Multichannel Orchestration In The Customer Expectation Age

Delivering Seamless Experiences Across The Brand-to-Local Ecosystem

ansira

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Executive Summary

Customers today expect relevant experiences across all manner of touchpoints. They believe that all brands should have a seamless buying experience, blurring the lines between B2B and B2C marketing efforts. Forrester calls this an Empowered Customer. These customers have "more choices, richer resources, and higher demands than in the past" and are constantly evolving their expectations of brand interactions.[1] At the same time, today's marketers are tasked with the herculean undertaking of delighting customers across the B2B2C lines and face a myriad of channels — direct and indirect — that they must not only manage but maximize to please their customers.

Today's brands must focus on the entire customer experience and adopt agile, multichannel engagement strategies and enabling technologies to meet their customers' expectations in contextual and relevant ways. However, many brands struggle with providing consistent experiences down to the local level; data — from transactional to journey to context — is siloed, brand messages are often lost in the ecosystem, and innovation of customer experiences is not keeping pace with expectations. All of this causes dissatisfaction throughout the relationship.

In March 2019, Ansira commissioned Forrester Consulting to evaluate multichannel marketing engagement strategies among relationship marketers in both the B2B and B2C spaces. Forrester conducted an online survey with 214 respondents across the consumer packaged goods (CPG), automotive and transportation, technology, retail, financial services, and restaurant industries to explore this topic.

KEY FINDINGS

› **Top priorities across brands include growing revenue and improving customer experience and retention.** Marketers want to ensure customer "stickiness" — i.e., retention and engagement — and are ready to invest heavily to ensure that customers' experiences with their brands are relevant across all interaction touchpoints.

› **However, many marketers struggle with ensuring consistent experiences for customers across touchpoints.** Marketers from both high-growth organizations — those defined as experiencing at least 5% year-over-year growth — and slow growth organizations — those experiencing less than 5% year-over-year growth — alike struggle with multichannel orchestration's complexity.

› **To overcome those challenges, organizations plan to invest in technology solutions and managed services.** Marketers see through-channel marketing automation (TCMA) as a way to solve channel marketing challenges, as a mechanism for better engagement with existing customers, and as a way to increase new customer acquisition. Importantly, they are coupling TCMA investments with investments into loyalty programs and data insights platforms to maximize their customer understanding and deliver consistent multichannel experiences.

