

B TO B MARKETER

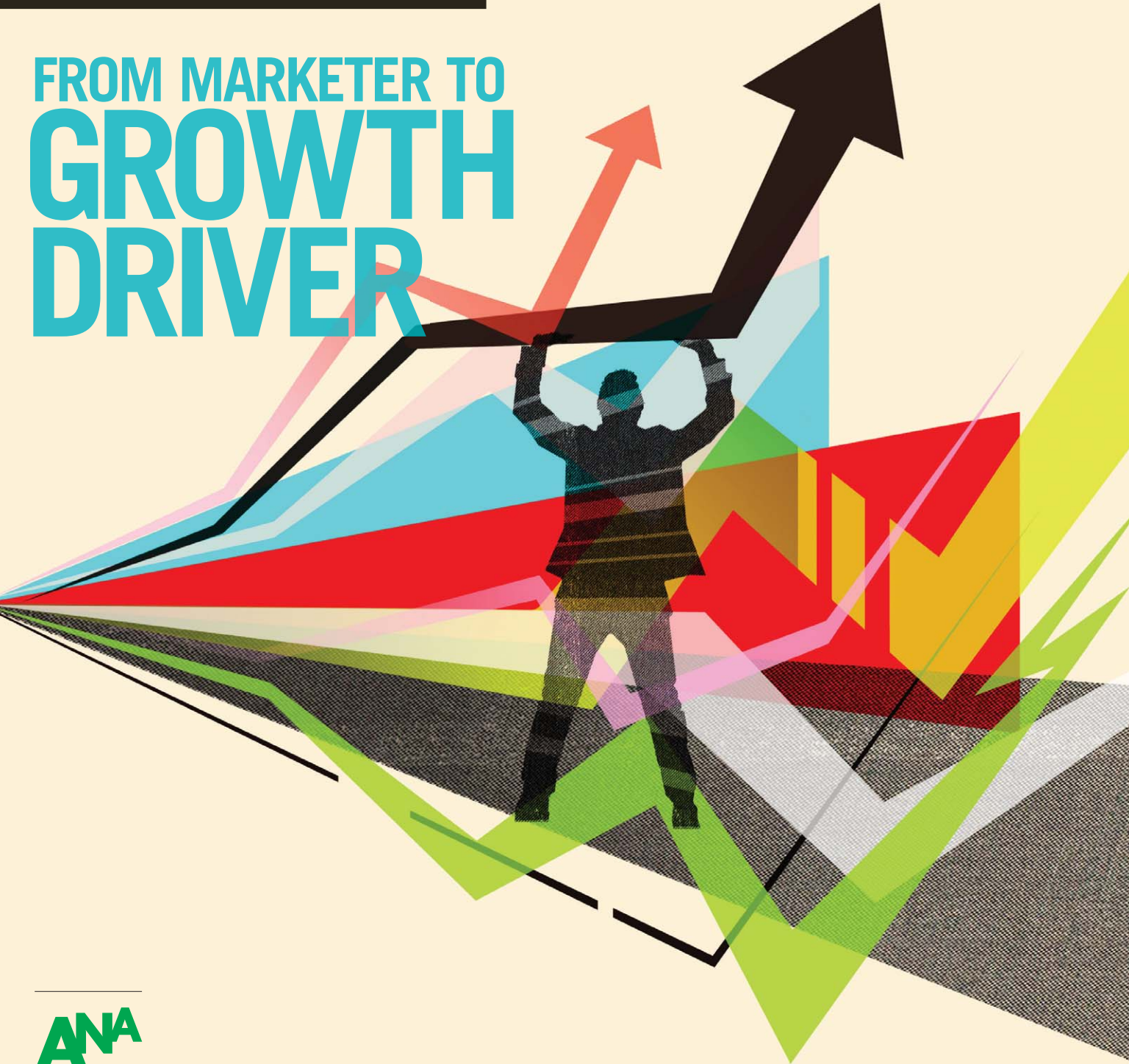
MAKE IT A PRIORITY
Elevating the customer experience

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**ELEVATING THE
B-TO-B CUSTOMER EXPERIENCE
IS NO LONGER A NICE-TO-DO —
IT'S BECOME A STRATEGIC
BUSINESS PRIORITY**

