

# Material Changes in the Customer Experience

And the Profound Impact on CMOs



Over the next three-to-five years, 75 percent\* of marketers say they will be responsible for the end-to-end customer experience. To be successful, CMOs must have a deeper understanding of the strategies and tactics required to deliver a superior customer journey. This paper explores how marketing's responsibilities must change in the organization, how marketers must extend their reach into the customer experience, and why the CMO's role must be reimaged.

\* "The rise of the marketer: Driving engagement, experience and revenue," a 2015 report from The Economist Intelligence Unit.



## The collision course between the CMO and customer experience.

Brian Solis, author of “X: The Experience When Business Meets Design,” said, “I find that the chief marketing officer actually involves something that’s a little bit more significant in the organization ... so not just responsible for marketing ... but responsible for the entire experience. After all, marketing experiences are the new marketing.”

The transformation of the customer experience, whether you like it or not, is fundamentally changing how marketing works. These changes are on a collision course with the role of the CMO and the role marketing plays in business. Believe it or not, this is good news for marketing leaders that can seize the opportunities these changes will present. Good news in that, never before has the business environment been more suited for marketing executives to capture greater responsibility, ownership and influence across the enterprise and throughout the customer experience.

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## The legacy mindset and approach to marketing has to go.

For this to happen, CMOs must change what they think of when they think about marketing’s role in the enterprise. They must reset the boundaries and expand marketing’s reach into the customer experience. The days of marketing’s sole focus being brand awareness, converting leads and launching campaigns are gone. They have been replaced with ... more holistic ownership of the customer. That means changing the way executives across the enterprise view marketing — how it operates and the degree of influence it has on the customer experience must be completely reimaged. Today, marketing should only be defined by the customer journey itself.

## Lead generation is just the beginning.

Sure, marketing is still responsible for generating engagement with the company’s target audience. But today, that is just the first step in building long-lasting and profitable relationships with customers. That’s why it should be no surprise that The CMO Club, in partnership with IBM, conducted research among 100 of the world’s top marketers — with budgets of \$1 billion or more — and discovered that marketing was becoming less about the funnel and more about the journey as budgets were increasingly spread over the whole life cycle of the customer. This research points out the need for CMOs to design and implement new operating models, investment strategies and communication processes that will maximize the ROI from the customer experience over time. The IBM report goes on to say, “CMOs can no longer afford to dedicate a majority of their budget to customer acquisition and allocate market spend by channel. Marketing focused solely on awareness and / or the purchase funnel is obsolete.”



### **It's about securing, retaining and building relationships.**

Leading CMOs are starting over. They are clearing the slate and using the customer journey as their roadmap for strategic planning, budgeting and staffing. While some CEOs and executive teams may not have the appetite for this reset — it is the right business and financial decision in the long run. Companies that reconstruct their approach to marketing, with customer experience at the epicenter of their strategy, will ultimately gain and maintain greater market share than their competitors.

### **Where your job starts and stops has been redefined.**

According to McKinsey & Company, “Few senior-executive positions will be subject to as much change over the next few years as that of the chief marketing officer. Many CEOs and boards may think that their senior marketers’ hands are already full managing the rise of new media, the growing number of sales and service touchpoints, and the fragmentation of customer segments. But as the forces of marketing proliferation gather strength, what’s actually required is a broadening of the CMO’s role. This expansion will encompass both a redefinition of the way the marketing function performs its critical tasks and the CMO’s assumption of a larger role as the voice of the customer across the company as it responds to significant changes in the marketplace.”

So the bottom line is this — if you’re a CMO or striving to become one — be prepared to drive change and enter uncharted waters. To be successful in this role, you’ll need greater knowledge of the customer through analytics; more involvement in the formulation of your company’s go-to-market strategy; deeper corporate messaging

