B2B Marketing™



GETTING THROUGH TO YOUR CUSTOMERS

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the telemarketing company



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Getting through to your customers

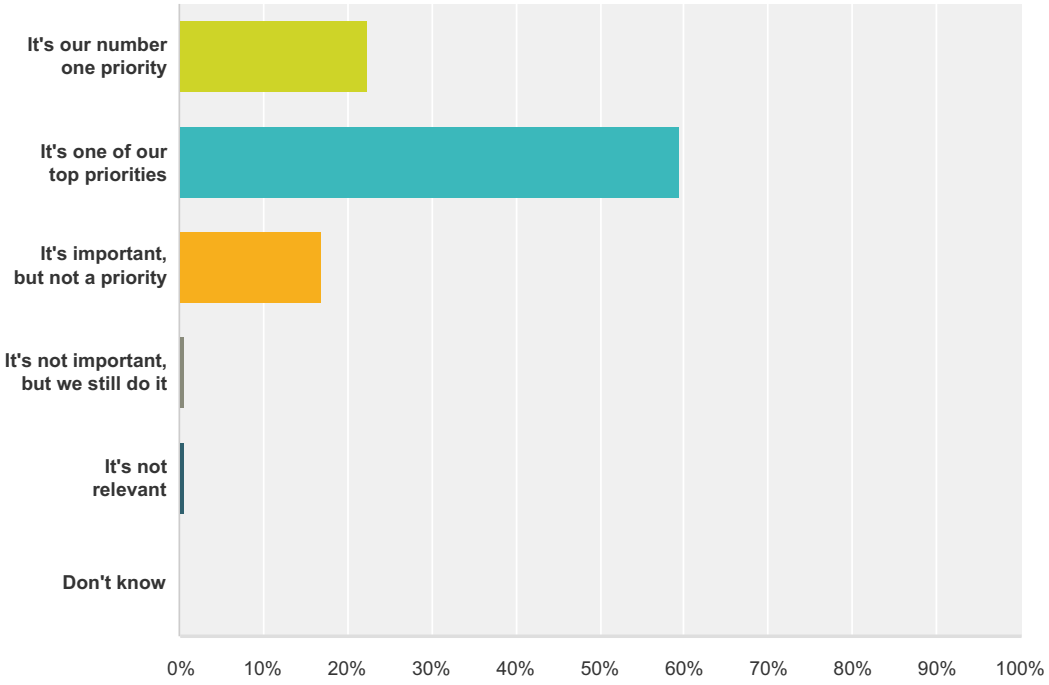
Welcome to the age of engagement. Throughout the B2B world, customers now expect to be heard and they demand to be involved. For companies that want to grow and succeed, the old metrics of customer loyalty and customer satisfaction are no longer enough: customers now need to be engaged at almost every level through acquisition, retention, operations, innovation and even strategy.

So how are marketers coping with this shift in the way customers interact with brands? What different methods of engagement are they using? How well are the multiple levels of engagement being integrated? And, most importantly, how are they measuring their success? To examine these questions in detail, B2B Marketing partnered with The Telemarketing Company to capture and analyse over 150 marketers' opinions on customer engagement, see where they're getting it right and identify where there's still work to do.

Getting through to your customers

From intention to action

Figure 1. To what extent is customer engagement important as part of your marketing objectives?



"Marketers want to measure their customers' actions rather than their intentions"

