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From The Office of
Market Strategy

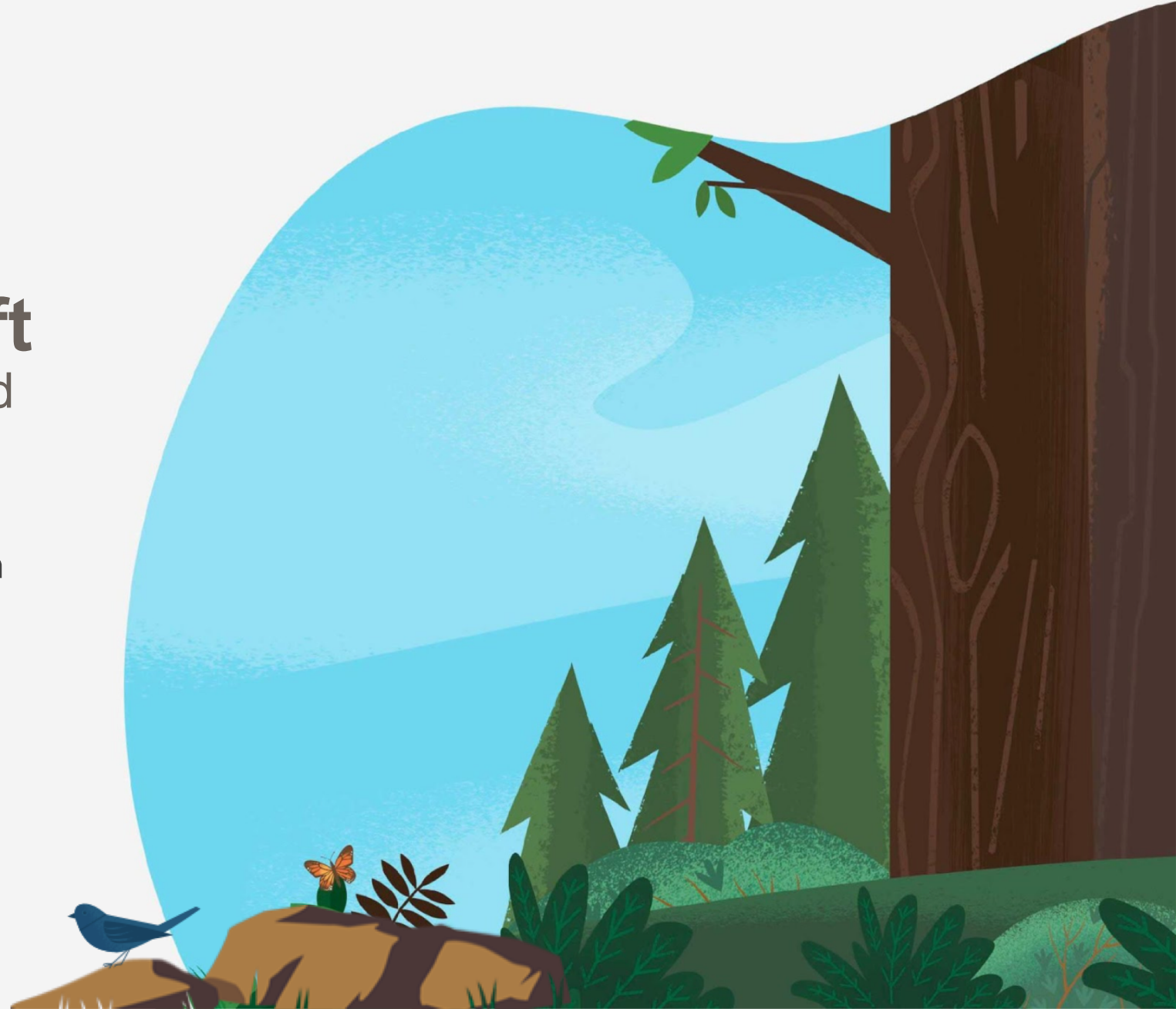
Experience The Shift

Customer Experience Redefined

Informed by interviews with experiences executive from leading companies, here is what customer experience looks like in the new normal.

