

THE STATE OF **ENGAGEMENT**

Bridging the Customer Journey Across Every Last Mile

REPORT MAY 2018

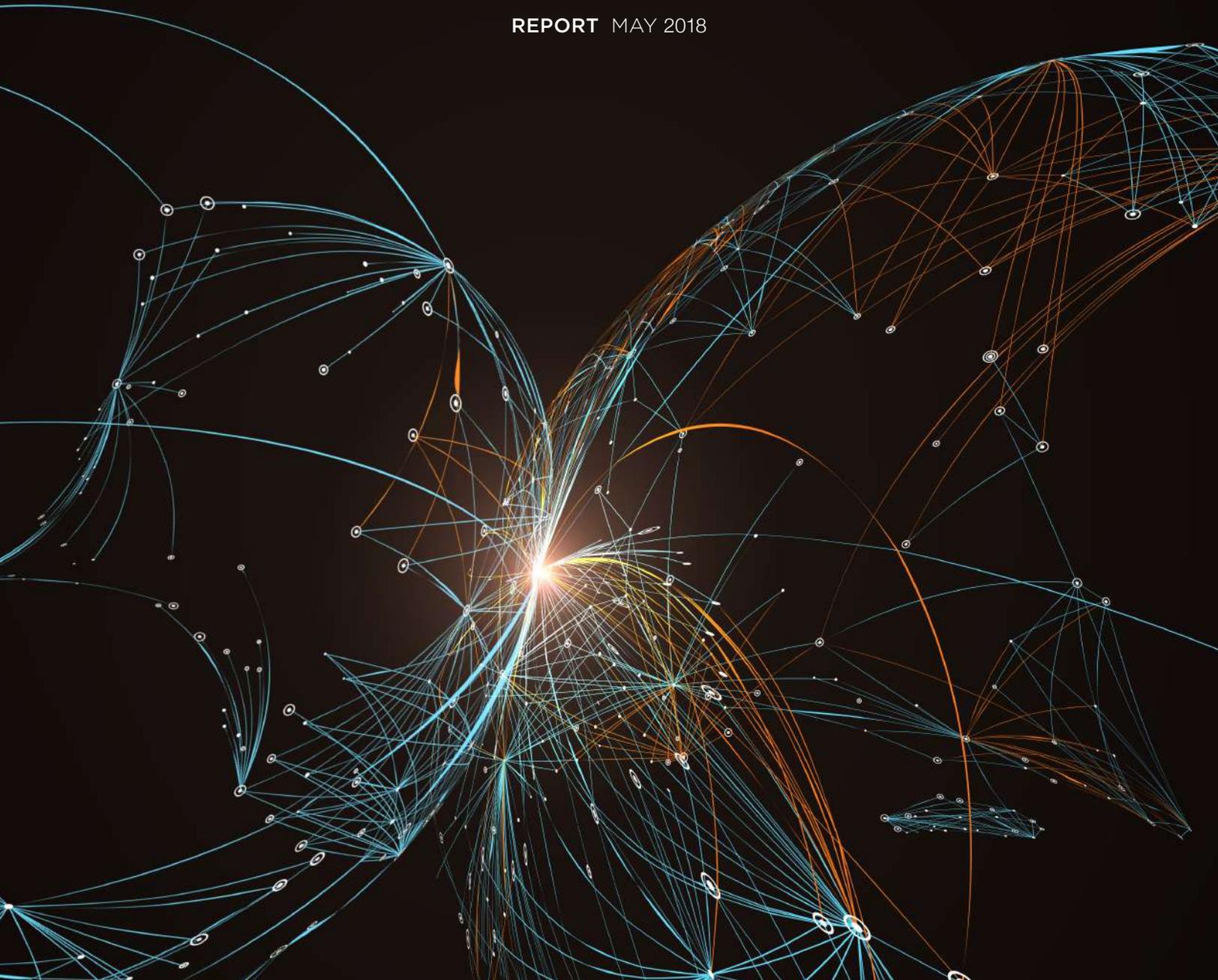




TABLE OF CONTENTS

3	Introduction
5	Key Findings
15	Conclusion
17	Detailed Findings
45	Expert Perspective From RedPoint Global
47	Leadership Committee
69	About the CMO Council
69	About RedPoint Global
70	Partners and Affiliates



INTRODUCTION

In 2017, when the CMO Council asked marketers how they were doing when it came to establishing the people, platforms and processes necessary to deliver contextual, data-driven, marketing-led customer experiences, optimism was in the air. There was an undeniable sense of confidence that all of the hard work—the massive technology deployments, the incremental tool implementations and the new strategies to thrill and delight the customer with personalization and individualized experiences—would pay off at some point in the future.

We are now 12 months into that future, and optimism has already started to give way to frustration and a sense that if organizations don't make moves today, the customer will move on to brands that are already taking steps toward delivering those contextual experiences. This should not come as a surprise. In 2017, it was clear that organizations were struggling to keep pace with customer expectations for experiences across an ever-expanding list of touchpoints. Too few had the ability to turn their customer experience intentions into measurable action. And similarly, too many were being challenged by the continuous evolution of consumer expectations as the desire for occasional new and novel experiences had already given way to an expectation for hyper-individualization with every engagement.

Consider these points raised by marketers about the state of engagement in 2017:

- **Marketing was on a martech buying spree.** Forty-three (43) percent of marketers had spent more than 25 percent of marketing budgets to deploy technologies that were intended to replace old solutions.
- **Engagement delivery was powered by manual processes that chipped away at the reality of delivery in real time.** Only 7 percent of the marketers surveyed were able to leverage in-line analytics (i.e., real-time customer data analytics that are available within the engagement platform being leveraged by the customer) to deliver better customer experiences.
- **Measures failed to shed light on the business impact of customer engagements.** Only 5 percent are able to see the bottom-line impact of engagements in real time.
- **Customer engagements lacked collaboration or connection.** Twenty-three (23) percent admitted that customer engagements were being developed ad hoc and by a multitude of disconnected teams throughout the organization, with little collaboration or connection across functional groups.



- **Engagement is more than just a data issue...it's also an intelligence issue.** The majority of marketers (43 percent) agree that they are not lacking data; they are missing the ability to transform data into real-time action.

So what is the state of engagement in 2018? Have the past 12 months been put to good use, especially in light of marketing's intent to focus attention on the fragmented systems and organizational silos blocking the ability to deliver on the intended personalized engagements? Have marketers identified ways to bridge the gap between aspiration and action to move and advance the agenda? And what is the consequence of inaction or failure?

To continue this investigation, the CMO Council again partnered with RedPoint Global to audit the needs of the CMO today, including how swift, immediate action can set the stage for long-term competitive differentiation through a highly individualized experience. This study will examine the hurdles that all marketers must face—from operational functions up to the CMO—and work to dispel misconceptions about what it will take to deliver value across every last mile of engagement.

What we learned is that, while marketers continue to tow the line that has personalization and real-time engagement at the core of the customer experience strategy, their ability to deliver has been severely hampered by disconnected systems that fail to develop, deploy and measure the business impact of contextual, relevant experiences. From all appearances, the buying spree to load up on new technologies is being replaced with intentional implementations that seek to align, connect and aggregate data and points of execution into an experience platform that can deliver the engagements that the customer expects and that can drive profitable results.

The report that follows is based on insights from more than 200 senior marketing executives in primarily consumer-facing industries, including retail, consumer products, food and beverage, retail banking, consumer insurance, and travel and hospitality. Some 70 percent of respondents have a title of CMO, general manager of marketing or senior vice president of marketing, and 57 percent hail from organizations with annual revenues of more than \$1 billion.

While marketers have mixed thoughts about what should or should not be included in a single view of the customer, when it comes to what is blocking the organization's ability to achieve this critical vantage point, the majority agree: If customer experience strategies and marketing technologies fail, the CMO's job is likely on the line.



KEY FINDINGS

Overall, the state of engagement gets mixed (if not failing) marks from marketers as the age of the connected customer continues to put pressure on marketers to catch up to the expectations being set by competitors. Struggles with fragmented systems that fail to deliver relevant insights that, in turn, can lead to more relevant and contextual engagements have plagued marketers, who now feel that their jobs are very possibly on the line if customer experience strategies or technology investments fail to pay off in the near term.

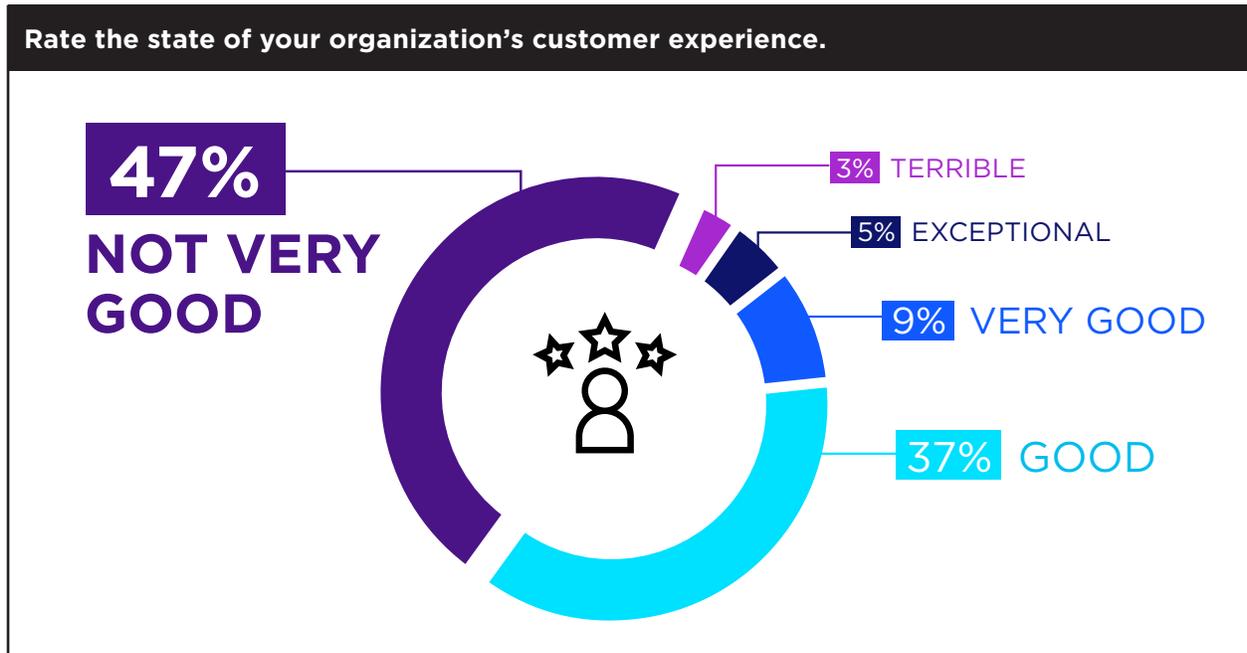
Yet as marketers focus attention on the platforms and processes that enable experience delivery, there are indicators that some of the fundamentals—from segmentation strategies to measures of success—may also be flawed and in need of a shift toward the customer and the bottom line.

Organizations Are Failing to Deliver Exceptional Customer Experiences

- Only 5 percent of marketers surveyed currently believe their organizations are able to deliver hyper-personalized experiences across all channels and customer touchpoints.
- Most (47 percent) admit that they are not doing a very good job, with personalization being selective, at best.

The failing grade that marketers are giving to the current state of engagement is, in some part, based on their struggles to connect individually developed and deployed campaigns into a connected and cohesive customer journey. This is further exacerbated by an organization's challenges specific to their ability (or inability, as the case may be) to collect the most valuable data about the customer that can be leveraged to craft journeys and improve the state of engagement.

This is especially troubling as most marketers feel that they are facing increased demands for individualized experiences from their digitally connected customers while simultaneously trying to close the skills and capabilities gaps across data and IT initiatives. These demands will be dramatically hindered by the attributes that are—or, more specifically, are not—being leveraged in segmentation strategies. While most marketers have handy access to factors like basic demographics, socioeconomic data and even some behavioral data, few are able to leverage intent analysis, purchase propensity or other critical financially focused aspects like customer lifetime value and even selling cost impact or cost of acquisition.



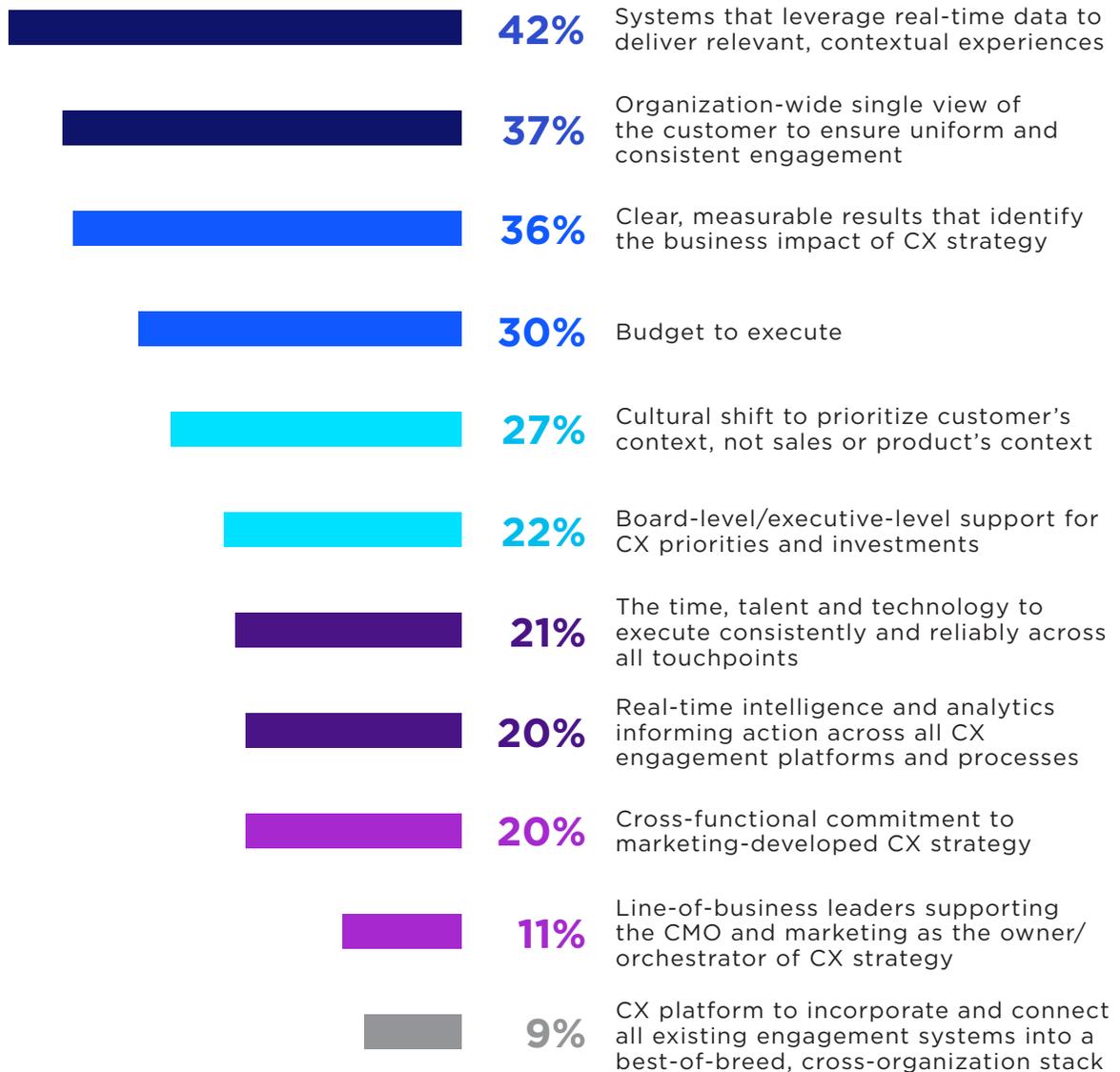
Fragmented Systems and Data Silos Widen the Gap Between Intention and Action

- 41 percent of marketers say the greatest roadblock to successful execution of the customer experience strategy has been fragmented platforms and systems that fail to connect or deliver a unified view of the customer experience across all touchpoints.

Silos may be holding organizations back, but marketing has a bit more company in the fight to advance the customer experience. Only 9 percent of marketers say they are most challenged by marketing being the only team that is fully invested in a data-driven customer strategy (compared to 16 percent of marketers who were challenged by this lack of support in 2017). This new, slow-moving partnership is likely to thank for the slight improvement in one of the greatest challenges that marketers face: the silos of customer data that have remained inaccessible across the organization. Today, some 28 percent are frustrated by siloed data, a small decline compared to the 30 percent that highlighted this as a key concern in 2017. Instead, frustration has shifted to the systems that have failed to connect these silos and deliver a unified view of the customer across all touchpoints.



What has proven to be the biggest gap between your CX strategy and the execution of that strategy?



Marketers agree that successfully delivering on their customer experience strategies will require systems that leverage real-time data to deliver relevant, contextual experiences (42 percent), but there is also a significant call for an organization-wide single view of the customer (37 percent). Just as marketers are focused on tools that can deliver a view of the customer, relatively few (9 percent) are actually looking at developing a best-of-breed stack that can incorporate and connect all existing technologies and engagement platforms,



perhaps indicating that marketing is looking for a silver bullet instead of pushing for a cross-organizationally optimized engagement stack.

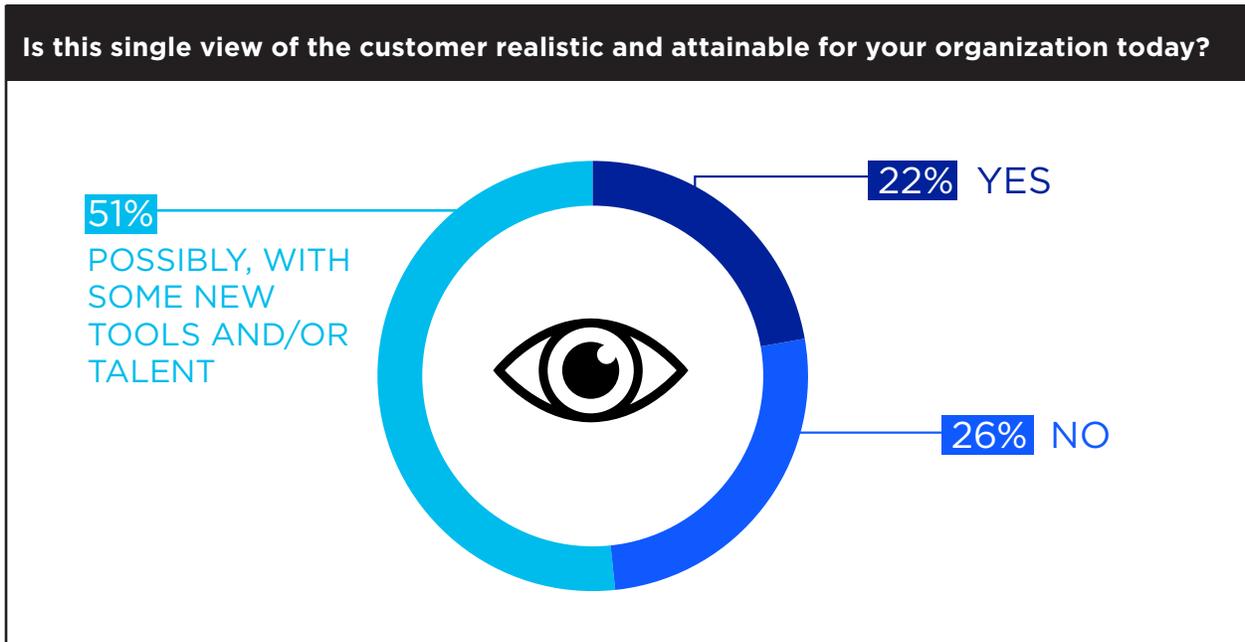
What is striking is that, while marketers are focused on the systems that will connect campaigns, engagements, touchpoints and data across the organization, they are far less concerned with aligning the support that these executives will likely need to change the status quo. When asked what would be required to ensure the consistent delivery of experiences, marketers are focused on the budget to execute strategies (30 percent) and the cultural shift that will be required for the entire organization to prioritize the customer over products (27 percent).