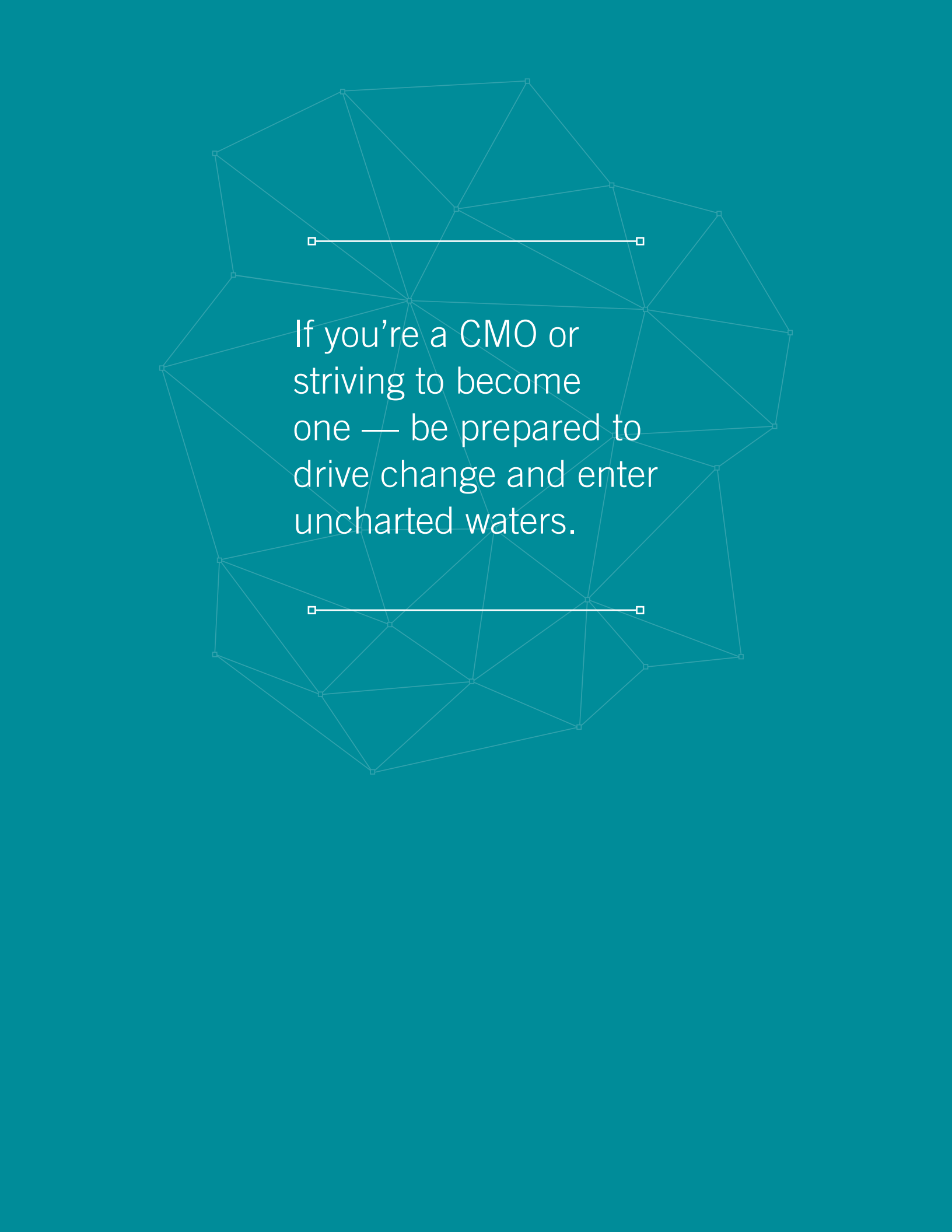
development and delivery expertise; and finally, stronger change management skills to lead strategic business initiatives that span the enterprise and customer experience. In other words, where your job starts and stops has been forever redefined.

### **Leading CMOs are starting over. They are clearing the slate and using the customer journey as their roadmap for strategic planning, budgeting and staffing.**

### **Your responsibilities are now enterprise-wide.**

A recent Forrester article, “CMOs Boldly Reach For More Influence In The Enterprise,” proves this point: “CMOs should step forward and take responsibility for turning the enterprise toward the customer. This means taking on a more significant role on the executive team ... it also begs CMOs to lead innovation processes in the organization ... the CMO, has to create a more engaged customer relationship. Getting the organization to see the CMO in this light is a big ask, and only CMOs who rethink their approach to marketing operations will pull it off.”

The modern CMO position is not for the weak of heart. The job requires strong negotiation, collaboration, change management and leadership skills. It requires you to reach into customer-facing areas of the organization to define enterprise-wide communication strategies, create buy-in and establish the connectivity required to deliver a compelling customer experience.



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## It's time to redefine the customer.

In addition to broader, more expansive responsibilities, the other significant change CMOs will face is gaining a new understanding of who their customer truly is. The modern CMO understands — today more than ever — that his or her internal customer is just as important, if not more important than the customer actually involved in the buying process. After all, employees are the ones to leave a first — and a lasting — impression on your customers. Maybe that's why Richard Branson said, "If you look after your internal customers you don't have to worry about the external customers." The employee population has become a strategic and critical link in the customer experience. That's why CMOs must formulate strategies to market "to and through" employees across the enterprise.

