



We Listen. | We Craft. | We Deliver.

Connecting Customer Experience to Revenue: A Sellers' Compass®

White Paper

Executive Summary

It has never been more urgent for B2B vendors to rethink their customer acquisition and retention strategies.

Today's buyer no longer wants to be chaperoned through their purchasing decisions. Instead they take a self-directed journey they fully control tuning out vendors that are disruptive to it. They insist on and expect a different experience and relationship than the one vendors have traditionally offered. Sellers that meet these new experience expectations will increase the speed, size and certainty of their revenue funnels by over twenty percent by becoming a vendor customers prefer to do business with.

Sellers' Compass® is a framework for mapping a vendor's strategy, culture, processes and technology to customers' experience expectations. Sellers' Compass users create messaging that resonates with buyers, content that is valuable to prospects, an advocacy-based sales approach that closes deals faster, and integrated processes and systems that improve loyalty and drive evangelism. Our methodology offers a grounded approach for connecting customer experience to revenue growth.

Why Customer Experience Matters

In today's business environment where innovation is easily copied and differentiation is often slight, the new battleground for competitive advantage lies in the customers' experience. When relationships and customer service trump price and product in buyer decisions, vendors must adapt. Winning today means consistently meeting the buyer's evolving expectations in experience and value.

A recent CEI survey found that only 1 percent of buyers feel their expectations are consistently met by vendors; yet 86 percent are willing to pay a premium for a better customer experience. The price for the failure is high; study respondents estimate that vendors lose 20 percent of potential revenue by not offering a consistent experience. Connecting customer experience to revenue requires a proven method for intimately understanding buyer expectations for the lifetime of the relationship and aligning people, strategy, process and technology to deliver the expected experiences.

We'll review our comprehensive Sellers' Compass methodology for customer experience first and then talk through the self-directed process B2B buyers undertake when purchasing a solution. We'll wrap up with a discussion of the ROI our customers have realized..

The Sellers' Compass®: Four Step Process

The Sellers' Compass is a methodology that enables, engages and establishes enduring, profitable relationships with target markets and customers. The methodology is comprised of four method blocks: Journey, Experience, Strategy and Culture.

Journey is the foundation method block for the remaining blocks which can be implemented independently or incrementally.

The objective of the Journey method block is to develop a deep, intimate, and detailed understanding of the buyers' activities, sought outcomes, and expected experience over the lifecycle of the vendor relationship. We achieve this by utilizing various ethnographic research methods such as qualitative one-on-one interviews, round-tables, and co-creation sessions.

Using these and others techniques, New Business Strategies creates experience maps that document the buyer's interactions and expectations for each step of the buyers' journey. These maps identify where the vendor's practices, content, and interactions conflict with buyer expectations. Action plans are developed to align the areas and activities that will have the greatest impact on revenue and customer satisfaction.

The four method blocks of the Sellers' Compass are outlined below. Each method block consists of four deliverables that align the seller's organization with different aspects of the customer experience. Through a portfolio of maps, training and metrics, New Business Strategies delivers a structured approach to connect customer experience with revenue.

New Business Strategies Sellers' Compass Methodology

Journey	Experience	Culture	Strategy
1. Customer Journey Maps	1. Experience Map	1. Employee Engagement	1. Change Management
2. Content Strategy	2. Business Process Maps	2. Experience Training	2. Business Strategy
3. Tollgate Map	3. Technology Map	3. Leadership Coaching	3. Focus Framework
4. Lead-to-Close Map	4. Metrics & Dashboards	4. Organizational Alignment	4. Experience Innovation

What differentiates the Sellers' Compass is:

- A holistic methodology for the customer experience ecosystem,
- Client-specific guidelines on how, where, and when to invest in customer experience, and
- A milestone-based, project approach that clearly demonstrates and measures progress made.

The Customers' Journey

Our B2B customer journey provides a clear framework for understanding the buyers' journey. The Sellers' Compass Methodology, discussed in the previous section, provides a proven step-by-step guide for sellers on how to deliver the experiences buyers value at each step in the journey.

Unlike the traditional linear sales funnel, New Business Strategies' framework depicts the customer journey as an open loop which incorporates the influence that experience, trust, interaction, loyalty, and evangelism have on revenue. Traditional linear sales funnels look at the buyer from the sellers' perspective; how to convince them to purchase their solution.

