ROADMAP TO 2020

WALKER

WALKER

THE YEAR 2020.

In saying it, we tend to picture a time much further in the future. In reality, however, the time will pass in the blink of an eye. Just think about all of the changes taking place right now among B-to-B companies. Customers know more, and they expect more. Fast forward to 2020, and there's little doubt the bar will be set even higher and new priorities will have emerged.

In early 2013, Walker released a report titled, Customers 2020 – The Future of B-to-B Customer Experience. The report highlights the changes we're seeing, including:

CUSTOMERS WILL DICTATE THE EXPERIENCE

Customer expectations in the future are the outcome of movements that have been underway for decades. Changes such as the explosion of digital, the empowered customer, and the acceleration of innovation are having a profound impact on customer expectations. The customer of 2020 will expect companies to know their individual needs and personalize the experience. Immediate gratification will not be fast enough as customers will expect companies to proactively address their current and future needs, and engage with them across an increasing number of communication vehicles.

COMPANIES MUST ADAPT OR FAIL

To be relevant in 2020, companies must put the customer at the center of their business. Successful companies will leverage big data to create a single source of truth, make customer intelligence accessible through the enterprise, and will embed analytics into the systems that customers, employees, and partners use to make decisions.

CAPITALIZING ON THE CUSTOMER REVOLUTION

The B-to-B companies that will win in 2020 start preparing now by:

- ✓ Recognizing the shift that's taking place: Customer expectations are changing, and companies need to recognize these changes and evolve, with emphasis on leveraging big data and advanced analytics to personalize the experience and anticipate current and future needs.
- ✓ Aligning the right resources: Enlightened companies must view the customer experience as a strategic, C-level initiative. In the future, the responsibility of a "chief customer champion" will become more common, serving one purpose – to create an unrelenting focus on the customer throughout the enterprise.
- ✓ Focusing on the right metrics: What gets measured gets managed, and what is being measured will evolve. Today, many customer-focused metrics are narrowly focused on solicited feedback from surveys. While solicited input will continue to be used, companies will progress to include a more holistic measurement of customer engagement.

THE ROADMAP TO 2020

The destination has been set. In 2020, B-to-B companies must demonstrate an intimate and personal knowledge of their customers. They must be proactive, anticipating customer's current and future needs and they must enable a seamless and consistent experience across an increasing number of communication platforms.

With the complexities of B-to-B customer relationships, many companies will struggle to get started, while others will be challenged to stay focused. The "Roadmap to 2020" is a route that companies must use to prioritize where to focus first, and to make progress year-after-year, quarter-by-quarter, and day-by-day.

Based on Walker's experience and research, there are five categories that companies must address in order to deliver on future customer expectations.

STRATEGY

The world's most successful companies will put customers at the center of their business.

PEOPLE

Different responsibilities and new skills are needed to address customer demands.

INSIGHTS

Advanced analytics and an insight infrastructure will create a single source of truth.

INTERACTIONS

Customers will seek to interact with the brand and each other using a variety of methods.

IMPACT

New insights drive the desired behaviors, ultimately having a measurable business return.

THIS DOCUMENT IS A WORKBOOK THAT INCLUDES:

- A process for creating your individual Roadmap to 2020
- The activities within three key stages
- Tools for conducting one of the first steps, which is an inventory
- Accelerators for making your Roadmap more efficient and effective

CREATING YOUR INDIVIDUAL ROADMAP

The most successful companies are those who break down activities into annual objectives and are diligent about creating tactics and monitoring progress every 90 days. They follow these steps for making improvements to their customer initiatives:

1. IDENTIFY THE GAPS:

This document includes a checklist for each of the five roadmap categories. The checklist is organized by stage. For each category and stage, place a check mark next to the items that are already in place, or are currently in development.

2. PRIORITIZE WHERE TO START:

Identifying where to focus can be challenging, particularly if there are a lot of gaps between what exists today and what is needed for the future. Change text to read: To prioritize the list of gaps and identify where to start, use a simple Impact/Feasibility matrix.

