

Beyond Advocacy

**THE UNTAPPED POTENTIAL OF**

# **CUSTOMER MARKETING**

# Introduction

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The role of customer marketing is to market **to** and **with** your customers.

While it may be a recognizable title, the function is not clearly defined. In fact, according to the Customer Marketing Alliance, less than 3% of customer marketers said their role is fully understood by their company. One reason is because the scope of the role varies widely between organizations.

Many programs can be described as marketing **to** and **with** customers, so these responsibilities are often owned by other teams like Customer Success, Support, or Enablement.

It's easier, and more efficient, marketing to customers than it is to non-customers, yet customer marketing tends to take a backseat compared to some top-of-funnel programs. Jared Smith, former CMO at a16z, says customer marketing often gets reduced to "building nurture sequences for customers, and it has to be much more than that."

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# Background

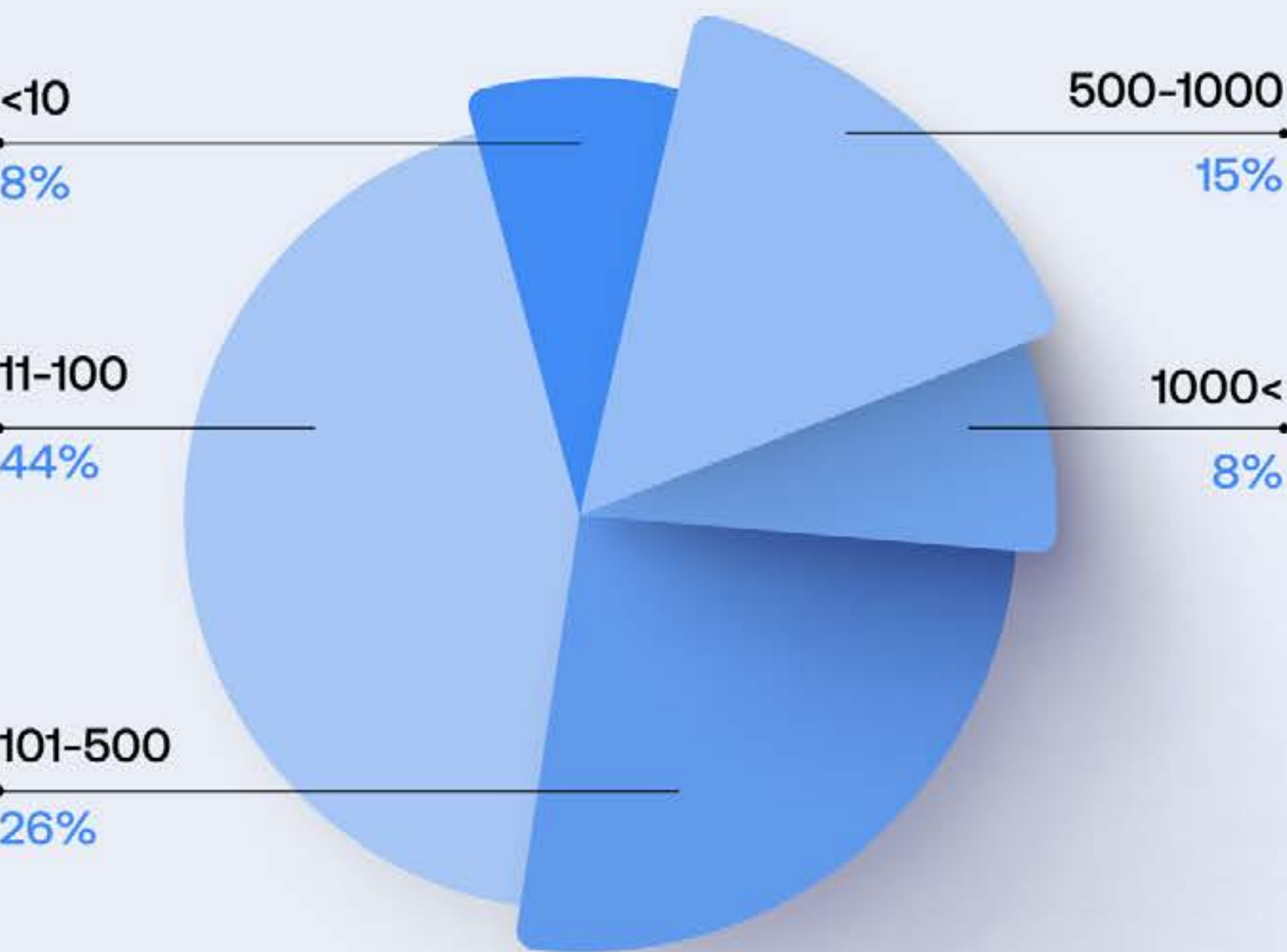
### Focused questions:

