

THE RISE OF THE CUSTOMER MARKETER



THE RISE OF the CUSTOMER MARKETER

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PSST! HAVE YOU HEARD THE LATEST? THE AGE OF THE CUSTOMER IS UPON US, AND IT MEANS BIG THINGS FOR CUSTOMER MARKETERS!

CONSIDER THIS: 60% OF BUSINESS LEADERS SURVEYED SAY THAT CUSTOMER ENGAGEMENT IS THEIR TOP PRIORITY, WHILE 84% OF BUSINESS LEADERS BELIEVE THAT CUSTOMER ENGAGEMENT WILL SURPASS PRODUCTIVITY AS THE PRIMARY DRIVER OF BUSINESS GROWTH.*

Why so much focus on the customer? It's simple, really. Fully engaged customers spend more, stay around longer, and ultimately, turn into advocates for your brand, using their social power to recommend, refer and ultimately sell your product or service for you.

Other factors, including the longer revenue cycles of SaaS (software as a service), or subscription-based business models, have made it essential to invest in customer relationships over the long-term in order to realize revenue growth.

As more and more companies turn their focus away from short-lived marketing campaigns, and toward building ongoing relationships with customers, the role of the customer marketer is changing – and becoming more important than ever.

To help you better understand this fundamental strategy shift, and the exciting opportunities it poses for customer marketers, we've developed this short guide, chock full of insights, recommendations and resources gathered from those who live, work and breathe for the customer.

“
TO BE SUCCESSFUL AS
A MARKETER, YOU NEED
TO PUT THE **CUSTOMER**
AT THE CENTER OF EVERY
SINGLE THING YOU DO.

— **DEENA ZENYK**

ADVOCATE MARKETING MANAGER
AT SMART TECHNOLOGIES



*SOURCE: BLUEWOLF'S STATE OF SALESFORCE REVIEW 2013-2014

THE ROLE OF THE CUSTOMER MARKETER

To fully understand the evolution of the customer marketer, let's take a look at some of the traditional marketing techniques and strategies used by marketers over the years.



THEN — VS — NOW



THE ROLE OF THE CUSTOMER MARKETER: THEN

CAMPAIGNS WERE KING

Historically, marketers relied heavily on campaigns that used push techniques, such as advertising and email blasts, to broadcast a single message to all of their customers. With a focus around specific events such as product launches or contract renewals, customer interaction came in short spurts, and then ended until the start of the next campaign.

SELLERS WERE IN CONTROL

With content now accessible anytime, anywhere, it's hard to imagine the concept of information scarcity. However, pre-Internet marketers used this scarcity to their advantage, controlling campaign messages through direct mail and advertising. Because buyers were limited in how they could access company and product information, purchasing power sat with the seller.

CUSTOMERS INTERACTED WITH COMPANIES VIA SALES & SERVICE STAFF

Traditionally, buyers interacted with a company primarily through sales and service staff. Marketing's job consisted of collecting leads and passing them on to sales people, who would then "connect" with customers by e-mailing out a case study or two, and perhaps arranging a reference call, with the goal of closing the sale.



**FOUR YEARS AGO,
CUSTOMER MARKETING
MEANT RUNNING A
CAMPAIGN TO GET MORE
MONEY OUT OF YOUR
CUSTOMERS.**

— **HEATHER FOEH**

**DIRECTOR OF CUSTOMER
ADVOCACY, LATTICE ENGINES**



THE ROLE OF THE CUSTOMER MARKETER IS CHANGING

FROM CAMPAIGNS TO **CUSTOMER EXPERIENCE**

THEN VS NOW



FROM CAMPAIGNS TO **CUSTOMER EXPERIENCE**



With the amount of information and choices readily available to today's digital customer, buyers expect more from the companies that sell to them. As a result, businesses have been forced to rethink the way they view and interact with their customers — and the role of the customer marketer has taken on a new dimension.



THE CUSTOMER NOW HAS THE POWER, AND THEY CAN CHOOSE WHERE THEY GET THE INFORMATION FROM, AND FROM WHOM.

— CARLOS GONZALEZ

**DIRECTOR OF CUSTOMER SUCCESS
CERIDIAN**

BUYING POWER HAS SHIFTED TO THE CUSTOMER

Gone are the days when companies could choose their campaign message and push it out via limited channels. With access to social channels, online reviews and communities, customers are interacting with brands (and each other) outside of campaigns, and companies that don't earn permission for a buyer's attention risk being left behind.

