Optimize Your Customer Interactions

From the first hello to nurturing the long-term relationship, how to manage customer interactions

Customers have always been the backbone of businesses, but finding ways to make them feel engaged with brands, goods and services in an ever-fragmented environment has taken on new importance in the digital age. An up-and-coming approach to connecting with consumers in deeper ways is referred to as Customer Success Management and it is carried out by individuals or teams with various titles that may include Customer Success Managers or Client Advocates.

In 2018, LinkedIn identified CSM as one of the fastest-growing fields within technology and other sales-related industries in the US and Europe.

But what exactly is CSM and how does it differ from typical customer service initiatives? The ultimate goal of CSM is to optimize interaction between the company and customers. In an effort to ensure clients using a particular product are as successful as possible, the Customer Success team actively oversees all elements of the customer relationship. Long-term, strategic and professionally executed, CSM incorporates the functions of sales, marketing, training and support into one novel profession.

The objective of CS is a focus on not only customer acquisition, but also on retention and expansion.

Mikael Blaisdell, executive director of the Customer Success Association, remarks, “No one can be an expert in everything that they do and no one has the time to build all of those skill sets themselves. We need trusted advisors that can help us to appropriately focus on precisely what we need when we are faced with making decisions in areas we don’t know well. That is the role of the Customer Success Manager.”
CSM SKILLS AND TRAITS

CSM professionals reach out to customers proactively to ensure they aren’t experiencing any product issues. Educating customers on best practices, providing guidance and even implementing training on effective product usage are all duties of the position.

Due to the large amounts of engagement, it is necessary for CSMs to possess superb communication, organization and analytical skills. CSMs are the voice of authority and to establish credibility, they must have domain expertise. Unlike support personnel, who assist customers as problems arise, CSMs attempt to prevent problems from ever occurring.

As Blaisdell points out, “The CSM needs to know the products of the company they represent and to be fully competent in their use to accomplish business outcomes. A customer support professional can tell you how a product works. The Customer Success Manager advises you on how to use it to gain increased profitability and productivity in your business.” A preemptive approach from an intrinsically motivated, empathetic, solutions-focused customer advocate is what businesses are seeking in the role.

Demand for CSMs is mounting as many firms are adding jobs to address the growing access to customer data, the increasing complexity of products and the reduced amount of time clients have to “figure it out” on their own. As much as CSMs need to possess product knowledge, it is equally imperative they know the customers of their company. The ability to effectively communicate, with the understanding of how to speak to customers in their language, is of vast importance. Customer Support Management takes the investment of time and energy into studying people, their businesses and their priorities. Inquisitiveness, with a dedication to service and learning, are essential attributes for CSMs.

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The Changing Role of the CEO

With the onset of CSM, the traditional role of the CEO is evolving. It is now essential for CEOs to actively recruit a CS leader, delegate core business tasks and, in some cases, bestow a C-level title to this individual. The Customer Success strategy must be adopted company-wide and that begins with the CEO taking personal ownership of the approach. As The University of Alabama’s Hochstein notes, “Most CEOs were already customer-centric; CSM just ‘personifies’ this strategy. In the past, CEOs had to rely on a disparate set of employees to all manage aspects of customer relationships, but now CSMs handle most of these relationships and become the ‘face of the firm,’ or ‘one single contact’ that customers associate with the selling firm. For CEOs, CSMs allow faster delivery of the company’s vision and offerings to a trusting customer base.”

When Customer Success is strategically approached, it has the power to reinvent the way businesses handle sales, marketing, product development and other functions. Entire company transformations can occur when the CEO connects all involved stakeholders through Customer Success. The CEO is more effective, as the CSM team is able to provide pertinent customer knowledge that they were not previously privy to. More efficient decision-making can occur at the C-level regarding the company and its future. Mikael Blaisdell of the Customer Success Association adds, “By increasing the retention and expansion of stable revenue streams from the customer base, the CSM group builds a more reliable and predictable platform for long-term growth of the company.”

REAL-WORLD APPLICATION OF CSM

The day-to-day activities of a CSM or team will vary depending on the industry and current client environment.

“CSMs regularly engage with customers of a B2B firm to communicate value, to make it an easy choice for customers to renew contracts and find new ways to use a seller’s products,” said Dr. Bryan Hochstein, an assistant professor of Marketing at The University of Alabama. “However, CSMs do not directly sell; they are proactive managers of the firm’s relationships that develop trust with clients because they add value and do not ask for direct sales outcomes. This is a new strategy in business.”

From researching what customers are doing with products, to meeting with clients in order to foster an ongoing relationship, to discovering new ways to increase customer profitability, daily activities differ for CSMs. No matter what duty is being performed, the mission of acting as the customer advocate remains constant.

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CSMs are tasked with fully engaging customers by ensuring they are receiving the value they expect. An ongoing function is to collect, analyze and use data to make sure the customer has an overall seamless, dependable experience with the company. CSMs use technology-driven metrics to identify the features that will assist their customers most. A full explanation of benefits and applications for the customer may also help CSMs encourage upgrades to new products or plans.

Blaisdell points out, “Underlying all of these activities, however, there is a basic mission: to increase sustainable, proven value for both the customers and the company.”
CAREER ADVANCEMENT WITH CSM

While it is possible to dive directly into Customer Success, most individuals tend to hail from a technical or customer support background. Sales reps who are motivated by establishing long-term relationships with customers, while utilizing their strong sales foundation, tend to be a good fit for CSM.

There are excellent opportunities for advancement within CSM, as the field is fairly new. According to LinkedIn, the average salary for CSMs is approximately $80,000. Professionals who excel in the Customer Success realm are positioned to climb the ladder quickly, even into executive positions. Depending on the size of the company and Customer Success department, the career trajectory could include team leader, manager, director and VP of CS. However, unlike the conventional sales or marketing progression path, Customer Success isn't as structured. With the rate at which the industry is evolving, there isn’t necessarily a common career path. The takeaway is that the demand for qualified individuals is high and opportunity for upward mobility is immense.

The University of Alabama: MS IN MARKETING PROGRAM

The University of Alabama offers an online MS in Marketing program with specialization in Marketing Analytics. As a front-runner in higher education, part of the Marketing Analytics coursework includes a class devoted specifically to Customer Management Success — only one of two of its kind in the United States.

Dr. Bryan Hochstein, Assistant Professor of Marketing at The University of Alabama, states, “One unique aspect of UA's offering is the connection to CSM businesses that are spread across the world. The ability to use virtual technology has allowed the class to include guest speakers from as far as Europe to help in the teaching of the course.” The hope is to partner directly with firms to develop a research and education initiative focused on the science behind CSM delivery. With the increase in Customer Success positions becoming available across the globe, The University of Alabama is uniquely situated with their MS in Marketing online degree.

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