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Become a CXpert:
The marketer's guide to customer experience



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Section 1

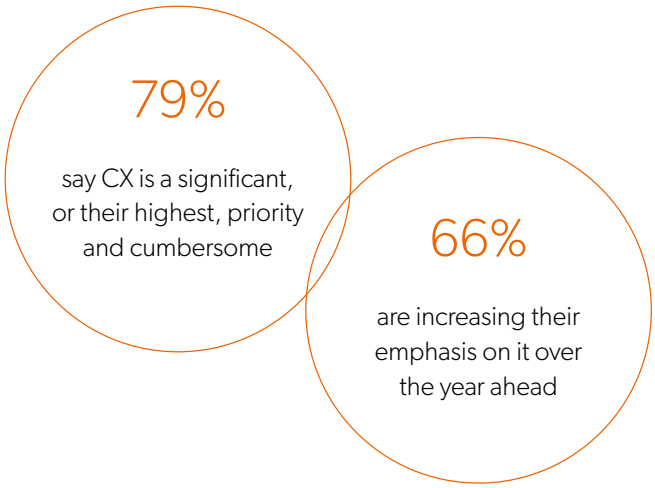
Executive summary

CX is someone else's problem, right?

Most B2B organisations suffer from diffused responsibility; while everyone agrees that CX must be addressed, most are unsure who should do what, or how it all ties up. Our survey shows that 37% say there are conflicting, siloed views on who owns CX. For marketers to take a more holistic responsibility for CX they must change their relationship with the business, recognising that marketing is not there to serve and support sales, but the customer. Marketing's reach should therefore stretch across the customer lifecycle and across the business.

Only 3% of marketers are aligned to a cohesive, operational plan

Marketers should not only strive for a single customer view, but also a single internal view on how to serve them. Only 3% of B2B marketers are actioning a cohesive strategy to good effect and 38% don't have a CX plan of any kind. For most, CX is tackled in a piecemeal approach with each department doing what it can with the information and stretch it has.



Marketers should hold on to the customer throughout their journey

Marketers' responsibility and budgetary spend for CX drops significantly during the middle of the customer lifecycle, when those customers are buying and using the product. That means that while marketers have significant responsibility for retention, they have little to no impact on the reasons why a customer might leave. Our survey shows that 70% of marketers take little or no responsibility for CX during the point of sale or aftercare and 76% spend little to none of their budget on CX during aftercare.

B2B companies aren't using their CX to differentiate

Only 13% of B2B marketers believe their customers are won and retained because of CX. There is vast room for improvement here and this report will examine some of the ways B2B players are differentiating through CX, focusing on how CX can be seamless, responsive and driven by both insight and an internally aligned team.

Introduction



Mary-Anne Baldwin
Head of content,
B2B Marketing

The customer experience is both everyone's problem and no one's problem.

While everyone wants to improve their CX – in fact 79% of B2B marketers say it's a significant, or even their highest, priority for the year ahead – most are unsure who should do what, or how it all ties up.

It's what psychologists call 'diffused responsibility' – everyone thinks someone else will fix it, or is better placed to do so, and so nothing much improves.

Even companies with leaders or teams dedicated to CX are failing to keep up with their B2C counterparts and across the industry only 3% of marketers say their business is aligned to a cohesive, operational CX plan.

Actually many don't have a CX plan of any kind, and for most it's tackled in a piecemeal approach with each department doing what it can with the information and stretch it has. And guess what, this disjointed approach creates a incoherant, irrational and often irritating experience for the customer.

It takes a village, but that village also needs a chieftain, someone to drive the collective efforts forward with insight and shared goals.

The amount of customer insight you have as a marketer, means that no one is better placed, or more fully armed, to take on this job. It's time you recognised and celebrated the pivotal role you can play.

If not you, then who?

Section 2

The CX survey

2.1 The 2019 CX survey results

To follow are the survey results of almost 200 B2B marketers examining their efforts, responsibilities and challenges with regard to customer experience.

CX in B2B suffers a lack of strategy and responsibility

The biggest blocker to great CX in B2B is a lack of strategy, followed by a lack of clarity regarding who bears the responsibility. Without these CX becomes no one's concern, rather than everyone's.

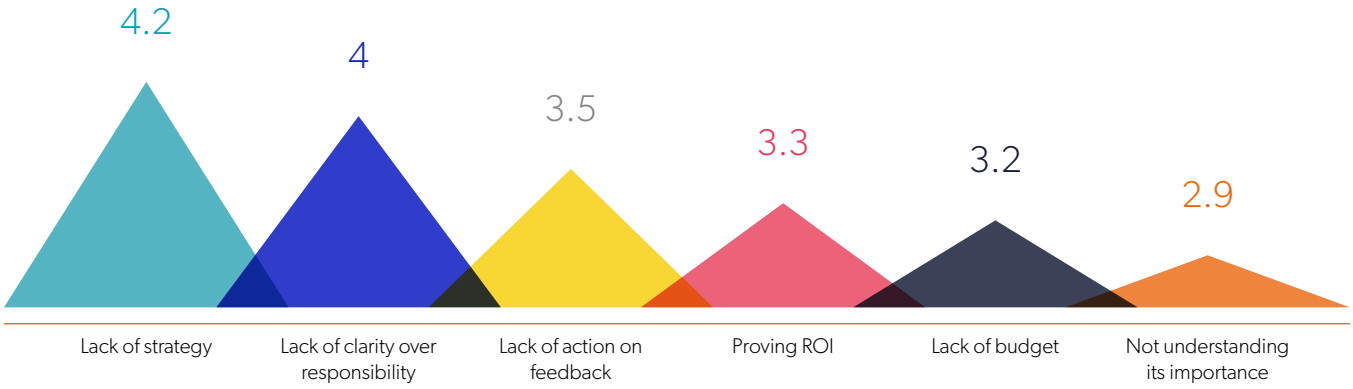
Of course, these two challenges go hand-in-hand; if someone is responsible for CX it's expected they'd have a clear strategy. Conversely, a clear strategy will also contain details on who, or which departments, will action it.

- The cornerstone of CX is an aligned, engaged and focused internal team.
- Alignment on CX should stretch across the business, led by key stakeholders.
- This alignment must be supported by a comprehensive strategy.
- It must be clear where responsibility for CX sits, both its component elements and holistically.

Only 3% of marketers are aligned to a cohesive, operational plan

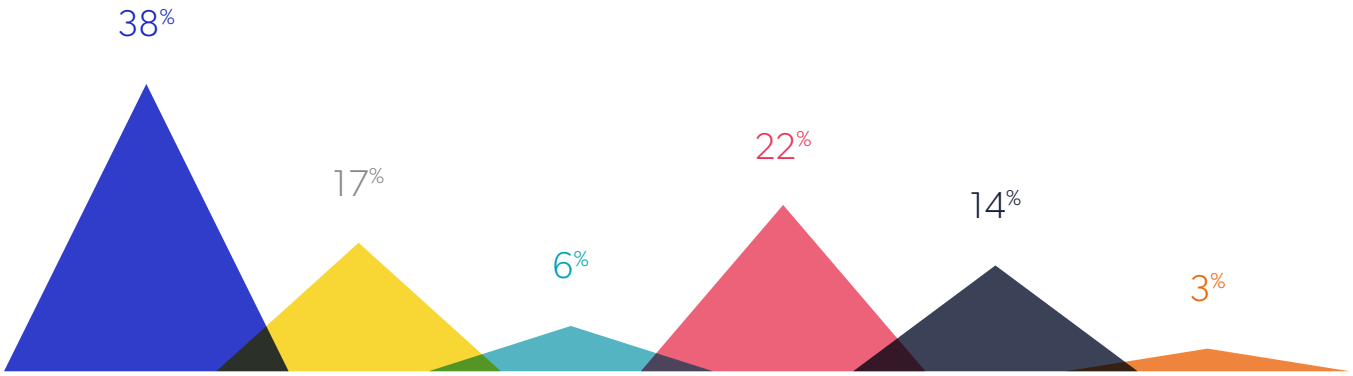
Marketers should not only strive for a single customer view, but also a single internal view on how to serve them. Only 3% of B2B marketers are actioning a cohesive strategy to good effect and 38% don't have a CX plan of any kind. For most, CX is tackled in a piecemeal approach with each department doing what it can with the information and stretch it has. Later we'll discuss the impact of this on the customer – namely a disjointed, irrational and irritating experience.

What's the biggest challenge for your organisation when trying to improve CX?



Cxcellence means alignment

To what extent does your organisation have a formal CX strategy?



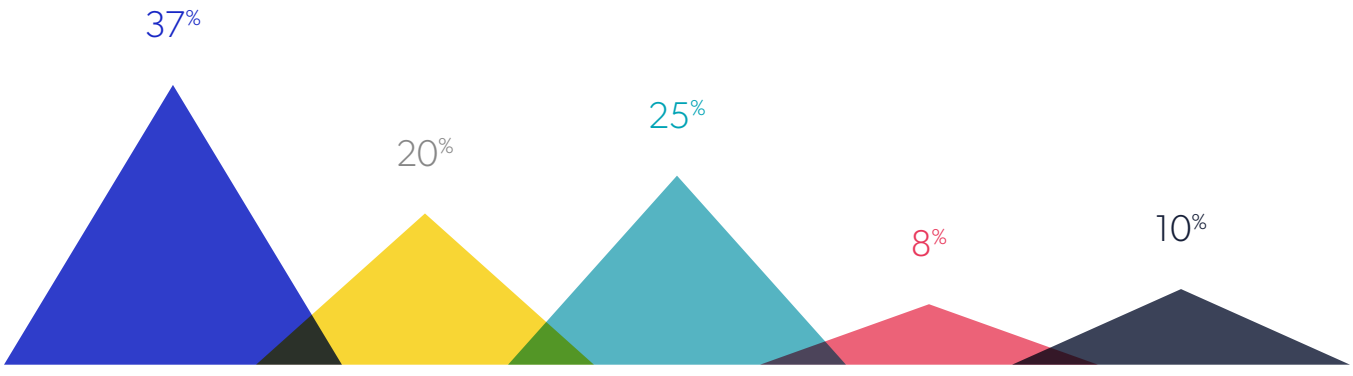
CX is someone else's problem, right?

Most B2B organisations suffer from diffused responsibility; while everyone agrees that CX must be addressed, most are unsure who should do what, or how it all ties up. Our survey shows that 37% say there are conflicting, siloed views on who owns CX.

In most organisations, the responsibility is spread across departments including marketing, sales, customer services, operations and the executive team. Where there is a department driving the other the team's involvement, that lead is most frequently the executive team (40%) or marketing (36%). In very few cases is it driven by a department with sole responsibility but where that does happen it's again, most likely to be executives or marketing.

Turn to section 5 on pages 22 for guidance on breaking down siloes and improving your company's alignment to CX

Which of the following scenarios best describes how closely your business is aligned on CX?



Cxcellence means seamlessness

A disjointed approach equals a disjointed experience

All customer touchpoints should be seamless, connected and a reflection of the collaborative internal efforts behind them. Yet as many organisations operate in a siloed and disjointed manner, the opposite is usually the reality.

A seamless experience is one in which your customer can obtain what they want quickly and effortlessly, but it's also about your communication with them. For example, a sales call offering something the customer doesn't want, need, or already has can disengage a previously happy customer.

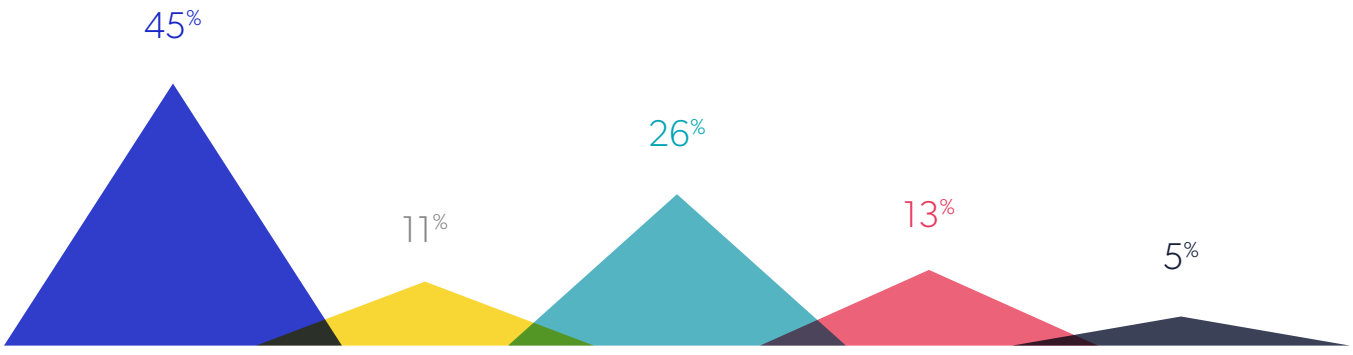
Seamlessness is not only reliant on internal alignment, but on great customer insight and effective technology. With so much intertwined, it's not surprising that only 7% of marketers say their CX is good in areas but on a holistic level is confused, disjointed and cumbersome. Most commonly, marketers describe it as 'confused, disjointed and cumbersome'.

The best way to achieve seamless CX is through shared customer centric goals but many are confused on which to pick and how to measure.

Almost half of marketers (45%) have limited or confused metrics on CX, and only 5% are gaining actionable insight from robust and meaningful measurements.



To what extent does your company have a clear and established set of metrics for CX?



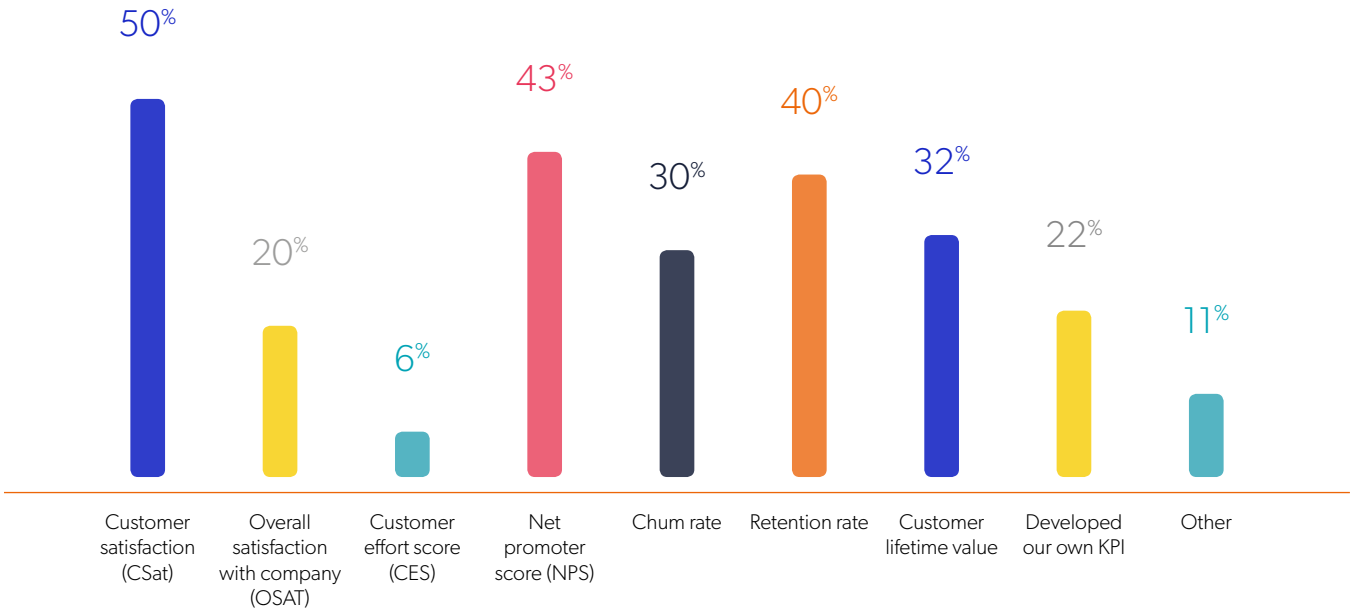
Barely or not at all: There is limited and/or confused metrics for CX with little harmony across the business or understanding of the customer journey	Initially – there is agreement but no action: All relevant parties have agreed metrics, which encompass the full customer journey	Partially – well in places, poorly in others: There are company-wide CX metrics, which we have recently started measuring	Wholly – its good, but it's not perfect: We are relatively sophisticated in our CX metrics. We have company-wide systems and processes, although they need some perfecting	Robust and meaningful: Our CX metrics are fully defined, tracked, measured and constantly improved. This is taken as a company-wide effort

Turn to section 6 on page 28 for a case study of seamless CX and insight into how to replicate it

Are your metrics really measuring up?

