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*the cooper*group

# STRATEGY HQ



## HOW TO KEEP YOUR CUSTOMERS CLOSE

**HAS MARKETING STRATEGY  
REALLY CHANGED THAT MUCH?**

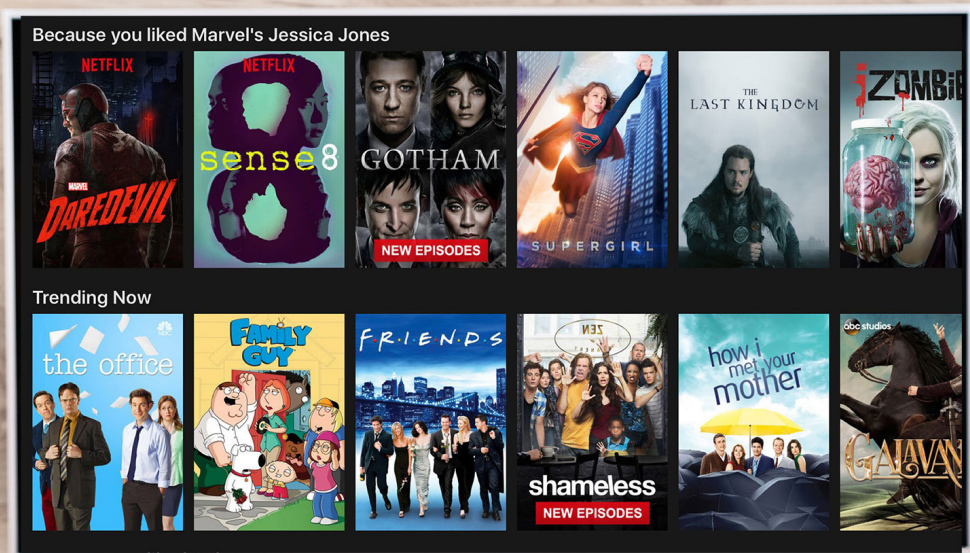
**ARE YOU BEATING  
YOUR COMPETITORS  
AT CUSTOMER EXPERIENCE?**



# HAS MARKETING STRATEGY REALLY CHANGED THAT MUCH?

## YES & NO

by David Cooper



**The growth of personalized marketing, along with skyrocketing consumer expectations, has changed the marketing world. With a single post or tweet, customers enjoy global reach, visibility, and impact — for better or worse. Listening to your**

**customer has always been crucial, but your marketing strategy today must evolve in response to this change. This does not mean your strategy has lost its way, but it does mean that it looks different in 2019 than it did in 2009.**



## The Era of Personalization Has Arrived

For evidence of the growing importance of personalization and customer experience, look no further than the golden arches. McDonald's has experimented with healthier menu items over the past several years. But their new self-service kiosks are more about experience than product.

A handful of McDonald's customers surveyed informally reported appreciating the convenience of the stations, along with the (perceived) reduction in human error. They also liked the ability to customize their sandwiches:

"It lets me see all the different options to make my sandwich the way I like it, even if it's not on the regular menu," reported one enthusiastic customer. "I don't know if it's really faster, but it seems faster. And I know it will get my order right," added another.

Although the kiosks are a new innovation, they are only one part of a larger strategy to personalize the experience. In fact, this commitment includes the recent acquisition of Israeli CX firm Dynamic Yield for a rumored \$300 million. Future plans include further personalization and predictive ordering in the drive thru lane, along with digital marketing experiments. CEO Steve Easterbrook explains:

"with this acquisition, we're expanding both our ability to increase the role technology and data will play in our future and the speed with which we'll be able to implement our vision of creating more personalized experiences for our customers."

McDonald's is hardly the only player working hard to innovate the customer experience. But what are the implications for personalizing marketing strategy, specifically? And what can leaders learn from these changes?

## CX in Marketing: Who's Innovating Today?

Two oft-cited examples of personalization and marketing are Amazon and Netflix. It's said that no two Netflix recommendation screens are the same. And impressively, the viewing suggestions are based not on age or gender, but instead, on sophisticated user behavior algorithms.

But most organizations can only dream of teams of data scientists and enterprise-level budgets. Smaller and midsize companies can still innovate, but not at the scale of these marketing behemoths. For organizations just dipping their toes into personalization, AI, and CX-centric marketing, who's doing it right? And are there guiding principles to inspire our strategies?