- *Why is customer marketing seen as a channel for generating case studies and testimonials, but not as a revenue driver?*
- *Can customer marketers easily access customer data to run strategic campaigns?*
- *Is customer marketing seen as secondary compared to demand generation? If so, why?*

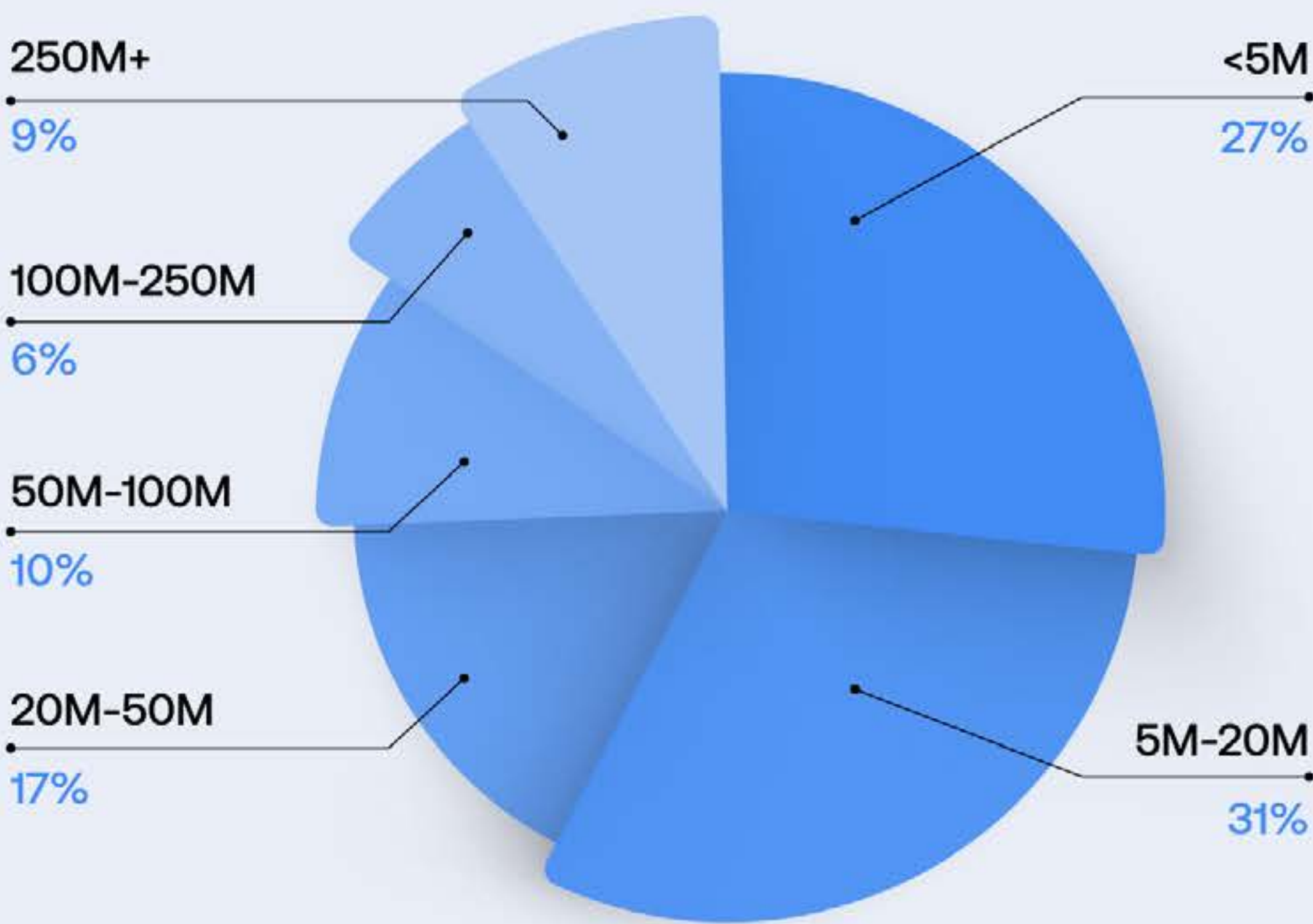
### About the survey respondents

Over the past few months, we set out to get answers to these questions. We surveyed hundreds of customer-facing professionals in modern B2B companies, interviewed a dozen senior marketing executives, analyzed research, and studied what people were saying online.