Yet gaining board-level support (22 percent) for customer experience efforts, gaining cross-functional commitment to a marketing-driven customer experience strategy (20 percent), and rallying the support of line-of-business leaders behind the CMO as the orchestrator of the customer experience strategy (11 percent) fall to the bottom of the list of needs. Without this support, it is unlikely that the technologies being implemented with the goal of connection and collaboration will take hold.

A Single View of the Customer Is Needed. A Path to Getting There Is Needed Even More.

- 65 percent of marketers believe that a single record of the customer that the entire organization contributes to and embraces is a requirement to achieve a single view of the customer.
- 26 percent have doubts that a single view can actually be attained by the organization today.

Despite acknowledging the criticality of having a single view of the customer that is not only embraced by the entire organization but includes the totality of organizational insight about the customer, marketers are less confident in this view becoming a reality. While marketers have sought a “golden record” for years, there has been little movement toward data and intelligence unification. In reality, the path to resolution has typically been paved with technology implementations that have added complexity, cost and fortified silo walls separating pools of data.



There is hope, especially among the 22 percent of marketers who believe that achieving a single view is possible and even among the 51 percent that believe it is a possibility, albeit with new tools and talent to lead the way. One key requirement is to understand what marketers believe are must-have attributes to this coveted single view. First on the list is a customer record that the entire organization contributes to, can access in real-time and updates accordingly.

This is reinforced by 53 percent of marketers who would like their single view to include data aggregated and organized under one customer identification, signaling that marketers want to connect known and unknown records in order to develop a more comprehensive view of the customer. Other top requirements include cross-functional data (52 percent), real-time data (49 percent), voice-of-the-customer listening intelligence (40 percent), and predictive intelligence that can anticipate the customer’s next best action (36 percent).

While marketers have neatly laid out the individual bricks of the path to the customer, the ability to actualize that path to move forward becomes the challenge. Without the cross-functional and line-of-business support that mandate that this view of the customer is critical to the business (versus just being critical to engagement channels), it is questionable whether marketers will be able to cut through the cultural red tape and functional silos that have brought down any number of change initiatives in the past.

With Jobs on the Line, Metrics Fail to Tie Engagement to the Bottom Line

- 76 percent say that the success of the customer experience strategy and engagements will be measured by overall revenue growth.

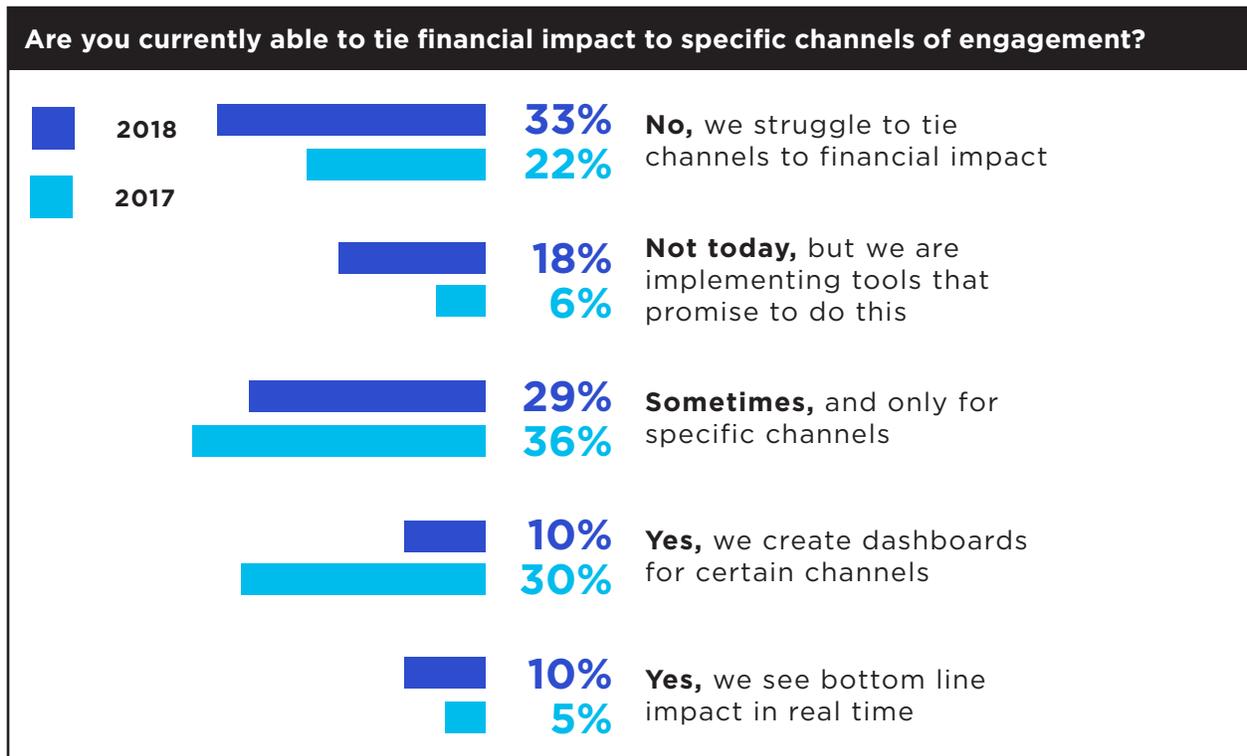


- 33 percent struggle to tie engagement channels and experiences to financial impact.
- 52 percent say that their jobs are possibly on the line should customer experience strategies fail.

Marketers have tied the success of customer experience strategies to the growth of lasting customer engagements and, in turn, overall revenue growth. Yet despite this bond between customer experience success and revenue, far too few marketers are able to tie financial success to specific channels of engagement or experiences. Without these metrics, marketers are flying blind, unable to report true, meaningful success to the business in the language that the business most respects: revenue.

Only 10 percent are able to tie customer engagement and campaign outcomes to financial impact in a seamless, automated manner. Most are only able to sometimes tie outcomes to financial impact while 33 percent admit that they are struggling. In fact, marketers have become more aware of their deficiencies in measures in the past 12 months.

In 2017, marketers were quite pleased with their ability to create dashboards and reports to calculate financial impact in a select group of channels. While only 5 percent of marketers could see bottom-line impact in real time as the customer advanced through their journey, 22 percent admitted to struggling to identify the right measures. Only 6 percent of respondents felt that they did not have solutions to track impact but indicated that they were actively implementing solutions that promise to deliver business-focused measurements.





Now consider that today, only 10 percent of marketers are spending their time pulling manual dashboards as 10 percent can see impact in real time—all positive shifts in metrics. But this represents the leading edge and not the norm as the number of marketers who admit that they cannot measure but are working to implement solutions has more than doubled (18 percent), and some 33 percent of respondents admit they are struggling.

This lack of visibility into business impact and effectiveness could be fueling the concern that some marketers have that their jobs could be at risk if customer experience strategies—and even technologies—fail. While 24 percent are sure that their jobs will be on the line if customer experience efforts fail, 52 percent say it is possible, although they also feel that there are factors beyond customer experience that impact marketing success. Interestingly, 48 percent of marketers also think it is possible that their jobs could be on the line if technology investments fail, although 39 percent admit that technology failure won't impact their role at all.

But in reality, as technology powers the ability to develop, deliver and measure the impact of engagements, marketers will likely increasingly worry about the success and viability of new technology implementations as organizations grow weary of technology turnover and the cost of multiple cycles of rip and replace.

As CMOs Look to Close the Expectation Gap, Solution Adoption Slows While “Rip and Replace” Picks Up Speed

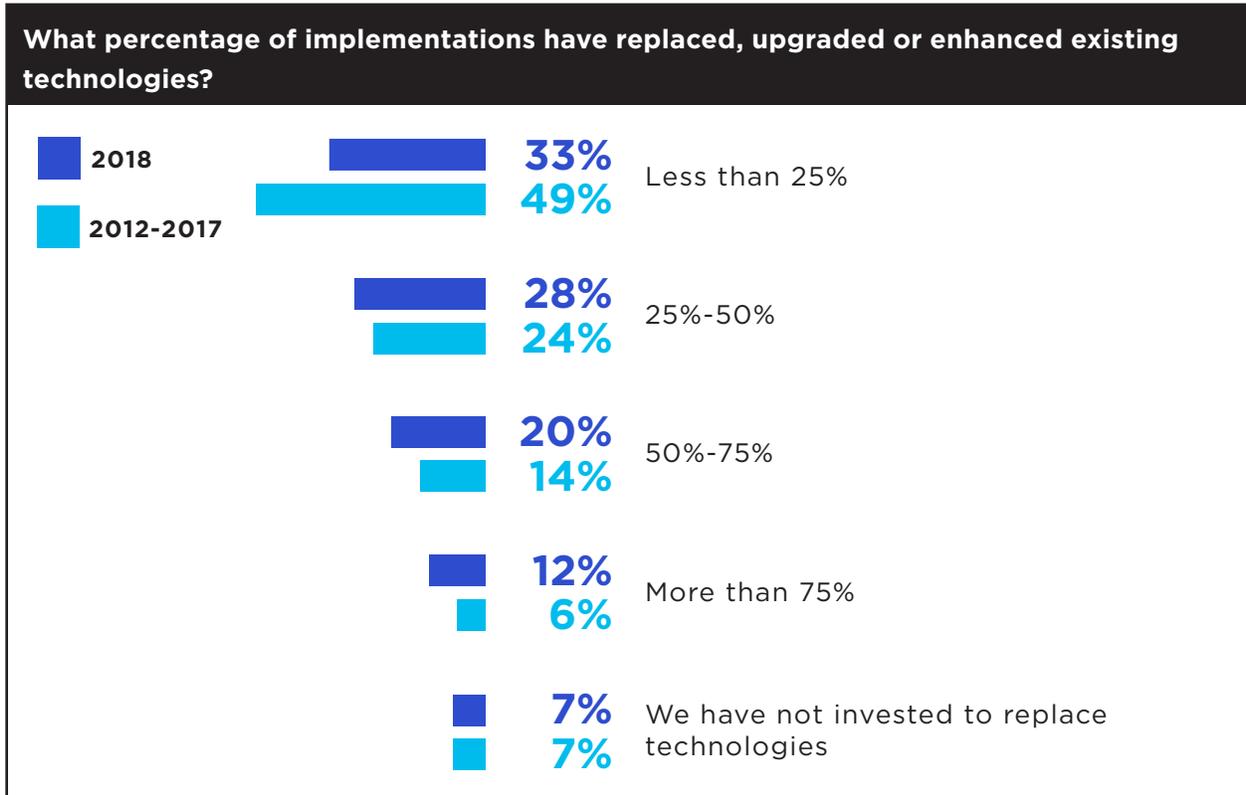
- 78 percent of marketers have implemented a new marketing, data, analytics or customer engagement technology in the past 12 months.
- 60 percent say the new solutions were brought in to replace existing technologies that failed to connect data and channels in the way that was promised.
- Only 17 percent brought on new technologies to accelerate return on customer experience investments.

Marketers are not advancing experience agendas or accelerating results with new technology investments. In fact, the vast majority are trying to catch up or patch holes in a stack that has yet to fully deliver on expectations. And while technology acquisitions may be starting to slow as the frenzy to chase the brightest new tool has started to subside, it is clear that marketers are in a state of constant evolution as the battle between legacy systems and new cloud solutions rages on.

In 2017, when asked how many individual solutions or platforms had been installed in the past five years, 42 percent of respondents indicated that they had installed more than 10 solutions, with 9 percent implementing more than 20 new platforms. This buying trend could very well be showing signs that marketers are turning strategies from acquisition to optimization. When asked about deployments over the past 12 months, 14 percent of marketers have deployed more than 10 platforms, with the majority (48 percent) installing



fewer than five individual tools or platforms. Marketers seem to be making more strategic acquisitions, looking to address more specific issues plaguing their ability to develop and deploy the experiences they intend.



When looking back over a five-year period, 49 percent of marketers believed that less than a quarter of their new technology investments were intended to replace or upgrade an existing technology while a significant number (20 percent) felt that more than 50 percent of purchases were intended to replace existing technologies. When asked about investments over the past 12 months, 48 percent of respondents believed that between 25 and 75 percent of implementations were intended to replace a solution, with 12 percent admitting that more than 75 percent of deployments were replacements or upgrades.

The dominant reason for this push to rip and replace is the lack of connectivity between systems as marketers attempt to manage the fragmentation that they feel is holding back experience optimization and data access. As 60 percent are looking to replace existing technologies that failed to connect data and channels, 39 percent upgraded older technologies.

Interestingly, 39 percent of marketers admit that the customer was a key driver to technology replacement, noting that—because of the expectation for personalized and relevant engagements—new technologies needed to be implemented to close the expectation-



execution gap. This push to close the gap is also reflected in the desire to bridge gaps in the customer journey by leveraging enhanced tools and technologies to deliver a more holistic and connected journey for customers.

The Drive to Meet the Customer Has Marketers Shouting, “Let’s Go!”

- 58 percent believe the need to provide deep relevance and contextual experiences that are meaningful and valued by an individual customer is driving advancement and innovation.
- 50 percent define “real time” as an immediate and automated action that does not require human intervention.

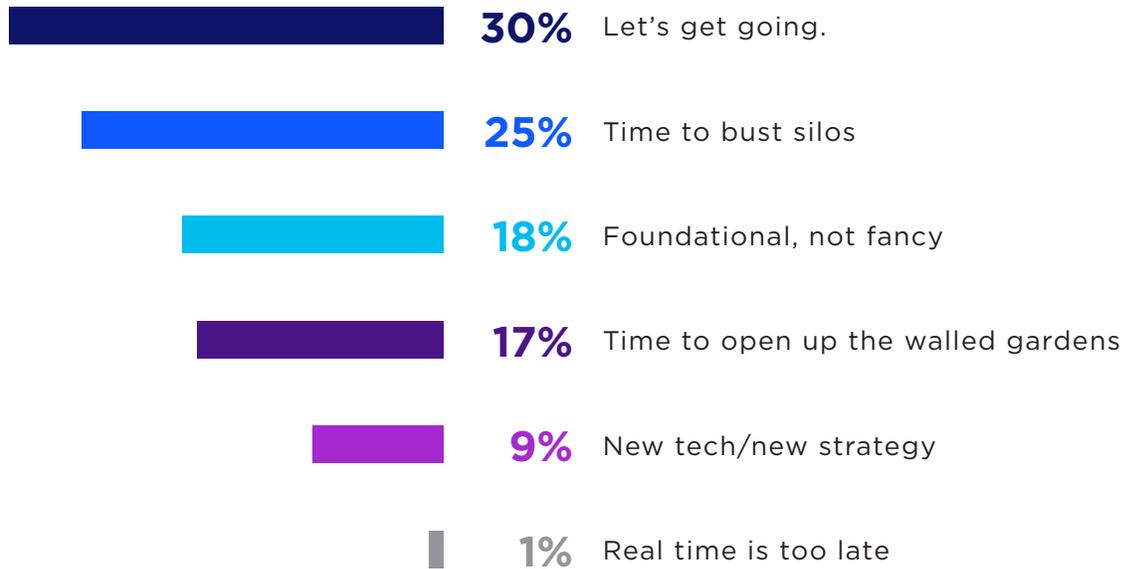
Marketing is focused on the customer—delivering relevant and contextual experiences, meeting that customer wherever and whenever the customer defines, and moving beyond a basic understanding of customer preference and, instead, anticipating customer needs. Yet despite previously indicating that a crucial part of advancing a single view of the customer is to connect known and unknown users across all channels, only 11 percent of marketers believe that bridging this gap and creating an enhanced customer profile is an innovation that is advancing the ability to deliver on customer experience strategies.

Marketers are also less inclined to look to the competition as a driving force of advancement as fewer than one in four marketers believe that delivering differentiated experiences from those of their competitors is a force of change. This is likely a response to a new reality: Delivering on a data-driven, customer-led, individualized, real-time experience is no longer a point of differentiation...it is the baseline of engagement that customers expect. And it is clear that many marketers believe that their organizations are struggling to meet this new foundational need.

This challenge is shaping marketer intentions for the year ahead as most are looking to making shifts across data and analytics and develop a deeper, more contextual understanding of the customer in order to deploy more relevant engagements. The majority (63 percent) of marketers plan to focus attention on applying knowledge about customers to reshape communications and engagements with customers. In addition, marketers plan to improve analytics capabilities in order to gain a more contextual understanding of the customer (55 percent), connect engagement systems across all touchpoints—including those outside of marketing’s ownership (45 percent)—and will forge improved cross-functional partnerships to better align the strategy across all touchpoints (35 percent).



What best fits your outlook for the coming year?



Intentions to transform are fueling a sense of anticipation and eagerness to get moving. Rather than spending time replacing and optimizing the stack, marketers' outlook for the year ahead can be characterized by more action than planning. According to 30 percent of marketers, they want to get going and start to advance with the people, platforms and processes in place today. Only 9 percent intend to overhaul both technology and processes, acknowledging that no amount of new technology can save bad strategy. One in four leaders is picking up the proverbial hammer and advancing their role as the change agent by becoming the organizational silo-buster, believing that by deepening cross-functional partnerships, a connected engagement stack will connect teams, data and the opportunities to better engage with the company's customer.



CONCLUSION

Quickly Shifting From Intention to Action

What becomes clear—thanks to the marketers who shared their insights through this study—is that the time for developing strategies and luxuriating in five-year plans for deployment and optimization is over. Today is the day that transformation must start, take hold and continuously improve. In order to bridge the gap between customer expectations and customer experience strategies, marketers must intentionally close gaps across journeys and technologies.

But perhaps the real call to action is not as much about closing gaps as it is about building bridges over them to connect existing systems and engagements so that customers and their data can safely connect and continue on their path. This new era of engagement readiness is less about starting from a point of perfection and more about focusing on how a best-of-breed solution can enable a quick start today.

Marketing leaders admit, albeit not directly, that they are stuck in a vicious cycle:

- Points of customer engagement fail to connect, and organizations struggle to meet customers wherever and whenever the customer chooses to advance or accelerate their path to purchase.
- Systems holding customer data and intelligence fail to connect, and organizations struggle to understand the behaviors and queues that indicate everything from moments of delight, moments of friction and even moments of decision when a prospect shifts to a purchasing customer.
- Segmentation strategies fail to consider the behaviors, intentions and context of customers and are forced to only factor baseline demographic, geographic or out-of-date transactional insights, pushing campaigns that are crafted with the best experience intentions into a category of irrelevance.
- Metrics fail to connect moments of engagement to the bottom line, calling everything from spend to marketing impact into question and forcing marketers to reinvestigate every point of customer engagement.

All the while, competitors—who are already in motion—continue to advance and evolve engagements and experiences, further driving expectations for personalization, context and connectivity with customers. Next-best actions are being predictively served. Relevant content and offers are being delivered in real time. New expectations for service and availability are being established as standard-bearers and no longer seen as perks.

The time for slow-moving strategies that close gaps and mend fractures must start to give



way to rapidly accelerated bridges that can quickly connect without the pain and time needed to reach perfection. Organizations must ask whether they are transforming the customer experience by starting where they stand or standing still in search of perfection. Can we build a single point of control for our data instead of rebuilding a single system of operations? Can gaining intelligence about how campaigns, initiatives and experiences are orchestrated also deliver intelligence about our customers themselves?

