

the
business case for

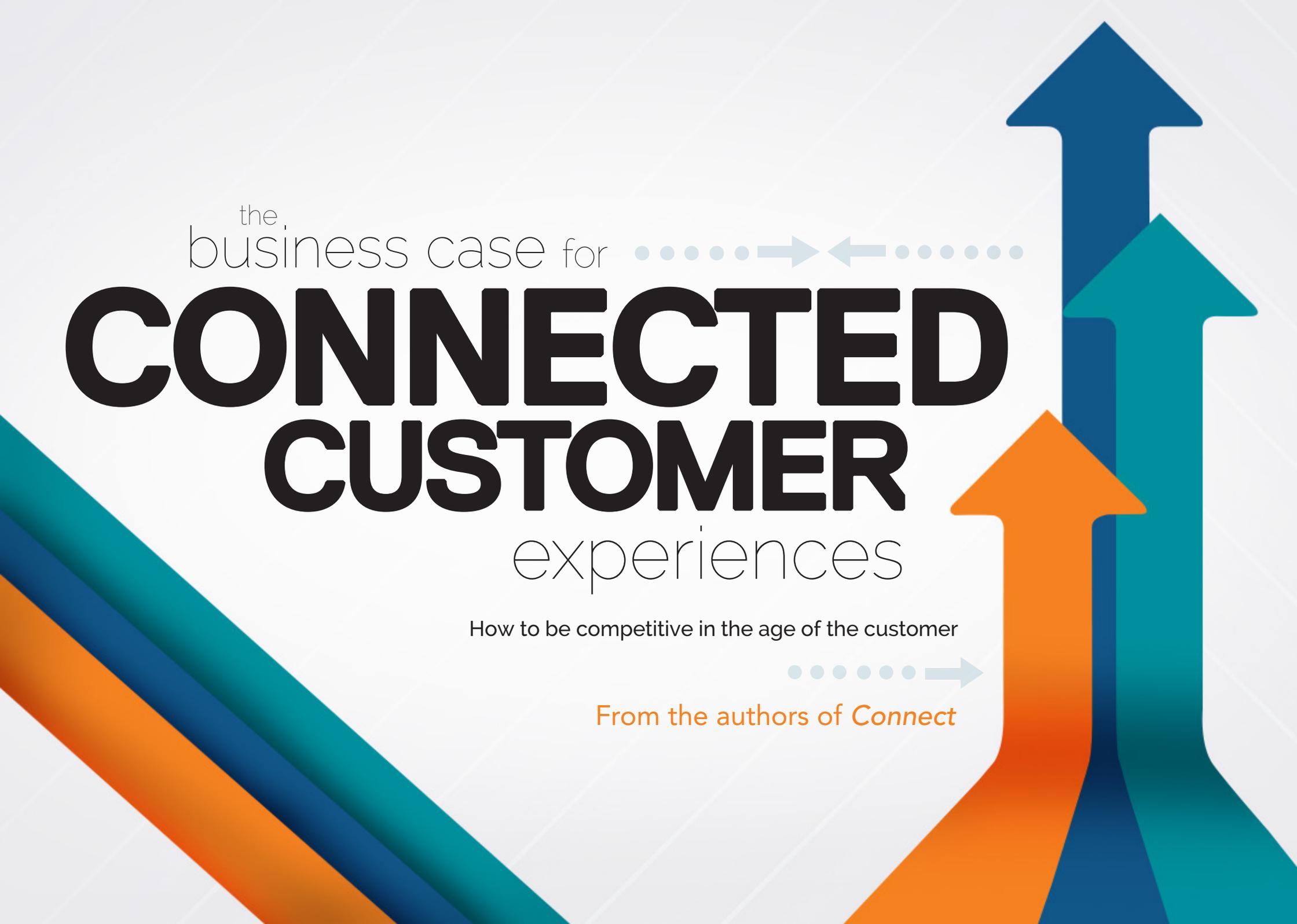


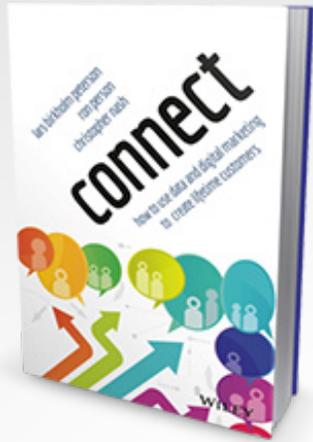
CONNECTED CUSTOMER experiences

How to be competitive in the age of the customer



From the authors of *Connect*





CONNECT

HOW TO USE DATA AND EXPERIENCE
MARKETING TO CREATE LIFETIME CUSTOMERS

FROM THE BACK COVER

“Customer experience management is no longer an option...
Read this book today, and prepare your business for a
superlative tomorrow.”

—Scott Liewehr, President, Digital Clarity Group

“This eye-opener should be read by all brands. It gives a
comprehensive look at why customer intelligence needs to
be at the center of any digital-marketing strategy.”

—Michelle Accardi-Petersen, CMO, Star2Star Communications

“Engaging. Connecting. Words to survive and prosper by.”

—Jeff Cotrupe, Frost & Sullivan

THERE is a gap between what customers expect and what marketing delivers. And that gap grows larger every day. Customers are far ahead of what marketers deliver.

McKinsey & Company, the international consulting firm, has found in their international consumer research that two-thirds of the touchpoints during the active evaluation phase of the buying journey are consumer-driven, such as Internet reviews and word of mouth.* With the dramatic worldwide increase in the use of mobile phones during shopping research, even more of the decision journey is under consumer control. In the past, marketers could sway the consumer’s decision at touchpoints in the journey. Now, consumers have reduced those touchpoints and pushed old-style marketers out of the decision journey.

In their book, *Connect How to Use Data and Experience Marketing to Create Lifetime Customers*, Lars Petersen, Ron Person, and Chris Nash reveal the critical differences they discovered between mature and immature marketing organizations. They deliver best practices and step-by-step processes that will take any marketing organization from static brochure-ware websites to world-class marketing that combines online and offline connected experiences to capture lifetime customers.

This book should be open on the desktop of every CMO, CIO, CDO and digital strategist. It’s not filled with theory or pie-in-the-sky fluff. The authors use what they have learned from years of experience in digital marketing, hundreds of customer implementations, and more than 1,000 assessments from their 2013 benchmark research to bring you real-world, proven solutions that deliver great customer experience and lifetime customers.

This eBook highlights selected findings from *Connect*, with particular emphasis on the potential business case of creating connected customer experiences—an area that is often a major barrier when it comes to securing an executive mandate.

*“The Consumer Decision Journey,” McKinsey Quarterly, McKinsey and Company, http://www.mckinsey.com/insights/marketing_sales/the_consumer_decision_journey, June 2009, David Court, et. al.

Portions of this eBook is excerpted from *Connect How to Use Data and Experience Marketing to Create Lifetime Customers* by Petersen, Person, Nash. Used with permission. John Wiley & Sons, Inc., 2014. // ISBN: 978-1-118-96361-6 © 2014 by Sitecore Corporation.

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The Challenge

Customers are in control and are far ahead of marketers in their use of digital communication and connection. Marketers need a proven roadmap to help them meet this challenge.

The Digital Transformation Roadmap

Many organizations are unsure about how to increase their customer experience maturity. The Customer Experience Maturity Model provides a well-defined seven-step model on how to grow.

The Current State

There are significant differences between immature early stage organizations and those in the more mature stages. Many of these differences do not require funding—but they do require a clear vision and commitment.

The Business Case for Experience Marketing

The impact on your organization from relevant and connected customer experiences can be significant. Use this working ROI calculator to estimate results from a connected experience platform.

How to Get Started – Now

The free chapters from the Connect book will give you valuable insight into the Customer Experience Maturity Model and show you key steps your organization needs to take.

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the→
CHALLENGE

THE CUSTOMER IS IN CONTROL!

It's not the same old marketing. Everything has changed.

CUSTOMERS are in control when it comes to finding their own information and making their own choices without "interference" from marketers. The Corporate Executive Board of the Marketing Leadership Council found that business-to-business (B2B) buyers are 57 percent of the way through the purchase decision journey before they contact sales.* Customers look online as their first source of information. Instead of getting a single clear source of information online, however, they are inundated by more than 40 marketing channels. And marketers have no control over what the customer looks at.

"Marketing must deliver relevant content, in the right context, at just the right time, on the right device, for each individual customer."

You, as a marketer, must be personal and relevant to each individual. Your message must be at just the right time, in the right context, and on the device each individual prefers. If you don't

give customers what they want, they can flip to your competition's content or search for social feedback with the tap of a finger. They choose the messages that get through. If you aren't relevant and don't fit the context, you no longer exist for them.

"For a customer, your brand is the sum total of every experience with your company."

Your customer's experience is the sum total of every touchpoint they have with you. It's up to you to give your customers a total experience that makes them want to become your lifetime customers. Your brand is reflected in every experience they have with your company: the personalized webpage, the telephone call over a late delivery, the question answered by email. Every touchpoint must be crafted and delivered for each customer.

* "The Digital Evolution in B2B Marketing,"
CEB Marketing Leadership Council, 2012



It's up to you to give your customers a total experience that makes them want to become your lifetime customers.