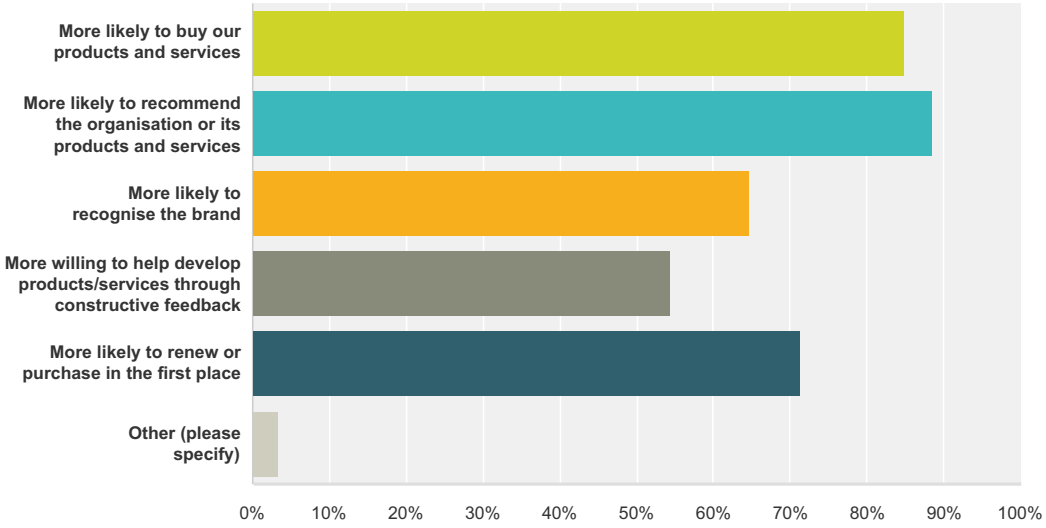
Over recent years, customer engagement has risen to prominence as the new way of effectively measuring loyalty. Rather than measuring intentions, customer engagement tracks the actual extent of a customer's willingness to invest time with a company for mutual benefit. Done well, customer engagement is easier to measure, provides more useful data, is easier to influence and affect, and is thus more strongly correlated with revenue.

Certainly, our survey shows that marketers understand the importance of this new way of tracking the customer-business relationship. When asked to what extent customer engagement is important as part of their marketing objectives, 22 per cent stated it was their number one priority, while a further 59 per cent stated it was a top priority.

Clearly, marketers want to measure their customers' actions rather than their intentions. But is the intention to excel in customer engagement leading to action for marketers?

What customer engagement looks like

Figure 2: Which of the following attributes would you ascribe to an engaged customer? "Engaged customers are..."

