

B2B Marketing

Who owns the customer journey?

In association with Squiz

Who owns the customer journey?

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INTRODUCTION

Of all the things that are currently changing B2B marketing, customer centricity is the perhaps the most important in that, at its highest aspiration, it stands for the changing role of marketing.

In the Nov/Dec edition of *B2B Marketing* magazine, we argued the things that would matter most to marketers in 2016 would, in fact, all be extensions of increased customer centricity: "[these predictions] are all related to the broader shift in the marketing function: by becoming the advocate for the customer in organisations, marketing is moving from being a cost-centre to a revenue driver."

But, as ever, just because B2B marketers understand that achieving customer centricity is crucial, it doesn't mean they are successfully implementing a customer-centric approach as effectively as they could or should be.

For this research project, we have partnered with digital transformation consultancy Squiz and surveyed over 150 B2B marketers to find out who owns the customer journey and whether organisations have fully bought-in to the importance of customer centricity.

This report investigates:

- Whether marketers understand the importance of customer centricity - and if they are supported in this by senior management.
- Whether marketing thinks it owns the customer journey - and whether the rest of the business feels the same.
- What levels of confidence marketers have in their use of technology for achieving customer centricity, and whether they have the ability to influence what tech decisions are made.
- Whether marketers are the voice of the customer in their organisation and, if not, what steps they need to take to become so.

IS CUSTOMER CENTRICITY IN DECLINE?

Unsurprisingly, B2B marketers are unequivocal when asked to state the importance of customer centricity in marketing: 83 per cent stated it was 'very important', with a further 16 per cent acknowledging it was at least 'moderately important'.

However, the gap between understanding and execution is profound: only 59 per cent of marketers actually feel their organisations are achieving customer centricity. This is actually a lower figure than similar research from last year: in 2015 when we investigated customer centricity, 64 per cent of marketers stated they thought their businesses were customer-centric.

Is customer centricity going backwards? This seems unlikely: rather, we suggest that in the past twelve months marketers have gained much more knowledge about what it takes to truly put the customer first and more clearly see the challenges that exist to getting it right.

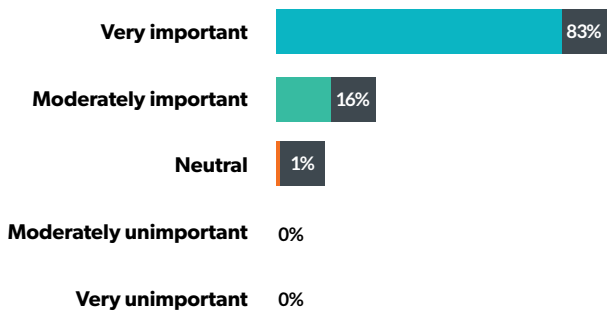
This can be seen to an extent when we asked marketers to define what customer centricity meant to them. The top three answers were: 'driving loyalty through fulfilling customers' needs', 'developing marketing activities according to customer lifecycles', and 'personalisation'.

Further down the list were answers such as 'providing consistent multichannel experiences' and 'enabling self-guided user journeys'.

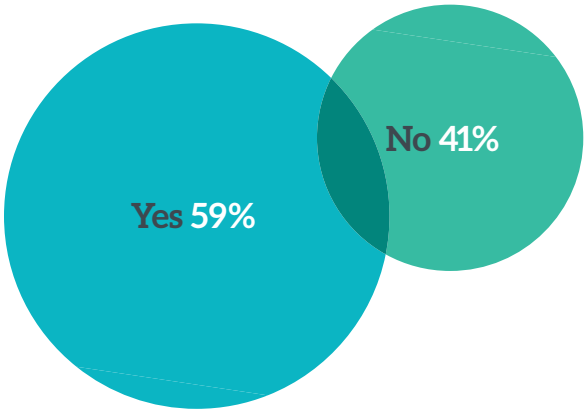
Undoubtedly, the top three are all important facets of customer centricity; however, they are all broadly focused on what marketers do and what they want to achieve. The answers lower down the list are the ones that are particularly focused on the customer journey and improving it.

This granular and detailed focus on seeing the business as your customers see it is stage two on the journey to customer centricity after the first step of recognising it as a broader business imperative. Some marketers, it seems, are not yet at this stage.

