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FROM ASPIRATION TO ACTION:

Part 3: Connecting segment strategies to capabilities.



Changes in B2B customer buying behaviors and advancements in digital tools have turned customer experience (CX) into a potent competitive advantage that B2B sellers can wield. Today's B2B buyers expect sellers to provide cohesive, relevant, easy and timely experiences—and they'll part with those who don't.

B2B organizations like yours can no longer compete solely on the merits of their products or prices. Nor can your commercial teams (i.e., marketing, sales, commerce, pricing, product and service) merely improve their separate "slices" of CX.

Why? Because as a B2B seller you can't deliver truly cohesive experiences without gaining cohesion yourself. That means rethinking the traditional linear customer journey, with its sequence of handoffs from one commercial team to the next. It means breaking down silos to encircle the customer with a collective purpose. In this article, we look at how to connect and embed your segment strategies (offers and target experiences) into key capabilities within each commercial function.

Translate CX strategies into capabilities. And win in B2B.

Picture this: You've gathered your B2B commercial teams to align everyone on aspirations and customer experience strategies for distinct segments. Your marketers are brimming with enthusiasm. Your sales and service representatives are bubbling with ideas. Commerce, product and pricing teams are fully onboard too. Now let's fast-forward to when everyone is back in their daily routines. Are they implementing what they learned? If not, ask yourself: Have you equipped your teams with the capabilities they need to *deliver distinct offers and experiences to different customer segments?*

Many companies talk big about "putting the customer first" but falter when it comes to turning this vision into reality. Brilliant strategies won't make a ripple if they aren't

embedded in the systems and tools your commercial teams have at their fingertips.

In the previous installment of our series on customer centricity in B2B, we explored how to craft segment-specific strategies that revolve around customers' behaviors and needs (rather than around generic classification factors). Now it's time to get into the realities of weaving those segment strategies into day-to-day tools and systems.

Making commercial capabilities more capable.

Translating segmentation strategies into actions doesn't always mean adding new capabilities. Instead, it may involve reconfiguring existing ones to give commercial

This article is part of a six-part series on a new operational framework that helps B2B organizations hard-wire customer centricity throughout their commercial operating models.

Part 1: Introduction: Compete in B2B through customer centricity.

Part 2: Shaping strategy around behavior-based customer segments.

Part 3: Connecting segment strategies to capabilities.

Part 4: Evolving your commercial operating model.

Part 5: Measuring and optimizing CX.