THE INTERNET HAS DRIVEN WEDGES INTO THE WORLD OF MARKETING

THE AGE OF THE CUSTOMER

We now live in what Forrester Research Inc. calls the “Age of the Customer”^{*}—an era where customers have never been more powerful. It is up to you as a marketer to deliver the experience the customer wants, when they want it, on their preferred device, and relevant to their context and stage in the decision journey. It’s a tall order, and it can only be done with the newest levels of marketing technology. But the technology can only help—the customer is still in charge.

“Our Customer Experience Maturity assessment shows that 90.1 percent of organizations are at a marketing maturity level where they cannot deliver the experience a customer wants.”

QUALITY OVER QUANTITY

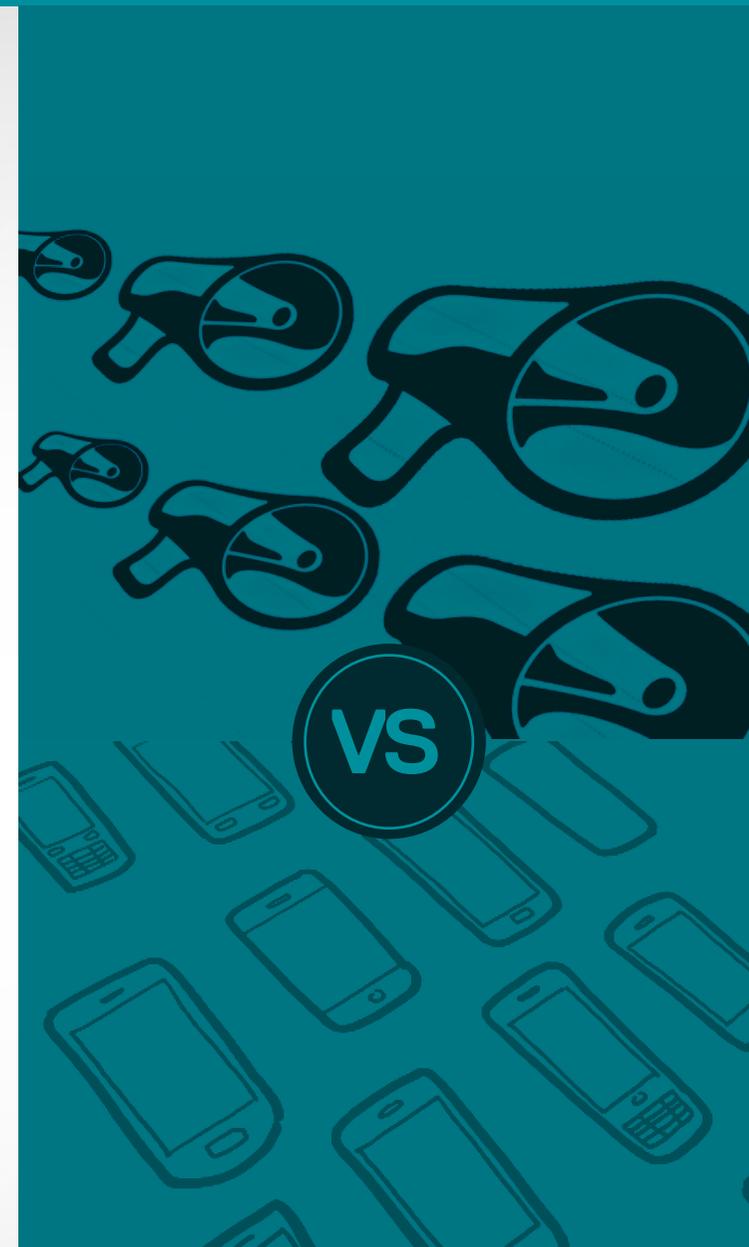
Marketers continue to market to the “Everyman,” blasting out a single message they think will fit everyone. For these marketers, their measure of

success is vanity metrics such as Visits, Likes and Email Opens. But these are measures of quantity, not quality. Marketers are trying to attract as many visitors as possible and then skim off the 1 or 2 percent they hope will become a customer. This is “hopeful thinking” marketing.

In the Age of the Customer, marketers must put quality over quantity. Customers want quality and relevance in their connection with a brand. They don’t want a message that has been “blasted” out to every faceless prospect. Not surprisingly, it’s the same on the marketer’s side: marketers want high-quality customers who are highly engaged and have a high degree of conversion.

“Customers and marketers demand a relevant, high-quality customer experience.”

^{*} “The CIO’s And CMO’s Blueprint For Strategy In The Age Of The Customer” Forrester Research Inc., <https://solutions.forrester.com/age-of-the-customer/cio-cmo-strategy-3115Q-3763IK.html>. Accessed 5/1/2015



SOMETHING HAS TO CHANGE—AND IT WON'T BE THE CUSTOMER!

WITH the advent of the Internet, customers gather information and make decisions without the aid of marketing and sales. The Internet has turned the buyer's decisions journey on its head. If marketing and brands want to help customers, they must change.

"Consumers demand a great experience at every touchpoint."

Marketing and brands need to change. They can't continue to blast inside-out company-oriented messages at prospects. They must use the power of experience platforms to meet every individual's personal expectations and needs. Marketing's message must be relevant, must fit the moment, fit the device, and connect with individuals. Marketers can no longer pretend they market to a mass consumer; messages must be personalized and fit the context. This personalized, context-sensitive marketing is Experience Marketing.

"Use customer data to create a single view of the customer for a consistent brand experience."

Experience Marketing meets the customer where, when, and how the customer expects and at that point delivers a relevant experience. This is more than publishing personalized outbound marketing. To do this right takes data collection at each marketing touchpoint, then using that data, through a single view of the customer, to shape the experience in real time.

Building on the single view of the customer, and connecting all touchpoints, enables everyone in an organization who contacts that customer to know the customer's total experience. That totality creates a consistent brand experience. From the customer point of view, it creates a personal connection and a single brand message with every person in the organization.



Marketers can no longer pretend they market to a mass consumer; messages must be personalized and fit the context.

THE BRAND EXPERIENCE IS EVERY TOUCHPOINT

THE brand experience is more than just marketing. It is about how your entire brand impacts the customer experience, building a real-time single view of customer data.

The brand experience is marketing. And it's sales. And it's service. And it's the last person talked to on the phone. It's a page on the website. Or an email with an offer. Or a custom app. Your brand experience is at every touchpoint.

As marketers we must embrace and manage the customer experience. Creating a great customer experience must become an executive mandate, as this can only happen successfully with strong executive support.



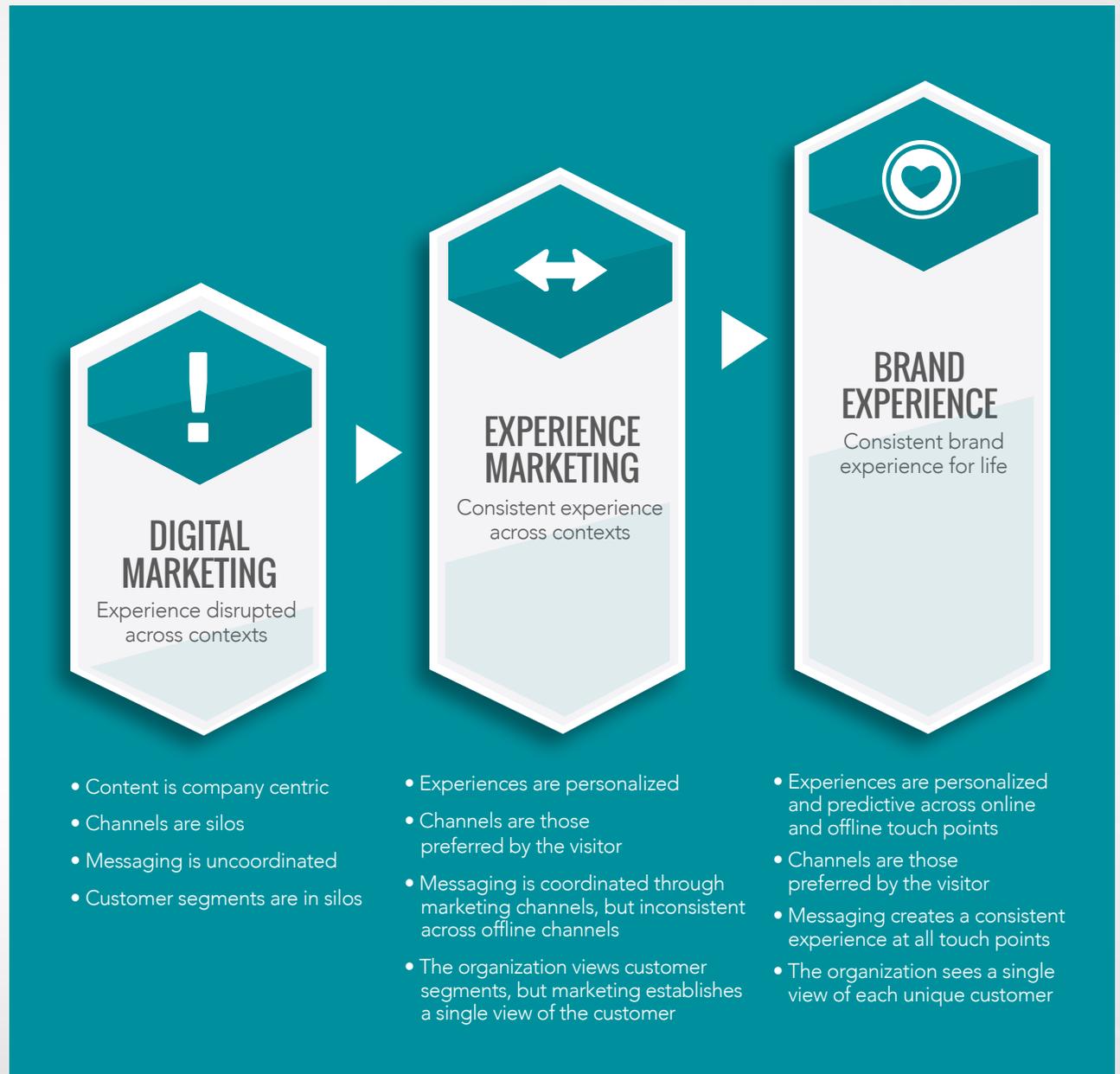
MARKETING IS EVOLVING INTO BRAND EXPERIENCE

IF YOU want to create a great customer experience, you must move from digital marketing to experience marketing and then continue onward to create brand experience.

