

Editorial: *Modern Marketing within the Context of the Significant Disruption, and Marketers' Future Challenges including CX Success*

Five years ago, we wrote about “*Marketing’s Continuous Rise and Shine*”, (Purcarea, 2014) underlining that the face of the marketing function is struggling to keep pace with major changes, by assuming its strategic and systemic leading role. We showed how marketing is challenged: to be more and more creative and accountable, more real-time offering personalized, content delivered across channels, and to engage CEOs and the top leadership to valorize the ability of the marketing function to help drive organizational change, focusing on what is important to customers, consumers and users, within the rise of social media, big-data analytics, and smart mobile devices; to reinforce and embed ROI thinking in the daily marketing approach, focusing on demonstrating how marketing is creating and capturing customer value, mastering the latest technology, assimilating vast quantities of data and making the right balance between creativity and analytics, engaging and delighting their more connected and empowered than ever before customers, creating a vision for an exceptional customer experience (CX), stimulating a more collaborative working relationship, considering digital marketing makeover as the number one transformational project, better understanding that the content is the fuel for company lead generation and nurturing programs, acting with speed and agility in addressing key customer needs and expectations, and innovating so as to exploit the change as an opportunity.

We kept in mind, of course, what McKinsey’s representatives argued sixteen years ago: for a better branding, marketers need to go more scientifically, pushing marketing to new frontiers, by combining a forward-looking market segmentation (spotting meaningful trends, determining probable impact on the customer landscape and the likely profitability of the resulting segments, understanding the future economic potential of each segment) with a better understanding of customers and a brand’s identity (increasing the precision of defining and delivering the brand by using sophisticated analytic tools, identifying with great accuracy the attributes which distinguish the brand and the touchpoints through which these attributes should be delivered, determining those touchpoints correlating best with the brand’s essence, assessing the statistical relationship between these touchpoints, and forming the groupings which correlate best with the desired brand positioning), the core of efficient brand building being precisely targeting what customers care about (and better communicating the pathway modeling analyses internally so as to determine brand advocacy). (Aufreiter et al., 2003)

Today we can better understand how – within the context of a significant disruption (characterized by better targeting, segmentation, personalization, and analytics in the digital era, where mobile is something common, and there is a clear evidence of the consumer loyalty’s decline because of closer competition) – modern marketing knew a monumental shift, being forced to find out the proper response to it, CMOs being involved in better contributing (not only

by better building brands, improving end-to-end CX, and growing loyalty, but also by effectively managing their P&L, by better ROMI, by implementing agile marketing and talent management which balances creativity and analytics/so-called “whole-brain talent”, inspiring across the C-suite accordingly) to grow the business by delivering the right experiences to consumers. (Cvetanovski & Heller, 2019) McKinsey’s recent researches revealed: the role of CMO in supporting the integration of data and creativity at the level of the driving the growth accordingly, and the need of better building his relationships with the CEO (who is responsible for the company’s growth, his support for the marketing investment being essential), the CFO (the gatekeeper for the marketing budget, who is looking toward the CMOs to help him translate marketing metrics into the business objectives), and the CHRO (with regard to the complex endeavor of attracting and retaining top marketing talent); the importance of the interaction model between the proactive engaged CMO and the board hiring and guiding effectively the entire C-suite; that one of the most effective ways of modernizing traditional marketers (comfortable in a certain way of working) is agile marketing (proving the ability to rapidly test and learn, working in partnership with the technology organization); while brands are facing less consumer loyalty, there is a real need of creative ideas (data and creativity being treated as equal partners) generating emotional connections with consumers and adequate way of engaging them; that sources of value that didn’t exist before are unlocked by the investments (which increase) in data and marketing technology, CX, media, and creative, the challenge being to can forecast ROI (also considering the increasing shift toward insourcing, mainly in relation to creative and content, but despite this rise of insourcing agencies are trying to reestablish trust with their clients, including by investing in or cocreating the intellectual property of some of them); the major implications on marketing because of General Data Protection Regulation (GDPR): marketers’ need of requiring consumers’ explicit consent (a limitation of their ability to use the data), marketers are forced to rethink the value exchange with them, and the problem of far less third-party data available in regulated markets; over the next two to five years, marketers will face big challenges such as: building in the growth leadership mind-set, making measurement of ROMI a priority within the context of the proliferation of different channels/touchpoints, the execution of creative across all of these, and making a move from doing analytics to becoming data driven, so as to deliver the accountability confirming the creation the performance-oriented culture.

