

# Competing for Customers: How the Best Companies Use Customer Success to Deliver Results that Matter

**Summit on Customer Engagement: March 2, 2016**



ORACLE

# Agenda

- ▶ **Key Trends Impacting Customer Advocacy**
- ▶ **Customer Success**
- ▶ **Breakout Session**
- ▶ **Open Discussion**



# State of the Union (Customer Advocacy Survey)

Pipeline focused rather than customer retention focused

75% focus on gaining new customers.

Programs need to collaborate with customers  
60% either rarely or never measure customer perception of their program

Programs too focused on “counting things”  
#1 metric to measure is the average number of new advocacy requests fulfilled per month



The most effective programs are moving from references and advocacy to customer success

# What do we mean by Customer Success?

The set of activities and resources an organization provides to its “customers” with the purpose of increasing the likelihood that they achieve their desired business outcomes

Jeb Dasteel · Amir Hartman · Craig LeGrande  
Foreword by Mark Hurd, CEO of Oracle

## COMPETING for CUSTOMERS



Why Delivering Business Outcomes Is  
Critical in the Customer First Revolution

# New Subscription Economy is Changing Everything

## The Subscription Economy



Source: Competing for Customers, 2015



MTC-4

Delayed revenues – 70% of total revenue achieved after initial sale. In this world, retention is king!

# Who Really Benefits from Customer Marketing/Engagement Programs?

- Marketing: Focuses primarily on pipeline development (brand building, lead generation, etc.)
- References: Content production focused (“hat-in-hand”)
- Advocacy: Reactive in nature, loyalty/NPS surveys



# Customer Marketing Throughout the Customer Journey

- How can marketing/customer advocacy add value to customers after the sale?
- What specific marketing/advocacy programs can help the customer the most?



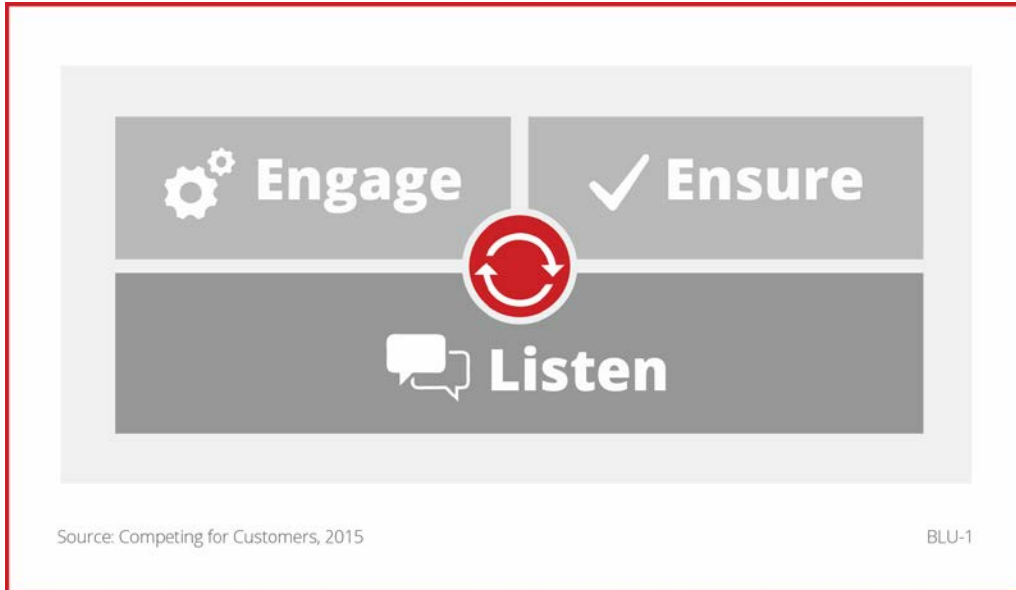
# Audience Poll: Raise your hand if...

- Our customers see us as a strategic partner and involve us on planning efforts?
- For our top 100 customers we regularly present the measurable value we have delivered?
- We regularly help customers realize the full value of our solutions
- Our marketing and sales collateral is business outcome focused versus feature/product focused

If you can't answer "yes" to these questions, your organization is at risk!