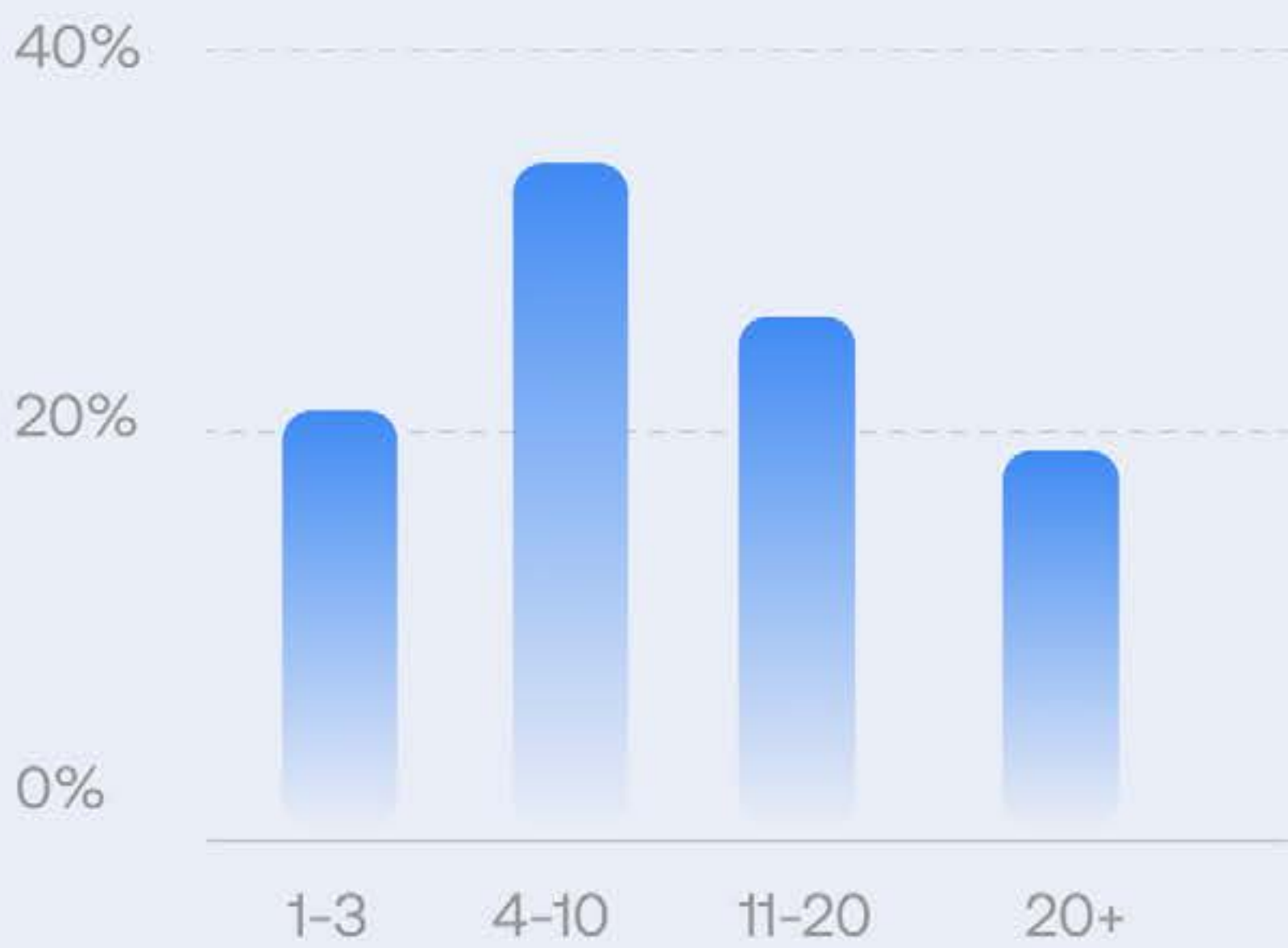
Company Size



Company Revenue



Size of Customer Success Team



Size of Customer Marketing Team



*Marketing has been so focused on pipeline and CS teams aren't getting what they need. There has to be a transformational change.*

Anthony Kennada, CEO, AudiencePlus



# Current State

First, let's look at the current state of customer marketing - how do they work with other team members, how are they impacted by external environmental factors, and how do they fit within the larger organization.

