STRATEGY HQ

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HIGH EMPLOYEE SATISFACTION AS A MARKETING STRATEGY?

DO IT NOW!

MARKETING BEGINS AT HOME EDITION

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by **David Cooper**

High Employee Satisfaction as a Marketing Strategy?

DO IT NOW!

When I stress the gravity of customer experience as a key component of a business strategy, I don't do it to the exclusion of employees. In fact, a company's employees are their most valuable customers, bearing the mantle of company advocates and brand ambassadors. They are the living, breathing, walking, talking personification of a company's very identity.

I know. It's heavy stuff. But here are two undeniable truths. First and foremost, employee satisfaction and attitude toward an employer are inextricably linked to company success. And two, in today's digitally connected world, reputation travels far and fast. External perceptions can create a strong competitive advantage. Or they can be a knee-capper or company killer.

No amount of external marketing can mask internal strife. Employee experiences and attitudes are organically nurtured and grown from the inside. This makes them genuine and more powerful than any external marketing or advertising. High employee satisfaction is the most influential factor in stimulating performance and innovation, and it is equally powerful and successful in customer acquisition, satisfaction and retention – or in sabotaging these efforts.

Why oh why don't more companies get this? Sadly, many organizations view their people as necessary expenses, a means to an end – rather than the vital assets they are.

Employee satisfaction and advocacy don't just happen. Marketing and selling should begin at home, and leaders must foster it. "An organization's employee experience (EX) has been connected in recent years to how it delivers its customer experience (CX). I believe it's time for leaders to double down on the idea that EX is now the key driver of CX and to find smarter, strategic ways of connecting the two," says brand leadership expert Denise Lee Yohn.

Be holistic in marketing: Energize all relationships

Do you have business development plans on the books for 2024? My advice is to start internally. Marketing to employees isn't the same as marketing to external customers. Of course, it's vital to gain employee buy-in and enthusiasm for company products and services. After all, if your people aren't excited about what you offer, your customers won't be, either.

But internal marketing is most importantly about building a positive working environment, fostering loyalty and ensuring employees are on board with the company's mission, values and goals. In a nutshell, it's about culture.

Need ideas? There are many proven strategies. Galt Foundation, a staffing company that provides and expands employment opportunities for individuals with disabilities, recently posed this question: "What does a positive company culture look like?"

They answered the question in part by sharing some companies that already do it…

1. **Google**, known for its employee-centric approach, fosters a creative and innovative atmosphere through its inclusive workplace and flexible policies.

2. **Zappos**, the online shoe retailer, is renowned for its commitment to customer service and creating a positive workplace culture. They focus on employee empowerment, offering opportunities for personal and professional growth.

3. **Salesforce**, with a strong emphasis on giving back to the community, promotes a philanthropic culture through its 1-1-1 model, where they donate 1 percent of equity, 1 percent of employee time, and 1 percent of products to charitable causes.

4. **Southwest Airlines** is celebrated for its employee-first culture, which prioritizes teamwork, humor and inclusivity. Their "Warrior Spirit" encourages a sense of pride and ownership among employees.

5. **Patagonia**, an outdoor clothing and gear company, is dedicated to environmental sustainability. They actively support work-life balance, offer flexible schedules, and encourage employees to pursue outdoor activities.

Here are more companies that prioritize employee engagement and satisfaction:

6. **HubSpot** places a strong emphasis on employee growth and development, offering opportunities for professional development, career advancement and skill-building. They also encourage employees to share experiences and expertise through content creation.

7. **Facebook** (Meta Platforms, Inc.) has a strong internal communication strategy that includes regular updates and

town hall meetings where executives address employee questions and concerns. And they provide benefits and perks to enhance employee satisfaction.

8. **The Home Depot** invests in employee development, offering extensive training and career advancement opportunities. They also have a dedicated internal communications team that keeps employees informed about company news and initiatives.

9. **American Express** has a strong commitment to diversity and inclusion. They have programs and initiatives in place to promote employee engagement and ensure everyone feels valued and included.