Our research shows that almost all businesses are currently in the digital-marketing phase. This phase is a digital technology arms race as organizations attempt to reach customers through different digital channels. However, there is a problem at this level. Digital marketing as it's currently used doesn't reach customers with relevant content, in the customer's context, on their preferred device.

Experience marketing uses cross-channel digital experiences that are customer-centric. Customer information we learn at one touchpoint can be used to personalize the experience in real time and build on that at a different touchpoint. The experience is delivered through the preferred channel of each individual.

Truly successful organizations evolve to focus on the brand experience. In these organizations, all interactions between the customer and the organization combine to create a single consistent customer experience through any channel.



THE THREE PILLARS THAT MOVE YOU FROM DIGITAL MARKETING TO EXPERIENCE MARKETING

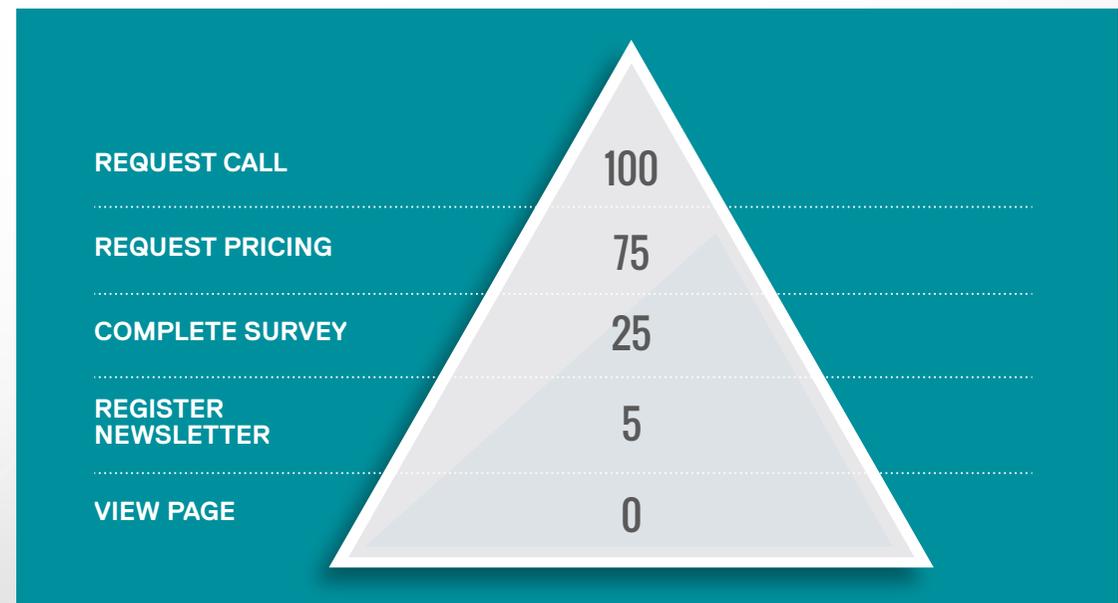
MOVING from digital marketing to experience marketing requires three pillars: aligning marketing with business objectives; personalizing experiences to individual visitors; and creating a single view of the customer. For maximum impact and marketing effectiveness, these three pillars should form an integrated part of your experience-marketing platform and must operate in real time.

FIRST PILLAR

Align strategic objectives and digital goals. Make sure your marketing works across channels to impact business objectives. Create digital goals that drive strategic business objectives. Each digital goal should be weighted according to its impact on strategic objectives. Marketers can then measure marketing impact, marketing efficiency and relevance to customers across channels.



▲ ALIGNMENT ▼



THE THREE PILLARS THAT MOVE YOU FROM DIGITAL MARKETING TO EXPERIENCE MARKETING

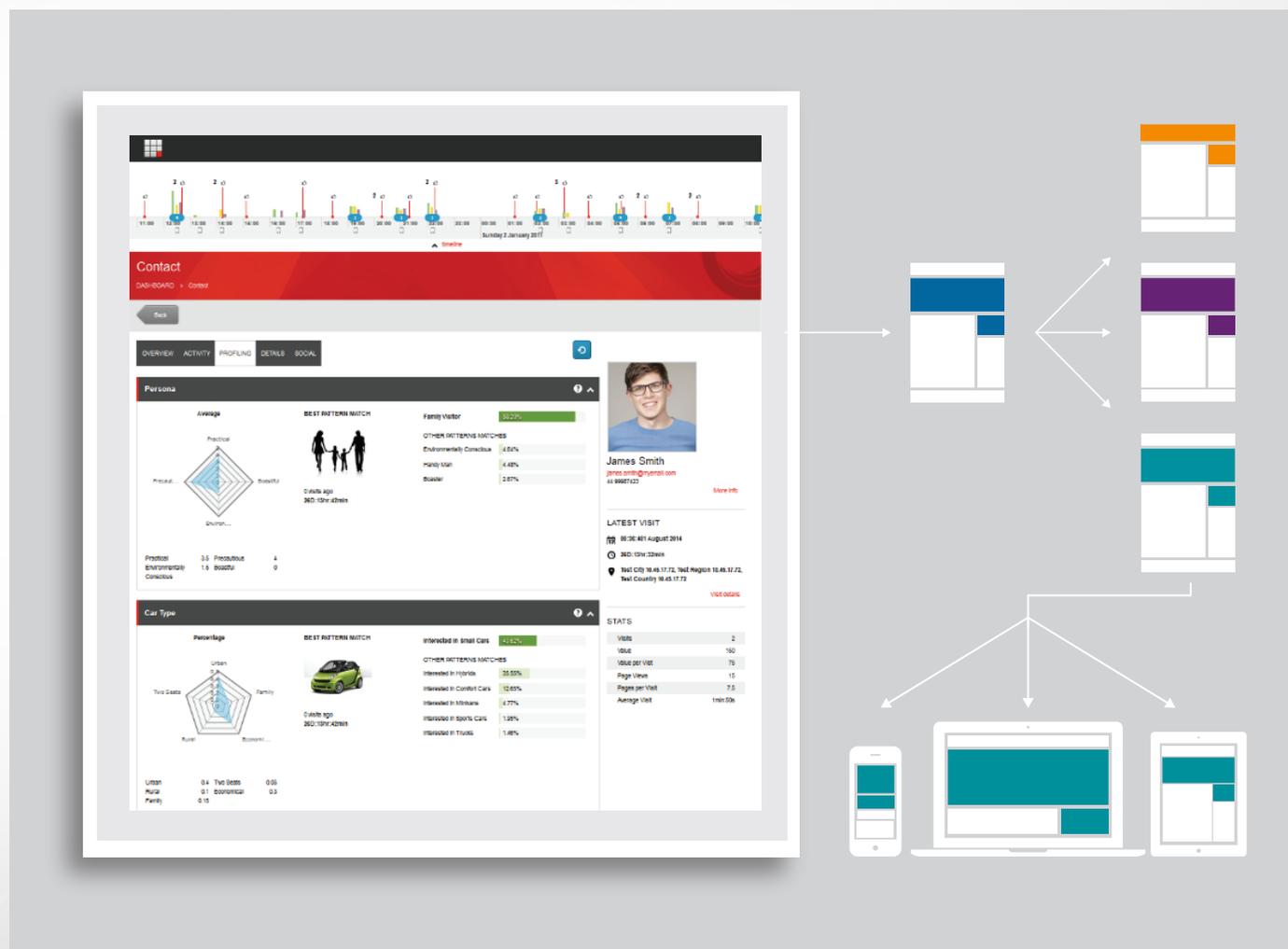
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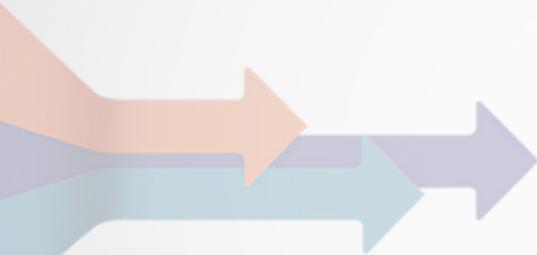
SECOND PILLAR

Begin building a single view of the customer, so each customer has a meaningful experience at digital touchpoints with the organization. A single view of the customer shows all customer touchpoints and interactions from first anonymous contact through the customer lifetime.