## Two Examples of Outstanding Personalized Marketing

Two recent examples of innovative marketing campaigns include Cadbury



Chocolate and cloud-based writing platform Grammarly.

Cadbury's recent campaign to increase market share in India, specifically by promoting chocolate gifting, used a highly personalized, innovative approach. After visiting the Cadbury site by clicking on a banner, users could

link to their Facebook account, enter a friend's phone number, and create a personalized friendship video with images and music.

The campaign was a winner, resulting in targeted hashtags being shared 1.6 million times. A similar campaign in Australia achieved a 65% click through rate and a 33% conversion rate. These are impressive results for an experiment, and they highlight the potential of more individualized marketing approaches. Another example of great CX strategy is the user-specific, gamified email that each Grammarly user receives in their inbox every week. They learn their stats for the week, including writing volume and unique word count. Users are encouraged to beat their numbers each week, and even to compete with other (anonymous) writers. The Grammarly goal is clear. The messages keep their users engaged with the platform by making the experience fun, challenging, and personal.

But beyond method or channel, what underlying principle made the success of Cadbury and Grammarly possible?

### **The Bedrock Principle: Know Your Role**

Getting one key principle right, consistently, can make all the difference between delighting your customers and completely turning them off. That principle is understanding your role and “staying in your lane.”

Always be present when they need you, where they need you, but as a helpful guide. You should never be perceived as pushy, intrusive, or sales-hungry. Your marketing strategy must center around helpfulness, innovation, and convenience. Neither Grammarly nor Cadbury were specifically asking for

sales. To put this simply, “it’s not about your sales numbers. It’s about them.” Organizations that lose sight of this fact will also lose their customers to more CX-savvy competitors.

### **What Does a CX-Based Marketing Strategy Require?**

Striking a balance between successful marketer and helpful, customer-focused guide does not happen without strategy and data. Even without Amazonian resources to draw on, you must know your customers inside and out. When should you interact with them? What devices are they using? How do you fit into their lifestyle? None of these questions can be answered without

And your CX-focused marketing strategy must echo throughout your entire organization. When employees are more engaged and happy, they are also more motivated to provide outstanding customer service. This will come as no surprise to any leader. The fact is, staff morale is intimately connected with customer experience. Marketing strategy never stands alone. Instead, it is an outgrowth of your overall organizational culture.

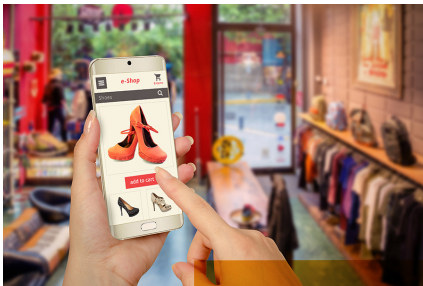
Those organizations willing to reinvent themselves as CX-obsessed, top to bottom, will be best prepared to roll with the changes and create a winning marketing strategy.

..., you must know your customers inside and out. When should you interact with them? What devices are they using? How do you fit into their lifestyle?

reliable qualitative and quantitative data. Your personas must be based on actual customers and actual data, not guesses, assumptions, and surface-level demographics.

by David Cooper

# HOW TO KEEP YOUR CUSTOMERS CLOSE, Because Absence Does **Not** Make the Heart Grow Fonder



When it comes to providing stellar customer experience, about 80% of CEOs are confident that they are delivering on their brand promise. As it turns out, though, less than 10% of their customers agree, according to a Bain and Company study. This jarring discrepancy reveals two major problems, and probably more.

First, it suggests that efforts to improve CX are not all that leaders perceive them to be. There is still much work to be done. But it also shows something equally problematic. Many leaders and managers remain woefully uninformed and out of touch with their customers. Insulated by layers of hierarchy and bureaucracy, they simply don't understand their consumers' and clients' everyday experiences with the brand. Here are four suggestions for staying in touch with consumers:

## **1: Commit to an Omni-Channel Strategy**

The notion that our customers will find us to solve their problems or use our services is an antiquated one, a complete relic of the past. Consumers today expect us to be omni-present, waiting to serve them instantly at any hour of the day or night. Even “normal business hours,” in many industries, have gone the way of the fax machine and the payphone.

