

# 2015 Marketing Guide to Success



# 2015 Marketing Guide to Success

## Introduction

The results from the 2015 marketing trends survey are interesting. We are seeing similar topics appearing within the top priorities for marketing and in the next big consideration.

There is now one shared top priority for the business and marketing – client relationships is the key focus and 39% of organisations claim it is their number one priority.

The major game-changer consideration on the Marketing Directors' radar is last year's number two; customers driving change is now the main consideration for Marketing Directors with Big Data falling into second place.

Although on the face of it these seem three very separate topics there are in fact unifying themes running through each. The successful Marketing Directors are recognising the increasing expertise and knowledge of customers, and are engaging with customers as a key stakeholder in order to enhance loyalty and increased share of wallet.

The ongoing technology advances, while complex, do offer an immediate way of creating online fruitful relationships.

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The Marketing Centre

39%

Client relationships are key priority for the business



36%

Customers driving change



29%

Big data: unlocking the true value of customers



# Customers Driving Change

## Why trust based marketing is paying dividends

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As successful organisations are maturing their approach to marketing, the key lies in the relationship held with customers. For the sophisticated Marketing Director, it is no longer about creating the marketing strategy in isolation; now it is about engaging with the customer to develop the agenda for change.

To facilitate the creation of this relationship with the customer, it is essential that the organisation is building a two-way dialogue built upon trustworthy relationships and by providing unbiased and unpolluted data.

Using customer advocacy techniques is an important component within the marketing strategy; it ensures the customer feels they are an informed expert across the whole marketplace, aware of the options available and able to call on the organisation for dispassionate advice. By working towards achieving informed customers, the organisation builds customer belief in the products and subsequently generates loyalty.

However, there needs to be a recognition within the organisation that it is essential to move away from traditional 'push marketing' which focuses only on the attractive elements of a product and avoids mentioning less desirable elements.

If the organisation really wants to engage customers to help drive change within the marketing approach to identify the most appropriate and engaging, then it is essential that the organisation treats its customers with respect by acknowledging the product's true position within the marketplace.

The marketing campaigns should focus on providing customers with impartial information, being open and transparent in all the communications. This leads to increased loyalty which in turn rewards the organisation with a greater lifetime profitability. Informed clients translate into higher customer retention providing stable revenue streams going forward.

# Customers Driving Change

## Why trust based marketing is paying dividends

There are four key points which the Marketing Director needs to build into the marketing strategy:

- ❑ It is essential that all marketing activities focus on the client for the client's sake – not just in attempt to make a sale.
- ❑ Engage with customers through collaborative relationships. There needs to be a two-way dialogue where both the marketing team and customers can speak and listen.
- ❑ Turn the focus of the marketing strategy towards the medium to long-term relationships. This means identifying the client lifecycle value and not client profitability.
- ❑ Make transparency part of the organisation's ethos at every ethos, demonstrating the organisation's commitment to engagement is real and not just rhetoric.



**39% - Client relationships are key priority for the business**

# Client relationships

## How to develop in a digital age

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The advent of social media, online channels and digital technology is arguably one of the largest impacts on marketing. It has transformed the marketing landscape to such an extent that one of the key landmarks, client relationships, needs to be radically redressed for an organisation to achieve a successful marketing strategy.

The key change has been the move to personalisation, no longer is it acceptable to blanket-market or merely segment. Customers now expect an organisation to recognise them as an individual.

Using a succinct online strategy allows an organisation to engage with customers, providing the ability to personalise and tailor the approach taken. The advances in technology mean that an organisation is now able to participate in dialogue with customers to understand and capture their preferences; to seek out their key drivers and motivation for buying and to establish their price sensitivity.

By having this rich picture of data means the organisation increases the opportunities to promote cross-selling opportunities through

this highly detailed customer data analysis and profiling.

It would be a mistake to think that online client relationships apply only to B2C; it may have a different approach or more formalised platforms and channels, but it is just as relevant to those who are marketing business to business.

The essential elements to an effective online strategy require a central data-warehouse for collection and collation of client information. This then requires rigorous analysis of the data to provide quality insights which the marketing teams can incorporate effectively within the customer's online strategy. The campaign management then needs to effectively interface across all digital touchpoints.