3. DEVELOP THE PLAN:

Start by documenting up to three objectives for the year. What will you accomplish this year? Once you have the objectives defined, list all of the activities that need to take place in order to accomplish the objectives. Focus on no more than five activities within 90 day increments. Here is a template:

2014 GOALS: CLIENT NAME

ANNUAL OBJECTIVES

1. What will you accomplish this year?
2. What will you accomplish this year?
3. What will you accomplish this year?

90 DAY TACTICS	
MILESTONE	**STATUS**
What will you accomplish this quarter to help you achieve these objectives?	
What will you accomplish this quarter to help you achieve these objectives?	
What will you accomplish this quarter to help you achieve these objectives?	
What will you accomplish this quarter to help you achieve these objectives?	
What will you accomplish this quarter to help you achieve these objectives?	

4. TRACK PROGRESS:

Set up a system to track and share progress quarterly. Transparency is key. Make sure people are aware of the progress that is being made and any challenges that you encounter.

5. REPEAT THIS PROCESS EACH YEAR:

As you make progress on your annual objectives, you'll want to repeat this process to identify new objectives and initiatives.

STRATEGY CHECKLIST

The world's most successful companies will put customers at the center of their business. As the pace of innovation accelerates, companies will put more emphasis on the experiences they deliver to create a competitive advantage. Competing on features and functions, or price will not deliver the value that shareholders demand. Instead, companies will create competitive differentiation strategies by focusing on the experiences they deliver to customers.

Here is the checklist for Strategy:

PLAN

- ☐ 2020 destination is a corporate priority
- ☐ Inventory customer experience initiatives that support the company strategy
- ☐ Plan for revisions to incentive/compensation structure

IMPLEMENT

- ☐ Incentive/compensation structure aligns with strategy
- ☐ Customer engagement metric is developed
- ☐ New forward-looking KPIs are leveraged

OPTIMIZE

- ☐ All employees understand how they contribute to the strategy

A STRATEGY INVENTORY

If all employees in the organization do not currently understand how they contribute to the customer experience, you'll want to first start by creating an inventory of existing initiatives. Below is a template you can use to get started.

LIST YOUR ORGANIZATION'S STRATEGIC IMPERATIVES

STEPS:

- Start by listing your organization's strategic imperatives.
- Next, for each imperative, document what customer initiatives are in place to support this imperative. For each customer initiative, document:
  - What are the desired goals or outcomes?
  - How is the organization tracking and communicating progress?
- Identify the gaps. These can be imperatives that your customer initiatives do not currently support or does not receive adequate support?
- Prioritize the initiatives that are needed to support the organizations strategic imperatives and create a plan to fill the gaps.

PEOPLE CHECKLIST

Customer experience professionals will see the scope of their work broaden in the coming years. More and different responsibilities will require new skills and people to accomplish the necessary tasks. In smaller organizations individuals will need to wear a number of different hats – some strategic, some technical, and some focused on awareness or driving change. In larger organizations, individuals will specialize in particular roles and teams will emerge to support an increasingly effective infrastructure of resources.

Here is the checklist for People:

PLAN

- ☐ Chief Customer Champion is assigned
- ☐ Inventory the resources needed to support the strategy and identify gaps

IMPLEMENT

- ☐ New skills are integrated:
  - ☐ Data Scientists to predict customer behaviors and enable insight selling
  - ☐ Change management to drive action and impact
  - ☐ Customer engagement to create and enhance customer interactions
  - ☐ Information Architect (IT) to create single source of truth and make insights accessible
- ☐ Support for top accounts is well established

OPTIMIZE

- ☐ All employees have access and use intelligence to inform decisions

A PEOPLE INVENTORY

If your company does not already have the necessary skills and resources that are needed to meet existing and future customer expectations, you'll want to first start by creating an inventory of the resources that are needed to support the strategy. Below are the common resources that are needed.

RESOURCES NEEDED
Chief Customer Champion – A top executive charged with creating a relentless focus on the customer.
Strategy Team – Cross-functional team that is responsible for prioritizing initiatives, allocating resources, tracking progress, and communicating actions.
Customer Advocates – Individuals throughout the organization who help the business use the right customer intelligence.
IT Support – Aligns disparate data sources for analysis purposes and creates an infrastructure for enterprise-wide accessibility.
CIO Support – Is an advocate of the customer intelligence initiatives and provides resources.
Data Scientists – Focused on leveraging big data to create meaningful insights and embedding analytics into decision support systems.
Support for Top Accounts – Customer experience initiatives have resources aligned to top accounts and the account planning activities.
Change Management Leadership – There is a leadership role for securing and launching customer centric projects.
Change Management Project Teams – Individuals are assigned to manage the implementation of improvement initiatives.
Engagement Creator – Designed to create new ways for customers to interact and engage, and to ensure a consistent experience.
Other:
Other:
Other:

