After decades of cutting costs and squeezing out ever-greater efficiencies to drive profitability, leaders across industries are setting their sights on top-line growth. An assessment of customer relevance and key success measures is the first step on a transformative journey to accelerated revenue growth.
Executive Summary

Technology has been a source of margin growth and new production efficiencies for both individual companies and the economy as a whole. But as markets transform overnight and customer needs change at lightning speeds, executives are now looking at digital technologies as a springboard for growth — not just cost savings through process optimization and automation.

When seeking digital revenue growth, many companies start by upgrading sales technologies. But historically, such solutions have been disappointing — most likely due to their exclusive focus on sales. A more holistic approach to revenue growth blends technology with process optimization and takes a customer-centric approach focused on the measurement and management of sales, marketing and service. Since 2001, we have often seen sizable investments in sales, marketing and training technology fail to return expected improvements in performance and growth. In our experience, CRM and related sales technology initiatives fail for many reasons, including poorly defined scope, lack of leadership and failure to involve users at every stage.

Disruptive revenue growth is powered by a clear understanding of strategic objectives and an effective diagnosis of the underlying causes of lackluster top-line performance. This clear insight into performance must be attained before implementing any technology. And the only digital systems that generate significant results are those that enable and guide sales, marketing and service professionals to the right behaviors, processes and tools.
The growth imperative

Organizations today face a rapidly changing competitive landscape and a customer base with ever-increasing expectations. Digital technologies have dramatically increased the pace of change and reliance on data. Decades of automation initiatives have boosted productivity and helped reduce costs. But continued investments in technology are yielding diminishing returns on cost savings.

These forces make it increasingly vital to focus on growth. And most executives now put the need to tap new revenue streams from innovative products and services at the top of their must-do lists. But success requires a holistic approach to revenue growth that encompasses all aspects of customer relevance, sales, marketing and service effectiveness.

The struggle to grow revenue is real. It’s easiest to keep going for short-term gains and the last bit of cost optimization, but such moves are unlikely to carry your organization to a dominant market position. Ironically, all those cost-cutting initiatives can be prohibitively expensive, with elusive — or even nonexistent — ROI and competitive advantage lost by waiting too long to focus on innovation and growth.

Innovating at the top line

Spurred by the digital technology revolution, we recently undertook a major makeover of our sales and marketing functions (see Figure 1, next page). After many years of consistent growth, we realized we were on the cusp of a sea change in our clients’ expectations. Our 2020 strategy detailed, among other things, how we needed to reinforce our digital product portfolio. This pivot was powered not only by technological innovation, but also by significant behavioral changes. If we were to continue helping our clients shift to digital while achieving our targets for profitable growth, we had to fundamentally shift how we generated our revenue.
Our sales and marketing excellence journey

The Front Office Transformation process has successfully transformed our company, as it does for our clients.

<table>
<thead>
<tr>
<th>Stage</th>
<th>Phase 1</th>
<th>Phase 2</th>
<th>Phase 3</th>
<th>Phase 4</th>
</tr>
</thead>
<tbody>
<tr>
<td>Customer Relevance</td>
<td>Define KPIs and roadmap aligned to strategic objectives.</td>
<td>Introduce client value framework to align client needs and services.</td>
<td>Establish sector and account growth plans with clear targets &amp; KPIs.</td>
<td>Modernize service catalog and establish regular review cycle.</td>
</tr>
<tr>
<td>Sales Effectiveness</td>
<td>Define Cognizant Way to Sell (CWTS) and select SFDC platform.</td>
<td>Establish revenue growth community, pilot &amp; validate CWTS model and rollout globally.</td>
<td>Embed key sales behaviors via sales training and deal reviews.</td>
<td>Establish compensation plans aligned to sales behaviors and KPIs and monitor compliance.</td>
</tr>
<tr>
<td>Marketing Effectiveness</td>
<td>Define Cognizant Way to Market (CWTM) and select marketing automation platform.</td>
<td>Mobilize integrated marketing plans and mobilize a shared services campaign team.</td>
<td>Align marketing plans and optimize campaigns, channels &amp; tactics.</td>
<td></td>
</tr>
<tr>
<td>Service Effectiveness</td>
<td>Define Cognizant service model &amp; select service platform(s).</td>
<td>Pilot &amp; validate multichannel service model and rollout globally.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transformation Leadership &amp; Enablement</td>
<td>Build vision, objectives, mobilize governance &amp; delivery workstreams.</td>
<td>Assure workstream delivery and quality via regular gate reviews, address change concerns &amp; needs.</td>
<td>Track adoption and compliance, deploy change interventions to drive desired behaviors.</td>
<td>Track goals achieved and benefits realized.</td>
</tr>
</tbody>
</table>