10. **Cisco Systems** focuses on fostering innovation and collaboration among employees. They use various platforms, including social media and video, to communicate their vision and engage employees in company initiatives.

What do all these companies have in common?
- They excel in marketing to their employees.

- They create a positive and engaging work environment.
- They emphasize company culture and values.
- They offer opportunities for employee growth and development.
- They maintain strong channels of communication between leadership and staff.

What are the results? These companies' efforts contribute to high levels of employee satisfaction, loyalty and advocacy, ultimately benefiting company performance and reputation.

"In the modern era of digital connectivity, employees have become the most potent brand ambassadors for organizations. Their experiences and perceptions shape the narrative of the company's culture externally. When employees are happy, engaged and fulfilled in their roles as a result of a great culture, they naturally become advocates, spreading positive messages about the organization," Galt says.

The new goals of internal marketing

Historically, internal marketing efforts were relegated to HR administrators and various

employee relations activities. Programs and communications efforts were equally limited – in scope, frequency and sophistication.

Given that customer experience and employee experience are inseparably linked, the benefits of internal marketing have swelled beyond such infrequent and cursory activities. In contrast, good internal marketing demands focused, intentional involvement across company leadership to educate and engage employees and drive mission-possible results like these:

- Employees become more knowledgeable to truly understand and get behind the company's mission, operating philosophy, values and long-term goals.
- Employees are engaged and asked for input on plans through ongoing, open dialogue.
- Employees are part of testing products and encouraged to provide helpful, honest feedback.
- The company successfully gains employee buy-in on objectives, direction and plans.
- Employees are asked if they have the tools they need to perform well in their jobs.
- Leaders identify systems and tools people need to better serve the company and customers.
- Employees learn that their contributions matter and that they're important to company success.
- Employees come to realize they are valued stakeholders in the company.

When employees are happy, engaged and fulfilled in their roles as a result of a great culture, they naturally become advocates, spreading positive messages about the organization

- Employees are more engaged with their work and teams, and more motivated and productive.
- Employees experience higher levels of satisfaction with the company and in their roles.
- Employees are genuinely enthused about the company culture, products and services.
- External customers and business partners are positively and heavily influenced by employees.
- The company improves its reputation, including as a great employer to attract top talent.

If it's not a formal plan, it's not a plan at all

Internal marketing should be treated like any marketing plan or business strategy – with objectives, goals and tactics. The plan needs programs, timelines, accountability, data collection and analysis, and methods to monitor and measure effectiveness.

Strong internal marketing has a goal of transforming employees company-wide into natural extensions of the marketing and sales teams.

8 ways to create a workforce that's unified around shared goals

1. **Reimagine existing channels of communication:** Establish an internal marketing team consisting of HR, marketing, sales, and other company leaders and department heads. These are the people who know your brand and company best. It's already their job to lead the organization and its people to success. An intentional internal marketing plan will make their efforts more targeted, powerful and successful. Rally this team around the critical importance of employee marketing and ways to do it. This involves the next seven steps…

2. **Assess any existing internal marketing efforts** and develop a strategy to improve, expand and enhance those efforts.

3. **Conduct surveys among employees** to learn their current satisfaction levels with their jobs, their knowledge of the company's mission and goals, and how they feel about the company and its direction. Ask them how the company could improve the working environment and employee experience.

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4. **Introduce targeted programs** to help employees become more informed, such as training sessions, mentorship programs, development programs, meetings with executives, newsletters, open forums, and employee incentive and recognition programs. Give employees ways to get involved, make suggestions, contribute ideas, ask questions, offer criticism without fear of reprisal, and even lead programs. Invest in your greatest assets!

5. **Build a diverse and inclusive workplace:** Diversity and inclusion initiatives attract a wider range of talent, improve employee engagement and retention, and help companies succeed in our diverse society and business environment through broader perspectives and ideas.