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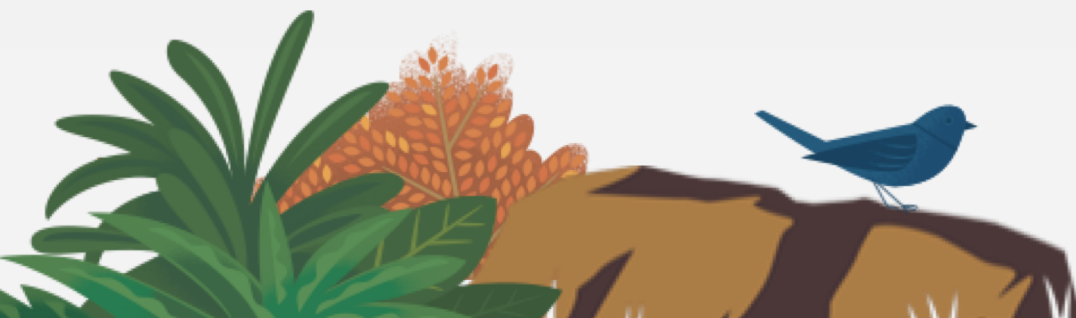
The New Ideas Shaping Customer Experience

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In early 2020, the world as we know it changed. The radical speed, scale, and effect of these events caused Customer Experience professionals to reimagine customer success in a new context. This is a new future of customer experience.

- Executive Summary
- Who is your customer now?
- Outcomes are the new experience
- The Clock Ticks Faster on TTV
- From Pyramids to Circles. A New Discipline Takes Shape
- Co-Creation is a Transcended Business Skill





The New Customer(s)

Experience Executives highlight the need to press pause on personas and ask a more fundamental question: Who is our customer now? Within that shift is a gift: the opportunity to go from broad based, dated personas to narrow, deep narratives that influence buying decisions and redefine value. Experience Executives are creating new frameworks for executive thought leadership, customer feedback, customer engagement, customer advocacy and customer success in service of extracting more revenue from existing customers. Insights must move at the speed of relevance.



”With budgets tightening, trust influences who wins the consolidation race. We are currently seeing business viability as a new trust lever.”

CCO, Global Software Company

Key Findings

Narrow and Deep Companies have narrowed their targets and are investing more resources to go deeper within them. This driving a greater emphasis for executive engagement, and more collaborative methods of thought leadership.

New Executive Personas With tighter budgets new executives are being brought into the buying process. CRO's, CIO's, and CFO's are new now influencing decisions far past their normal scope

Voice of The Customer Must Be Centralized To move at the speed of businesses all information must be connected. Leaders able to connected the various forms of VOC across their organizations are able to reduce churn, improve outcomes, and keep pace with customer needs.

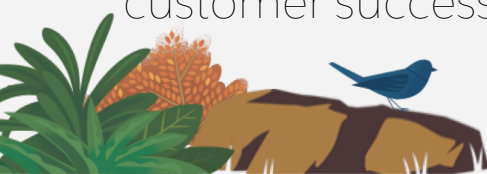


A deep dive into these findings can be found beginning on slide 08



Outcomes are The New Experience

While Customer Experience is still leveraged as the primary predictor of customer relationship health, outcomes now supersede experience as the key driver of customer loyalty. Progressive leaders look to outcomes as a catalyst to transform product portfolios, professional services, and points of engagement. Customers are willing to tolerate less than optimal experiences in key moments of truth if realized outcomes meet or exceed expectations. And the shift to outcomes drives adoption of new metrics, measures, and methods that create clearer alignment between employee effort and customer success.



"We see happy customers with great experiences leave all the time, while many unhappy ones stay. Experiences are nice to have, outcomes are a must have."

Customer Experience Analyst

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Key Findings

A New Definition of Customer Success

Customer success is now being defined as $CS = (CO/CX) + EX$ where outcomes are weighted significantly more than experiences and the impact of employee experience is significant

Outcome Metrics Have a Maturity Curve

Measuring outcomes is not new, but progressive businesses have advanced their metrics to new heights showing a clear path to better customer success via better metrics.

A Shift To Outcomes Creates New Business Opportunities

A shift to focus on outcomes is a fundamental shift in moving from a product centric, to a customer centric business. With the change new paths to revenue, and new businesses models are unlocked.



A deep dive into these findings can be found beginning on slide 12

The Clock Ticks Faster On Time To Value

Economic uncertainty compounds customers' urgency to reduce Time to Value (TTV). Accelerating TTV without compromising the customers' experience is top of mind for Experience Executives who are often on the receiving end of unrealistic expectations set during the pre-sales cycle yet who are tasked with providing support and retention on tight budgets. TTV has become a North Star metric for measuring customer outcomes.