THIRD PILLAR

Use data from the single view to shape each visitor's real-time experience. Personalize each visitor's experience to their expectations and in-the-moment needs. Relevant content is delivered where, when, and in the context the visitor needs. As the visitor engages with marketing, the content and channel become more personalized and relevant.





the **DIGITAL**
TRANSFORMATION

.....→ Roadmap

IMPROVING YOUR CUSTOMER EXPERIENCE MATURITY

MOVING your organization through the stages from Digital Marketing to Experience Marketing and then to Brand Experience takes far more than just technology. It takes a combination of people, processes, technology and a sharp focus on the customer. At this point in the evolution of Internet and marketing technology, even if you have cutting-edge technology that rivals Amazon.com you cannot succeed if you don't have the right people to add insights and creativity, and if those people don't have the right processes to guide them. To succeed, you must

have the right people and the right processes to get the greatest value from your technology.

There is no final destination for marketers as they build their customer experience. For marketers, connecting with customers will always be a never-ending journey because the destination continually evolves. But if you are willing, innovative, and follow the guidance outlined in the book *Connect*, you will be able to make the journey, connect to your customers, and create lifetime advocates.

USE THE CUSTOMER EXPERIENCE MATURITY MODEL AND ITS BEST-PRACTICE MODELS

TO HELP you succeed in your journey, we have developed the Customer Experience Maturity Model™. You can identify where your marketing organization lies in this model's seven stages of customer experience maturity. The book offers guidance on how to evolve through each stage of maturity. This is not an academic model and it's not academic guidance. It comes from years of experience and best practices earned by helping hundreds of organizations ranging from midsize to global enterprises.

Connect: How to Use Data and Experience Marketing to Create Lifetime Customers uses the Customer Experience Maturity Model to explain the best practices in people, processes, and technology an organization needs to increase its customer experience maturity. These best practices and recommendations can be used by any organization using any of the leading connected experience platforms.



To succeed,
you must have
the right people
and the right
processes to
get the greatest
value from your
technology.

DIGITAL TRANSFORMATION —STEP BY STEP

THE CUSTOMER EXPERIENCE MATURITY MODEL™ gives organizations step-by-step guidance on how to grow from Digital Marketing to Experience Marketing to Brand Experience. (see diagram on next page)

Over 85 percent of organizations are in the two most immature stages, Initiate and Radiate. At this stage, organizations have static brochure-ware digital touch points, simple measurement and use of social channels.

In the Align, Optimize and Nurture stages, organizations take advantage of marketing technology and optimization processes. Align ensures that digital goals drive strategic business objectives. Optimize uses Engagement Value metrics to increase marketing impact and efficiency by providing a more personalized experience. Nurture uses experience automation to engage each individual, using personalized marketing sequences across channels.

The Engage stage is a difficult hurdle for organizations using marketing technology that was not conceived and built from the beginning as a connected platform. It is the Engage stage where your organization needs to integrate cross-functional systems to create a true single view of the customer.

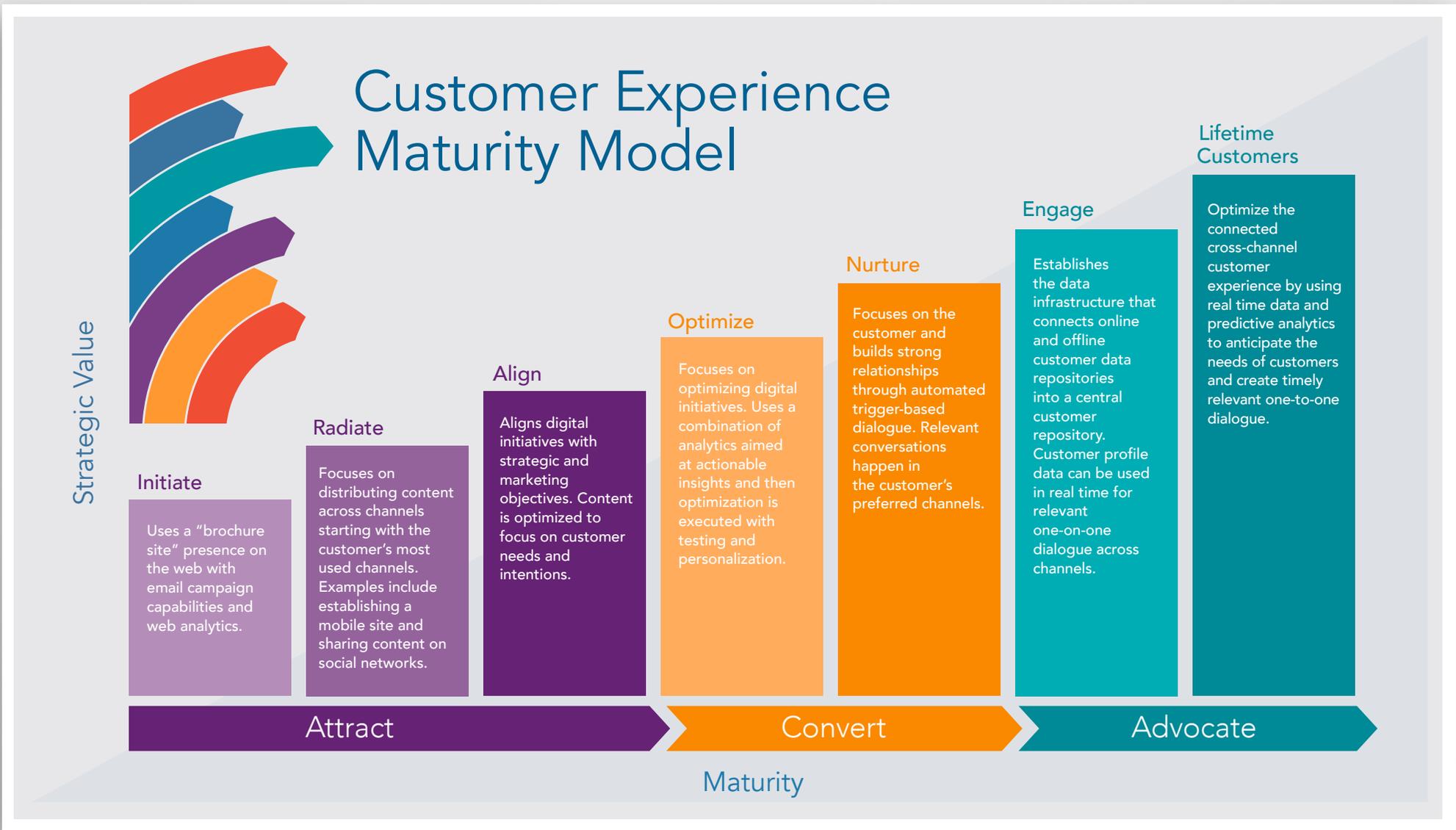
The Lifetime Customer stage is the ultimate goal for most organizations. At this stage, marketers can predict customers' needs and build customer advocates for life using sophisticated personalization algorithms and big data.