And as to the successful alignment of sales and marketing content is considered key, allow us to cite from the recent Bigtinca’s guide to acquiring more buyers and keeping your best customers: *“Content in context: it’s today’s corporate currency. Armed with smartphones and tablets, today’s empowered buyers are insatiably consuming content at their convenience, and that includes researching products and services and making buying decisions. Of the main components of sales enablement, content is the connective tissue that binds them all together... Determining what content to create and offer at each stage of the buyer’s journey is fraught with uncertainty now that the buyer is in the driver’s seat. The only way to deliver content in the proper context is to do so with purpose and direction and repeatable processes... In the era of*

the empowered buyer, closing sales has become more challenging... Learning to Sell While Not Selling... Sales and Marketing can provide analytics and input on what works most effectively for its content marketing and dynamic sales training programs... Although every company's martech stack is unique, most organizations share similar base configurations". (Bigtincan, 2019) And just take a look at the figure below:

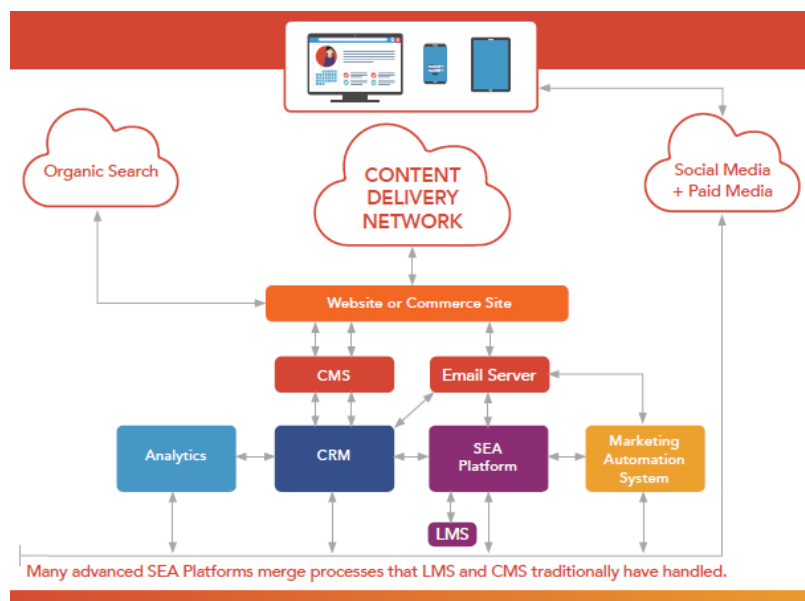


Figure no. 1: A representation of a typical technology environment for an enterprise that has implemented a sales enablement strategy, Bigtincan: *The #1 Sales Enablement Platform*

Source: *What is sales enablement? A guide to acquiring more buyers and keeping your best customers*, Bigtincan: *The #1 Sales Enablement Platform*, pp. 61 (work cited)

It is worth mentioning that as shown in the above figure from this Bigtincan's guide, the most enterprise martech stacks include at a minimum the following systems: Customer Relationship Management (CRM) system, Marketing automation system, Content Management System (CMS), Learning Management System (LMS), and Sales Enablement Automation (SEA) platform.

On the other hand, let's remember that three years ago, in 2016, we showed that marketers really care about their marketing technology stack within the framework of developing a marketing capabilities platform, and this while struggling to improve CX and focusing on the customer technology stack, marketing channels evolving with time shaped by the evolution of technology and media. (Purcarea, 2016) While a year later, in 2017, we underlined: the clear pressure for marketers of proving their impact on company's revenue, better understanding what technology drives company's go-to-market strategy, and the relation between revenue relationship models and CX, knowing that customers are driving up revenue risk which is serving to accelerate companies' CX initiatives, the modern CMO being seen now as the voice of

the customer in the organization; (Purcarea, 2017) “Marketing’s Renaissance by Committing to Improve CX”; (Purcarea, 2017) “CMOs at the confluence of AI, CX, and Growth”. (Purcarea, 2017)

In 2018 we approached the topic of “An increase of marketers’ focus on insight and action, adequately approaching the marketing stack”, (Purcarea, 2018) while in March 2019 we focused on “Modern Marketing, CX, CRM, Customer Trust and Identity”. (Purcarea, 2019)