Q: How important is customer centricity in marketing?



Q: Do you believe your organisation is customer-centric?



WHO OWNS THE CUSTOMER?

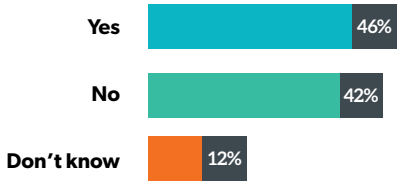
The good news is that marketers do seem to have improving customer experience at top of mind. Forty-five per cent put 'customer experience' as the number one business priority, with a further 24 per cent selecting it as the second most important.

And there is a further positive sign that many marketers are also getting support in this endeavour from senior management: when asked whether improving customer experience was a priority at board level, 65 per cent of respondents said 'yes'.

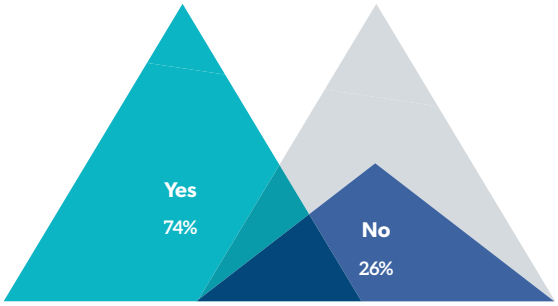
Q: Is improving customer experience a priority at board level?



Q: Is customer experience seen as being the remit of marketing by the wider business?



Q: Does your marketing department feel it is responsible for delivering customer experience?



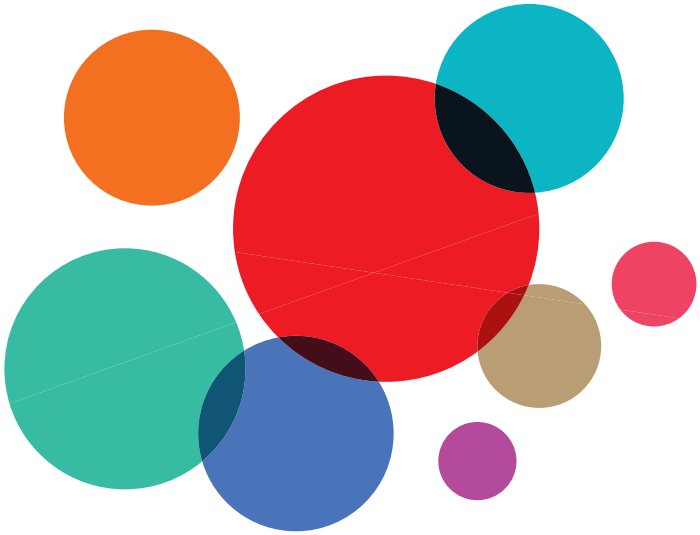
However, problems begin to arise in taking ownership of the customer journey. Seventy-four per cent of marketers feel the marketing department is responsible for delivering customer experience; but only 46 per cent believe customer experience is seen as the remit of marketing by the wider business.

This may well explain marketers' assessments of their own performance with regards to customer experience. Only half (53 per cent) of marketers rate the experience customers have when interacting with their business as 'above average', with a mere 12 per cent ranking the experience as 'very impressive'. This leaves 47 per cent perceiving their customer experience as only 'okay' or worse.

When we asked marketers to reflect on whether customers receive a consistent experience across all channels, they were even more damning, with only 23 per cent claiming this was the case.

Engaging customers in the multichannel age is an incredibly complex proposition and it's not surprising that over three-quarters of marketers are still struggling to do so. The movement towards customer centricity still feels as if it's raising more questions than it's answering, and there is much room for improvement.

THE RIGHT TECH USED WELL



Q: Which of the following technologies are you considering reviewing/purchasing in the coming 12 months?

- MA (marketing automation) **47%**
- CRM (customer relationship management) **37%**
- Project management/collaboration tool **30%**
- Social media management platforms **29%**
- CMS (content management system) **27%**
- Email bulk send **19%**
- Search platform **13%**
- Portal **12%**

Having the right tech and being able to use it effectively is an essential starting point for understanding and influencing the customer journey. For sure, technology is only an enabler rather than an end in itself - but in order to know what your customers are doing, where they are interacting with your business, and what marketing materials are most likely to get results, good use of good tech is a must.