**The customer experience is the battleground on which business is won or lost.**

### **Your customers reside inside and outside of the business.**

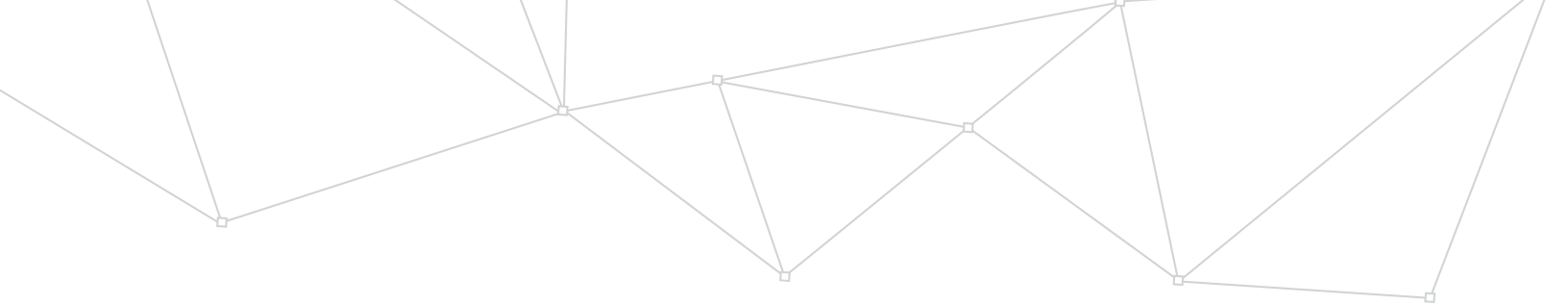
Just a few years ago, making sure stakeholders (beyond the marketing department) understood the customer and corporate message was a luxury — a nice to have. Today, it is a business imperative. Why? Because now, the customer experience is the battleground on which business is won or lost. Now, the customer experience is made up of so much more than just a new website or campaign. It takes a village to deliver a clear, compelling corporate message throughout the entire customer

journey. It takes unwavering commitment (time, resources and investments) to ensure every stakeholder that plays a role in the customer experience is able to bring a consistent story to life. As the CMO, you own this. You are responsible for developing the comprehensive initiatives that institutionalize the process, culture, mindset and behavioral changes required to ensure your company delivers a clear, compelling and consistent message in the market.

This demands a significant shift in the C-suite's view of what marketing actually does. In the past, every marketing resource and dollar was focused on the company's external customer. This will not be the case in the future. Employees will play a growing and pivotal role in the customer experience as digital and cross-functional touchpoints continue to expand. To be successful, marketing executives must cultivate awareness and advocacy within the four walls of their business. They must create an army of employees that have deep knowledge of the customer, understand the corporate message and how to activate that story in their daily work activities.

### **Evangelism and motivation are required.**

To win over internal and external customers, you will need to evangelize the company's story and motivate stakeholders like never before. The "why" in your message will become more important — more important to your employees and your customers. Innovative marketing initiatives must be deployed to get your audience to embrace the message you are sending. That means a hyper "what's in it for me" messaging strategy will be critical to success. You must get employees to understand how the corporate story is relevant to their roles in the



organization. You have to get them to see how it makes them better at their jobs. With customers, you will need to speak to them in their language, from their point of view, and convince them that you genuinely understand what it will take for “them” to be more successful — not why your company is successful.

**Capturing insights is one thing.  
Intentional application is another.**

CMOs must deeply understand their customer. That’s why customer insights will be critical to the CMO’s success moving forward. Remember — customers include employees and the actual buyer of your products, services and solutions. That means you will need to capture a true view of what matters most to employees that work in customer-facing areas of your business. You will also need to capture relevant data around your target buyer and develop actionable persona profiles that drive your corporate story and marketing strategy. One data set without the other will not suffice.

**Deep and meaningful  
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delivery strategies.**

While capturing a holistic view of your internal and external customer is a start — it is just that — a start. Big data is all the rage, but most of it is useless. You must make sure the data you are after is relevant and actionable. Then, you need to actually put those insights into action. You need to devise a story and strategy rooted in meaningful data. Data that tells you what your customers really care about. What motivates them. What frustrates them. What makes them buy more. And, more importantly, what makes them walk away. In the future, deep and meaningful customer insights will be the foundation of messaging development and delivery strategies, inside and outside of your organization.

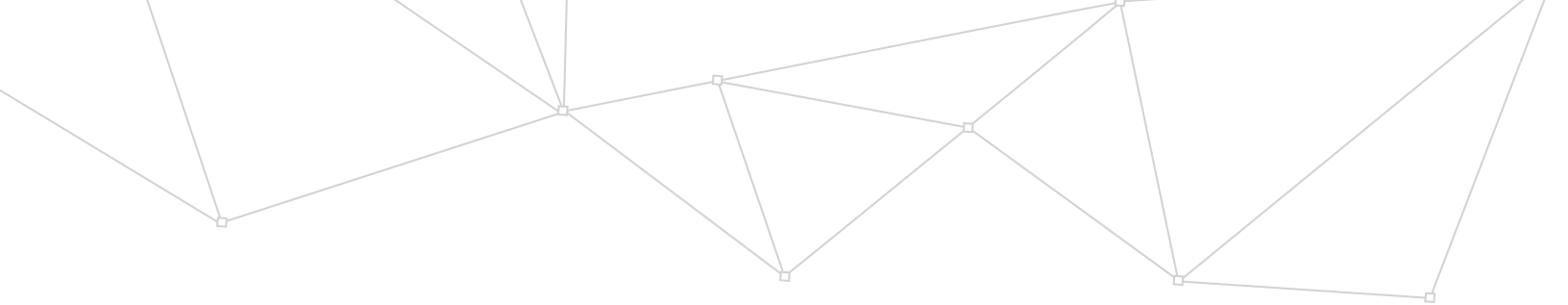
**It’s about relationships and value.  
Not transactions and conversions.**