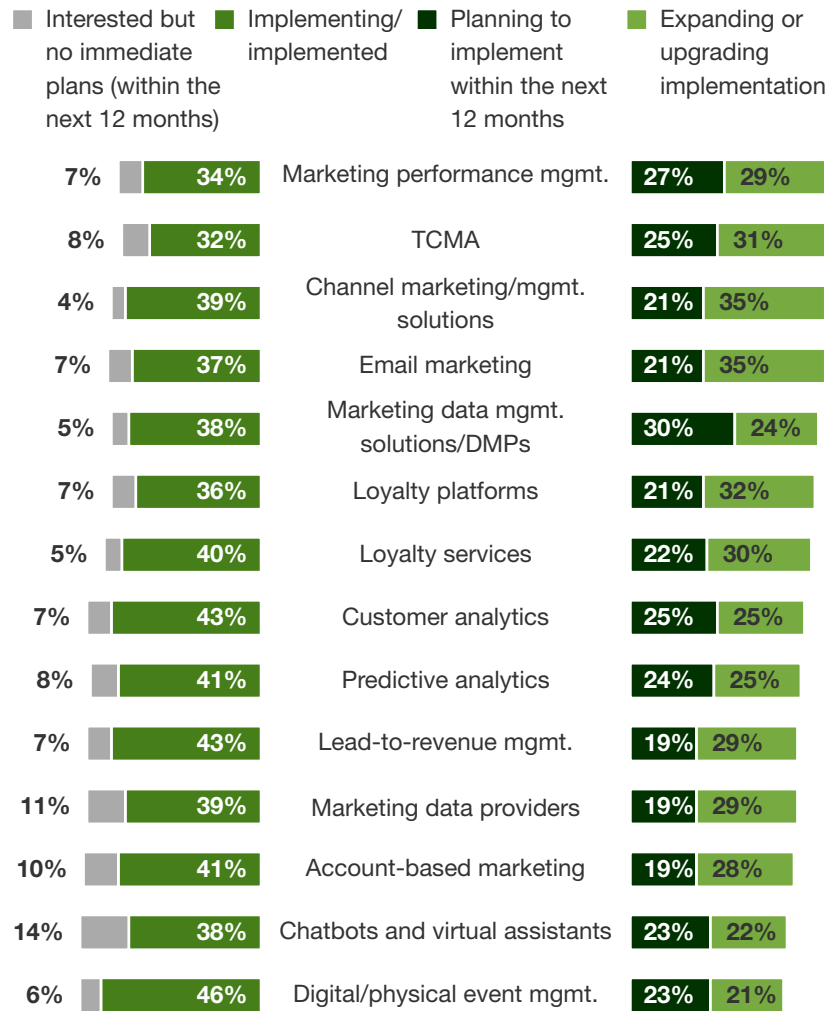**FORRESTER**®

Revenue Growth Requires Investment

Businesses recognize that the key to revenue growth is delighting customers — and ensuring that they return. This customer stickiness is a key business priority of organizations surveyed, topped only by growing revenue. In fact, 83% of respondents stated that retaining existing customers was a critical or high priority; likewise, 82% stated that improving the experience of their customers was a critical or high priority for the year ahead. To reach and retain these customers, businesses are heavily investing in and implementing new technologies to support seamless customer experiences.

› **Focusing on marketing *and* operational initiatives is key to success.** Nearly three-quarters of respondents noted that improving the experience of their channel partners was a priority for the next year. At the same time, optimizing marketing spend by execution channel and growing their media mix were top marketing initiatives for the next 12 months.

› **Marketing performance management, TCMA, and channel marketing management solutions are the top investment priorities.** Fifty-six percent of businesses are investing in marketing performance management solutions, through-channel marketing automation software, and channel marketing management solutions (see Figure 1). Additionally, these businesses are investing in loyalty platforms, customer analytics, and predictive analytics to drive a deeper understanding of their customers — so that they know how to best engage with their customers at the brand and local levels.

› **High-growth organizations are expanding their implementation of TCMA more significantly than slower-growth orgnaizations.** TCMA investment is considerably higher at high-growth organizations than at the slower-growth businesses surveyed. Nearly 40% of high-growth organizations are investing in TCMA, compared to a mere 26% of slower-growth organizations. Interestingly, however, these slower-growth organizations recognize the value of TCMA, and 31% are planning to implement TCMA solutions within the next 12 months. That being said, TCMA is a horizontal solution serving indirect channels in all industries; in fact, overall, the top five industries by revenue are technology/telco (20%), retail/franchising (20%), automotive (17%), manufacturing (10%), and healthcare/pharma (7%).[2]

Figure 1

"What are your organization's plans to adopt the following software technologies and/or services?"

■ Interested but no immediate plans (within the next 12 months)	■ Implementing/ implemented	■ Planning to implement within the next 12 months	■ Expanding or upgrading implementation

	Interested but no immediate plans	Implementing/implemented		Planning to implement	Expanding or upgrading
Marketing performance mgmt.	7%	34%		27%	29%
TCMA	8%	32%		25%	31%
Channel marketing/mgmt. solutions	4%	39%		21%	35%
Email marketing	7%	37%		21%	35%
Marketing data mgmt. solutions/DMPs	5%	38%		30%	24%
Loyalty platforms	7%	36%		21%	32%
Loyalty services	5%	40%		22%	30%
Customer analytics	7%	43%		25%	25%
Predictive analytics	8%	41%		24%	25%
Lead-to-revenue mgmt.	7%	43%		19%	29%
Marketing data providers	11%	39%		19%	29%
Account-based marketing	10%	41%		19%	28%
Chatbots and virtual assistants	14%	38%		23%	22%
Digital/physical event mgmt.	6%	46%		23%	21%

Base: 214 marketers who are responsible for planning and implementing marketing and sales initiatives across the selling ecosystem
Note: Not all responses shown
Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

TCMA enables partners to engage customers with a consistent vendor brand experience. This technology is engineered with the governance and multitiered scale that traditional marketing automation tools lack. It also offers deeper functionality than more generic channel management tools offer.