## Ownership

The lines of ownership are blurry, and depend on the stage and maturity of the organization.

### Summary

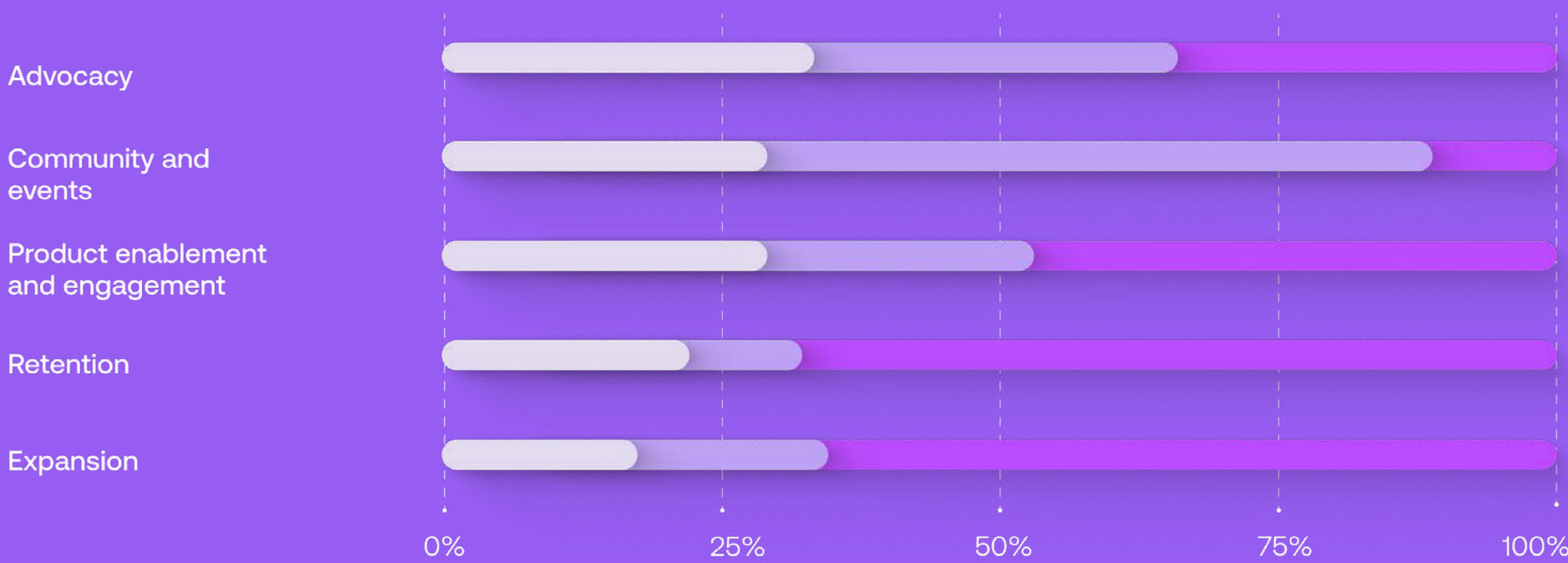
In general, retention, expansion, and product enablement responsibilities lean on customer success teams. Community engagement and events are often collaborative, but typically managed by customer marketing. The responsibility for advocacy, however, remains ambiguous and can vary widely across different organizations.