Customer satisfaction scores, net promoter scores and retention value are the most common ways of measuring CX (50%, 43% and 40% respectively). Other valuable measurements, which we'll explore later, aren't being used as frequently as they should.

How does your company measure CX?



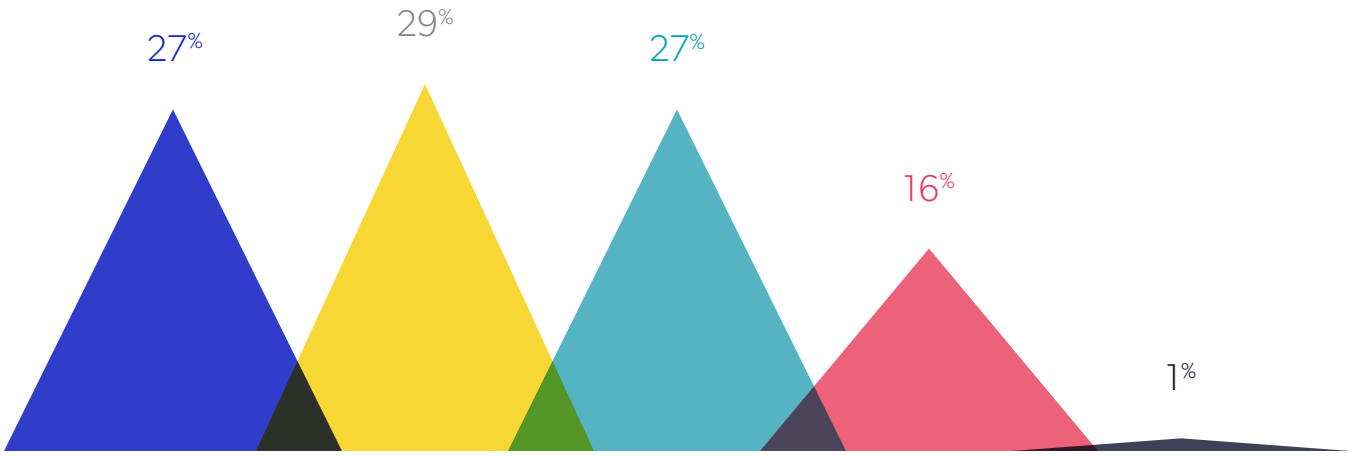
For guidance on choosing and improving your CX success metrics – and case studies of those who have, turn to section 7, page 34.

Cxcellence requires insight

To help your customer, is to know your customer

Great (or even just satisfactory) CX relies on customer intelligence. The more you have, understand and act on, the better your CX will be. This covers everything from segmentation and personas, surveys and web data all compiled in a voice of the customer programme that drives your efforts forwards.

What is your organisation's approach to understanding the customer?



For more on how to compile and action customer insight, turn to section 7, page 34

Cxcellence needs responsiveness

Doing something isn't the same as doing the right thing

Customers expect responsiveness from across the business. At the most basic level they want a quick reply, a speedy resolution and their needs and wishes met. But good businesses take this much further. They recognise a difference between your customer service team quickly responding to a complaint, versus the business improving its product, messaging or aftercare to remove that issue at its root.

For this reason, responsiveness doesn't just sit with marketing or the customer services team. Product developers, sales, the CEO and board should all have customer satisfaction in mind at all times.

Responsive CX requires

- Knowledge of your customer that is continuously monitored and acted on
- Recognition of different customer needs through an understanding of personas, segmentation and the customer lifecycle
- Product, price, promotion and place each evolving with customer and market changes
- Resolution to customer complaints that addresses the root cause.

15%

(the smallest group) said its interpretation of customer feedback across the business is confused or political

20%

said improvements based on customer feedback are enshrined in their culture and customers are responded to quickly

How often do you audit your CX?

While an audit of your customer satisfaction alone won't allow you to deliver responsiveness, you certainly won't get far without it. Marketers should be aiming for an 'always on' approach to customer intelligence. However, we found that the largest group of participants (24%) review their CX initiatives on a monthly basis; 19% do it on a quarterly or annual basis and 15% on an ad hoc basis.

12%

Only 12% of businesses are reviewing their CX live, using real-time data

Turn to section 8 on page 39 to find out how Vodafone delivers responsive customer experience

Cxcellence needs responsiveness

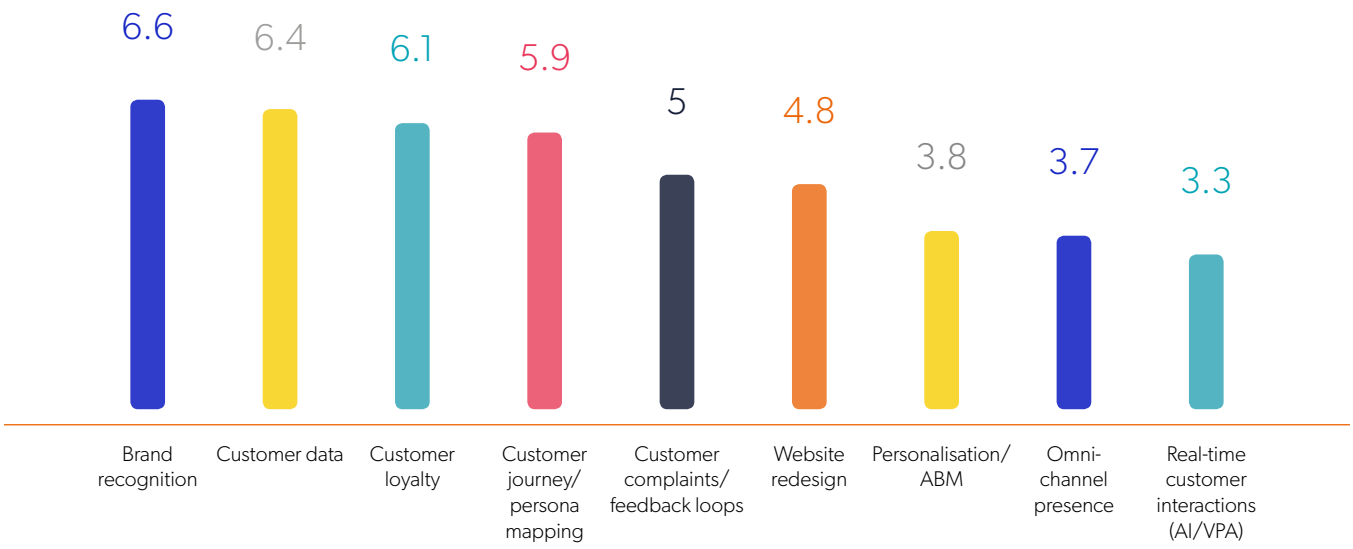
CX improvements offer great competitive advantage

Unlike their B2C counterparts very few B2B organisations stand out for their excellent customer experience. It's a disappointing fact but it's also one that marketers can profit from.

The largest group of survey participants (27%) said their CX doesn't differ in any way from their competitors and only 13% believe their customers are won and retained because of CX. There is vast room for improvement here and this report will examine some of the ways B2B players are differentiating through CX.

What can be said straight away is traditional marketing efforts certainly won't be enough. Yet, of all the areas we surveyed B2B marketers on, they told us brand recognition is their biggest CX focus for the year ahead. This is in favour of customer data, loyalty or journey mapping. By continuing to tread this well traced road, marketers are failing to innovate – or even truly listen to their customers. After all, as essential as it is, brand marketing is all about the company, not the customer.

Please rank the following CX trends showing your company's focus on them for the year ahead



Do you care about aftercare?

Where marketers can make the biggest difference is in taking responsibility for CX throughout the full customer lifecycle. Marketers apply their greatest efforts to the start and end of the customer lifecycle – that's to say, in engaging prospects and improving retention. While half of marketers claim equal responsibility for CX at the beginning and end of the customer lifecycle that falls to just a quarter during the point of sale and aftercare period.

- 70% of marketers take little or no responsibility for CX during the point of sale or aftercare.
- 74% of marketers spend little to none of their budget supporting CX during the point of sale.
- 76% spend little to none of their budget on CX during aftercare.

Turn to section 9 on page 44 to find examples of differentiation and learn more about how aftercare can improve the customer experience at your organisation, and what marketing can do to help.

Section 3

The CX essentials

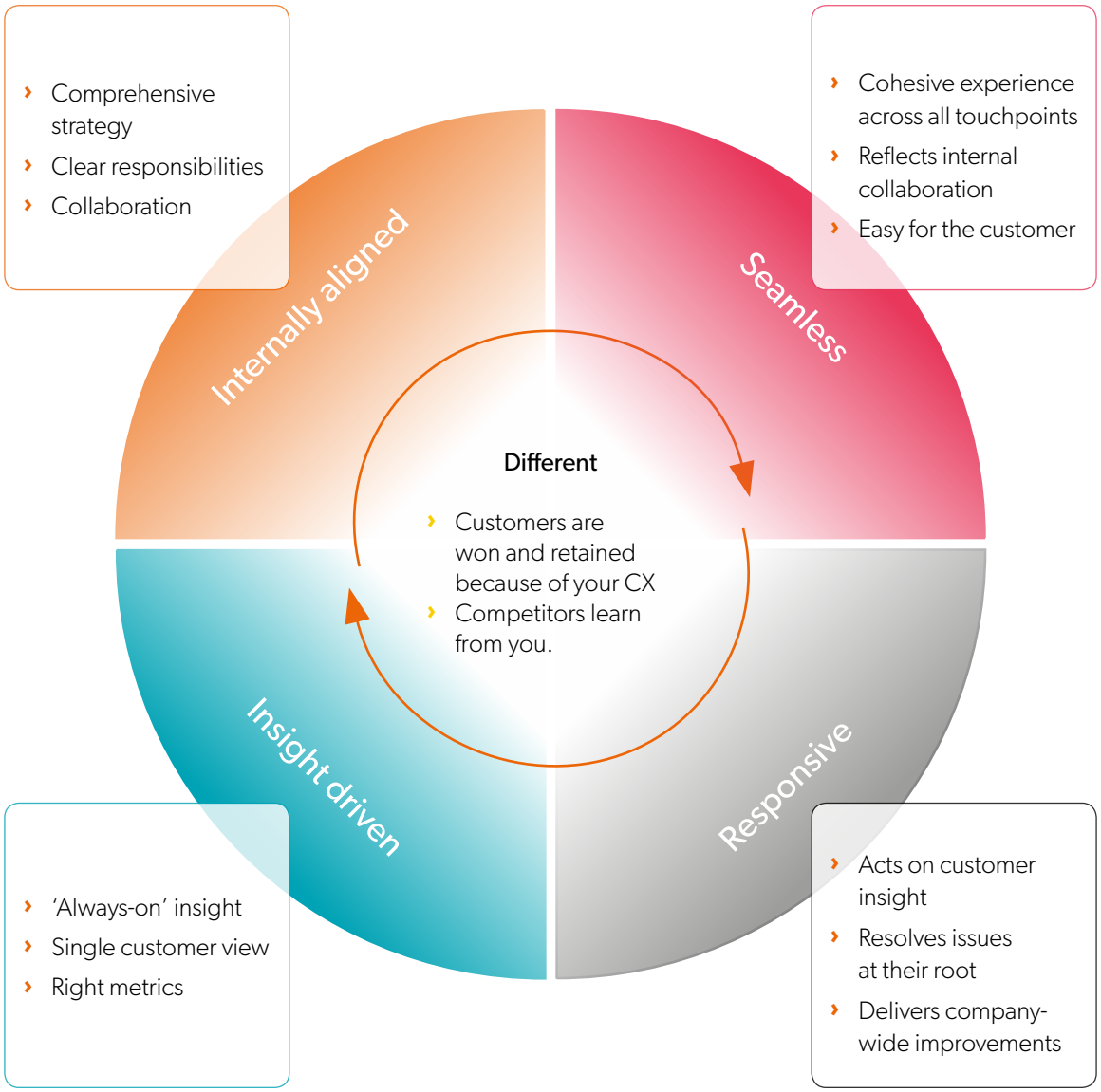
Using the survey results just shown we've located and surmised the five elements essential to a great customer experience, as shown in the model overleaf. These five elements are internal alignment, seamlessness, responsiveness, customer insight and differentiation.

All five elements are integrally linked and to a large part inter-reliant. You cannot deliver a seamless customer experience without it being driven by aligned and collaborative employees. Similarly, you cannot be responsive to your customer's needs without having reliable insight on them. But central to all of this is the most desirable element of all - differentiation. To deliver CX that excels beyond your rivals you must address and hone all four preceding elements.

Each one of these elements is discussed at greater length, with advice and case studies, in the chapters that follow.



The CX essentials



3.1 Take the test: Compare your CX to your peers

Take this test to find out how you compare to your B2B marketing peers on the five essential elements of CX, as shown in the model overleaf.

Select the answer that you relate most closely to, keeping note of the letter beside it. Once you've answered all five sections tally up those letters. Whichever you receive most of determines your place on the competency grid below.

