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# *WHAT TO KNOW FOR CRM IN 2018 FROM KERN'S 2017 CRM LEADERSHIP SURVEY*

A comprehensive look at what CRM leaders across industries experienced in 2017, what they will prioritize, and how partners can help them enhance CRM program effectiveness

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# EXECUTIVE SUMMARY

We recently engaged with over 160 CRM leaders across North America to see what they had to share regarding their CRM efforts. From acquisition to winback, technology enablement to the importance of having partners, respondents provided a wealth of data we hope helps guide your CRM efforts in 2018.

As advances in technology continue to evolve, consumers are increasingly connected. The ability to quickly and easily access information from both internet sources and their peers on social media has required businesses to make changes and make them fast.

CRM programs have had to adapt to keep up with the pace and needs of the consumer. Marketers have had to rethink their strategies and shift to a focus on engagement to win the attention of customers and build relationships. They're doing this by placing their attention on customer experience based on more than transactional data and segments. Silos are coming down to create consistency in customer experience throughout all departments within a business.

Companies have traditionally selected their CRM technologies separately for each department. This is a time-consuming and cumbersome approach that creates obstacles in departmental data sharing.

With a shift in CRM focus to a holistic approach at managing customer lifecycle and the rapid advances in technology, the CRM marketer has a new set of requirements and is faced with critical challenges. Historically, and supported by our findings, the pressure is on marketers to optimize and report on ROI. As technology advances, ROI expectations increase. How are today's marketers managing these changes?

To better understand today's CRM landscape, we partnered with CRM Magazine and Chief Marketer to perform an online survey of over 160 marketing leaders. We developed a survey that would help to identify issues and challenges, 2018 priorities, understand satisfaction levels with current suppliers, and determine if the agency's positioning as a strategic creative provider of CRM is a valuable service.

This white paper details our findings and identifies potential causes of the marketers' CRM issues and challenges, and recommended solutions.

Based on the results of our survey, CRM marketers' challenges include the absence or lack of data and reporting resources, low proficiency in core communication channels, and a broadening set of skill requirements to achieve initiatives.

### JACK OF ALL TRADES

With growing focus on CRM, marketing teams are being tasked with a wide range of responsibilities from program strategy to customer experience and voice. The need for a broad skill set spans across all stages of the customer lifecycle from acquisition to churn mitigation to win back.

While the cohesion of customer lifecycle is critical, the skillset and strategy behind each stage is very specific. Understanding testing using propensity models is drastically different from the skills needed to develop acquisition affiliate marketing programs. Not only is having a broad skillset a challenge but keeping track of the varying moving pieces while maintaining cohesion can seem impossible.

### DASHBOARDS AND REPORTING

With the time-consuming reality of being a multi-faceted marketer, having easy-to-access detailed reporting is critical. Reporting dashboards need to be accessed frequently to identify positive and negative trends in order to act quickly and optimize program effectiveness while minimizing budget waste.

> 55% of marketers surveyed desired improved CRM program reporting and dashboards to measure performance against benchmarks.

Proving ROI is a major challenge for marketers without the right tools. 55% of marketers surveyed desired improved CRM program reporting and dashboards to measure performance against benchmarks. Without the appropriate tools, marketers are unable to effectively analyze and optimize their programs and will have a difficult time getting executive program buy in.

## PERSONALIZATION

With customer experience listed as the top named priority for 2018 (page 6), personalization is an optimization tool in relationship building proven to increase ROI. A key requirement in building successful campaigns that utilize personalization is behavioral analytics solutions that track customer behavior and buying patterns.

Even though 43% of marketers reported having the ability to personalize the customer experience, only 37% of those surveyed were satisfied with their ability to personalize.

### POSSIBLE CAUSES:

1. **They don't really understand personalization.**
   Technological advances are happening at a rapid pace. It's possible that marketers aren't aware of the latest personalization capabilities. Gone are the days of simply adding a name to a subject line. Marketers have new resources to customize messaging on another level.

2. **The tools available to marketers aren't advanced.**
   A customer data stream doesn't come from one single source. Having the right CRM platform that can collect data from the multitude of customer data touch points (self-reported, POS, social media, search, etc.) is critical to the success of data fueled personalization.

3. **Not enough data to build effective personalization strategy.**
   This prevents the streamlining and optimization of the customer journey. Automation, personalization, customer journey/lifecycle mapping all rely on data – without it, these campaigns will suffer and potentially result in lost revenue.