### Highlight stats

- In smaller businesses, Advocacy initiatives are equally shared **50/50** between customer marketing and customer success
- **5%** of CS teams in mid-larger enterprises are responsible for community and events, from **20%** in smaller businesses
- **40%** of customer marketers are responsible for product engagement and enablement in mid-larger enterprises

### Shared Responsibilities

Shared Customer Marketing Customer Success



*When is the right time to hire a customer marketer? It's two things. First, it's the stage of the company. For Series C and beyond or when you get north of \$20M ARR, you need a dedicated customer marketer. The second thing is event-based, when you start having churn, say around 83 percent renewal.*

Lisa Kalscheur, CMO, CareRev

## The economy

In a down economy, the old adage reigns supreme, retaining and growing customers costs much less than acquiring new ones. And when acquisition budgets get cut, and goals remain the same, turning inwards, towards your customer base is a natural pivot.



*The customers you have today might be your lifeline to tomorrow, and you need to double down on that.*

Kyle Lacy, CMO, Jellyfish

## An organizational objective

Our Chief Customer Officer, Chris Regester, often says, "customer success is not a department, it is an organizational objective."

### Summary

Customer growth is what drives the recurring economy, so cohesive, go-to-market alignment between teams is table stakes. Each team taking initiative for meaningful contributions means you have a shot at customer success.



*There is crossover with community development, customer education, and enablement. We are all turning into one team that supports the customer, whether that's from marketing all the way to CS.*