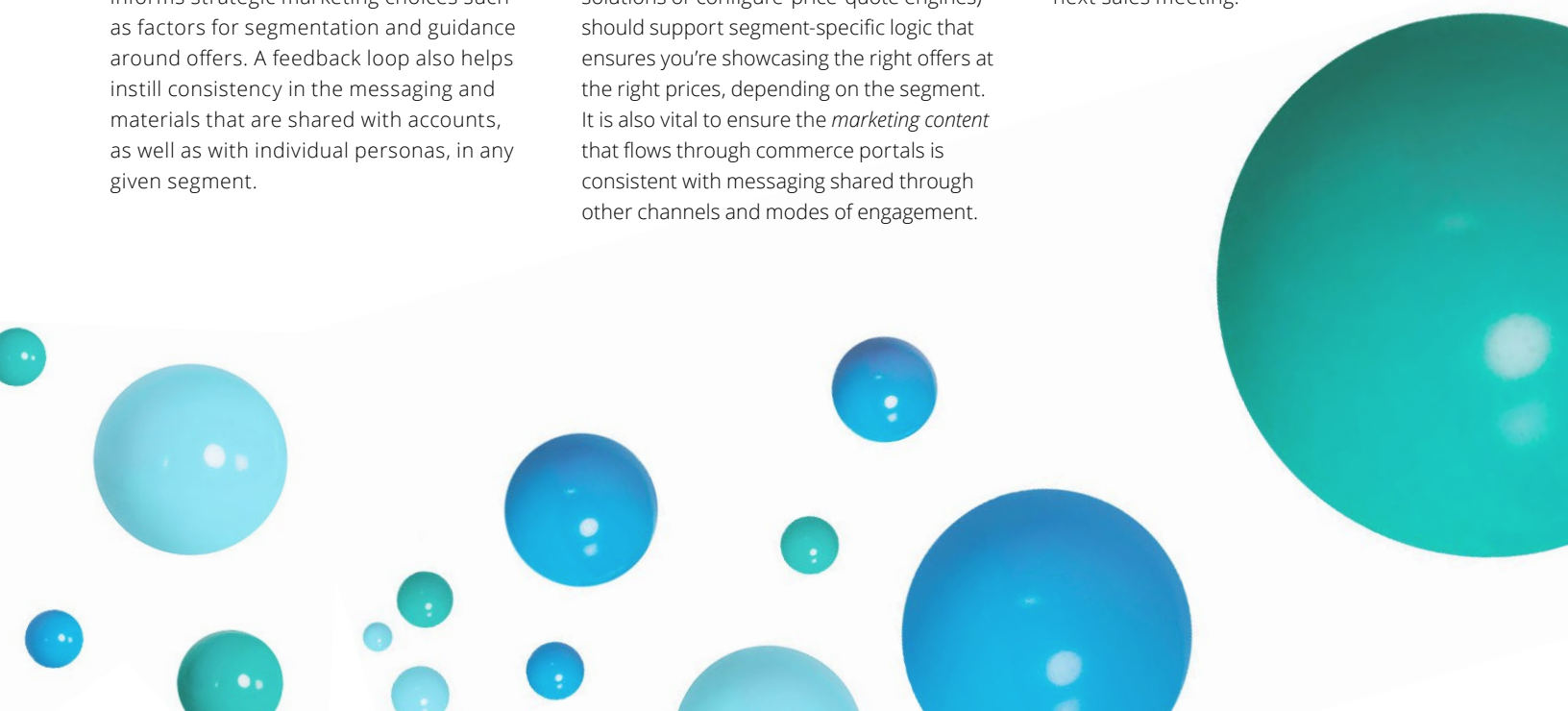
Part 6: Empowering your channel partners.

teams clear guidance on how and when to engage customers in each segment, and to systematically connect choices made in one capability to those made in others. Recent Deloitte research shows that nearly three in four B2B organizations are increasing spend on systems and tools to enhance customer experience.¹ If you're among this majority, it's time to get more value from your investment.

First, identify the capabilities your teams utilize and consider what refinements will help better cater to key segments. Then think through how the outputs from each commercial team will need to automatically flow into other teams' capabilities. Strategies executed on paper alone are likely doomed to last only as long as the attention span or motivation of those driving the effort.

Here are a few examples within each commercial function and as an integrated whole:

- **Marketing:** Adapt your *campaign and content management tools* to align with the characteristics, needs and wants of customers in each segment, as well as to the nature of your offers and value proposition to that segment. By leveraging market sensing and automated rules, for instance, you can tailor communications by segment, so that you're sending case studies on innovation to the customers who care about product co-creation, while sending price alerts to cost-oriented customers. It's important to systematically collect data through a feedback loop that informs strategic marketing choices such as factors for segmentation and guidance around offers. A feedback loop also helps instill consistency in the messaging and materials that are shared with accounts, as well as with individual personas, in any given segment.
- **Sales:** Systematically feed customer experience strategies for each segment into *account management tools*, so that sales reps have a starting point to help inform how they might nurture and grow the accounts, based on lessons learned from other customers in that segment who buy and behave in similar ways. Sales tools that are connected with *offer management solutions* empower your sales team to shape leads into opportunities that are consistent with segment-specific strategies and guidance. This connection should help sales stay aligned with the customer and company priorities of each segment, with impact measured by metrics that go beyond revenue, such as profitability potential (e.g., cost to serve) or self-service potential (e.g., for a price-conscious segment).
- **Service:** Connect customer service systems with *offer management, sales and order management systems* to help service reps execute orders efficiently and accurately, in alignment with segment-specific offers and commitments and with consistency across channels of interaction. *Case management and ticketing systems* can be configured to flag issues with customers in high-priority segments and to respond in a segment-appropriate manner. This is crucial to ensuring that experiences and/or service levels are consistent with each segment's strategy.
- **Commerce:** Customize *commerce portals* to reflect the priorities and target experiences for each customer segment—based on their behaviors and not just their industries, size or geography. Back-end tools (such as cloud solutions or configure-price-quote engines) should support segment-specific logic that ensures you're showcasing the right offers at the right prices, depending on the segment. It is also vital to ensure the *marketing content* that flows through commerce portals is consistent with messaging shared through other channels and modes of engagement.
- **Product:** Enable *product management tools* to readily capture and organize ideas for new features, enhancements or concepts based on segment-specific requirements, feedback and market research. The definition of "product" should also evolve beyond traditional goods to include services and solutions that enhance experience and create value for customers. Product / offer managers also need tools that provide visibility into the offers being proposed to customers and how those offers evolve through negotiation and final contracts. This will help inform future offers that better reflect the needs of customers in that segment.
- **Pricing:** Integrate *price setting and price execution capabilities* with analytics to identify the value of customer experience for different segments. By leveraging this information, you can be confident that you're capturing—through higher pricing, greater volumes, longer contracts, etc.—the value that you're creating for each segment without layering on costs for experiences that a segment doesn't prioritize.
- **Integrated whole:** By consistently embedding segment strategies in your capabilities and creating a feedback loop, you can capture and disseminate insights gleaned in one commercial function across other commercial functions. For instance, if downloads of a particular research paper are ticking up for customers in one of your segments, your sales team can come prepared with the right know-how for the next sales meeting.



