Transforming to an Insights-Driven Company

Bloomfire

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Becoming an Insights-Driven Company

Customer experience has overtaken both price and product as a key brand differentiator.[1] Good customer service has become table stakes: consumers now expect positive, consistent experiences across all brand channels. Consumers increasingly expect brands to take a proactive approach to the customer experience, from delivering tailored shopping and content recommendations to delighting them with unexpected offers via their preferred channel. In fact, 80% of customers say they are more loyal to brands that demonstrate a strong understanding of them and what they're looking for, while 60% report frustration with brands' inability to meet their needs.[2]

Whether you sell to businesses, consumers, or both, understanding the behaviors and buying habits of your customers gives your organization the ability to make strategic business decisions and stay on the bleeding edge of industry innovation. That's where a market research or insights function comes in.

Insights-driven companies transform customer or consumer data into insights and make those insights accessible and actionable across the organization. This ultimately allows organizations to make smart decisions informed by customer insights and proactively deliver great customer experiences.

Becoming insights-driven pays off in big ways for businesses. According to Forrester, mature insights-driven organizations are 2.8 times more likely to report double digit year over year growth and 1.6 times more likely to report that using analytics has increased their revenue than their less advanced peers.[3]

However, despite the significant benefits of collecting and analyzing customer insights, many businesses don't employ successful strategies to turn their insights into action. In fact, only 49% of business decisions are based on the analysis of data and information, relying on the personal opinion of the internal decision maker instead.[4]

If the benefits of being an insights-driven company are obvious, why are so few businesses making insights-driven decisions? There are four common reasons that businesses struggle to integrate customer insights into their strategic decision-making.

1. Departmental Silos

If you have insights functions that have built up over the years embedded within your lines of business (LOBs), you may face the hurdle of departmental silos. No matter how good each of your insights teams is at influencing decisions within their respective LOB, it is common to lose sight of the bigger picture.

Mature insights-driven companies are 2.8 times more likely to report double digit year over year growth.

Forrester Research

About 55% of companies are still operating with siloed information and knowledge today, with each department making its own decisions without considering decisions at a company-wide level.[5] Often, the result of these silos is that the company lacks a holistic view of the customer. This kind of information segmentation can lead to non-strategic and disjointed decision making, which directly impacts the customer experience.

2. Fragmented Technology

Chances are if your siloed teams aren't collaborating, they are also relying on separate tools and technology. Many organizations struggle with legacy intranet sites that require complex levels of permission and that are difficult to navigate and search. These are typically coupled with layers of other tools, also attempting to centralize insights and customer information.

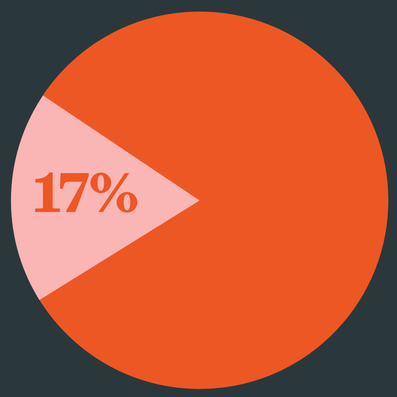
In fact, only 17% of companies have fully integrated their customer data across all areas of the organization.[6] Knowledge silos restrict company-wide innovationby creating pockets of information within departments. They also create systems of data and information in one area of the business that are incompatible with other department's systems of data.

3. Misinterpretation of Data

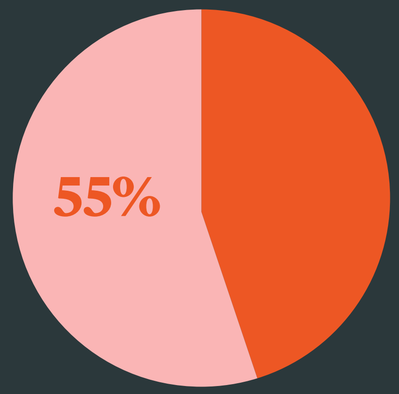
Misunderstanding customer insights is another detrimental problem for a company trying to become more insights-driven.