STEPS:

- Start by reviewing this list of resources. Are there resources that are missing? If so, add them.
- Next, for each resource, document the following:
  - Is this role being fulfilled today?
  - Is the right person or group involved?
  - Are they focused on the right activities or initiatives?
- Ask yourself, is this resource important to customers and if so, are we doing all we can to meet future customer expectations?
- Identify the gaps. These can be resources that don't exist or aren't the right resource for the job.
- Prioritize which resource gaps are needed to meet future customer expectations and create a plan to fill the gaps.

INSIGHTS CHECKLIST

To effectively compete in 2020, B-to-B companies must know their customers inside and out. This breadth of concrete knowledge will lead to a "pure, complete understanding of the customer" – the whole truth. Using big data and advanced analytics to create a single source of truth, companies can confidently develop proactive strategies to meet and surpass customer needs.

Here is the checklist for Insights:

PLAN

- ☐ Inventory existing data sources and identify gaps
- ☐ Plan for how to capture information gaps.
- ☐ Plan to embed analytics to enable insight selling and deliver a personalized and proactive experience
- ☐ Data governance developed to create single source of truth

IMPLEMENT

- ☐ Data governance standards installed in all data sources
- ☐ Analytics are embedded
- ☐ Systems are created to capture information gaps
  - ☐ Customer success metrics
  - ☐ How customer operates
  - ☐ On the spot feedback

OPTIMIZE

- ☐ Data and analytics are core competency

AN INSIGHT INVENTORY

If your company does not already have a complete and accurate accounting of the data sources that are available, you'll want to first start by creating an insight inventory. Below are the common sources of data that exist in many companies today and suggested steps for conducting your inventory.

CATEGORY	TYPE
CORPORATE	☐ Financial ☐ Employee Productivity ☐ Competitive
OPERATIONAL	☐ Purchase ☐ Delivery/Installation ☐ Repair/Maintenance ☐ Product Usage ☐ Customer Support
MARKETING/BUSINESS DEVELOPMENT	☐ Lead Generation ☐ Business Development ☐ Channel ☐ Web site
FEEDBACK/ SENTIMENT	☐ Frontline employees ☐ Customer surveys ☐ Partner surveys ☐ Employee surveys ☐ Events ☐ Roundtables ☐ Social Media
OTHER	☐ Account plans ☐ Customer Success ☐ Secondary information ☐ ☐ ☐

STEPS:

- Start by reviewing this list of common data sources. Are there items that are missing? If so, add them.
- Narrow the list by prioritizing which sources of data are likely to have the greatest impact on customers.
- Next, for the priority sources, document the following:
  - What specific metrics exist today?
  - Is this data being used? If so, for what and by whom?
  - Why was it created?
  - Is the data reliable?
  - How is it updated?
- Ask yourself, is this metric or data important to customers and if so, would customers agree with the way it is captured and reported?
- Align the data with customer engagement. Customer engagement is comprised of four elements: Product Usage, Sentiment, Involvement, and Competitive Position. If the data aligns with any of these elements, indicate this in the inventory.
- Identify the gaps. These can be information sources that don't exist, aren't reliable, or aren't used.
- Prioritize which information gaps are needed to meet future customer expectations and create a plan for gathering this information.
- Prioritize which existing information sources can be leveraged to improve the customer experience.

INTERACTIONS CHECKLIST

Customers will want to do business with companies that provide a consistent, informed, and superior experience across all channels of communication, taking into consideration that customers will have different preferences for how they'll communicate. Additionally, customers will seek to interact with each other to share best practices and they will expect companies to facilitate this process.

Here is the checklist for Interactions:

PLAN

- ☐ Inventory existing interaction methods and identify gaps
  - ☐ Customers
  - ☐ Employees
  - ☐ Partners
- ☐ Plan for new interaction methods

IMPLEMENT

- ☐ Create new methods for interaction
- ☐ Enhance how customer communities are used
- ☐ Cross-channel communication is established to deliver consistent experience

OPTIMIZE

- ☐ Customers are engaged and receive a consistent experience

AN INTERACTION INVENTORY

If your company does not already offer a wide range of platforms for customers and partners to interact with, you and with each other, you'll want to first start by creating an inventory of interaction platforms. Below are the common interaction methods that companies use today.