People change. Your segments, strategies and capabilities should too.

B2B segmentation is dynamic. As you gain deeper insights into your customers' behaviors and as those behaviors naturally evolve over time, it will be essential to refine your customer segments. These refined segments will then drive new business strategies and offerings that must be reflected across your commercial capabilities.

This evolution of your segments, strategies and offers will naturally evolve as shifts occur and are observed in the data. Your customers feel seen and recognized in the differentiated offers and experiences you deliver (as those changes will reflect what's important to them)—and they reward you with stronger loyalty, more robust purchase levels and greater willingness to pay

for products, services and experiences they truly value.

Navigating change at this pace with disconnected analytics, paper strategies and offers, and manual execution can bring any organization to its knees, trying to manage the complexity. Artificial intelligence (AI), automation and other responsive systems and platforms are essential to continually informing your commercial capabilities—and making them as dynamic as your customers' behaviors and preferences.

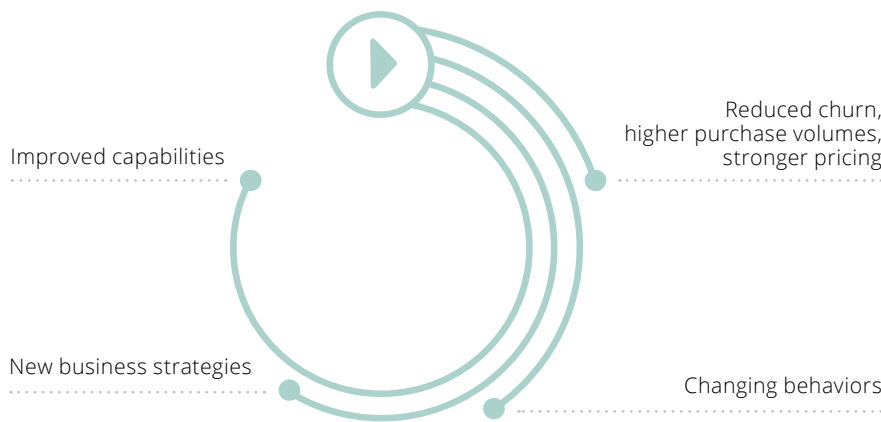
In the next installment of this series, we'll look at how to reinforce customer-centric strategies and capabilities by evolving your commercial operating model to foster greater collaboration *between* commercial functions.



Questions to ask yourself:

- What systems and tools are critical to each of your commercial teams?
- How clearly are your segment-specific strategy choices embedded in the teams' capabilities?
- How can you encode and automate differentiated offers and experiences for your key customer segments?

Ongoing refinement of segments & offerings



Sources

1. Deloitte Digital, *New research on B2B CX: Drive strong relationships and revenues through the new B2B*, February 2022, offering-20230214-b2b-cx-charticle.pdf (deloitte.com). (Note: The data cited here reflects an average spending increase by all sellers; the published report separates front-runners from laggards.)

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