According to our survey, B2B marketers still have some way to go with regards to this key issue. Four-fifths (81 per cent) are using a CRM system, and around two-thirds are using email bulk send (66 per cent), social media management platforms (62 per cent) and a CMS system (60 per cent). But, surprisingly given the amount marketing automation (MA) has been discussed in recent times, less than half of marketers (47 per cent) are using any form of MA.

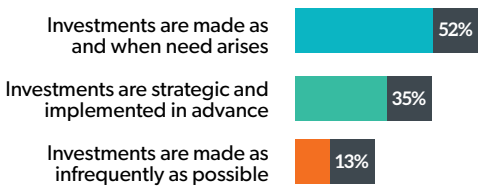
Automation is still an area where businesses are slowly evolving - 47 per cent of respondents said their organisation was considering reviewing/purchasing MA tech in the next 12 months - and its benefits even when implemented can be slow to materialise. This may also explain why the confidence exhibited by marketers that they are making the most out of marketing tech is relatively low.

When asked to rate their ability to make the most out of a range of marketing technologies, only 30 per cent felt they were confident or very confident with CMS, 26 per cent for CRM and a mere 21 per cent for MA.

This lack of confidence in marketing tech is also reflected, or perhaps caused by, the way tech investments are currently being handled: only 35 per cent of organisations are approaching tech investments strategically and in advance, and marketers making the decisions as to what marketing tech to purchase in only 44 per cent of businesses.

Given how important good use of tech is to achieving customer centricity, marketers need to be leading the charge within their businesses to let senior leadership know what tech they need in order to move towards a more customer-centric strategy.

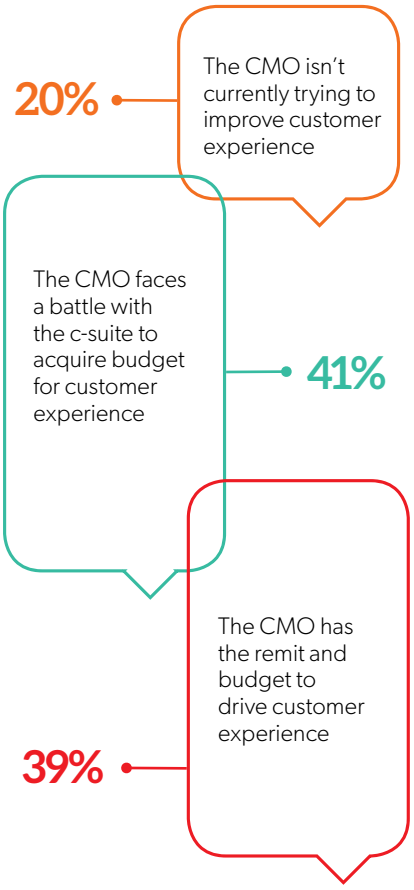
Q: How is technological investment approached in your organisation?