BUYERS TRUST PEERS MORE THAN THEY DO MARKETERS

Because 75% of the B2B buying process is complete before buyers come in contact with sales (Forrester Research), it's important to engage customers early in the buying cycle, and get them talking positively about your brand.

This is where customer marketers can shine. As drivers of advocate programs, customer marketers can mobilize a company's most enthusiastic, vocal fans to share the love by agreeing to act as a referral, submit an online review, write a testimonial, or simply comment on a blog post. Good customer marketers know that treating advocates like rock stars – inviting them to private parties and special events – keeps them part of your inner circle, and helps motivate them to take the next challenge you cast their way.

THE ROLE OF THE CUSTOMER MARKETER IS CHANGING

It's always a challenge just to get people in the company to understand what advocacy is. People think: Great, a customer advocacy person – we should have lots of case studies now.

— **HEATHER FOEH**

**DIRECTOR OF CUSTOMER
ADVOCACY AT LATTICE ENGINES**

Customer marketing has definitely shifted from a strong emphasis on cross sell and upsell to engaging customers in ways that creates a deeper relationship and more action oriented dialogue. In the long run, this shift will recreate the way we market: putting customers at the center of everything we do.

— **NATALIE SALSER**

**MARKETING MANAGER, CUSTOMER
ADVOCACY & ENGAGEMENT AT NEUSTAR**

I think before it was: Who can come up with their creative campaign, do some marketing automation and send out to your customers, whereas now it's more of a relationship role.

— **LIZ RICHARDSON**

**SOCIAL MEDIA AND ADVOCATE
MARKETING MANAGER AT BOMGAR**





THE ROLE OF THE CUSTOMER MARKETER IS CHANGING

Although still responsible for generating revenue through cross selling and upselling opportunities, customer marketers have taken on more responsibilities designed to foster the ongoing customer relationships that are so important for retaining customers and reducing churn (the rate of customer attrition or turnover).

IT'S BECOME MUCH MORE IMPORTANT TO INVOLVE THE CUSTOMER IN THE SALES CYCLE BECAUSE, MANY TIMES, PEOPLE TRUST THE WORD OF THE CUSTOMER OVER THE WORDS OF THE SELLER. IT'S JUST THAT WHOLE THOUGHT PROCESS ABOUT HOW PEOPLE LISTEN TO WHAT THEIR PEERS SAY.

— KRISTEN GLASS

MARKETING SPECIALIST
ACT-ON SOFTWARE



CUSTOMERS THAT ARE FULLY ENGAGED WITH YOUR BRAND PROVIDE A 23% PREMIUM OVER AVERAGE CUSTOMERS IN SHARE OF WALLET, PROFITABILITY, REVENUE, AND RELATIONSHIP GROWTH

Business leaders understand that it costs exponentially more to acquire a new customer, so they are focusing resources on nurturing existing customers through customer marketing. In fact, nearly 63% of business professionals say they have staff dedicated to customer marketing roles.

SOME OF THE AREAS WE'VE SEEN CUSTOMER MARKETERS TAKE ON INCLUDE:

- ✓ CUSTOMER AND USER GROUP EVENTS
- ✓ CUSTOMER ENGAGEMENT
- ✓ CUSTOMER EXPERIENCE
- ✓ DEMAND GENERATION
- ✓ ONLINE COMMUNITY MANAGEMENT
- ✓ REFERRAL MANAGEMENT
- ✓ RETENTION, LOYALTY AND ADVOCACY PROGRAMS

CHALLENGES OF THE **CUSTOMER MARKETER**



**I THINK THE BIGGEST CHALLENGE
FOR ME IS THE TIME, BECAUSE
CUSTOMER MARKETING IS NOT THE
ONLY HAT I WEAR. I ALSO WEAR
PARTNER MARKETING AND SOCIAL
MEDIA MARKETING HATS**

— KRISTEN GLASS

MARKETING SPECIALIST | ACT-ON SOFTWARE

CHALLENGES OF THE CUSTOMER MARKETER



MY TWO BIGGEST CHALLENGES YEAR AFTER YEAR: HOW DO YOU VALIDATE THAT YOUR EFFORTS HAVE CONTRIBUTED TO A CLIENT RENEWING—OR, HELPED INFLUENCE A BRAND NEW SALE? HOW DO YOU MEASURE THE IMPACT OF A PROGRAM THAT IS DESIGNED AND EXECUTED SIMPLY IN HOPES OF CREATING A WORLD-CLASS CUSTOMER EXPERIENCE?