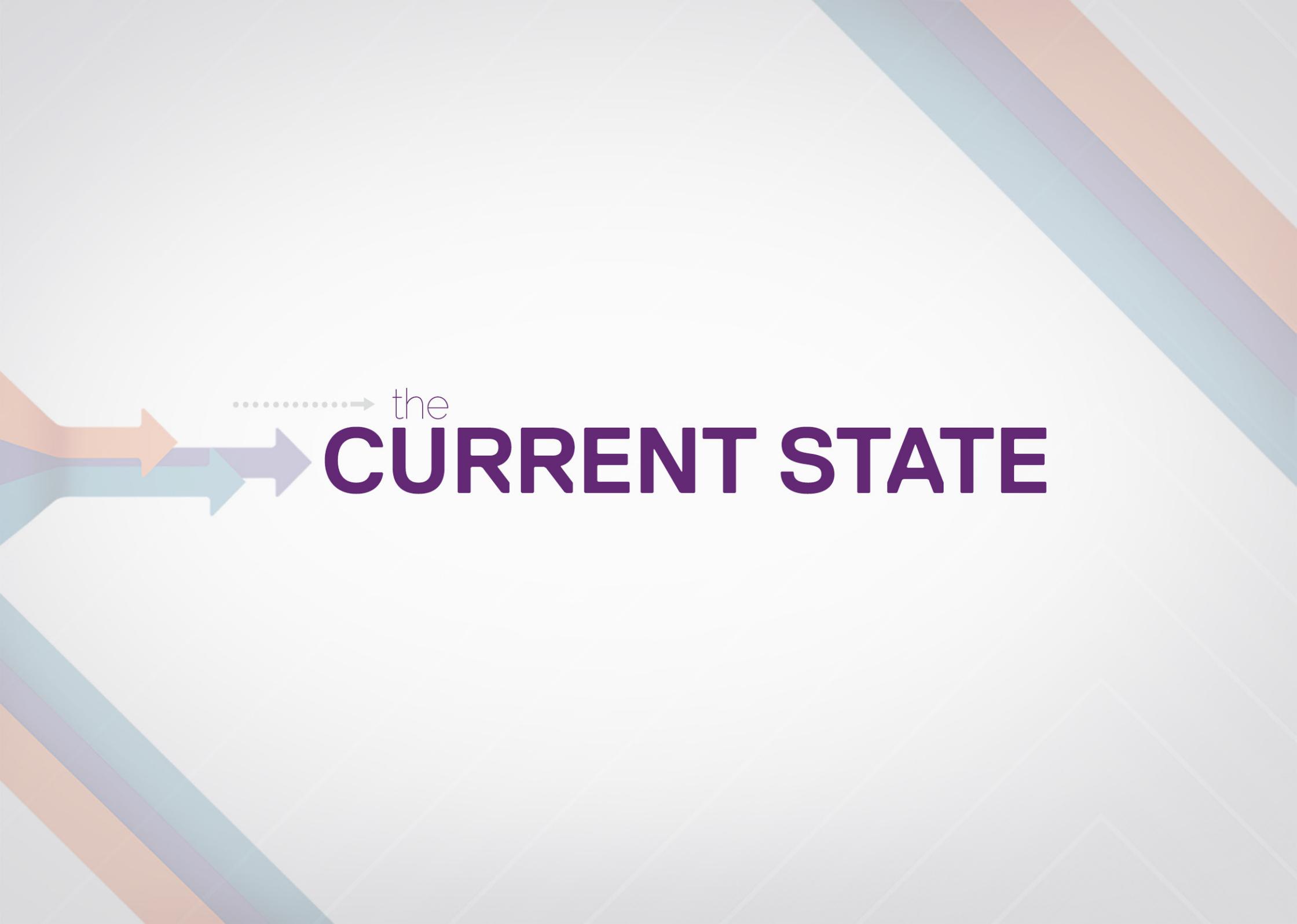


The Customer Experience Maturity Model™ gives organizations step-by-step guidance on how to grow from Digital Marketing to Experience Marketing to Brand Experience.

DIGITAL TRANSFORMATION—STEP BY STEP

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CURRENT STATE

THE CHALLENGE—FROM DISCONNECTED TO CONNECTED CUSTOMER EXPERIENCE

HOW DO marketers in the less mature stages of the Customer Experience Maturity Model™ create disconnected experiences for their customers? For starters, early-stage marketers are hindered by the technical history of digital marketing. Each digital channel grew up in its own technical silo. Websites, email, and social all developed separately with no common foundation. Analytics was based not on consumer behavior, but on technical log files with nothing common between the channels and no links to strategic objectives. The result of all these disconnections is a very disconnected customer experience.

CHAOS MARKETING IS DRIVEN BY THE COMPANY'S VIEWPOINT AND LIMITED BY DISCONNECTED TECHNOLOGY

All of us have suffered through disconnected marketing experiences. You get blasted with a generic “one size fits all” marketing message through one channel and a completely different generic message through another channel. And to make it worse, neither generic message is relevant to you. For example, one of our authors has accumulated over 130,000 air miles each year for the last few years and has that same airline’s credit card. Yet the author systematically receives contradicting weekly marketing “blasts.” One weekly mail begs him to join the airline’s credit card, despite him having been a card member for four years. Another monthly mail begs him to use his air miles to make a purchase, but totals the miles incorrectly. And the airline promotes trips over email and the website that the author has never expressed interest in. The result? Mistrust, alienation, and definitely declining loyalty. This is chaos marketing at its finest. It is marketing that is driven from the company viewpoint and limited by disconnected technology.

CONNECTED MARKETING IS DRIVEN FROM THE INDIVIDUAL CUSTOMER'S VIEWPOINT AND ASSISTED BY CONNECTED TECHNOLOGY

Compare the above example of disconnected marketing to the marketing from a mature organization. This company sends the same author a bi-monthly list of recommended topics and items related to the author’s prior purchases. They give him highly relevant recommendations that save time and help him make decisions. On an infrequent basis they let him know when items on his wish list are on sale. And he can even sample an item before buying. This is marketing that is relevant and helpful. This is connected marketing and a great customer experience.

AS MARKETERS, WE NEED A CLEAR STEP-BY-STEP PROCESS THAT GUIDES US TO CREATING A CONNECTED CUSTOMER EXPERIENCE.

Moving from early-stage to mature marketer requires changes in people, process, and technology. Every manager and every organization wants to see how others have made this change. What works? What are the best practices? What should be done first? What are the people skills, step-by-step processes, and technology that are needed at each level?

WHAT LEVEL OF CUSTOMER EXPERIENCE DOES YOUR INDUSTRY DELIVER?

MORE than 2,000 marketing organizations took the Customer Experience Maturity assessment in 2013 and 2014. The chart on the next page shows the different stages of marketing maturity for 13 industry segments. You can immediately see that the large majority of organizations are in the early maturity stages of Initiate and Radiate.

Notice that in every industry there are a few organizations at the highest level. These marketers are accelerating away in their efforts to capture lifetime customers. However, farsighted marketers in the lower 85.9 percent are not standing still; for example, in one year the e-commerce segment had an almost 7 percent increase in the Nurture stage and there was an 8 percent increase in mobile optimization. This increase in maturity is seen across most industry segments in 2013 to 2014 as marketing organizations gain maturity.

The book *Connect* explains in detail the best practices that can move you to higher levels of customer experience maturity.

It doesn't take a lot of resources to move to a higher level of marketing maturity if you are at an early stage. The book *Connect* explains in detail the best practices that can move you to higher levels of customer experience maturity.

You can get an easy-to-achieve yet major impact on marketing by aligning your content with visitor needs using a Digital Relevancy Map in your editorial process. This is described in chapter 6 of *Connect*. Another significant step is aligning digital goals with strategic objectives. 70 to 100 percent of Align, Optimize, Nurture mid-level marketers have done this. *Connect* describes in detail how to create an Engagement Value Scale that produces this alignment in one or two team meetings.

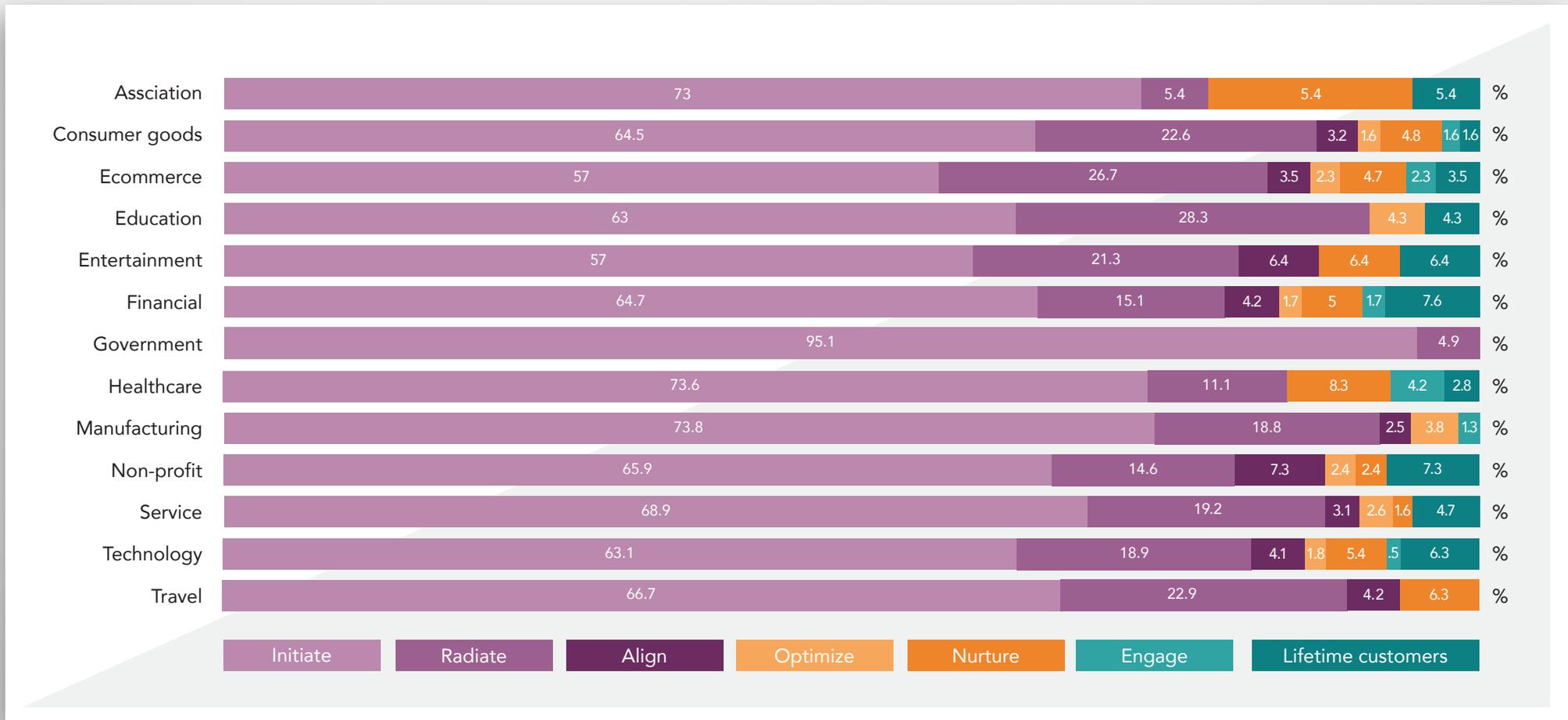
One more simple yet high-impact best practice is implementing A/B and multivariate testing. *Connect* explains how to combine A/B testing with the Engagement Value Scale to drive marketing performance increases of 6 percent or more.