THE POSITION OF MARKETING

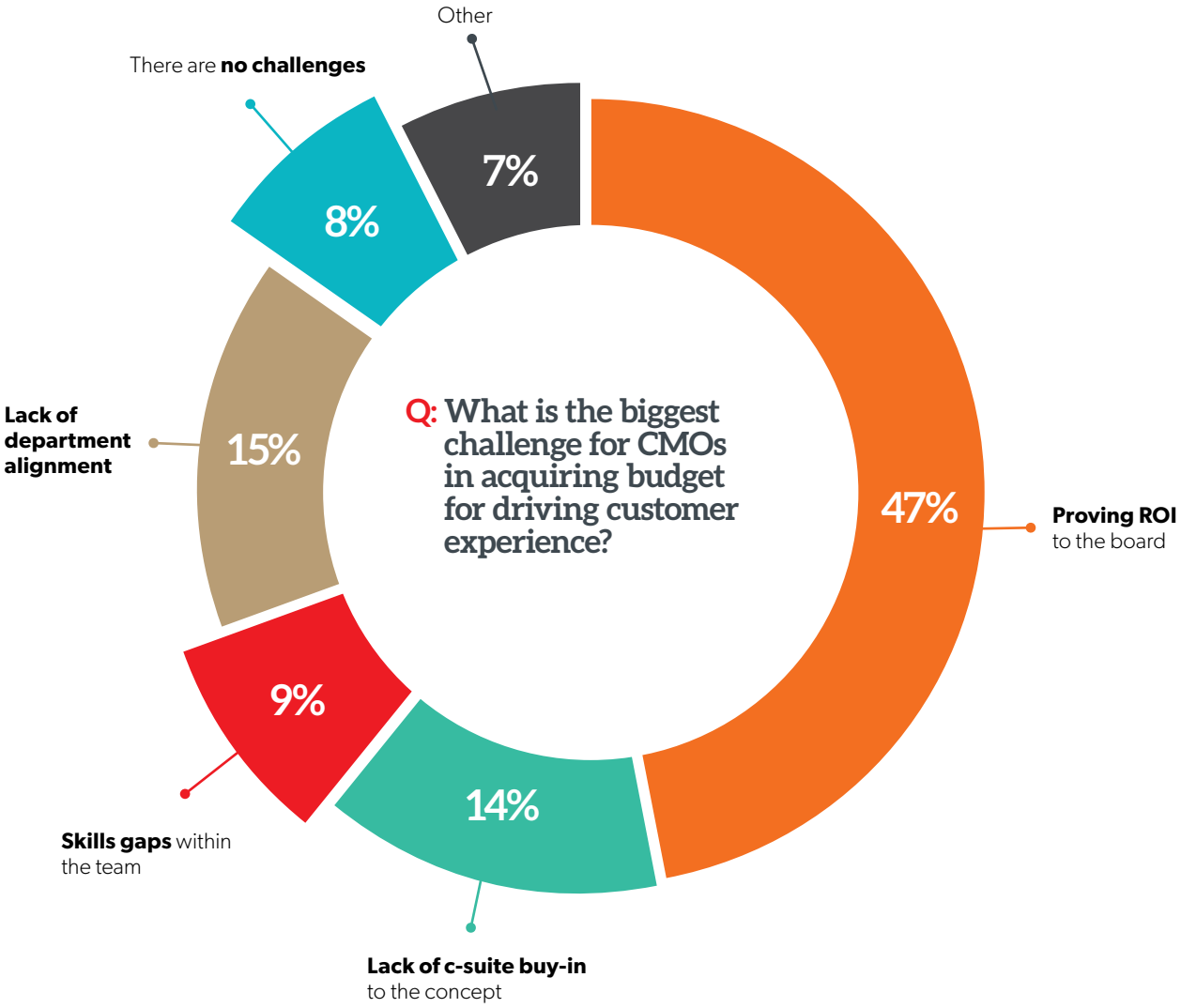
This issue of marketing lacking the power to drive customer-centric solutions within their businesses is also seen when we asked respondents to reflect on the influence marketing is able to exert on the wider business. Only 39 per cent feel their CMO has the remit and budget to drive customer experience, with 41 per cent admitting gaining such a remit and budget is a constant battle with the c-suite. Most worryingly, 20 per cent stated their CMO simply wasn't currently trying to improve the customer experience.

Q: Which of the following sentences best applies to your organisation?



Q: Do you consult your customers on their needs when creating buying solutions?





Why this is the case is hugely revealing: when asked to define the biggest challenge for CMOs in acquiring budget for driving customer experience, the stand-out answer was the difficulty in proving ROI to the board (47 per cent). For the purposes of comparison, the next closest answer was 'lack of departmental alignment', selected by a mere 15 per cent of respondents.

Proving ROI is a notoriously thorny issue for marketers and would prove too much of a diversion to discuss in depth here, but it's worth noting only 56 per cent of marketers answered 'yes' when asked whether they consult customers on their needs when creating buying solutions. When asked what methods are used to find out about customers' needs and experiences when interacting with a business, by far the most selected answer was 'feedback from internal customer-facing departments' (80 per cent). More granular and marketing-led methods such as interview panels and focus groups were way behind (both selected by 28 per cent of respondents).