Marketing with an “experience focus” also changes the way you view marketing’s role in the customer relationship. With your internal customers (employees) — pizza parties and launch events won’t cut it. With external customers, it’s no longer about special offers, discounts and other techniques to drive transaction or conversion rates. With both internal and external customers, it’s about building trusted relationships. This requires a journeyman’s mentality — a journey-based strategy that drives sustained internal and external communication initiatives. It also requires a corporate story and strategy that is intentionally designed to increase engagement, trust and loyalty over time.



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## Bringing the story to life. Inside and outside of your business.

With the modern marketing executive's skillset rapidly expanding, Brian Kardon, the CMO at Fuze, a business analytics company, was recently asked what attributes leaders must possess if they want to succeed. Kardon replied, "You have to be able to repeatedly nail your messaging, it's one of the first things that sets you apart."

A company's story is the thread that connects the entire customer experience. Corporate messaging is the one thing that is omnipresent across all communication channels, vehicles, touchpoints and conversations that make up the customer journey. That's why the ability for CMOs to develop and deliver a clear, compelling and consistent message matters more today than ever before.

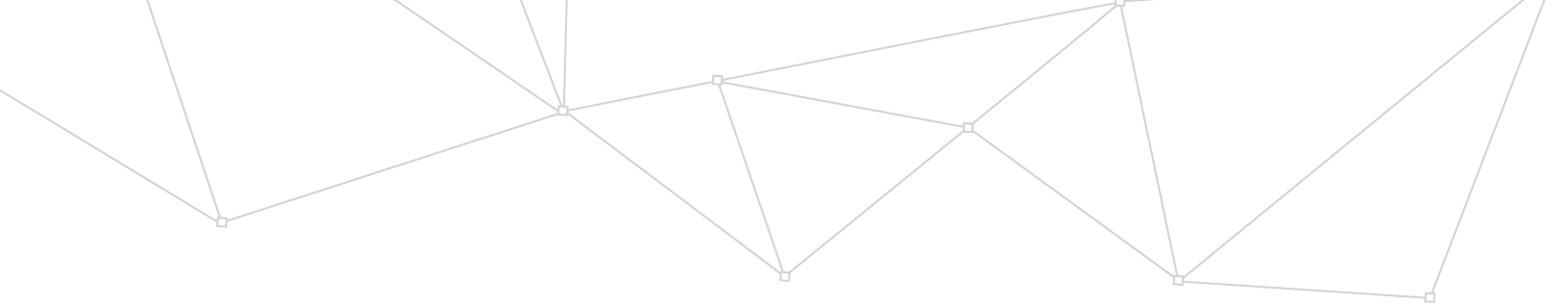
### **You need a story that matters and motivates. Internally and externally.**

Bruce Goldberg, who was the CMO at the International Securities Exchange and previously held marketing positions at Procter & Gamble, Frito-Lay and Pizza Hut, once said, "CMOs are the prime movers of their brands' perception. They are the custodians of their brand in all areas and how all constituencies — customers, employees, the media, regulators — view their company."

## Up to 70 percent of your company's brand perception is based on the interactions they have with your employees.

Goldberg knew that corporate messaging development and delivery is all about creating positive perceptions. And the perception customers have of your business is based on the interactions they have with your company. In fact, according to a leading customer service firm, Customer Think, up to 70 percent of your company's brand perception is based on the interactions they have with your employees. That's why it is critical every employee buys into the story and has the skills required to bring it to life in the customer experience.

Customer-centric messaging is the critical link between online and offline aspects of the customer journey. Jacqueline Hernández, CMO, NBC Universal, said it best when she stated, "If you position your company to be a customer-centric organization, then you have infinite possibilities to connect with them. We know that customers are on multiple devices and multiple channels at different times of the day, and the CMO in particular has the chance to be the storyteller who delivers the right message at every point of connection."



