



New Research Finds Most CMOs Not Satisfied with Customer Retention

The CMO Club and Signal study reveals the tide is turning toward a customer-first mindset

Sydney, Australia. – April 26, 2017 – According to a new CMO Solution Guide released today by The CMO Club in partnership with Signal, CMOs are prioritising customer acquisition efforts despite an urgent need to engage and retain the customers they work so hard to win. Marketing leaders also understand that to deliver experiences that will build loyalty and prevent churn, they must be able to identify and engage customers with contextual relevance across all touchpoints.

The guide, “Why Customer Identity Matters for Great Customer Experiences,” is based on a survey of 61 marketing executives, heads of marketing and CMOs. The CMO Club in partnership with Signal also conducted interviews with marketing leaders from major brands including Gap, MetLife, Payless ShoeSource, Princes Cruise Lines, Turner, American Express and Cirque du Soleil.

The research found that loyalty, retention, and churn weigh heavily on today’s marketing leaders. The majority of CMOs say they are unsatisfied with customer retention rates (61%), customer lifetime value (58%) and Net Promoter Scores (53%). Despite that, most aren’t doing enough to decrease churn and capture increased consumer wallet share: 44% of CMOs say that they spend 30-50% of their budgets on retention and loyalty, while another 33% spend only 10-30% of their budgets on existing customers. However, interviews with marketing leaders suggest the tide is turning.

“In a highly competitive landscape, retention is more important than ever. Not only are loyal customers a brand’s strongest advocates, but retention drives compelling business outcomes. To increase loyalty, marketing must be as sophisticated as consumers, who shop across all channels and interact however they want, at every stage of the journey,” said Ellen Junger, Chief Customer and Marketing Officer, Payless ShoeSource.

According to the research, CMOs realise that the key to delighting customers with positive, relationship-building experiences is truly knowing customers across touchpoints and time. Respondents rank customer identity data as the most important asset for delivering a tailored experience. Integrating identity data – which is often siloed across tools, platforms and vendors – into a single customer view was also ranked by respondents as most critical to delivering relevant experiences.

“One of the top conversations at CMO Club Dinners is the fact that consumers today are faced with so many choices that loyalty and retention can be challenging for marketers to foster,” said Pete Krainik, CEO & Founder, The CMO Club. “Consumers can be very fickle, and while CMOs might not be satisfied with where they are at in retaining customers, acquisition is sometimes easier to tackle. This study reveals that CMOs increasingly realise that retention is the path to business success, and the tools to help them deliver great, loyalty-building experiences do exist, with customer identity as the underlying layer to fuel it.”

Most respondents do not yet have the technology in place to harness the power of identity. Only 33% say they have integrated disparate platforms to create holistic customer profiles. Additionally, just 25% can combine historical data and real-time customer context across platforms, and a mere 19% say they are able to identify the customer across all touchpoints.

“The fate of brands lies in the marketers’ ability to identify customers – their wants, needs and place in the buyer’s journey – and reach them with contextual relevance at all critical marketing moments. In the age of the customer, when loyalty is critical and churn is a costly risk, the brands left standing will be those that prioritise identity across the enterprise. With identity, marketers gain control, flexibility, and knowledge from a strategic foundation that can power all experiences,” said Mike Sands, CEO, Signal.

Interview respondents reported that organisational issues are one of the biggest challenges in tackling customer identity. Creating a customer-first mindset, aligning with the CIO, and creating internal focus groups are among the steps marketing leaders are taking to overcome organisational barriers.

To read the complete CMO Solution Guide, “Why Customer Identity Matters for Great Customer Experiences,” visit [here](#). CMO Club members can download this report at: [The CMO Club Solutions Clubhouse](#)

About CMO Club

The CMO Club is the world's most engaged and inspired community of Senior Marketing Executives who help each other solve their biggest challenges within a candid, trusted and sharing environment. Collaboration fueled by inspiring events and within the members-only Digital Solutions Clubhouse raises the standard for what is required to be a successful Chief Marketing Officer. With more than 850 members, The CMO Club is the go-to center for today's Senior Marketer for peer-based personal and career success support. For more details, please visit www.thecmoclub.com

About Signal

Signal is the first and only Customer Identity Solution for the enterprise. Signal's platform offers an independent identity solution for brands that transforms the customer experience by connecting an always-active profile to customer engagements across all human, physical, and digital touchpoints.

Today, Signal's technology runs on more than 45,000 digital properties in 158 countries. The platform facilitates billions of data requests monthly, supporting top brands around the world that generate more than \$1.5 trillion in commerce, including Allstate, Audi, Crate & Barrel, GAP, JetBlue Airways, 1-800-Flowers.com, Starcom MediaVest Group, Starwood Hotels and Resorts, and many more.

Signal has been recognized with numerous awards and honors, including being named one of the fastest growing companies on the 2015 and 2016 Inc. 500 lists. Visit www.signal.co to learn more and follow Signal on LinkedIn, YouTube and Twitter.

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