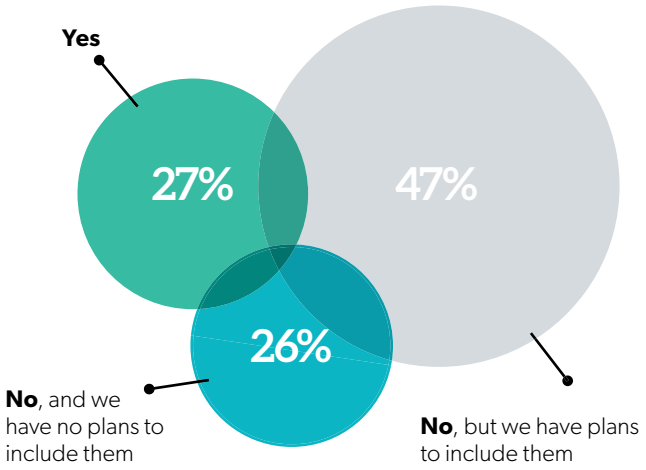
To be taken seriously by the board and the rest of the business, marketers need to be much more proactive in becoming the voice of the customer rather than relying, for instance, on sales to find out what customers are saying: an argument which relies on 'this is what marketing thinks' as its premise is far less likely to carry weight with non-marketers than 'this is what our customers think'.

MAKING CUSTOMER CENTRICITY COUNT

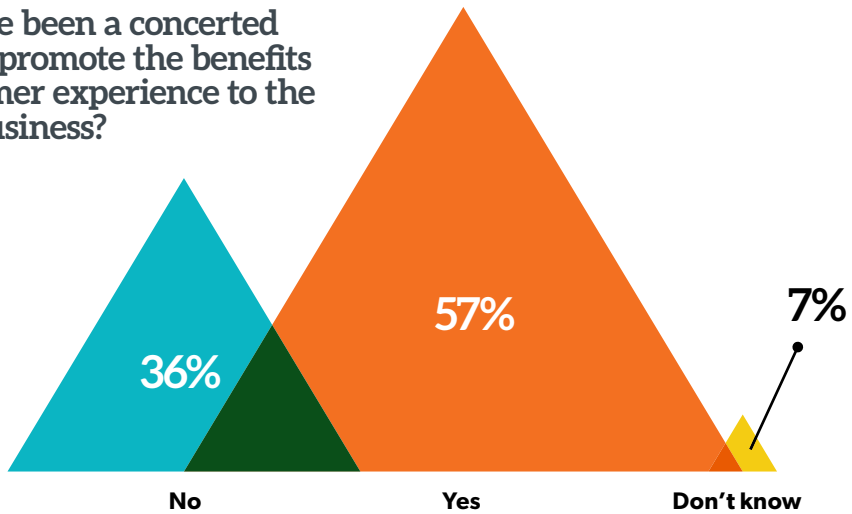
While there are significant challenges to driving customer centricity, and marketers readily acknowledge there is still some distance to travel, the results of this survey very much point to 'work in progress' rather than 'failed experiment'.

Twenty-five per cent of marketers already have KPIs for measuring customer experience in their marketing strategies, while a further 47 per cent have plans to begin including them in the near future. This is a positive sign that marketers know they need to own the customer journey. On top of this, 57 per cent are making concerted efforts to promote the benefits of good customer experience to the wider business. The more marketers are seen to own the customer journey, the more easily they will be able to harness the resources and strategic changes they need to move towards true customer centricity.

Q: Does your marketing strategy have clear goals/KPIs for measuring customer experience?



Q: Has there been a concerted effort to promote the benefits of customer experience to the wider business?