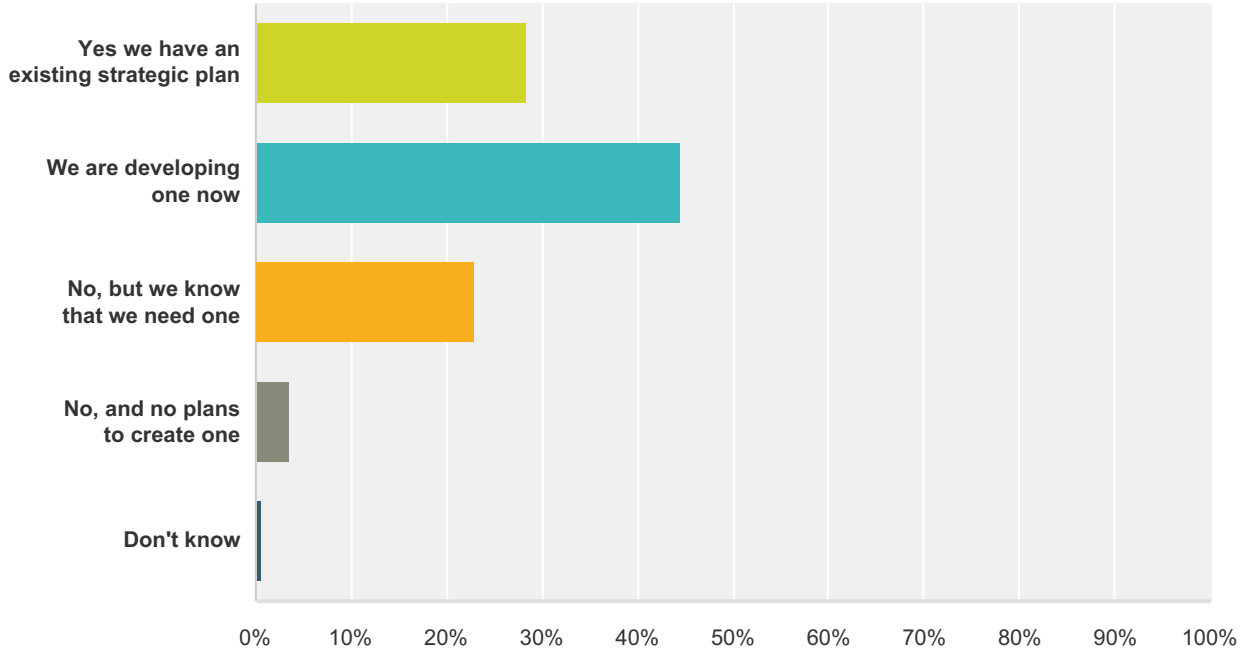


The good news is that our respondents certainly know what an engaged customer looks like. When we asked them to identify which attributes define an engaged customer, the top answers were 'more likely to recommend the organisation or its products and services' (88 per cent), 'more likely to buy our products and services' (85 per cent), and 'more likely to renew or purchase in the first place' (71 per cent). Even lower scoring answers such as 'brand recognition' and 'willingness to provide feedback for product or service development' were identified by well over half of respondents.

Customer engagement, unlike other issues that sometimes feel like they're 'marketing only', also seems to be recognised as an important objective across organisations, with 58 per cent of respondents saying that it was understood widely in their businesses. That number is also likely to rise, with 71 per cent of respondents stating that the understanding of the importance and relevance of customer engagement is increasing within their organisations.

"Customer engagement, unlike other issues that sometimes feel like they're 'marketing only', seems to be recognised as an important objective across organisations"

Figure 3: Do you have a strategic plan for customer engagement?



Problems start to appear, when it comes to implementing plans to achieve customer engagement. Only 28 per cent of our respondents stated that they had a strategic plan in place for increasing customer engagement. And while a further 44 per cent say they are in the process of creating such a plan, this still leaves significant room for improvement.

This lack of strategy is reflected in the coherence of approaches to customer engagement. Under half of respondents felt their different channels for customer engagement were joined up into a single coherent approach, and only eight per cent stated their channels were completely integrated.

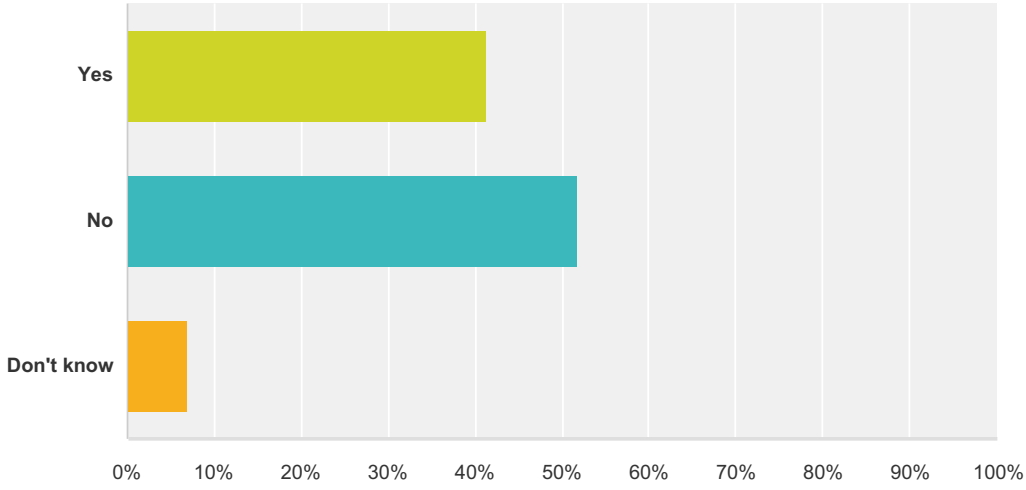
A coherent customer engagement strategy requires two key elements: advocacy and involvement. Engagement, after all, is an assessment of all the activities that build positive connections between a company and its customers. Those companies with fully integrated strategies physically involve customers in growth activities, especially in marketing efforts related to acquisition and retention, operations, products, innovation, and overall business strategy.