The CX competency grid

	Understanding	Preparing	Delivering	Measuring	Perfecting
Internally aligned	37% of surveyed participants are here	20% of surveyed participants are here	25% of surveyed participants are here	8% of surveyed participants are here	10% of surveyed participants are here
Insight driven	27% of surveyed participants are here	30% of surveyed participants are here	27% of surveyed participants are here	16% of surveyed participants are here	0% of surveyed participants are here
Seamless	28% of surveyed participants are here	27% of surveyed participants are here	23% of surveyed participants are here	15% of surveyed participants are here	7% of surveyed participants are here
Responsive	15% of surveyed participants are here	24% of surveyed participants are here	19% of surveyed participants are here	23% of surveyed participants are here	19% of surveyed participants are here
Different	25% of surveyed participants are here	23% of surveyed participants are here	24% of surveyed participants are here	15% of surveyed participants are here	13% of surveyed participants are here

● Highest %

● Lowest %

Internal alignment

A. There is a strong but siloed, often conflicting, view on who 'owns' CX.

B. A CX strategy and responsibilities have been agreed but we haven't implemented it.

C. All stakeholders are working collaboratively to an agreed CX plan.

D. We are fine-tuning our active CX strategy through measurement, engagement surveys and KPIs.

E. Staff are highly informed, engaged and collaborative in their efforts to improve CX. Staff cite pride and customer satisfaction as reasons for working for us.

Insight driven

A. We agree the value of understanding the customer across the customer journey, but don't have that insight yet.

B. We're starting to understand customers across their journey, including by personas and segments.

C. We're at the early stages of acting on the customer journey intelligence we've collated.

D. We're continuously delivering, measuring and improving our CX based on reliable customer data.

E. Our CX is fully defined, tracked, measured and constantly improved. These insights deliver improvements across the business.

Seamless

A. Our customer experience is good in areas but on a holistic level it's confused, disjointed and cumbersome.

B. We're evaluating the seamlessness of our CX, including pain-points and churn.

C. We are taking targeted, collaborative and decisive actions to improve seamlessness across the business.

D. Customer satisfaction and risk data are being measured and acted on, improving CX and reducing churn.

E. Our customer experience is seamless, unified and positive.

Responsive

A. Our interpretation of customer feedback across the business is confused or too political to action.

B. We understand our customer pains and where we need to make improvements.

C. We're making limited improvements, communicating on those changes. Where we can't change things, we say why.

D. Improvements are being actioned and measured. Risk data is prioritised to reduce churn. We're testing and improving as we go.

E. Improvements based on customer feedback are enshrined in our culture.

Different

A. Our CX has little or no distinction from our competitors.

B. We have benchmarked our CX against our competitors and seen where we can excel.

C. We're delivering distinctive improvements to our CX.

D. We're measuring the impact of recent improvements and A/B testing our developments.

E. Customers are won and retained because we excel at delivering unique CX. Our competitors learn from us.

Mostly As:

Understanding: You match 26% of your peers

Like most of your peers you're at the early stages of planning, improving and fully understanding your CX. There may be a long way to go, but you're certainly not in it alone.

Mostly Bs:

Preparing: You match 25% of your peers

Like a quarter of your peers, you're in the planning stages of your CX journey about to start testing and learning. The greater your efforts here the smoother the ride ahead.

Mostly Cs:

Delivering: You match 24% of your peers

Good news, you're delivering your CX strategy, which means you're ahead of most.

Mostly Ds:

Measuring: You match 15% of your peers

You're doing great, just 15% of B2B marketers are measuring the results of their CX strategy. You're just one step away from industry excellence.

Mostly Es:

Perfecting: You match 10% of your peers

Congratulations, you're at the top of your game.



Section 4

Understanding the customer journey

The customer journey has been mapped in many ways, but most focus on the 'cycle' of the customer's life with you. While it's commonly accepted that customers act in a cyclical manner (moving from intent to purchase and round again) many marketers recognise there's a little more to it than that.

The model on the following page demonstrates the four main areas of the customer journey:

Discover: Your prospect is in the intent phase of the customer journey.

Purchase: The prospect becomes a customer.

Use: The customer is an early user of your product/service.

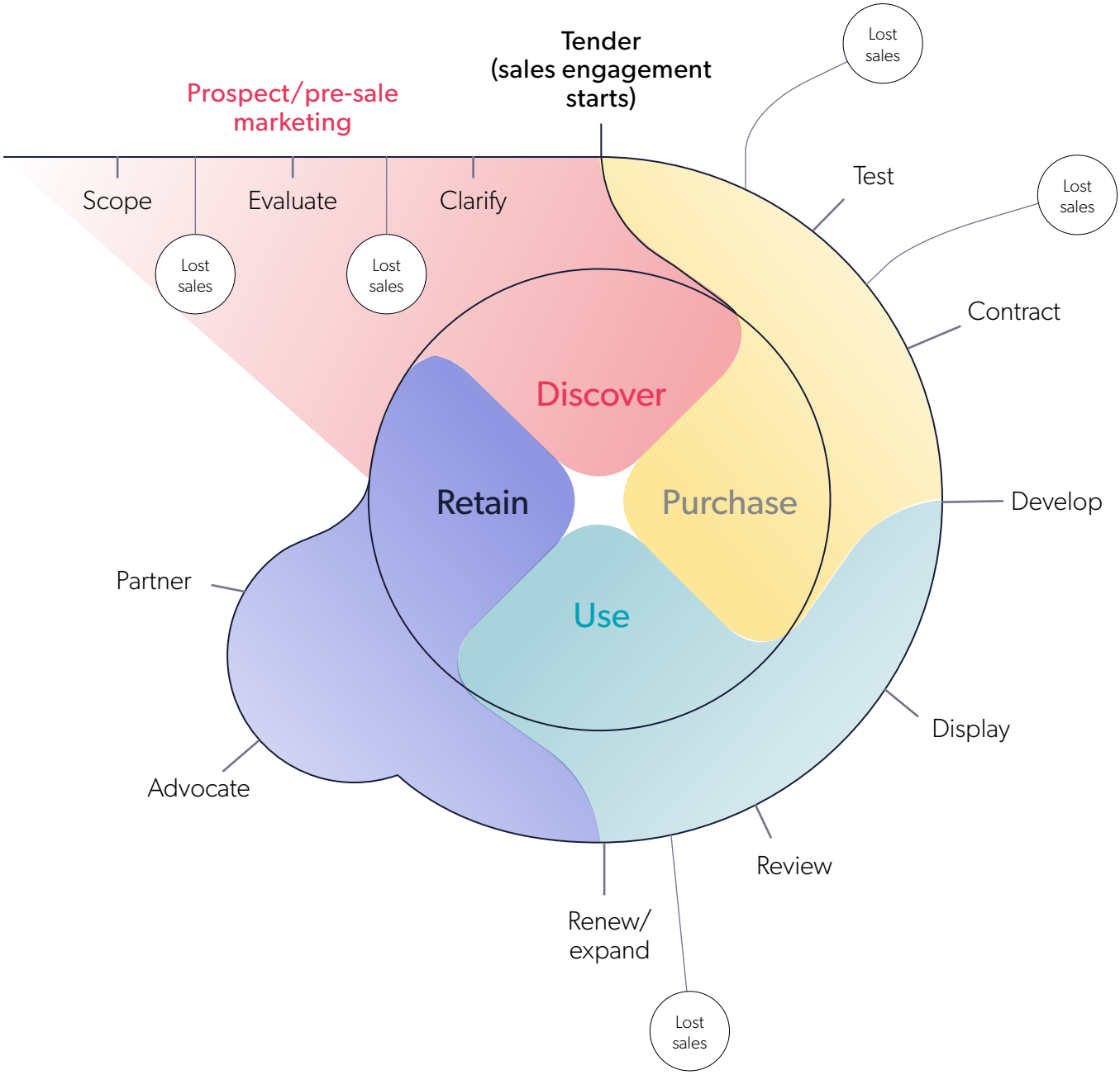
Retain: The customer retains, repurchases and/or acquires add-ons.

With buyers taking more time to research before purchasing, the 'discover' stage starts much before the customer makes formal contact with the business. This means the 'Discover' stage is really the precursor to the customer 'cycle'.

Once the customer has moved through the 'Purchase' and 'Use' phases they enter retention and again the journey splits off. Some customers will continue through the cycle while others enter a new phase of advocacy and partnership – the pinnacle of great CX.

While it's commonly accepted that customers act in a cyclical manner (moving from intent to purchase and round again) many marketers recognise there's a little more to it than that

The B2B buying cycle



The changing role of sales in CX

According to recent analysis, B2B customers will spend up to 20 hours researching before they contact a sales representative. The more expensive the purchase, the more time buyers spend researching (see 'The B2B buying cycle' above). That means by the time the customer reaches your sales representatives they already know a good deal about your offering and are looking for answers to specific and detailed questions. While the onus is still on marketing to drive engagement at the start of the journey, the pressure is on sales to really understand their product by the time that customer reaches them.

Discover

Scope	› The customer identifies their need for a new product or service and scopes the market. › The customer evaluates the products and pricing available, creating a long list of potential suppliers.
Evaluate	› The customer builds business case for the purchase, including preferred suppliers and their offerings. › The customer aligns the key stakeholders, matching their requirements to the products on offer. › The customer creates an RFP.
Clarify	› The pre-pitch vendor discussions start. This is typically the first time your prospects will actively engage with your business. › The customer eliminates unsuccessful vendor from their long list.

Purchase

Tender	› The formal tender process begins. › Your prospect will start face-to-face meetings with their short-listed suppliers.
Test	› The customer will pilot the service /product. › The customer may engage internal stakeholders in early stage product/service training.
Contract	› The procurement process is triggered. › Advisors are briefed and legal contracts are signed.

Use

Deploy	› A phased rollout begins as your customer starts to use your product/service. › The customer aligns its stakeholder on the best use of your product/service.
Develop	› The development stage starts; this is when your customer requires aftercare the most. › This is the supplier's chance to resolve initial objections and scope additional requirements.
Review	› The customer will assess the newly acquired product/service against the agreed contract and its own needs. › The supplier should similarly review the customer and product on the above points.

Refer

Retain	› The customer develops a long-term commitment to your product/service. › The customer repurchases /purchases add-ons.
Advocate	› The customer develops trust and loyalty. › The customer becomes and advocate, recommending your business to others.
Parter	› A fulfilling and long-term relationships develop. › A partnership beyond the typical customer/supplier relationship develops.

› Focus points for engagement/common points of churn

The B2B buying cycle is getting longer and harder to crack

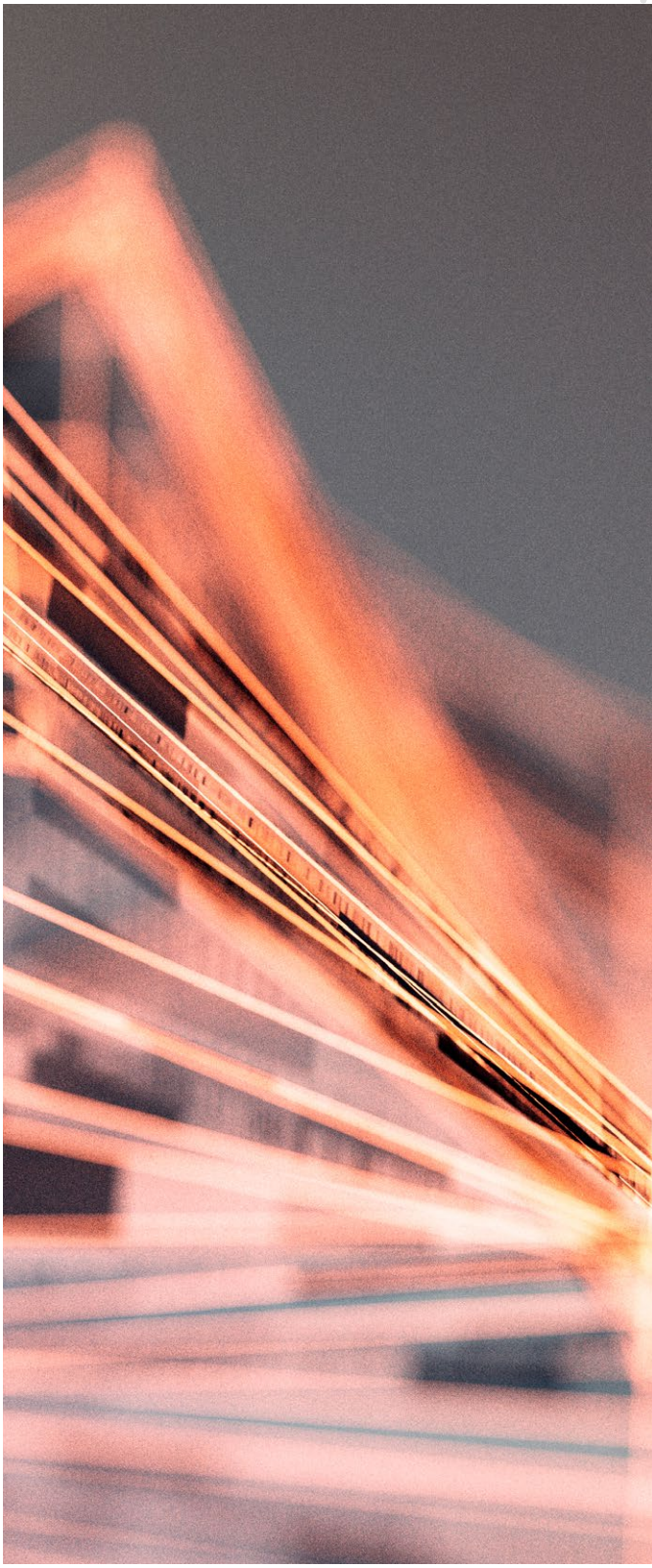
On average, B2B customers will spend up to 20 hours researching before they contact a sales representative. The more expensive the purchase, the more time buyers research.

Purchases < $5,000 = five hours or less of research

Purchases > $100,000 = 40 hours research

While more than a third (40%) of UK respondents say their purchasing process has remained the same over the past 12 months, more than half (53%) said their buying cycle is getting longer. In fact, almost a fifth (16%) say it has increased significantly.

