

SECRETS TO SEAMLESS CUSTOMER EXPERIENCE

CMOs and senior brand managers discuss the challenges, changes and solutions for fine-tuning customer experiences.

Marketing



Senior marketer discuss CX developments, frustrations, challenges and solutions

CONTENTS

- 03** CX: what it means to marketers
- 04** Challenges and frustrations
- 05** Changes
- 07** Smarter Tech
- 08** Solutions

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CX: WHAT IT MEANS TO MARKETERS

On 14 August, a roundtable of CMOs attended SAP and Marketing's 'Secrets to Seamless CX' event in Sydney. Host Lisa Ronson, Tourism Australia CMO, and the table of senior marketers from B2B and B2C companies across a range of sectors, discussed developments in CX, as well as their frustrations, challenges, and the unique solutions and methods their organisations employ to write outstanding CX into their business models.

Due to the varying verticals represented at the table, customer experience (CX) naturally had a different meaning for each marketer. For each, it was an important point of focus in their day-to-day marketing management.

In the B2B world, marketers are playing a more active role in working together with sales teams to optimise client experiences. "Traditionally customer experience really did sit with sales," said Ben Johnson, general manager, marketing and strategy at Dicker Data, "but it's more so become marketing now.

"I see every transaction that a customer has with our business. We need to delight at every touch. That's marketing, we're good at doing that. It was a little bit of a struggle to start with, but it was all about getting behind CX, between my department and sales. We sit down at the beginning of every quarter now and look at each other's priorities, and we look at where

we can actually help each other. CX is pretty high on that list – about how we can make it a more positive experience for our customers every time."

For Dicker Data, CX is a point of differentiation from competitors in a "thin margin environment." "People are willing to pay more for a superior CX," he said, "so for us it is important we're getting our CX spot on."

From the world of wine, Libby Nutt, head of marketing at Casella Wines, said from the perspective of their customers "CX is very much about taste. People really want to know what it tastes like before they pay a lot of money...We do a lot of experiential events, which are really around taste and talking to consumers in that way."

In the tourism industry, it's very clear there has been a power shift due to technology and new trends. "Consumers have a lot more power now than what they ever had in the past," said

Lisa Ronson. "It's a good thing. It keeps us on our toes and keeps us honest."

CX and brand success **CX is powerful force in turning customers into advocates.**

"It's very much a conversation," said Ronson. "I can sit there and say 'come to Australia, it's wonderful', but if other consumers are posting content and saying 'Australia is amazing', it has that authenticity and that other voice of peers."

Brad Cook, director and head of marketing ANZ at GSK, agreed. Talking about simple business models and consistency, he told of an online appliances company that "created a whole story where people became advocates for the brand. Online, in social groups. I've never bought anything from [the brand], but next time I buy something, I'm going to go there first".

How simple is this brand's approach? "Really simple. What they say they're going to do, they do it, and they do it consistently."

CHALLENGES AND FRUSTRATIONS

Customer data is equipping CMOs with the tools to succeed, but collecting it and leveraging it is not always so simple.

Lack of insight

Despite advancements in the space, collecting and leveraging consumer data still poses many challenges for today's marketers.

"Data, for us, underpins everything," said Melanie Lindquist, head of client strategy at Adshel.

"Understanding data, how to store it, how to collect it and where not to collect data – I think that's probably one of the biggest challenges that marketers in Australia have today," she said.

In the face of globalisation, marketers must consider international implications and in some cases, struggle with data from offshore markets. Bindaree Beef is an example of this. The brand deals in China, but is experiencing difficulty in obtaining accurate and usable customer insights.

"There's a lack of understanding of the importance of the experience and the customer," said Matthew Dwyer, Bindaree Beef's senior brand manager.

"One of our challenges is trying to get businesses to understand the value of data and information and knowing our customer.

"We do a lot of business in China. We're in physical stores with our brands, but we're also online, and it's just not lining up at the moment. I don't think we're getting the right information, We're having challenges with knowing what data to get."

Casella Wines' Nutt agreed. "We've worked a lot with big businesses across China and I don't even know where to start most of the time to find out how to get the data of who's actually drinking our product. We know through our own research that we're one of the most loved brands in wine in China, but that's all we can find out. We don't know the details."