Put Customers on a Pedestal

BY MATTHEW SCHWARTZ

ADP, which provides comprehensive human capital management and payroll services, has been working with many of its clients for more than 20 years. Traditionally, the customer experience (CX) was pretty clear-cut: ensure clients' employees got paid on time and correctly. However, a few years ago, ADP's Innovation Labs, along with a customer advisory board, identified how to create a more intuitive, customer-like experience. The result is a user experience that is more in tune with what consumers expect when using technology. The program, which debuted in December 2014, includes multiple services designed not just to improve how people receive and collect their pay, but to make their work lives easier. Via the ADP dashboard,

employees can clock in or out and see their schedule/timeline for the next few days. The individual company directory is visual, and provides users with a way to search names, titles, locations, phone numbers, and email addresses without digging into full profiles. Employees can also customize their own profile with personal photos and messages about what they do and/or what is important to them.

In conjunction with the new user experience, the company rolled out Marketplace, a cloud-based one-stop-shop where employers can access and purchase HR applications and integrate their employee data between programs. In the past 18 months, the ADP Marketplace has grown to include more than 100 apps.

“Customer experience is a big deal,” says Kevin Bryla, chief marketing officer at ADP. “What’s different now is we can combine our value proposition, along with a technology proposition and enabled services, to help people remedy their work problems. We touch every point of our clients’ lives.”

As ADP’s new user experience illustrates, the B-to-B customer experience has come a long way. For years, it was synonymous with no-frills, and that was fine with sellers. However, in a post-digital age, B-to-B buyers want a personalized, comfier customer experience, whether that’s via call centers, direct mail, sales reps, websites, or social media platforms.

Consumerization of CX

Baylor Scott & White Health, the largest nonprofit healthcare system in Texas, debuted an internal application earlier this year that coordinates answers to patients’ questions and concerns between the appropriate department and/or medical provider within the organization’s network and social media team.

“It could be a patient in the hospital asking via Facebook, ‘What TV channel is the [Texas] Rangers game on?’ Being able to get a quick response is going to affect that person’s mood and temperament during the medical process,” says Jacob Sloan, director of external digital communications and social media at Baylor Scott.



Lincoln Electric’s *ARC Magazine* is demonstrative of the company’s different approach to the B-to-B customer experience.

As part of the app program, the healthcare company tries to resolve every patient issue within a few hours; if not, the team will provide a status update via the social network on which the person has asked a question or posted a concern. “The expectations among customers get faster and faster,” Sloan says. “Through social media, we’re extending our reputation for our bedside manner into the online space.”

Regardless of the channel, B-to-B marketers must play a key role in developing the kind of customer experience that caters to customers as individual consumers, with varied interests, rather than as monolithic blocks of buyers.

“B-to-C-type experiences are setting up expectations for B-to-B companies, which have consequences for B-to-B companies that don’t step up,” says Carla Johnson, president of Type A Communications and co-author of *Experiences: The 7th Era of Marketing* (Content Marketing Institute, 2015). “B-to-B marketers’ role is no longer just about bringing customers through the door, but about being more relevant.”

“To become relevant to a broader audience, we have to create experiences that are built around solving their toughest problems,” Johnson adds. “This builds trusted relationships earlier and increases the chances that this audience will funnel into customers.”

Johnson, who blogs about the B-to-B customer experience on her website (TypeACommunications.com), cites Lincoln Electric, a global manufacturer of welding products since 1895, as an example of a legacy B-to-B company thinking about its customer experience in more consumer terms. Hoping to boost interest in welding, Lincoln Electric in the spring of 2015 introduced *ARC Magazine*. The quarterly custom publication has a print subscriber base of 15,000 and an annual distribution of 320,000, along with desktop and tablet versions. The publication, which has the look and feel of a glossy consumer magazine, certainly is off the beaten track for a traditional B-to-B manufacturer.