> **Across the board, firms are doubling down on some powerful technologies and services.** Top investment areas of focus are not happening in a vacuum — investments are being coupled with increases in spend on predictive analytics, loyalty services, and email marketing. These firms recognize that customer engagement technologies and services are central to their ability to deliver coordinated customer experiences and to bridge the brand-to-local marketing gap (see Figure 2).

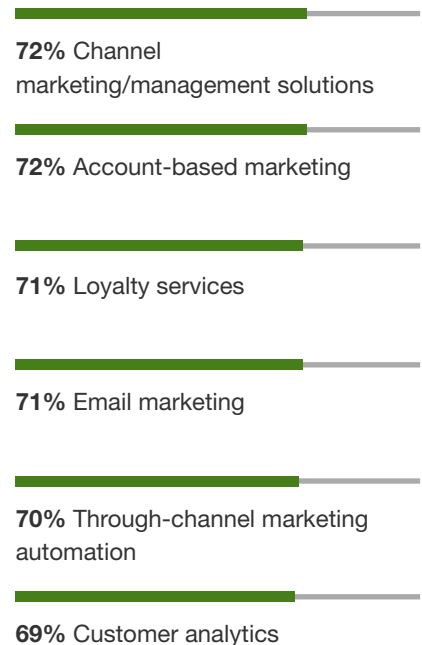## Marketers Struggle To See Across Channels To Maximize Their Efforts

Time is of the essence. All respondents agreed that to engage relevantly, in context to the moment and with personalization, one needs access to real-time data and insights. Seventy-one percent indicated that the findings their customer insights teams deliver are not actionable. And 67% felt that it takes too long to develop actionable strategies from data insights. Visibility, lack of expertise, and a single view of the customer are challenges faced across high- and low-growth segments.

> **Most organizations struggle to see across their marketing touchpoints.** Half of all marketers noted that they cannot measure marketing channels' contribution to conversation or sales; a further 52% stated that they do not have a single view of customers across all touchpoints. Without a clear line of sight across channels, it is impossible for marketers to understand the value, and therefore effectiveness, of their marketing programs. In fact, 70% of respondents agreed that a general lack of integration across channels is a challenge for their organizations — both execution channels and channel partners.

> **Marketing challenges are universal but differ based on high-growth or low-growth segmentation.** Challenges abound, ranging from lack of access to relevant data and inconsistency of messaging to a lack of expertise for specific media tactics, especially digital (see Figure 3). Interestingly, less than a quarter of high-growth companies specifically struggle with inconsistent messaging, as compared to a third of low-growth companies that reported facing the same challenge, and two times as many low-growth respondents indicated struggling to create a single view of the customer across multiple marketing channels, as compared to the high-growth cohort.

> **Even high-growth organizations struggle to maximize their cross-channel insight and tracking metrics.** When asked specifically about cross-channel marketing challenges they face, low-growth organizations were more concerned with attribution and coordination of different delivery platforms — low-hanging, tactical fruit — whereas high-growth organizations were primarily concerned with integrating insights into a cohesive view — a more strategic approach. Only 36% of respondents track the effectiveness of their indirect channel partners to evaluate the health of their marketing efforts.

Figure 2

"Do you plan to increase, decrease, or maintain spend of the marketing budget on the following in the next 12 months?"

Showing percent who plan to increase by at least 1%

72% Channel marketing/management solutions

72% Account-based marketing

71% Loyalty services

71% Email marketing

70% Through-channel marketing automation

69% Customer analytics

Base: 214 marketers who are responsible for planning and implementing marketing and sales initiatives across the selling ecosystem
Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

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Figure 3

"What are your organization's biggest challenges with marketing programs?" (Select all that apply)