6. **Listen and act:** Take employee feedback seriously. Analyze their input so you can take informed action. Let employees know you're listening by promoting the changes or improvements you're making. Better yet, get employees involved as agents of the changes you make. Be certain to acknowledge their contributions to your processes and programs.

7. **Nurture advocacy** by encouraging employees to engage in the company's social media efforts and other digital platforms. This could include generating or engaging in company posts, sharing experiences through the company's external marketing content, complimenting or congratulating customer achievements on their social pages, giving positive reviews on employment sites like glassdoor.com or creating their own social posts about rewarding experiences as an employee of your company.

8. **Keep it coming!** Continuously work to improve your company culture, training programs, and rewards and recognition programs. Make it easy for existing and new employees to get involved in bettering the company, its culture, products and services. Continue to gather employee feedback and monitor what's working, what's not or where tweaks are needed.

Since effective communication and culture are the heart of it all, check out these insights from global organizational consulting firm Korn Ferry: How to Lead Humans, Not Workers: The stronger your emotional connection with your people is, the better placed you'll be to have them pulling behind you.

Value in, value out: Start energizing your people today

I'm reminded of point number three in "The Apple Marketing Philosophy," a three-point call-to-

Satisfied, engaged employees...contribute innovative ideas and solutions.

action set down in 1977 that still serves the company well today. Point number three is called Impute, and it states this: "People DO judge a book by its cover. We may have the best product, the highest quality, the most useful software etc.; if we present them in a slipshod manner, they will be perceived as slipshod; if we present them in a creative, professional manner, we will impute the desired qualities."

Your employees are on the cover of your company's book of success. More than any product or service you offer, the market sees and judges you through their eyes and experiences. Satisfied, engaged employees are informed and valued. They feel a sense of ownership. They contribute innovative ideas and solutions. They're committed to your goals and their roles in achieving them. They're motivated to invest themselves and their creativity in your success.

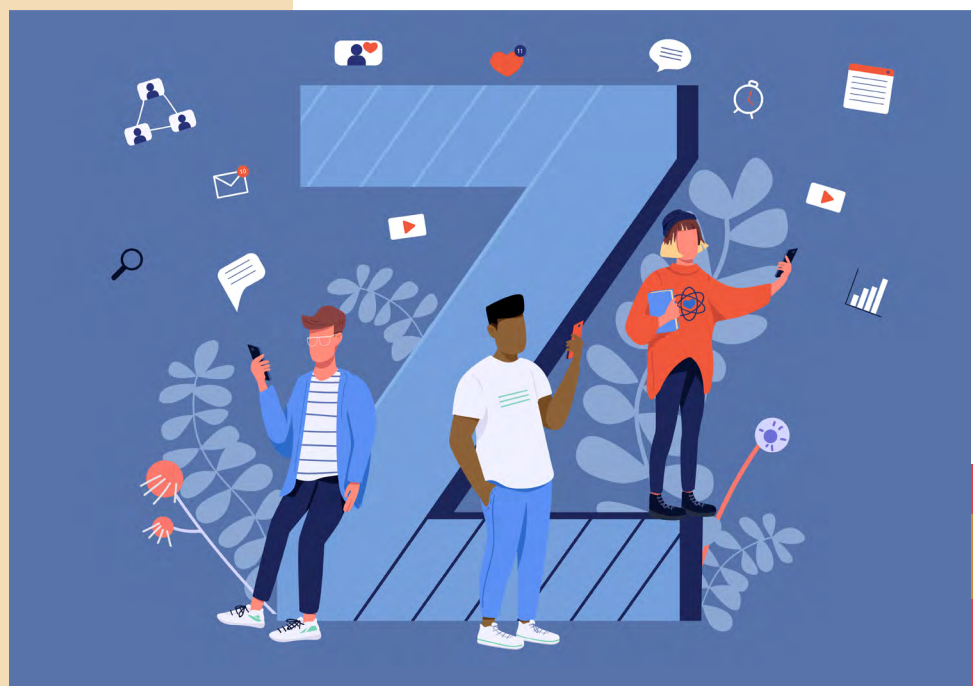These are the results of intentional and effective internal marketing. Do it now!