Figure 1

We faced critical limitations to growth due to a sales and marketing function that was not yet aligned with the digital economy. We needed to establish a single global sales pipeline with a common sales process and tools to more effectively qualify and shape client opportunities. We needed greater visibility into revenue opportunities to better inform our talent decisions (hiring, training, staffing). We also needed to improve the accuracy of our revenue forecasts and boost collaboration to improve decision-making.

Our revenue growth investments included a comprehensive sales and marketing automation platform built on Salesforce.com. This cloud-based platform increased collaboration and pipeline visibility, driving an increase in win rates of 1,400 basis points in the first 12 months after implementation. Our 30% improvement in visibility into early-stage opportunities enabled better decisions on training and recruiting, which increased service agility and led to more closed deals. Finally, our revenue forecast accuracy improved, with a 35% decrease in manual adjustments to revenue forecasts needed to align and manage market expectations.
Attributes of Customer Relevance

While the relative importance of the following factors will vary by industry, we believe these are the notable attributes of customer relevance for both B2B and B2C industries:

- **Community**: “There are others I identify with that I can easily connect with through a variety of different media.”
- **Wow me!**: This is an unexpected experience that heightens connection and emotional response.
- **Connection/visibility to the buying process**: Customers need access to the process and related information about the experience/transaction, with the ability to change it at any point.
- **Fashionable/hip**: There is a feeling that this brand is what the “cool kids” are up to.
- **Personalized**: The experience feels tailored without being obtrusive or creepy.
- **Price/cost**: The brand provides the most value for the time and money spent.
- **Ease/speed**: Every aspect of the interaction is natural and requires less than the expected effort to execute.
- **Completeness of offer and choice**: The experience provides the most utility for the desired transaction or experience, with pleasant surprises of unexpected but useful things.
- **Predictability/availability**: At the most basic level, there is consistency of performance that is provided through the user’s chosen channels.
- **Risk reduction/avoidance**: The user has confidence that the process or experience will go as expected regardless of circumstances or channel.
Customer relevance: Foundation of growth

It happens every day: A company that had appeared to be doing well, whose customers said they were satisfied and would recommend it to others, disappears seemingly overnight. What happened? At the most basic level, these organizations ceased to be relevant — to provide value — to their customers. Shutting down is the ultimate penalty paid by businesses that lose sight of what their customers want and need today and tomorrow.

But here’s the rub: Relevance is not assessed merely at a single point in time or at one destination; it’s an ongoing journey that requires continuous attention, which means frequent evaluation. High customer-satisfaction scores are necessary but not sufficient when evaluating customer relevance. Companies should never grow complacent about the value they bring to their clients.

Knowing more about individuals and businesses — and acting upon that knowledge — is changing how organizations adapt to customers’ desires. The trick is to learn from customers’ Code Halos1 — or “digital footprints”2 — that surround their every digital interaction and transaction, and use that knowledge to seize opportunities to generate greater customer value.

Code Halos provide powerful clues that point to how customers spend their time and what they value. Providing offerings that intersect at customer touchpoints, proverbially “meeting customers where they are,” goes far toward assuring relevance. Of course, you’ll have to continually watch and interact, as relevance does not sustain itself. But leveraging data and Code Halo thinking opens the door to a conversation about how to spark revenue growth.

As part of our sales and marketing optimization initiative, our own examination of customer Code Halos led us to shift from traditional IT services to a more agile and digital focus backed by cloud infrastructure.