But there is a catch. Not only must you collect data to know which channels your customers are using today, but you must resist becoming entrenched in any one of these channels. You must continue to evolve as your customers

discover new apps, platforms, and technologies. They will expect you to adapt. So it's crucial to commit to a new paradigm. You serve them, whenever and wherever, and you follow them whenever and wherever.

## **2: Cast Friction as the Arch Villain**

Test constantly to make transactions as fast and painless as possible. Eliminate any unnecessary steps, and dedicate yourself to reducing the number of clicks that stand between your customers and their goals. Even if you perceive a step to be helpful to them, understand that they might not feel the same. Speed and convenience are priorities for all of us.

This is where user testing is so important. Only through constant testing and experimentation can you hope to eliminate friction while still providing full, rich experiences and complete resolution of their issues. If you make it easy to accomplish their goals, your customers will notice. And the opposite is also true. Poor user experiences and clunky interfaces will be noticed, as well, with predictable results. A great user experience goes a long way towards keeping your customers happy.

## **3: Cultivate a More CX-Oriented Staff**

Your hiring process should favor people who have already demonstrated



commitment to the customer in their experience. And this preference should extend beyond your traditional customer service, sales, or marketing departments. Regardless of job title, everyone should have enthusiasm and commitment to customer experience.

This means that employees who are more invested in their processes than in the outcome — whether this is agile methodology or any other approach — can hamper your efforts to focus on customer experience as priority one. Because it could be difficult to change deeply-held habits and beliefs, prioritizing empathy and customer orientation into your recruiting and hiring is an absolute must for transforming your organization.

#### **4: Find Ways to Spend Time with Customers**

According to a recent Harvard Business Review study, the average CEO spends only 3% of their time with customers.

Given that number, it isn't hard to fathom how the disconnect between leaders and customers can begin, and grow over time.

Given the demands for executive time and commitments, spending more time with customers, getting to understand their deeper motivations and challenges, will require a consistent commitment. Failing to make that commitment can only result in becoming more and more distanced from customers. And when leaders are distant from customers, make no mistake. This is one attitude that will definitely “trickle down.”

And remember that simply receiving customer feedback filtered through staff isn't comparable to direct human interaction. From body language to the opportunities for follow-up and open-ended questions, the effect of personal contact can't be replicated by reviewing chat logs, emails, or surveys.

### **Customer Demands Are Ramping Up**

Regardless of our occasional, hopefully short-lived, desires to turn back the clock, the balance of power has shifted. The game has changed. From grocery store apps to virtual-reality shopping experiences where consumers can try on outfits or eyeglasses virtually before they buy them, customized options are expanding by the day. And there is simply no way to put the genie back in the bottle.

And expectations for faster, more personalized service and delivery are increasing right along with purchasing options. As proof, recall how enthused we all were a few years ago with Amazon Prime's standard two-day shipping. Today, that earth-shaking innovation has become a basic industry expectation, even for much smaller organizations that struggle with logistics and supply chain capabilities. Yet it is as necessary as ever, and possibly more, to stay close to our customers. Thanks to the proliferation of data analytics, it has become easier than ever before to understand their habits and preferences. You should use data to know and understand your customer better. You should share that data throughout your organization. And perhaps most important of all, remember to personally interact whenever you can. Keeping your customer close is a constant challenge, but it is also your best opportunity for differentiation and growth. How will you adapt your priorities to keep your customers close?



# ARE YOU BEATING YOUR COMPETITORS @ CUSTOMER EXPERIENCE?



by David Cooper

**Customer experience is an ongoing challenge, but also your greatest opportunity to leave your competitors in the dust. Post 2 in our Seven Steps to CX Nirvana series explores how you can exploit openings and win on the new battleground of outstanding customer experience.**

## **Are You Beating Your Competitors at Customer Experience?**

Blockbuster. Dell. Kodak. Sears. Toys “R” Us. What’s your favorite example of a company that took its eyes off the competitors and ignored key trends until it was too late to change course? Take your pick. There are many to choose from. These companies learned the ultimate lesson: no brand lives in a bubble. You can’t afford to take your eye off what’s happening around you. For most brands today, the key trend is customer experience. In 2019, and for the foreseeable future, beating your competitors depends on anticipating and over-delivering throughout the customer journey.

## **Who Are Your True Competitors?**

At the risk of stating the obvious, you must have a clear understanding of who you’re competing against. And they aren’t always the obvious suspects. Are you sure you know who your competitors really are today?.....

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