Source: *'The New UK B2B Buyer Experience', Optimizely*



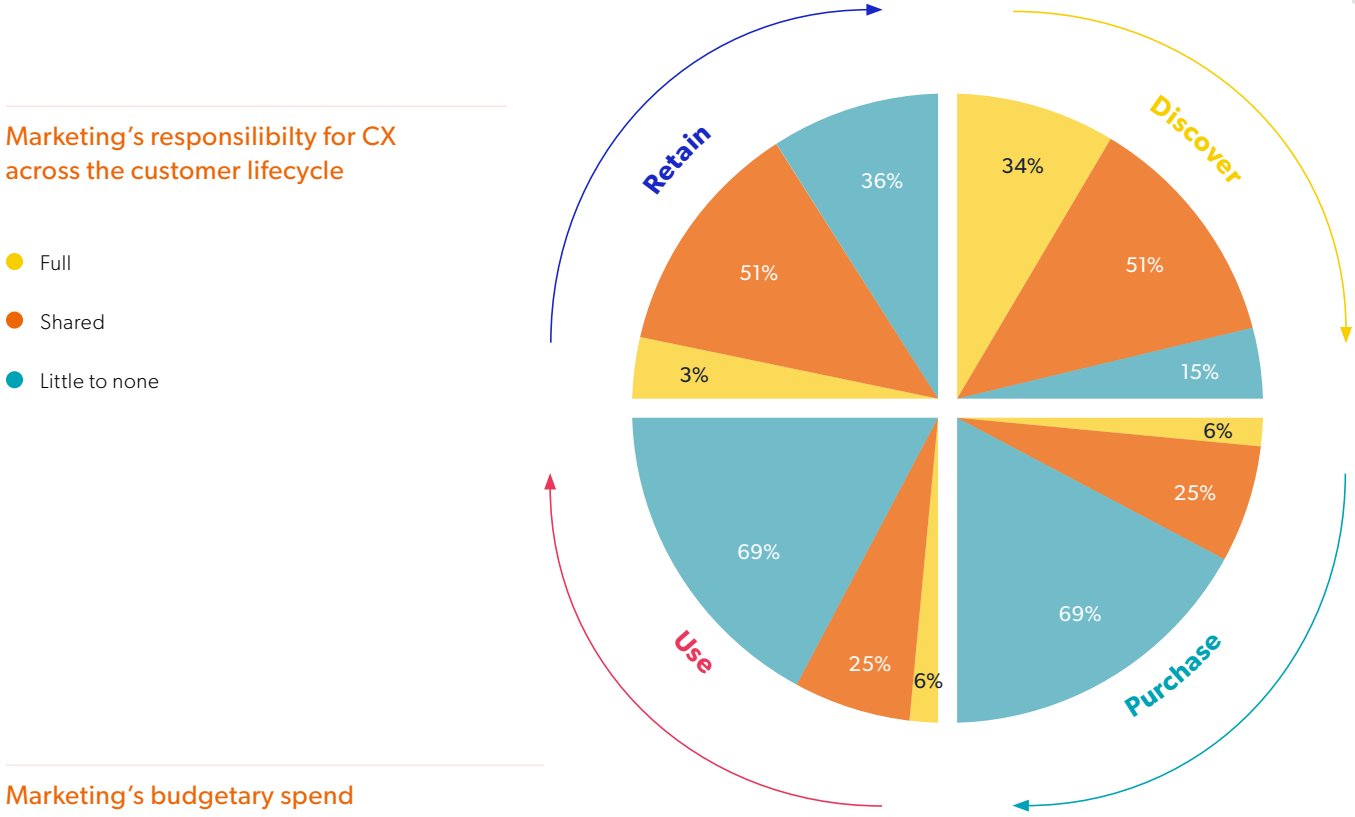
Avoid the churn

Customers can fall away at any point but it's crucial to know the common points of churn both in general and in your particular business. This typically happens during the 'Discover' phase when customers are scoping and evaluating the product, or in the early 'Purchase' phase when the customer is trialling it. Another common point of churn is at the end of the 'Use' phase once customers have had a chance to deploy and review the tool. (See model on page X for points of churn).

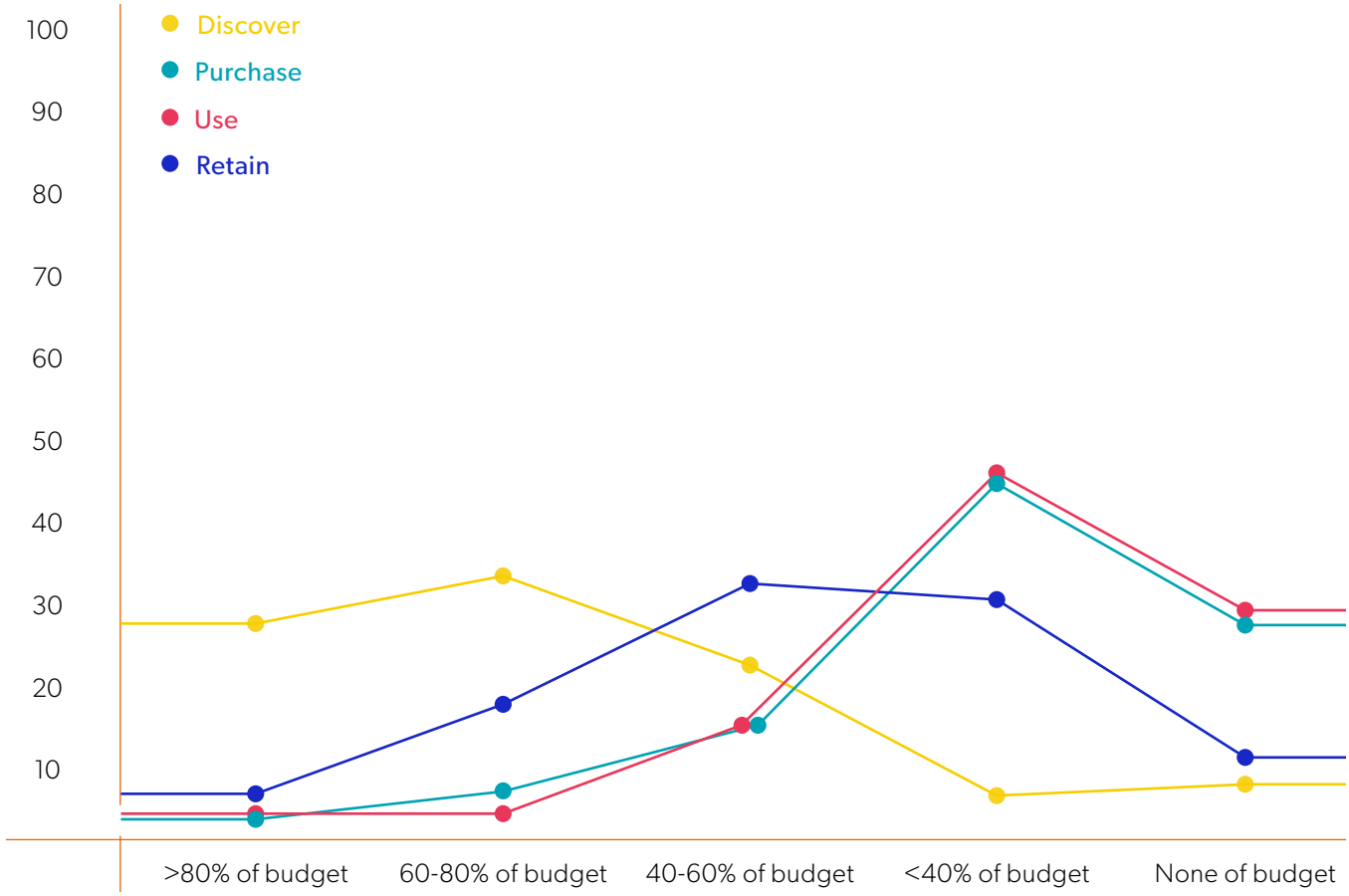
Later in this report we'll examine the value in marketing retaining its stake in customer experience throughout the journey, but it's worth noting now that by engaging with customers during the common points of churn (bullet-pointed in orange in the previous table) marketers can improve customer experience and retention. In doing so your customers are far more likely to proceed to the 'Retain' phase of their journey and become advocates of your brand, or even partners.

See page 46 for our survey results on how marketing's responsibility and budget are mapped against this customer lifecycle.

Marketing's responsilibilty for CX across the customer lifecycle



Marketing's budgetary spend for CX across the customer lifecycle



Section 5

Internal alignment: The cross over between staff and customers

The starting point for any customer experience programme should be internal – focusing on staff engagement, strategy, clear responsibilities and a strong sense of purpose. In fact the drive to please your customers should be so ingrained in the ethos of your business that it's part of each and every effort.

5.1 Who owns CX?

As CX is the amalgamation of every touchpoint across the customer journey every member of staff must be engaged and enthusiastic. But that doesn't mean they are equally responsible. Like any change project, CX needs a leader, or group of leaders, with clear accountability.

As we found in our survey results in chapter two, the biggest hindrance to CX is a lack of strategy followed by a lack of accountability. Yet it's a struggle that offers marketing leaders a great opportunity. No one is better placed, or more fully armed with customer insight, to take on this job. If not you, then who?

Whether no one in your organisation owns CX, or everyone does, it's time that marketers recognised and celebrated the pivotal role they can play in its delivery.

37%

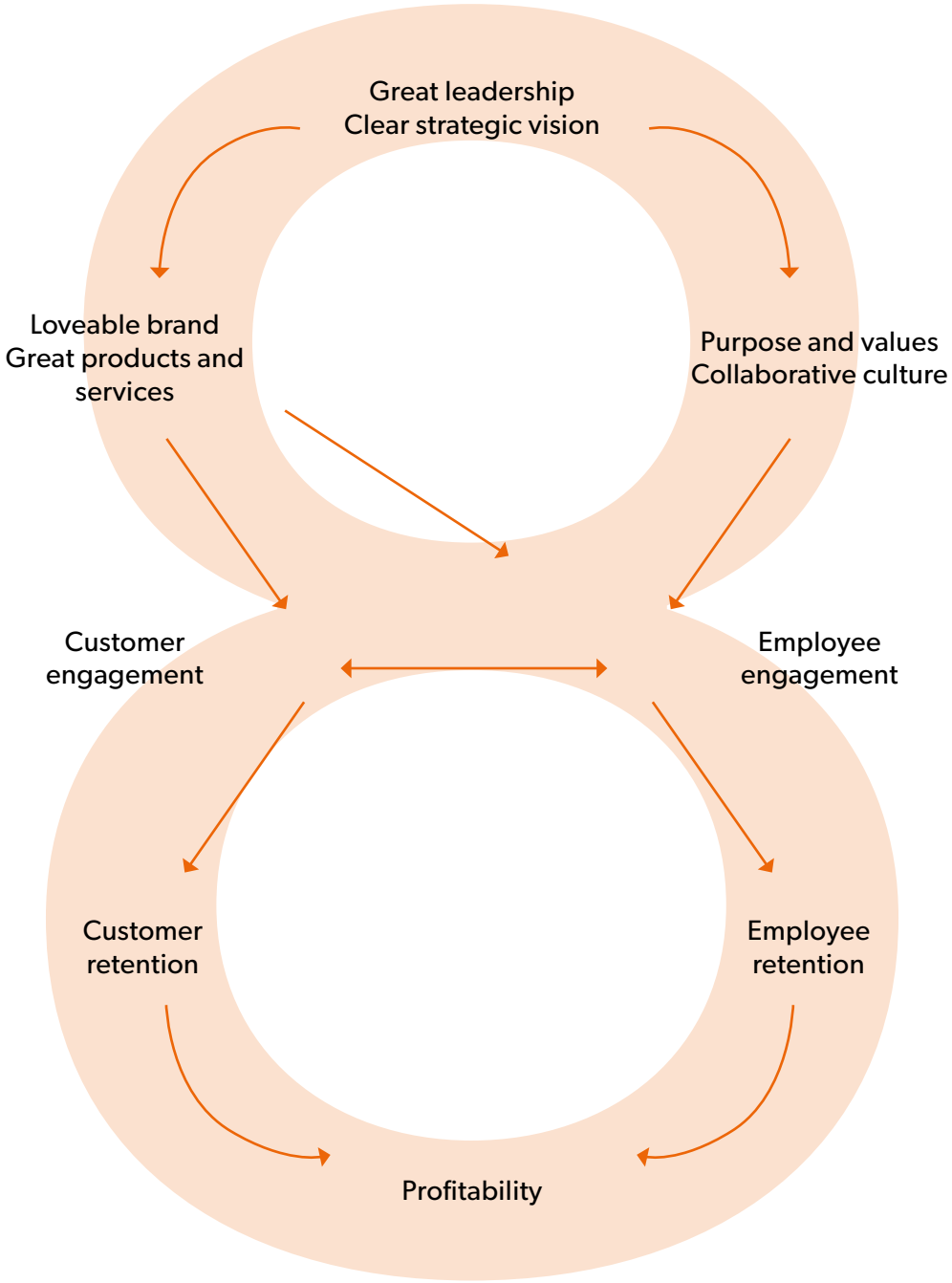
of B2B marketers say there are conflicting, siloed views on who owns CX



For further information, including practical actions to engage senior leadership, improve cross-functional collaboration and boost employee engagement, download our free marketer's guide to owning customer experience.

5.2 The Magic Eight

This eight-point model demonstrates the qualities of a company aligned to CX and the road to greater profitability. In particular it highlights the interplay between engaged employees and customer experience, as we will discuss later on.



5.3 The Magic Eight steps to alignment

1. Great leadership with a clear strategic vision

Executive buy-in: Without leadership buy-in no change project will maintain traction or impetus. CX must be supported by the executive team's continued endorsement. Leaders will regularly demonstrate their commitment to the customer.

A clear vision and uniting strategy: CX should be the shared goal that unites the business. Make that vision clear, accessible and achievable to everyone.

2. A shared purpose and values, which create a collaborative culture

An 'outside-in' culture: Employees should be focused not on internal 'to do' lists, departmental goals or pushing siloed agendas, but on the overall customer experience.

Empathy for the customer: Employees understand the customer needs and challenges having related to them through inspirational customer stories. Employees feel a genuine desire to improve the customer's experience.

3. A loveable brand with great products and services

Customer-led product development: The quality of the product or service you offer is integral to your customer experience. Great CX also means making customer-led improvements to those offerings by pooling customer insight from across the business.

4. Employee engagement

Communication is key: Communication flows across departments breaking down siloes. Internal communication channels are used to celebrate success and share developments. All stakeholders must have the opportunity to resolve conflict by talking through challenges and concerns.
Clear and relevant goals: Departmental goals should be derived from the overall business strategy, shared among departments and monitored to ensure they drive the right behaviours.

5. Employee retention

Employee retention = customer retention: Employee retention is a clear marker of an engaged workforce. It can also minimise disruption to the customer and enable staff to apply long-term knowledge of the customer to their work.

6. Customer engagement

CX does not exist in isolation: As this diagram shows, customer engagement does not exist in isolation but is the result of great leadership, product, workforce and culture.

7. Customer retention

Keeping customers through the 4-stage journey: With good CX more customers will progress through the four-stage customer journey outlined in chapter three, then becoming long-term customers, advocates and in some cases partners.

8. Profitability

Measure CX in long-, not short-term, profitability: While current or short-term improvements to profitability aren't necessarily indicators of a good customer experience (in fact they can be at odds), your efforts should certainly culminate in higher profit long-term.

5.4 Employee engagement

The cross-section of the 8-point model on page 23 marks the crucial interplay between staff and customers. Nothing good comes from a rotten culture. If you're starting with disgruntled and under-appreciated staff you can bet your budget that your customers won't be happy either.

But CX also significantly contributes to staff engagement. Those who feel their company is valued will take greater pride in their job and the fact they're part of something great.

Customers know what they want. If there are disagreements on how to improve their experience it's likely that internal politics have overshadowed the customers' voice

The benefits of improved CX, from inside and out

Customer benefits

- Improved upsell/ cross-sell
- Improved retention
- New customers
- Competitive differentiation
- Brand recognition
- Brand loyalty

Employee benefits

- Reduced siloes
- Streamlines processes
- Clear vision and purpose
- Sense of pride
- Improved productivity
- Employee advocacy
- Employee retention

Happy customers: The shared goal

Employees will act as they've been incentivised to – whether that's from formal KPIs and commissions or everyday verbal endorsements. Often these markers can point teams in entirely the wrong direction. We'll explore this more fully in pages XXX, but for now ask yourself the following:

- Are teams (including executives) directly incentivised against CX?
- Is your business willing to forgo short-term results for its long-term vision?
- Does your CEO publicly share the goals and efforts around CX?