What's the Best Company Culture in a Gen Z World?

Generation Z, the world's second-youngest generation between Millennials and Generation Alpha, represents people born from the mid-1990s through the 2010s. The current age range of Gen Zers is 11 years to their mid-20s. Many are of working age and well into their 20s, with the eldest around 26 years old.

- Gen Z is one of the largest generations permeating the workforce, projected to account for one-third of the global workforce by 2025. We will see major increases in 2024.

- Data from the U.S. Bureau of Labor Statistics (BLS) shows there were 21 million employees aged 16 to 24 in the United States as of July 2022, with the rate rising 54.4% year-on-year.

Companies need to know more about Gen Z and what they want and need from employers – and vice versa.

For example, companies paying attention are working to capitalize on the technological skills that are uniquely inherent to this generation. "Companies are missing an awesome opportunity if they aren't playing into the skills that this generation has," says Tara Salinas, professor of business ethics at the University of San Diego. "Gen Z are digital natives and they've always communicated online, so their interpersonal skills, or soft skills, have suffered. They took an even bigger hit because of COVID-19, and it has shifted the way that we need to interact with them in the workplace. Companies need to refine their approach to working with Gen Z."

That example, while extremely significant, is just the tip of the iceberg in defining a company culture in which both Gen Z and future-minded employers can thrive.

Having come of age during significant economic uncertainty and societal transformation, members of Gen Z are on record as wanting to work for organizations whose values align with their own and that demonstrate a commitment to social corporate responsibility.

A macro view helps to understand this generation

Recent research, along with observations from industry and business experts, sheds a clarifying light on the perspectives of Gen Zers in how they see the world in which they were raised.

The Washington Post recently shared how this generation has been indelibly molded by continuous political and economic upheavals, noting that many grew up in the aftermath of the attack on the World Trade Center that led to wars in Iraq and Afghanistan, followed by the Great Recession, a global pandemic, demonstrations about racial issues, a governmental insurrection, and other societal and world-altering events.

McKinsey & Company adds to the list of influences by which Gen Z's identity has been shaped, including among other factors the digital age, a shifting financial landscape, growing global unrest, educational interruptions due to the pandemic, and in particular, climate anxiety, with many Gen Zers reporting that they think about the fate of the planet on a daily basis.

Johns Hopkins University has also chimed in, noting how Gen Zers are starting their careers during a time of growing inflation, mounting student loan debt, a housing crisis and an impending recession.

All these factors have impacted Gen Z lives, including and especially their approach to careers and choice of employers as they enter the workforce en masse.

Generational differences are not hard science – but facts are indisputable

Pew Research emphasizes that boundaries placing people in Gen Z (and other generations) are not precise, definitive or universally agreed on, and that people in generational groupings can feel "uncomfortable being lumped in with those much older or younger than them, and for good reason. The media and researchers – Pew Research Center included – have not always been as clear as we should that generational boundaries are not a hard science."

However, despite those cautions, Pew believes generational thinking – when data supports the use of a generational lens – can feed our

understanding. It's also important to recognize that certain statistics are fact-based, such as data from the U.S. Bureau of Labor Statistics, as well as credible research conducted among Gen Z members themselves.

So, what do top researchers and sources have to say about Gen Z, specifically related to what this generation wants in their careers, workplaces and employers?

What Generation Z wants from the workplace

Having come of age during significant economic uncertainty and societal transformation, members of Gen Z are on record as wanting to work for organizations whose values align with their own and that demonstrate a commitment to social corporate responsibility.

Here are some research findings to back that up:

- 83% of Gen Z job seekers say they prioritize the company's stance on diversity, equity and inclusion (DEI).

- 1 in 3 Gen Zers say they would reject a job offer if they didn't like the company's green credentials.