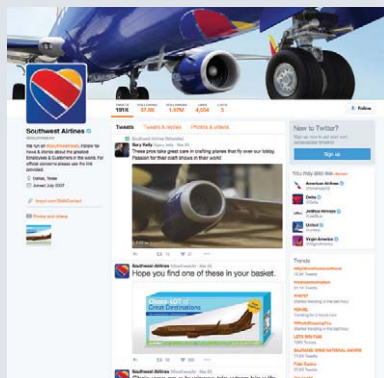
“It’s a lifestyle magazine for anyone interested in welding,” Johnson says. “Its primary goal is to entertain and educate, not push any product.”



“If you don’t start paying attention to the customer experience, you’re going to be left behind.” — DENISE LEE YOHN, brand-building consultant

SOUTHWEST CONNECTS ON TWITTER — AND SO CAN YOU

When brands and organizations started to use Twitter as a way to improve the customer experience, Southwest Airlines wasn't exactly on board. "We were skeptical at first [about Twitter] because we didn't think you could solve customers' problems in 140 characters," recalls Linda Rutherford, vice president and chief communications officer at Southwest Airlines, referring to the character limitations imposed by the microblogging service. "We thought customer relations was more complex and decided Twitter might not be the right vehicle."



Fast forward to early 2016: Southwest's Twitter handle, with nearly two million followers, has become the central hub of the company's social media strategy. In February, the airline extended its real-time social customer care unit focusing on social channels to 24/7. The customer care team, with 30-plus dedicated staffers, closely follows brand engagement via Twitter and Facebook and leverages those platforms to make traveling a more enjoyable experience. It mines the resulting data, of course, to create more relevant social conversations online.

"To see, hear, and understand what customers want allows us to personalize the experience for them," Rutherford says. For example, when customers tweet that they will be flying Southwest on their birthday, the airline could send them a code for a free drink onboard or, if they are traveling for business, free onboard Wi-Fi.

Like many brands with multiple stakeholders, Southwest took a deliberate approach to reach its current Twitter destination. From 2007 through 2012, the company relied on Twitter strictly as an outbound marketing vehicle. However, in 2013, the marketing and public relations crews at Southwest shifted gears when they began to notice a growing volume of one-way conversations populating the airline's Twitter feed. "People liked hearing about sales, but then when they needed help, they were hearing crickets," Rutherford says.

In 2014, after Southwest started to converse with customers via Twitter, the company turned the social platform into a real-time customer care tool. It directed people to contact the company via social channels, rather than by telephone, email, or handwritten letters, which Rutherford says is a cost-saver.

The social media strategy has paid other dividends. Rutherford says the growing social media input has helped to maintain Southwest's Net Promoter Score for third-party endorsements. Southwest ranks in the top three among U.S. airlines for fewest customer complaints, according to the U.S. Department of Transportation.

Since extending the customer care unit to 24/7, Southwest's ability to enhance the customer experience has sharpened, according to Rutherford. "There isn't any other way to help the customer in real time unless there's someone [from Southwest] standing next to the customer at the airport," she says, adding that the average wait time for resolving a customer issue through Twitter is seven minutes.

Although B-to-B brands have much longer sales cycles and, perhaps, less varied audiences than B-to-C companies, Rutherford stresses that by taking a proactive stance on social media channels, business marketers can reduce their sales cycles and get a much better gauge of what makes their customers tick and how they want to communicate with brands.

"From everything I'm seeing," Rutherford says, "B-to-B companies are looking at social to augment relationships, build lead pipelines, and create brand positioning to put the [company] in the consideration set with clients." — M.S.

Boosting Investment

According to an Accenture study on B-to-B customer experience, 86 percent of executives surveyed recognize CX as a strategic priority. In addition, 78 percent believe that delivering a customer experience that stands out links directly to business results, and 77 percent said it provides a competitive advantage.

The study, based on interviews with 1,350 customer experience, sales, and service executives, also found that nearly half the respondents boosted their CX management budgets significantly in the past fiscal year. But returns may not follow such investments. In 2015, just 32 percent of executives said that when it comes to skills, tools, and resources, their organization is well prepared to achieve their CX objectives, down from 40 percent in 2014. "This suggests that while companies agree on the priority and value of the customer experience, fewer are confident they can deliver it," the study concluded.