This year, the reputed Peter Fader, Professor of Marketing at the Wharton School of the University of Pennsylvania, approached the topic of “*3 steps to boost your Customer Experience strategy and make it truly customer-centric*”, arguing that as it isn’t always clear which metrics are best to measure, it is necessary to correct the problems with CX measurement practices (he explained firstly how CX is measured across two dimensions in the well-known Forrester’s CX Index: CX Quality and Customer Loyalty), making the resulting strategies more customer-centric, and in this respect he recommended three steps: to maintain the heterogeneity of CX metrics, to analyze CX metrics against other factors, such as switching costs (see the figure below, where he and Sarah E. Toms, Executive Director and Cofounder of Wharton Interactive simplified the concept of switching costs as defined by Investopedia, showing customers classified by switching costs and a CX metric), and to deploy CX tactics with precision to gain maximum returns. (Fader, 2019)

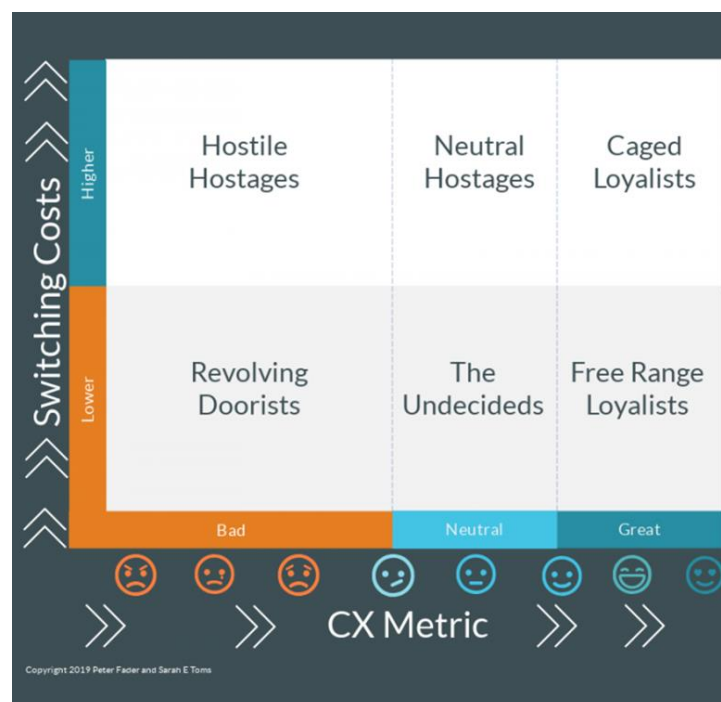


Figure no. 2: Customers classified by switching costs and a CX metric (Step 2), Fader, P. & Toms, E.S.

Source: Fader, P. (2019). *CX Metrics Aren't Customer-Centric, But Should Be. Learn How*, CustomerThink, February 28 (work cited)

Professor Fader (and his colleague) pledge for running targeted experiments in order to measure the effectiveness of various CX tactics, rather than engaging with customers generally, because there should be no such thing as an average customer metric (as there is not an average customer). This interesting article received two remarkable comments (from Andrew Rudin and Michael Lowenstein) worthing to be analyzed.

Also at the beginning of this year, Nancy Parra, Content Manager at AskNicely: NPS Software - Real time Customer Feedback, reminded us of the 2013 research study by Walker which predicted that by 2020 CX will overtake price and product as the main differentiator for brands, and showed that AskNicely's 2018 NPS Benchmark Study validated that prediction, founding also that more retention and better growth are discovered by forward-looking companies strategically stepping away from price wars to concentrate on CX metrics. (Parra, 2019) She took a look at different CX metrics (Net Promoter Score/NPS; Customer Effort Score/CES; Customer Satisfaction Score/CSAT; Five Star Reviews; Churn) and at what these common CX metrics are measuring (loyalty, satisfaction or quality: NPS or CES are measuring loyalty, CSAT measuring satisfaction, and 5 Star Reviews is measuring quality).

So, marketers have to know what they are doing with CX improvement, because paraphrasing Dr. W. Edwards Deming we can say that if marketers can't measure what they are doing as a process, they don't know what they are doing. And paraphrasing the (Romanian -) American Dr. Joseph Guran we can add that marketers must keep in mind that all CX improvement happens project by project and in no other way.

Allow us to end by recalling a principal research study of Customer Think (and sponsored by Verint) – entitled “What Drives CX Success?” – which revealed (on the basis of both input of CX leaders and an evaluation of over 200 CX initiatives) significant conclusions: CX vision must extend beyond fixing problems; CX initiatives need a business case; CX programs must extend beyond legacy Voice of Customer sources and CX metrics; the need to invest in CX talent and technology; the need of a strong customer-centric culture. (Whiting, 2019)

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