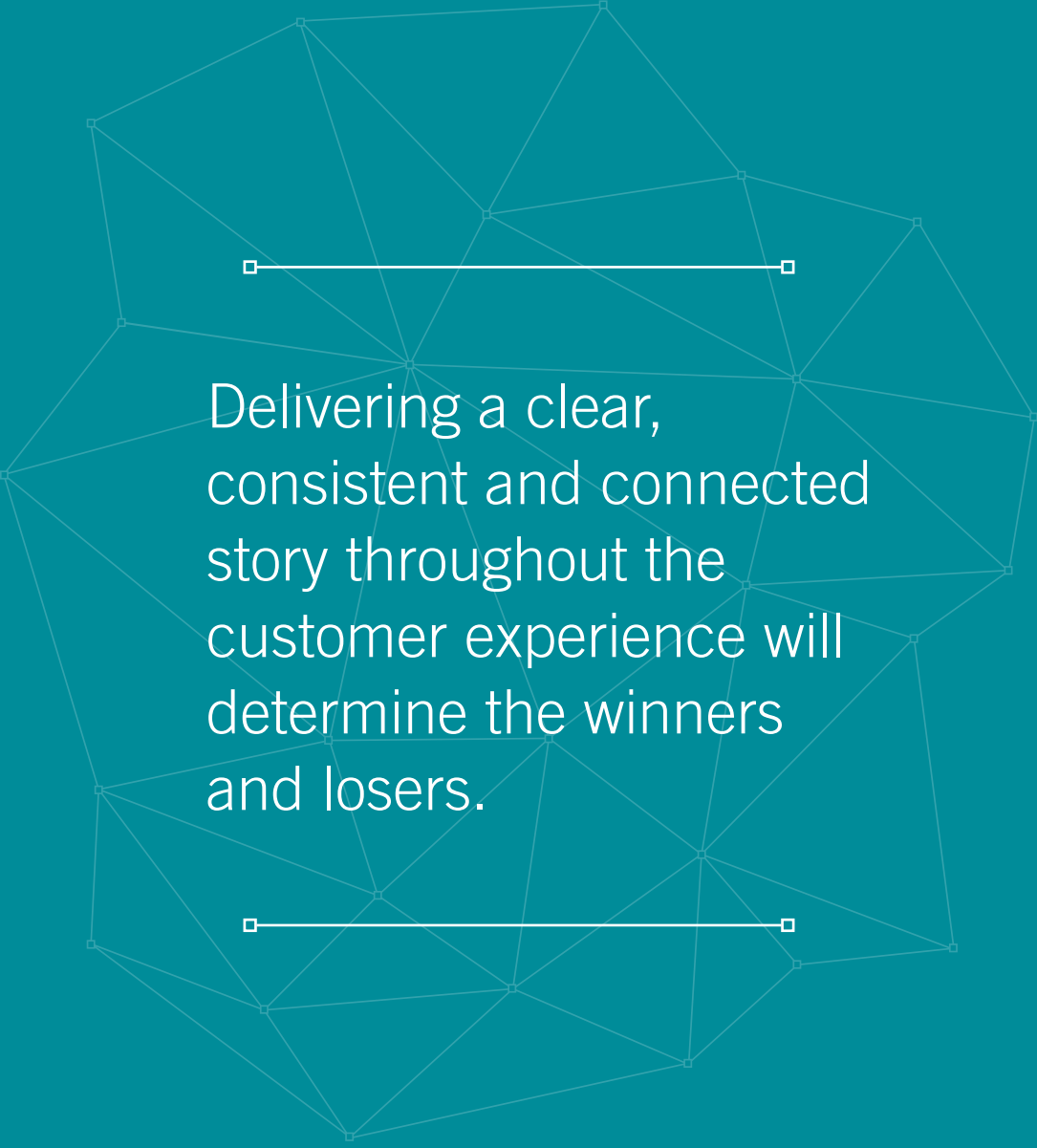
Moving forward, if CMOs are going to deliver the right message at the right time, online and offline, they will have to design, implement and manage communication strategies and processes that infuse a consistent corporate message across all customer touchpoints.

### **Creating a customer-centric culture is your responsibility.**

According to the 2015 CMO Report by Forrester Research, “CMOs’ responsibilities won’t grow beyond those of a ‘chief marketer’ unless [they] step up to lead the shift to customer obsession.” The report goes on to say, “Until recently, marketing executives have focused only on the direction of the marketing organization. But in 2015, the expectation is that marketing leaders will work with human resources executives and CEOs to align hiring, training and recognition objectives with customer-oriented outcomes. CMOs will have a broader impact on the direction of the entire enterprise.”

This is one trend CMOs will not be able to side step. It is now a business imperative to make sure every stakeholder involved in the customer experience deeply understands what the corporate message is, why it matters and how to activate it across critical customer conversations and channels. That means — every employee and partner — that plays a role in the customer experience must deeply understand your company’s story.

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## Success achieved through connectivity and continuity.

Data and analytics, the explosion of digital channels and employee involvement are all factors rapidly changing how companies develop and deliver their story throughout the customer experience. And while formulating a meaningful and relevant message is critical to success — delivering a clear, consistent and connected story throughout the customer experience will determine the winners and losers.