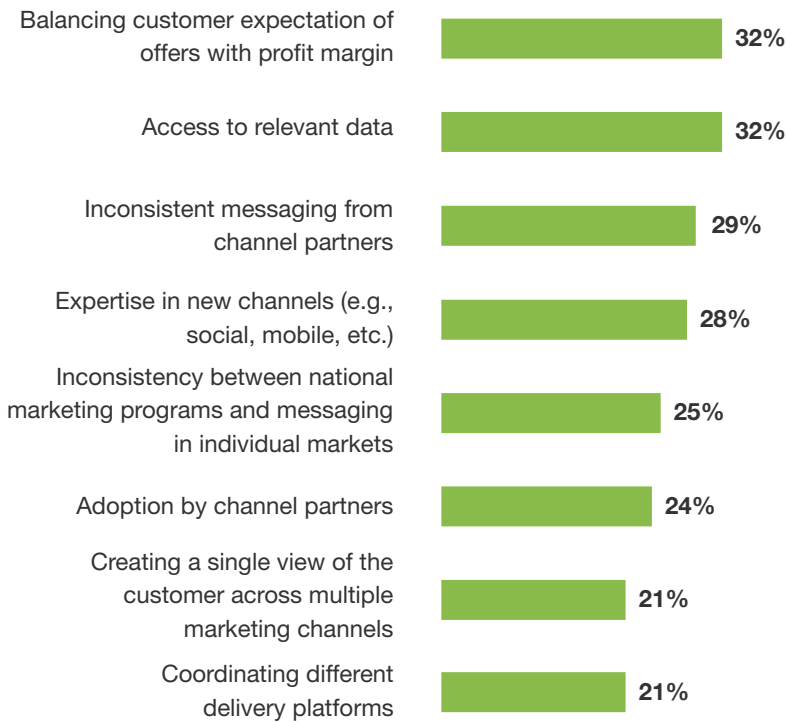| Challenge	%
Balancing customer expectation of offers with profit margin	32%
Access to relevant data	32%
Inconsistent messaging from channel partners	29%
Expertise in new channels (e.g., social, mobile, etc.)	28%
Inconsistency between national marketing programs and messaging in individual markets	25%
Adoption by channel partners	24%
Creating a single view of the customer across multiple marketing channels	21%
Coordinating different delivery platforms	21%

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Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

On average, marketers reported **5 discrete challenges in executing their marketing programs** — pointing to not only the depth of difficulties faced, but also the breadth of distinct challenges.

Multichannel Orchestration Drives Better Customer Engagement

Respondents in our study are bullish on multichannel orchestration to propel their customer engagement strategies forward. That said, they also recognize they have signficant challenges in coordinating marketing efforts across channels and know they must invest in people and technology to finally alleviate these challenges.

› **Marketers are looking to multichannel orchestration of sales channels and channel partner empowerment technologies to help them overcome their existing channel challenges.** Fundamentally, marketers are looking to better orchestrate their sales efforts across direct, indirect, and eCommerce channels and touchpoints (see Figure 4) and find value in solutions that would automate their marketing across all channels and provide a single customer view. Interestingly, this trend was consistent across high-growth and low-growth businesses — pointing to a near-universal struggle with resources.

› **TCMA streamlines processes and codifies workflows.** Marketers can leverage the automation capabilities inside TCMA tools to offer more self-service options to their partners, deploy flexible campaign templates, and leverage advanced insights about channel performance. This allows a program to scale globally and across many different types of partners without the need for additional resources. Integrating TCMA technologies into the broader marketing technology stack as well as with back-office financial and sales platforms will also reduce the drain on the marketing team — further providing an opportunity to reduce costs and create efficiencies.

› **With an improved marketing strategy — powered by new marketing technology investments — businesses are ready to reap many benefits.** Improving engagement of existing customers by interacting on their terms was the top-stated benefit of organizations, followed by increased customer acquisition and increased sales (see Figure 5).

Interestingly, high-growth organizations anticipated improved customer life-cycle management, increased sales, and improved brand reputation as their top three benefits, whereas low-growth organizations anticipated improved engagement, increased customer acquisition, and seamless content across channel partners. This only further underlies the key difference between high-growth and low-growth organizations: strategic vision. High-growth organizations are focused on seeing their customers holistically while low-growth organizations are focused on putting the building blocks in place to achieve a single view as they continue to grow (customers, revenue, and channel activation).

Figure 4

"How valuable would the following marketing options be to your company?"