Ronson was able to offer some assistance here. "It's a tough market in that it's very, very different. The way to connect with consumers is completely

different to everywhere else in the world," she said. "There's no Facebook, there's no Google. To gather insights, we find it's best to go directly to the consumer. Even if it's a small study, just to try and get some focus groups or something like that."

Another challenge, for many playing in the global consumer data stakes, is the European Union's GDPR (General Data Protection Regulation) legislation introduced in May. "Being a German headquartered company, we're subject to GDPR," said SAP CMO Rushenka Perera. "It has impacted our database. We have had to re-examine our omni-channel strategy and come up with new ways of trying to reach our customers. GDPR as it turns out, has been a catalyst to build a better CX."

Each of these frustrations relates to limited data and customer insight, two key components to providing the right customers with the right experience, and in turn optimising future CX.

CHANGES

So how are things changing, and how is data playing a role in fine-tuning CX in other ways?

The biggest changes affecting marketers all appear to be driven by technology.

“Fundamentally, marketing hasn’t changed,” said Cook. “It doesn’t really matter where I go or how old I get, it’s all about: ‘who’s my customer, what are their needs and how can I deliver on that need in a special way that has more value, that creates brand love and brand preference, and gives me a right to command a premium and reinvest in product development and drive that CX forward?’ That, fundamentally, hasn’t changed.

“I don’t think it will change... It’s now: ‘how do we use technology?’ Marketing is changing exponentially, but it’s all because of technology,” he said.

Technology is an empowering force. “We can get a deeper understanding to inform our industry around how to develop and create different experiences that consumers are wanting,” said Ronson.

Where perhaps five or 10 years ago, out-of-home media was struggling to demonstrate its value against online media and its fast metrics, it too is now writing data into its service.

“The biggest shift for us as a business, as an industry, is all about data, research and insights. We actually created a client strategy team that has audience intelligence, research, data and insights paired with client strategy. That’s the biggest shift for our business because every single response to a client has to be underpinned by data and knowledge of customers,” said Lindquist.

Her company is investing heavily in a number of tech solutions that, when paired with third-party data, reveal insightful views of the customer. “We have beacons on our panels,” she said. “We’ve done eye tracking research as well.”

At CBRE, virtual reality (VR) is letting the brand give prospective buyers an immersive

preview of properties, also saving time and money.

“Building [display] suites is expensive. Then you just tear them down. It’s time-consuming and you do it over and over again. So we built a virtual display unit with VR. You almost feel like you’re in the apartment. That’s what customers are expecting now,” said Kristen Ferguson, CBRE head of marketing, Pacific.

“You can essentially look at an apartment in Perth and you get the same experience. You can change interiors, you can do all sorts of things. It’s hooked up to Google Maps, so the view is the actual view.”

The technology is delighting customers and also offering a competitive advantage. “For us it’s a real differentiator,” said Ferguson.

Trust

As customers become more aware of brands’ use of their personal information – as well as that information’s high value to



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brands – transparency is key. Events like the Facebook and Cambridge Analytica data scandal shed light on the shady behaviours of some companies, reinforcing consumers' expectations about honest conduct and respectful use of their information. This comes down to providing value, and emotion plays a part too. Regarding users considering leaving Facebook but ultimately staying, Nutt said, "They don't want to change their behaviour because they're still getting so much from it.

"That's where emotion comes in as well. You don't want to let go of what everyone is doing around the world."

Ronson believed there may have been an "over correction" in some areas due to things like the GDPR. On the topic of providing personal data in exchange for better CX, she said it all depends upon whether or not it is used in respectful ways by brands they willingly enter into exchanges with and trust.

"Consumers in general are quite happy to get a better CX and give up that data," she said.

"You have to build everything behind that technology platform to serve your customer," added GSK's Cook. "You can't get it wrong. You could have a most loved and trusted brand and have customers fall out of love and lose trust very quickly."

SMARTER TECH

AI is a big tech change starting to have an effect on marketing. In terms of CX strategy, chatbots are one key talking point that many at the roundtable had experience with, or at least an opinion on.

The key challenge is, “getting the right tone of voice and making sure it’s doing the right thing by the customer and not making CX worse,” said Ronson.

Chatbots

For one senior marketer, it has been a work in progress.