Any such discussion must start with an evaluation of the company’s performance on customer relevance, along with identification of the market segmentation, channel strategy and value proposition that ensure a company’s products or services possess and maintain customer relevance.

According to a Harvard Business Review research report,3 many organizations are already pursuing basic customer relevance activities, including maintaining a social media presence, defining product/service value propositions and providing customer feedback to the sales, marketing and customer service organizations. More advanced activities (including social media and Web analytics integrated with sales, marketing and service) are still the province of the few “best-in-class” companies, but should be more widely adopted, according to the report authors.
The study identifies a number of digital technologies that are critical to delivering an exceptional customer experience, including analytics, social media, mobile apps, e-commerce websites, search engine optimization (SEO), interactive voice response (IVR) systems and surveys. But customer relationship management (CRM) systems are at the heart of customer experience, and therefore customer relevance, according to the report.

Not surprisingly, according to the HBR report, barriers to delivering customer experience fall into the categories of systems/data (such as systems integration and problems with data quality) and people/organizational (such as cultural resistance and siloed groups).

Nurturing and assessing customer relevance is an ongoing exercise, not something confined to a point in time. Especially today, customers are notoriously fickle, viewing even their favorite brands through the skeptical lens of “What have you done for me lately?” The ability to drive customer relevance should be the foremost criterion in technology purchase decisions. This is especially true for technologies that automate sales, marketing and service, which enable the key capabilities of revenue growth transformation.

Customer relevance drives the key capabilities of customer experience, sales effectiveness, marketing effectiveness, service effectiveness, and transformational leadership and enablement (see Figure 2, next page). (The last capability, leadership and enablement, is the execution phase that comes after the rest of the work discussed in this paper.)

Customers are notoriously fickle, viewing even their favorite brands through the skeptical lens of “What have you done for me lately?” The ability to drive customer relevance should be the foremost criterion in technology purchase decisions.
Sales, marketing & service effectiveness: key capabilities

Sales Effectiveness
Sales effectiveness is a measure of the ability of a company’s sales professionals to "win" at each stage of the buying process, and for the organization to be able to monitor key metrics and accurately forecast revenues.

Requirements for sales effectiveness include:

- Holistic framework able to align and change along with client priorities.
- Ability to have an end-to-end documented sales process that is known, manageable and flexible according to client needs.
- Ability to manage opportunities.
- Pipeline management that is documented, manageable and quantifiable.
- Sales training, including performance management and coaching.
- Account planning.

Marketing Effectiveness
Maximizing spend to achieve the highest levels of market awareness and demand generation. To capture and use market insights to influence the direction of products/services, or how the organization targets and addresses customer buying habits.

Service Effectiveness
Increasing customer satisfaction throughout the customer lifecycle and ensuring customers have a good experience is a critical component of revenue generation and CLV.

Customer Relevance
The market strategies, segmentation, channel strategy and value proposition which ensures that a company’s products or services have customer relevance.

Customer Experience
The product of interactions between an organization and a customer over the duration of their relationship across traditional and digital touchpoints.

Transformation Leadership & Enablement
The capability to translate strategy into action and deliver strategic business outcomes as a result.

Figure 2

Revenue growth transformation requirements
It’s not simply about having a relevant offering for your customer, or selling effectively, or marketing effectively, or being able to execute on transformation in the organization. All of these components need to be integrated for success in revenue growth.
Marketing effectiveness

Marketing effectiveness is about your company’s ability to condition the market and generate top-of-funnel demand aligned to growth initiatives — new products, new segments, up- and cross-selling, for example. Additionally, alignment with growth initiatives helps govern marketing investments and instills accountability for pipeline contributions.

The objective is for prospects and customers to engage with your company and convert quickly. Effectiveness turns on being able to “cut through the noise” in the marketplace by sharing with prospects and customers relevant knowledge/ideas/messages mounted on engaging, high-touch and seamless digital experiences.

Requirements for marketing effectiveness include:

- A lead-management process that identifies, qualifies and routes marketing leads.
- A marketing demand-generation process able to engage and convert prospects.
- Ability to do end-to-end campaign strategy planning and execution.
- Ability to do content management/digital asset management.
- Ability to engage with multichannel audiences.

