Maximizing the Value of Experience Data

Think mobile first.

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The biggest acquisition in martech this year highlights the coming of age of experience data. In November, SAP announced plans to acquire Qualtrics for $8 billion — a mega-deal that would make it the second biggest acquisition for any SaaS company.

This news put the spotlight on experience data, but the reality is, this is not a new idea. The most successful companies have known for a long time that they need to understand the sentiments, attitudes and emotions of their customers in order to succeed. The existence of the market research industry rests on the fact that companies need ongoing feedback from their customers to make the right decisions.

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But what makes the SAP move notable is that it acknowledges in a significant way that operational data alone isn't enough. The stunning price tag of the acquisition validates experience data as a valuable source of insight — perhaps more valuable than people thought before.

This high-profile acquisition should encourage more forward-looking CMOs to invest in experience data in the new year.

Marketing has never been more difficult. Attention spans are short, there's more competition, and there's a lot of noise. The companies that will win are those that can connect emotionally with their customers – and this is insight that can come from experience data.

There are countless martech tools that uncover transactional data, and market research platforms have historically taken a very small percentage of the marketing budget. With experience data getting more attention, it's a good bet this will change in 2019.

If you're investing more in experience data in the new year, here are some things to keep in mind.

1. Put the user experience above all else.

One of the most common ways companies get experience data at scale is through customer surveys. But the survey experience today is, for the most part, broken. Long surveys, clunky UI (especially on mobile) and stodgy language are all contributing to decreasing response rates.

Whether you like it or not, your customer surveys are an extension of your brand. A subpar survey experience not only reflects badly on your company – it also leads to inaccurate data. That's why surveys need to provide a much better respondent experience than they do now. If the industry doesn't improve how it engages with customers, people will refuse to participate in research, which will in turn impact the quality of your data.

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It's time for both insights and marketing professionals to rethink research and how they get experience data. To get

honest insights and feedback, the experience for respondents needs to more closely resemble how people talk to each other. Surveys need to feel less like surveys and should feel more like conversations. Use tools that deliver shorter and more fun experiences to improve the quality of experience data you get from your customers.

2. Engage your customers where they are.

A great majority of surveys today are sent via email. This long-standing approach in research is problematic, and it’s an issue that the insights industry needs to talk about more.

Email is becoming an antiquated way of talking to customers. Almost 300 billion emails are sent everyday. But across all industries, less than 25 percent of emails coming from businesses are opened. Email overload is a real problem

Outside of work, people are rarely on emails. Among Gen Z and younger millennials, this situation is even worse. Many young consumers only use emails to register for accounts on social networks and apps, but don’t open their inbox on a regular basis.

The industry’s over-reliance on email demonstrates the widening gap between how people live their digital lives and how companies conduct research. To get quality insight and hear from a significant number of your customers, you need to reach them where they hang out. Increasingly, people are communicating via social media, texts and messaging apps. These channels are all mobile-first, so your tools and approach should be as well.

3. Commit to ongoing conversations.

To make the most out of experience data, you need to continuously talk to your customers. An ad hoc approach will give you only a snapshot in time of how your customers feel and think. So in the same way that you would continuously use operational data to make decisions, your approach to capturing experience data needs to be ongoing and iterative as well.

Again, the key here is to recalibrate your approach to market research. Rather than thinking of it as surveying your customers, think of it as having ongoing conversations with them.

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Using tools that enable you to do iterative research not only deepens your understanding of your customers, it also ensures that the experience data you get is both relevant and timely. Most crucially, ongoing conversations improves your relationships with your customers. And in the end, isn't that the point of marketing? To improve your relationships with customers?

Conclusion.

For many companies, adding research tools in your martech stack can bring enormous insights, not just for your marketing team, but to any department that needs customer feedback and experience data. But to get the most out of this investment, it's important to be aware of the drawbacks and challenges. Prioritizing the experience of today's mobile-first consumers is imperative to getting more out of this powerful type of data.

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