## COMMUNICATING BRAND PROMISE IN CUSTOMER EXPERIENCE

73% of marketers surveyed rate customer experience as their top area of responsibility. However, the majority of those surveyed weren't happy with connecting their brand promise with the CRM customer experience.

The foundation in building customer relationships is the business' brand promise. It is the core of your identity and customer communication should be built around this. If they're not, this shows that there is a lack of ability to strategically develop customer experience strategy and requires immediate attention.

# SECTION 2

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### OPTIMIZE CUSTOMER EXPERIENCE

Every action your customers take reveals insights into their personal interests, and desires. By learning from these experiences, you can create human, contextually relevant communications. This kind of learning enables you to take journeys from your customers' point of view.

Over half of marketers surveyed named customer experience as a key area of responsibility. There are a lot of moving parts in mapping the customer experience. Developing programs using customer mapping, automation, and personalization is critical.

### IMPROVE CRM PROGRAM REPORTING AND DASHBOARDS

While improving CRM program reporting and dashboards was named as a challenge for 2018, it is also the top priority for marketers in 2018. This shows that while marketers may not currently have the appropriate resources available to them, the awareness of the shortcoming and desire to improve is there.

### FOCUS ON EMAIL AND SOCIAL MEDIA

Almost all marketers surveyed saw e-mail as the most effective media channels for CRM and social media came second in perceived importance. Optimizing and growing these programs will be a major focus for 2018.

Your program can help you stay in touch with a range of customer segments, providing each of them with unique value, while strengthening their relationship with your brand.

Both channels offer the ability to easily personalize communications using customer data are cost effective. Digital communication also allows marketers to remain nimble and adjust programs quickly and effectively with real-time reporting.

### NEW AND REDESIGNED PROGRAMS

Over a third of those surveyed reported that they'll be launching a new CRM program or re-launching an existing program. This shows that there is a significance awareness of the importance of having an effective CRM program.

## SECTION 3

**EXTERNAL SUPPORT:
SATISFACTION LEVELS
AND OPPORTUNITY**

**SATISFACTION LEVEL**

The majority of marketers currently working with external agency partners were satisfied with the support they were receiving. 30% of marketers surveyed reported that they were neither satisfied nor dissatisfied. This leads to the assumption that 30% of those surveyed were not taking advantage of external resources and have not partnered with an agency for CRM support.

**OPPORTUNITY**

Over 60% of those surveyed felt that it was important to partner with a CRM creative agency that specializes in mapping, strategy, and message development.

## CONCLUSION

The needs behind building successful CRM programs are vast. Marketers are being tasked with a broad range of responsibilities that are essential to revenue growth and customer retention. The good news is, marketers have an awareness of their program shortcomings and show a desire to learn.

The results of this survey show that businesses are commonly missing core CRM competencies. Without data collection comprehensive reporting isn't possible. Without the appropriate reporting and dashboard tools, accuracy in personalization isn't possible. Without personalization, the customer experience will suffer. Each piece of a CRM program works with the other and a comprehensive strategy and cohesive plan is absolutely essential.

Partnering with an agency provides resources that otherwise would not be available to internal marketing teams, like experience design to enhance and make sense of those reporting dashboards, or mapping out a customer

journey to understand where and how to communicate effectively with customers. Offering experts in multiple fields, an agency brings a diverse team to the table from strategy through testing and optimization.

An agency offers integration-ready partnerships, partnership ecosystems, and one-stop solutions. These options are enabling employees to actively share their information across all channels through one streamlined interface. This all-in-one capability helps save time and dramatically increases productivity.

The more effectively data is used to gain insights into your customers' needs, the more engaging your CRM experience can become.

Kern, an Omincom Agency, has helped clients strategically develop programs for over 30 years. For more information, contact them at crm@kernagency.com.

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[Footnote]
1. eMarketer: Oct 2017, Driving Customer Engagement Roundup. Growth and Retention with Data, Analytics and AI
[Additional Source Materials]
From Data Deluge to intelligent Insights: Adopting cognitive computing to unlock value for marketing and sales., IBM Institute for Business Value
"10 CRM Trends to Watch in 2017 to Watch in 2017," www.destinationCRM.com
EMarketer, Driving Customer Engagement Roundup: Growth and Retention with Data, Analytics and AI., eMarketer Report by IBM
https://www.i-scoop.eu/understanding-customer-life-cycle-calculating-value/
https://www.pcmag.com/article2/0,2817,2367263,00.asp
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