Purpose and meaning

What makes your employees care about their jobs? What turns your customers into brand ambassadors? What keeps a company turning a profit in a constantly evolving world? The answer is purpose. Most companies understand what their customers want. But in today's competitive landscape, focusing solely on the products they buy or the profit they generate isn't going to cut it. Marketers have to connect with what drives their staff and customers – the emotion behind the action.

> *"Understanding what your audience think, how they buy, what they believe and what they value allows you to make a credible case that your brand either shares their values or can contribute to the things they care about in a meaningful and personal way. That meaning comes from being able to articulate a clear brand purpose, to land your 'why'."*
>
> **Katherine Almond, head of insight, Bray Leino**

Customers that are NOT connected to your purpose

- Purchase from you because they need to.
- Are easily seduced by cheaper or more engaging competitors.
- Are less likely to buy your other products and services.
- Don't advocate for your brand.

Customers that ARE connected to your purpose

- Purchase from you because they need AND want to.
- Are loyal to your brand and are repeat customers.
- Trust you and will buy your other products and services.
- Act as advocates of your company.

Source: *'Putting the why first: How brand purpose impacts business', Bray Leino and B2B Marketing*



5.5 A structure for success: Aligning your teams for CX

Richard Palmer, head of strategy at the agency, Mirum, has led many clients through the process of improving their CX. He shares on how best to structure your team and enable your stakeholders.

"As an agency, we often insist that we work across departments because we recognise the limits in working with marketing alone. The experiences we're looking to create often need someone from sales or product design involved.

You do have to make someone responsible for this or it gets swallowed by departmental differences and I think that does naturally sit within marketing, but where I've seen it fail is when marketing tries to lead while also doing the day job. There is a reality to how much someone is able to handle, especially if they're not measured on improving CX.

Depending on the size of the client, we typically set up a council that would be responsible for steering the work that's in play, usually that's chaired by a marketing person. It can be very effective."

Stay agile for quick wins

"Small teams working in parallel to the organisation helps, especially where they are there to resolve a specific challenge and then bring it back into the organisation. Speak to all of the stakeholders, establish the top three problems, starting first from the customer's perspective. Determine what might be manageable within a small project – such as a change in your technology or small scale change in process. Pair up with someone, for example on product development or customer relations. Take something small, make changes, show it to the business and customers, validate it and then scale.

It's a mammoth task to transform an organisation's CX, sometimes impossible unless you break it down into manageable components. The fear is that it will deliver a schizophrenic output, so it's key to put the right governance in place to ensure that what you set out to do is still front of mind on day 382."

When Mirum pitches for work it presents these principles as essential for the project's success:

1. **Get stakeholders involved early**

   It's important to get stakeholders involved early so they feel they're genuinely contributing. If people don't feel they've contributed they can react negatively, regardless of how good the work is.

2. **Bring your different stakeholders in at the right time**

   This work often involves senior decision-makers so it's easy to forget the frontline people, like those who have to add the content to the website. Don't forget the doers and expose the right levels of stakeholders at the right time.

3. **Respect the past**

   Go through a detailed discovery phase, find out everything that's wrong and then present those findings back - but be careful how. It can feel like a slap round the face for people who have been working through it for a long time. Temper your findings with ambition but also respect of what's already been done to get there.

Workshop Idea: Resolving the customer pain points

- Map the customer pain points across their lifecycle.
- Create a relatable narrative for each customer challenge.
- Share these narratives across the business.
- Ask each department to assess how they could improve this issue, and what they would need from other departments.
- Join together as a business (or cross-functional team) to discuss ideas and how to unite on the delivery.

Become a CXpert: The marketer's guide to customer experience © B2B Marketing

Section 6

Seamless CX: It's all about your targets

A seamless customer experience is usually one that goes unnoticed. When it's all okay, we just carry on as normal. But when something frustrates us it really grabs our attention. All marketers want to deliver exceptional, inspirational CX but realistically most are just aiming to remove the bad bits.

In chapter eight, we'll discuss how to go one big step further by differentiating your CX, but for now let's talk about improving what you already do.

(Further crucial aspects of seamlessness are customer insight and your responsiveness to that insight, so in chapters six and seven we'll explore these in more depth.)

First up, let's agree that your internal processes should not put your customers at a disadvantage. They don't care about your company's inner workings and nor should they be expected to. The pursuit of seamless CX puts internal politics, siloed targets and 'because that's just the way we do it' processes to one side. Far to one side.

A disjointed customer experience is often the result of internal departments being fixated on siloed and blinkered objectives. Their aim is to demonstrate efficacy as a team, but it's an inside-out approach. Seamless CX is the product of an aligned company and you can only deliver it when all stakeholders are pulling in the same direction. But which direction should they pull? What they need are shared targets.

The route to a seamless experience: Shared targets and measurement

The route to seamless CX is through an aligned team (as already discussed in chapter four) that is measuring, testing and improving its efforts. While different departments will have practices and KPIs unique to them, they should tie back to the overall customer experience, as measured by a success metric.

How do we find our targets and success metrics?

The best shared focus is of course one that shines a light on the customer. In the chapter that follows we'll examine some of the most popular and useful customer success metrics, including some bespoke ones. There is no 'one size fits all' CX metric and the best for you might not be what you think.

First up, let's agree that your internal processes should not put your customers at a disadvantage. They don't care about your company's inner workings and nor should they be expected to

6.1 What's the best way to measure my CX?

It's a simple formula. Alignment plus clear targets equals a seamless customer experience.

What's measured improves (or so says Peter Drucker)

Here's what Nan Russell, XM Scientist at Qualtric says about Peter's assertion: "If that were true, no one in the entire world would be overweight because there is nothing more incessantly measured than weight". Measuring alone doesn't shift the dial, it's the actions that arise from it. Ultimately, it matters less what metric you use so long as it's tied to a meaningful outcome for the customer.

It's all 'now, now, now' with you

Perhaps the greatest issue with any change programme (and that certainly includes CX) is the focus on short-term results. Short-termism often comes down to the culture of the business and can be driven by sales' incentives and shareholder expectations. Yet we all know that short-term results don't always fix the bigger problem, in fact they can be counterproductive. Whichever targets you select, make sure they support a long-term vision, you may also have to forgo short-term financial success to see long-term gain. This shift in mindset is a battle in itself.

Expect targets to be hit, but also expect how they'll be hit

Your KPIs are only valuable if they actually improve the customer experience. For example, the goal is to improve on-time deliveries, which you're measuring by the number of parcels being sent out on time. According to those numbers, you're nailing it. But in order to hit that KPI, employees aren't checking addresses and the packages are being sent to the wrong place.

That frustrates your customer who then logs a formal complaint. You respond to that call quickly, saying a replacement will be sent. Fantastic your on-time deliveries are high and your complaint response time is low… but actually no one is winning.

Happy staff, happy customers (and vice versa)

As we examined in chapter five, the link between customer and employee engagement should not be overlooked, so as you make changes to your processes it's wise to measure the two alongside each other. This is especially prudent if you have an engagement initiative that serves both customers and employees in a connected way.

Metrics you want to see rise	Metrics you want to see fall
Staff	**Staff**
Employee engagement	Employee absenteeism
Voluntary work	Employee churn
Customers	**Customers**
On-time in full product delivery	Product returns
Sales	Complaints
Loyalty programme participation	Customer churn
Customer referrals	Customer effort score
Net value score	

Ultimately, it matters less what metric you use so long as it's tied to a meaningful outcome for the customer

6.2 What's wrong with how we do it already?

Almost half (45%) of marketers have limited or confused metrics on CX while only 5% are gaining actionable insight from robust and meaningful measurements.

In looking for the right CX metrics, let's start with the most common. Customer satisfaction scores (Csat, 50%), net promoter scores (NPS, 43%) and retention value (40%) are the favoured methods of measuring CX, but these metrics are very limited and only monitor one aspect at a single point in time. To get a true understanding of your customer's behaviour and feelings, you need continuous feedback through contact centres, customer portals and social listening (see the Grundfos case study on page 37)

> *Only 12% of businesses are reviewing their CX live using real-time data.*

But whhhy? What most metrics won't tell you

Many common CX metrics only tell you 'what' and not 'why'. Even churn rate, which is arguably the clearest and most profit-sensitive indicator of customer satisfaction, doesn't show why customers left or their value to you. For example, you may also want to know the number of lapsed and/or lost customers due to incidents, versus the number that like your product but no longer need it.

The NPS metric is another tricky one. Marketers assign a huge amount of value to the NPS yet it's a flat metric. It tells you whether *they* customer would recommend you – not whether I would buy from you again, buy other products from your brand, or pay more to buy from you.

Some things are subjective, and the person giving you an NPS won't think hard about the difference between a 6 or 7, but collectively it means a lot. Culture or mood can also affect scores (us Brits love a moan much more than Americans). Perhaps it's time to review these traditional subjective metrics for some more consistent ones, or use a number of complimentary ones.

Know your limits with CX metrics

So the scores are in but what do you do with them? Take the Customer Satisfaction Score, which typically sits between 7.0 and 8.0. If you're below that you know you have work to do, but as you edge up to 7.0 it becomes exponentially harder to improve. Before you make promises, understand what it takes to get there and whether this is the right metric to use.



It's not NPS it's the way that you do it

Felicity Holdgate, global director of CX at Allianz realised that in order to improve customer experience she had to change the metrics around it.

"It can be a real challenge when the focus is just on improving NPS and not the customer experience. We've moved away from the NPS to look more fully at the whole journey and the actions that are being taken as a result. That can still be done in a quantitative way. Moving away from that is not easy. It can be difficult to gain leadership buy-in and generally there is still a focus on the operational KPIs with CX metrics coming second, but we are seeing great success."

Staff are the conduit to the customer

"This year we set targets on how our feedback loops are being closed. This could be an internal account-based loop or one at a more senior, strategic level. We also started a Voice of the Employee programme. A lot of the things that are frustrating staff are frustrating our customers – because they are interacting with them on a daily basis. We needed to listen to our staff to hear more about our customers. Actually they also brought solutions."

Case study:
Finastra's bespoke real-time CX metric, The Customer Health Index

Our survey showed that 22% of marketers have developed their own CX KPI. We spoke to Martin Häring, CMO at Finastra to find out about his.

"We showed the board that because of missing customer insight and mistreatment of customers in the pre-sales cycle, the company had missed out on a three-milion-digit pipeline in the previous three years. The board was shocked and was just not aware. This was the moment we decided we needed to put a programme in place," explains Martin Häring, CMO at Finastra.

It took Finastra four to five months of debate with the functional owners to establish the KPIs that would ultimately deliver these improvements. This contributed to what Finastra calls its Customer Health Index – a real-time measure of the strength of its client relationships.

The business analysed the customer journey and sliced it into 10 areas, with three KPIs identified in each of these. These KPIs were selected on the basis that the information already existed in current systems (such as Marketo and Salesforce) so could be produced in real-time. The KPIs were weighted based on their impact, and given a weighted average out of 100. Below 70 means a red rating, 70 to 85 is yellow, and above 85 is green. This allows those at Finastra to see whether the relationship is healthy, and can be drilled into to find the root causes.

"The Customer Health Index is a real-time indicator of the heath of a customer relationship, and in a lot of customer dialogues it's the first type of report the CEO wants when he goes into a customer situation," says Martin.

The index provides crucial accountability. Each set of KPIs is owned by the appropriate function, and has a board-level owner. "Simple questions such as 'who's fixing stuff' and 'who's really thinking of the customer experience' can't be resolved in a lot of companies. The beauty of this metric is that every function has a board member responsible, so our CEO can come to me and say 'Martin, I think we have a problem in a certain account because it has never heard of Finastra, so fix it'."

With around 9000 clients, it's not practical to run health checks with all customers, so Finastra concentrates on its primary customers – tier one or two banks, plus a few in emerging markets. "For the rest we still stick with NPS scores, which give us a rough indication of where we are because if people are not recommending us they're probably also happy. But it's a very simple metric and I never believe it completely matches with CX."

6.3 How often should I measure?

Are you okay? Are you sure? Are you really okay?

If you've ever been repeatedly asked whether you're okay you'll know the constant questioning suddenly means you're not. Let's stop asking our customers stuff all the time and spend more time listening. You can get a great deal of granularity from your existing data sets – for example social media, referrals, chat data – you just need to start using them as CX indicators.

Always on, always improving

While you don't want to pester your customers too much, tech-led 'always on' data can give you constant insight without the annoyance of surveys. Similarly, we should all be checking in with ourselves and our colleagues on a regular basis. Here the nagging questions can actually serve you well. The largest group of participants in our survey (24%) review their CX initiatives on a monthly basis, 19% do it on a quarterly or annual basis and 15% on an ad hoc basis. The right frequency for you will really depend on how urgently you want to see change and how big that change has to be. Don't expect to get a lot done if you're only assessing it once a year.

Let's stop asking our customers stuff all the time and spend more time listening. You can get a great deal of granularity from your existing data sets



Section 7

Insight: Listening to the voice of your customer

In CX, any strategy should be preceded by a whole lot of listening. 'Voice of the customer' (VoC) data allows you to understand your customers' needs, desires and experiences, delivering that all important single customer view.

Marketers have access to more VoC data than ever before and it's increasing exponentially. Behavioural data, social media interaction, customer care phone calls, sales data – it's all there waiting for marketers to determine the next move, but there is so much it can be immobilising. In this chapter we examine the benefits of a VoC programme, how to obtain that data and a case study of a B2B player who has put those insights into action.

We'll also discuss the value of applying this insight to deliver personalised experiences using account-based marketing as an example.

Benefits of a VOC programme

- Spots the point of churn/ increases retention
- Grants opportunity for new products/ services
- Improves loyalty
- Improves strength of brand.

7.1 Where to source your customer insight

The best place to start compiling customer insight is with the data you already have. Reactive data, such as warranty claims and customer complaints will show you areas that need addressing with urgency – these issues are causing customer friction and churn.

Yet, you're likely to want to speak to the customer directly. In section 5 we looked at the metrics by which to measure these insights. An overview of the most popular method there's to source intel.

Reactive data	Internal data	External data
Warranty claims	Sales transactions	Customer surveys
Product returns	Aftercare queries	Focus groups
Customer complaints	Live chat	One-on-one interviews
Customer churn	Website data	
Online customer reviews		

Customer surveys: These can provide deep insight but it can be hard to ensure a sufficient number of participants are involved

Focus groups: Ideally 8-12 people are included, making them manageable but lacking breadth.

One-on-one interviews: These can be costly yet they provide in-depth insight and can build rapport with prospects and clients.