— NATALIE SALSER

**MARKETING MANAGER, CUSTOMER
ADVOCACY & ENGAGEMENT AT NEUSTAR**

MEASURING RESULTS AND PROVING VALUE

One of the biggest challenges facing customer marketers today is how to measure results of engagement activities, and how to prove their value in the organization.

Although customer marketing has been around for years, the emphasis on customer relationships is relatively new – and therefore, sometimes misunderstood. Because of this, customer marketers tell us that it's difficult for others in the organization to realize the ROI of their efforts.

Despite this hurdle, the emergence of new measurement and analytics tools, as well as other data mining technologies, can help businesses create richer digital customer experiences, and more easily tie engagement activities to bottom line results. And CMOs are on board. By 2017, predicts Gartner Group, CMOs are predicted to spend more on IT than CIOs.

MANY HATS, LIMITED RESOURCES

Close behind on the list of challenges is the fact that customer marketers have a wide range of responsibilities, and sometimes find it difficult to prioritize and focus.

Many customer marketers are not only responsible for managing reference programs, advocate marketing programs and online communities, but customer events, partner and social marketing, as well.

The key to this dilemma is to go back to your company's strategic objectives and determine which activities will best support those objectives. As several customer marketers told us, they share objectives across various departments, so consulting with sales, customer support and other functional areas is a must.

CHALLENGES OF THE CUSTOMER MARKETER



EMPLOYEE EDUCATION & ENGAGEMENT

Educating people about what customer marketing is, communicating how they can help functional units across the business, and motivating employees to dedicate time to building customer relationships rounds out the top three customer marketer challenges.

For example, because advocacy programs generate content such as testimonials and case studies, some might view the customer marketer solely as a content creator. And while many customer marketers are responsible for generating content for engagement or lead generation purposes, this is certainly not their only role.

Another pain point for customer marketers is trying to keep references off the black market and inside their advocacy program. Because sales people may not understand the role that customer marketers play in managing the company's reference program, they may be trading references with other sales people while bypassing customer marketing altogether.



MY BIGGEST BATTLE IS GETTING INTERNAL RESOURCES TO PUT TIME IN FOR CUSTOMER RELATIONSHIPS. SALES ARE NOT ALWAYS LOOKING TO NURTURE THOSE RELATIONSHIPS WITH CUSTOMERS; THEY WANT TO BE TALKING TO NEW POTENTIAL CUSTOMERS WHO WILL HELP THEM REACH THEIR SALES GOALS

— SOPHIE BROWN

CUSTOMER SUCCESS &
MARKETING MANAGER AT BOMGAR



OF MARKETING PROFESSIONALS SAY THAT CUSTOMER MARKETING IS VERY IMPORTANT IN HELPING THEM ACHIEVE THEIR REVENUE GOALS.

This kind of activity dilutes your customer marketing efforts because it leaves advocates outside of the reference process, and many times, doesn't provide the best peer match for a meaningful exchange. The solution to these challenges? Employee engagement. When companies empower employees to make decisions that put the customer first, employees feel valued and happier with their jobs, and are more likely to contribute to the customer experience, supporting the overall customer marketing effort.

**CUSTOMERS THAT ARE FULLY ENGAGED
WITH YOUR BRAND PROVIDE A 23%
PREMIUM OVER AVERAGE CUSTOMERS
IN SHARE OF WALLET, PROFITABILITY,
REVENUE, AND RELATIONSHIP GROWTH.**





KEY METRICS FOR MARKETING SUCCESS

Customer marketers continue to struggle with how to prove their value in the organization, especially in the area of revenue generation. However, new tools and technologies are making it easier for customer marketers to collect and act on the metrics that are most important to their organizations. From renewal rates to engagement levels, here are some of the most significant measurements identified by our customer marketers:

I see customer marketing as two different processes: One is marketing **to** customers and the other is marketing **by** customers.