INTERACTION METHODS	
CUSTOMER INTERACTION METHODS	E-mail Phone Web Conferences/Meetings In-Person Social Media Video Conferencing Text/SMS Events Advisory boards Chat Communities Collaboration Tools Knowledge Management Portals Corporate Web Site
EMPLOYEE SUPPORT PLATFORMS	Intranet Opportunity Management Knowledge Management Case Management Collaboration Tools Business Intelligence Tools Project Management Tools
OTHER	_____ _____ _____ _____ _____

STEPS:

- Start by reviewing this list of interaction methods. Are there items that are missing? If so, add them.
- Ask yourself, is this interaction method important to customers and if so, are we doing all we can to meet future customer expectations?
- When using this method is the customer experience consistent with other interaction methods and does it represent the experience we seek to deliver?
- Identify the gaps. These can be interaction methods that aren't fully being utilized or don't deliver a consistent experience.
- Prioritize which interaction methods are needed to meet future customer expectations and create a plan to fill the gaps.

IMPACT CHECKLIST

The role of the customer experience professional will become far more strategic as 2020 nears. It's clear that in addition to offering recommendations, customer experience professionals will be called upon to oversee action planning, track progress, and measures results. With more initiatives in place, creating a central repository of action plans and assessing the value that is delivered becomes extremely important. Executives will expect hard, direct evidence of how the customer experience is impacting the bottom line.

Here is the checklist for Impact:

PLAN

- ☐ Inventory who should take action and what they are doing today
- ☐ Plan for a central action tracking system
- ☐ Conduct an impact assessment

IMPLEMENT

- ☐ Roll-out central action tracking system
- ☐ Measure impact of action plans

OPTIMIZE

- ☐ New knowledge increases impact

AN IMPACT INVENTORY

If you are struggling to demonstrate measurable impact of your customer experience initiatives, you'll want to first start by creating an inventory of who should take action and what they are doing today. Doing this will highlight the gaps and help prioritize where to focus first. Below is a template you can use to get started.

AREAS THAT SHOULD TAKE ACTION
CORPORATE STRATEGY
SALES
MARKETING
PRODUCT
SERVICE/SUPPORT
HUMAN RESOURCES
FINANCE
INSTALLATION
QUALITY
LOGISTICS
CHANNEL
OTHER:
OTHER:
OTHER:

STEPS:

- Start by reviewing the list of audiences. Are there groups that are missing? If so, add them.
- Next, for each area, document the following:
  - What are the specific roles or groups within each audience type?
  - What type of customer intelligence do they receive today?
  - How do they use this information?
  - What impact is customer intelligence having on their strategic objectives?
- Ask yourself, are they receiving what they need to meet future customer expectations?
- Identify the gaps. These can be areas of the business that don't receive customer intelligence or aren't fully utilizing what they receive.
- Prioritize initiatives that are needed to meet future customer expectations and create a plan to fill gaps.

ACCELERATORS

Accelerators get you where you need to go in a faster, more efficient way. These are the techniques, tactics, and tools that will speed up your journey to 2020 and make it less painful. While there are a number of accelerators, such as technology tools, training, and best practices, there are three specific accelerators that companies should prioritize for their journey to 2020. These are:

COMMUNICATION:

Ongoing and transparent communications with customers, employees, and partners are essential to creating awareness, understanding, and belief. The most successful customer initiatives have company-wide visibility, with the CEO and Senior Executives involved in key messages. They have a communication plan that is continuously refreshed to ensure employees, customers, and partners receive what they need, when they need it.

PRIORITIZATION:

Focusing on the essential few and demonstrating progress builds momentum and energy around the customer experience initiatives. Mark Benioff, CEO of Salesforce.com, once said, “People will overestimate what they can accomplish in a year and underestimate what can be accomplished in a decade.” When prioritizing your journey to 2020, think big about the future and realistic about today.