How to set your customer questions

- **Understand what you want to know:**
  A lack of clarity will produce unclear data
- **Prioritise what you want to know:**
  Asking for too much information can frustrate your customer
- **Make it actionable:**
  Unactionable insight is unhelpful to you and it will frustrate your customer if they give help but don't see change
- **Ask questions that can be answered clearly:**
  Subjective answers will only help you so much
- **Ask questions that can be measured easily:**
  Make sure the answers are comparable with others

Ensure you have the following

- A solid sample size
- A representative sample
- Insights that are relevant to the whole business
- Actionable insights.

7.2 Personalisation

A crucial element of great CX is personalisation which can only come from great insight. How can your customers have a great experience if what you're offering isn't relevant, interesting or going to drive value? Personalised marketing has moved a long way from adding a name to the top of an email. It's sophisticated, considered and driven by customer data and insight.

Personalisation is top of the agenda, but it's tricky to get it right

Salesforce's *State of the Connected Customer* study found that 53% of customers now expect all of the offers they receive to be personalised, and 62% expect companies to anticipate their needs.

Personalisation is therefore top of the agenda for marketers, however it can be tricky not to overstep the line between personalisation and privacy. More than half (51%) of marketers say they're more mindful about this balance than they were two years ago.

With the best of intentions, you may still segment the wrong way

"As marketers we often want to segment customers into what can be quite meaningless attributes. Traditional personas encapsulate human aspects that can make you sound very similar but your desires and needs are often outside of that. You can talk about someone who is very successful, on their second marriage, loves dogs and holidaying the in Alps. But that could be Prince Charles or Ozzy Osbourne, two very different people.

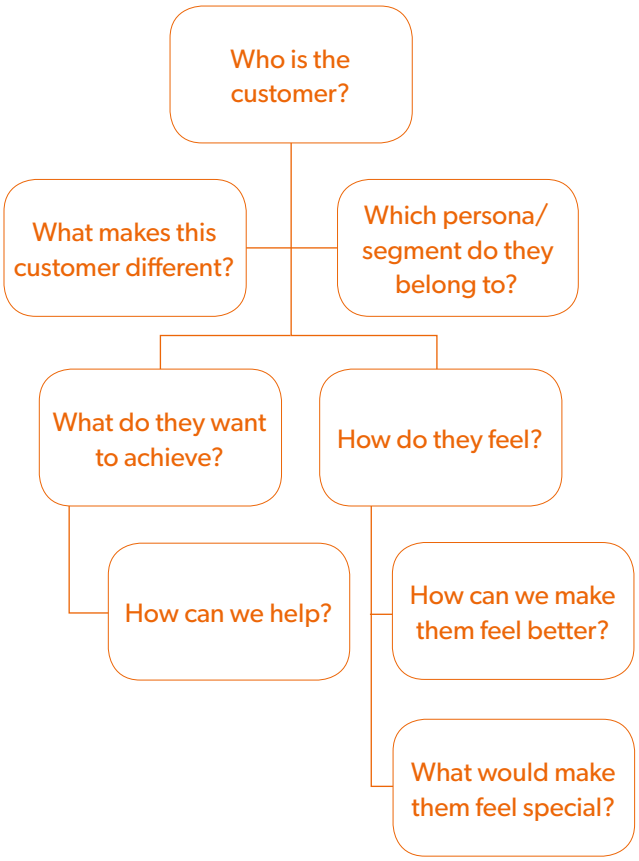
We haven't completely killed personas in our work – they still have relevance in contextualising who we're going after, but we no longer use it as the original means to segment an audience.

We're finding a lot of success is by initially grouping customers by intent and then setting out marketing objectives on what we should do around that. If we do bring personas in it's to add colour more than to define segments. You can find better commonalities between customers regarding their intention, whether that's by a digital channel or position in the funnel, by search or by referrals."

Richard Palmer, head of strategy, Mirum

The questions you really need answers to

Whichever way you chose to segment your customers, the same philosophies should be applied – your goal is to connect as a human and add value as a business. Ask yourself these questions.



According to Spiceworks' 2019 State of IT Marketing study, adoption of purchase-intent targeting is expected to jump from 29% today to 48% of B2B companies by 2020.

Case study:

Discover how Grundfos keeps its pulse on 200,000 daily customer interactions

- **Insight led:** Driven by data, not assumption
- **CX training across the business:** Including HR, IT and finance
- **Tech enabled:** 18,000 staff given access to customer insight app
- **Clear metrics:** Switched from annual CSAT survey to an always on 'customer pulse' survey

Grundfos, the global leader in advanced pump systems, is a 73-year-old company selling 17 million units across the globe each year. Its business is as complex as any, yet it manages to act on intricate customer feedback in real-time.

Abdul Dezkam sits in a hybrid sales and marketing team and leads customer experience management at Grundos. He explained the work he's done there in the past two years.

Grundfos: At-a-glance

- 73 years old (founded in 1945)
- 80 companies across the world
- 18,000+ employees worldwide
- 17 million units produced every year
- €3.4 million turnover in 2017

> *"We want to pioneer our solutions, which means we want to differentiate from our competitors – that includes for us, our partners and our customer,"*
>
> **Abdul Dezkam, lead, customer experience management, Grundfos**

How do you make CX live in the organisation?

We have what we call Insight, which is the cultural part and involves internal CX training and workshops you can take with your team on how you can become more customer focused. All of our meeting rooms are named after customer groups and we have huge posters on the wall with customer value propositions – there are a lot of things we do to keep the customer top of mind.

We also have an app that allows our 18,000 staff to see who our customers are and how they fit into our 10 personas, including each one's pains and gains.

What have you found out about your customers?

We compared the top 25 most satisfied customers with the bottom 25 because we wanted to see if there were behavioural differences. These are the loyalty behaviours that we need to build for the long-term value of the business.

We found that we're 1.4x more likely to retain our most satisfied customers, that their wallet share was 1.9x higher versus unsatisfied customers and they are 1.6x more likely to recommend Grundfos. Growth with happy customers was 3.26x higher than with unhappy customers.

What makes customers happy? We saw that the critical touchpoints were all the way through the journey so we need to be everywhere at once – we really had to nail the entire customer journey.

What is your Customer Pulse programme?

For 10 years now we have been doing a big annual customer survey with thousands of participants across 80 countries – that includes actions and follow-ups. We found a lot of value in the open comments of our customer surveys and found that a lot of the issues stemmed from a small touchpoint somewhere in the journey, but we had to wait a month to a year to get that survey and understand that someone was unhappy. We had to be closer to our customers with more frequent feedback. That's why we started our always-on Customer Pulse programme.

Through it we found out that we have more than 200,000 daily customer touches across our website, social media and phone calls. That basically means we have 200,000 chances to get it right or wrong.

To assess how we're doing we ask 15% of customers for feedback across each digital touchpoint. That allows us to see which touchpoints are not really helping our customers select the right product. We also have 2000 sales people driving around meeting customers. The day after each meeting we ask the customer one simple question by email. That is key to our customer policy – we only ask one question – but then we encourage them to give an open text comment.

Any negative customer feedback automatically triggers a process by which one of the many teams provides that customer with a response.



Challenges

- Standardisation across 80 countries and many cultures.
- The average score is not everything – use open comments and absolute numbers
- Making everyone seeing their role in the customer journey – including HR, IT and finance.

Current focus

- Connecting the back-office to the customer journey with 'topics'
- Advanced comment analysis with light machine learning
- Obsolete averages numbers replacing to create sense of urgency.

Section 8

Responsive: It's not what you say, it's what you do

Responsiveness isn't just about complaint handling time or having a live chat facility (although those are important). A truly responsive business is about responding to customer interests, challenges and needs at every level – from your marketing messages, to your products and business model.

Having covered customer insight – it (see chapter X) – in this chapter we discuss how best to respond to your customer.

A bad headline won't destroy your CX, the daily grind will

It's not a headline-grabbing CX faux pas that will ruin a business, it's a poor everyday experience. You wouldn't stop using a supplier because they're having a tough time in the press, you'd switch because something doesn't work and it's not being resolved.

Customer responses must be:

- Personal: No one falls in love with a generic response. You need to be aiming for a human, honest and relevant interaction at all levels.
- Accurate: Your response must bring resolution and clarity early on.
- Efficient: Don't do twice what you can do once – and don't ask customers for too much of their time or energy either.
- Fast: If you're not delivering a quick response it should be because it's instant. Anything less is no longer acceptable.
- Looped: Improve your products, services and processes based on customer feedback, making sure you inform customers of the actions taken.

Tech needs a human touch

"Technology is vital to every marketer and to a good customer experience in B2B, but poorly designed or misused marketing automation can lead to really horrific customer journeys – I have seen ones designed with 62 steps to create 'engagement'! Why do we do this? Because the tech can, not because the customer wants it.

Perhaps the biggest danger to escalating bad customer experience is when processes are automated. 02 found this out when it had a data breach and realised it's no longer as simple as turning off marcomms and replacing it with PR disaster management comms – because booked programmatic ads and always-on campaigns continue to run.

Salesforce suffered a similar problem with the outage to Pardot in June when users were locked out for over 15 hours. Awkwardly, while Pardot's customers couldn't send their marcomms out, Salesforce continued to market to them."

Shane Redding, MD, ThinkDirect

Customer feedback loops

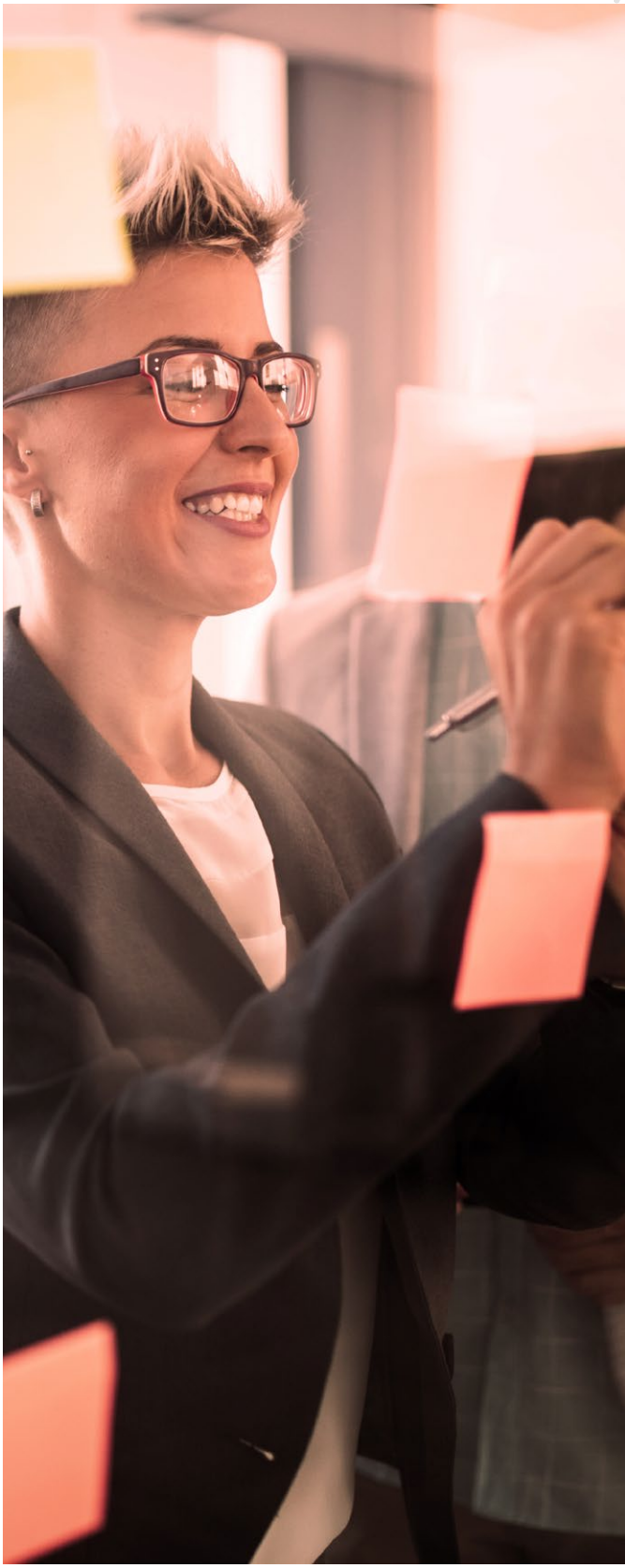
Customer feedback loops demonstrate that your business has listened and cares enough to have taken action. Simply knowing that change is in progress (even if it's not yet fixed) can satisfy your customers, leaving them feeling heard and appreciated. Of course, the converse is true; if their complaints aren't acted on, they have every impetus to walk on.

Employee feedback loops

Your staff are likely to know these problems and also want to hear they are being resolved. So if you're not listening to your employees often and intently, it's time to start. If you are listening, listen harder. The act of doing this, without an agenda or filter, will open doors. It's also one of the quickest routes to an engaged workforce; one that feels valued and empowered.

Turning insight into action

With the data you've compiled on your customer and the insight you have from your staff, you're now equipped to prioritise and action your CX improvements, feeding these in to your product roadmap. (You can read a case study on feedback loops linked to product development on page 51.) Those improvements might not be based on the most frequently occurring issue but insights should have a clear plan of action, attributed to a department or individual.



8.1 Case study: How Vodafone turned the shock of expensive bills into a positive experience

The way you respond to your customers can be the difference between a blip in your customer experience and the loss of a customer entirely. In fact negative customer feedback gives you a chance to turn things around, improving your service and engaging your customer at a deeper level.

Learn how Vodafone took negative customer feedback regarding high bills and used it to improve customer loyalty and reduce churn.

'Taking your shock away with a personal touch' for Vodafone UK: Gold Winner of 'Best customer experience (CX) initiative' The B2B Marketing Awards 2018

> *"This campaign managed to reduce churn thanks to tailored service information, allowing customers to promptly take actions on their account to safeguard themselves against further overage. Thanks to the clarity of the message, this also reduced the time to handle customer queries, while action was immediately in digital channels. This is a clear example of the value that a one-to-one marketing approach can bring to improve customer experience."*
>
> **Cameron Fraser, head of customer value management, Vodafone UK**

'Bill shock' is one of the biggest pain points in the telco industry. Customers who receive high bills churn twice as much as other customers. Beside financial implications, it's the confusion about charges and the time-consuming task of going through a 30-page bill that weakens the relationship with the brand, leaving customers with emotional stress and unclear on the actions to be taken for the future.

For this reason, Vodafone embarked on the challenge of transforming a de facto negative experience into a positive and seamless customer journey. It did this by empowering customers with immediate information and decision-making, telling the key story behind their high bill (i.e. which employee incurred the charges and why). It also provided prompt solutions across both digital and non-digital channels, such as app, online or dedicated phone number.