To distribute reports, many companies rely on dated intranet sites that contain lists of files—with no context or summaries and no easy way to search for specific findings. In other cases, business and operational teams are given access to folders and expected to hunt for information. If they are reviewing reports with no additional context or guidance, there is the added risk that they are misinterpreting the findings.

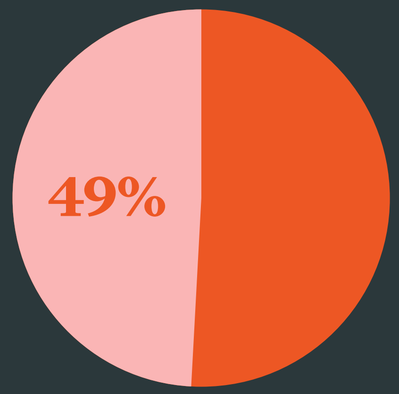
Companies Fully Integrated With Their Customer Data Across All Areas Of The Organization



Business Decisions Based On Analysis Of Data And Information



Companies Still Operating With Siloed Information And Knowledge Today



As teams become increasingly distributed and the need to access research on demand increases, your insights distribution also needs to adapt so stakeholders can easily find, understand, and act on the most important takeaways.

4. Knowledge Hoarding

For some companies, it's not only a lack of tools and organization but also a corporate culture that doesn't promote information sharing. To unlock the full potential of customer insights and to make strategic business decisions, it is crucial that businesses create a shift in corporate culture—to a culture that promotes knowledge engagement.

Insights teams must think strategically about how to expand the reach of their research beyond the line managers who commissioned it. Additionally, decision-makers across the organization should be encouraged to ask questions and participate in conversations about research findings. This will help get a dialogue flowing and keep stakeholders engaged with insights.

Time for a Change

Positioning customer insights at the forefront of your business, and empowering your workers to make better decisions based on those insights, is vital to being a successful customer-centric company. By arming internal stakeholders with the knowledge and data they need to make informed decisions, your company can streamline processes, improve product offerings, develop highly targeted messaging, and gain new advantages over competitors.

Insights-driven companies are growing at an average of more than 30% annually and are twice as likely as their peers to be leaders in customer loyalty, according to Forrester Research.[7] This shows the importance of developing strategies that place insights at the center of your organization. The good news is that companies taking the initiative are reaping the benefits. In fact, businesses with the strongest cultures of insights-centricity were twice as likely to have significantly succeeded their business goals in the past year as their less mature peers.[8]

It's a critical time for organizations to re-evaluate their insights strategy to derive more value from their investment. Best-in-class companies are re-thinking not only the importance they place on insights, but also the tools, processes, and culture that play a part in creating an insights-driven company.

Eliminating Knowledge Silos

To have a greater impact on organizational decisions, organizations need to shift the way they turn insights into actionable decision-making. 95% of executives want customer data to be more fully considered when making major business decisions. Despite this, only 40% report doing so within their company.[9] At a time when consumer behaviors, mindsets, and needs are rapidly shifting, market research and consumer insights are more important than ever.

To take full advantage of your customer research, you need to eliminate knowledge and technology silos within the business. But how is this possible when you have insights teams embedded within LOBs, possibly spread across multiple regions?

Leading companies are looking toward cloud-based insights and knowledge management platforms—sometimes also referred to as research libraries—to manage their insights. These platforms help to unify research teams by providing a common location for sharing files, context about the information in them, and embedded data sources for a centralized insights knowledge hub. And this can all be done without having to reorganize the team's structure.

Centralizing Insights

An insights platform allows an insights team to share reports, presentations, customer interviews, and other market research materials throughout the entire company. They can easily package those materials to include a summary of information, any important statistics found in that report, and recommended actions for different stakeholder groups. Stakeholders from other departments and teams can then comment or ask questions in response to the content. If, for example, an insights group published a new report on customers' perceptions of a rebranded website, a UX leader could add follow-up questions to the report's post, and the insights teams could answer the questions or use them as a starting point for future research initiatives.

Employing a system that allows for context and two-way conversations surrounding the shared information gives that data a deeper meaning and reduces the risk of misinterpretation. This can create a shift in a business-wide strategy that leads to more customer-centric decisions within the company.