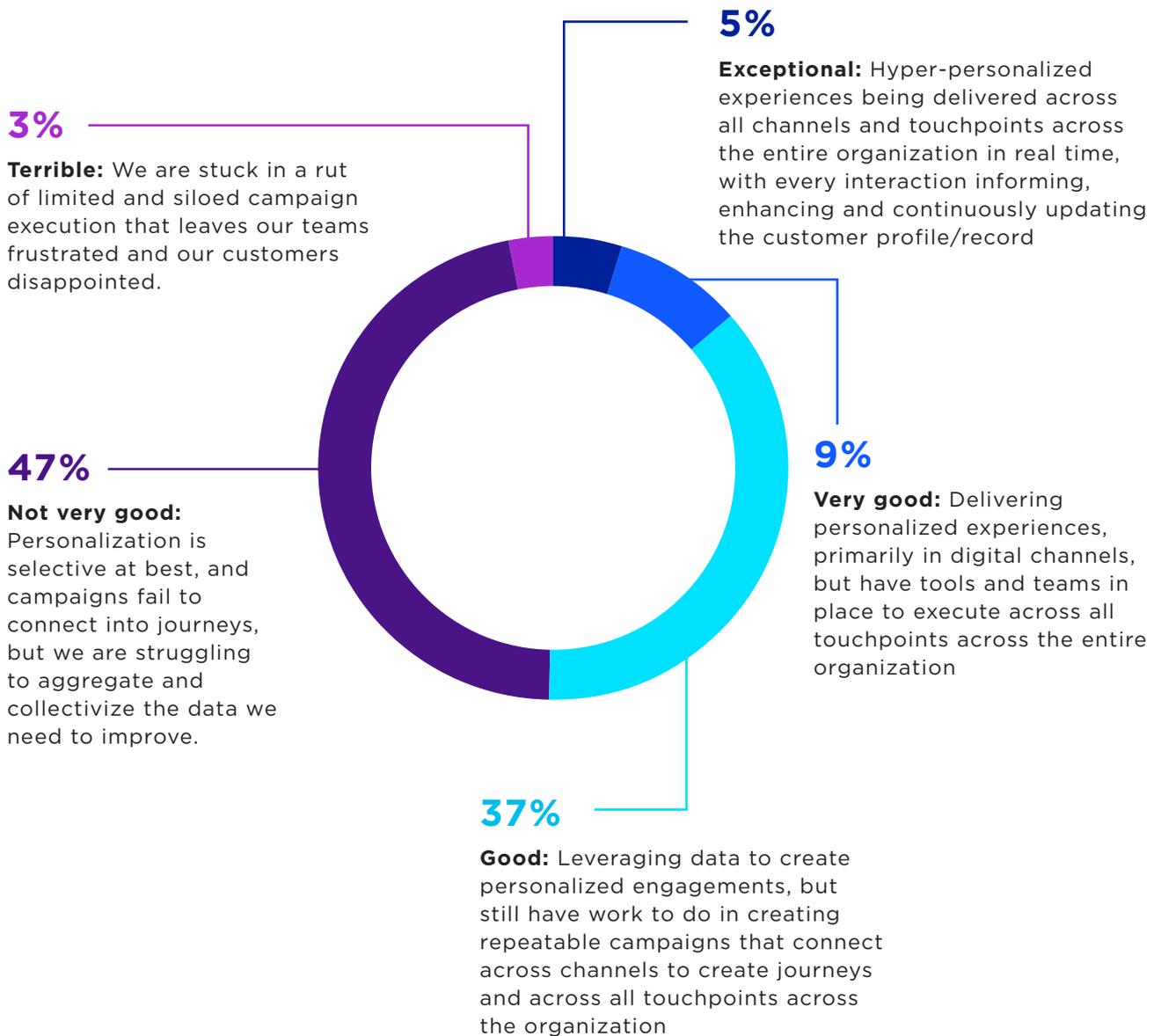
The golden record—defined by our partners at RedPoint Global as a persistent, continuously updated, unified record of all customer data over the entire lifecycle—is possible. And with it, it is possible to match the pace, cadence and expectation for engagement that our customers have and will continue to evolve over time. There is no more time to wait to take the first step. So, to quote the respondents to this study: Let's get going.



DETAILED FINDINGS

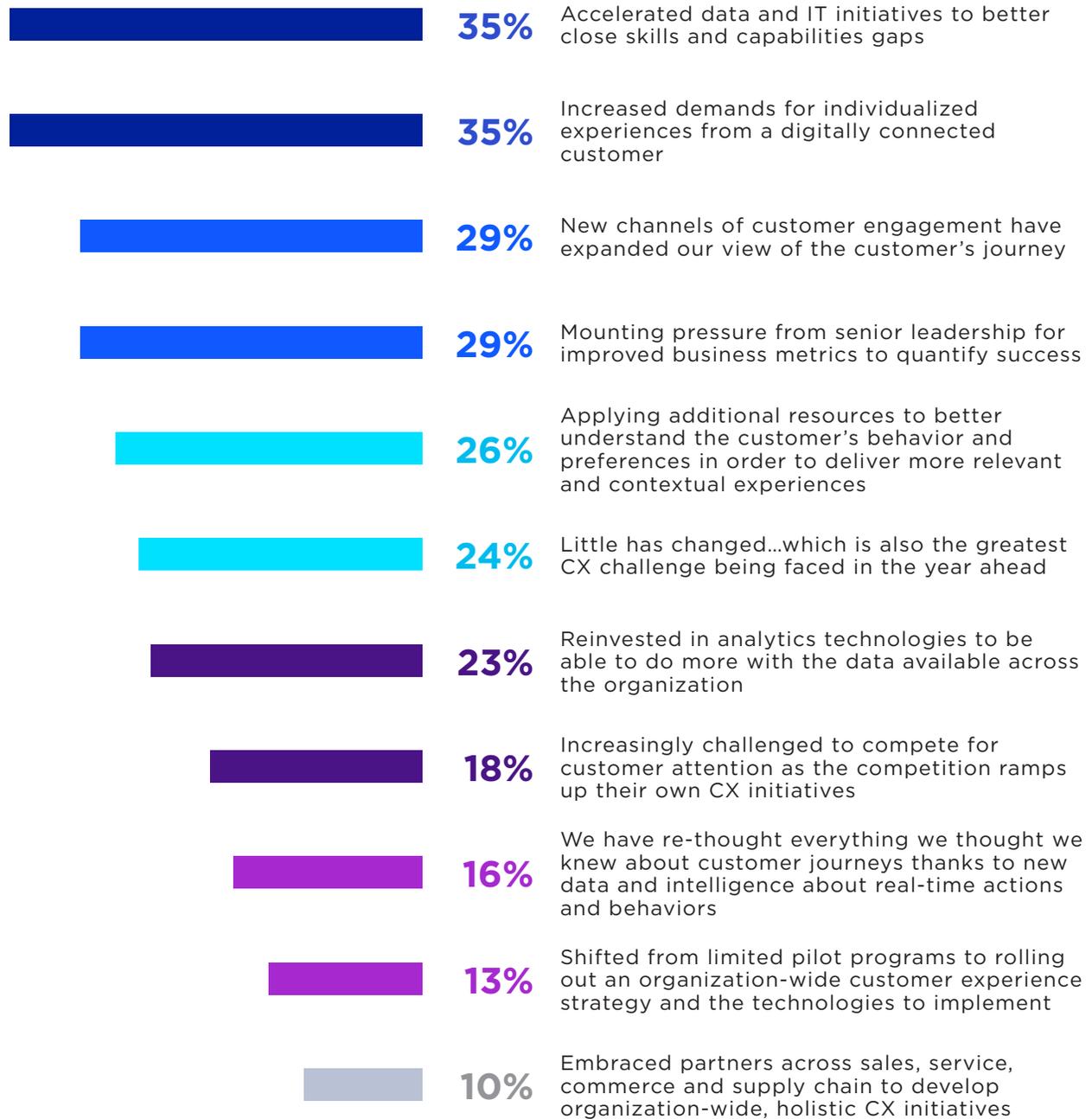
ORGANIZATIONAL READINESS AND MATURITY

Q1 - Rate the overall state of your organization's customer experience:



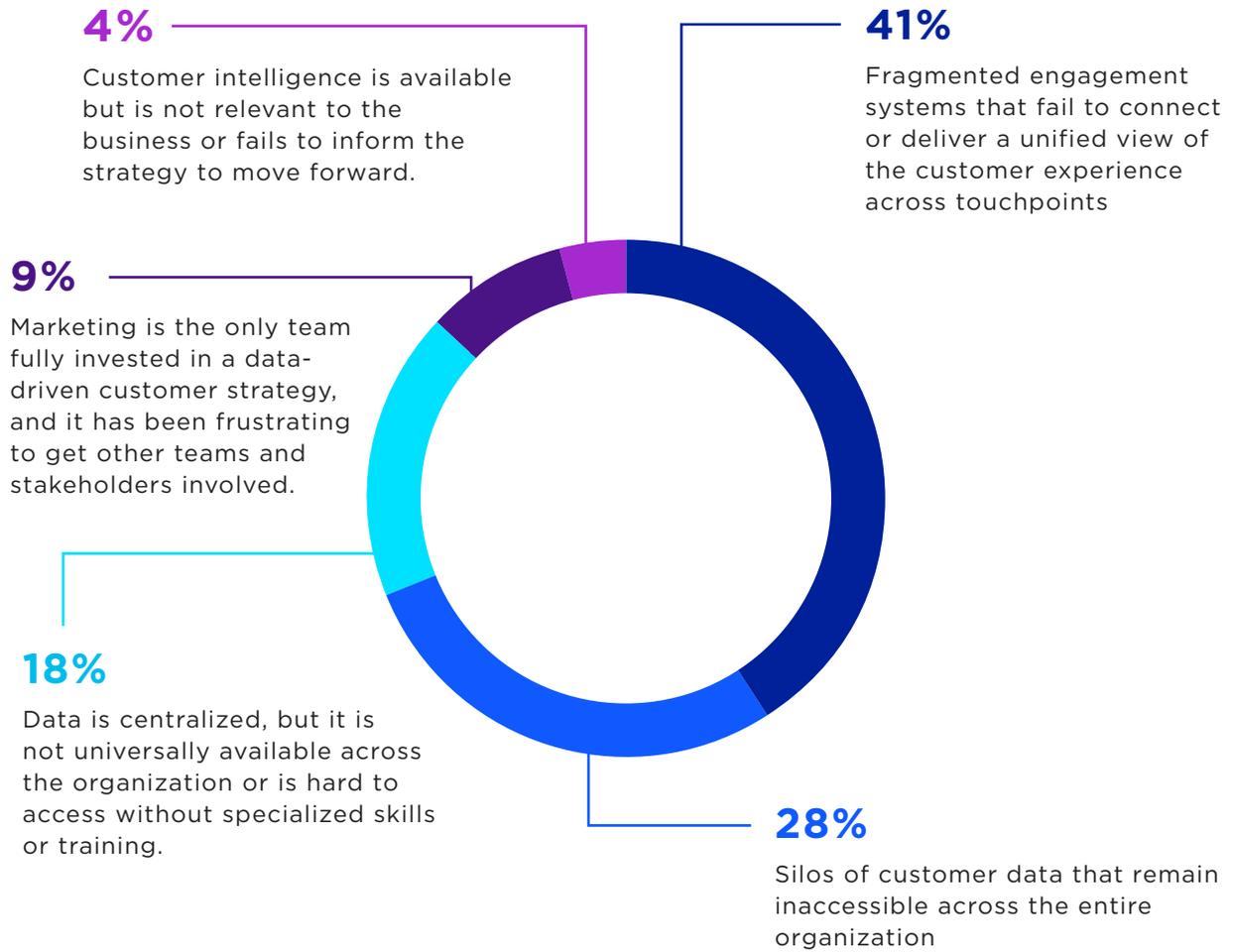


Q2 - How have your customer experience and engagement strategies changed in the past 12 months?



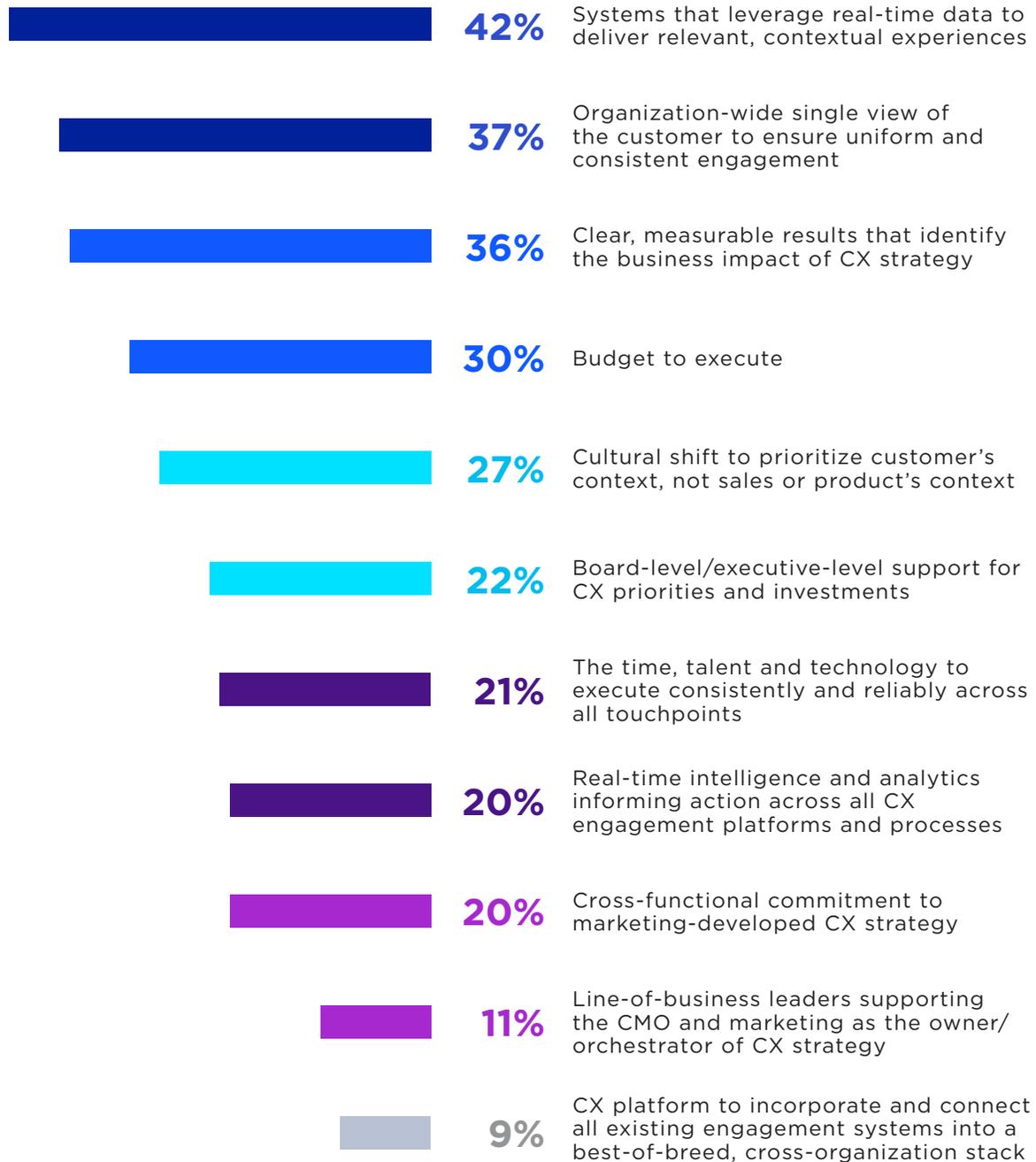


Q3 - What has proven to be the biggest gap between your data-driven customer experience strategy and the execution of that strategy across all customer interaction channels?



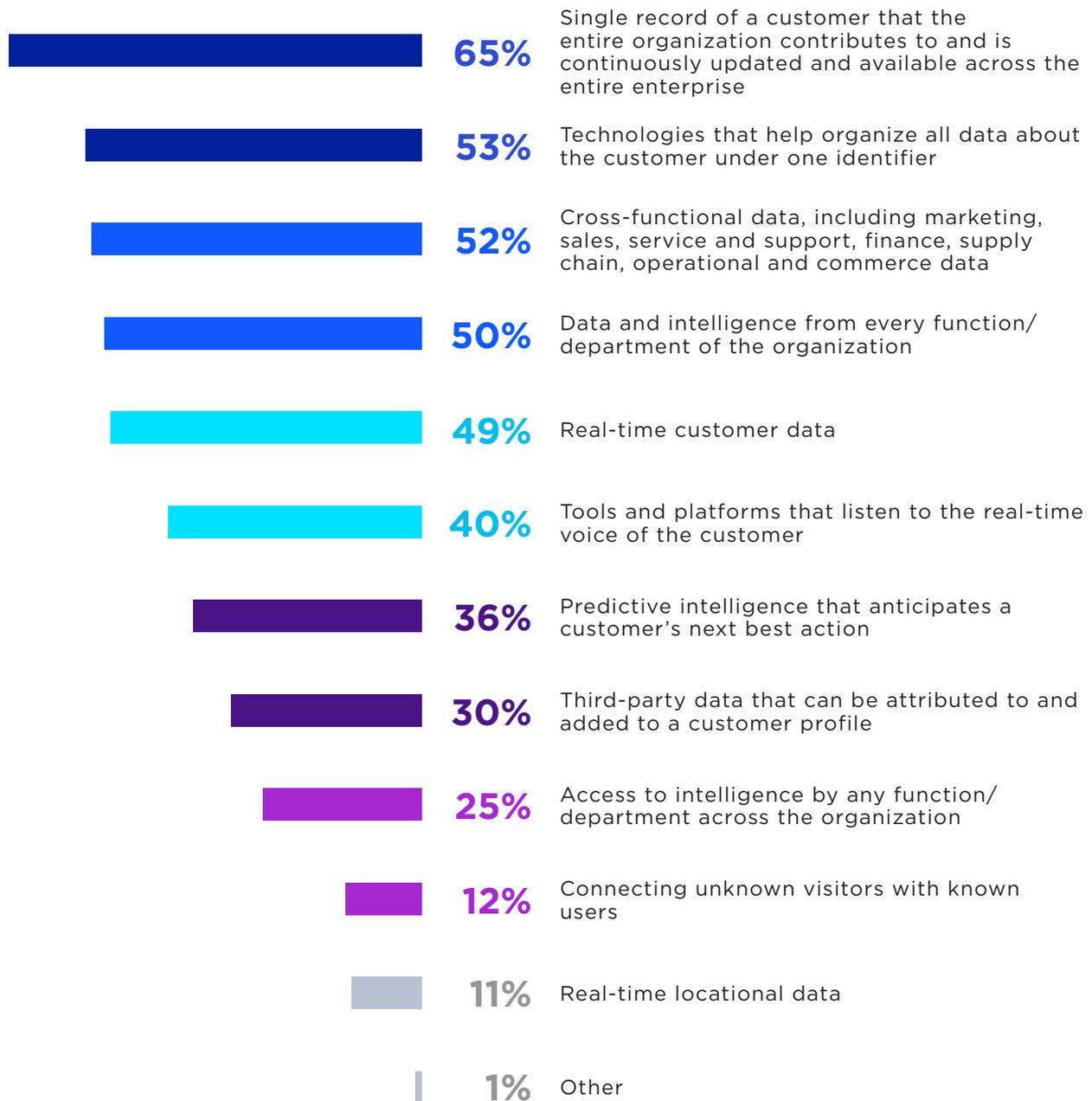


Q4 - What is required to successfully ensure the consistent delivery of the customer experience strategy outlined by the chief marketing officer and marketing team?