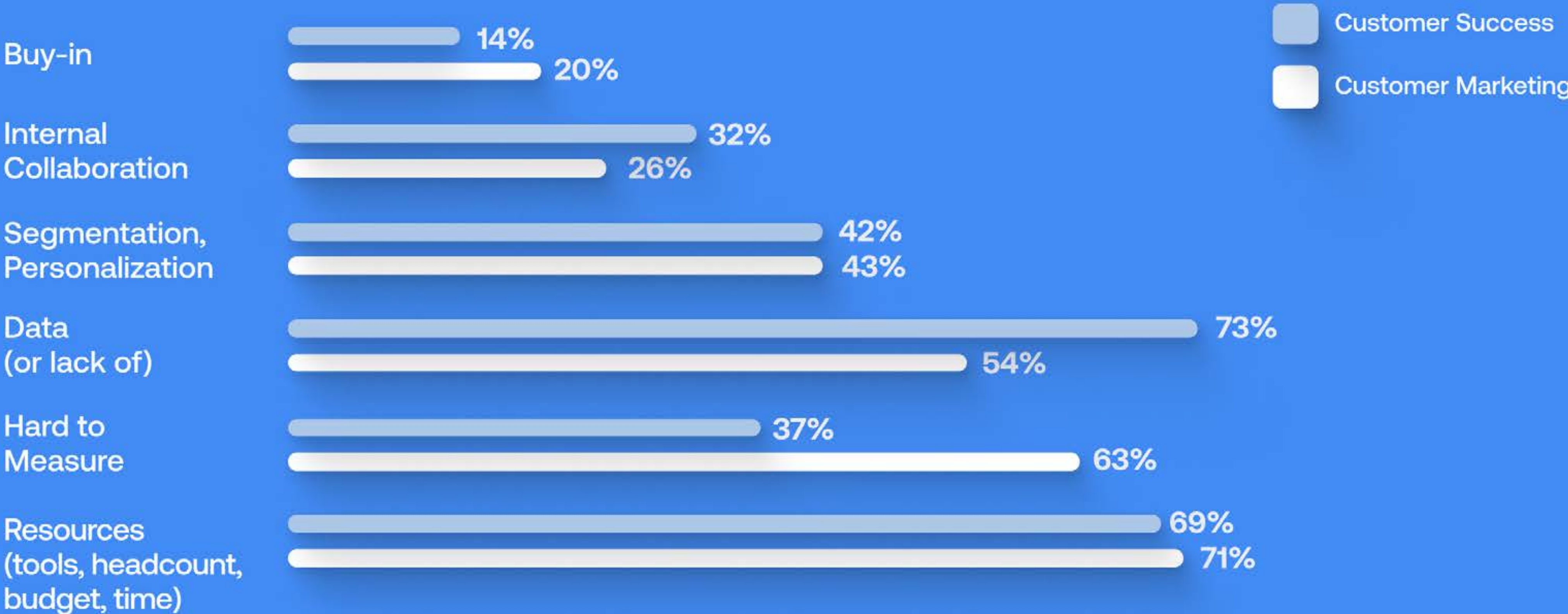
Kyle Lacy, CMO, Jellyfish



# Challenges

Resources, attribution, data access, and alignment around goals are some of the main challenges teams face while running customer campaigns.

## Top challenges when running customer campaigns



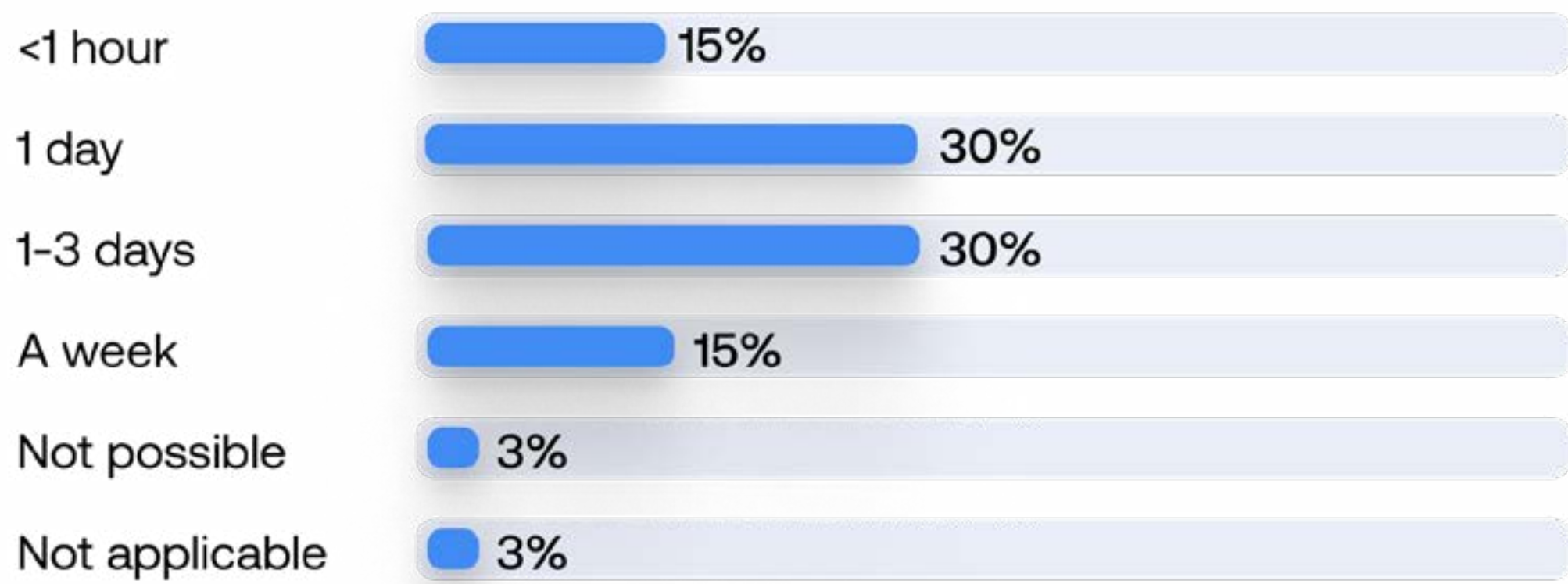
## Resources

An expected shortage of resources was called out, both with team members and tools. When it comes to tech stack, customer marketers are having to use their CRM or a manual method to execute customer campaigns.