So when it comes to elevating the customer experience, B-to-B companies will need to ramp up investment in their CX efforts, in terms of dollars, time, and talent. "If you don't start paying attention to the customer experience, you're going to be left behind," says Denise Lee Yohn, a brand-building consultant and author of *What Great Brands Do: The Seven Brand-Building Principles that Separate the Best from the Rest* (Jossey-Bass, 2014). "The bar is being raised. What might have been a differentiator or superior experience a few ago is now table stakes."

Personalizing CX

To create a CX program with a higher degree of sophistication, B-to-B marketers are appealing to all stakeholders who touch their products — and not just buyers paying the freight.

Take Ready Pac Foods, which provides single-serve salads, salad kits, and fresh-cut fruit and vegetables to major retailers (such as Walmart and Costco), supermarkets, and large grocery-store chains. In the past few years, Ready Pac has sharpened its CX strategy to concentrate more on the consumer or end-user and give people more choices to eat healthier, says Chief Marketing Officer Tristan Simpson.

"We've had an evolution around personalizing and marketing products much more focused on the consumer, with knowledge and insights around the distribution," she says. "Personalizing the experience that people have with your products allows you to have the [brand] experience you want."

For example, Ready Pac partners with merchandizing companies to create racks and shelving for various retailers that cater to how people shop, and

how to best display Ready Pac single-serve salads and promote the brand's flavor varieties.

"We're collaborating with retailers to communicate that this is not just a product, but a lifestyle," Simpson says, adding that the company also leverages two-way conversations on social channels to create a better customer experience. "People are passionate about food, and even more so about fresh food."

With digital media increasingly at the core of marketing, B-to-B communications have been democratized, and the customer experience needs to follow suit. "This expansion of influencers is



From store displays to social conversations, Ready Pac Foods is focused on crafting more personalized customer experiences.

forcing B-to-B companies to transition from a narrow focus of traditional buying centers to a broad appeal to all levels of the client organization," says TJ Keitt, senior analyst at Forrester Research.

According to the 2015 ANA Marketing Disruption II Survey Research Report, marketers continue to place a growing emphasis on creating personalized customer experiences. However, they also report a lack of sufficient intelligence for each step of the customer journey, including source of awareness, drivers of consideration, trial motivators/purchase triggers, evaluation/user experience, and adoption/loyalty. →

HARNESS BUSINESS OUTCOMES TO MEASURE CUSTOMER EXPERIENCE

Digital metrics such as clicks, views, shares, and posts still hold value for B-to-B marketers and can gauge whether real-time messaging is getting through to customers and prospects, particularly via social channels. But these metrics don't win business marketing executives bigger budgets or a seat at the C-suite table.

To build a better case for corporate investments, B-to-B marketers are starting to shift gears and take a more holistic approach to measuring the customer experience. They're de-prioritizing digital campaign metrics in favor of business-focused measurements that more directly tie the customer experience to financial performance and business outcomes, a new study found.

Titled "Making Personalization Possible," the study was conducted by the CMO Council and Microsoft Corp. and released last February. It is based on interviews with 179 senior marketers, with 34 percent of the respondents working at organizations with \$1 billion in U.S. revenue.

For a growing number of B-to-B companies, personalization is at the heart of the customer experience. It's been coalescing for the past several years, as more and more control of the purchasing process



inexorably moved into the hands of the individual consumer (never mind that the "consumer" is a B-to-B buyer who purchases via committee). Call it the Amazon model, writ large. Informed by data and analytics, brands serve up web pages that specifically cater to an individual's preferences and offer products and services accordingly.

"There's been a leveling between B-to-B and B-to-C. The customer is defining who, what, and how" regardless of the business sector, says Liz Miller, senior vice president of marketing at the CMO Council. "Let's say I build airplanes. When I go to an engine manufacturing website, I expect to see only those airplane engines that are relevant to the planes I build. As a longtime customer, this manufacturer knows. So I don't want to sift through every single

engine and part. I just want what is relevant to my business because wasting time on irrelevance costs me money."

New Measures of Success

Personalizing the delivery of B-to-B information is one thing. But to adequately measure the customer experience and its overall impact on marketing the business, marketers are adopting financial KPIs, such as revenue, costs, conversions, and impact on the bottom line, the study notes.

Measures of digital engagement, including open rates, were used by 59 percent of the study's respondents. However, metrics such as retention-rate improvements (69 percent), acquisition-rate improvements (62 percent), customer lifetime value (53 percent), and upsell and cross-sell engagements (53 percent) were cited as engagements that tie better to business impact.