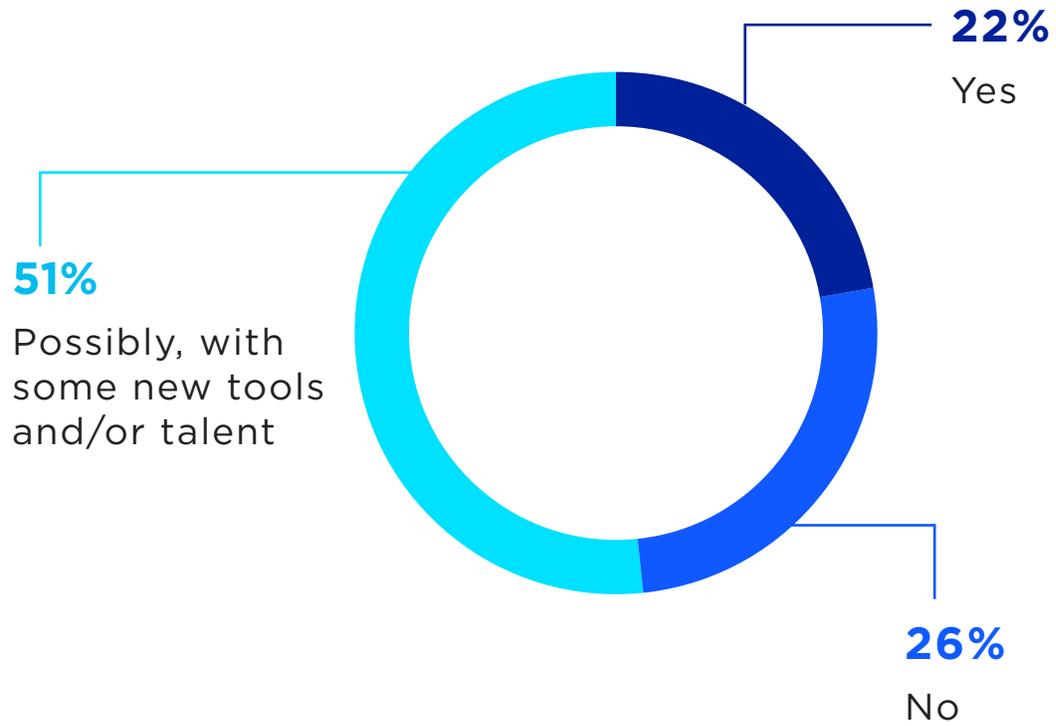


Q5 - What is required to achieve a single view of the customer?



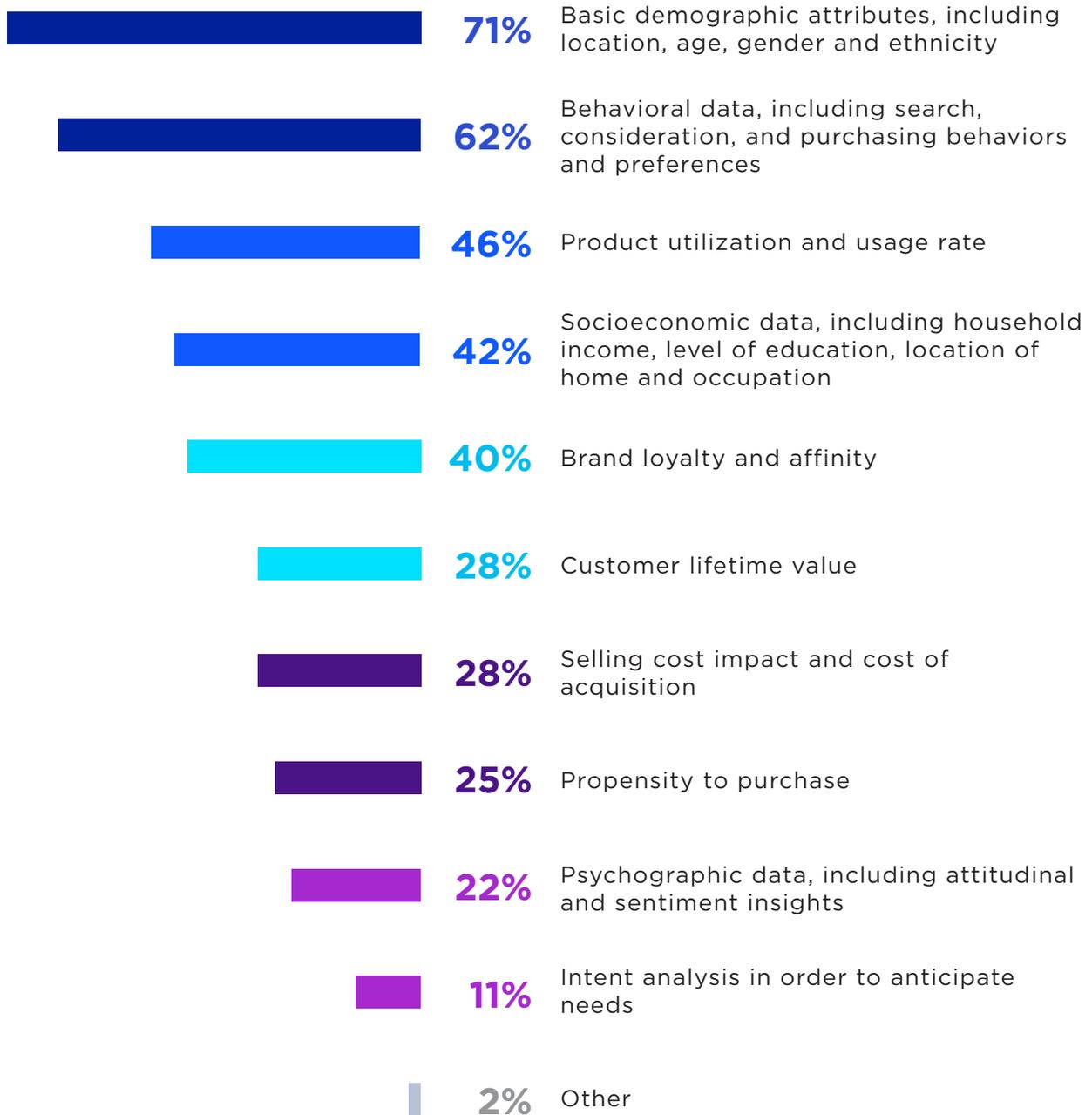


Q6 - Is this single view of the customer realistic and attainable for your organization today?



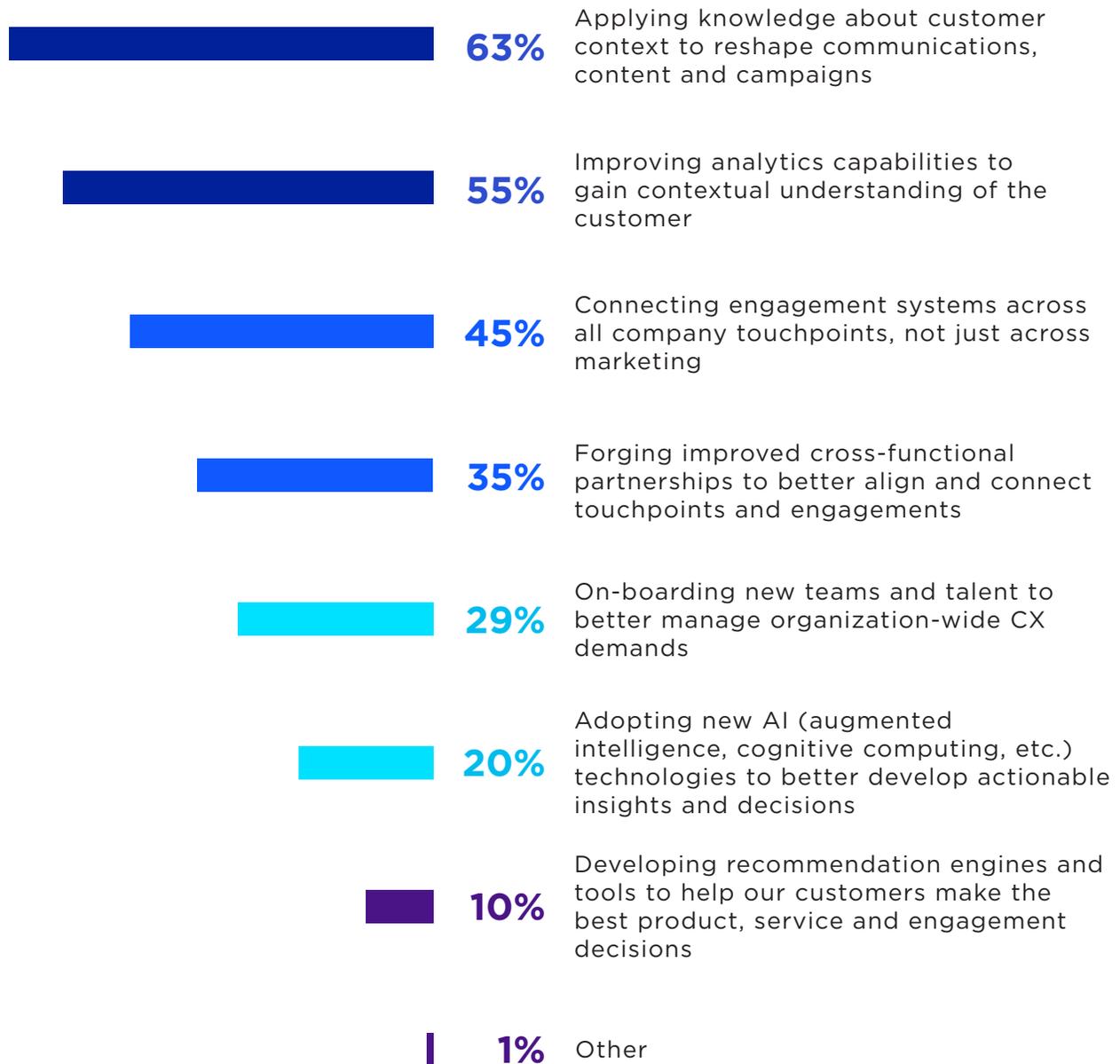


Q7 - What attributes are being used in your segmentation strategy? (Select all that apply.)



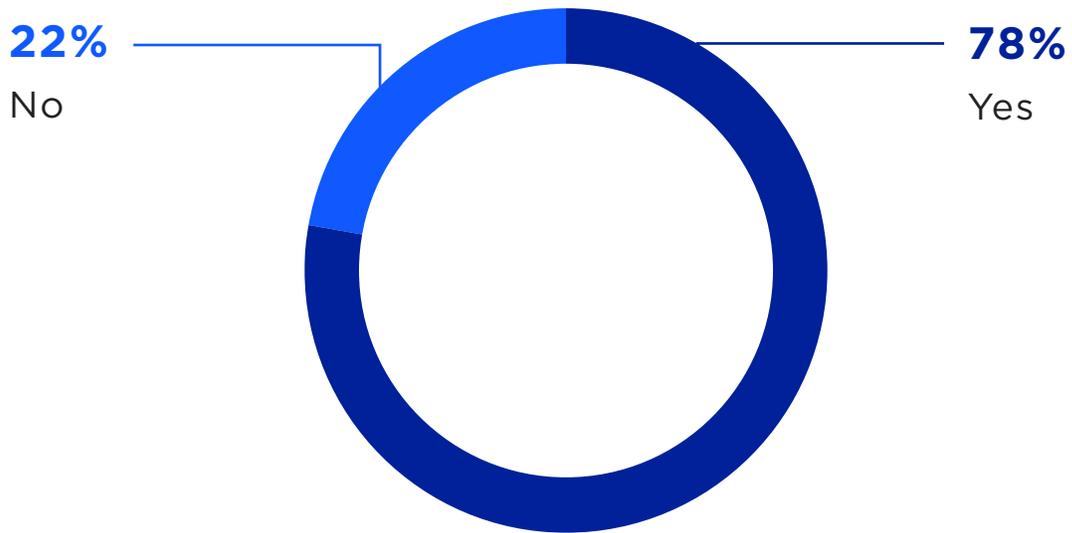


Q8 - Where will you focus attention in the coming year to advance CX strategy and improve CX outcomes across the organization? (Select top three)



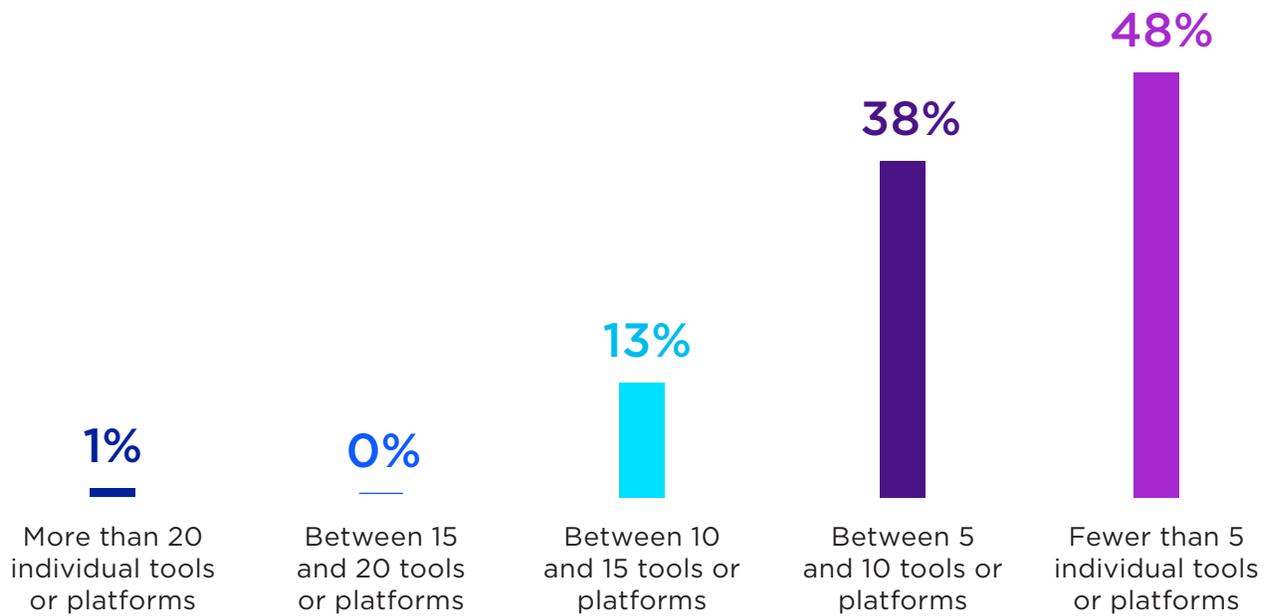
TECHNOLOGY AND SOLUTIONS

Q9 - Have you implemented any new marketing, data, analytics or customer engagement technology platforms or solutions in the past 12 months?



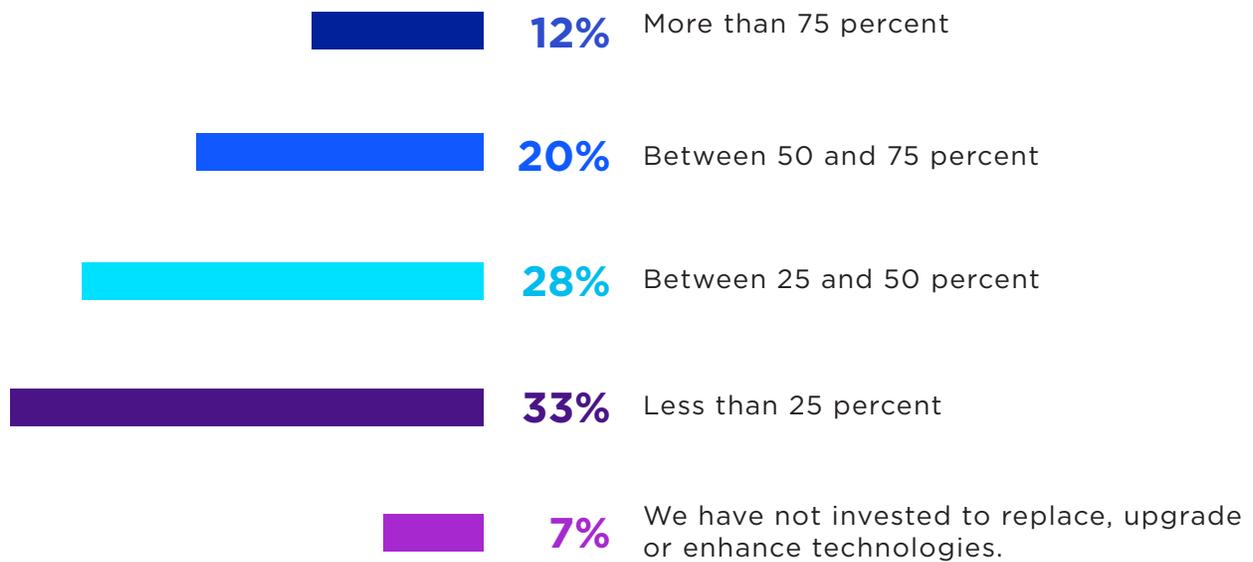


Q10 - If yes, how many individual solutions or platforms would you estimate have been installed in the past 12 months?



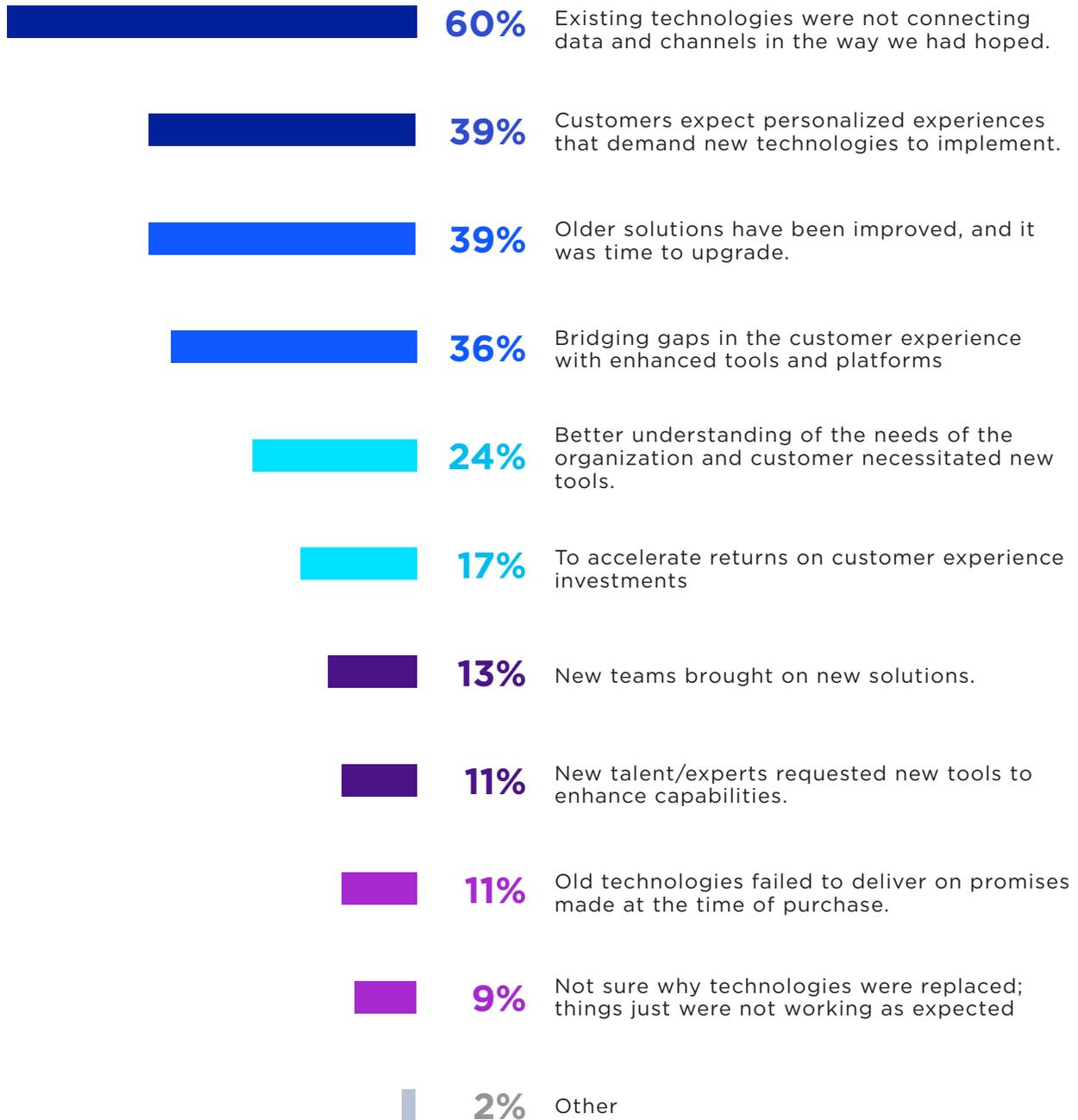


Q11 - What percentage of these implementations have been done to replace, upgrade or enhance an existing technology (versus onboarding a completely new type of solution)?