An article on Business2Community.com crystalizes this thought, “People don’t need more ads, emails, ebooks, webinars, workshops, phone messages, sales meetings ... they need an experience that helps you turn their interest to purchase. You must think about every touchpoint in a very intentional way rather than simply creating yet another marketing initiative.”

Establishing “intentional” connectivity and continuity of your story throughout the customer experience is crucial. It’s not that CMOs didn’t try to align messages across campaigns deployed in the past. But this is different, and connectivity is more critical than ever before. To be successful, CMOs will embrace an enterprise-wide messaging “infusion” mentality. They will design and implement an entirely different approach for managing the corporate story throughout the customer journey. To make this happen, CMOs will have to reengineer marketing roles, responsibilities and processes. It will require reaching across “party lines” and developing cross-functional messaging delivery processes across all customer-facing areas of the business. It will also require fully integrated development and delivery processes between the CMO and his or her marketing partner

ecosystem. In the end, marketing executives will have to transform the organization from an “operations-centric” business to a “customer-centric” organization that is intentionally engineered to bring a clear, compelling and consistent story to life throughout the customer experience.

## To be successful, CMOs will embrace an enterprise-wide messaging “infusion” mentality.

### **It’s more about business transformation. Less about marketing.**

Jeff Hayzlett was the CMO at Eastman Kodak when he said, “My role as the CMO of the company is to create ‘tension’ to move the organization and brand in a massive way. If I stop creating tension or pushing the envelope — I will be fired.” Hayzlett got it. To be successful, CMOs must take on the difficult, yet critically important responsibility of driving change.

To capture greater ownership of the customer experience, CMOs must embrace and lead strategic change initiatives. They can’t be afraid to hear things like ... “that’s not your job” ... “why don’t you just focus on generating more quality leads” ... or “what do you know about organizational change?” They must break down silos across customer-facing areas of the business, drive cross-functional communication strategies and implement change management programs that transform the perception of marketing’s role in the business and throughout the customer journey.



### **Intentional infusion and activation is crucial.**

A significant part of this transformation process is leading an enterprise-wide corporate messaging development and delivery infusion initiative. Messaging infusion is about designing intentional and connected processes for bringing the corporate story to life throughout the customer experience. It is about infusing the corporate story throughout the employee population, customer-facing areas of the business, the company's marketing and sales partner ecosystem, as well as the communication channels and vehicles that impact the customer experience.

Why is the messaging infusion process so important to a CMO and the business at large? Because, as we have discussed, the customer experience has fundamentally changed the way prospects and customers engage with your company. It has also changed the way companies acquire, retain and create loyal customers. These changes are sweeping and impact almost every facet of business. That means CMOs must change the way their organization develops and delivers the company's story. They must design and implement processes that will meet the communication and connectivity requirements of today's buyer.

### **Your partner ecosystem must be brought into the fold.**

A critical component to the infusion strategy is to ensure your marketing partners are an integral part of the process. In a recent interview, Michael Lazerow, CMO, Salesforce Marketing Cloud, spoke about what it takes to be a great CMO and the critical role the marketing partner ecosystem plays in the customer experience.

He said one of the biggest problems for companies is that their agencies aren't connected very well to the business. Problems arise when "your marketing and whole organization is collaborating, but you haven't connected your agencies."

Think about it. Today, CMOs have more marketing partners than ever before. Many of them have responsibility for messaging development and delivery across different aspects in the customer journey. In the past, there has been some level of connectivity between these partners, but now they must all be working from the same script. Customers choose the path they take in their journey and your corporate story is omnipresent 24 / 7 / 365. Inconsistencies and disconnects in your story are immediately evident to customers. This means CMOs must connect their partner ecosystem like never before. In the end, changes in the customer experience require an entirely different approach to marketing partner collaboration and coordination — and this falls squarely on the CMO's shoulders.

### **It's no longer about launching things. It's about linking things.**

We have talked a lot about the current perception of marketing. One thing marketing has long been known for is launching things. Launching the brand. Launching new products. Launching new campaigns. This perception has to change if a CMO is to be successful in the age of the customer. The role of the CMO has to become less about launching and more about linking. Intentionally linking the various conversations, communication channels, marketing vehicles and touchpoints that play a critical role in the customer journey.



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## Your job is to architect a cohesive, connected journey.

According to a Harvard Business Review report, “Marketing has the opportunity to become the architect of the customer journey and — through substantive relationships with other parts of the organization — can capture and drive a 360-degree view of their customers.”