These activities should create emotional attachments that draw customers closer (and, conversely, away from competitors), encourage rebuying while lowering price sensitivity, gather insights to help with strategy decisions, and promote brand evangelism.

"Under half of respondents felt their different channels for customer engagement were joined up into a single coherent approach"

Measuring effectiveness

Figure 4: Do you currently measure levels of customer engagement?



Part of the problem with achieving a coherent strategy for customer engagement may well lie in the fact that organisations are still not measuring it effectively. According to our survey, only 41 per cent of businesses have methods in place for tracking levels of customer engagement. For an activity that four-fifths of marketers feel is a priority, this number is remarkably low.

And even among those organisations that are measuring customer engagement, the strategies for measurement are somewhat piecemeal. We asked marketers to identify which measurement techniques best apply to their organisations and only 27 per cent are using bespoke customer or prospect research to demonstrate engagement.

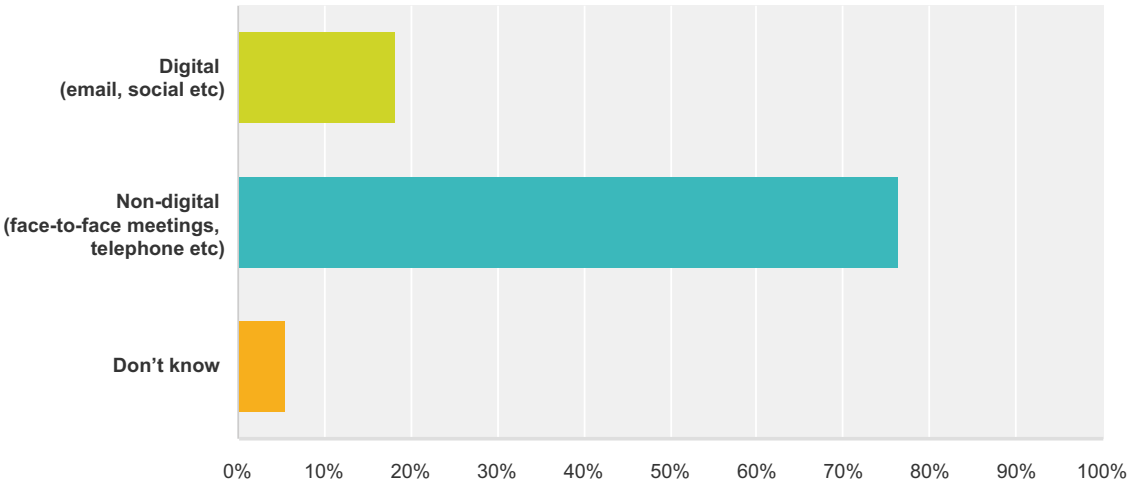
So most marketers aren't measuring customer engagement; and of those that are, the majority are relying on existing metrics such as Net Promoter Score (NPS) to demonstrate effectiveness. Though a popular metric, NPS and systems like it have garnered much criticism for lack of accuracy, the inability to prove causal relationships between NPS and growth, and limited predictive validity for strategic decision making.

The lesson from this seems to be that customer engagement cannot be measured effectively using generalised techniques. Each business has different customers who need to be engaged in different ways and for different means. Scoring satisfaction or loyalty on a scale of one to 10 simply doesn't cut the mustard; each business needs to develop its own bespoke and personalised strategy to achieve strong customer engagement.

"Most marketers aren't measuring customer engagement; and of those that are, the majority are relying on existing metrics such as Net Promoter Score"

The human touch

Figure 5. Is the majority of your revenue secured via digital or non-digital sources?"

