



Over the next 3 years, how will the enterprise evolve to meet the greater needs for efficiency, scale and execution?

Social Media Killed The Enterprise Sales Star

Amazon, Facebook and DropBox have inadvertently and irrecoverably broken enterprise software. In a lot of ways, the 1990s were great for technology vendors. You could sell to customers, get paid huge license checks upfront and capture even more services revenue over time. And out of the goodness of your own heart, you might have cared about your customers being successful – but your pocketbook didn't depend on it. No matter what happened, your customers couldn't leave you.

Fast forward to today. As consumers, we have become accustomed to:

- Paying for what we need and getting it when we want it (e.g., Amazon.com). This has led to business models like SaaS, pay-per-transaction, freemium and others where payment is more closely tied to customer value.
- Being understood by the products and services we use (e.g., Facebook) – sometimes a little too much! This has led to B2B companies collecting tremendous amounts of data on their customers.
- Taking the best of what we use at home to work (e.g., DropBox). This has led to IT departments getting more comfortable with users “bringing their own” mobile devices, computers and applications.

The Crossroads

So our business model has shifted, our data model has shifted and our customers' expectations have shifted.

How have we reacted?

- We have become much more adept at “customer acquisition,” using data, analytics and automation and implementing systems like Marketo, Eloqua, Salesforce.com and NetSuite to understand our prospects. We can tell at any time where customers are in our “funnel” and identify how to move them to the next step.
- In addition, we have a Digital Breadcrumb Trail about our customers – from product logs to customer survey responses to social media information to CRM data to help desk tickets to billing records. We leverage this information actively in customer acquisition.
- Yet with all of this, our approach to working with our existing customers remains stuck in the 1990s. We don't use the sophisticated approaches we've come to love in customer acquisition. We don't use all of the data we've collected – it sits in silos. In fact, at best, what we do is throw money and people at the problem, futilely growing Account Management teams in an effort to manually stay on top of our customers. But this approach doesn't scale and we're left with high post-sales costs, unexpected churn and missed up-sell opportunities.

Where Do We Go From Here?

Technology vendors – and B2B companies more broadly – are recognizing that it's not sustainable for your pricing, data and customers to change without changing themselves

As such, B2B companies will evolve in the following ways:

- Traditional Account Management functions will be replaced by a Customer Success orientation that will permeate the company. Instead of calling customers once a year for a renewal, Customer Success strategies will align the company across Services, Sales, Marketing and Product to drive adoption and satisfaction for customers.
- In this vein, companies will invest in technology to integrate the customer Digital Breadcrumb Trail and provide a unified 360-degree view of their customers across what the company knows about the customer (CRM), what the customer is saying about the company (surveys and social media) and what the customer is actually doing (usage, help desk, billing,

etc.)

- Finally, companies will leverage predictive analytics to provide early warning alerts about customers that might be at risk of churning or, on the other extreme, might be good candidates for new services. In this way, companies will move to a “just-in-time” model of customer intervention – from the “just-too-late” model that is so common today.

The 1990s were good while they lasted. But times have changed and we as an industry have to change with the times.

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