The Sellers' Compass methodology looks at the journey from the perspective of the buyer who is trying to solve their business challenges. By using the Sellers' Compass methodology, sellers understand and can become part of the buyers' self-directed journey; essentially go on the journey with buyers.

In the course of our client work, New Business Strategies found that all buyers go through the same basic steps of the journey regardless of industry and company size, yet each persona has slightly different processes and experience expectations that are unique to them, their industry and the maturity of the business problem they are solving.

The B2B customer journey framework presents the buyers' journey in three Stages: Buyer Enablement, Purchase, and Buyer Engagement.

Buyer Enablement

According to Forrester, 75 percent of the initial purchasing process is completed before the buyer wants to engage a vendor directly. In Buyer Enablement stage, buyers actively seek to be educated, informed and leverage the experiences of peers and industry colleagues in addressing their business challenges.



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“After we’ve completed 80% of the evaluation cycle and know all there is to know – only then do we contact vendors.”

—Bank of America

The Buyer Enablement stage begins with a trigger point, a distinct event where the buyer recognizes an opportunity or problem. Buyers then proceed to socialize the problem within their organization, establish target outcomes, before evaluating potential solutions and vendors. In New Business Strategies’ research with Fortune 1000 companies, buyers had completed their business case, validated their approach with their peers, and created a vendor short-list long before contacting the vendor.

The basic steps of the Buyer Enablement stage are:

Define - Buyer organization commits to solve the business issue.

Search - Investigates best practices and begins the business case.

Evaluate - Evaluate alternative approaches, vendors, and develop a short-list.

Validate - Test vendor solutions and validate selection with buyers’ social graph.

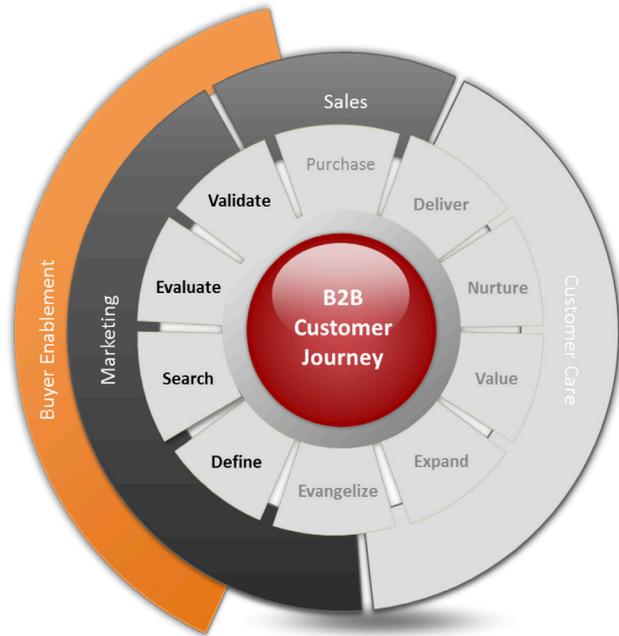
By understanding the buyer’s process, vendors can build early mindshare and preference. Content that educates and enables buyers to successfully address the business issue increases the odds of that vendor making the short-list. In the Validate step buyers often want to trial products and validate their selection with peers. Vendors that align their marketing, sales and customer service processes, content and interactions directly to the buyers’ journey and deliver the experiences customers expect will win the deal.

Purchase

Buyers feel that 97 percent of their interactions with sales are a waste of time. This may explain why more than 50 percent of sales teams routinely miss their quotas. From the perspective of the salesperson the relationship is just starting, but from the buyer’s perspective the relationship is well underway based on their deep research into the company, products, track record and reputation.

This misalignment between customer expectations and sales methodologies disrupts the customer's experience which then introduces doubt in the buyer's mind. Sales, on the other hand, misunderstanding the buyers' journey, often disqualifies the 'lead'.

80 percent of these 'disqualified' leads go on to purchase from a competitor within 24 months, which demonstrates the lack of understanding sales has of the buyers' process. During the Purchase stage, buyers test what it would be like to be a customer. They expect sales to be their advocate for the lifetime of the relationship not just during the purchase.



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“Relationship trumps price.”

— General Electric

The most important thing for sales to do is to establish a trusting relationship with buyers rooted in consistently delivering the experience that buyers want.

Sales staff equipped with a specific and concrete understanding of their buyers and the type of interactions they value will close deals more often, quickly, and predictably.