Showing percent valuable or very valuable

83% Orchestration across all sales channels (direct, indirect, eCommerce)

83% A centralized, multichannel hub with a vertical-specific model that enables real-time decisions from a single customer view
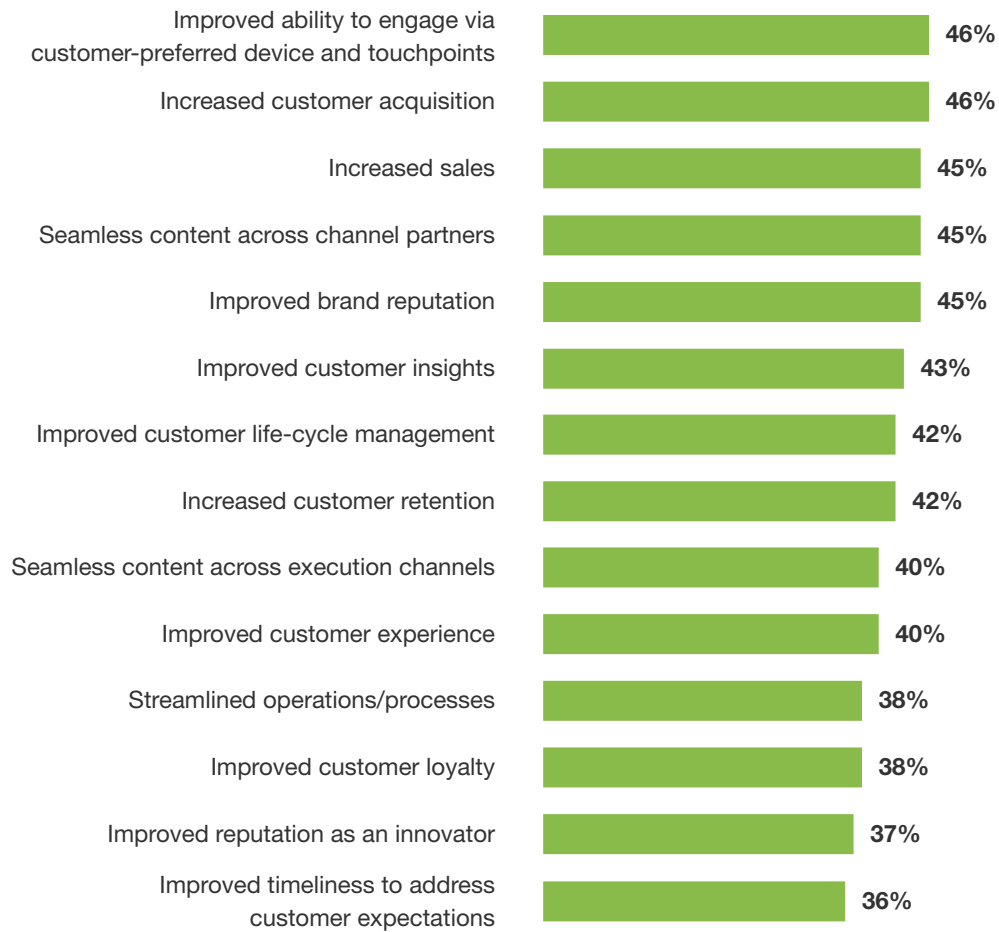
82% A through-channel marketing tool that automates marketing across channels

Base: 214 marketers who are responsible for planning and implementing marketing and sales initiatives across the selling ecosystem
Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

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Figure 5

"What benefits do you anticipate if you can improve your company's customer marketing strategy?"
(Select all that apply)

Improved ability to engage via customer-preferred device and touchpoints	46%
Increased customer acquisition	46%
Increased sales	45%
Seamless content across channel partners	45%
Improved brand reputation	45%
Improved customer insights	43%
Improved customer life-cycle management	42%
Increased customer retention	42%
Seamless content across execution channels	40%
Improved customer experience	40%
Streamlined operations/processes	38%
Improved customer loyalty	38%
Improved reputation as an innovator	37%
Improved timeliness to address customer expectations	36%

Base: 214 marketers who are responsible for planning and implementing marketing and sales initiatives across the selling ecosystem
Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

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Key Recommendations

Forrester's in-depth survey of 214 marketers yielded several important recommendations for improving customer experience, empowering channel partners, and ensuring brand integration through automation and services:

Take a comprehensive approach to customer insights to increase customer lifetime value (CLV). Treating media and marketing channels as silos means that marketers will never have a holistic understanding of customer behaviors. But an omnichannel approach to data and insights lets a firm improve personalization and messaging in ways that support indirect and direct consumer experiences while driving improved CLV for the overall brand.

Automate, innovate, and repeat. Marketers responsible for cross-channel orchestration must focus on optimization, automation, and partner self-service as important goals in delivering a better customer experience.