“We have a bot, but we started off really small and with a small remit,” she said. “We’re taking over little chunks at a time, reflecting it. It’s a test and learn. The more you use it, the more it learns and the better it gets. It’s just about the messaging framework you build around it.

“The way we speak, our natural language is so different from person to person, let alone ethnicity and age. It’s a tricky one. Stick with it. Trial it on a small destination and go from there. It’s about putting a pin in the map,” she added.

“It’s a technology platform. If you’re going to do it, you’ve got to really invest in it. You just can’t play around... It’s all about choosing the *right* technology platform, then making sure you make the investment to be able to make the most of it,” said

Cook. “You can do your brand a lot of good; you can do it a lot of damage.”

The technology is still in its infancy in many ways and other marketers were having success by tackling chatbots in small steps. “We’ve started out by going ‘just buy that one product search’, then adding pricing and stock, that sort of thing,” said Dicker Data’s Johnson. “Now we’re writing the smarts into the background to basically look at someone’s cart and start automatically suggesting, ‘this is what everyone else bought, have you considered these options?’ Building it out that way. Taking it chunk by chunk, it’s safer. You probably don’t get there as quickly, but you’re going to deliver a superior CX along the way to getting to where you want to be,” he said.

Automation

Automation is another tech development revolutionising the ways in which marketers are managing their workload and time. When maximising CX, however, it’s important to consider the implications of removing the human element completely.

“In the media industry, programmatic automation is huge. In an industry where that relationship and that human element is really critical, a lot of media organisations are investing a lot of money into it. Sales teams are designed to have excellent relationships with their agencies and their brand’s clients. Now, a huge significant portion of that will be moved into programmatic. What’s the tipping point where removing the human element becomes a negative rather than a positive? I think every brand has to have that conversation,” said Lindquist.

The pace at which marketers and brands have rushed to adopt chatbots and automation led the roundtable to question the need for and effectiveness of these technologies in many cases. “Everyone went headlong into ‘well, this is amazing... so much more cost-efficient and targeting efficient,’” said Ronson. “I think the whole issue of brand safety really turned that on its head.” Lindquist agreed. “You’re right. There’s this cycle that will occur when everyone’s over that whole automation, programmatic side of it, and it swings back to humans.”

SOLUTIONS

Keeping it human

When dabbling in the areas of smart technology, two things are important. First, properly invest in the technology. As Cook said, “You just can’t play around with it.”

Second, as outlined previously, is weighing up the risks associated with removing human interaction, and ensuring you’re providing CX that uses the technology in tasteful ways.

“It’s sometimes a bit of a fine line,” said Ronson. “If you can see that it’s just a cost saving exercise, and that’s obvious to the consumer, that’s death pretty quickly, because it’s like immediately saying, ‘I don’t value you as a customer, I just want to remove you as a cost to my service model.’”

Technology-backed CX will work “if it adds value, and it makes it like ‘wow, that was really cool, that helped,’” she said. Sensible brands, however, are transparent about testing new things... “If

consumers know it’s a test, if you’re upfront and saying, ‘we’re testing this technology, would you mind?’” the reaction may be more positive, said Ronson.

Data direction

The marketers said they appear to find the best results when pairing their own data with data from third parties. This uncovers a far more unbiased and comprehensive view of their marketplace, enabling true optimisation of CX.

In the outdoor media sector, it’s a combination of paid and owned data. “We specifically go out and commission research pieces to try and understand consumers,” said Adshel’s Lindquist. “We recently did a whole commuter research piece with a third party research agency, so we don’t influence the results.”

Tourism Australia pairs its data with information picked up at more traditional avenues. “Trade

show activities and things like that,” said Ronson. “Travel agents are still a really important conduit for not only bookings, but information. Having a trusted voice to help you work through all of that is sometimes helpful.”

“All of our biggest clients came too. We send them out a survey and that’s a really important piece of data for us to measure its impact and also to keep improving the experience.”

For Dicker Data’s Johnson, feedback offers important insights, too. “We do similar research around our experience with our clients. As they’re our customers, we do annual surveys. We gauge how they feel about how much we’re interacting with them, whether they’re getting value for money, if there’s anything we could be doing differently, areas of strengths...

“It’s definitely something we do look at on an annual basis.”

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