yourself in crowded markets.

The benefits of changing the way your organisation thinks are clear:

- Increased efficiency
- More leads and ROI; less churn
- Getting a complete view of your customer
- No more silos and increased collaboration
- Your prospect will feel loved.

It's a lot to think about, but **marketing is an arms race** and if you're not willing to adapt, then you could soon find yourself behind competitors who are.

About Squiz

Squiz are your marketing technology partners.

Unlike many we're both technologically minded and creative – we can help you to create seamless, intelligent and engaging user experiences that provide mind-blowingly personal interactions across every channel, simply.

We've helped over 1500 organisations across the globe to achieve their marketing and online objectives; with extensive experience in CMS, search, UX, website design, marketing automation and CRM.

Discover how our 400+ technical and marketing minds can help you to completely digitalise your business, increase return and provide personalised experiences for each and every one of your users.

For more information, go to squiz.co.uk or call +44 (0) 207 101 8300

About B2B Marketing

B2B Marketing is the comprehensive information resource for B2B marketers. Its mission is to provide practitioners with the information they need to perform better and achieve more, whatever sector of the B2B space they are operating in.

Launched in 2004 as B2B Marketing magazine, it has since evolved into a multi-faceted resource, delivering a broad range of content in a variety of different forms and formats.

Its key products are:

- Online community
- Magazine
- Awards
- Research and reports
- Training
- Events
- Membership

For more information on any of these products or services go to b2bmarketing.net or call +44(0)20 7014 4920

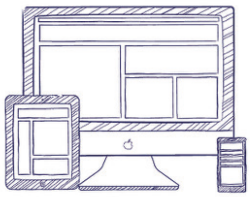
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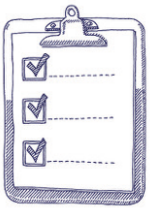
Squiz enables organisations to create seamless, personalised and engaging experiences across every channel.

Our team will work with you to develop a unique, integrated solution that matches your needs - even if that means creating something completely new in the process.

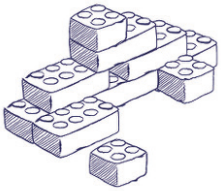
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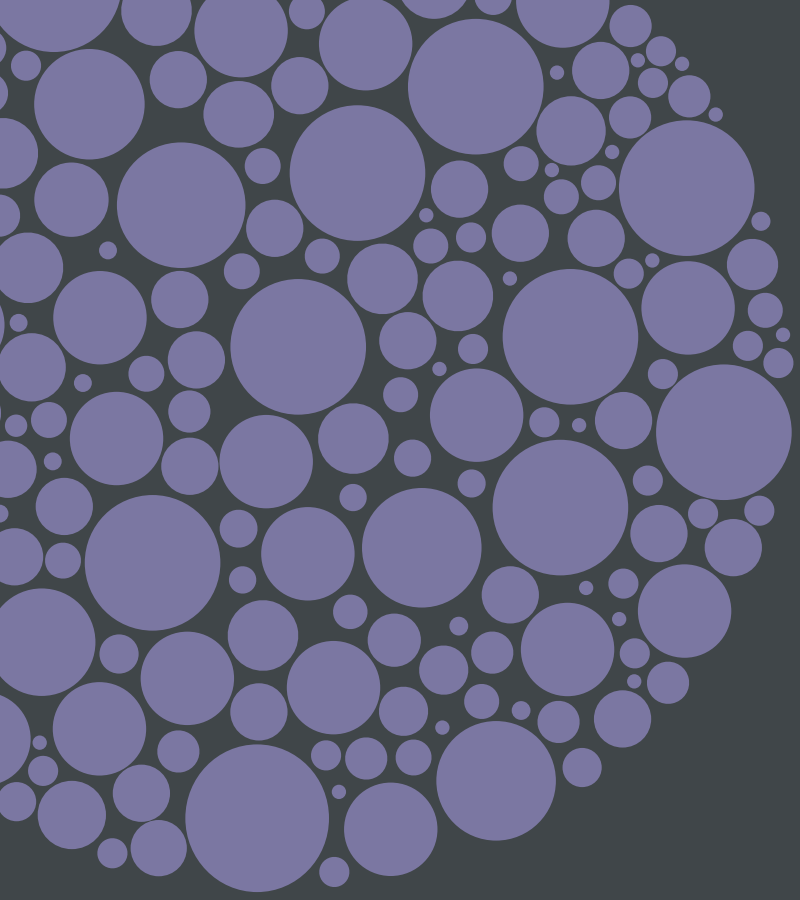
Premium membership

B2B marketers have never had to be so multi-skilled and accountable to business objectives. Marketers need up-to-the-minute research, knowledge and insight to ensure they are not left behind.



Join us today

To find out more, contact our membership team:
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