"Customers have come to expect personalization," Miller says. "But it goes off the rails when marketers craft experiences only using marketing data that speaks primarily to past behaviors — things like clicks or seeing what customers opened or what they are searching for — and don't pull the customer data from finance, sales, or support to truly understand the

customer's past, present, and future goals."

According to the study, 36 percent of marketers admit they are currently only able to personalize engagements in select channels and are struggling to properly align the data needed to personalize across the entire relationship in a consistent and meaningful manner. Just 21 percent are able to deliver highly relevant, one-to-one experiences to their customers, both online and offline.

Organizations that don't enable a holistic view of the customer experience, Miller stresses, are setting up marketers to fail. Maintaining a siloed approach is also costly to the entire company. "Everything has got to come into a centralized hub so you are able to — regardless of where you sit — define that particular customer's version of the truth," she says.

Among the top strategies for accelerating value in 2016, marketers will look to bolster analytics and lifecycle management strategies and platforms (65 percent), along with implementing personalization platforms (65 percent), engaging in comprehensive journey mapping (56 percent), and getting smarter about predictive analytics (52 percent). To monetize the customer experience, B-to-B marketers may need to think in terms of what customers want, as opposed to what marketers think they need. — M.S.



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Keitt says there are three important steps B-to-B companies must take to deliver a more consistent and personalized customer experience across touchpoints and to measure success:

1. Establish who your customer is. This is the fundamental issue, as more and more brands face a range of people whose livelihoods depend on the implementation and use of your products or services. Ultimately, you must determine who at the client account benefits from working with your business.

2. Define what customer success looks like. Outline the experience you intend to deliver to your customers, and then develop your products and services accordingly.

3. Gain insight from analytics to inform the customer experience. Track revenue per account, Net Promoter Score (NPS), customer satisfaction scores, and customer engagement metrics, for example, to measure whether your programs resonate with customers. It's important to understand more accurately how people use your products and services and the emerging issues related to the customer experience.

Gianni Giacomelli, senior vice president and chief marketing officer at Genpact, a business process management company, stresses that today's B-to-B customers ultimately want a human experience and for B-to-B companies to cultivate long-term relationships. “You're trying to convince people that you're going to be a good partner for the next five to seven years,” he says. “You have to remember that B-to-B buyers are humans who have their own feelings, and they want implicit and explicit signals

that you are the right partner. You can't give customers plain vanilla anymore. The experience has to be both relevant and salient.”

Not One Size Fits All

Listening — whether via social channels or software programs — is a key ingredient for developing a customer experience that will have an impact. For example, AXA Financial, a global insurance company, uses speech-recognition technology to understand what type of words will echo with customers and how they like to be contacted, says Priscilla Sims Brown, senior executive director/chief marketing officer at AXA U.S.

AXA is the largest provider of retirement programs for K-12 teachers in the U.S., with 750,000 teachers currently in tow. After contracting with several school districts in late 2014, AXA found that thousands of teachers in those districts were not adequately saving for retirement. Through speech recognition, online analytics, and focus groups, AXA determined that teachers in these districts like to be contacted via one of three channels: email, direct mail, or company tagging on banner ads targeting appropriate websites. “We learned how to optimize both our offers and our language” via the three marketing channels, Sims Brown says.

The program has led to higher savings rates among teachers, as well as to increased customer-satisfaction levels among the clients' school districts. “Previously, we were not communicating to consumers [teachers] on as many channels, or using our technological prowess as a way to optimize the content on a regular basis,” Sims Brown says. “Whether it's B-to-B or B-to-C, the answer is getting your hands dirty and getting to know your customers through accessing data. You [also] have to talk to customers and find out what motivates them.”

The reason is obvious: Unlike just a few years ago, B-to-B buyers are quick to vote with their feet — and pull the plug on a business relationship — if the customer experience leaves them cold. And marketers, with a dizzying number of marketing vehicles at their disposal, will only have themselves to blame. **B**

The 2015 Marketing Disruption II report reveals how marketers are reacting to industry disruptions. See the full report at ana.net/2015disruption.