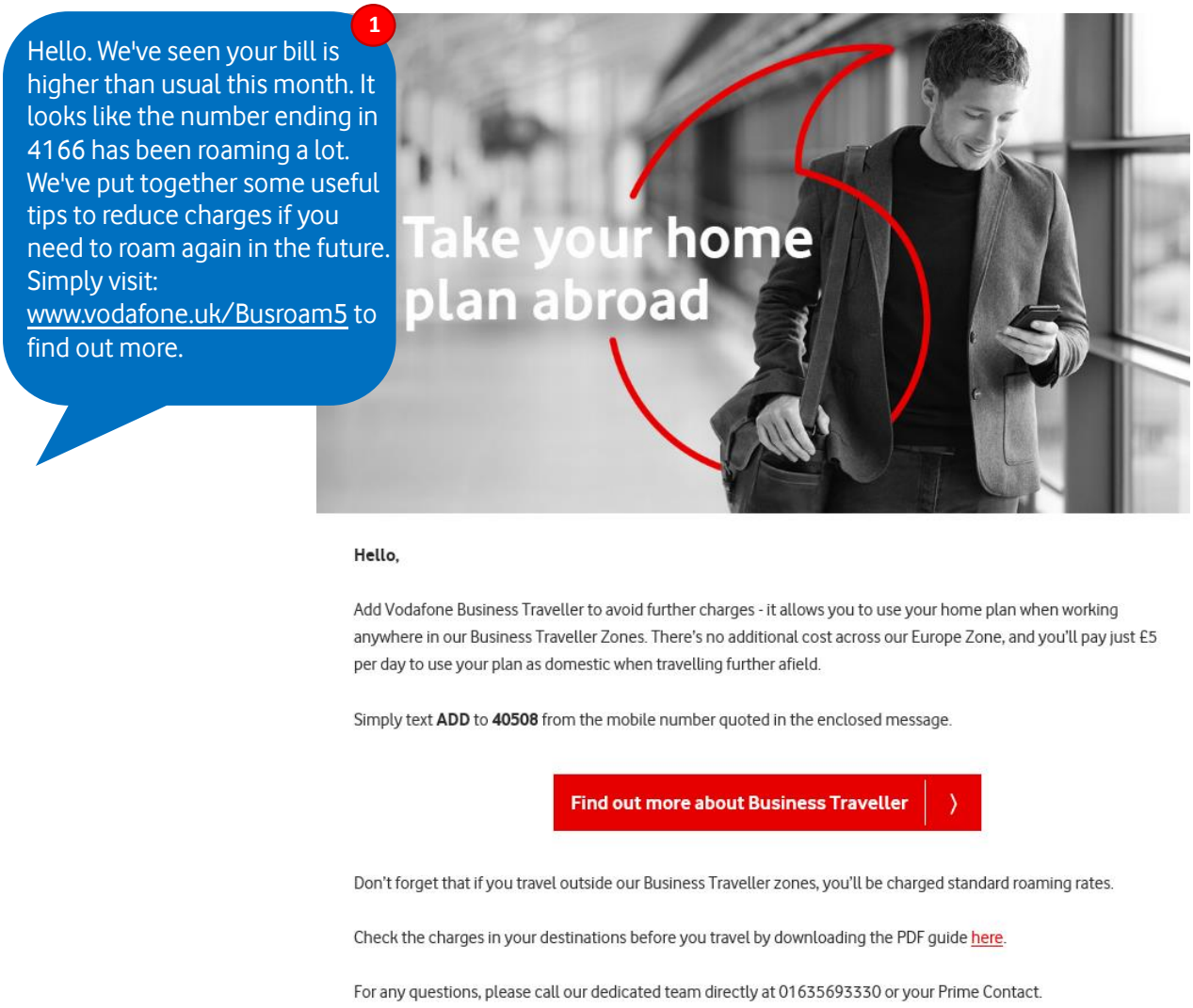
The campaign used highly-tailored messaging to leverage the benefits of one-to-one, while maintaining the volume benefits of a centralised SMS deployment. As a result, the campaign reduced churn by 12% in the two-months post-campaign. This also meant reducing involuntary churn from businesses that would go into collections because of repeated high charges.

Bill shock: The reason 12% of Vodafones customers churned within two months

Bill shock is one of the biggest reasons for churn. Vodafone defines a bill shock customer as any business with a mobile product on the account that incurred an 'out of bundle' usage (i.e. not included in the mobile plan) in any given month that is at least three times higher than the basic plan charge.

Pre-campaign analysis showed that 12% of customers churn within two months from receiving a bill shock. Furthermore, the greater the bill shock, the higher the churn rate, ranging from 9.4% for customers incurring a bill that is three times their tariff spend, to 13.8% for customers with a 10 times multiple. Overall, 38.9% of bill shock customers receive more than one bill shock, a clear indication for a campaign opportunity.

Solutions presented in the bill shock campaign included specific product benefits (e.g. international minutes, roaming) to remove the risk of high bills. The campaign directs customers to the website with details of proposed solutions and invites them on other digital self-service channels like the My Vodafone app.

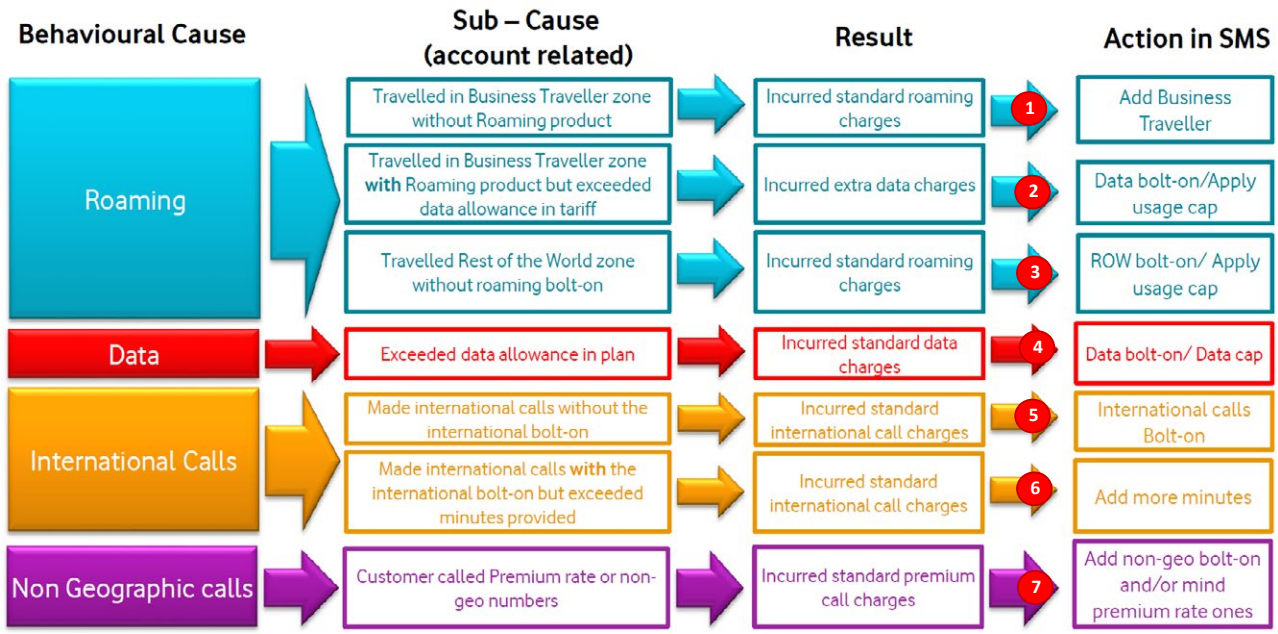


The challenge of customer care in B2B

Bill shock events for business customers are harder to tackle than their consumer counterparts. Imagine you're a business of nine employees, who each have a tablet and phone plan on the account. You receive your monthly bill and it's double the amount it should be. You have no idea why, so you'll need to check the itemised usage across all products for all your employees.

After hours of doing this you'll need to call Vodafone's care team to try and understand why this happened and what can be done to avoid this in the future. This surely will reduce your productivity and the time you dedicate to running your business. Conversely, what if you received a message from Vodafone directly explaining what the product/number that incurred the charge is and why, and what actions you can take to prevent this from happening again?

The campaign objective was to identify the exact behaviours triggering bill shock, match them to each user case and transform actionable customer journeys for an immediate resolution. To the customers, this means receiving a personalised call-to-action in a one-to-one communication style. To the business, it means reducing churn and improving customer satisfaction.



Media, channels and techniques

The campaign media was made up of seven SMS variants, each with a dedicated landing page tailored to the bill shock cause and with the relative call-to-action to resolve the specific issue. In these pages, customers were presented with a choice of channels like the My Vodafone app, website, or SMS text. Customers could call a dedicated call centre team – even while abroad – to speak to an advisor directly.

Timescales of the campaign

Q3 2018: Analysis of customer overage took place.

Q4 2018: Campaign design and planning with test sends.

March - April 2018: Campaign fully launched and continues to run at the end of each month to coincide with billing period.

May 2018: Analysis done.

Budgets

Agency fee or external marketing spend: £0

Creative development and campaign media set up: Internal resources

Results

- 12% reduction in churn and +7% reduction versus the set target. Performance review revealed that no customers who received treatment have churned.
- 30% (+20% versus set target) of targeted base enabled product features.

Section 9

Dare to be different

CX is not (but should be) a differentiator. Most B2B marketers feel their CX doesn't differ from their competitors and only 13% of those we surveyed believe they win and retain customers because of the experience they provide. While CX is seen as a priority and key differentiator, achieving it is not easy. The problem is that nearly everyone is seeking to differentiate through CX, but doing so is hard.

But there are no excuses. According to the 2019 Salesforce Connect Customer report, 57% of customers stop buying from a company because a rival provided a better customer service with 67% saying they would pay more for a better experience.

Conduct competitor analysis to understand the experience your rivals offer and define opportunities for your own improvement

Don't be perfect, be different

> *"The key to differentiation is being set up to change. In our industry there is a real danger in following best practice, which leads to similar results each time. There is a reluctance to challenge those norms because people are fearful, but actually the most successful brands have done things you wouldn't expect.*
>
> *It comes down to agility. What I try to drive in my team, and enable in my clients, is to get to a position where they're able to adapt quickly as opposed to being set up for perfection. Perfection isn't worth pursuing these days, everything changes too quickly."*
>
> **Richard Palmer, head of strategy, Mirum**

Could e-commerce be your differentiator?

B2B is slow to react to the potential – if not necessity – of e-commerce, particularly in the UK. This is to the detriment of the customer but also to company profit. US sales transactions through B2B ecommerce sites, log-in portals and online marketplaces grew 11%, a rise of $1.08 trillion, according to the *2019 US B2B E-commerce Market Report*. Yet, 49.3% of total B2B sales ($7.37 trillion) are still conducted manually, such as by account managers and sales representatives.

Pair the rise in B2C e-commerce with the fact that B2B customers want control and autonomy in how they purchase, and it's clear that e-commerce can be a valuable differentiator.

E-commerce can speed up the sales cycle, remove human error and labour costs. We expect that B2B websites will move away from 'we are' and 'we sell' messaging to become portals for guidance and education, there to help the research-loving prospect fall in love with your business.

Think e-commerce is not for you? Think again

- Our sales are too complex for e-commerce: With the help of AI and well-crafted platforms, automation can make complex sales much more streamlined
- E-commerce would force us to be too price transparent: Many e-commerce solutions disclose personalised pricing which users have to log in to see
- Our contact with the customer through the sales process is a vital part of our customer engagement: If the customer chooses to buy online, that 'engagement' is vital to sales and not to the customer
- E-commerce is cold, we want to provide human interaction: The customer deserves choice in how they purchase. The human element is important but does not rely on the point of sale.



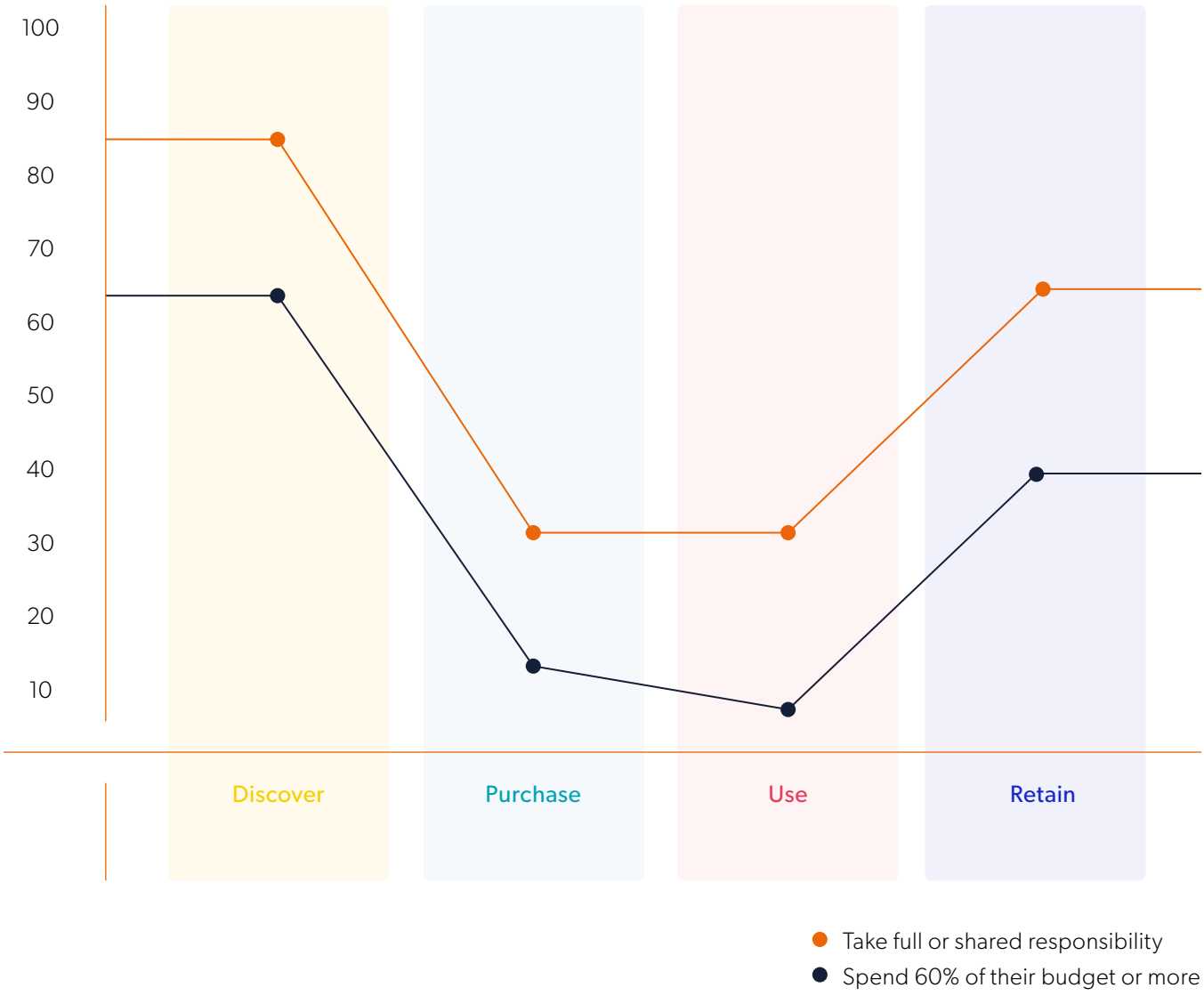
9.1 Marketers should hold on to the customer throughout their journey

Most sales and marketing teams are hard-wired to celebrate winning a new customer, particularly a large account. A new client signals profit, but it's also cost a lot to get there. Increasingly, businesses are recognising that there is more reward (and less burden) in retaining and growing customers, although internal company cultures are taking time to catch up.

