

Unlock the Potential of Customer Marketing

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For many, customer marketing represents an untapped opportunity to stabilize and drive growth. Often overshadowed by the priority of new logo acquisition, the substantial gains available from strengthening existing customer relationships — higher conversion rates, reduced churn, lower costs, and sustainable growth — often remain as unrealized potential.

As sales cycles lengthen and new purchase decisions become subject to increased scrutiny, more revenue leaders are beginning to look towards their existing customer base for growth.

In recent SBI surveys, CEOs and go-to-market leaders report that more than 60% of their net-new revenue will come from existing customers in 2023 — an increase from just over 40% at the end of 2022. As a result, nearly 70% of CEOs see customer marketing as important to meeting their 2023 revenue targets. While many marketing organizations remain overly focused on net new demand generation, forward-thinking organizations are taking a more strategic approach with customer marketing.

Customer marketing is much more than a newsletter.

Think of it as an integrated set of activities that are designed to drive retention, loyalty, advocacy, growth, and community participation. Customer marketing relies heavily on maximizing strong relationships and includes the following key activities:

1. Journey-aligned content and communications to support customer value realization.
2. Automation and scaling of customer success activities, focused on deepening customer relationships, and improving customer satisfaction (CSAT) and Net Promoter Score (NPS).
3. Identification and cultivation of advocates.
4. Cross-sell and upsell campaigns and programs.

When done well, customer marketing generates net-new revenue at a lower cost than customer acquisition. When done even better, it turns your best customers into advocates — creating social proof, testimonials and references for your brand, products, and customer experience. In an ideal state, customer marketing also generates commercial insights, content, and engagement strategies that can be repurposed, fueling the refinement of both your ideal customer profile (ICP) and programs for new customer acquisition.

For many revenue teams though, customer marketing is more an idea than a formal discipline. This leaves many wondering how and where to get started, or how to deepen their existing efforts to capture more revenue from their customers.

The three foundations of good customer marketing.

B2B revenue teams that drive impact with customer marketing focus on mastering three critical foundations:

- 1. Customer data analysis.** This generates insight into the end-to-end customer journey and informs cohort and account-based engagement strategies.
- 2. Segmentation and modeling.** This prioritizes accounts and cohorts, enables personalized value proposition and messaging, and allows you to design plays, content, and offers that are specific to customer types.
- 3. Well-defined roles and responsibilities.** This supports the orchestration of customer engagement plays and programs with consistent cross-functional interlocks across marketing, sales, and customer success.

In the most progressive organizations, customer marketing is woven into the DNA of how the business goes to market. It shows up in every client interaction, from emails and conversations to content and experiences regardless of whether it is delivered by marketing, sales, or customer success teams.

Customer Intelligence Enables More Meaningful Forms of Engagement

Understanding customer interactions with your products, campaigns, and organization as well as developing propensity-to-buy models are key to segmentation, prioritization, and personalization. However, revenue teams often struggle to synthesize this customer data into actionable intelligence and many still rely on out-of-date contact records as well. This makes getting an accurate picture of individual customer or account-level needs, preferences, or behaviors a challenge.

Forward-thinking revenue teams are connecting their product, customer success, sales, and marketing data to see patterns across the customer journey more clearly. The most advanced teams leverage AI and machine learning to discover and action key signals in their data.

End-to-end visibility into the customer journey is the gold standard.

The role of customer journey management has emerged as a critical element for delivering high-impact customer marketing and a differentiated customer experience. Yet, in most B2B organizations, there is no one clear owner of the customer journey. This lack of visibility can leave go-to-market leaders guessing on where to focus their optimization efforts, which can lead to missed opportunities for strengthening relationships, and consequently, any cross-sell and upsell motions. Additionally, customers will be met with less-than-ideal experiences. For example, they may end up receiving out-of-context communications that confuse them, making it appear that your organization is unaware of the relationship itself.

All of this is the result of fragmented and siloed customer engagement data, which leaves the following important questions unanswered:

- **How are customers engaging with the business and its products?**
And how can this data be used to refine customer engagement plays?
- **How are different departments across the business engaging customers?**
And how can this data be used to adjust and better develop customer relationships?
- **How are customer engagement programs performing?**
And what does this data tell us about what to test next?

Gaining insight into the customer journey is often a manual endeavor at the start. While not glamorous, conducting an audit of all email and messaging system communications can be a helpful and eye-opening starting point. To do this, consider all the systems that your company uses to communicate with customers. In most organizations, there are multiple email systems to contend with: Outreach or Salesloft for sales development representatives (SDRs) and business development representatives (BDRs); Marketo or HubSpot for marketing and product-related communications; and Outlook or Gmail for direct messages.