95% Executives who want customer data considered when making major business decisions

40% Actual number of executives using customer data to make decisions

61% of companies feel that to achieve their strategic goals they must collaborate more effectively across functions.

Preventing Duplicate Research

In organizations with insights teams distributed across different lines of business, there's a risk that teams will duplicate one another's research efforts or purchase the same secondary research because they don't know what is available across the organization. By housing all research in an insights platform, insights teams can engage with all available research and eliminate the risk of duplicated work (along with the high cost associated with it).

Powering Collaboration

61% percent of companies feel that to achieve their strategic goals they must collaborate more effectively across functions.[10] However, for teams to successfully collaborate, you need to eliminate the technological and organizational barriers getting in their way.

Insights platforms promote collaboration across teams that might not otherwise communicate and help increase the visibility of existing research. When research is centralized and searchable, its utility goes beyond the team that originally commissioned it. Teams can synthesize research from different sources, helping them uncover new insights and collaborate on innovative ideas. A tangible result of that collaboration is faster decision- making company-wide and a more cohesive customer experience.

Of course, having technology that offers your company contextualized, accessible insights is only a piece of a greater customer insights success puzzle. What must also occur is an organizational culture shift.

Creating Cultural Change

Simply having the right technology is only half the battle. When technology is implemented in a vacuum or bolted onto business-as-usual processes, organizations rarely see the results they anticipate. The most successful companies are transforming their culture around the values of customer centricity and knowledge sharing.

Customer Centricity

Shifting to a customer insights driven culture helps improve not only the day-to-day decision making within teams, but can also lead an overall change in market presence.

Customer centricity isn't just about customer service: it's the entire experience with your brand from awareness to post-purchase. And your insights team plays a critical role in this transformation. Becoming more customer-centric is not something that can be done overnight, and it requires a company-wide effort. One major factor in the creation of silos is the segregation of goals by department. When every department has its own objectives, the sharing of information gets lost. Start by unifying the goals of your immediate team and making sure everyone understands why this change is important.

Creating this cultural shift is proven to be more than beneficial for a company. Organizations that are data and insights-driven are 6% more productive and 5% more profitable than businesses that don't shift to an insights-driven culture.[11]

Knowledge Engagement

The other key cultural ingredient is knowledge engagement. If your teams hoard information on their hard drives, it's time to change that. The shift can be difficult for some companies. To combat this, organizations must ensure members understand how and why the process of accessing and using this knowledge is changing.

Part of change management is creating an environment where everyone understands how the knowledge process is shifting and the positive impact it will have on the company's culture. This type of communication and training helps to ensure employees are bought-in and vested well before the change occurs and prepares them to change the way they operate.

You may see a swift change after implementing a new policy that creates a sense of urgency,

Insights-driven organizations are more profitable and productive than their less mature peers.

but many times these silos can return and the pendulum of organizational culture can swing back. To create a lasting, real change within a company, teams need to feel a responsibility and commitment to the change. The customer insights goals must span beyond an individual's merits and accomplishments. They must be rooted in the framing of the organizational goals that positions customer insights as the best tool to achieve the organization's purpose.

The beginnings of this shift can start with something as small as encouraging the sharing of data — both "hard data" and "soft knowledge" — within the company, and ensuring that everyone has the necessary access to actionable insights.

An Insights-Led Transformation

If this sounds outside of your team's scope, think again. Change can start from any part of an organization. Insights teams are a critical function and can help lead a company culture to become more customer-centric and knowledge sharing-oriented.

A Deloitte study found that the single biggest hurdle to becoming customer-centric is the inability to share customer data across departments.[12] Insights teams have the power to change that. First, start by uniting your insights functions through common goals by breaking down communication and technology barriers. Make sure your teams understand why you're making this change, and then be open to feedback. Once your department is on the same page, have faith in the power of repetition. Giving your stakeholders a unified view of the customer and single source of truth is the first step.