Invest in technology solutions to deliver consistent experiences for customers across channels. TCMA provides a solution to channel marketing challenges, empowering marketers to engage their existing customers more relevantly and increase new customer acquisition. Channel software tools can also automate and scale partner recruiting, onboarding, training, incenting, and opportunity management.

It takes a village. Marketing today also means supporting a wide network of third-party agencies and service providers. The majority of partners fall into the category of "do-it-for-me" or "do-it-on-behalf-of-me."[3] They will require concierge or white-glove type of third-party services that can manage campaigns from end to end; develop content, messaging, and creative; and provide technical expertise to stand up microsites and coordinate syndicated content.
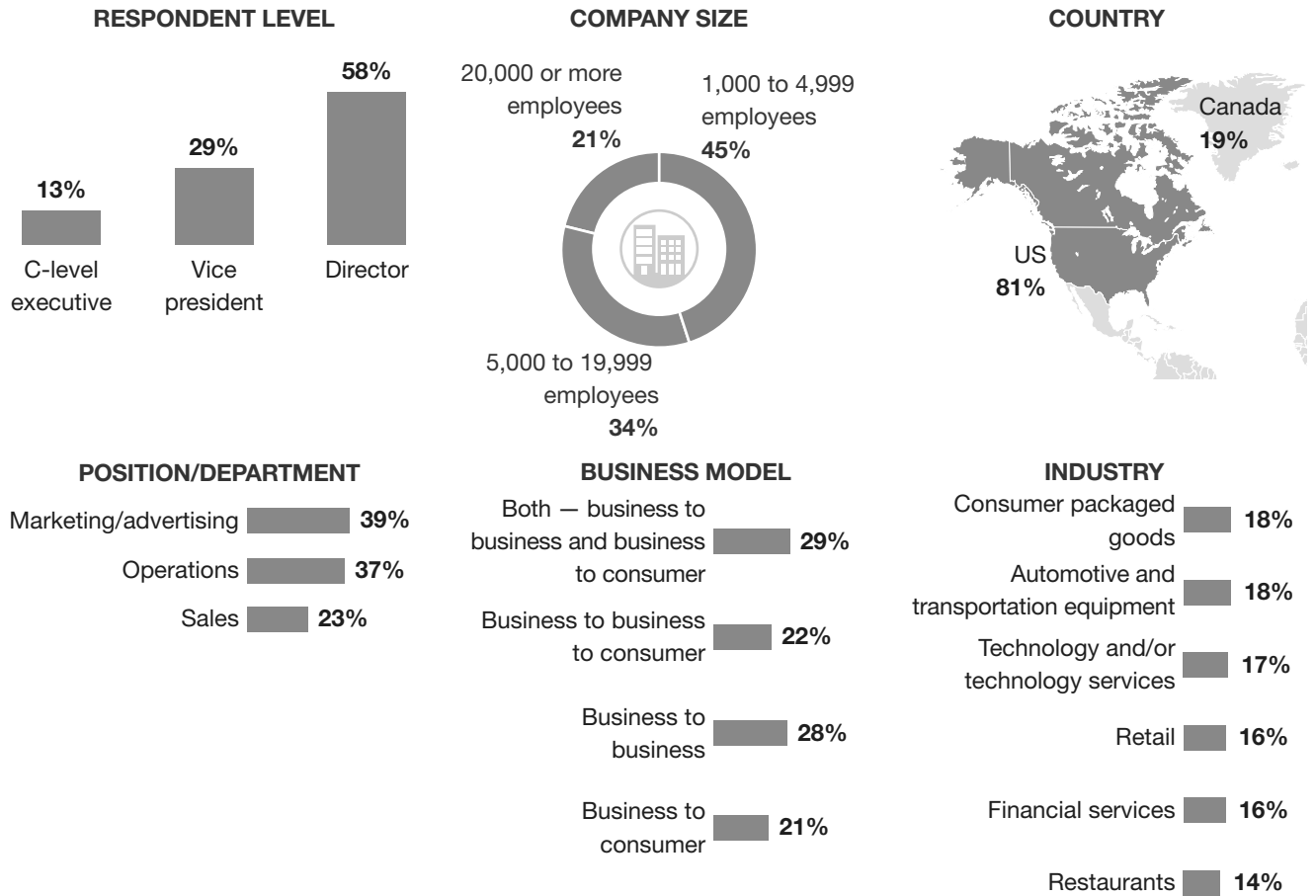
Update your KPIs to fit a modern marketing playbook. While metrics like contribution and click-through rate will never go away, it's important to understand and adopt the metrics that matter *today*: CLV, return on marketing investment (ROMI), brand equity, and even search volume.
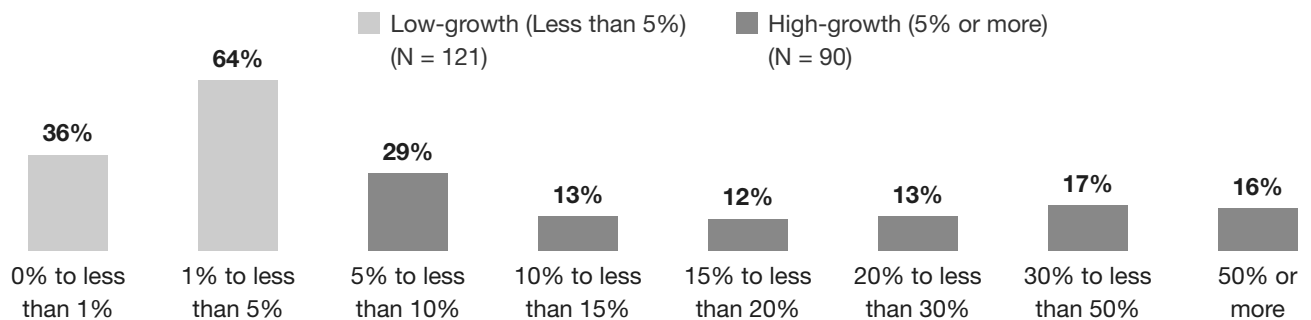
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Appendix A: Methodology