Great marketers are with their customer at every step in the customer's journey.

WHAT LEVEL OF CUSTOMER EXPERIENCE DOES YOUR INDUSTRY DELIVER?

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WHAT IS THE DIFFERENCE BETWEEN MATURE AND IMMATURE CUSTOMER EXPERIENCE MARKETERS?

THERE is a big gap between marketing organizations who deliver great customer experiences and those who don't. Our yearly assessments in 2013 and 2014 of more than 2,000 marketing organizations found that 85.9 percent of marketing organizations are in the first two stages of Initiate and Radiate. These less mature organizations force their customers to use websites that are little more than static brochures. They "blast" all of their customers with the same newsletter.

There are startling differences between the two lowest stages, 85.9 percent of assessments, and the remaining stages, 14.1 percent of assessments. The top marketers align and measure their digital goals with business objectives, they personalize content, and they nurture individuals with

automated marketing. Some have even grown into Stage 6, Engage, and Stage 7, Lifetime Customers. At this high level they have true single view of the customer across their organization and their customers are becoming lifetime advocates.

If you are in the less mature group don't feel complacent because your group is larger. The top marketers are rapidly accelerating away from you. They are creating a great customer experience and cementing a long-term relationship with their customers. They are making it ever harder for you to acquire and keep customers. The longer you wait, the harder it will be to catch up.

"Mature marketers are building a platform for performance."



Top marketers align and measure their digital goals with business objectives, they personalize content, and they nurture individuals with automated marketing.

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What do less mature marketers look like compared to mature marketers? The following table shows how mature organizations have built a solid foundation on the best practices. They have built a platform for performance. Most of these areas are best practices and processes that don't require expensive software; they just need a plan and commitment. Less mature organizations had poor execution in mobile websites, tying KPIs to business objectives, and management involvement. Mature organizations had almost 100 percent commitment in these areas. A/B testing at 69.6 percent and personalization at 61 percent also showed commitment from mature organizations. A/B testing takes little extra funding.

This lack of foundation in the basics will wreck havoc in less mature organizations. They will be behind the power curve as customers demand a better experience that less mature organizations can't deliver.

	LESS MATURE	MOST MATURE
Optimized for mobile	44.0%	99.6%
KPIs tied to business objectives	21.3%	98.9%
Management involvement (mid to high involvement)	54.6%	98.1%
Use A/B or MV Testing	21.0%	69.6%
Personalized experience	23.2%	61.0%

One large change we saw in the difference between 2013 and 2014 is in optimizing for mobile. With the immense worldwide growth in the use of mobile and Google's higher ranking for mobile-responsive websites, many organizations have felt the pressure to adapt to mobile.

We fully expect that as more organizations deliver better customer experience, all organizations will feel the pressure to improve and to move to a higher level in the customer experience mature model.



All organizations will feel the pressure to improve and to move to a higher level in the customer experience mature model.

WHAT IS THE DIFFERENCE BETWEEN MATURE AND IMMATURE CUSTOMER EXPERIENCE MARKETERS?

THE DIFFERENCE between less mature and more mature marketing organizations is most apparent in multiple areas: mobile optimization, KPIs tied to business objectives, management involvement, AB testing, and personalization. 99.6 percent of mature organizations had their website mobile optimized compared to 44.0 percent of immature. Another striking difference was in the use of KPIs tied to business objectives: 98.9 percent of mature organizations tied their KPIs to business objectives compared to 21.3 percent. This reflected management involvement with 98.1 percent of management in mature organizations involved compared to 54.6 percent of immature. 69.6 percent of mature organizations do AB testing compared to only 21.0 percent of all organizations assessed. 61.0 percent of the mature organizations used some form of personalization compared to only 23.2 percent of all organizations. Most of these do not

require new software and costs; they do require new processes and commitment.

A high-impact best practice is A/B and multivariate testing. A/B testing has been shown to increase marketing performance by 6 percent or more*. You get even more business impact if you combine an Engagement Value with A/B testing to optimize marketing for strategic objectives. Our assessments discovered a break-over point where organizations seem to realize the value of data-driven marketing. 58 percent of organizations that are using A/B testing are also using KPIs that measure impact on strategic objectives. These marketing organizations understand that a few extra hours each week and modest use of technology can help them break away from lower maturity marketers.

*"The State of Online Testing 2011" Forrester Research, Inc.



These marketing organizations understand that a few extra hours each week and technology can help them break away from lower maturity marketers.

WHAT IS THE DIFFERENCE BETWEEN MATURE AND IMMATURE CUSTOMER EXPERIENCE MARKETERS?

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Another simple best practice is the use of email segmentation so that, instead of “blasting” out email newsletters to your entire list segment, emails are more relevant. For example, you might segment a large list to create a list containing only those who have downloaded a white paper on “Personalizing Website Content.” That segmented list can then be used to invite people who are interested to a webinar on website personalization. This takes no extra software, just a little brainpower and a few hours. Again, our assessments show this break away from lower-level maturity seems to occur along with data-driven marketing. 70.5 percent of organizations using A/B testing are also using email segmentation.

Personalization, even simple rules-based personalization, is a definitive step in moving organizations into the Optimize and

Nurture stages. Research has shown uplifts in sales of 19 percent** and more with marketing personalization.

A few organizations in every segment have reached Stage 6, Engage, and Stage 7, Lifetime customer. These two stages have significant barriers to entry. Stage 6, Engage, requires integrating marketing systems with multiple business systems. If you do not use marketing software that was designed for easy integration, then you face a hurdle that takes time and money. While other leading vendors can integrate their software, few can produce real-time personalization and automation using that integrated data. At the highest level, advanced analytics and open integration framework are needed to ease integration and provide the analytic power to do predictive personalization.

**“The Realities of Online Personalization”
Econsultancy.com Ltd., April 2013.



At the highest level, advanced analytics and open integration framework are needed to ease integration and provide the analytic power to do predictive personalization.

HOW WELL DO YOU CONNECT WITH YOUR CUSTOMERS? TAKE THE TEST.

TO BUILD a great customer experience, you need to start with your customer in mind. This page gives you two measures of how customer-centric your marketing is. The first is a quick assessment of how relevant your website is to people coming from organic searches. The second assessment identifies your customer experience maturity against a seven-stage Customer Experience Maturity Model™.

Does your website connect?

Take the quick assessment on the right to see your website from your customers' point of view when they come from an organic search. This assessment will guide you through the steps people take when using a search engine to begin a decision journey. How relevant is your website to a visitor's needs? The last four check boxes ask you to analyze whether you have taken your visitors through a ladder that builds commitment. Have you taken them on a journey from attraction, built two-way communication that built trust, and finally asked for commitment?

Where is your marketing in the Customer Experience Maturity Model?

In our research for the book *Connect How to Use Data and Experience Marketing to Create Lifetime Customers* we assessed organizations against our seven-stage Customer Experience Maturity Model (see page 15). To learn which of the seven stages your organization is at, **you can take this same assessment at connecttheexperience.com/cxtest**

DO YOU GIVE YOUR CUSTOMERS A RELEVANT EXPERIENCE?

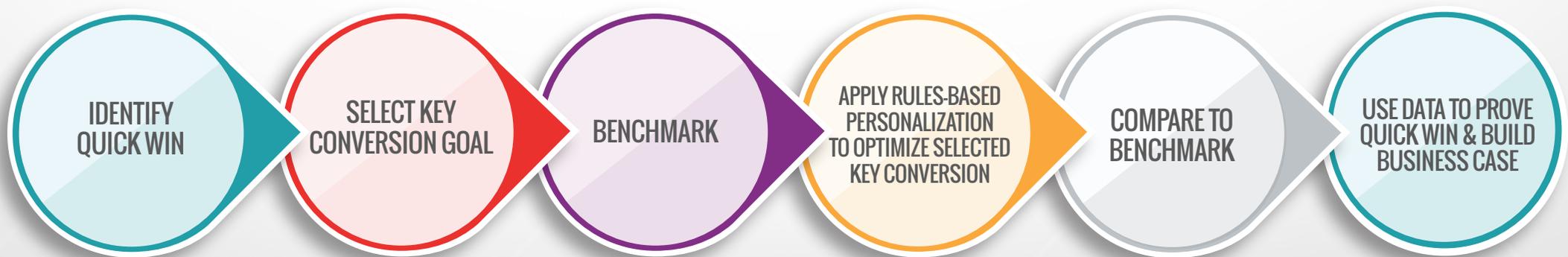
Write one of your key products or services:		
Write a keyword search phrase an interested visitor would use to find it. Avoid branded keywords:		
Type the keyword phrase in a search engine.		
Click one of your links. Is the content relevant to the search?		
Click to your site's home page. Does it show content relevant to the search?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Does your site propose next step(s) for this visitor?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If next steps were proposed, are they relevant to the query?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
If next steps were proposed, was trust established prior to asking for the next steps?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Were trust and commitment built in layers?	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Attract	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Communicate	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Trust	<input type="checkbox"/> YES	<input type="checkbox"/> NO
Commit	<input type="checkbox"/> YES	<input type="checkbox"/> NO

START WITH EASY QUICK WINS—GROW YOUR SUCCESS

AS YOU BUILD an organization that is customer experience oriented there is a real risk of getting stuck in a state of “analysis paralysis.” This occurs when you plan on doing too much at first. Plans become so complicated and long that first steps might take a year, beginning becomes overly complicated and expensive. Eventually, nothing happens. You can prevent this “analysis paralysis” by starting with a Quick Win.