Key Findings

TTV Replaces NPS as Key Experience Metric The shift to outcomes as a clearer view on the experience is leading many businesses to place Time To Value as the preeminent customer experience metric

The New Role: The Success Planner A new role has emerged as one of the keys to creating better customer outcomes. They are key in aligning pre sale promises to post sales outcomes.

A Better Employee Experience Shortens TTV Progressive businesses are now designing employee experiences along side customer experiences as a method to decrease TTV.

Better Business Reviews Quarterly business reviews with customers are evolving from presentations to structured conversations based on a one page success plans.



**% decrease in
Time To Value**

New methods are allowing companies to decrease their TTV by as much as 65%.



A deep dive into these findings can be found beginning on slide 16

Pyramids to Circles

Moving at the speed of outcomes is reshaping the organizational structure. Experience Executives no longer rely on the traditional pyramid hierarchy to deliver. New cross functional teams are being created tasked with a singular goal, outcomes. With these new organizational structures, however, comes the need to reskill: from ensuring a common agile language across all teams to creating experience brand standards, ensuring consistency across the customer journey is key.

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” It is very hard to change a culture without being able to connect the workers to the outcomes they eventually are a part of.”

CXO, Global Pharmaceutical Company

Key Findings

Customer Centricity is a Journey Progressive experience leaders have been on a path to customer centricity for years providing a clear pathway success.

Agile Must Have a Common Flavor Underpinning these new skills is the agile process. However Agile has a fatal flaw which can only be solved if organizations embrace a single flavor allowing for cross collaboration at the speed of modern business.

Experience Guidelines Must Exist Brand experience guide lines are needed to align working groups and ensure a consistent experience across the journey.

Experience Design Is A Key Skill Business who utilize experience design as a critical discipline to achieve new insights, alignment, and co-operation are creating superior experiences..



A deep dive into these findings can be found beginning on slide 20



Co-Creation Is a Transcended Business Skill

Co-creation is the new stealth strategy to break down internal silos and invite an inclusive approach to designing customer outcomes. Organizational alignment results in organizational support to extend co-creation to customers, partners and entire ecosystems. Indeed, co-creators feel greater ownership of what they help to create. Experience Executives seeking to future proof their organizations are investing to equip their employees with co-creation skills and frameworks.

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Key Findings

Co-Created Experiences Produce Superior Outcomes Across the customer journey when businesses collaborated with all stakeholders to co-create their outcomes radical results followed.

Internal Customer Experience Councils Are An Co-Creation Method Removing barriers between internal orgs and silos is accelerated by a creating a centralized working group focused on aligning resources, insights, and talent on co-creating the best experiences across the journey.

Co-Ownership Drives Collaboration Shifting to an outcome based approach has forced departments to co-own new metrics. For example, Call deflection is now being co-owned by product and support as more holistic efforts and preventative measures are explored.



”Our traditional ways of co-creating with our customers (Customer Advisory Boards) are to slow. We’ve found unhappy customers to be a faster way to innovate at the speed of business .”

CXO, Global Software Company



A deep dive into these findings can be found beginning on slide 24



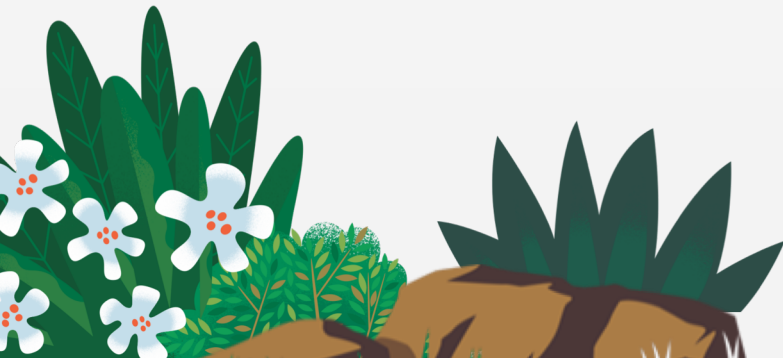
Reaching The New Customer

The changed landscape has created new customers, and new ways of building trust with them. These changes are driving a major shift in market focus, raising alarms of consolidation, and put a greater emphasis on executive level engagements.

● **Insight:** 3 Levers for Building Trust In the Current Climate

● **Strategy:** It Is Time To Go Narrow and Deep

● **Tactic:** Up leveling The Voice of The Customer





Insight: New Levers of Trust



Business Viability

With money tight buyers are worried of vendors going under. Viability extends into the full value chain.



Consolidation is coming to the market. Businesses unable to adapt will die off. A resilient value chain is a competitive advantage.