Many have also implemented other channels worthy of a communication audit, such as chatbots, messaging platforms, and online communities. In addition, conducting an audit of customer outreach by sales, often by looking at activity history patterns in your customer relationship management (CRM) platform, can reveal both under- and over-communication

Segmentation and Modeling Refine the Customer Engagement Strategy

Many organizations do not regularly update their customer segmentation, and when they do, they inevitably fail to segment by significant enough dimensions, resulting in a lack of prioritization. This unfortunately wastes marketing dollars by casting too wide a net that often generates less than desirable results.

Instead, incorporate regular and data-driven segmentation into planning routines. Combining this with customer data analysis (i.e., product utilization and adoption) will reveal where your company's true growth opportunities lie, offering prescriptive guidance for executing high-impact customer marketing plays.

For a point of reference, here is an example of a well-defined customer segment from Atlassian, "Jira Software customers with 1000+ user seats who've been with us for at least three years and haven't tried Confluence."¹ This specificity is derived from historical data analysis that identifies cross-sell and upsell opportunities. Granular customer segments like this can be targeted with precise messaging, content, and offers.

¹ Atlassian is a market leader in collaboration and project management tools for software development teams (<https://www.atlassian.com/blog/strategy/flywheel-growth-levers>).

Clear Roles and Responsibilities Enable Successful Customer Engagement Plays

When it comes to customer outreach and engagement, revenue teams often struggle with who does what and when. The organizational form of customer marketing evolves through various stages of growth and as the business pursues more varied market and customer segments. It becomes more important as growth through retention and relationship expansion become viable strategies to hit revenue and growth targets.

While there is no one model of customer marketing that will fit every company or revenue team, at every stage of growth, there are four approaches we often see in enterprises driving growth via customer marketing strategies. In organizations with a mature customer marketing approach, it is common to see a combination of all four.

Four common customer marketing models

Conductors

Who:
Account executives,
customer success
managers

When:
Account-based
strategy

- Determine which plays to run
- Lead coordination of activities across teams
- Run team interlocks and own customer engagement strategy decisions
- Work with marketing to develop campaigns, personalized messaging, and content

Catalysts

Who:
Customer
marketers

When:
Customer expansion
at scale

- Scale 1:1 customer success motions with cohort and segment-based marketing campaigns
- Drive product adoption and utilization as well as awareness and expansion into new buying centers
- Develop messaging, content, and offers for customer campaigns
- Partner with events team to run high-value customer events

Storytellers

Who:
Content, product, and
customer marketers

When:
Large, diverse
customer base

- Develop and maintain customer stories program
- Develop and maintain customer advocacy program
- Produce content across multiple formats to tell and share customer stories
- Develop and maintain customer lists

Orchestrators

Who:
Customer lifecycle
managers

When:
Retention/churn
a priority

- Manage overall flow and cadence of customer communications
- Coordinate customer information and insights between marketing and customer success teams
- Ensure multichannel communications are not overwhelming customers

Customer marketing is often owned by more than one team.



As you evaluate where responsibility for customer marketing best fits within your organization, refer to the graphic to the left. Our recent SBI CEO survey discovered that 35% of go-to-market leaders indicated cross-functional team ownership of customer marketing. In the remaining 64%, the discipline was owned by marketing in one of three configurations.

Refine Your Customer Marketing Approach by Starting With Data, Segmentation, and Clear Roles and Responsibilities

As revenue teams strive to retain and grow existing customers and buyer expectations for a more personalized, data-informed experience become the norm, customer marketing has never been more important. As you assess your current approach, consider these questions:

1. What are your current practices around the three foundations of good customer marketing?
2. How do you approach your customer base today?
3. When did you last segment your accounts and customers?
4. What attributes define your most opportune account and customer segments?
5. How does your customer engagement change as you focus on different account segments and customer cohorts?
6. Which plays are best directed by whom? Sales, a combination of customer success and account management, marketing for scale to reach a higher number of accounts?

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About this study

Data is compiled from two surveys of CEOs and senior go-to-market leaders across industries. Roughly 60% of respondents come from organizations with less than \$1 billion in annual revenue, and 40% come from organizations with more than \$1 billion. There was a similar split of private equity-sponsored and public companies.

The surveys were fielded in October and November 2022 and February and March 2023. It covered several aspects of their 2022 experience and 2023 plans, including the impact of macroeconomic conditions, trends in customer demand, budgeting and headcount plans, go-to-market team productivity, and go-to-market strategies.



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