Highlight

2/3  
of customer marketers use manual methods to run campaigns

### Time to acquire data (Customer Marketers)



Tech stack is where most efficiencies come from. We asked our survey respondents how long it would take to pull together a curated invite list for a customer dinner, including four key filters: high **ARR**, declining **product usage**, upcoming **renewal** within 6 months, and executive sponsor in **location**. The lionshare of customer marketer respondents claimed it would take them between one full day to one week to pull that list.

## Data

Customer data - for both targeting the right customers as well as measuring contributions to outcomes - is often siloed, unavailable, or difficult to obtain.

### Summary

Access to data creates a massive headache for teams needing to target customers with the right message at the right time. This seems to be a persistent challenge in organizations, regardless of size. In fact, obtaining data, or using data in the most effective way actually proves to be more of a challenge in larger organizations.

### Highlight stats

- 60% of customer marketers need to ask another team to acquire the right data
- 75% say it would take between one day and one week to acquire the data to run a segmented campaign

### Data as a top challenge



## Attribution

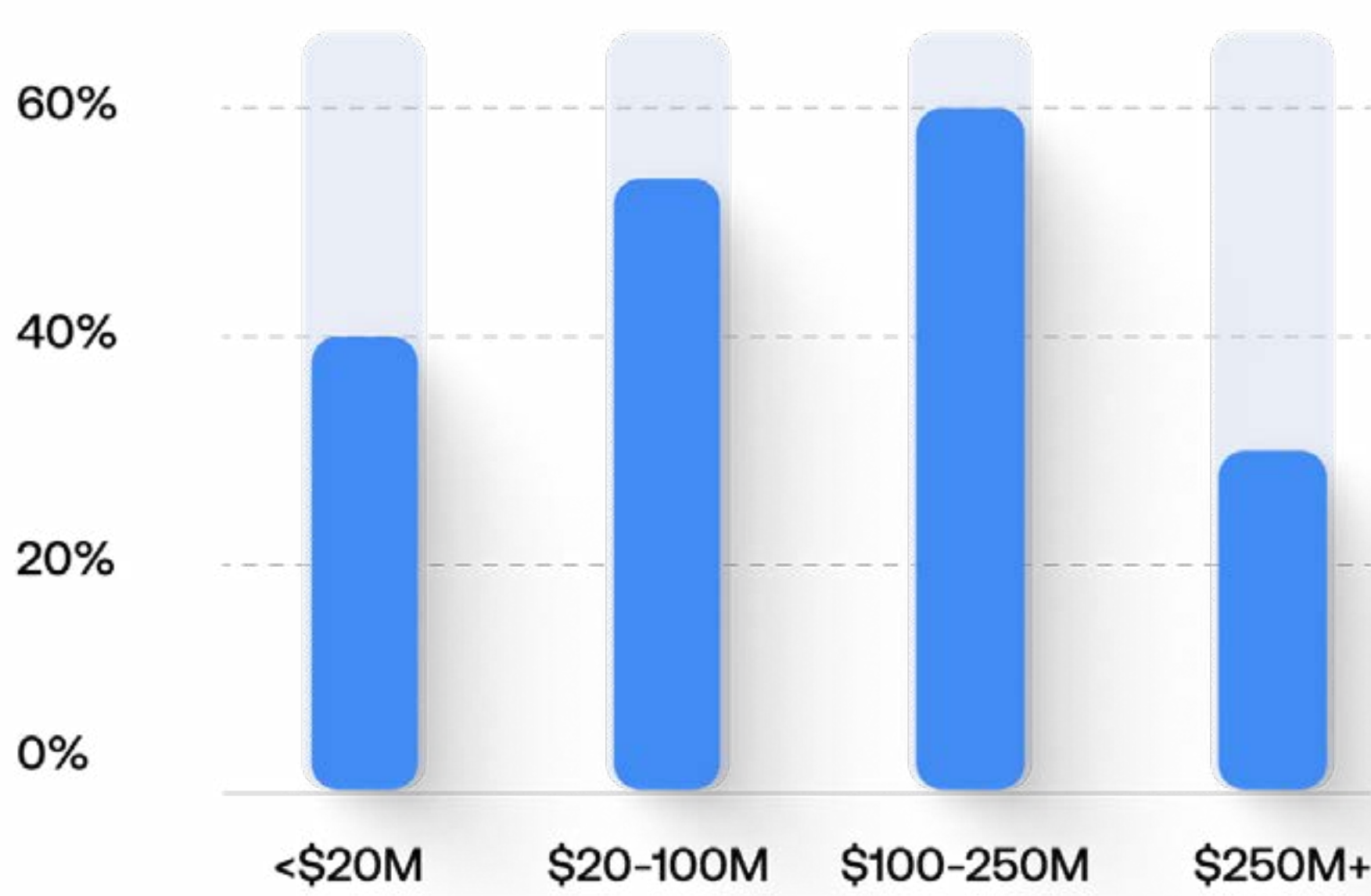
63% of customer marketers point to attribution as their biggest hurdle.