A Quick Win is a program that you can launch quickly and easily and that builds motivation and momentum for more change. It should be an isolated objective, such as a single campaign, so that the improvement from your changes can be easily identified and analyzed. You need the support of an upper-management stakeholder who will provide resources for the Quick Win. When your Quick Win succeeds, that same stakeholder must present your case to upper-management. That will build support for additional Quick Wins and widespread implementation. The people on your Quick Win team must be a select, highly motivated group that recognizes that they are working on a project of special importance. Success with the Quick Win should be a successful step up in their career path.

Create a Quick Win using a combination of optimization methods that focus on solving a specific business issue. Identify the most important digital goal and apply an Engagement Value to it so you can monitor the change in marketing’s impact and efficiency. Apply simple rules-based personalization to see the impact of personalized content. The combination of Engagement Value and rules-based personalization is a combination that frequently creates Quick Win success.



GET MANAGEMENT ON BOARD TO ACCELERATE YOUR MARKETING

RESEARCH for the book *Connect* revealed a high correlation between management involvement and marketing's level of maturity on the Customer Experience Maturity Model. But this revelation presented some questions: Does an increase in management involvement drive an increase in maturity through the use of best practices and increased resources? Or does an increase in KPIs aligned with strategic objectives get management involved and interested? Or is it a virtuous cycle?

The authors believe that using best practices that show how marketing impacts strategic objectives gets management interested. That interest drives more best-practice behavior and Quick Win projects that improve the Return on Marketing Investment. When management sees quantifiable results from these Quick Wins and improvements, they provide resources. And that cycle continues, driving marketing performance to higher levels and increasing management participation. In the 2014 assessments, the percentage of marketing organizations that stated they had high involvement by top management for each maturity level looked like this:

HIGH INVOLVEMENT BY TOP MANAGEMENT AT EACH MATURITY LEVEL						
INITIATE	RADIATE	ALIGN	OPTIMIZE	NURTURE	ENGAGE	LIFETIME CUSTOMER
21%	30%	25%	50%	76%	100%	100%

Those same assessments showed a high relationship between strategic and business-oriented metrics and a high level of top management involvement:

USE OF KPIs ALIGNED WITH BUSINESS OBJECTIVES & LEVEL OF MANAGEMENT INVOLVEMENT			
NOT INVOLVED	LOW INVOLVEMENT	MEDIUM INVOLVEMENT	HIGH INVOLVEMENT
15%	17%	33%	54%

If marketing wants to create an organization that impacts the business, gets a place in the boardroom, and garners resources to move up the Customer Experience Maturity Level, then marketing has to start speaking a language that upper management understands—marketing must align with strategic objectives.

Marketing has to start speaking a language that upper management understands.



the→
BUSINESS CASE
for **EXPERIENCE MARKETING**

MARKETING IS CHANGING AND MANAGEMENT MUST ACT!

An impassioned plea by the authors

Marketing is being Battered by Sea Changes

The beginning of this ebook described how marketers are confronted by customers who are taking control of their own buyer's decision journey. Smart marketers can take advantage of this by creating awesome customer experiences, building trust and advocacy and capturing customers for life.

Marketers are also being battered by another sea change. Michael Porter, the father of competitive strategy at Harvard, has studied how industries mature and change. His findings show that industries go through learning cycles. When industries move from one cycle to the next, those that do not learn and adapt rapidly disappear.

If you are going to make the jump from one learning cycle to the next in marketing you need people, processes, and technology that work across all marketing and communication channels and that meet the demands of the Age of the Customer.

Marketing leaders take advantage of the change—Use the Customer Experience Maturity Model as the map!

Now is the time for marketing management to create a significant competitive advantage.

Marketing leaders can use the best practices and step-by-step guidance in *Connect* to move their marketing to higher levels on the Customer Experience Maturity Model™. If you are a student of Michael Porter, you will recognize you have two choices: either start now to move up the Customer Experience Maturity Model or find a niche and hunker down. If you don't think this is true, take a marketing manager from Borders or Blockbuster Videos out to lunch. What happened to books and videos in the United States can happen across industries through a tsunami of experience marketing.

The world of business saw a similar tsunami sweep across all manufacturers in the 1990s. That tsunami was Enterprise Resource Planning. ERP, as it's called, gave management an integrated view of core business processes. The customer experience platform will have the same effect on marketing. It will give management and marketers a quantitative view into what drives increased sales and marketing effectiveness.

The time to start is now! You don't need a large investment to start. Use Quick Wins like we have described here to prove how you can drive marketing effectiveness.



When industries move from one cycle to the next, those that do not learn and adapt rapidly disappear.

CUSTOMER EXPERIENCE LEADERS OUTPERFORM WHILE BUILDING COMPETITIVE ADVANTAGE

GREAT customer experience does more than create lifetime customers. It builds competitive advantage and makes a huge impact on business return in the stock market.

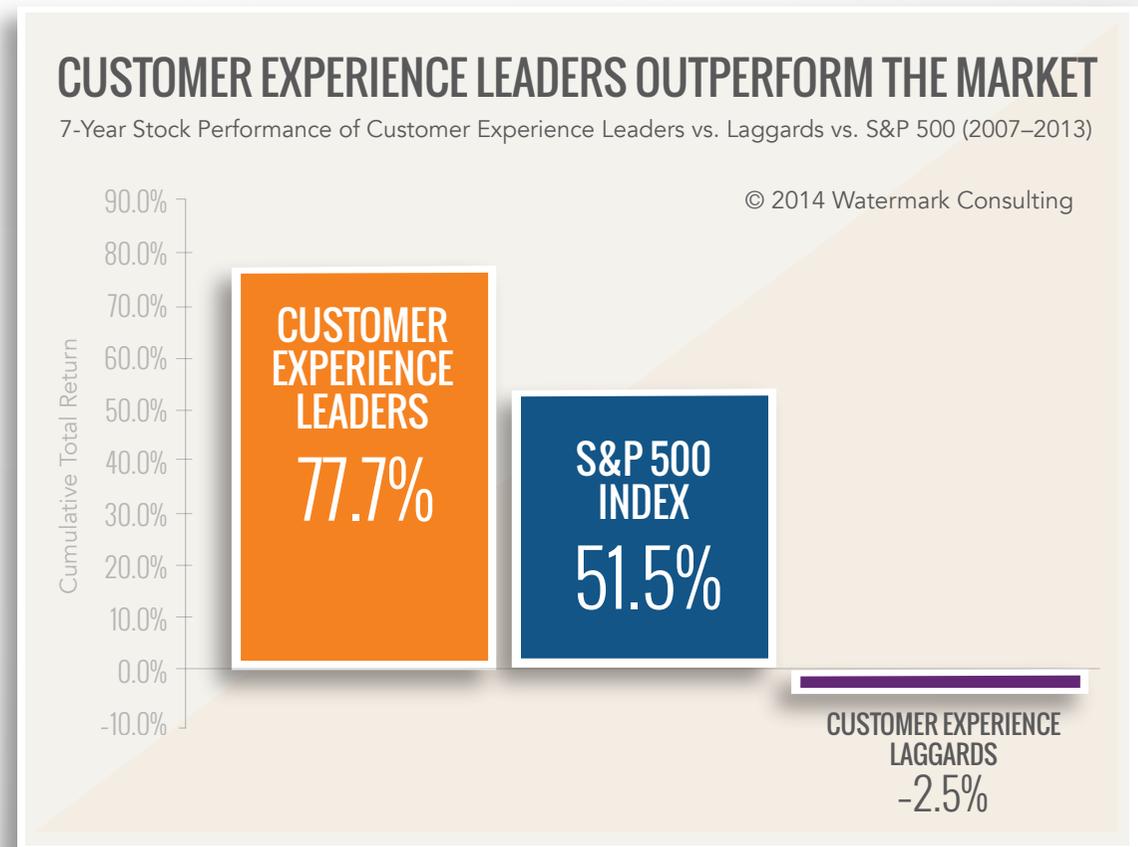
Gartner Research used the word “imperative” when describing how 90% of businesses believe that customer experience will be a primary basis for competition in 2016*.

Watermark Consulting came to the same conclusion by looking back at stock market performance. They wanted to see what impact great customer experiences had on a company’s stock market performance. Using Forrester Research’s 2007–2014 Customer Experience Index, they compared portfolios composed of stocks of the top 10 customer experience leaders against the bottom 10 laggards**.

The results were something you could really bet your wallet on. The portfolios of customer experience leaders beat the laggards by 80.2 percent. The customer experience leaders’ portfolios even beat the S&P 500 Index by 26.2 percent over a 7-year period. And it’s not just leaders vs. laggards—delivering a bad customer experience hurts a company and its brand. The portfolio of customer experience laggards trailed the S&P 500 Index stock performance by 54 percent for the same 7-year period.