Sell On Viability



Focus On Outcomes

With money tight buyers need assurance on delivery of outcomes.



Selling and supporting customers based on outcomes have a distinct advantage in the current climate.

Shift to a focus on outcomes



Familiarity Wins

Brand awareness and the belief of greater outcomes via better integrations from a single vendor.



Established vendors have an edge for customers who need extra assurance.

Double down on ABM





Strategy: Narrow and Deep



“Not all of our customers are affected in the same way. Some are thriving, while others are struggling. So we shifted to focus on going deeper with in those accounts who are thriving.”

CXO, Global SaaS Provider

Strategy: Serve fewer Customers Better

Instead of trying to be all things to all people, this is a time of focus. What are our core products and services that are profitable? Who can we serve best? Who has the greatest LTV potential?



Shift to focus on those customers who have the greatest potential CLV. Influencing CLV now are industry, outcomes achieved, depth of relationship with in the account. Bring those accounts to the EBC!

Marketing: Greater Reliance on Executive Programming

Constricted Budgets have added more internal consideration to all purchases.

Going deeper into accounts means going higher up the executive ladder.



Businesses are putting a greater emphasis on executive communities, and executive briefing centers to influence key executives.





Tactic: Unlocking The Full Voice Of The Customer



➡ How Many Voices Do You Have?

Does your business know how many different voices they have? How many owners are there? How do they share notes?

➡ Do you have shared personas?

Does your business have a shared set of persona's across the org? Is there a shared view of each persona leveraged by all departments?





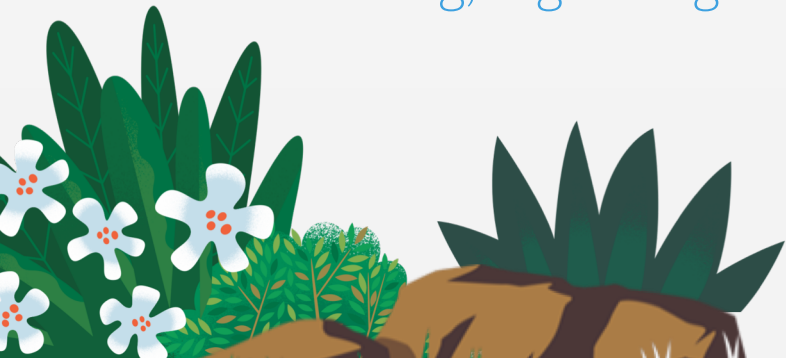
The need to become Outcome Centric

One of the biggest themes this research produced was the shift to an outcome focused business model. At all stages of customer journey from pricing, selling, and support outcomes reign supreme. Outcomes are not a new goal, yet what is novel is how progressive businesses are focusing, organizing around, and delivering them.

● **Insight:** The New Customer Success Equation

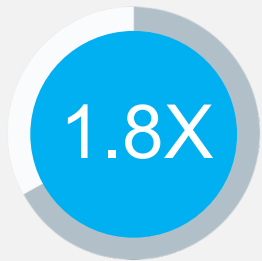
● **Strategy:** The Journey to an Outcome Organization

● **Strategy:** Outcomes enable the shift from Product to Customer centricity



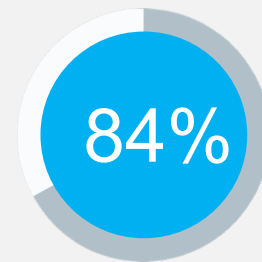


Insight: The new pathway to Customer Success



Employee Experience Drives Growth

Companies who focus on Employee Experience first, see 1.8X greater growth than those who don't. -Forbes



Business Buyers Agree

84% of B2B buyers say they are more likely to buy from a company that demonstrates an understanding of their business goals and outcomes. -SOCC



The New Customer Success Equation

$$CS = EX + (CO / CX)$$

Employee Experience: EX

The employee experience must be measured along side of customer outcomes as they are correlated. Firms that excel at EX see 1.8X more growth than those who do not.

Customer Outcomes: CO

Outcomes are weighted heavier than experiences. These are the true goal.

Customer Experience: CX

Experiences are still very important, however it is the outcomes that matter most.

Insight: A Focus On Outcomes is A Key Step to Digital Transformation

KPMG Found CEOs noted the COVID-19 pandemic has accelerated their focus in key areas of transformation.