- 92% of surveyed Gen Zers want some alignment in values and purpose from the company they work for.

- Gen Z is the fastest growing and most racially diverse sector of today's workforce. About half are white (51%), 25% are Latino or Hispanic, 15% are Black, 6% are Asian or Pacific Islander, 5% comprise two or more races and 2% are American Indian. Gen Zers hold strong beliefs

about the need for diversity and inclusion in the workplace. In a recent study, 67% of Gen Z respondents said they had seen workplace discrimination based on race, ethnicity, gender identity or sexual orientation, and 44 percent said they had experienced it.

Create an inclusive culture for your newest generation of workers

You've no doubt heard it before, how people don't quit companies; they quit bosses. It's more than a meme. It's a longstanding trend with a ton of research that substantiates it. In a recent and comprehensive study on Gen Z at work, Deloitte Digital uncovered areas where today's bosses and Gen Z employees diverge in their alignments.

For example, Gen Zers ranked empathy as the second most important trait in a boss, while bosses ranked it, on average, a distant fifth. In another example, less than half of Gen Zers said their boss helps them maintain a healthy workload, and 28% say they

struggle with their mental health because of their boss.

But take heart because there is a road to synergy. Deloitte's report is on point in how leaders can address, adapt and support their

Tap into influential members of Gen Z ...to help test ideas and shape the future culture of the workforce.

newest generation of workers. Encouragingly, more than seven in 10 bosses are excited about the ways the workplace will change as Gen Z makes up an increasingly greater portion of it.

Here are Deloitte's recommendations for bridging the gap with Gen Z:

- **Get curious.** Explore a similar line of research with your workforce to understand what would elevate their experiences and build the trust of Gen Z specifically.

- **Connect.** Be intentional about creating opportunities for connection between members of Gen Z and other generations.

- **Co-create.** More than other generations, Gen Z wants to have their voices heard. They want agency to create a future that they find meaningful. Enlist their energy and problem-solving skills.

- **Build a culture of reverse-mentoring.** Many organizations typically have older employees who mentor Gen Zers. In the same way, leaders can promote a culture in which Gen Zers reverse-mentor their mentors, helping more senior employees better understand Gen Z.

- **Ask the influencers.** Tap into influential members of Gen Z inside and outside your organization to help test ideas and shape the future culture of the workforce.

How to attract and retain top Gen Z talent

Study after study indicates that Gen Zers want more than a job that pays the bills. While financial stability is a huge priority for this generation, equally mandatory is a sense of value and purpose, and jobs that fulfill only one of these are unlikely to engage or retain a Gen Z worker. How are companies fulfilling the latter expectation?

Study after study indicates that Gen Zers want more than a job that pays the bills

Recently, 16 members of the Forbes Communications Council shared the strategies their companies use to appeal to Gen Z job candidates to attract top talent – and retain them. Check out their insights into how to connect and create the kind of work environment Gen Zers are seeking. Nearly all of their strategies relate to purpose – authentically communicating values and articulating the "why" behind the work:

- Lead with purpose
- Address Gen-Z's different values in your content
- Leverage authentic, action-based communication
- Curate native content for the platforms Gen Zers prefer

- Avoid exclusive, age-related language and biases
- Communicate transparently and foster an inclusive environment
- Infuse your purpose into everything you do
- Lean into video content
- Be bold in supporting social causes
- Prioritize authentic communication
- Communicate core values
- Stay on top of Gen Z trends
- Share employee stories and non-sales content
- Highlight and promote your internal diversity
- Employ radical honesty (share true values in demonstrable ways)

It's a quick and valuable read. Check out all 16 strategies and the details behind them.

Clearly, the best company culture for up-and-coming members of Generation Z is one that aligns with their values, supports personal and professional growth, and offers a positive and inclusive working environment.

Organizations that master this balance are most successful in their efforts to attract and retain Gen Z talent – and on track to enjoy the innovative, agile and prosperous future Gen Z will bring to their organizations.

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