Service effectiveness

A business can increase predictable and sustainable revenue growth by expertly managing customer care throughout the customer lifecycle (CLC). Service in support of customer care should be coordinated and integrated across key processes such as customer evaluation and decision, transaction, onboarding, retention and expansion.

The primary focus of service effectiveness is increased customer satisfaction. High customer satisfaction drives benefits including:

- Improved positive conversion rates during critical customer touchpoints.
- Reduction in customer churn.
- Increased opportunity for client expansion (revenue attainment through cross-selling and up-selling).

Cost reduction is another important goal of service effectiveness. Industry data suggests that the costs to deliver world-class service are rising, cutting into the service organization’s profitability. Designing proper operating processes, support tools and governance policies is critical in realizing profitable — efficient and effective — customer care services.
Requirements for service effectiveness include:

- Processes and analytics required to sense and measure customer satisfaction scores and comments.
- Clear omnichannel strategy and supporting 360-degree customer view (history) and insights (patterns) that will improve the quality of customer interactions.
- Processes and tools that enable A+ service management, including what is needed for effective client interaction (e.g., call-handling, web, etc.) and case management (resolution).
- Enhanced performance management/training and coaching to improve service levels and utilization.
- Seamless ability to integrate customer feedback into other relevant company functions, including marketing, sales, product management and engineering.

**Driving tangible revenue growth in tangible ways**

We have helped a number of organizations — large and small, across multiple industries — refurbish their sales and marketing platforms and processes, enabling growth in revenue along with increased efficiencies. (See the Quick Takes on the following pages for several examples.)
Venerable UK Bank’s Investment in Mobile App for Brokers Pays Off in Increased Business

Brokers play a crucial role in the UK financial services industry. They are constantly pressed for time and want fast access to resources to boost their mortgage business and realize customers’ dreams. A leading UK bank was facing challenges in communicating with its more than 16,000 brokers. Its brokers had to log on to multiple systems with different passwords, and core tasks could be done only via phone. Brokers’ inability to readily access information hampered their ability to do their jobs. When the business began to lag behind its competition, it became apparent that a user-friendly, one-stop broker digital platform was essential to collaborate seamlessly with lenders and relationship managers.

We quickly designed a mobile community platform with a single sign-on and an intuitive design to make life easier for the brokers. The app enabled brokers to access mortgage resources and application status on the go, view new products, schedule tasks, confirm commissions and access knowledge articles. Collaboration between brokers and relationship managers was greatly enhanced.

The broker community has resoundingly shown its approval of the app, rewarding the bank with a 20% increase in business. In addition, the brokers’ net promoter score has improved significantly, establishing the company as the preferred bank for brokers when dealing with their customers.
Quick Take

Insurance Company Gains Competitive Edge Thanks to Innovative Customer Portal

A leading insurance provider’s business was suffering as disparate CRM systems and disconnected manual processes created issues with data quality and obstructed visibility into its client/broker business. The lack of a cross-channel customer interface affected the overall brand and customer retention. Lacking a unified platform to support its new retail market, it managed its business through a third-party environment. The unavailability of a consistent customer touchpoint resulted in the loss of new business leads and rising overhead. To boost its ability to compete in a tough market, the company sought to provide users with easy data access, self-service capabilities and an enhanced customer experience.

We designed a rich, intuitive collaboration community portal for the insurance company. The twin goals: to improve its bottom line by reducing support costs as well as its top line via greater market and mindshare. The automation of processes and direct availability of call center reports and dashboards greatly improved operational efficiency and data quality. Users are now able to access a wealth of data via self-service, which has boosted agent productivity. The exceptional customer experience and customer-broker collaboration is now a major competitive differentiator for the insurer.

As a result of this implementation, the company’s sales revenues grew an impressive 15%, with a corresponding 12% savings in support costs. Other results achieved include a 40% improvement in customer data quality and a 20% reduction in service resolution turnaround time. Not surprisingly, customer satisfaction scores increased — one more important metric of project success.
Bank Uses Deeper Insight into Customer Wealth Profiles to Create More Engaging Experiences

A major U.S. bank came for help because it was not providing excellent experiences for its customers, as evidenced by a low conversion rate and long sales cycles. Productivity was low. Staff had only limited access to customers’ household-level financial and book-of-business information.