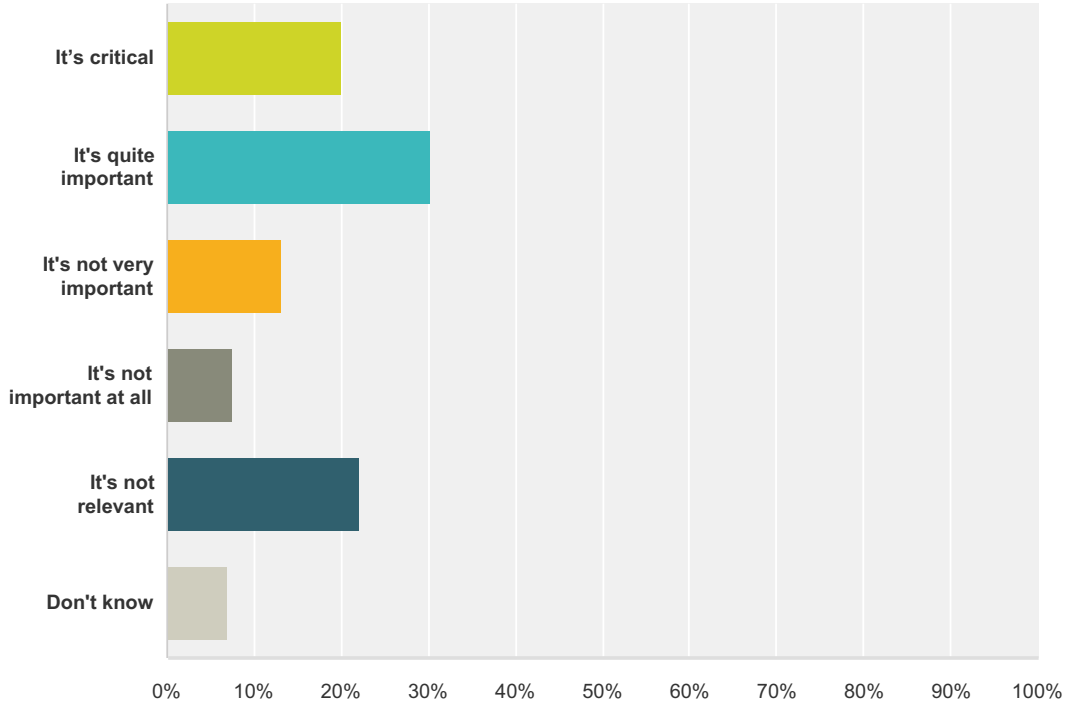


"Even in this burgeoning age of technology, 76 per cent of revenue is still generated through non-digital means"

Our survey overwhelmingly demonstrates that marketers already understand the need for the human touch in business. When it comes to thinking about the nuts and bolts of what makes their business work, marketers are unequivocal. Ninety-six per cent of respondents said human interaction was either very important or important in securing new business, and 98 per cent stated that human relationships were key to retaining contracts.

This strongly correlates with the results when we asked respondents to reflect on where they gained the majority of their revenue. Even in this burgeoning age of technology, 76 per cent of revenue is still generated through non-digital means, through face-to-face meetings or by telephone. The digital sources – email, social media and so on – only accounted for 18 per cent.

Figure 6: How important is telemarketing as part of your overall marketing activities?



This acknowledgement of the importance of the human touch accounts for the popularity of engagement methods that allow businesses to show their human side. When we asked respondents to identify which marketing technique best allowed their organisations to build on the human side of its brand, 'face-to-face meetings' was by far and away the standout answer, chosen by 58 per cent of those surveyed.

Likewise, telemarketing was viewed as a 'critical' or 'quite important' part of marketing activities by 50 per cent of our respondents.

In terms of the channels and techniques being used to drive customer engagement, it's no surprise that face-to-face events – are the most used. Eighty per cent of respondents described them as being effective or very effective.

"Telemarketing was viewed as a 'critical' or 'quite important' part of marketing activities by 50 per cent of our respondents"

Other techniques that allow businesses to demonstrate their human side are seemingly under used, despite being seen as more effective than other methods. Social media, for instance, is used by nearly 90 per cent of organisations, yet 37 per cent consider it ineffective for achieving customer engagement and only three per cent think it is very effective. In contrast, 33 per cent of businesses don't use telemarketing at all; but of those that do, 71 per cent think it is effective or very effective.