This creates a cycle where customer marketers aren't involved in revenue-generating campaigns, whereas top of funnel and demand generation campaigns are easier to measure, and therefore focus on.

### Summary

As companies scale from <\$20M to \$250M+ the problem increases and then significantly drops off as a challenge once companies reach \$250M+.

### Attribution as a top challenge



Marketing suffers from the streetlight effect, because we can measure source. We tend to value source, because it's under the light of what's measurable. Sometimes you have to do the things that you can't put a number on. With customer marketing, who's the source? They're a customer, so are we going to claim that we're the source of this demand? That doesn't really pass the sniff test.

Joe Chernov, CMO, Pendo

## Goals & KPIs

Only 19% of customer marketers are measured on revenue metrics. The remainder being measured on advocacy initiatives and input activities like case studies.

### Summary

A gap in shared goals prevents teams from working in unison to achieve customer success as an organizational objective.

Customer success, on the other hand, is mostly measured on revenue metrics. This creates a discrepancy between unified go-to-market strategies. As Alexie Glover, owner of customer marketing consultancy Frank Advocacy, put it, "When metrics are not complementary - why would CS help marketing? With layoffs, they aren't measured on advocacy anymore, so they're not focused on cross-functional collaboration."



# Opportunities

Despite there being challenges, embracing modern strategies and technologies allow us to make better use of the resources we have at hand.

## New technologies

Modern technologies, particularly Customer Success Platforms (CSPs), are changing the way customer marketers and customer-facing teams operate.

### Summary

*Bottom line, these technologies provide scale through automations, customized workflows, and centralized, reliable data. This offers time and space for teams to provide more value and an optimal customer experience.*

### How?

- *Centralized access to customer data*
- *Time savings through automations and workflows*
- *Insight into the customer throughout the various stages of their lifecycle*
- *Attribution and outcome measurement*
- *Understanding customers within a specific context*

## Joint GTM Ownership

Firstly, the responsibility of the marketing department must extend to influencing pipeline and supporting revenue generation through expansion and retention opportunities.

Establishing a unified approach amongst the go-to-market team requires shared ownership of a core set of metrics. Aligning various individuals, perspectives, goals, and metrics may present its challenges, but in the long run, promotes a stronger customer experience and better outcomes for the company.

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***Alignment is half the job. We are all turning into one team that supports the customer, from marketing all the way to CS. It's turning into one go-to-market motion.***

**Kyle Lacy, CMO, Jellyfish**

# Summary

Today, personalization isn't just nice to have; it's a must. But how do you tailor experiences for each customer on a massive scale? Data-driven customer marketing programs weave together efforts from Customer Success, Sales, Product Development, and Support to truly put the customer first.

Not only does this enable a more personalized customer experience, but it also drives scalability, advocacy, and revenue growth, providing substantial value beyond mere transactions.



*CMOs need to figure out ways to impact adoption, expansion, usage, all of these things that we have outsourced to our friends in customer success.*

**Anthony Kennada**, CEO, AudiencePlus

*Get the most out of your customer marketing efforts.*

Connect with us

## References and Citations

Thank you to those who offered their time through interviews, completing surveys, and to other industry experts that helped us understand and define what customer marketing is today.

Special mention to the marketing executives who provided insights backed by their impressive tenures in the function.

Additional research throughout this report was provided by the Customer Marketing Alliance in their 2023/24 Customer Marketing Report.