— HEATHER WATKINS

DIRECTOR OF CUSTOMER MARKETING, OPTIMIZELY

1

NUMBER OF RENEWALS

With the proliferation of the SaaS model, renewal rate has become an even more important measure for many customer marketers. And although management of the renewal process falls outside of customer marketing, keeping relationships going in between renewals positively influences renewal rates.

The challenge is how to keep those relationships going throughout the year, and not just when renewal dates come along.

A FEW TACTICS SUGGESTED BY OUR CUSTOMER MARKETERS INCLUDE:

- ✓ Create an email template that sales people can use to check in with their customers each month. Asking people to update their contact information, or regularly sending them valuable content will help keep you at the top of their list come renewal time.
- ✓ Conduct periodic webinars for your customers around new features or product updates.
- ✓ Post a monthly tips and tricks article to your blog to help educate customers on a continual basis and add value to the customer lifecycle.



**2**

NUMBER OF REFERRALS AND REFERENCES

84% of B2B decision makers start off the buying process with a referral (Edelman Trust Barometer). It's no wonder this metric is one of the top mentioned by customer marketers.

Tying both of these metrics to increased revenue is a common theme among a majority of customer marketers we interviewed.

Fortunately, tools for tracking, measuring and analyzing these metrics have come a long way. For example, those companies with an advocate program can take advantage of advocate marketing software to encourage and automatically track referrals and references.

If integrated into their sales force automation software, these systems can also report on how your customer marketing activities are directly affecting the sales pipeline and revenue.

Part of my job is to make sure that we are staying in contact with people so that we don't have to send this random email once a year saying 'Hey, you owe us \$20,000!' We need to have that relationship in place to ensure that money comes in easily and is almost guaranteed

— **SOPHIE BROWN**

**CUSTOMER SUCCESS AND
MARKETING MANAGER AT BOMGAR**

3

ADVOCACY & ENGAGEMENT

Measuring customer engagement and advocacy activities continues to be a major challenge for many customer marketers. As we've already seen, advances in technology can help marketers better manage advocacy efforts, as well as demonstrate value.

Beyond looking at quantitative data such as number of active advocates and activities, how many testimonials and case studies have been generated, or number of social shares for a piece of content, customer marketers should evaluate the qualitative value of these activities and how they contribute to overall strategic goals.

For example, find out what kind of content is being shared, and how often. This will help determine the value of the content and provide insights into how you can build on that value. When asking advocates to participate in requests, or challenges, how many of them actually respond? Armed with this information, you can ensure that you are asking them to participate in activities that interest and motivate them.

And finally, what are people saying about your brand? If customer sentiment is not as enthusiastic as you expect, dig a little deeper to find out how you can improve.





WHICH ROLE WILL YOU PLAY IN THIS NEW CUSTOMER- OBSESSED WORLD?

You have to actually know who your customers are on an individual basis. What excites them? What doesn't? What keeps your relationship going? It's kind of like a friendship: in order to keep it going you have to check in on a regular basis

— LIZ RICHARDSON

SOCIAL MEDIA AND ADVOCATE
MARKETING MANAGER AT BOMGAR

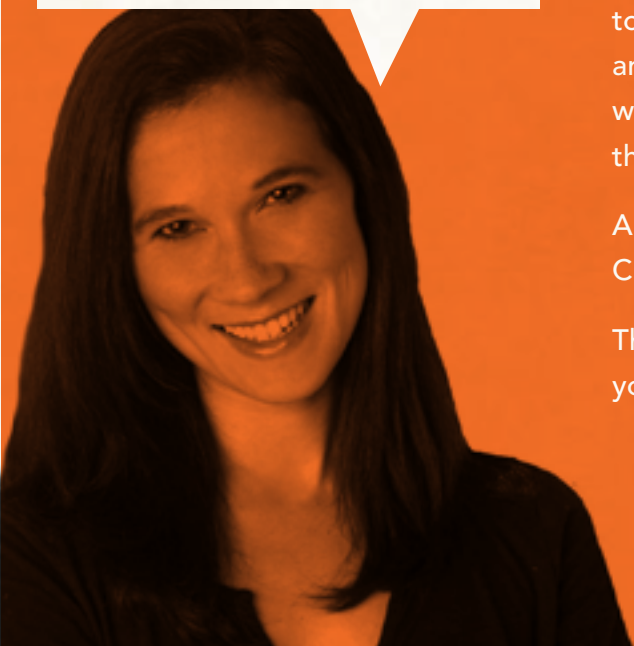
There has never been a more exciting time to be part of this renewed customer movement. As companies continue to realize the value of nurturing their customers and the effect this has on their bottom line, leaders are putting forth more resources to support customer marketers and their efforts to strengthen lifelong customer relationships.