Similarly, nearly 40 per of businesses shun the use of direct mail, but 80 per cent of those that do use it consider it a good way to engage customers. Even in the digital age, it seems, the so-called 'old-fashioned' marketing techniques – telemarketing and direct mail – still have a significant role to play in engaging customers.

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"Marketers must continue to place great emphasis on marketing techniques that allow them to establish personal connections"

In terms of customer engagement, personalisation is key, which means marketers must continue to place great emphasis on marketing techniques that allow them to establish personal connections, either in person or over the phone. Email and social are obviously useful and highly effective for lots of things, but they are relatively impersonal and less likely to make the desired emotional connection that true customer engagement requires.

Put bluntly, very few people are excited to receive an email. And someone may really enjoy a piece of social content – like it, retweet it, comment and so on – but that alone is unlikely to strongly influence a purchasing decision.

Embrace the multichannel

Customer engagement is a marketing objective that is here to stay. And it's very positive that marketers understand this and are working towards making their organisations more fully geared to this end. It certainly helps that it's a concept with relatively straightforward objectives that other areas of the business are easily able to buy-in to.

As marketers develop their strategic plans for customer engagement – however far along the road they are – the most important things to bear in mind are making sure plans are coherent across all the channels being used, and that time and resources are being geared towards those areas which are most effective.

"People buy from people and you can't get more 'engaged' than a person talking to another person in real time"

"A friendly phone call or a personal letter in the post may do the work of a thousand emails and targeted tweets"

It comes down to the old marketing truism: people buy from people. And you can't get more 'engaged' than a person talking to another person in real time.

Customer engagement remains the province of non-digital methods: face-to-face meetings, telemarketing and live events, engaging with customers as real people – and showing the human side of organisations too. To do that, a friendly phone call or a personal letter in the post may do the work of a thousand emails and targeted tweets.

Summary: Key findings

- Customer engagement has risen to prominence as the preferred means for gauging customer loyalty and is now a top priority for most marketers.
- Marketers know what an engaged customer looks like – but many don't have systems in place to measure whether their own customers are engaged or strategic plans for improvement.
- The human touch is vital – the vast majority of revenue still comes from human-to-human interactions, meeting face-to-face, talking over the phone or holding live events.
- Even in the digital age, people still buy from people – marketers should make sure their efforts are geared towards engaging with customers as real people.

Niall Habba, MD of The Telemarketing Company, comments on the findings of our research



NIALL HABBA
MD
THE TELEMARKETING COMPANY

The Telemarketing Company is pleased once again to sponsor B2B Marketing's annual survey, this year with a slightly broader theme around customer engagement and telemarketing. In our 25th anniversary year, we are particularly keen to learn what customer engagement means to today's marketers and understand how the role of telemarketing continues to evolve.

Results show a clear understanding of the increasing importance of customer engagement within most organisations. Human interaction, in particular, is highly valued both for creating new and retaining existing business, with around 76 per cent of those surveyed attributing the majority of revenue secured to non-digital sources.

While marketers surveyed understand the importance, only 28 per cent have an existing strategic plan for customer engagement and only eight per cent have a fully integrated approach, suggesting many don't yet have a clear path to achieving their customer engagement goals.

The importance of human contact in building relationships that convert to commercial opportunities is close to our hearts. When we look back over past years, the measurable ROI of B2B telemarketing and its flexibility in serving a range of objectives from market research, cold calling, nurturing warm leads, through to outbound telesales, has remained constant. This flexibility allows telemarketing to integrate with and support other digital and non-digital channels at every stage of the cycle, so that marketers can easily incorporate the human touch across their campaigns.

Given the challenges in implementing customer engagement reflected by the survey, it is surprising that almost 35 per cent of organisations surveyed say that they do not use telemarketing at all, (although in any organisation, the sales team will be using the phone on a daily basis). The fact that high value B2B sales require real conversations with prospects to build relationships and trust is no great surprise. This, combined with its ability to integrate easily with digital, social and other channels, makes telemarketing a valuable tool for any marketer seeking to improve customer engagement and campaign ROI.