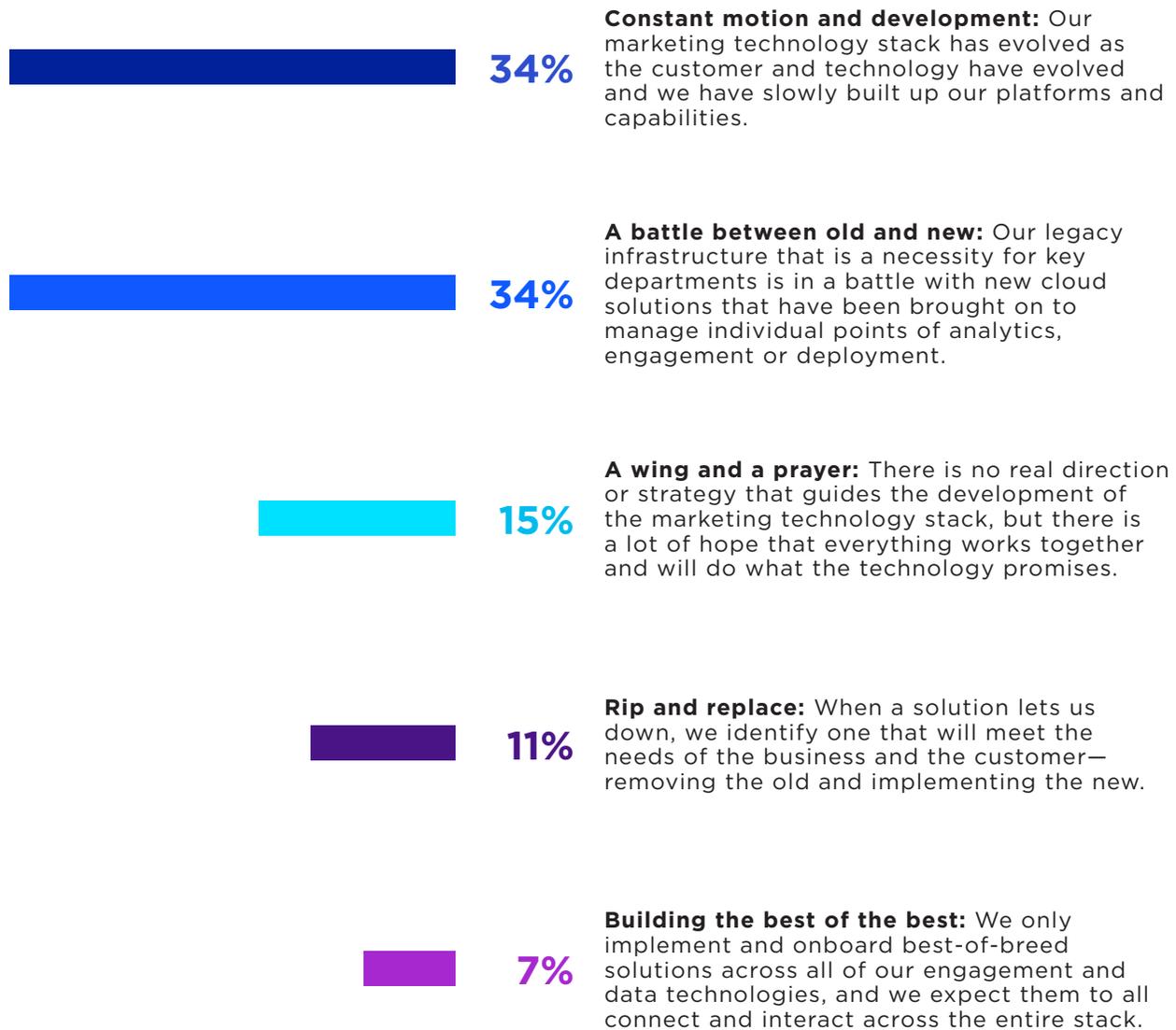


Q12 - Why were new solutions needed to replace, enhance or upgrade existing technologies? (Select top three)



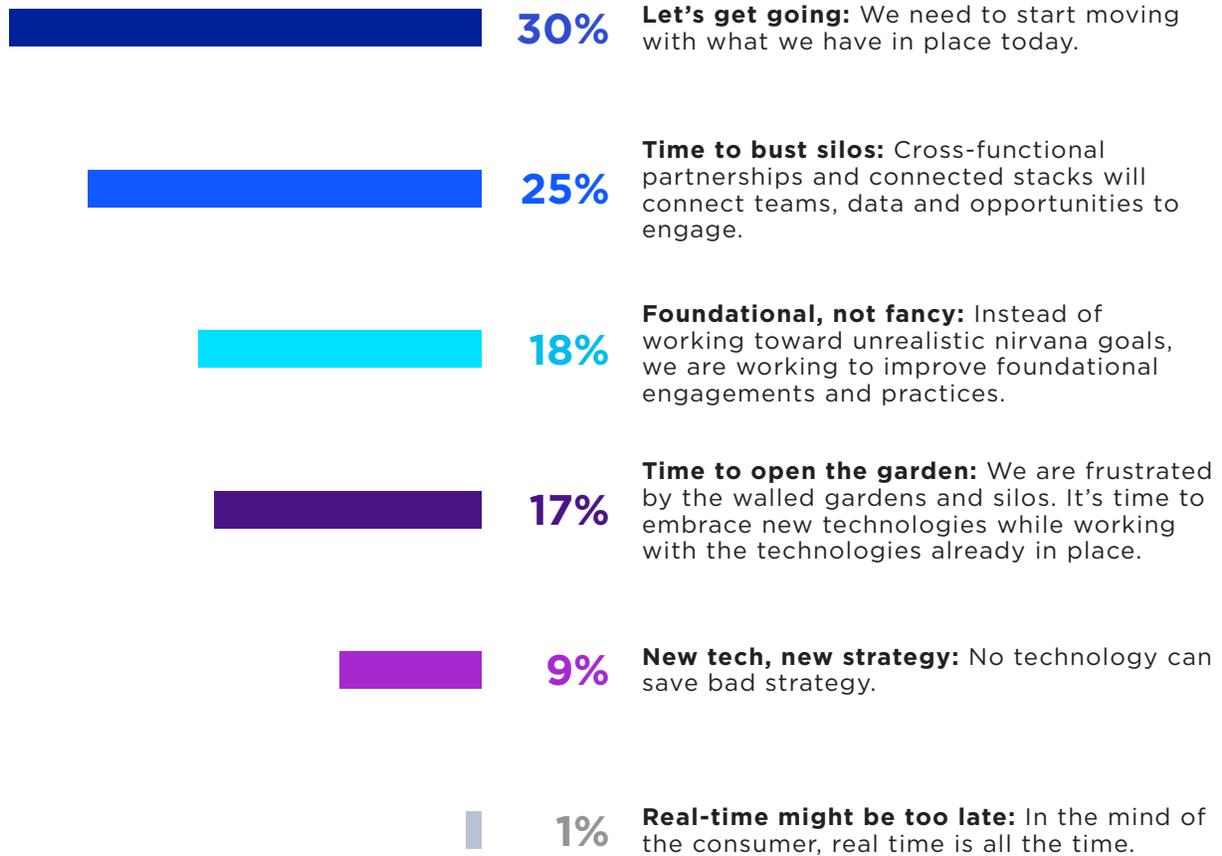


Q13 - What is the organization's mindset for developing and managing marketing and engagement technologies?



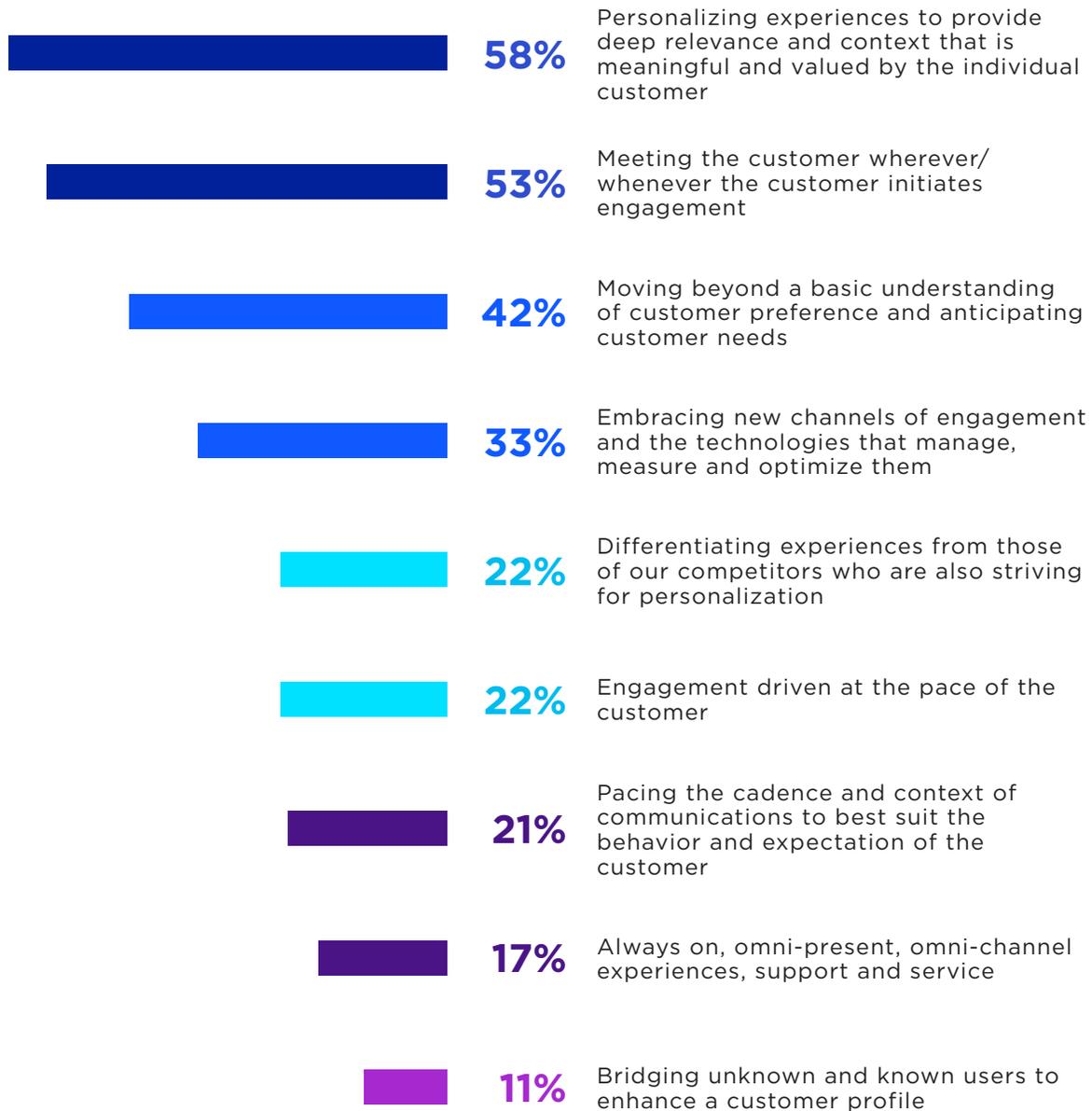


Q14 - Thinking of the marketing, analytics and customer experience technology investments the organization has already made, what statement best fits your outlook for the coming year?



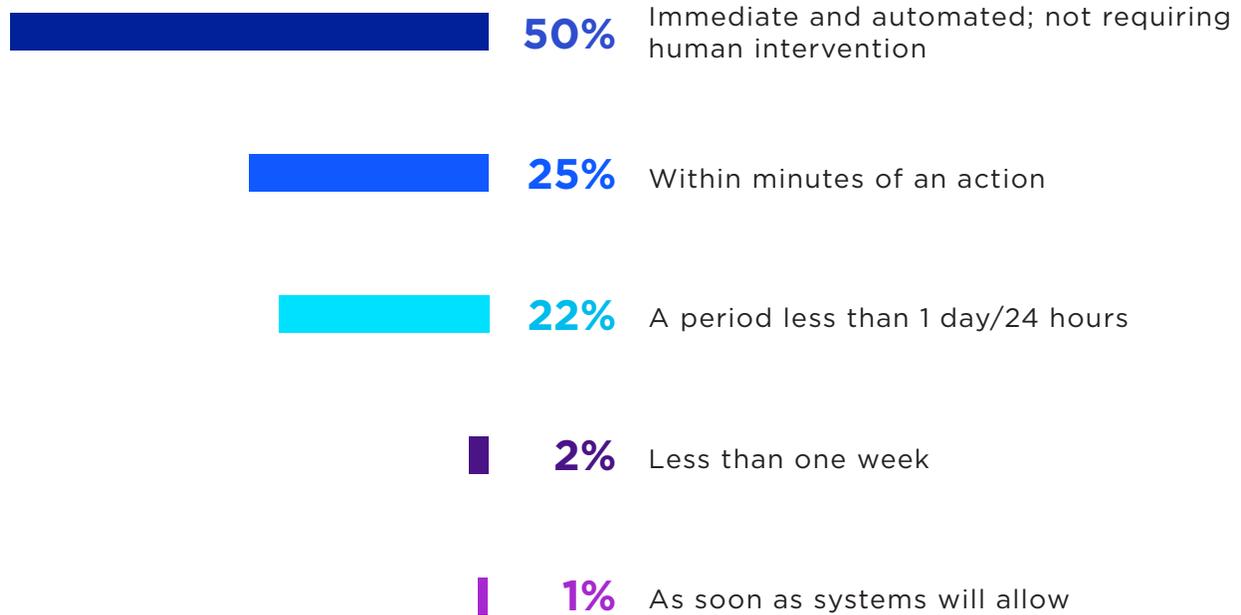


Q15 - What customer engagement requirements are driving advancement and innovation in today's customer experience strategy? (Select top three)





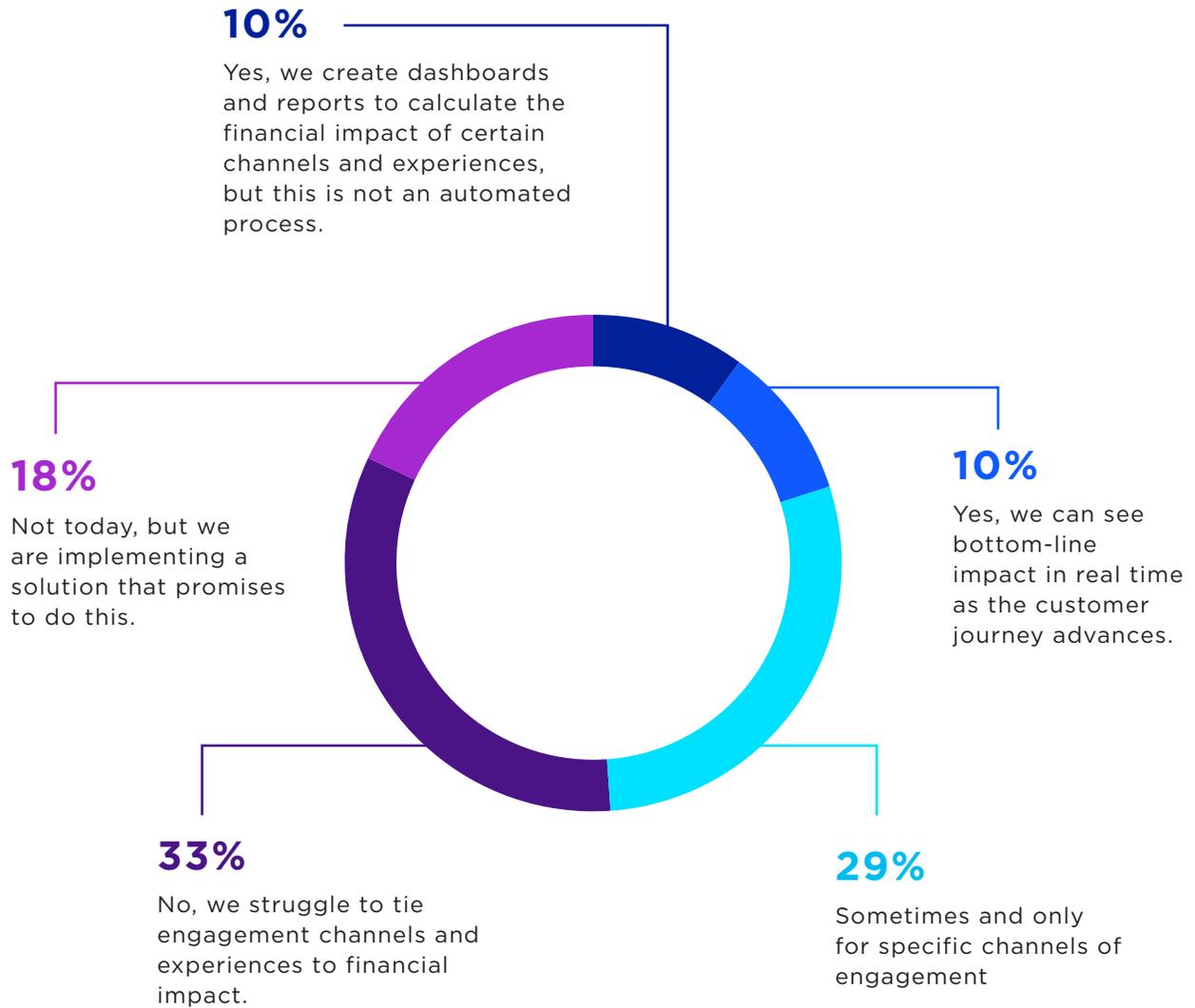
Q16 - In order to keep pace with the expectations of customers and customer experience, marketers point to the need for real-time intelligence to power real-time experiences. How do you define “real time?”





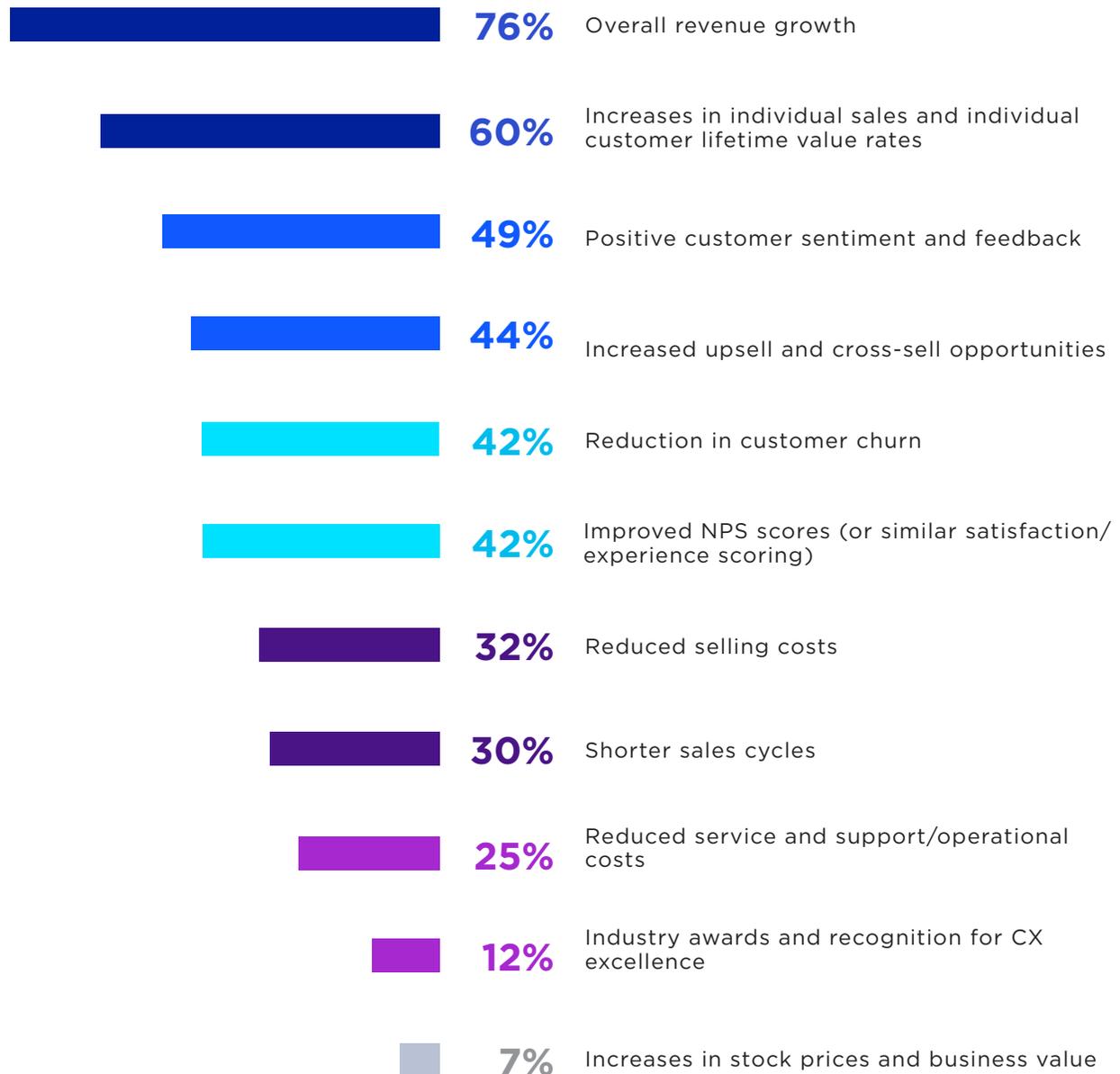
MEASURING SUCCESS

Q17 - Are you currently able to tie financial impact to specific channels of engagement or experiences?