# Customer Success Blueprint



# CS Blueprint (Continued)

## Listening

### Understanding voice of the customer

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- Diverse listening posts (structured and unstructured data)
- Clear visibility to adoption/consumption/performance data
- Understanding business outcomes achieved

## Engaging

### Collaborating with customer stakeholders

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- Thought leadership efforts to drive customers to seek out your insights
- Sales and marketing content in a customer relevant language
- Joint planning and collaboration to deliver programs customers value the most

## Ensuring

### Proactive actions to drive value achieved

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- Adoption services aimed at improving solution adoption/consumption
- Value realization services aimed at achieve expected benefits
- Joint accountability for business outcomes

# Oracle Corporation

## Scale

- \$38.2B in revenue in FY15 \*
- 400,000 customers in 145 countries
- \$39B in R&D since 2004
- \$60B on more than 100 acquisitions
- More than 25,000 partners
- More than 132,000 employees
- 18,000 customer support specialists, speaking 29 languages
- 17,000 implementation consultants
- 2.2 million students supported annually

## Innovation

- #1 in 50 product/industry categories
- #2 software company in the world
- #2 cloud company in the world
- #16 of 100 Top Global Brands, Interbrand 2014
- More than 17,000 patents worldwide
- 38,000 developers and engineers
- 15 million developers in Oracle online communities
- 900 independent Oracle user groups with 500,000 members

\* GAAP revenue reported in USD as of May 31, 2015



# Oracle: From Support to Customer Success

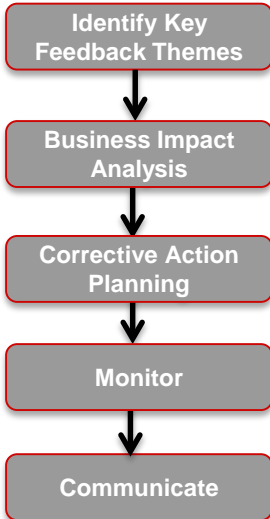


## Programmatic Approach to Distributing, Actioning, & Communicating Feedback



Region = Sales organizations organized geographically  
 Product = Development teams covering the full product stack  
 GBU = Industry-specific Global Business Units  
 LOB = Global lines of business, such as Support, Education, Marketing, F&A

# Top Ten Program Methodology



**Identify what we are hearing from customers**

**Analyze what the feedback means to the business**

**Plan and Implement the Oracle response**

**Define and monitor the success measures**

**Communicate that Oracle listens and responds**

# Ease of Doing Business

## Relationships, Contracting, Support – Differentiated Strategies



Account Management through Key Accounts and Lead Accounts programs.



Improvements in contracting and negotiating including empowerment, tools, and transparency.



Proactive and reactive support actions driven by customer input and benchmarking.

### Customer Perceptions: Improvement in Top Customer Service Attributes (last 2 years)

26%



Oracle understands business issues & priorities

20%



Buy consistently across Oracle

23%



Best practices guidance from Oracle

# Oracle: Engage Example | Executive Sponsor Engagement



## Customer Situation

Is there evidence that sufficient background assessment has been performed to help identify areas of opportunities?



## Initiative Alignment

Does the account strategy have a balanced portfolio of growth, transformation and efficiency improvement initiatives that align with customer goals, their business environment and key stakeholder priorities?

3 Year  
Strategic  
Plan



## Prioritization Rationale

Does the account strategy prioritize the initiatives and projects based on customer value, potential and account health?



## Financials & Approach

Does the account strategy meet strategic and financial objectives over short term and long term period?