About The Telemarketing Company

Decades of excellence in voice contact services

Established in 1990 and based on the Brighton seafront, The Telemarketing Company is the UK's leading specialist outbound B2B telemarketing agency, with a robust research offering.

Our total focus on effective telemarketing, CATI research and our reputation for quality ensures we are one of the UK's leading voice contact companies, acting as the voice of many of the world's leading organisations.

Offering a full portfolio of best in class voice services, delivered by specialist teams in both English and foreign languages, we make millions of calls every year, delivering sales growth and insight.

Our agents are first rate. Salaried experts with an average age of 37 and comprehensive and externally audited training appropriate to their specialism (IQCS and AITS for Research and ISMM telesales training for our Telemarketers). Our clients benefit from access to an exceptional pool of talent which they can access with great flexibility.

We work for blue-chip clients, SMEs and public bodies; all our engagements are proactively analysed, reviewed and developed by our team to maximise return on investment for our clients.

We offer:

- Blanket call recording with 100 per cent call availability for client review.
- Unscripted, trained and salaried telemarketing agents.
- Trained and salaried research agents.
- Expert and proactive account management.
- 200 workstations.
- DMA membership.
- FCA authorisation.
- MRS company partner.
- IQCS accreditation.
- AITS and ISMM accredited agent training.
- ISO9001 accreditation.

For more information about The Telemarketing Company and the solutions we offer, call us on 01273 765 000 or email us at info@ttmc.co.uk

About B2B Marketing



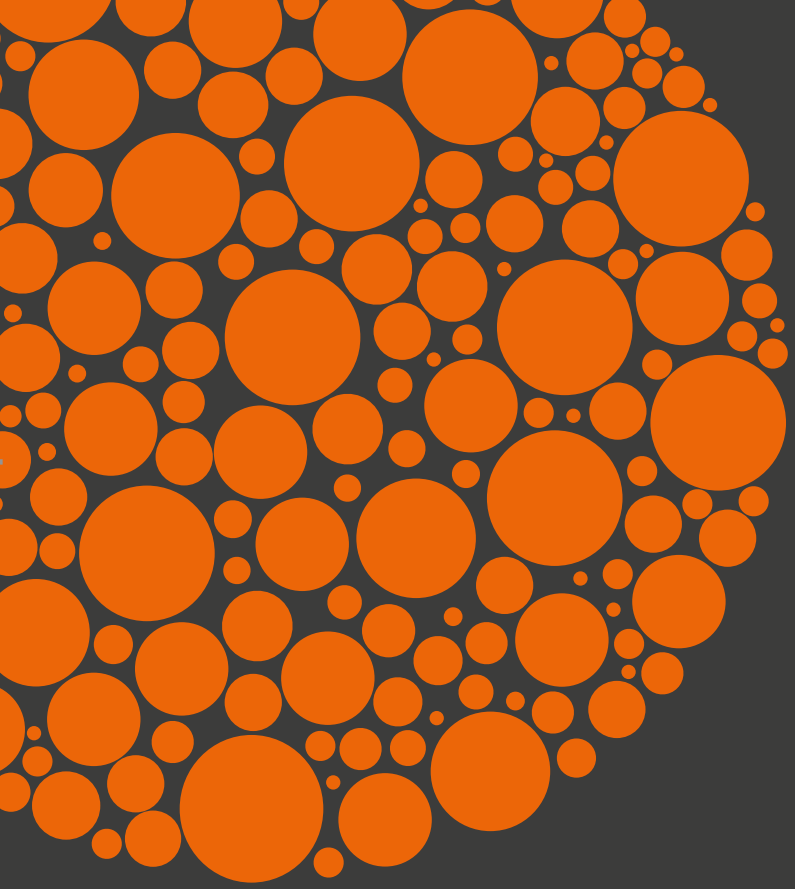
B2B Marketing is the comprehensive information resource for B2B marketers. Its mission is to provide practitioners with the information they need to perform better and achieve more, whatever sector of the B2B space they are operating in.

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

Its key products are:

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

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





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