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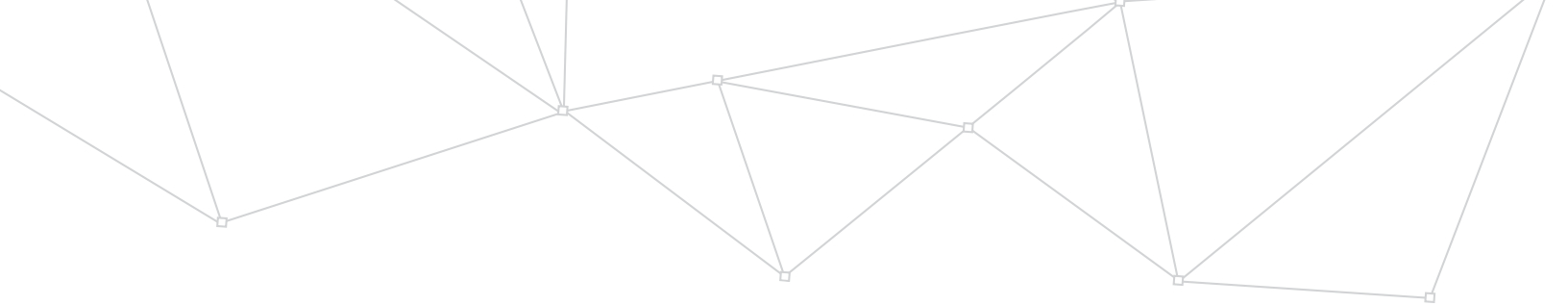
As we have discussed, companies that don’t evolve their communication strategies to meet the needs of today’s customer — will fall significantly behind those that do. To capture the customer experience opportunity, CMOs must design intentional and disciplined methods of pulling the corporate story consistently throughout the customer journey — across all customer-facing areas of the business. This will require a different set of skills. Skills that include customer journey mapping, collaboration with cross-functional leaders and communication process reengineering throughout the organization. To be successful, CMOs must create corporate messaging development and delivery processes that are fully aligned with the customer journey.

### It’s not about campaigns.

### It’s about maintaining a memorable experience.

In a recent Forrester Report, The Rise of Marketing Orchestration, an analyst stated, “. . . most companies are stuck in an old campaign mindset and a corporate reality where each of their touchpoints is typically the domain of separate channel silos . . . the overall result is often messaging, execution, and delivery strategies that are fragmented across touchpoints and out of context to the consumer.”

The key word here is orchestration. CMOs must orchestrate a seamless and consistent customer experience. This means the story your customer consumes throughout their journey must be cohesive and connected. A campaign-driven messaging strategy won’t work. The strategy must be rooted in “immersion and infusion” to be effective. Campaigns by their very nature are limited by channel and reach. The customer experience is an all-encompassing journey. That means CMOs must acknowledge the customer experience is less about sequencing messages and more about the story being consistent and connected . . . everywhere . . . at all times. The only way to do this is to infuse a clear, compelling and consistent message across all customer touchpoints — not just touchpoints in the latest campaign.



## The skills and team members you need to succeed are different.

Sanjay Dholakia, chief marketing officer of Marketo, recently said, “The era of mass-marketing is over once and for all. Marketers must be present in every step of a customer’s journey, listening to their behaviors and speaking in a manner that’s relevant to every individual. This requires a redesign of team structures and skills to drive agility, consistency, and efficiency.”

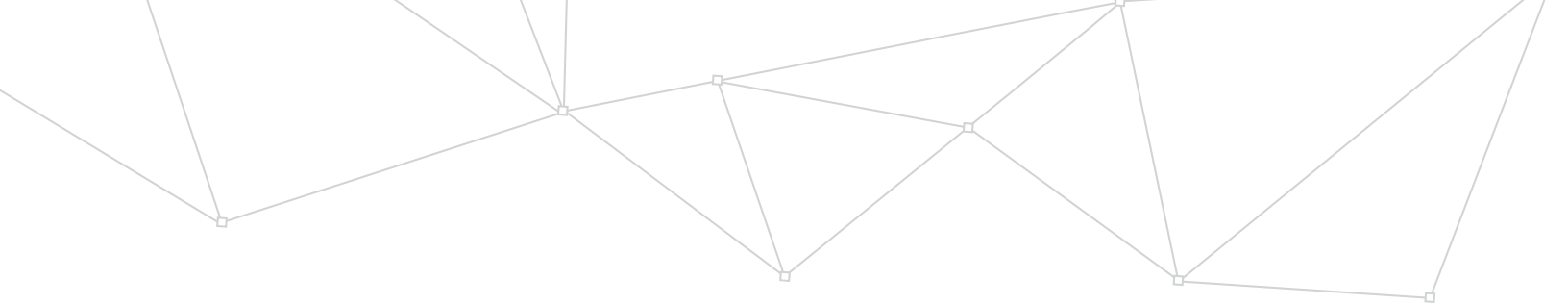
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So, to drive material changes throughout the customer experience, CMOs must start with changes in the marketing team itself. Most marketing departments are structured to deliver messages by channel or communication vehicle. They consist of the digital team, content team, public relations, product marketing, corporate communications, event marketing — the list could go on and on. The point is, they are segmented as if the customer experiences the brand through independent channels. That may have been the way it worked in the past, but that’s not the case today. The operating structure and processes through which these marketing silos have historically worked together have to be blown up. A new model must be built to ensure the corporate story is brought to life consistently throughout the customer journey — regardless of the communication channel or vehicle. A customer experience-centric operating model and messaging development / delivery process is required.