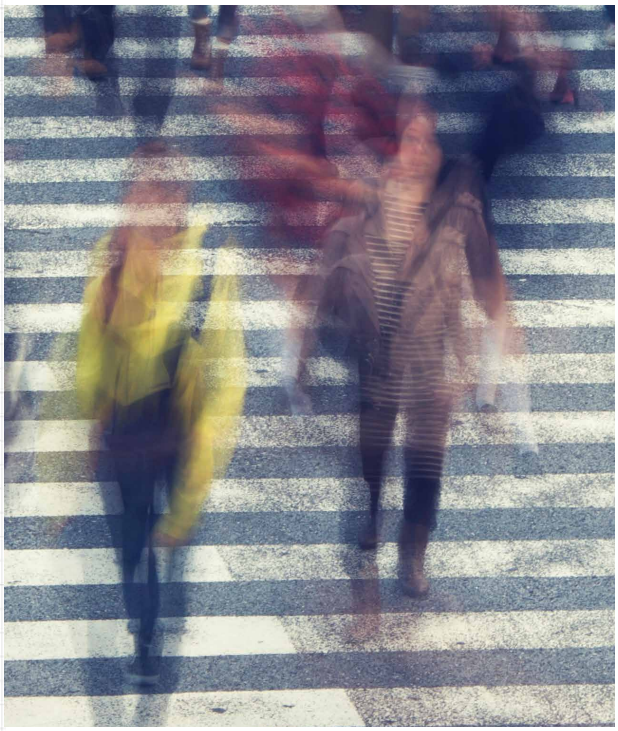
IT'S TIME FOR SENIOR MARKETERS TO STEP-UP AND OWN CUSTOMER JOURNEYS

By Stephen Morgan, Co-founder, Squiz

Within many of our organisations, there is a vacuum at the top when it comes to taking responsibility for improving customer experience.

Twenty-two per cent of this survey's respondents (the highest grouping) said lack of leadership/ownership was the biggest barrier to an organisation when improving customer experience, with lack of strategy (20 per cent) coming out second - yet it's seen as a priority at board level (65 per cent).

Seventy-four per cent of respondents stated the marketing department felt responsible for delivering on customer experience, but only 48 per cent of respondents said the wider business saw customer experience as their remit. The question I would ask would be: if marketing aren't, then who is?



Until the chief customer officer is a mainstay within our organisations, then there is no better placed person that the CMO/senior marketer to take responsibility.

With investments in marketing technologies growing, senior marketers have access to more data and insights than anyone else, with the best view of the sales funnel and ongoing customer lifecycles. Not only that, they should know what the latest trends are within their sectors and the wider business environment (if not, then what's in the lead generation campaigns they're running?!)

Couple these things together, and it's hard to see why more organisations aren't asking marketing to lead.