# Oracle: Ensure Example



## Target

Sales supported project KPIs, scorecard, and ROI modeling



## Track

Refine/reset KPIs during implementation planning & periodic reviews

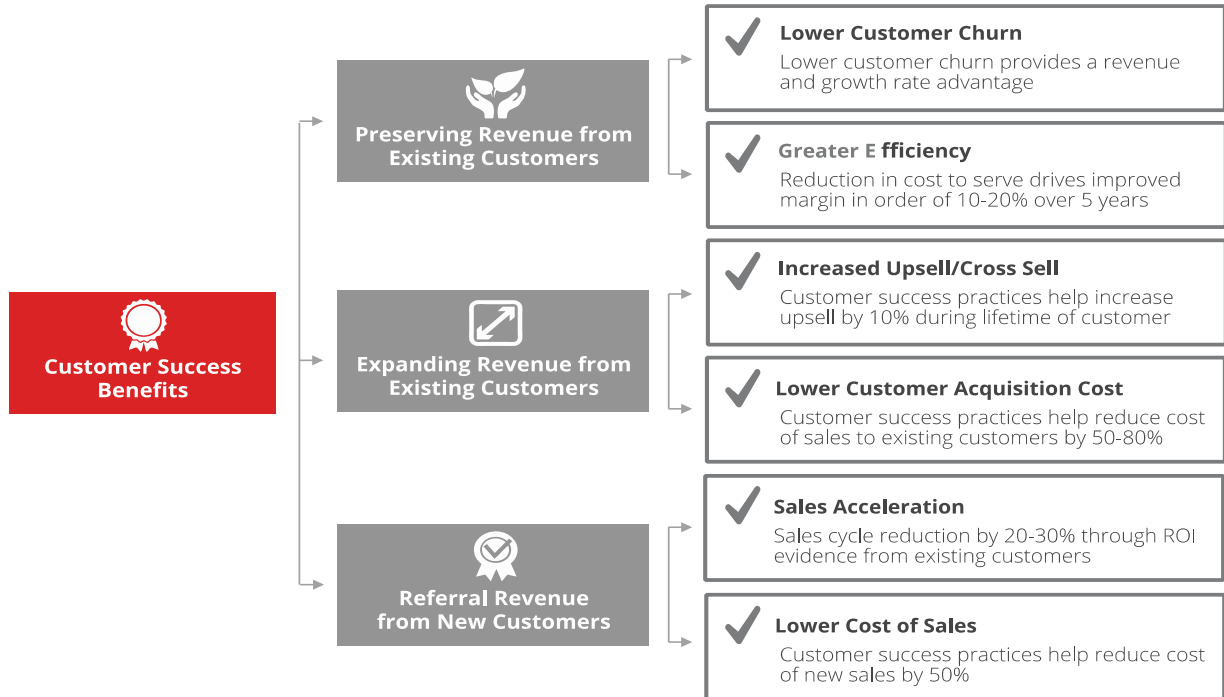


## Measure

Upon completion, audit financial, operational, & strategic impact

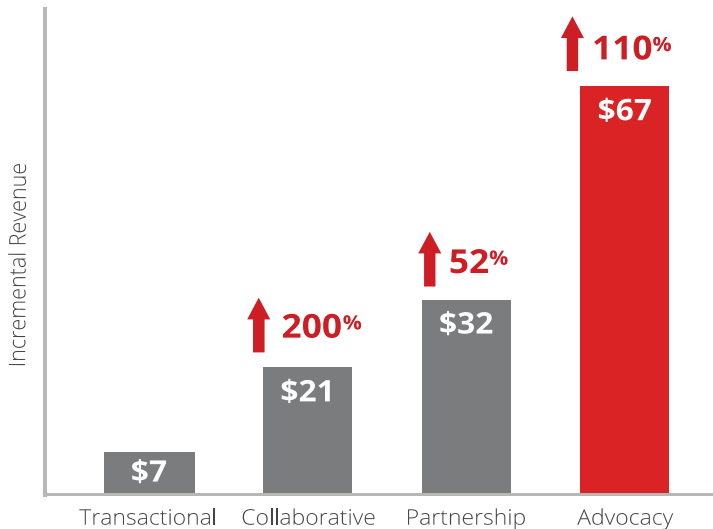


# Making the Case for Customer Success



# Customer Success and Engagement Paying Dividends

Increased Engagement = Higher Spend



\* All Values shown are averages in \$M USD

## Types of Programs

- Collaborative Account Management
- Customer Lifecycle Management
- Architectural/Advisory Services
- Executive Sponsorship & Engagement
- Advisory Boards & Councils
- Referencing & Co-Marketing

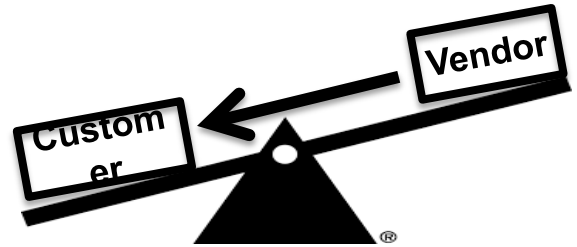
# Let's Revisit Our Original Question

- How can customer marketing/engagement add value to customers after the sale?
- What specific programs can help the customer the most?