DOCUMENTATION:

Being diligent about documenting decisions, action, and outcomes enables people to learn from past mistakes, share what works, hold people accountable for change, and maintain progress during organizational changes. When the enterprise is diligent about documentation, it can also help identify cross-silo issues and enable people to work together to create improvements. Technology today makes it easy for documentation to occur, but the organization has to have the discipline in order to receive the benefits.

ROADMAP
TO 2020

PLAN

STRATEGY
- 2020 destination is a corporate priority
- Inventory customer experience initiatives that support the company strategy
- Plan for revisions to incentive/compensation structure

PEOPLE
- Chief Customer Champion is assigned
- Inventory the resources needed to support the strategy and identify gaps

INSIGHT
- Inventory existing data sources and identify gaps
- Plan for how to capture information gaps.
- Plan to embed analytics to enable insight selling and deliver a personalized and proactive experience
- Data governance developed to create single source of truth

INTERACTIONS
- Inventory existing interaction methods and identify gaps
  - Customers
  - Employees
  - Partners
- Plan for new interaction methods

IMPACT
- Inventory who should take action and what they are doing today
- Plan for a central action tracking system
- Conduct an impact assessment

IMPLEMENT

STRATEGY
- Incentive/compensation structure aligns with strategy
- Customer engagement metric is developed
- New forward-looking KPIs are leveraged

PEOPLE
- New skills are integrated:
  - Data Scientists to predict customer behaviors and enable insight selling.
  - Change management to drive action and impact
  - Customer engagement to create and enhance customer interactions
  - Information Architect (IT) to create single source of truth and make insights accessible
- Support for top accounts is well established

INSIGHT
- Data governance standards installed in all data sources
- Analytics are embedded
- Systems are created to capture information gaps
  - Customer success metrics
  - How customer operates
  - On the spot feedback

INTERACTIONS
- Create new methods for interaction
- Enhance how customer communities are used
- Cross-channel communication is established to deliver consistent experience

IMPACT
- Roll-out central action tracking system
- Measure impact of action plans

OPTIMIZE

STRATEGY
- All employees understand how they contribute to the strategy

PEOPLE
- All employees have access and use intelligence to inform decisions

INSIGHT
- Data and analytics are core competency

INTERACTIONS
- Customers are engaged and receive a consistent experience

IMPACT
- New knowledge increases impact

2020

There are five categories that companies must address to deliver on customer future expectations. These are:

STRATEGY
The world's most successful companies will put customers at the center of their business.

PEOPLE
Different responsibilities and new skills are needed to address customer demands.

INSIGHTS
Advanced analytics and an insight infrastructure will create a single source of truth.

INTERACTIONS
Customers will seek to interact with the brand and each other using a variety of methods.

IMPACT
New insights drive the desired behaviors, ultimately having a measurable business return.

ACCELERATORS

COMMUNICATION
Ongoing and transparent communications with customers, employees, and partners.

PRIORITIZATION
Focusing on the essential few and demonstrating progress.

DOCUMENTATION
Being diligent about documenting decisions, actions, and outcomes.

ABOUT WALKER

Walker specializes in customer loyalty and related customer strategies, including innovative approaches to segmenting, valuing, obtaining, serving, and growing customers. Walker's diverse team of consultants provides tailored, comprehensive solutions to help companies achieve their business objectives and, ultimately, grow shareholder value. Walker's consultants regularly conduct workshops and assessment programs to help organizations improve their ability to administer customer listening programs.

WALKER CLIENTS INCLUDE:

- AAA
- ACI Worldwide
- Adobe
- Avaya
- Avnet
- Blackbaud
- Castrol
- CDW
- Cisco
- D&B
- ExactTarget
- EMC
- IHS
- Ingram Micro
- Intel
- McAfee
- NCR
- NetApp
- Pepsi
- Tetra Pak
- Sysco
- Wellpoint

THE WALKER INDEX™

The Walker Index is a stock index comprised of current Walker clients. Companies are included in the index only during their tenure as Walker clients. Companies attracted to Walker are committed to using the customer perspective as an impactful management tool. The Walker Index indicates these companies outperform the broad markets.

For the most up-to-date Walker Index, please visit *walkerinfo.com*

WALKER

301 Pennsylvania Parkway
Indianapolis, Indiana 46280
Telephone: 1.800.334.3939
International: +1.317.843.3939
info@walkerinfo.com
www.walkerinfo.com