Buyer Engagement

Studies consistently show that investing in customer loyalty drives repeat purchases and evangelism; this is a more cost-effective way to grow businesses. The Buyer Engagement Stage has five steps:

Deliver - The buyer implements the solution and realizes the initial ROI from the purchase.

Nurture - The buyer now evaluates the depth and quality of the vendor relationship.

Value - The buyers' definition and expectation of value expands beyond the solution's ROI.

Expand - The buyer promotes and expands the use of the solution internally.

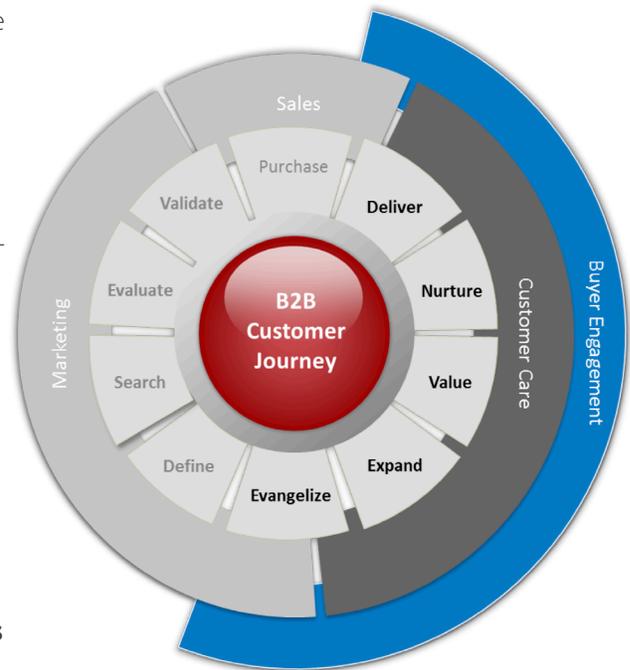
Evangelize - The buyer evangelizes the vendor, the relationship, and product.

The first 90 days after a customer purchases a solution is a critical period. All eyes are watching closely to see if the vendor delivers on their promises. Customers often make their loyalty decisions based on how well their actual experiences match expectations set by vendors during this time. A flawless transition from sales to customer service can smooth out what is often a disjointed and disruptive experience for the customer.

Echoing this point, our research with Fortune 1000 buyers reveals that the consistency, quality and stability of the relationship over time mattered more to buyers than the product's capabilities or price. Deep trusting customer relationships create faster and larger repeat purchases.

A significant shift occurs in the Value step. Customers redefine value in softer terms such as vendor participation in strategic planning, access to critical industry data, opportunities to enhance the buyer's career visibility, content for internal promotion of the product or initiative, and being a trusted advisor, are a few examples.

Vendors who understand their customers' evolving expectations across all touch points can realize 3-5x faster revenue cycles and higher loyalty.



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“New Business Strategies helped us understand who we were, who our customers should be, and where we fit into the ecosystem. We were able to achieve everything we expected because of New Business Strategies.”

— Executive Vice President,
Lithium/Social Dynamx

The ROI of the Sellers' Compass

When companies align their people, process and technology with their buyers' expectations, more buyers become customers. Customers are willing to pay a premium, they remain loyal longer, and evangelize brands more frequently. Profitable customer relationships based on valued experiences, not product features, is the key to any vendor's growth and financial success.

Our clients have realized substantial value from engaging us to help them implement the Sellers' Compass Methodology, including:

- 30 to 75% increase in marketing ROI
- 100%+ increase in qualified leads
- 3 to 5 times pipeline velocity
- 310% increase in post-purchase customer engagement

Understanding the buyer's journey better equips marketing teams to expand their market. Content marketers will understand what information prospects value and where they go looking for it. Branding can create outcome-based messaging that resonate with buyers. Sales can close more deals faster by delivering the type of interaction prospects value most. Onboarding, certification, training and support can drive higher loyalty by creating confidence with new and repeat customers.

The benefit to businesses is greater revenue growth with predictability.

New Business Strategies®

We listen. We craft. We deliver.

New Business Strategies is a strategy and customer experience consulting firm.

Based in Silicon Valley, CA, we have the proven track record and methodologies to successfully foster enduring, and profitable customer relationships. We have served clients across three continents including Oracle, McKesson, the Gordian Group, Good Technology, DotNetNuke Corporation, and the Great Place To Work Institute.

To learn more please visit us at www.newbizs.com or connect with us at: +1 415.309.7017

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