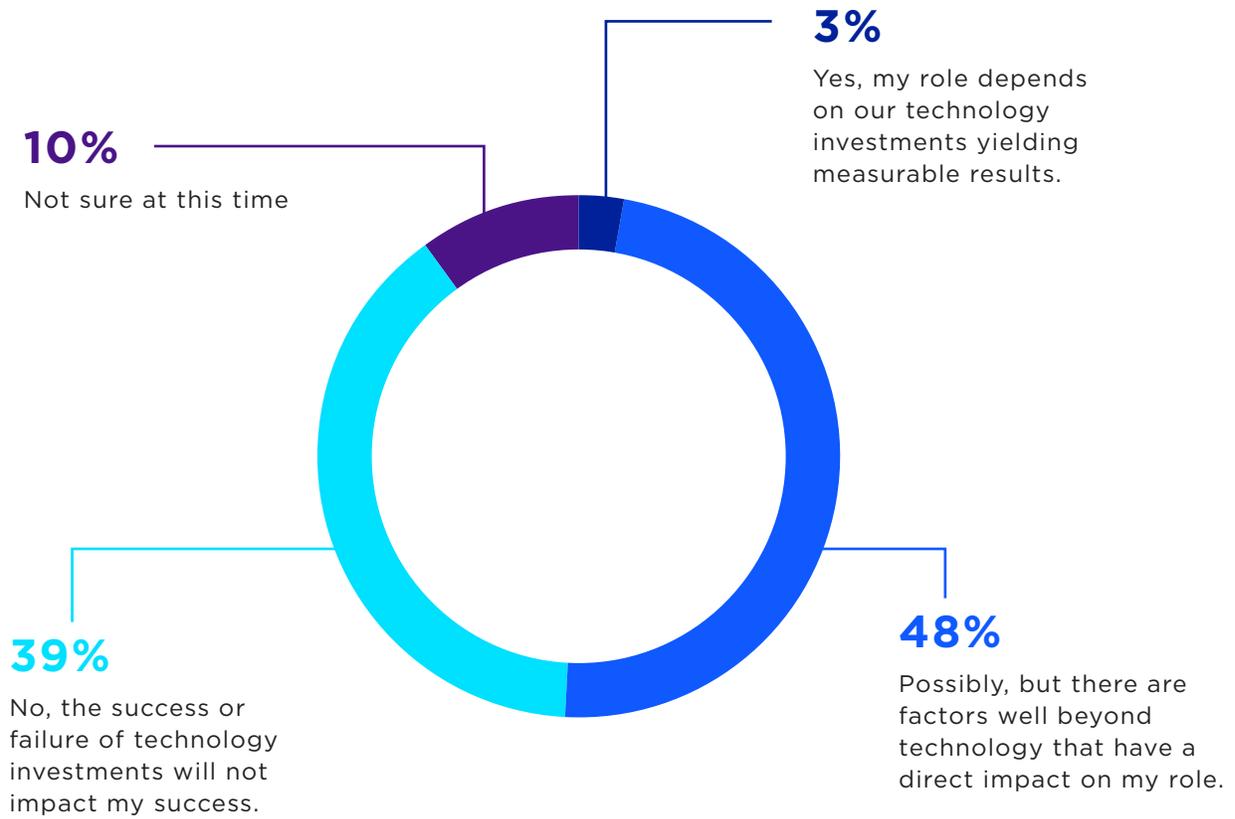


Q18 - How will the organization define success for your CX strategy and investments?



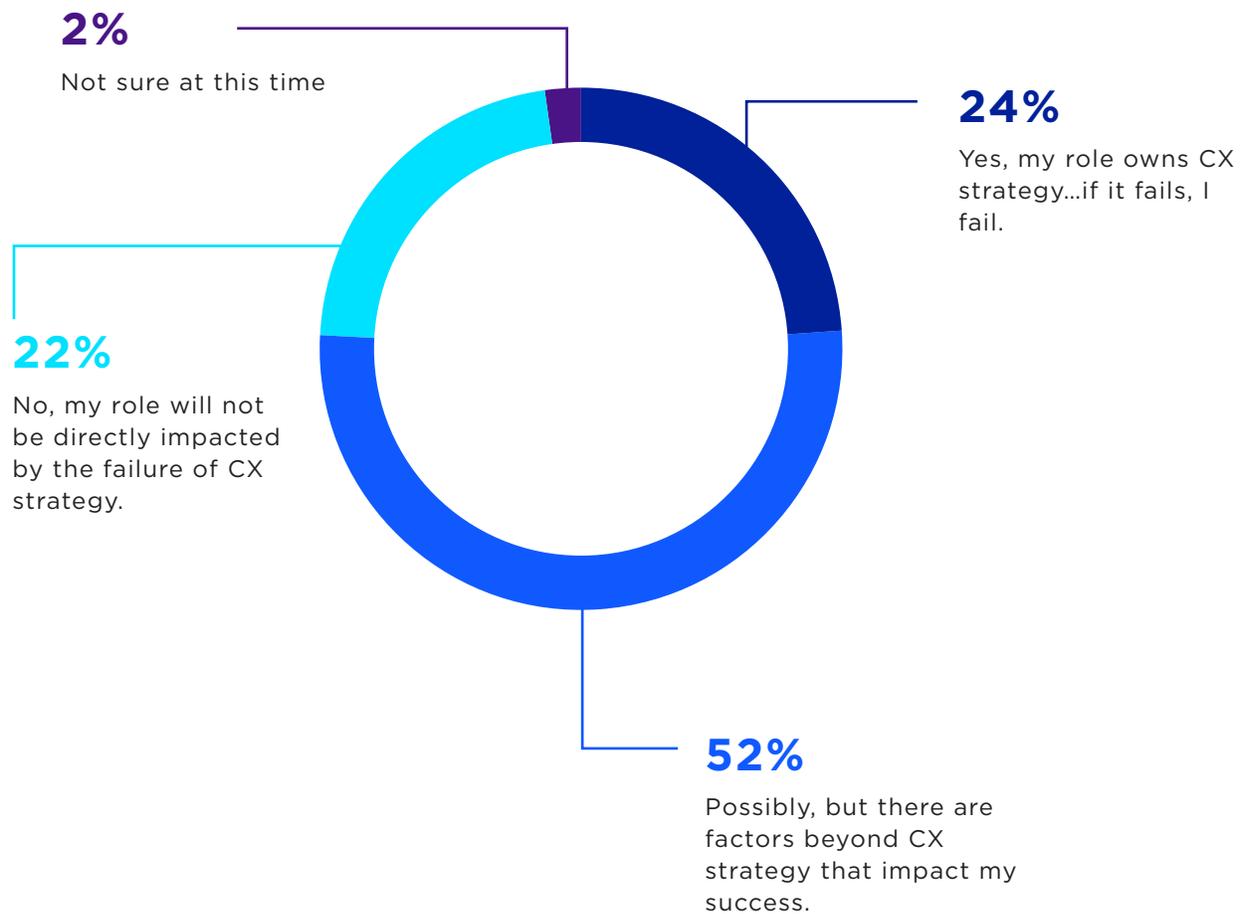


Q19 - Do you feel your job will be at risk if technology investments fail to meet expectations?





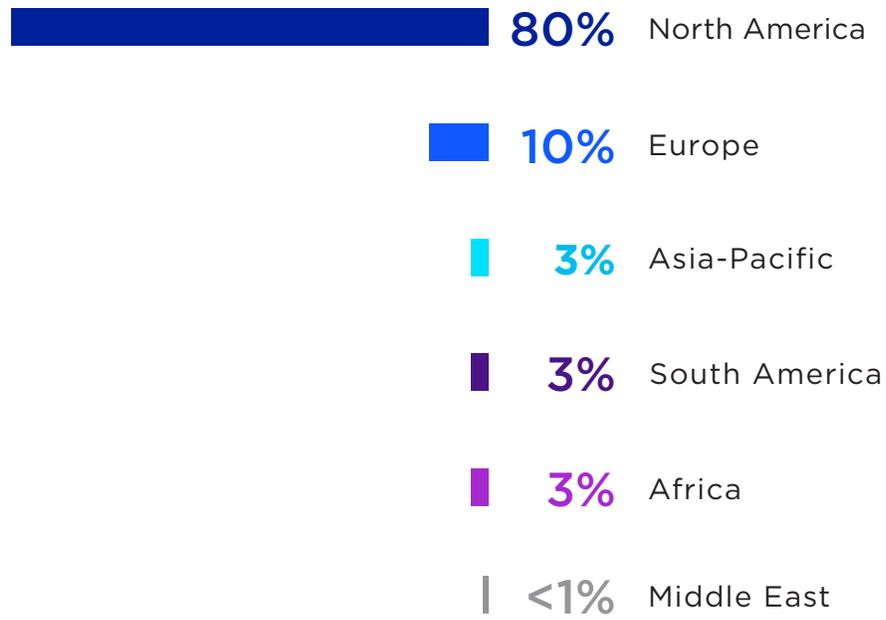
Q20 - Do you feel your job will be at risk if CX strategy fails to meet expectations or yield measurable results?





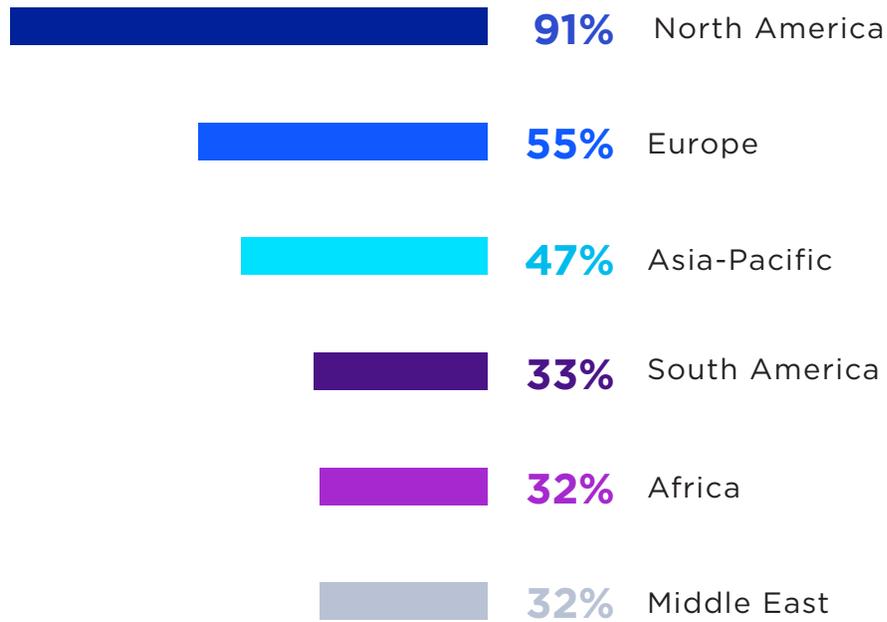
DEMOGRAPHICS

Q1 - In which region are you and your marketing team located?



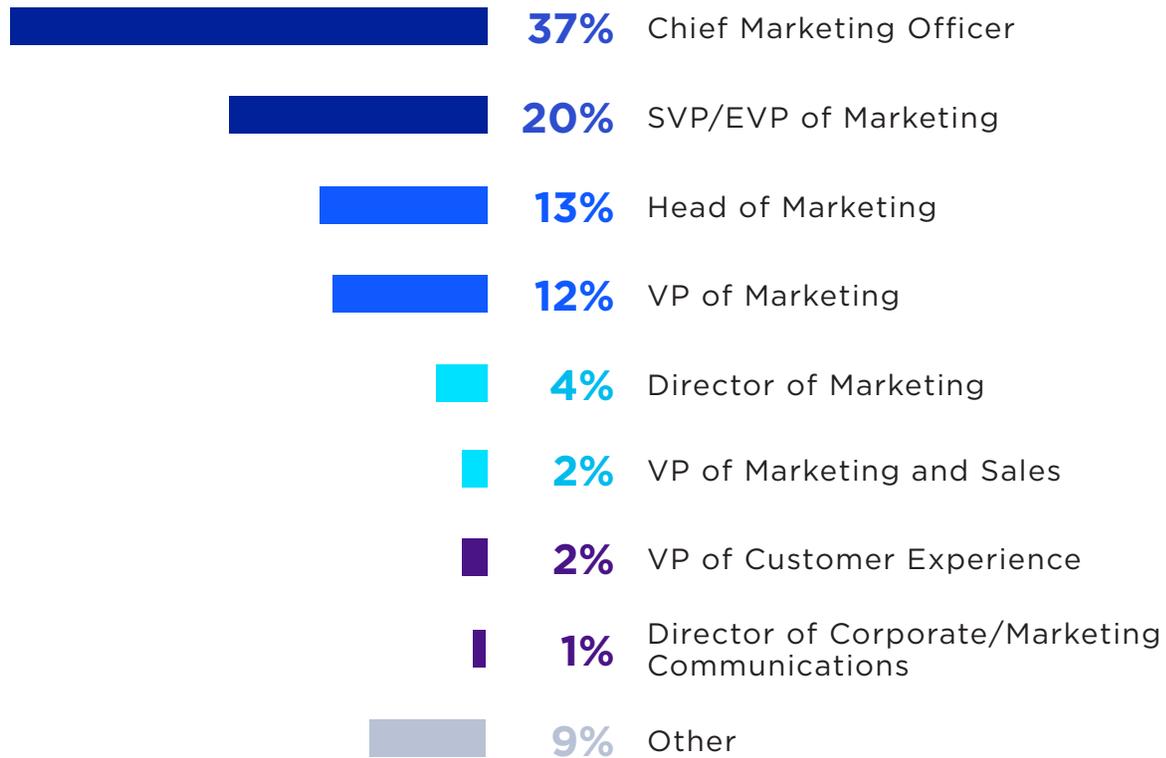


Q2 - In which regions does your company operate?



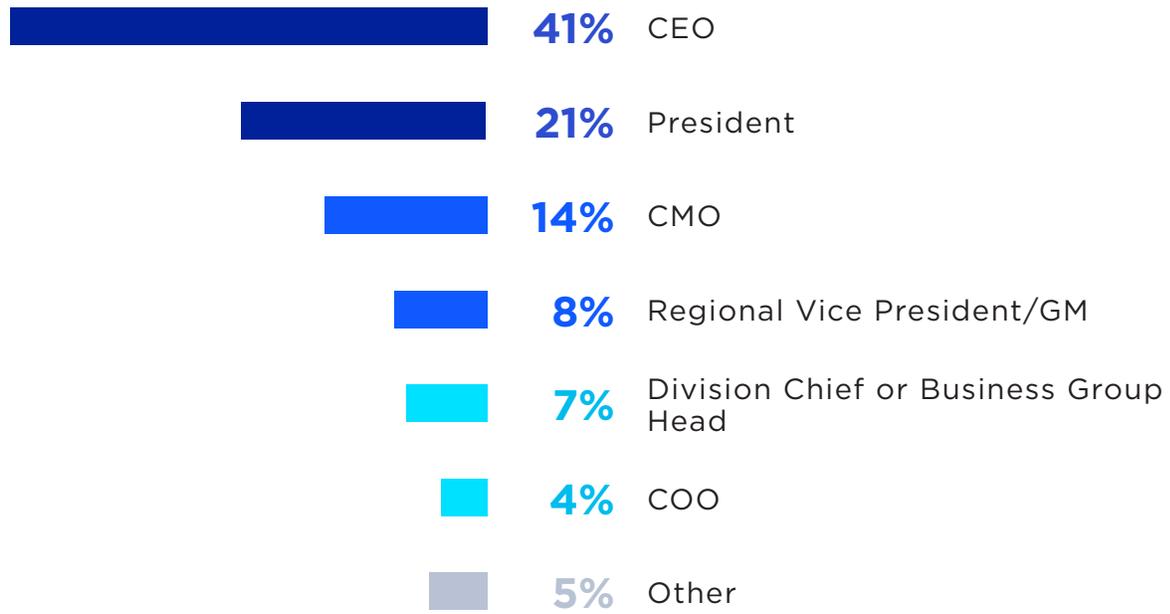


Q3 - What is your title?



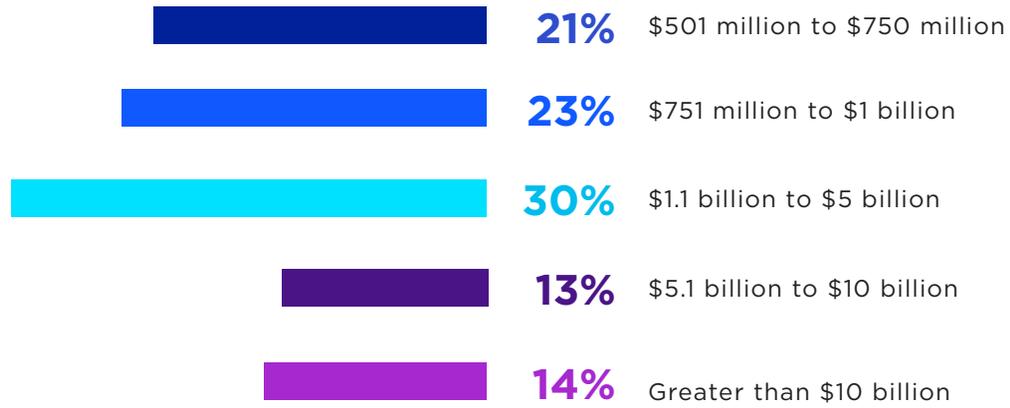


Q4 - To whom do you report?

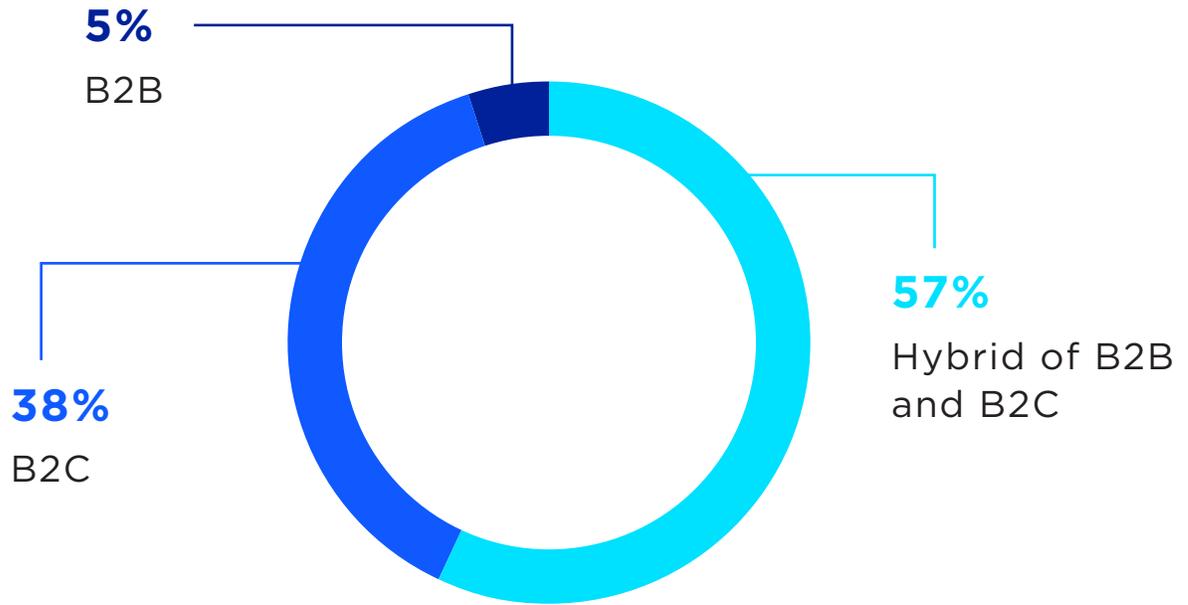




Q5 - How large is your company?