*“Gartner Research Predicts 2015: Digital Marketers Will Monetize Disruptive Forces” Published: 3 November 2014, gartner.com/doc/2897117/predicts--digital-marketers-monetize

**Watermark Consulting, Watermark Consulting 2014 Customer Experience ROI Study” bit.ly/CX-ROI



Watermark defines Customer Experience Leaders and Laggards as the top ten and bottom ten rated public companies in Forrester Research’s 2007-2014 Customer Experience index studies. Comparison is based on performance of equally-weighted, annually readjusted stock portfolios of Customer Experience Leaders and Laggards relative to the S&P 500 Index.

LEVERAGE QUICK WINS AT THE SWEET SPOTS TO MOVE UP THE CUSTOMER EXPERIENCE MATURITY MODEL™

Focus on Quick Wins guaranteed to make an impact

THE SWEET SPOT for experience marketing is at the Optimize and Nurture stages of the Customer Experience Maturity Model™. It is at those spots that your organization can leverage testing, personalization, and marketing automation. Studies and surveys from many analysts and across industries consistently show the impact at these stages.

TESTING

96% of organizations using testing had increased conversions of 1% or more.
77% had increased conversions of 6% or more.

"The State of Online Testing 2011" Forrester Research, Inc.

PERSONALIZATION

93% of organizations that use website personalization have seen an improvement in conversion rates since its implementation.

Source: "Conversion Rate Optimization Report 2014" Econsultancy.com Ltd., November 2014.

Organizations that are using personalization to optimize the website experience are seeing on average a 19% uplift in sales.

Source: "The Realities of Online Personalization" Econsultancy.com Ltd., April 2013.

MARKETING AUTOMATION

Companies that automate lead management see a 10% or greater increase in revenue in 6 to 9 months.

Source: Gartner, Inc.

Companies that excel at lead nurturing generate 50% more sales-ready leads at 33% lower cost.

Source: Forrester Research, Inc.



93% of organizations that use website personalization have seen an improvement in conversion rates since its implementation.

THE ROI OF A CONNECTED EXPERIENCE PLATFORM

IN CONNECT, we recommend that as you move up the maturity model you build a connected experience platform that delivers a connected customer experience.

Creating a relevant and connected customer experience gives you a competitive advantage. Technology is the enabler and is an excellent business investment, often producing a rapid ROI on the technology investment, which is detailed on these pages.

A connected experience platform presents a single view of the customer in real time to anyone who works with customers. Your organization can use that single view in real time to give your customers the best customer experience. Real-time personalization can leverage data gathered from touchpoints throughout your organization. Easily accessed customer data also means that the connected platform delivers built-in analytics so you can create agile marketing and react immediately to changes.

Building a connected platform impacts the bottom line immediately. Your return on investment benefits in three areas indicated on the right:



INCREASED BUSINESS IMPACT

Optimize business objectives by using personalization, testing, and cross-channel automation.



INCREASED OPERATIONAL EFFICIENCY

Integrated capabilities means you get to market faster. Your production is more agile and faster from concept, to testing, to production.



INCREASED TECHNOLOGY SAVINGS

Using a connected platform designed from the beginning to span capabilities means you have reduced integration and technology costs.

WHAT IS YOUR ROI FROM IMPLEMENTING A CONNECTED PLATFORM?

 1. BUSINESS IMPACT	 2. OPERATIONAL EFFICIENCY	 3. TECHNOLOGY SAVINGS
<p>Current annual value from digital conversions? <input type="text"/></p> <p>Percentage of visitors that would be exposed to personalization? <input type="text"/></p> <p>Projected impact based on personalization: <input type="text"/></p>	<p>How many tests are you conducting per year? <input type="text"/></p> <p>On average, how long in days does it take to conduct one test? <input type="text"/></p> <p>What is your FTE cost per day? <input type="text"/></p> <p>Total operational costs of testing: <input type="text"/></p> <p>Estimated operational costs of testing with a connected platform: <input type="text"/></p>	<p>Total annual cost of current systems? <i>(Includes license and maintenance of CMS, web analytics, email, testing, personalization, marketing automation)</i> <input type="text"/></p> <p>Total annual cost related to integration and updating current systems? <input type="text"/></p> <p>Cost of investment in Connected Experience Platform: <i>(License + first year maintenance)</i> <input type="text"/></p> <p>Cost of implementing Connected Experience Platform year one: <input type="text"/></p>
<p>PROJECTED ANNUAL VALUE EFFECT FROM PERSONALIZATION <input type="text"/></p>	<p>PROJECTED ANNUAL OPERATIONAL SAVINGS FROM TESTING WITH A CONNECTED PLATFORM <input type="text"/></p>	<p>PROJECTED ANNUAL COST SAVINGS <input type="text"/></p>
<p>The projected business impact above, is only based on personalization. Using more optimization capabilities from a connected platform, like testing and marketing automation, will add more to the optimized business outcome.</p>	<p>The projected annual operational savings, is just based on testing, with a connected platform, there are also operational savings with personalization, marketing automation, email campaigning, social campaigning and reuse content across different channels.</p> <p>The speed of operations allows organizations to be more agile and launch initiatives more rapidly, as well as free resources to do more optimization, that have effect on business impact.</p>	<p>The technology savings are based on selected capabilities. Often there are more costs associated when more technologies are used, for example, multiple technologies requires multiple internal training programs as well as multiple development and maintenance programs. Integrating technologies reduces costs.</p>

= TOTAL ROI

CUSTOMER EXPERIENCE IS FOR THE LONG TERM

CUSTOMER experience builds long-term customer retention and advocacy. This has a multiplier effect on achieving your long-term strategic objectives.

An excellent customer experience not only creates a positive brand image; it also builds customer retention. Customer retention reduces the cost of acquisition and increases the profit margin per customer. Bain & Co. research shows that many online sales only make money by retaining customers over the long term.* Retaining loyal customers means continued sales, up-sales, and cross-sales without the initial costs of acquisition.

Customer loyalty on the Internet is a key driver of long-term profitability. Loyal online customers, just like offline ones, spend more, refer more people, and are more willing to expand their purchasing into new categories.**

While customer experience creates happy and satisfied customers, it also pays future benefits. A future benefit is that a great customer experience creates customer advocates. These advocates become your unpaid sales force.

* "The Economics of E-loyalty" 7/10/2000, Harvard Business School, <http://hbswk.hbs.edu/archive/1590.html>

** "The Value of Online Customers" Bain & Company. Accessed 4/28/2015, http://www.bain.com/Images/Value_online_customer_loyalty_you_capture.pdf



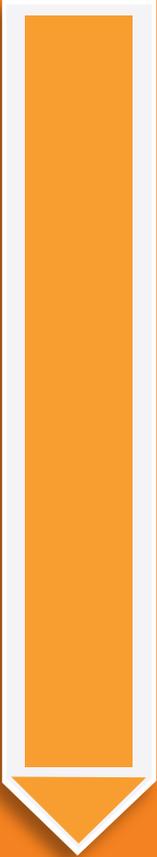
A future benefit is that a great customer experience creates customer advocates. These advocates become your unpaid sales force.

THE BUSINESS CASE FOR A CONNECTED EXPERIENCE PLATFORM



INCREASES

- Competitive advantage
- Revenue
- Conversions
- Customer quality
- Customer retention & advocacy
- Traffic
- Customer self-service
- Market share
- Market reach
- Brand awareness
- Relevancy & engagement
- Re-use of content
- Democratization of digital



DECREASES

- Total cost of ownership
- Editing time & costs
- Production time across multiple channels
- Content management time & cost
- Systems integration management
- Specialist integration skills
- External agency costs
- Time to market
- Call centre resources/time
- IT skills & costs
- PPC & SEO costs
- Translation costs



How to→

GET STARTED NOW

WANT TO START MOVING YOUR MARKETING TO HIGHER LEVELS?

Click below to download free chapters of *Connect: How to Use Data and Experience Marketing to Create Lifetime Customers*.

<http://www.connecttheexperience.com/freechapters>



Click here

Learn the strategies, step-by-step processes, and best practices that will raise your marketing organization to new levels.

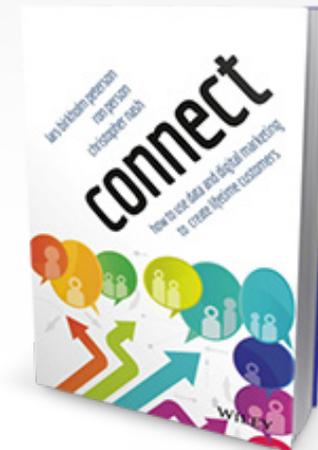
WANT TO DIG IN AND LEARN MORE RIGHT NOW?

Click here to get a copy of *Connect How to Use Data and Experience Marketing to Create Lifetime Customers* through Amazon. Or use Kindle to read it right now!

<http://www.wiley.com/WileyCDA/WileyTitle/productCd-111896361X.html>



Click here



CONNECT

HOW TO USE DATA AND
EXPERIENCE MARKETING TO
CREATE LIFETIME CUSTOMERS

By Lars Birkholm Petersen,
Ron Person, and Christopher Nash

ABOUT THE AUTHORS OF *CONNECT*



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- A disruptor in action: easyJet's story
- The foundation for disruption with a connected, integrated platform



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