# With Retention Being Critical, How Must Customer Marketing/Engagement Change?

- Breakout will be guided by the above main question
- Amir and Carol will serve as “floaters” and push the thinking of each group



# Typical Company Profiles


	Listen	 Engage	Ensure
<b>Satisfier</b>	Good	Minimal	None
<b>Loyalist</b>	Great	Developing	Minimal
<b>Collaborator</b>	Great	Good	Developing
<b>Partner</b>	Great	Great	Good to Great

# How Does Your Organization Measure Up?

## Breakout Session Instructions:

1. To help kick start where value creating opportunities exist, let's get a sense for where we are today?
  - By a show of hands, how many of you would characterize your organization as a:
    1. Satisfier
    2. Loyalist
    3. Collaborator
    4. Partner

# Typical Company Profiles

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<b>Partner</b>	Great	Great	Good to Great

# Developing YOUR Roadmap

- **Break out into groups according to your Profile (Satisfier, Loyalist, Collaborator, Partner)**
- **Once in your group, spend 30 minutes developing an initial roadmap.**
  - For each of the Customer Success Pillars (Listen/Engage/Ensure) list 1-2 things your organization does today across different stages of the customer journey (decide/buy/use/succeed) and how they add value to customers;
  - List 1-2 things you might do across different stages of the customer journey (decide/buy/use/succeed) and how it would add value to customers
  - In the third column, identify actions to improve the situation
  - In the final column, develop clear goals resulting from these actions
  - You have approximately 30+ minutes (10 minutes for each pillar)
  - Once complete, assign one individual in your group to share findings with workshop attendees



# CS Blueprint (Continued)

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# Customer Success Example Initiatives

	Listen	Engage	Ensure
<b>Define</b> (Set Requirements and Select)	<ul style="list-style-type: none"><li>• Demonstrate commercial ease of doing business</li><li>• Understand needs</li></ul>	<ul style="list-style-type: none"><li>• Establish as trusted advisor</li><li>• Apply use cases and build business justification</li></ul>	<ul style="list-style-type: none"><li>• Identify desired business outcomes, KPIs and map to solution</li></ul>
<b>Buy</b> (Acquire and Implement)	<ul style="list-style-type: none"><li>• Establish listening posts</li><li>• Establish ongoing strategic dialog</li></ul>	<ul style="list-style-type: none"><li>• Establish governance model and joint account planning process</li><li>• Agree on solution adoption and change management approaches</li></ul>	<ul style="list-style-type: none"><li>• Focus acquisition and implementation processes on business outcomes to reinforce measures of success</li></ul>
<b>Use</b> (Run and Maintain)	<ul style="list-style-type: none"><li>• Collect consumption / adoption status</li><li>• Assess project success</li></ul>	<ul style="list-style-type: none"><li>• Track adoption, course corrections</li><li>• Track ROI incrementally against business case</li></ul>	<ul style="list-style-type: none"><li>• Implement change management and adoption measures</li></ul>
<b>Succeed</b>	<ul style="list-style-type: none"><li>• Assess realization of business outcomes</li></ul>	<ul style="list-style-type: none"><li>• Conduct quarterly business reviews to assess progress by project and business outcome</li></ul>	<ul style="list-style-type: none"><li>• Document and celebrate business outcome</li></ul>

# Breakout Template

Area: Listening

Value Proposition	How does it add value to customers?	What actions can we take to improve?	Expected Benefit?
What Key Activities Do We Do Today (after the sale)?			
What 1-2 Activities Could We Do Tomorrow (after the sale)?			

# Breakout Template

Area: Engaging

Value Proposition	How does it add value to customers?	What actions can we take to improve?	Expected Benefit?
What Key Activities Do We Do Today (after the sale)?			
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# Breakout Template

Area: Ensuring

Value Proposition	How does it add value to customers?	What actions can we take to improve?	Expected Benefit?
What Key Activities Do We Do Today (after the sale)?			
What 1-2 Activities Could We Do Tomorrow (after the sale)?			

# Open Discussion

- Share your program's journey
- Q & A



# Thank You!

If you're interested in a more detailed discussion about how your organization stacks up...

Please contact us for a free 30 minute "best practice" discussion:

[amir@mainstaycompany.com](mailto:amir@mainstaycompany.com)