In this study, Forrester surveyed 214 marketers in the CPG, automotive/transportation, technology, retail, financial services, and restaurant industries to evaluate the effect of channel marketing on their businesses. Survey participants included decision makers in marketing, operations, and sales roles. Respondents were offered a small incentive as a thank you for time spent on the survey. The study was completed in December 2018.

Appendix B: Demographics/Data

RESPONDENT LEVEL

- C-level executive: 13%
- Vice president: 29%
- Director: 58%

COMPANY SIZE

- 20,000 or more employees: 21%
- 1,000 to 4,999 employees: 45%
- 5,000 to 19,999 employees: 34%

COUNTRY

- Canada: 19%
- US: 81%

POSITION/DEPARTMENT

- Marketing/advertising: 39%
- Operations: 37%
- Sales: 23%

BUSINESS MODEL

- Both — business to business and business to consumer: 29%
- Business to business to consumer: 22%
- Business to business: 28%
- Business to consumer: 21%

INDUSTRY

- Consumer packaged goods: 18%
- Automotive and transportation equipment: 18%
- Technology and/or technology services: 17%
- Retail: 16%
- Financial services: 16%
- Restaurants: 14%

"Please estimate your firm's/organization's year-over-year revenue growth rate for 2018 (or the closest fiscal year for your firm)."

- Low-growth (Less than 5%) (N = 121)
- High-growth (5% or more) (N = 90)

- 0% to less than 1%: 36%
- 1% to less than 5%: 64%
- 5% to less than 10%: 29%
- 10% to less than 15%: 13%
- 15% to less than 20%: 12%
- 20% to less than 30%: 13%
- 30% to less than 50%: 17%
- 50% or more: 16%

Base: 214 marketers who are responsible for planning and implementing marketing and sales initiatives across the selling ecosystem
Note: Percentages may not total 100 because of rounding.
Source: A commissioned study conducted by Forrester Consulting on behalf of Ansira, December 2018

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Appendix C: Endnotes

[1] Source: "The Rise Of The Empowered Customer," Forrester Research, Inc., July 12, 2016.

[2] Source: "Through-Channel Marketing Represents The Third Stage For Sales And Marketing Leaders," Forrester Research, Inc., April 25, 2018.

[3] Source: "The Forrester Wave™: Through-Channel Marketing Automation, Q2 2018," Forrester Research, Inc., April 25, 2018.

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