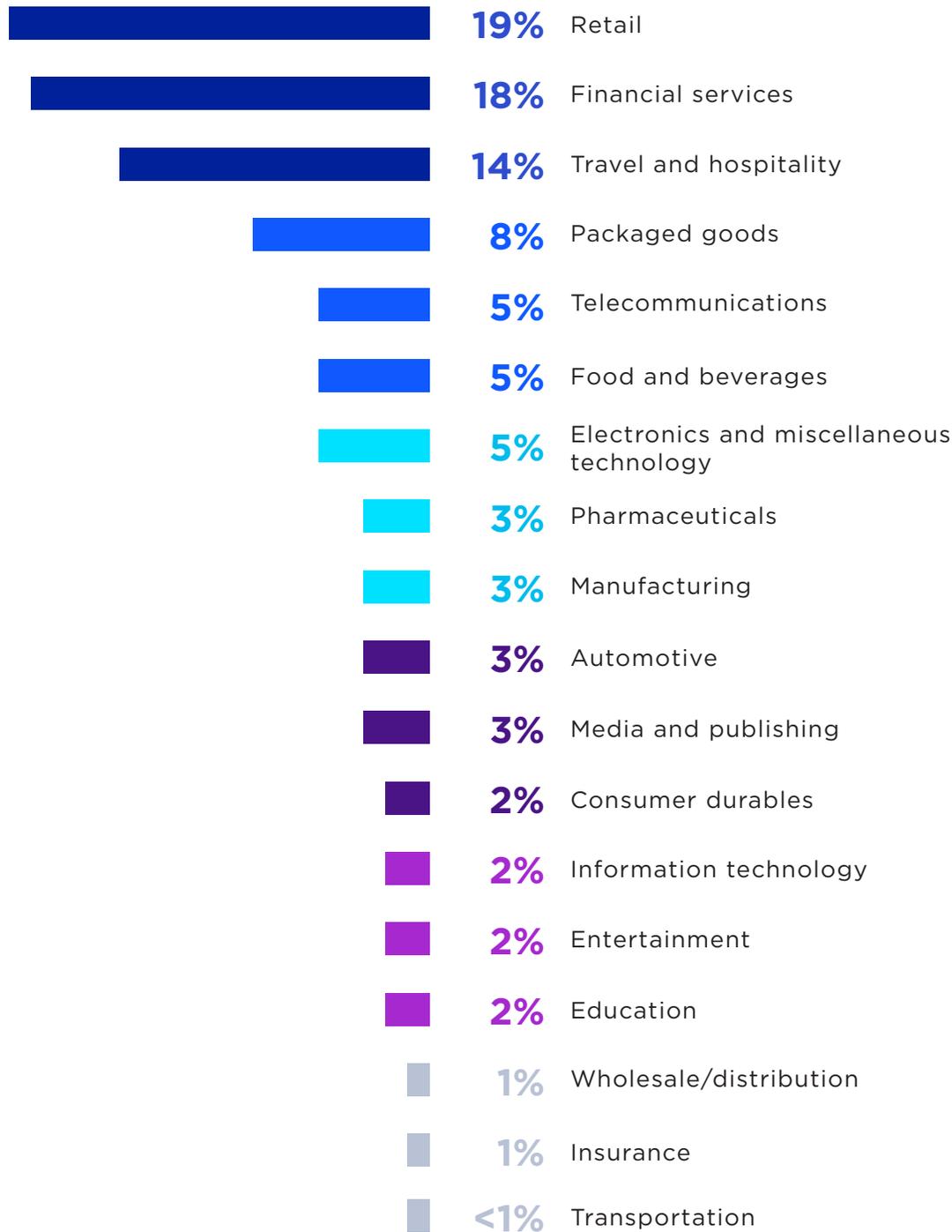


Q6 - What best describes the focus of your business?



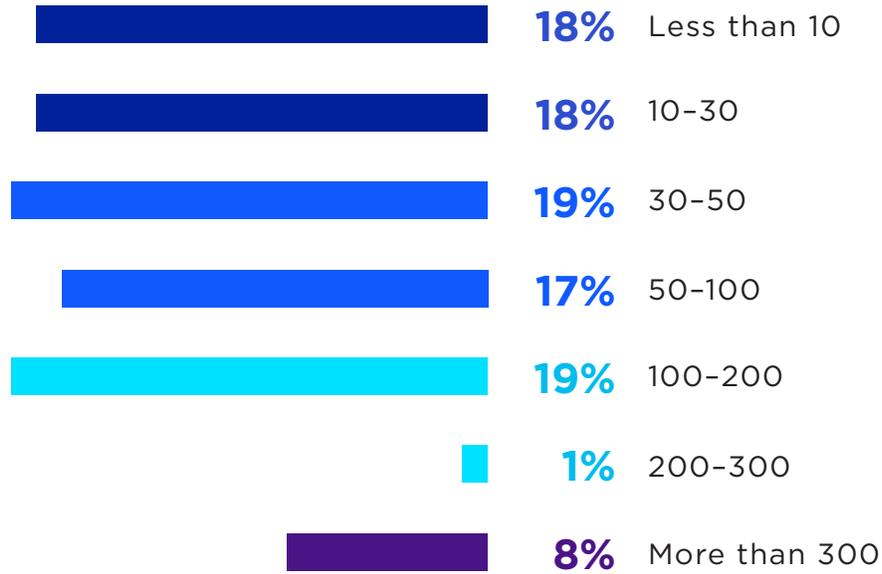


Q7 - What best describes your company's industry sector?





Q8 - How large is your global marketing staff/team?





EXPERT PERSPECTIVE

TO ATTRACT, GROW AND RETAIN CUSTOMERS, ORGANIZATIONS MUST DELIVER HIGHLY RELEVANT AND PERSONALIZED CUSTOMER EXPERIENCES



JOHN NASH

Chief Marketing and Strategy Officer

RedPoint Global Inc.



Today's consumers are more digitally savvy than ever, and with that come heightened demands for personalized, contextually aware interactions. Consumers expect frictionless experiences across all touchpoints when engaging with a brand, creating a new battlefield for organizations: customer experience. But which organizations will be able to compete and win on that ever-crowding battlefield?

The ability to know all that can be known about a customer is an organization's greatest strategic advantage and the most successful way to compete. Today, the new industry standard is the ability to see consumer behaviors across all devices and channels, resolve identities across different engagement systems, harness new and emerging ways to interact with the customer (like IoT and sensor data), and identify other key signals. From there, organizations can create a single customer view and a single point of control to power personalized, omni-channel customer experiences.

However, not all organizations are confident in their ability to activate personalized customer experiences. The CMO Council and RedPoint Global recently conducted a study that found, in fact, most organizations admit they're not doing a good job with delivering hyper-personalized experiences across all channels and customer touchpoints. Despite competitive pressures to do more, personalization is selective, at best. How does this happen? Of the study respondents, 41 percent note that the greatest roadblocks to successful execution of the customer experience strategy have been fragmented platforms and systems that fail to connect or deliver a unified view of the customer across all touchpoints.

So what does this mean for the overall customer experience strategy for most organizations? To start, organizations must rethink their business processes and technology solutions. Breaking free from organizational, functional and data silos is one of the biggest strategic challenges that prevents organizations from progressing



toward a customer-centric model and achieving new levels of customer engagement. There is hope, though, as 51 percent of the marketers surveyed believe that achieving a single view is possible with new technology and/or talent.

Despite this hope, marketers in particular are challenged to consistently engage with the always-connected, always-addressable consumer in more contextually relevant and highly personalized ways. Fragmented customer engagement systems, along with silos of unintegrated and unactionable customer data, create a gap between marketers' strategic intent and their ability to optimally execute.

It is now possible to close this gap by tapping all of the information that's available, enabling marketers to evolve to persona-centric and consumer-centric models that increase response rates by treating each customer as a segment of one. This includes:

1. Capturing, processing and integrating data from any and all sources—transactional and streaming, structured and unstructured, first-, second- and third-party data, and known and anonymous data—used to create and persist the Customer Golden Record
2. Using the Golden Record as the input to determine in real-time/right-time the next-best action by employing machine-learning techniques underpinned by all types of algorithms and predictive models
3. Intelligently orchestrating the right messages, offers and actions at the right cadence across all touchpoints to deliver experiences that are perfectly aligned with consumer expectations

Once an organization is able to deliver upon the demands for personalized, contextually relevant customer experiences, they will begin to see the return on their technology investments. Customer lifetime value increases with strong customer engagements, which leads to revenue growth and increased share of wallet for the organizations. In fact, companies with a strong omni-channel engagement strategy have an **89 percent customer retention** rate versus 33 percent for companies with weak omni-channel customer engagement. At the same time, the cost of reaching and retaining new customers decreases, saving both time and resources.

We expect marketers to continually innovate their customer journeys and marketing strategies to best meet rising consumer expectations. As CMOs are increasingly measured against the success of customer experience strategies, those who make the right adjustments to the organization's capabilities and technologies—with a stringent focus on bringing together omni-channel data points to create a Golden Record—will most likely find themselves meeting and exceeding their individual and business goals.



LEADERSHIP COMMITTEE



ESMEE WILLIAMS
Vice President of
Consumer and Brand
Strategy
Allrecipes.com



BRUCE STEPHAN
Customer Experience
Leader
Graco Inc.



SIMON SPROULE
Vice President and
Chief Marketing
Officer
Aston Martin



PAUL OKIMOTO
Senior Vice President of
Marketing
Haggar



TODD SPERANZO
Vice President of
Marketing
**Avella Specialty
Pharmacy**



ARMANDO DIANA
Director of Marketing
RCN Telecom



DROSSOS DROSSOS
Head of Brand
Experience and
Licensing Manager
**Coca-Cola-Central
and Eastern Europe**



ANONYMOUS
Marketing Director
**Anonymous Fortune 100
Company**



ESMEE WILLIAMS

Vice President of Consumer and Brand Strategy

Allrecipes.com

At Allrecipes.com, the consumer strategy begins with the company's mission: to energize cooks with confidence to help them achieve all of their cooking goals, regardless of size or scope. The company does this by providing support and guidance at every step of the cooking journey, starting by helping consumers gather ideas and inspiration for what to make for their next meal to then helping them grocery shop and cook their meal. Esmee Williams, Vice President of Consumer and Brand Strategy, shares that the brand's success is contingent upon their consumers' success in the kitchen because when a meal turns out well and everyone is happy, they will rely more on Allrecipes.com for future guidance.

The brand provides a number of tools, features and content to support consumers along their cooking journey, in addition to a community of their peers that serves as the center of the brand experience.

“We provide a true end-to end experience for home cooks that extends across all channels, platforms and devices so that no matter where and when they are thinking about food, we have always-on engagements to support them,” Williams says.

The brand has a very solid foundation that informs how they support the consumer experience, and everyone within the company is trained on this strategy when they join. Periodic check-ins take place as well to ensure everyone on the team is unified around the vision for the experience.

“We have a company-wide dedication to putting the consumer first, and we marry that with great data, so we're able to see how consumers are engaging with our site and where they're having success,” she explains. “We also have a consumer satisfaction solution that helps us monitor their happiness with us in an ongoing way that is very consistent and credible.”

The experience is owned by the senior leadership team and includes representatives across all functions of the organization because, as a digital brand, the work of all teams ultimately touches the consumer. Having this level of commitment across the



organization also ensures that everyone measures, monitors and delivers against expectations for the experience.

“We have a robust planning cycle in which all of the teams work against very specific goals to report on success, concerns or shifts in the business that need to be addressed, and then we make decisions based on that reporting that cascade down,” she says. “We don’t operate in a silo, so it’s very much a 360-degree cycle.”

The Allrecipes.com website was redesigned a couple of years ago and was the first expansive redesign that they have completed during the site’s 20-year history. This was a dramatic shift, and Williams says they are seeing increased engagement and satisfaction as a result.

“Our consumer satisfaction scores are among the highest in the industry, even ahead of Amazon, which is something that we’re very proud of,” she says. “We have a history of innovation. We were one of the first in our category to introduce social media and a mobile app, and more recently, we launched a voice experience with Amazon Alexa and Samsung Family Hub smart refrigerators. Still, there is always work to be done, and keeping pace with the speed at which the marketplace is moving is always a challenge to any forward-thinking brand.”

In addition, the company is working to increase personalization and anticipate consumers’ needs in order to deliver better recommendations. However, being able to do this well requires an understanding of consumers’ budgets, taste preferences, cooking skill set, location, available cooking time, occasion and who they are cooking for.

“In the past, the experience was really about matching someone with a recipe, but today it extends all the way to matching them with relevant savings, helping them shop and answering any questions they have while they are cooking,” she says. “Nirvana for us is being able to remain one step ahead of every cook that comes to us and already have a solution in place that takes into consideration all of the different factors that influence their choices. This is challenging because we might have someone come to us on a Wednesday night looking for a meal idea that they can make as quickly as possible versus someone who wants a more laid back and engaged experience with the community on a Saturday afternoon. We have to be able to understand what they want based on the full context of their needs, including where they are, the device they’re using, the time of day, where they might be shopping, weather in their area, etc.”

Fortunately, the company was founded with a heavy emphasis on data classification and categorization, which has enabled them to maintain a very structured database.



They also use machine learning and artificial intelligence to get a better feel for who consumers are, which aids in their personalization efforts.

“We are able to classify each cook into many different groups, so it allows us to serve many different types of content to the consumer to match unique occasions and needs,” she says.

Williams says they maintain detailed dashboards where they can see where website traffic and content are trending, and they also have real-time data about shopping behaviors. This data enables them to note any gaps that consumers may be experiencing to make adjustments as quickly as possible. They also monitor interactions and feedback on YouTube videos to identify areas where cooks are seeking a higher level of cooking guidance, and they have a full support team dedicated to responding to those issues.

Moving forward, she says that the goal is to continue working to create an experience for consumers that is as seamless and intuitive as possible by taking into account their needs, interests and cooking circumstances and then creating recommendations for them that add value to their lives through successful food experiences.

“In a perfect world, we would know exactly what people have in their refrigerators and pantries so that we could easily make pinpointed recommendations for them while taking into account expiration dates of perishable items, for example, because throwing away food is a pain point for most consumers,” she says. “If we could direct their attention to recipes that map to ingredients they should likely be using first, that would be the holy grail in many ways.”



SIMON SPROULE

Vice President and Chief
Marketing Officer

Aston Martin

Due to the nature of the luxury car business, Aston Martin is strongly focused on personal engagement. While the brand is small in terms of volume, people tend to keep their cars much longer than they would keep a mass-market vehicle, and everything the company does is centered around creating a highly personalized pre-purchase and ownership experience. As such, Simon Sproule—Vice President and CMO—says the relationship with the customer is becoming increasingly important, and the organization has embraced the customer experience as a priority and has been making substantial investments in this area over the past few years.

Sproule says that ownership of Aston Martin's customer engagement strategy resides with himself, the head of sales and service, and the head of quality, and he explains that this structure has worked very well for the company to date.

"Having multiple stakeholders involved helps to ensure that the strategy is being taken seriously and that it is a priority for the C-suite," he says. "We feel comfortable in having multiple owners with our structure, and we're all looking at the same data and share the same KPIs, which is very important."

Ultimately, the goal for the customer experience strategy is to generate return for the business, and the strategy was implemented based on a very data-driven discussion around the company's competitive set and customer behaviors, which were then synthesized and presented to the executive team.

"We saw a very compelling case to enhance, improve, change and evolve our customer experience, and that was embraced across the board," he says. "The challenge is striking the balance of understanding how much we can invest that will give us a level of return that warrants additional investment. That is hard to measure because we have a number of intangibles at work, but any investment we make has to generate a return."

While their investments are paying off, Sproule says that they will likely never fully achieve an optimized version of the customer experience due to the constant evo-



lution of the industry. Combined with the changing expectations of consumers, this becomes even more difficult to achieve, but the key is to remain a step ahead of what buyers want.

“Organizations that are getting the customer experience right are very good at predicting what customers want and staying one step ahead,” he says. “This is challenging because as consumers, we often don’t know what we want or like until we get it, but it is important to be able to anticipate those needs ahead of when consumers actually want them.”

To better understand the types of engagements that consumers will value, Sproule says they talk to consumers and dealers directly, in addition to gaining insights from people who choose not to purchase or who defect from the brand to understand what they can do better.

“We’re certainly doing better than we’ve done in the past because we have better, richer data sources and a world-class data engine that is delivering deeper insights so that we can make more informed decisions,” he says. “We also look at customer satisfaction, Net Promoter Scores, referrals and repeat customers, and we have a dashboard that shows us how people are making their way through the purchasing funnel, which has been valuable as well.”

This strategy is also supported by technology that is enabling the company to better understand their customers by mapping out their interactions across various touchpoints.

“We want to know our customers individually, and we haven’t been able to do that because it is difficult to scale our efforts,” he says. “The technology is making this more doable for us, but moving from legacy systems to a modern, cloud-based system has been a challenge. It was absolutely necessary, and the implementation has been incredibly challenging, but we are very happy that we did it because it will be able to improve and change over time.”

Moving forward, Sproule hopes to better understand how people use their cars and products as the use of vehicles continues to evolve. He also aims to better meet customers’ expectations for real-time experiences.

“If someone has a problem, I can look them up and intervene in real time, so we can serve them immediately,” he says. “Even so, there are other ways in which customers would like us to be there for them, which can be on a minute-to-minute basis, and while we’re getting better, there is still work to be done.”



TODD SPERANZO

Vice President of Marketing

Avella Specialty Pharmacy

The first step to any great customer experience strategy is getting all teams on board with the need for a cohesive effort, and this is exactly what Avella has been able to do. The specialty pharmacy now has a roadmap in place for all departments to work together, with technologies implemented to help advance toward their customer experience goals. Vice President of Marketing Todd Speranzo explains that patients, healthcare providers and insurance companies tend to view pharmacies through a single lens because they provide the same services and products, so the customer experience is critical to differentiating Avella from its competitors, and this has become a top priority for the company.

While the operations, sales and marketing teams all have various levels of interaction with the customer, Speranzo believes that marketing has a particularly strong level of responsibility with regard to the customer experience because they represent the brand and control the outbound messaging to customers.

“Our operations team manages the call centers and has the most direct interaction with customers, but I believe that marketing has a better pulse overall in terms of how the brand is perceived and what the experience is like,” he explains. “Combined with the fact that we control the messaging and the brand itself, I feel that marketing has a particularly important role in the customer experience.”

Aligning departmental teams around the customer experience has been a challenge, but he says the company has made a great deal of progress in this area, and by integrating their systems, they are beginning to access data insights that they previously could not, which is enabling them to create better experiences.

“All of the departments have improved their technologies, but being able to roll that together into one business intelligence platform has helped us dramatically,” he says. “We are at a stage where we are getting better insights and are starting to make changes, and while we have not reached the promised land of being able to gain real-time insights and make meaningful changes based on those, we are working toward this.”



While sales data, lead tracking and forwarding, and customer feedback through social media can all be gathered in real time, Speranzo says there are opportunities to further connect operational feedback and the results of the surveys they utilize, and they do work to manage customer interactions as close to real time as possible.