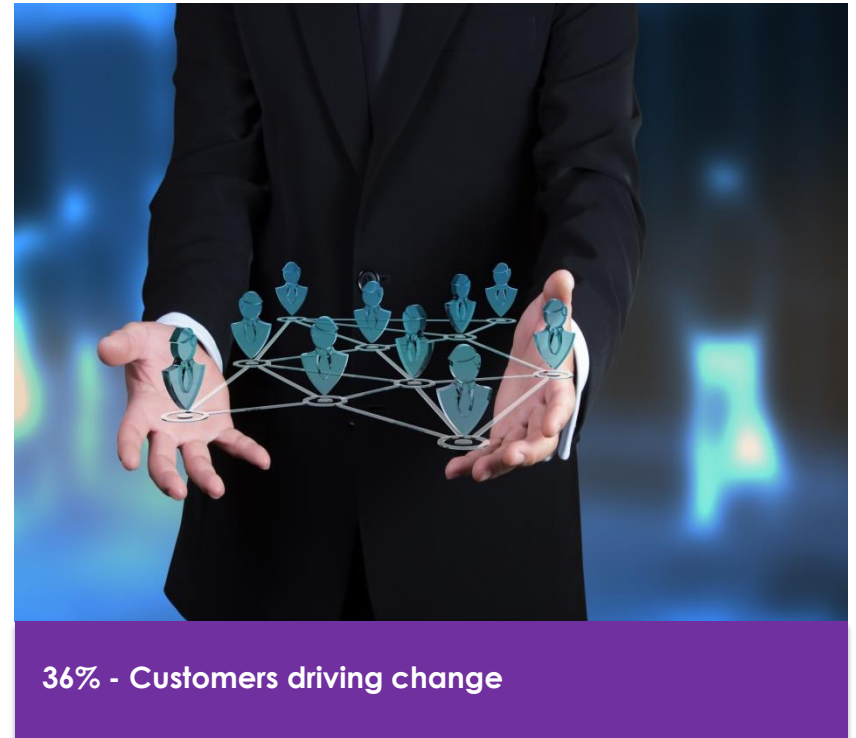
In order to develop effective online client relationships, the Marketing Director needs to ensure:

- All marketing is relevant and useful. Clients are time-poor and are only interested in receiving information which is worthwhile reading. Each campaign needs to be succinct, tailored and pertinent.

# Client relationships

## How to develop in a digital age

- ❑ Marketing facilitates clients in both publishing and pulling product content. Clients do not work in isolation; they share and interact across a number of platforms and will often impart experiences and views.
- ❑ Clients will create their own communications and provide their own opinions, marketing should be engaging with the customer forums to understand opinions, ascertain ambassadors and identify trend leaders. A key role for marketing is to be seen to be an active listener, taking heed of the views expressed.
- ❑ Marketing needs to be based on trust and collaboration; customers will cross-reference data across multiple sources. All marketing should be factual, relevant and content driven.
- ❑ Customers use multiple channels and platforms, working at an increased speed. For marketing this means adopting a flexible multi-channel approach which responds quickly to customer demands.



36% - Customers driving change

# Using big data

## Measuring the true value of customers

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For many organisations the value of customers is represented solely by the income generated through sales. At best organisations look at developing models to calculate the profitability of sales.

The rise of the digital age has seen the relationship between an organisation and its clients change fundamentally. The ease of access to cross-marketplace data means that the mature organisation is marketing in a completely different way to ten years ago. The Marketing Director will be focusing on customer engagement, with a view to establishing credibility and loyalty.

This change in relationship status means that the way customers are financially valued also needs to be reassessed. Gone are the days when client profitability was the most effective measure; the Marketing Director needs to be evaluating client lifecycle values; after all there is little logic in measuring a historical value when it is possible to look forward and forecast the value across the same timespan as the business strategy.

Using client lifecycle value (CLV) provides marketing with a far more sophisticated segmentation approach. By predicting the most profitable group of customers to be targeted, it also understands the characteristics and preferences within that group to allow marketing to be highly targeted and tailored.

There are several financial reasons for marketing to adopt CLV; it helps to establish those existing high CLV groups where the organisation has only a small share-of-wallet. There is an immediate quick win for the Marketing Director to harvest the opportunities through effective cross-selling/up-selling. In addition CLV establishes how much each customer is worth; this value impacts on how much marketing spend should be invested by the organisation on that client in order to secure a sale. In these cash-tight times it is a valuable tool to ensure the marketing spend is being maximised effectively.



# Using big data

## Measuring the value of customers

The benefits to the Marketing Director of adopting client lifecycle values are:

- ❑ It provides an analytical tool which manages the customer as an asset – endowing a financial value which can be measured.
- ❑ There is transparency around the true value of additional customers, reduced churn and product cross-selling which can be linked back to the marketing spend.
- ❑ It determines the maximum return possible from the marketing spend; effective marketing spend on clients and campaigns can be clearly measured against the potential return.
- ❑ Encouraging a medium to long-term focus that helps to foster engagement with clients, resulting in a reduced churn rate and greater customer loyalty.



29% - Big data: unlocking the true value of customers