For marketers to take a more holistic responsibility for CX they must change their relationship with the business, recognising that marketing is not there to serve and support sales, but the customer. Marketing's reach should therefore stretch across the customer lifecycle and across the business.

We'll now examine the benefits of applying great attention and budget to both retention and aftercare – sharing advice and examples of doing so.

Marketing's responsibility and budgetary spend for CX across the customer life cycle



9.2 Retention

For too long marketers have proudly handed leads to sales only to lose sight of those customers once the deal has been signed. For too long, marketers have been called on again to seduce and to enamour those customers when it's time to renew that deal. There is a world between those two contracts and you, dear marketer, should stick a flag in it.

Growing the wallet share of your existing customers typically has lower operational costs versus winning new business, but it also has the benefit of improving advocacy, brand awareness, employee engagement and a lot besides.

Number of customers who left during the given period ÷ Number of customers at start of given period = Customer churn

Benefits of customer retention

- Lower operational costs
- Improved advocacy
- Greater customer intelligence (which in turn improves both CX and profits)
- Increased sales
- Stable customer base (resiliency through disruption).

How much money is your business wasting on the hard slog of momentarily winning a disloyal customer? Is that even something you measure?

The route to profitability

Research by Frederick Reichheld of Bain & Company (inventor of the NPS) shows that increasing customer retention by 5% increases profits by 25% to 95%.

> *"Consider the cost of serving a long-standing customer versus the cost of courting one. Across a wide range of businesses, customers generate increasing profits each year they stay with a company. In financial services, for example, a 5% increase in customer retention produces more than a 25% increase in profit"*
>
> **Frederick Reichheld, fellow, Bain & Company**

Source: *Prescription for Cutting Costs, Bain & Company*

The itch to switch

> *"For too long companies have relied on structural loyalty – the type that makes it difficult to extract yourself from a supplier – I've seen this with leaders in martech which push a three year contract renewal assuming that a 200% price hike will not be an issue. However, you only have to look at the install stats of competitive software in major enterprises to see users are already trialling alternatives. It may be that your own customers are able to switch much more easily than anticipated."*
>
> **Shane Redding, MD, Think Direct**

First 5 steps in improving customer retention

A first step in improving customer retention is to segment existing customers by their projected long-term yield. This gives you an area in which to focus for CX, for example through loyalty programmes or personalisation.

Switching your attention to high-value customers may mean sacrificing your lower tier ones. This may need a significant change of mindset from the top down, but if you can't deliver excellence to everyone it serves to know who best to focus on.

1. Segment existing customers by their projected long-term yield
2. Map the top customer segment's wants and needs
3. Target the top customer segment with loyalty programmes and improved customer service
4. Reward sales and marketing for acquiring long-term customers
5. Consider negative incentives if customers defect before an agreed period.

Case study: How SES differentiated with quick tactical wins

SES is a $2 billion satellite company in a very competitive market. It wanted to differentiate from competitors, and quickly. Knowing that responsiveness was key, it took a fast tactical move while also investing in its long-term CX transformation. What did it do? Very simply, it introduced managed chat.

Results:

- 98% CSAT score
- Integrated conversations
- 11% uplift in leads volume over first 12 months.
- Improved lead quality
- Decreased cost per lead
- Rolled out to sister companies
- Now has competitive advantage.

SES has a complex product suite and diverse customer needs. Managed chat enabled it to differentiate much earlier in the customer journey by bringing in conversational marketing at the first touch.

Tactics like this rarely give you the same longer term advantage that a more deeply embedded end-to-end CX strategy delivers but they can be a great quick win and catalyst for change.

9.3 Aftercare

Aftercare is when the true value of the business and its offerings come to light. As a customer, if the product fails and no one is around to help, you'll have instantly lost trust.

Most organisations will have customer care teams that are charged with supporting customers through any point of friction. But this level of effort should be considered a minimum. The customers' full lifetime experience should be an integral part of the business agenda and part of every employee's responsibility. A shared but clearly delineated responsibility will help create an internal culture of service, one in which staff are driven to improve the customer experience and celebrate having done so.

Is your customer service causing a big stink?

Sixty three percent of customers would rather clean the toilet than contact customer services, says a survey of 12,500 B2B and B2C participants.

The report, by Pegasystems and Savanta also finds that while an overwhelming 89% of decision-makers feel their organisation provides a positive customer service, only 54% of customers feel the same way.

Businesses don't have the right process and structure for success:

- 81% of business decision-makers consider customer service as their main or key competitive differentiator
- Yet, 33% of customer-facing employees say they face no consequences for providing bad customer service
- 48% of customer-facing employees say they face barriers to providing good service.

Source: *Pegasystems' The good, the bad, and the ugly: 2019 global customer service insights study.*

What makes good aftercare great?

The best aftercare is no aftercare at all – or rather no need for it. But where it exists it should be seamless to the point of being unnoticeable. Like the waiter who pours your drink without being detected, great CX will deliver what the customer needs before they're aware they need it.

Advances in technolohgy, like AI and intent data can help marketers deliver this truly seamless experience, but there will never be a time when businesses stops relying on its people, or when the customer stops benefiting from collaborative and empathetic employees.

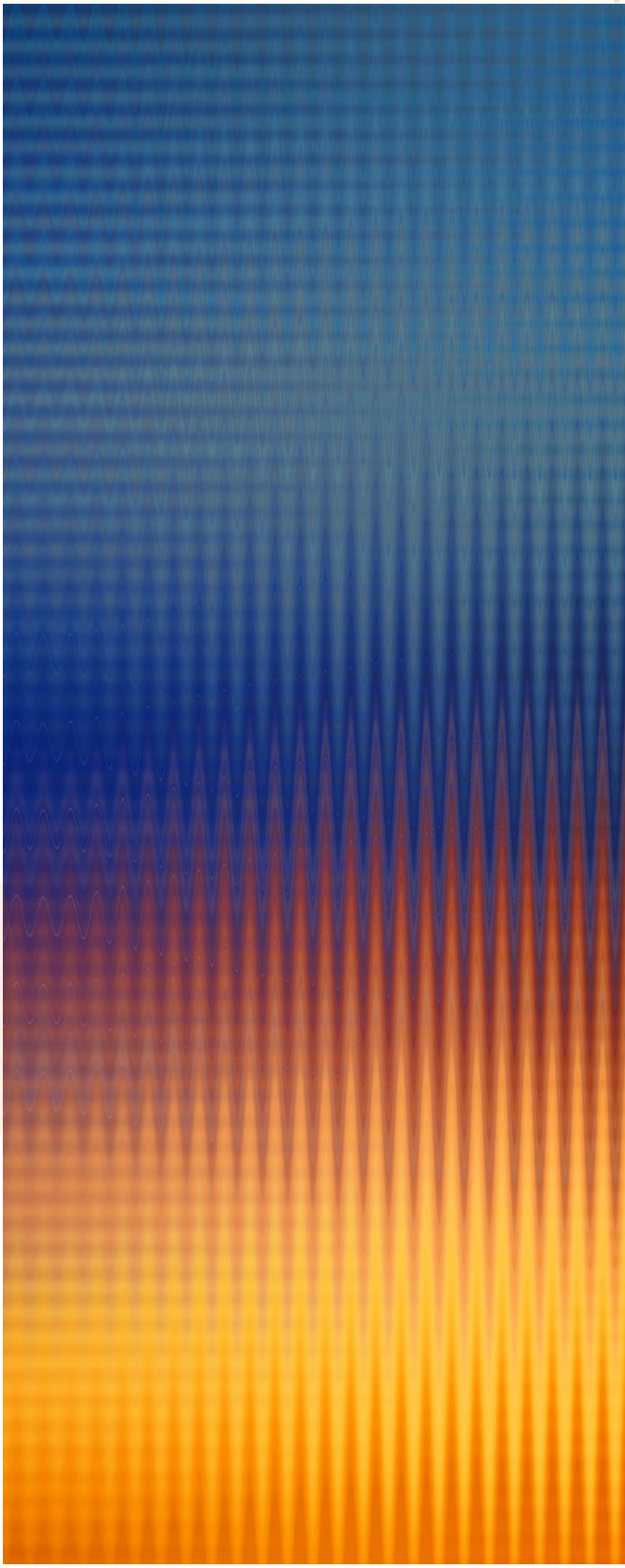
HEAR:
The key elements of successful aftercare

Human:
Communication is honest and empathetic, showing that you understand the customer, and that you care.

Easy:
Making contact is easy, quick and painless for the customer.

Active:
Feedback is acted on, delivering improvements across the business. Those actions are shared with the customer.

Respectful:
Your interactions show that you respect their customer's needs, opinions and wishes.



Case study

Learn how a culture focused on aftercare drives iterative improvement at Turtl

How much impact does marketing's insight have on product development? Chances are, not much. Marketing rarely has ownership of those four important Ps. Price and product are now commonly out of reach, but at the most customer-centric businesses, all that's up for grabs.

Content platform provider Turtl has made aftercare a key differentiator to its business model. Unlike with other tech vendors, its customers are given constant and easy access to free training and advice. Turtl believes that if its customers aren't getting the most they can from the platform, Turtl isn't doing its job. Karla Rivershaw, head of marketing explains the CX-centric business model and operations.

How does CX allow you to differentiate from your competitors?

We're really proud of the feedback we get from our customers. We've heard from them that the amount of attention we give is vastly different from other martech vendors. And as a martech customer ourselves, we experience that too – we've signed up and never heard from the vendor again.

If you're trying to resolve something it can be very frustrating when the vendor takes a hands-off approach. With some vendors you actually have to pay for training to use their platform, which I just think is absolutely bonkers. It's so counterintuitive and the opposite to our business model. We believe that if our customers aren't getting the full potential from our tech, we have a problem. The last time I checked our NPS was 99%.

Who looks after CX in your business?

Everyone, although more specifically we have two distinct teams that support our customer – we have the customer experience team, which works with users on a daily basis and are responsible for onboarding. They're on call to answer any questions on how to use the Turtl platform but also monitor customers' use so they can call or email them with suggestions for improvement.

We also have our customer success team, which provides a single point of contact for each customer – someone they can go to with questions, such as integration with another platform.

You use customer feedback to improve your product, could you explain that process?

Customer feedback is huge and we're always looking to get more so that we can tie it into our product roadmap. We're taking our product into totally different directions based on feedback from our customers over the past two months – it's exciting to see how much customer ideas shape our business.

Our customer success officers and customer experience team are speaking to customers all the time and they get a lot of feedback, which they collate and give to our developers. Unless it's a stand out amazing idea, our developers then prioritise the improvements based on how many requests they've had and work through them systematically.

How are your employees involved in product development?

One of the things I absolutely love about working at Turtl is that everyone has an opportunity to feedback on the product because we're all using it everyday.

We were looking to bring out a new feature in the product and our CEO Nick walked from desk to desk showing it to staff with an A/B scenario, asking them their view on the best experience. It showed me that the company really cares what its employees think.

Did you see customer-led product development in your previous roles?

I don't think customer feedback ever made much of an impact to the product roadmap in any of the companies I've worked at before. I was working for large corporates. I recognise that it can be very difficult to make a connection between the customer feedback and the development of new solutions – there are so many people involved in a large organisation and far less transparency.

Developers were typically locked away on their own and they would come up with ideas that were so out of whack with what the customer wanted. I remember many soft product releases, and even full launches, where marketing hadn't had a chance to see it, let alone have any input.

Should marketing step up to lead CX?

As a marketer you have to put yourself out there and I do think it's really important that marketers lead this because we understand our audience more than most – better than sales most of the time. If we don't understand our audience we aren't effective at our jobs.

What does customer responsiveness mean to you?

Responsiveness means being able to contact the company wherever you are and by whatever means you want – whether that's online, by email or phone and they need to be there ready to respond to you. If you have a live chat feature it has to be instantaneous; sending a 'live chat' message and waiting an hour for a response isn't great customer experience.

If you give feedback to a company that business should first acknowledge that they received that feedback, after they need to share what happens with that feedback. If changes are made customers deserve to know they were part of that. We tell customers, including a timeline of when we expect to roll it out and appreciation for that fantastic insight.

What challenges do you face in staying customer-focused?

The only challenge we've had is finding enough of the right people as we grow our team. It's really hard to fill roles in our team because we're look for a very specific person who are going to make the customer feel great and like the heroes of their own story.

Section 10

Key takeaways

Below are the five key areas to focus on when in pursuit of Cxellence

1. Internally Aligned

The biggest hindrance to CX is a lack of strategy followed by a lack of accountability, yet it's a struggle that offers marketing leaders a great opportunity. No one is better placed, or more fully armed with customer insight, to lead this. If not you, then who? Whether no one in your organisation owns CX, or everyone does, it's time that marketers recognised and celebrated the pivotal role they can play in its delivery. Yet customer engagement can't be improved in isolation – it's the result of great leadership, product, staff engagement and culture, so get ready for some serious collaboration.

2. Seamless

Your internal processes should not put your customers at a disadvantage. They don't care about your company's inner workings and nor should they be expected to. In the pursuit of seamless CX put internal politics, siloed targets and 'because that's just the way we do it' processes to one side. Far to one side. Seamless CX is the product of an aligned company, which you can only achieve if all stakeholders are pulling in the same direction. Align the business around shared goals, but be aware of the limitations of established CX metrics and consider forming some of your own.

3. Insight-driven

In CX, any strategy should be preceded by a whole lot of listening. 'Voice of the customer' (VoC) data allows you to understand your customers' needs, desires and experiences, delivering that all-important single customer view. Marketers have access to more VoC data than ever before and it's increasing exponentially. The best place to start is with the data you already have. Reactive data, such as warranty claims and customer complaints will show you areas that need addressing with urgency. Yet you should be working towards 'always on' intelligence gathering, not through excessive customer surveys but by analysing all customer interactions and through regular pulse checks.

4. Responsive

Responsiveness isn't just about complaint handling times or having a live chat facility (although those are important). A truly responsive business is about acting on to customer interests, challenges and needs at every level - from your marketing messages, to your products and business model. It's all of the little things and big things added together, which is why no one can manage it alone. Both customer and employee feedback loops will be crucial, as will a culture fixed on human connection and empathy.

5. Different

How much money is your business wasting on the hard slog of momentarily winning a disloyal customer? Is that even something you measure? Growing the wallet share of your existing customers has lower operational costs versus winning new business, but also has the benefit of improving advocacy, brand awareness, employee engagement and a lot besides. With so few marketers paying attention to aftercare, switching your attentions here could both differentiate your CX and improve retention. If this isn't achievable across all customers, focus on the ones with a high projected long-term yield, which are likely to be your happiest customers.

About

B2B Marketing

With hundreds of thousands of users across the globe, we are the leading trusted voice at the centre of the B2B marketing community.

B2B Marketing members are kept up to date with the latest strategies, insight and inspiration from the B2B marketing space, through our dedicated:

- Research and analysis
- News
- Information portal
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