Advances in technology have paved the road to more efficient customer behavior tracking and analysis, making it easier for customer marketers to demonstrate their value across the enterprise.

We, at Influitive, are ecstatic about the opportunities to contribute to the customer-obsessed movement. In addition to this guide and the listing of resources for customer marketers that follows, we will be dedicating an entire series of webinars, blog posts and thoughtful insights around the rise of the customer marketer.

And coming soon, you'll get a glimpse of the results of our 2014 Customer Marketing Survey!

Thanks for reading, and we hope you find these resources useful as you enter into this brave new customer-centric era.



CUSTOMER MARKETING INSPIRATION

A few years ago, we were trying to figure out how to measure the buying journey. As a result, we now have MQLs and SQOs, as well as the ability to measure every stage of the funnel. We'll get to the point where we can apply that same philosophy and similar metrics to the customer journey – it just takes a little bit of time.

— BO BANDY

MARKETING COMMUNICATIONS
MANAGER - BRAND, CONTENT &
CUSTOMER ADVOCACY - READYTALK

Take some time to explore these valuable resources recommended by our customer marketers.

ONLINE TOOLS

GOOGLE ALERTS

Get new content and resources delivered right to your inbox by setting up Google alerts for keywords that are relevant to you, such as "customer marketing" or "advocate marketing."

TWITTER LISTS

Create Twitter lists of customer marketing resources and other customer marketing professionals to stay up-to-date on the latest news, resources and content about customer marketing and related disciplines.

TWITTER CHATS

Twitter chats are a great way to meet fellow practitioners, swap best practices

BLOGS

[Gainsight](#)

[Bluenose](#)

[Totango](#)

[Convince & Convert](#)

[Satmetrix](#)

[Social Media Today](#)

[Social Media Examiner](#)

[WOMMA](#)

[Unmarketing](#)

RESEARCH & ANALYSIS

[Forrester Research](#)

[SiriusDecisions](#)

[Bain & Company](#)

CONFERENCES & EVENTS

[Summit on Customer Engagement](#)

[Gartner Customer 360 Summit](#)

[Forrester Forum for Customer
Experience Professionals](#)

[CX Day](#)

READING LIST

INFLUENCE: THE PSYCHOLOGY OF PERSUASION

by Robert Cialdini

TRUST AGENTS: USING THE WEB TO BUILD INFLUENCE, IMPROVE REPUTATION, AND EARN TRUST

by Chris Brogan and Julien Smith

HARVARD BUSINESS REVIEW ON INCREASING CUSTOMER LOYALTY

THE THANK YOU ECONOMY

by Gary Vaynerchuk

TRIBES: WE NEED YOU TO LEAD US

by Seth Godin

YOUTILITY: WHY SMART MARKETING IS ABOUT HELP NOT HYPE

by Jay Baer

THE EVERYTHING GUIDE TO CUSTOMER ENGAGEMENT

by Linda Pophal

PROFITABLE CUSTOMER ENGAGEMENT: CONCEPT, METRICS AND STRATEGIES

by V. Kumar

LOYALTY 3.0: HOW BIG DATA AND GAMIFICATION ARE REVOLUTIONIZING CUSTOMER AND EMPLOYEE ENGAGEMENT

by Rajat Paharia

BUILD FOR CHANGE: REVOLUTIONIZING CUSTOMER ENGAGEMENT THROUGH CONTINUOUS DIGITAL INNOVATION

by Alan Trefler

TAKE YOUR CUSTOMER MARKETING TO THE NEXT LEVEL



NOW THAT YOU'RE FIRED UP about where customer marketing is going and the significant role you have the opportunity to play, visit the Rise of the Customer Marketer website for even more customer marketing resources, interviews, videos, blog posts and more from Influitive, Gainsight and Explorics.

LEARN MORE

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