- The digitization of operations and the creation of a next-generation operating model (74%)
- The creation of new digital business models and revenue streams (70%)
- The creation of a seamless digital customer experience (73%)



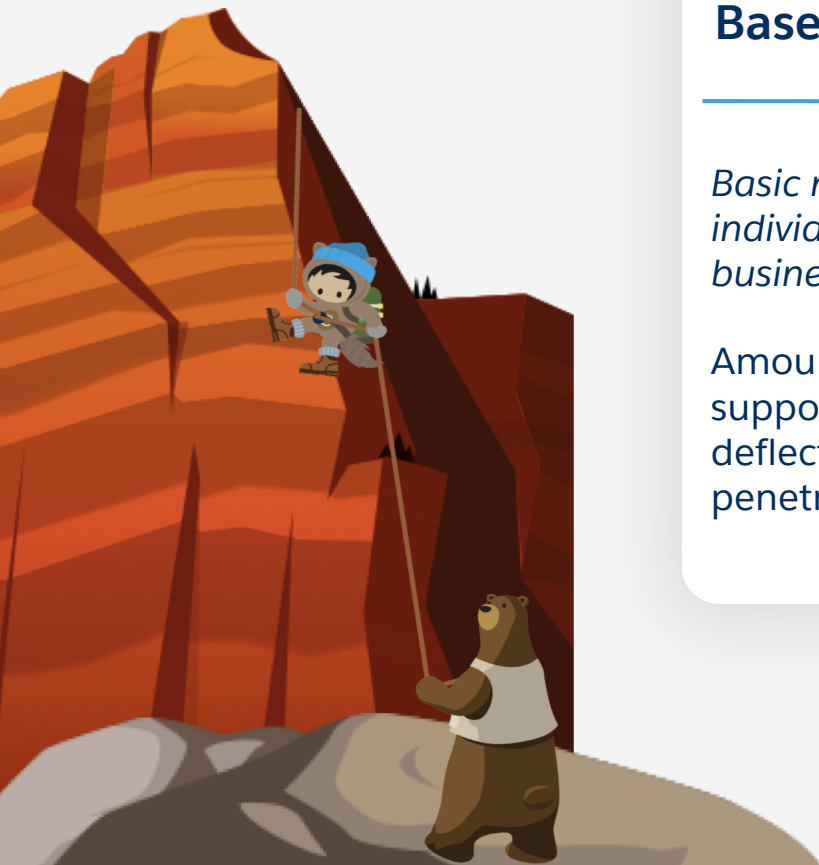
” Now that we can deliver outcomes efficiently, it allows us to open up new business models such as having an Freemium Enterprise Software offering.”

CXO, SaaS Provider






Strategy: The Pathway To Transcended Metrics



Start with Use Based Metrics

Basic metrics are individually owned by business unit

Amount of products used, support requests, call deflection, and portfolio penetration.




Evolve Metrics To Focus On Experiences

New metrics which are Co-Owned metrics between units

New metrics to measure the experience become focus: NPS, and CSAT

Progress to NPS over time, and by account. .



Transend To Focus On Outcomes

Metrics progress to outcomes, becoming Co-Owned outcomes

Time to Value replaces NPS as north star.

Progress to looking at TTV by persona, and shifting outcomes based on customers maturity.

➔ **Can You Leapfrog To Outcomes?** Many of the companies we interviewed have been on this journey upwards of 6 years, however with a clear path it may now be possible to leapfrog many of these steps with the right corporate appetite.



Fine Tuning Time To Value

Time to Value has been a standard customer success metric among progressive businesses for a few years, however our research found it has risen in importance, and maturity of how it is calculated and achieved.

- **Strategy:** The Pathway To Radically Decreasing TTV
- **Tactic:** The Rise of the Success Planner
- **Tactic:** Better Business Review





Strategy: The Pathway To Radically Reducing TTV

Stage 1

Deep Listening:

Identify the key personas you are selling to, and their key goals.

Listen for their key influence triggers, and moments of truth.

Stage 2

Journey Mapping:

Map out the journey for each persona.

Maps should include what each persona is thinking, feeling, and doing in each moment.

The maps must be shared.

Stage 3

Reduce Friction:

Remove all barriers to those outcomes.

EX: If integrations are needed, invest in having pre-built connections created, removing that time from the equation.

Stage 4

Create Guides:

With the pathways understood, and optimized now create guides to align both external and internal teams together.

Progress past account level, and move to persona level guides.

Stage 5

Set Milestones:

Work backwards to identify the milestones needed to achieve larger outcomes.

These milestones become small wins showing progress on the way to larger TTV.

Stage 6

Provide Choice:

Work with customer to show them possible outcomes, and pathways.