Worse, there were quality problems with client data. Wealth managers had to access multiple systems to get an accurate picture of clients’ financial information. The lack of collaboration among relationship managers and financial account teams meant sales cycles were long and the bank was missing opportunities.

The bank embarked on a transformation journey to leverage Salesforce Financial Services Cloud to streamline its sales and client engagement processes focused on personal wealth advisory services. The program enabled relationship managers to offer personalized wealth management services to customers through comprehensive sales tools that yielded critical insights on customers, households and book of business.

Program benefits are expected to include:

- Optimized sales process with improved sales team productivity.
- Insight-driven personalized wealth management planning that engages clients.
- Improved sales conversion rates and sales cycle times.
- Improved visibility to household and portfolio.
- Real-time collaboration between relationship managers and financial account teams.
Charting your revenue growth journey: where to begin

When considering your organization’s path to revenue growth, start by examining your organization’s customer relevance. Then, ask if you are satisfied with the business outcomes you are experiencing from your marketing, sales and customer service efforts.

Specifically, are you achieving:

- Demonstrable revenue growth?
- Competition in the right markets for the right value?
- Relevant client value propositions?
- Competitive win rates?
- Satisfactory rates of cross-selling and up-selling?
- Growth in deal size?
- Improved deal velocity?
- Robust customer loyalty?

If you answered “no” to some, most or all of these questions, you may want to assess the quality of your underlying capabilities. Note that problems might not be limited to one isolated capability area; there may be a combination of factors leading to disappointing results. These problems may be the outcome of siloed processes, poor implementation or the growing complexity of your business over time. With multiple functions and stakeholders involved, adoption problems can compromise overall effectiveness, even when the underlying organization, processes and technology are sound.

We have developed a suite of assessment tools and workshops to enable our clients to accelerate the diagnosis of their revenue growth challenges. Our front-office diagnostics enable us to understand your current-state maturity and to identify improvement potential. The technical implementation and adoption assessments review your technical deployment before, during and after implementation for issues such as inefficient instances of software platforms, user adoption rates and barriers to adoption. By partnering with a company that has done this many times, you can apply learnings from other industries that unlock your potential for growth.
Endnotes


About the author

Tim Pare
AVP, Cognizant Consulting

Tim Pare is an AVP within Cognizant Consulting, focused on digital strategy. He has more than 30 years of experience delivering transformation initiatives in multiple industry sectors. For the last three years, Tim has led the sales and marketing renovation program within Cognizant, developing and deploying new sales and marketing capabilities globally, powered by Salesforce.com’s Sales Cloud and Pardot marketing automation services. He can be reached at Tim.Pare@cognizant.com | www.linkedin.com/in/timpare/.

Acknowledgments

The authors would like to thank the following for their valuable contributions to this white paper: Jeff Zwier, Senior Manager Consulting, Digital Strategy, Cognizant; Arturo Pena, Senior Director, Field Marketing, Cognizant; and Sherwin Uretsky, Managing Partner, Revenue Architects.
About Cognizant Sales, Marketing Service Transformation

Cognizant’s Sales, Marketing and Service Transformation offering is aimed at addressing the issues that result in declining revenue growth rates and decreasing customer retention. By applying a holistic business value framework, we can diagnose and identify core problems that are inhibiting growth or slowing necessary transformation. Because sales, marketing and service are the main functions that drive customer interactions, Cognizant’s Sales, Marketing and Service offering provides a long-term vision combined with definitive next actions to ensure program success. For more information, please contact TK.

About Cognizant

Cognizant (Nasdaq-100: CTSH) is one of the world’s leading professional services companies, transforming clients’ business, operating and technology models for the digital era. Our unique industry-based, consultative approach helps clients envision, build and run more innovative and efficient businesses. Headquartered in the U.S., Cognizant is ranked 195 on the Fortune 500 and is consistently listed among the most admired companies in the world. Learn how Cognizant helps clients lead with digital at www.cognizant.com or follow us @Cognizant.