“We use our CRM, marketing automation, call metrics, operational tools, business intelligence and social media listening to help in this process, but there is some level of lag that represents an opportunity to better serve our customers,” he says. “Customer expectations are shortening the perception of real time, but I would consider a response within 24 hours to be very close to real time. For example, if we receive negative feedback on social media, we research it, escalate it and respond directly to the patient within 24 hours. This is realistic for us internally, and we have found that it exceeds the expectations of our customers because they don’t usually expect a telephone response from our leadership.”

As a specialty pharmacy, Avella has a unique offering in that the experience is different from traditional retail pharmacies. When customers come to a specialty pharmacy, it is often because they have a much more severe condition that may require insurance effort, financial assistance, and enhanced clinical support and education.

“Compared to the expectations that people have of traditional pharmacies, we are already at a perceptual disadvantage because patients anticipate a 15-minute prescription fill time, but it isn’t that simple,” he says. “And the comparison doesn’t stop at other pharmacies—customers now have expectations based on their experiences with every business they interact with, so we are working to become more agile and accommodating through features like live chat and texting for patients.”

With new mechanisms and ways of communicating with patients today than in years past, Speranzo says the company is getting faster in its communications, but the rate of growth makes it difficult to cater communications down to the individual level.

“We are able to flag accounts that may be more sensitive to change, but it can be difficult to personalize on an individual level when our customer base is growing so rapidly,” he says. “We can do this with marketing communications, but we need to be able to do it across all communications, and aligning those different areas requires continuous improvement.”

However, the feedback they receive from patients through surveys is helping them learn and become nimbler in their messaging. Avella works with the National Association of Specialty Pharmacies to create surveys that provide standardized sets of



questions and allow them to see how they benchmark against their peers. They are also using a third party to interpret these surveys to ensure more accurate feedback.

“Generally, we rank very highly, but it is one thing to know that you have a great Net Promoter Score. Being able to see that in context with your competitors is much more meaningful,” he says.

As a high-growth company, Avella has had to continuously update software and tools to get a clearer picture of its customers, but Speranzo hopes to one day have more holistic software that integrates data across all of their departments. And while they currently aren’t able to gain a single view of the customer across all of their data, he says this is certainly a goal that they are working to achieve.

“When it comes to gaining a clear, single view of the customer, we are making significant gains, but we have opportunities to improve the customer view and overall experience,” he says. “We are trying to overlay all of the experiences that happen with the customer across marketing, sales and operations to better understand the needs of the customer. However, whether it’s in store, in person or through our call center, it can be challenging to overlay interactions. This is something we are working to achieve on behalf of our customers.”



DROSSOS DROSSOS

Head of Brand Experience and
Licensing Manager

Coca-Cola-Central and Eastern Europe

For an aspirational brand like Coca-Cola, customer experience is of the utmost importance. As Head of Brand Experience for Central and Eastern Europe, Drossos Drossos explains that this strategy is embraced from the highest levels of the company and is localized for every market within the business units. To define this strategy and ensure complete adoption across the organization, the company conducted extensive research to create global charters and parameters for its core messaging, and each market is able to adapt the messaging to ensure that it resonates with local consumers to achieve optimal outcomes.

Getting the full organization on board with the customer experience strategy posed certain challenges, according to Drossos, as different teams must compete among themselves to an extent in order to secure the budgets they need to run various programs.

“In order to be awarded budget for various initiatives, you need to have the strongest arguments for how the programs will be run on a central and BU level,” he explains. “With an organization-wide strategy, it is also important to build a culture that embraces change and works to stay one step ahead in order to show that we are operating in the best interests of the company.”

Because the customer experience strategy is executed by local teams, Drossos says the local countries own the strategy within their own regions, although the strategic thinking for the overall guidelines and parameters is developed centrally. While he says it is impossible to claim that they have completely achieved perfection when it comes to the customer experience, they work to stay ahead of the curve and replicate positive learnings and outcomes.

“Customer experience is a never-ending journey, and we learn more every single day,” he says. “Each and every case is different, and there are always new battles to be won. Every market has its own specificities, and the experience ultimately changes depending on the project. For the FIFA World Cup, for example, even though we have already run campaigns for the event in years past, it is always a different experience



because the competition always takes place in a different country and requires a different story.”

Millennials and teenagers present particularly unique challenges for the brand as their expectations are constantly changing. In response, Drossos says it is critical for them to continue evolving to remain relevant with these audiences.

“We need to fish where the fish are, and for younger audiences, we know they have mobile phones that are essentially an extension of their own hands,” he says. “We are finding that our campaigns are still impactful for them, and when they share these experiences on social media, we know that is a really important way to gauge reach and success for this audience. This is what we’re trying to achieve with every event and activation.”

Timing and cadence for engagement also present unique challenges because, as a large company, Coca-Cola has several layers of execution, which requires additional reaction time. However, because trends change so quickly, Drossos says they are always planning ahead and working to keep pace with this rate of change.

“We always have assets that are ready to be deployed immediately, but sometimes we need to be able to react based on a specific event that is taking place right here and now,” he explains. “We want to be able to seize those opportunities, but there is a science behind it. I would say that 70 percent of what we deploy is based on what we know we do very well, another 20 percent is based on what works well within the different business units, and another 10 percent is totally uncharted territory where we work to address needs or challenges on the spot.”

To better understand what kinds of engagement will be most valued by customers, Coca-Cola conducts quite a bit of research internally and with outsourced agencies, in addition to consumer panels in different locations to determine the flavor profiles that are most appealing to audiences in different regions. They also conduct market variance analysis to determine which efforts are most successful across different audiences and regions.

The company also follows trends in an effort to remain a step ahead of customers’ expectations through a program in which they recommend different products for individual consumers in an effort to deliver what they want or need throughout a given day.

“Some people may want Coke, milk, water or tea at different times of the day, and it is our job to find the right offering for different types of people at different times of



the day,” he explains. “We want to be one step ahead and deliver what they would expect in order to spearhead the experience for them.”

When it comes to technological capabilities, Drossos says they incorporate new tools now and then to help them gather insights that they couldn’t previously access, but given the relationships that the company has with various bottlers, it is still difficult to gain a full view of customer data. The company also must work through variances in the data that they gather through research versus the market variance analysis they perform in order to align those findings and gain a clear view of the findings and what they mean for a given market.

When it comes to real-time insights, Drossos says the company often has pop-up shops and events in which they offer something of value to consumers, and in those instances the company can gain real-time information about who participates in these events. This sometimes even includes the opportunity to meet or interact with an influencer, and in these cases, the company is able to see how long someone is willing to wait for the opportunity to participate in these interactions.

“These opportunities give us the ability to measure brand love and affinity, but we also want to be able to take it a step further to determine how it impacts the brand,” he says. “These are the things that we want to learn from consumers so that we understand how to best meet their needs.”



BRUCE STEPHAN

Customer Experience Leader

Graco Inc.

Much of Graco sells to customers both directly and through a distribution network. Expectations around delivering a remarkable customer experience are inconsistent with those that people generally may have of B2C organizations. However, Customer Experience Leader Bruce Stephan argues that the delivery of the customer experience from Graco should be the same, regardless of how people purchase, and this is a goal that he and his team are working toward. Customer expectations no longer differ when purchasing as part of their job or for personal reasons; people want the process to be easy. Moving forward, he explains that the right tools, resources and talent will be critical to making this level of experience a reality.

Graco is working hard to become a more customer-centric organization in all aspects of the business. Stephan acknowledges that this must begin at the top of the company, starting with the CEO, and getting everyone to exercise the right behaviors begins with getting everyone on board. He says that there is still work to be done in this area, particularly as it relates to defining what customer centricity really means for each individual and the overall organization around the globe.

“We are completely committed to becoming customer-centric, and we are investing real dollars and resources into making this necessary transformation,” he explains. “However, there are varying degrees of engagement and understanding right now, and as we try to implement certain behaviors, these differences begin to emerge. Being focused on the customer is much easier said than done. The first step for us will be to rally everyone around a common definition that can be well articulated across the entire organization.”

While Stephan says the customer experience strategy is often driven by a CMO role in order to help drive adoption across the organization, Graco is not organized this way, so there are challenges to implementing the strategy consistently and efficiently.

“We are around the 30-percent mark in terms of where we need to be with the customer experience, and we’re held back by communication gaps across different divisions and disciplines within the company,” he says. “There is also some debate



on who the customer even is because of the distribution network we typically sell through. Some would define the customer as the distributor while others would say it is the end user—both are correct, but there are nuances in how we engage with each. At times, we may sell directly and other times, we work closely with our distributors to take care of the customer. Focusing on the customers' needs alongside our distributors is when the magic happens. We are able to come together to provide a value that makes Graco 'different and better' (as defined by our customers) than all of our competitors. The B2C world has established very high standards for what the customer experience should be, so the bar must be raised in our own industry."

Stephan says Graco often makes the first contact with the end user, and they are taking steps to learn how customers purchase, what their buyer values are, and what kinds of information they look for before making a purchase decision. This information helps the company deliver content that is personally relevant, compelling and impactful to help them along their research and buying journey.

Compared with others in their industry, Stephan believes Graco is on the forefront in a number of ways.

"We are making investments to get closer to the customer and better understand what they need," he explains. "At the end of the day, we need to be able to gain these insights in real time to stay ahead of the competition, and we have the right talent, good tools and strategies in place to help our distributors understand this as well."

In fact, Stephan believes that the company has all of the necessary tools in place to achieve the customer experience goals that they have set: to deliver a consistently remarkable experience and be easy to do business with. The key is to leverage these tools to their full potential, and doing this will require commitment and additional investment in carefully selected resources.

"It is possible to get to where we want to be when it comes to the customer experience, but we need better data on our customers, he says. "We need to understand the real drivers of a purchase decision. Once we have a more accurate understanding of the buyers and markets we serve, we will then be able to provide the solutions and support that customers are willing to pay for. It is exciting to see how far we have come in recent years, even though we have a challenging road ahead of us. I am confident that we have the right leadership and genuine commitment across the organization to succeed. The market is demanding a more personalized experience, and that is what we are focused on delivering."

When it comes to interacting in real time, he says the company currently acts on all



qualified online leads within 24 hours, but some interactions and responses can take much longer, depending on how quickly the data is entered into their systems.

“Right now, I do not think that our delivered experience is keeping pace with customer expectations,” he says. “Purchasing Graco equipment may not be an experience that would compare to a B2C company where it is seamless and order visibility is easy. Yes, some of our products are technical and complex, but even so, the expectation for many people is that the experience should be the same as I get from progressive companies like Amazon. So I ask, ‘Why can’t it be?’ It can be and it should be, so that’s what I’m pushing toward.”

Moving forward, Stephan says he looks forward to obtaining better data on what end users are looking for, the triggers that lead them to make a purchase, and how they use Graco’s products and services.

“Once we understand those things better, we will be able to better innovate around exactly what they are looking for and how they want to get it,” he says.



PAUL OKIMOTO

Senior Vice President of
Marketing

Haggar

Although Haggar conducts a large part of its business through brick-and-mortar retailers, Senior Vice President of Marketing Paul Okimoto is placing a great deal of focus on shifting the organization toward a mindset that puts the consumer first. He believes this mindset will be critical to ensuring that the menswear brand is able to continue to over-deliver on the expectations of brick-and-mortar retailers and end consumers.

Okimoto explains that it is important for everyone across the organization to have an understanding of who Haggar's primary and aspirational targets are, including how much market share they have, the degree of wallet share they can attain, and the products that are best suited for them.

"We have to look at our consumers holistically to understand how we can best reach them based on what channels we are in and use data to really understand where there are opportunities to upsell and cross-sell," he says. "This will hopefully lead us to be able to surprise and delight our customers, build long-term loyalty and establish brand advocates."

Haggar's marketing department views customers from a macro level and proactively works to classify them in terms of location, age and other psychographic attributes. Once distinct demographics have been established, the department pinpoints key elements to focus on during each customer's journey. They also apply research efforts for each demographic with open dialogue and product trial via focus groups.

"We work to mine the different data inputs that we have to garner insights closer to real time and act upon those insights to better meet consumers' needs," he says. "This includes mining reviews and sales data to understand where there are gaps and consumer pain points so that we can work to alleviate those."

Efforts to increase consumer communication and create engaging content are ongoing as Haggar continues to learn more about its demographic.



“We are making updates in our ability to do real-time analytics, which is key to creating timely engagements,” he says. “Our traditional enterprise warehouse and our employees are working to become more dynamic so that we can better work through the data we have. We get a lot of real-time data, and we want to ensure we have the right alerts in place to notify the right people of any issues so that we can act upon them quickly to ensure we’re staying ahead of our consumers’ expectations. We are getting better in this area with respect to social media and reviews, but mining that data efficiently is key.”

Okimoto would like to eventually be able to gain greater insights from third-party, brick-and-mortar, point-of-sale data and be able to do more analysis with this third-party data while remaining compliant with privacy parameters.

“I would love to be able to gain these insights so that we can better understand our consumers while also driving business for our partner retailers,” he says. “In the end, it’s about getting that data in a way that creates a win-win situation for everyone without exposing any confidential information.”

Okimoto also explains that it is critical for the entire organization to view the brand experience from the consumer’s perspective so that everyone feels ownership over the execution of the customer experience. In that regard, he is proud of what they have accomplished over the last few years.

“We have made a great deal of progress and have made a concerted effort to ensure we have the right technologies, people and partners in place,” he says. “We are also implementing additional infrastructure that will enable a better experience. Consumers are getting much savvier, and their expectations are increasing as a result. We need to be very transparent and authentic with them, and we’re working to improve how we engage with them across all of our key touchpoints, but there is still work to be done.”



ARMANDO DIANA

Director of Marketing

RCN Telecom

RCN Telecom's customer experience strategy is aligned to the buyer journey, and Director of Marketing Armando Diana explains that all content is developed specific to the buyer's stage in that journey. Diana introduced this strategy in August 2017 and began implementing it in January 2018. As executive buy-in is critical to ensuring adoption across the organization, he is working to educate leadership about the importance of the strategy to help them understand the experience from the outside in.

In today's environment, the customer experience is critical in differentiating companies from the competition, and to help executive leadership realize the importance of creating an exceptional experience, Diana has been asking them to place calls to customer service and experience the IVR system, wait times, etc. for themselves.

"If they don't like the experience, then chances are our customers don't, either," he says. "I've been through this process with a number of executives so far, and they have all come back to me saying that they understand the need for a defined strategy. It's just a matter of paving the way and driving the message that we need to view ourselves from the customer's perspective."

Internally, the strategy is around customer acquisition through sales enablement, and he has been working to educate sales teams on current trends and how to communicate with customers. They are also working to improve targeting along the buyer journey, in addition to focusing on customer retention.

"We have not historically done a good job of marketing to our own base," he explains. "All too often, the first time a customer hears from us is when it is time to renew, and we need to change that. The plan is to nurture the customer by sending them something of informational value on a regular basis throughout the relationship with us so that when it's time to renew, they will want to continue doing business with us."

While executive support is critical for ensuring adoption of the customer experience strategy across the organization, Diana says that the real key is to have a separate position within the company that is dedicated to overseeing the customer experience.



“Having someone in marketing or sales to oversee the experience creates too much of a silo,” he says. “If teams see that customer experience is important enough to dedicate a role to it, adoption will become much easier. Also, it helps to have a separate arbiter for the customer experience because marketing, sales and customer service teams do not always align, but having someone dedicated to ensuring that everyone is moving in the same direction ensures that everyone is working for the benefit of the customer.”

While RCN does have a customer-centric focus, education is critical to helping everyone understand the need to work toward the same goals.

“When I first started working at RCN, I spent two days in the call center listening to those interactions,” he says. “I was shocked that, even though people called in with issues and complaints, they were still very grateful to be our customers, and the shortest customer relationship I saw during those two days was five years. We can always do better, but based on what I’ve seen, our NPS, and insights from analysts and surveys we’ve conducted, I think we are ahead of the curve in our industry for the local markets we serve.”

Determining the proper cadence and timing for communication is still a challenge for the company, but Diana says he is working to formalize the timing based on how they can best nurture customers along the buyer journey.

They are also working to better anticipate customers’ needs. While they are unable to do this on the individual client level, they are able to identify pain points and needs for different buyer types and are working toward more individualized targeting, and technology will be critical to progressing in this area.

“All of our technology needs to be replaced, and while we aren’t yet automated, I’m not sure that we really need to be because I think that experience becomes cold for the customer,” he says. “We don’t have many metrics in place to track how we are doing, but I would love to one day be able to longitudinally follow customers when they come to our site to see where they go and make adjustments on the fly to create a better experience for them.”

Moving forward, he says that it will be critical to gain a single view of the customer, and with the capabilities of AI and machine learning, Diana feels that it is possible for the company to achieve this.

“Right now, we’re relying on what we hear from the field and when we talk to customers, and all of that information is gathered by people, so there is a level of bias to it,”



he explains. “Having a system in place to gather all of the data, process it and provide a profile of the customer would be invaluable. I would also love to have psychographic information about our customers to understand their pain points on a human level so that we can create better experiences for them.”



ANONYMOUS

Marketing Director

Anonymous Fortune 100 Company

In today's environment, the customer is the driving force for companies across all industries, and as their expectations continue to evolve, it is critical for companies to have a strategy in place to stay as relevant as possible and to use the technologies and innovations available today to support and execute that strategy. One marketing director explains that it will be imperative for companies to understand the importance of maintaining a consistent experience for customers and to have the leadership in place to support this strategy.

The customer experience strategy should focus on loyalty and retention and emphasize consistency in experiences and communications throughout the customer journey. It is important that customers experience the types of interactions that ultimately lead to long-term loyalty. To create these experiences, however, organizations must first gain an understanding of what customers want.

“Market research to capture the voice of the customer is important in helping to identify areas of opportunity,” she explains. “It is also critical to share those insights throughout the organization. Once stakeholders understand the needs and wants of the customer and where the opportunities exist, it becomes easier to establish a strategy for customer experience success.”

She also believes that, ideally, companies should have a department that is dedicated to the customer experience in order to effectively educate the organization and lead these initiatives. However, not all companies have the resources to devote to this function, and in those cases, she believes that marketing and sales should share joint ownership of the customer experience.

“The biggest driving force for the customer experience strategy is to have an awareness of what the customer wants and how to deliver that in a way that sets you apart from the competition,” she says. “Once that awareness exists in the organization, mindsets begin to change, and people tend to be more proactive in thinking about how they can get closer to the customer and create those exceptional experiences.”



Even so, customers' needs are always evolving, and it is important for companies to work to stay ahead of those changes and be able to understand customer needs in advance.

“One thing we have heard is that customers really want a simplified experience that meets their needs while reducing stress for them,” she explains. “I don't think we are 100 percent there, but we have made a great deal of progress in the last three to five years when it comes to making it easy to do business with us.”

Traditional market research, digital marketing and social metrics have been helpful in giving the organization a more predictive sense of what customers want, and while her company has improved in this area as well, she believes that part of the challenge is determining the correct tools to use.

“Moving forward, embracing artificial intelligence and other new technologies will be key to getting a better understanding of customers,” she explains. “This also entails change management because people tend to get comfortable with the tools they are using, so it is important to work past that to begin testing new technologies. There is also an opportunity to better integrate the various systems across the organization so that anyone in any department can get a full picture of the customer journey.”

Having this integrated technology approach is also critical to gaining a single, 360-degree view of the customer, and she says that this view is absolutely possible with all of the capabilities available today. Doing so will be a key differentiator for companies by enabling more consistent experiences for customers.

“Consistency and acting cohesively as an organization is key to making the customer feel that a company really understands them and ensuring that they want to continue doing business with us,” she says. “However, internal silos and politics can be barriers to achieving this consistency.”

Moving forward, she says she would like to be able to understand what drives customer behavior to know what is truly important to them rather than what they might say they prefer, and real-time data will be helpful in enabling this understanding.

“If we could get real-time data as things happen and be able to incorporate predictive capabilities based on current behavior, I think we would truly be able to exceed customer expectations,” she explains. “In reality, we tend to get data within five to seven days, which is good, but having that instantaneous insight would be helpful in our ability to truly surprise and delight customers.”



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