Benchmarks become critical tools to help set realistic timelines for outcomes.

Tactic: The Rise of the Success Planner

In complex sales there has long been the issue of promises vs reality. What sales says can be delivered, compared to the actual results. This often has customers being over promised and under delivered to. To solve this a new role, The Success Planner, is rising up in progressive organizations.

They are brought into the selling process to help uncover goals, co-create the strategy to achieve those goals, and stay with the account through the implementation process. Bridging the gap between pre and post sales success.



” Once we implemented the success planner we stopped seeing grenades be thrown over the wall.”

CCO, Enterprise SaaS Vendor





Tactic: A Better Business Review

When looking to decrease TTV businesses reviews are a standard tool. They align the customer and business together.

Traditional Reviews are based on a pre defined time schedule, are about reporting usage metrics, and tend to be long presentations.

Progressive companies are aligning the reviews to the customer journey, and their outcomes. Timing is now based on the customers progress along their journey, the meetings use one page success plans to align, and the CSM transitions to an accountability partner.

Traditional BR

Long Presentation

Usage Reports

Quarterly Review

Progressive BR

One Page Document

Success Plans

Reviews Match
Outcome Progression





Moving from Pyramids to Circles

As organizations try to get closer to their customer they must redesign their operating structure. Moving from silos to teams focused on the moments of the customer journey. Our research found this to be a key element of delivering better customer experiences and outcomes.

Strategy: 6 Keys to Reorganizing Teams to Focus On Customer Outcomes

Tactic: Agile isn't optional anymore

Tactic: Creating and aligning around experience guidelines





Strategy: 6 Keys to Reorganizing Teams to Focus On Customer Outcomes

1

Full Executive Support

Across all interviews, and ancillary research it is clear that executive support is required. Experience must be given an actual seat at the executive table and be more than a "Paper Tiger".

2

Co-Ownership of Metrics

Once there is the want to focus on a moment, departments must collectively own those outcomes. This will likely require IT support to integrate tools and data.

3

Empower Employees

Employees must be empowered to know how their actions affect the customer experience and outcomes. For example a call center employee should see how the NPS score from the customers they helped changes over time.

4

Single Voice of the Customer

Teams will also need to have a reliable and complete voice of the customer. This can be accomplished simply via RSS, or more sophisticated methods requiring API's and integrations.

5

Create An Internal Council

Creating an internal cross functional council made up of senior leaders will help drive alignment, and collaboration across departments.

6

Embrace The Journey

Our interviews revealed CX leaders admit this is a long process. Each step leads to the next, and many leaders have been moving in this direction for years before they reached higher levels of maturity.



Tactic: Agile Isn't Optional

1

It Needs A Shared Language

Agile has a fatal flaw. If Agile isn't standardized it will lead to teams, and departments working under different frameworks. This is fine until they have to work together. Then the systems hinder rather than help. Centralize frameworks, timelines, and languages.

2

It Takes Discipline

You need to be diligent in embracing the new methods, and giving up the old. It may behoove you to bring an agile expert in to ensure your team is correctly implementing the practice.

3

It Is A Competitive Advantage

Those companies who have embraced agile were able to pivot their business models, work flows, and products in short order after COVID. Each of them see agile as a competitive differentiation for the agility it provides their organization.



Six Times Faster Production Cycles

“We were able to shorten our time to production from 6 months down to 30 days with Agile”

CCO, Business Service Firm





Tactic: Aligning Around Experience Guidelines

Experience Design Is A Required Skill

Each moment must be designed, not just your products. UX is a common part of product teams, and now should be applied to the customer journey, where each moment is designed with the same rigor.

Guides for Both Hard and Soft Experiences

Your design guides should address both hard and soft experiences. Hard experiences being the look, feel, and function of your product. While soft is more about the journey, effort, and ultimate outcomes achieved.



” Ultimately, product related support cases are often product design / user experience design failures in disguise. ”