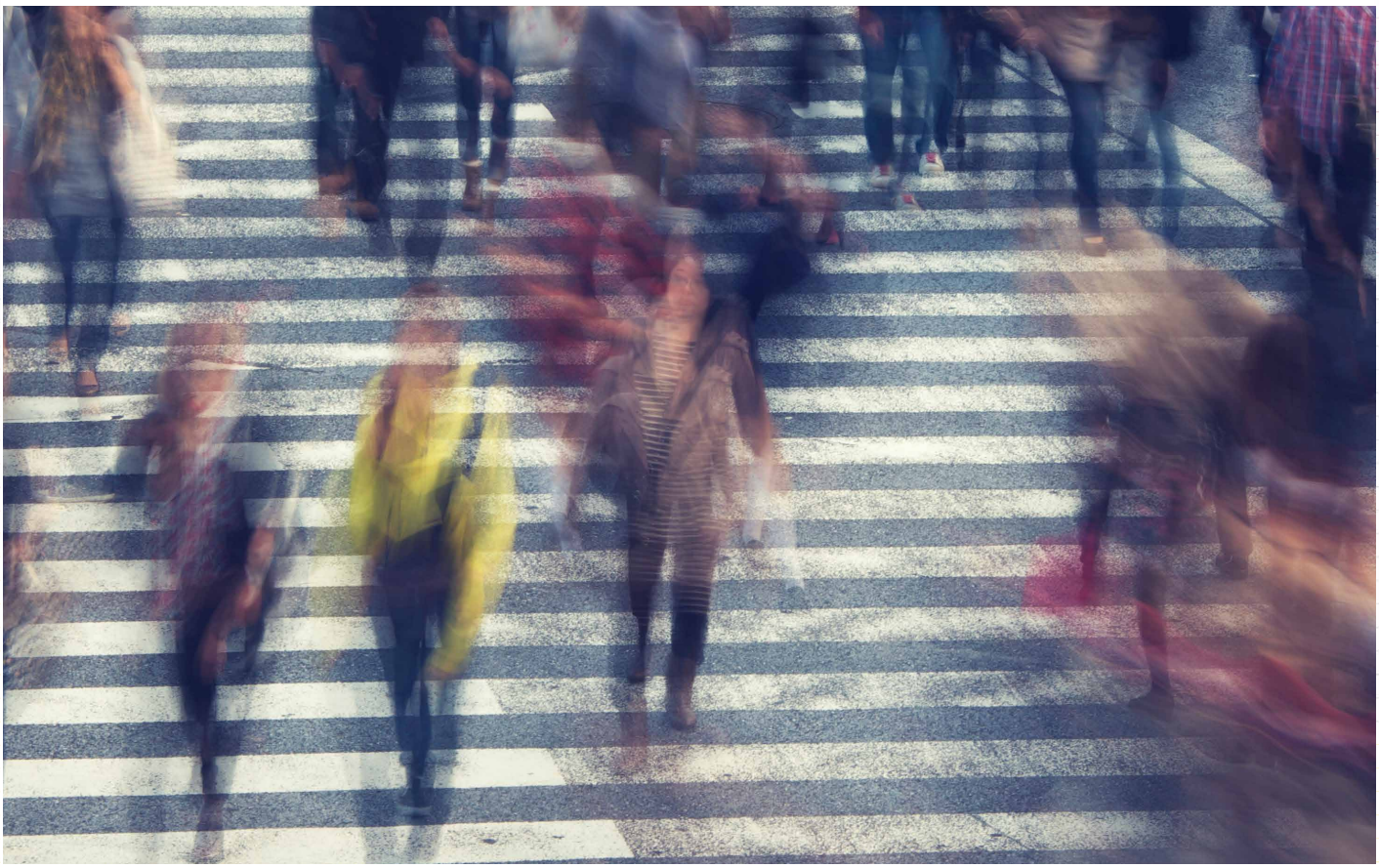
Stephen Morgan,
Co-founder, Squiz

'Old guard' CMOs versus millennial CMOs - time to evolve

There is a changing of the guard within the marketing field, as a new generation of marketers emerge to whom digital is second nature, and keeping up to date with tech trends is a daily ritual.

The millennial CMO is well-versed when it comes to changes in customer habits and technology, and understands the accelerating need for transformation. Rather than viewing 'going digital' as an option, millennial CMOs view it as a necessity and are able to articulate the strategic rationale for technology investments. As a result, they're able to implement changes that will improve the business as a whole, putting them in a strong position between the theorists and the experts on the IT team.

Most importantly, they've the ability to prove all of these things and marketing's



real value back to the business with clear, unequivocal ROI.

Forty-seven per cent of respondents said the biggest challenge for CMOs in acquiring budget for driving customer experience improvements was proving ROI - the answer? Spend more time getting better at it.

If 47 per cent of respondents stated they do not have a mechanism for receiving and processing direct customer feedback, and 76 per cent of respondents say their marketing strategies don't have clear goals/KPIs for measuring customer experience, there's obviously a massive disconnect in what marketers want to do and what they're focusing on, and then proving it's effective.

A good indicator of this can be seen in the way technology is still purchased: marketing technology investments are still only made when the need arises (52 per cent), rather than as part of a strategic approach to improving things, led by senior management in a high proportion of instances (38 per cent).

CMOs can (and should) offer something unique to organisations: provide technical intelligence instantly whilst also being able to anticipate customer trends quickly, backed by stats and facts.

The millennial CMO can be the go-to person for every customer-facing team, a hub within businesses who can break down silos - the single most important factor in being able to provide great customer experiences - and disseminate vital intelligence across the business.

New business era

We're in the midst of a new era in business, led by web 3.0 and B2C trends, and B2B businesses need to adapt to changing customer expectations to provide experiences that keep them, at the very least, relevant.

In order to adapt to this new world, organisations must ensure they are truly digital in all aspects.

Marketers who are managing numerous campaigns over multiple channels need to be able to understand the role each one is playing in their, and the wider business', strategy, ensuring insights delivered by one platform are shared with others across the organisation, thus developing a single view of the customer that everyone can use. If they can do that, they'll suddenly find themselves catapulted to the top table.

It's no surprise that customers expect every touch-point to be seamless, relevant and effortless however they're interacting. You, as a consumer, feel exactly the same way.

ABOUT

SQUIZ

Squiz is a global consultancy, services and technology agency that drives digital transformation for its customers.

Top-rated by analyst house Ovum, Squiz's clients include LexisNexis, William Hill, University of Oxford, Shelter and ICAS. Our digital solutions allow organisations to bring complex systems together to create consistent experiences that delight their customers.

Founded in Australia in 1998, Squiz has more than 450 employees around the world in thirteen offices including London, Edinburgh, New York and Sydney.

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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.

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- Awards
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- Training
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