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## Success is predicated on the mindset of the executive team.

A recent Heidrick & Struggles study found that 62 percent of CMOs view relationships with peers on the senior executive team as vital to their success. It should have been closer to 100 percent. Why? Because without philosophical and strategic alignment between the CMO and the executive team — a CMO will experience limited success. To win, the CMO and executive team must fully understand what's required for the company to deliver a clear, compelling and consistent customer experience. It's that simple.

### **It starts with ... strategic alignment.**

The changes discussed in the CMO's role and the customer experience are far reaching. Left unaddressed, these changes will continue to prevent CMOs and executive teams from achieving greater success. For too long, CMOs, business executives, owners and shareholders have been shorted when it comes to realizing the full ROI on the customer experience opportunity. And, in many ways, this lies on the shoulders of the entire leadership team. To capture the customer experience opportunity, CMOs and the executive team must be on the same page. They must buy into this simple fact: The corporate story your target audience consumes throughout their journey determines the degree of success your company achieves.

This means change is inevitable. The processes by which your corporate story is developed, delivered and managed must fundamentally change. It also means that until the entire executive team commits to developing a customer-centric culture and an intentional corporate messaging infusion process across the enterprise — the business will fail to realize its true potential. However, when the entire executive team gets fully behind these strategic initiatives — the customer experience opportunity can be captured. The opportunity to improve competitive differentiation, elevate audience engagement, increase customer acquisition, retention and loyalty — are all within reach. But, unwavering commitment is required.

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### **It continues with ... visible and unwavering commitment.**

Strategic alignment and process reengineering is where the journey starts, but visible and unwavering commitment to the process is the key to success. Maybe that's why Jonathan Copulsky, a partner at Deloitte Consulting said, "Great marketers know the best brands are built one brick at a time, over and over again."

### **This is a business transformation initiative that must be executed one brick at a time.**

To be successful, CMOs must have the courage and persistence to stay the course. They will have to remind themselves and the executive team that this is a journey, not a destination. It is transformational, not transactional in nature. That means the entire executive team must commit to pulling the rest of the organization forward. They must keep strategic priorities around the customer highly visible. They must consistently articulate a clear, compelling and consistent corporate message — inside and outside of the organization. The entire leadership team must remain committed to institutionalizing the process, culture, mindset and behavioral changes required to transform the way the company brings its story to life throughout the customer experience.

### **It ends with ... well, it never really ends.**

Forrester recently published "CMO Predictions: How Smart CMOs Will Embrace The Rise Of Customer Experience," and it states, "Few companies recognize that managing your brand is all about managing your customers' experiences, but in 2016, smart CMOs will change that — reshaping their teams ... delivering connected experiences."

This is a business transformation initiative that must be executed one brick at a time. Leaders must commit to a multi-year customer experience planning, execution, measurement and optimization process. Then repeat. Throughout the journey you will experience incremental progress and, at times, material success. The most important thing is that you don't quit. The process of maintaining a customer-centric culture and superior customer experience is never really over. So as you make the journey, remind yourself and the entire leadership team, the process is paying incremental dividends — each and every quarter.



### About OnMessage

OnMessage is a messaging infusion company with a proven model for helping you develop a clear, compelling and consistent corporate message. Our methodology aligns your company's strengths and true points of difference with customer needs to create a messaging platform that elicits optimal engagement throughout the customer experience. This methodology, when combined with our organizational change, sales enablement, content development and brand integration services, enables you to achieve a higher return on every connection you make.

We do this through five highly integrated service offerings that enable you to:





- > Develop and deliver a clear, compelling and consistent corporate message
- > Train employees so they can bring your corporate message to life
- > Provide sales with engaging messages, stories and tools
- > Extend and amplify your story with compelling content
- > Integrate your corporate message with captivating brand creative

By partnering with us and infusing consistent messaging in all five of these areas, you can create a differentiated customer experience that will accelerate business growth.

### For more information

For more valuable and informative resources that can help you improve your customer's experience, go to: [itsonmessage.com/resource](http://itsonmessage.com/resource)

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**James O'Gara**

President and Founder

James O'Gara is the president and founder of OnMessage — a messaging infusion company. Under his leadership, OnMessage has developed a proven model for helping companies develop a clear, compelling and consistent message. With almost 25 years' experience working in business and marketing leadership positions, O'Gara is known and respected for building collaborative relationships with executive teams that result in highly effective go-to-market, messaging / positioning and demand generation strategies.