CCO, Financial Services Firm



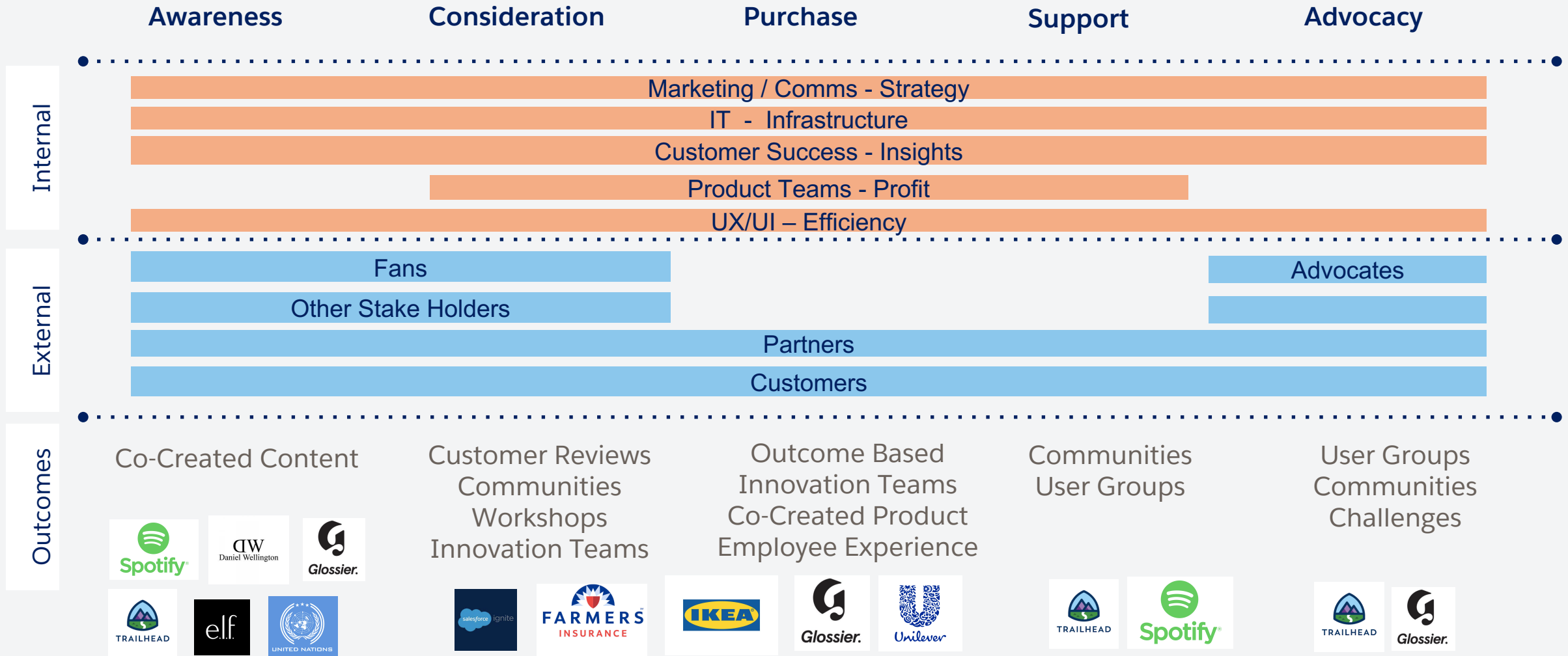
Embracing Co-Creation

Across our interviews a common thread was mentioned, co-creation. From new methods of working internally, to working with customers in new ways to create better outcomes, co-creation isn't just a method, it is a key business skill all businesses must understand and utilize.

- **Insights:** Collaboration Across the Customer Journey
- **Strategy:** Moving at the Speed of Relevance
- **Tactic:** Co-Creating Customer Outcomes



Insights: Collaboration Across the Customer Journey



Tactic: Co-Creating Customer Outcomes

Begin early. Create a working document of goals and desired outcomes early in the sales cycle.

Create Pathways. Know what it takes to meet those outcomes and have a clear pathway laid out. These pathways are used by internal teams, and the customer.

Choice. Let the customer choose which outcome and path they want. Let it be their idea.

Accountability. Using a shared document/software allows each side to keep up on tasks needed to meet the goal.

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"Alignment with customers comes from the co-creation of outcomes, which begins with the act of writing them down together, and making them the steel thread that binds the relationship over time. These outcomes then become the basis for shared accountability, and the burden of proof for renewing the relationship."