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Real-World Insights-Driven Company: Conagra Brands

Conagra Brands is a consumer packaged goods company with a diverse portfolio of iconic food brands including Marie Callendar's, Hunt's, Slim Jim, Orville Redenbacher's, and Duncan Hines. Their mission is to be the most energized, high-impact culture on food, and they know that achieving this requires a focus on insights

Placing insights at the center of the organization has had a significant impact on the way Conagra's insights-generating teams and stakeholders communicate. Manager of Demand Science Melanie Greben notes that since Conagra adopted Bloomfire, she's seen a decrease in the number of siloed, one-to-one conversations team members have when searching for information. She adds that the risk that someone will access inaccurate or expired content has decreased because team members know the most current content lives in Bloomfire.

"Bloomfire makes us confident that the information our team members are accessing is the most accurate and up-to-date," says Greben.

While Conagra initially started using Bloomfire solely for their insights function, they have expanded the platform to other teams, including research & development, to increase the visibility of their research.

Conagra estimates that their employees are now saving 20-30 minutes each time they search for research. By making insights easily accessible and decreasing the amount of time it takes to find information, Conagra has found that their internal stakeholders have more time to focus on taking action from insights and making well-informed decisions.

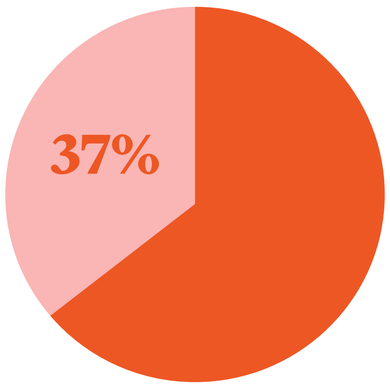
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Takeaways: Maximizing the Value of Insights

Companies now operate in an age where customers are more knowledgeable than ever and expect digital anytime-anywhere service. With a new generation of customers who are savvier about how to interact with businesses comes need for rapid personalization in brand interactions. Customers want to feel heard and important, and it is a positive customer experience that makes a business stand out to their customer base.

On average, the most valuable customer insights only yield 37% of their potential benefits.[13] The goal of an insights-driven company should be that each customer insight research project yields the maximum potential benefit to the company. To maximize the benefit, the first step is helping your business and operational teams find your research and collaborate not only with your team but with each other. As knowledge silos are knocked down, your organizational culture will shift to be more collaboration-focused, empowered, and insights-driven.

Actual vs. Potential Benefits Of The Most Valuable Customer Insights



Bloomfire is the leader in knowledge engagement, delivering an experience that connects teams and individuals with the information they need to do their jobs. Our cloud-based knowledge engagement platform gives people one centralized, searchable place to engage with shared knowledge and grow their organization's collective intelligence. For more information or to schedule a demo, visit www.bloomfire.com.

Resources:

1 https://www.walkerinfo.com/knowledge-center/featured-research-reports/customers-2020-a-progress-report
2 https://www.acquia.com/newsroom/press-releases/personalize-or-else-customers-demand-convenience-recognition
3 https://www.forrester.com/report/Build%20A%20MaturityBased%20Business%20Case%20For%20InsightsDriven%20Investments/-/E-RES139878
4 https://go.forrester.com/blogs/17-01-25-you_need_a_customer_insights_center_of_excellence_get_started_with_what_you_have_now/
5 https://www.strategyand.pwc.com/media/file/Dealing-with-market-disruption.pdf
6 https://marketeer.kapost.com/customer-experience-marketing-stats/
7 https://www.forrester.com/report/InsightsDriven+Businesses+Set+The+Pace+For+Global+Growth/-/E-RES130848
8 https://deloitte.wsj.com/cmo/2019/09/29/data-not-leading-to-insights-culture-may-be-to-blame/
9 https://www.cebglobal.com/blogs/2-mandates-how-market-insights-can-improve-organizational-decisions/
10 https://www.strategyand.pwc.com/media/file/Dealing-with-market-disruption.pdf
11 AcAfee, A., & Brynjolfsson, E. (2012). Big data: The management Revolution. Harvard Business Review. Retrieved from https://hbr.org/2012/10/big-data-the-managementrevolution/ar
12 https://www2.deloitte.com/content/dam/Deloitte/ie/Documents/Strategy/2014_customer_centricity_deloitte_ireland.pdf
13 https://www.cebglobal.com/blogs/2-mandates-how-market-insights-can-improve-organizational-decisions/