Jake Sorofman, President MetaCX



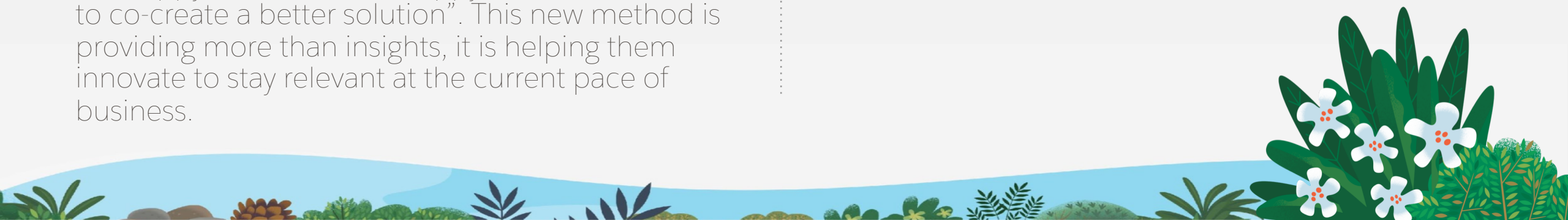
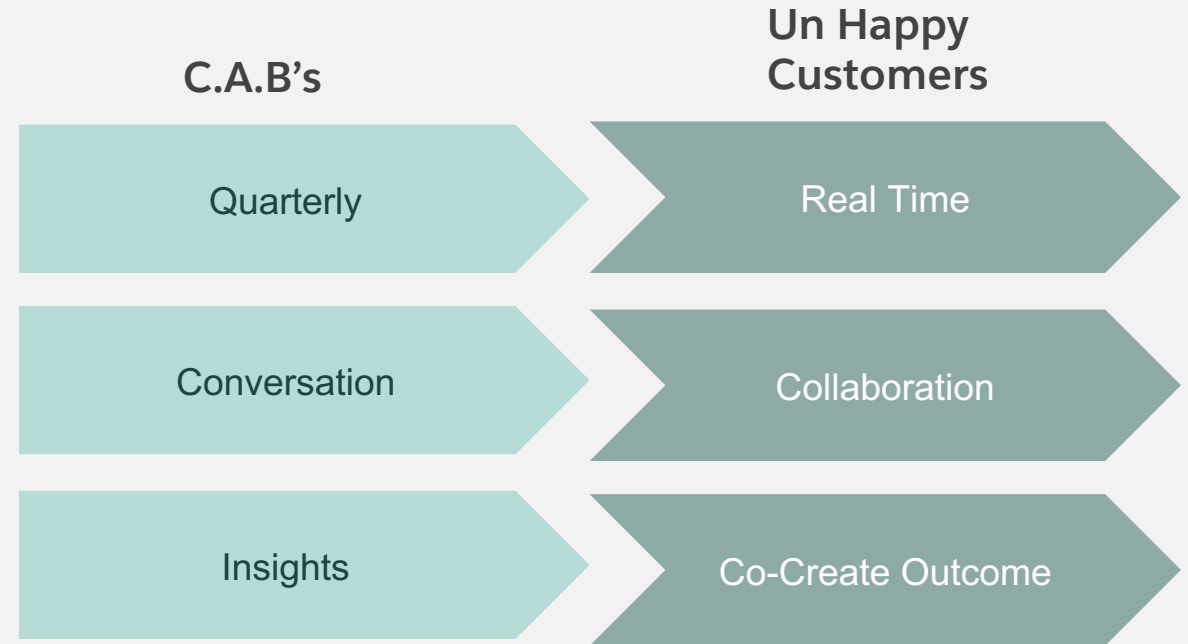
Tactic: Moving At The Speed of Relevance

Customer Advisory Boards are a collaborative method, however they have a flaw that the current situation revealed...they only happen once a quarter.

With real time pivots, and the need for rapid innovation businesses need insights in real time to move at the speed of relevance. One tactic we saw was to find new ways to co-create with customers.

We heard of one company who was turning unhappy customers into innovation partners stating, “Unhappy customers are happy to innovate with us to co-create a better solution”. This new method is providing more than insights, it is helping them innovate to stay relevant at the current pace of business.

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FURTHER READING

Research/Articles

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Talent and corporate responsibility top list of CEO concerns in the wake of the COVID-19 crisis

[Amy Greenshields, Aug 25 2020 view →](#)



CEO's Curbed Confidence Spells caution

[22nd Annual CEO Survey view →](#)



The Experience Equation: How Happy Employees and Customers Accelerate Growth

[Tiffani Bova 2020 view →](#)



The State of the Connected Customer 2020 – Salesforce

[SOCC OCT 2020 view →](#)



How We Decreased Time to Value At Gainsight By 66%

[Ashvin vaidyanathan Sep 21 2020 view →](#)

Books



Listen Up: How to Tune In to Customers and Turn Down the Noise

[Karen Mangia, Wiley 2020 view →](#)



Context Marketing Revolution: How to break through and motivate buyers in the age of infinite media

[Mathew Sweezy, HBR 2020 view →](#)



**Thank
You**