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Article

Walking in the customers' shoes

Marketing Review St.Gallen

Provided in Cooperation with:

Universität St. Gallen, Institut für Marketing und Customer Insight

Suggested Citation: Walker, Karen; Wortmann, Christoph; Braun, Laura (2018) : Walking in the customers' shoes, Marketing Review St.Gallen, ISSN 1865-7516, Thexis Verlag, St.Gallen, Vol. 35, Iss. 6, pp. 62-66

This Version is available at:

<https://hdl.handle.net/10419/279619>

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Digitalisierung am PoS

Walking in the Customers' Shoes

Karen Walker, CMO at Cisco, helped transforming the company the company from a product-oriented to a customer-oriented company. In the interview she explains which steps were to take and which aspects of a company are affected the most in a transformational process of this kind.

Das Interview führten Christoph Wortmann, M.Sc., und Laura Braun, M.Sc., Wissenschaftliche Mitarbeiter am Institut für Marketing der Universität St. Gallen



Digitization is the talk of the day – how does Cisco differentiate and position itself compared with other tech giants? Do you have specific aspects, which you are taking into consideration when it comes to the German speaking area or Europe?

Digitization is really the next wave of innovation, for companies and for countries, including their citizens. The classic examples of digitally native or digitally born companies are Uber or Airbnb. Digitization has allowed them to build a whole new business model, whether it is transportation or hotels. For industries and customers with both digital and physical assets, the so called “brown field”, digitization is both a challenge and an opportunity.

This is why we work very closely with customers. We have an innovation center here in Switzerland where we bring in customers and co-innovate. We work with them to identify business opportunities and their challenges with digitization, and then we help create solutions. We discuss how digitization changes their business model, their processes and, how it impacts the type of talent they need. We facilitate the process, but the customer is in the driver seat and takes the decisions.

Cisco is a networking company and networks are at the heart of digitization. If you think about the internet and the Internet of Things, networks, and the infrastructure needed, are more important than ever. As a technology company, we provide the secure, intelligent platform for digital business. We provide technologies for collaboration that change the user and employee experience. And we give our customers the choice whether they

want “on premise” solutions (meaning they own the equipment) or if they prefer to have everything in the public cloud or even in a multi-cloud environment. These are our pillars of differentiation and – when you put those together – they make Cisco unique.

Do you have any special relationships or partnerships with other tech companies?

Absolutely. We collaborate with software and Software as a Service (SaaS) companies, such as Salesforce, Oracle, and SAP. We also have a great partnership with Apple where we innovate together to create better and faster experiences on both Cisco’s network and Apple devices. This provides Apple differentiation in the business world.

„We serve the local business, the local Cisco team, and of course the local customers.“

We also have great relationships with Google and Amazon – and all of these partnerships are very important to our strategy.

Do you see differences when it comes to marketing and communication in Europe, Asia or the US? From my experience, Switzerland is not a cloud country – for some reasons, a lot of SMEs here do not like the cloud solution.

We are a global company, but we execute on a country level. Countries have different technology adoption curves and they need different ways of com-

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munication. For example, some countries still like print, such as Switzerland or Germany. While if you go to Korea, everything is on a tablet. However, since Cisco is a 50 billion dollar business and a market leader, we can't have every country talking about Cisco in a different way. We have to tell a consistent and compelling story but we do it through our local teams. Our managing director is based locally, he understands the thinking of Swiss companies and the competitive dynamics. We totally empower the country marketing leader, so that we speak the same global language, but with the respective local dialect. Customer stories are done locally, same for social media. The country marketing

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manager is my “editor in chief” for Switzerland and he can source content globally. That content doesn't have to come from the US. It comes from anywhere and might be used where it fits best, but then he adds a local flair.

So the strategic positioning is done centrally from a marketing perspective, but all execution is done in the countries?

Correct, the execution happens in the single countries. We serve the local business, the local Cisco team, and of course the local customers. We make sure that we do all the listening to shape our strategic positioning. The country teams use maybe two-thirds of the content from the global team and then create unique and local content that is just specific for the local market.

What about marketing campaigns – can countries develop their own campaigns? Or is that against the philosophy of having a consistent global message?

There are certain messages that have to be globally consistent: “who is Cisco”, “what do we stand for”, and “what is our value proposition”. We create and share content around these themes, so that the country teams don't need to invent everything themselves.

Let me give you a few examples: in autumn, we will have a new brand campaign, positioning us and our values as a company. Some of our campaigns are more specific, such as “The Network. Intuitive”-campaign we launched last summer where we told the story of how we have reinvented networking. We launched a great new portfolio and there was so much energy and momentum. In fact, it was the fastest business ramp in the history of our company. Everybody was involved – from global to local.

On top of global campaigns like this, we have our always-on digital campaigns that are real-time and personalized. Switzerland has this. Probably about 95 percent of our campaigns are completely digital. But if the country manager said security (including GDPR) is even more important here, they are fully empowered to run a local security campaign.

If 95 percent of your campaigns are digital, how important are the traditional marketing activities or campaigns? Do you use traditional measures or is your future purely digital?

Occasionally, we use traditional methods, such as advertising in airports. A pretty recent example was during



one of our big signature events, Cisco Live, that was held in Barcelona in January. In that case, as our customers were arriving, from the second they got off the plane, I wanted them to see Cisco. So for that, we did pop-up placements. Whether it is out-of-home or billboards, we do that very selectively, usually in support of a big event or a campaign. However, our focus is digital and here's why: on Cisco.com, we have 11 million unique visitors each month. And because they are leaning in and coming to our website, with their permission, we can derive a lot of information about them. In contrast, I do not know anything about those passengers walking through the airport. I don't know whether they see our ad. Digitally, however, I can learn a lot about them and their preferences.

This sounds like a fundamental shift in marketing execution. How do you orchestrate such a major change?

When we went digital three years ago, there were six levers that we had to pull. The first one was brand. We had to reposition ourselves as an innovative company, connect with our customers in a different way, and send clear messages concerning our vision. The second measure was rewriting all our content. Or as I would explain this to my engineering friends: we had to do a complete rewrite of the code. We had to go to an agile DevOps type of environment versus really long content and make everything very modular. Thirdly, we had to rebuild our marketing technology stack, as I already mentioned. Furthermore, I had to change our Operating Model. When I started, 70 percent of our people were stationed in San Jose, our headquarters. The new Operating Model had to be fast and real-time, to

balance resources between San Jose and the countries. So now we have a global but decentralized model with a lot more empowerment at the country-level. The fifth lever is our set of talent and skills. We hired digital and social natives, as well as data scien-

„We had to think about personas, we had to make our content relevant to each stage of that customer's journey and give them the experience that they were looking for.“

tists for analytics, and technologists for marketing technology. We trained people to be focused on customers and user design, we started to hire journalists, because we needed storytellers. So our talent profile had to be very different from what it was before. And then the sixth lever we had to pull was all about customer insights and customer experience. Business buyers behave a lot like consumers in the digital world. They are doing their own search, a lot of their own discovery, they have already checked you out. There is an equivalent to TripAdvisor in terms of getting a recommendation. So we had to think about personas, we had to make our content relevant to each stage of the customer's journey and give them the experience that they were looking for.

Those were the six major pillars. Honestly, had we known how many things we were taking on simultaneously, I'm not sure if we'd have the

courage to start. But that in a nutshell was our journey.

So there was a shift from a product-focused company towards a customer-focused company, right?

Yes, and it is still an ongoing journey. I think that a lot of high-tech companies are still in that trap of talking about themselves, about their product, their technology or their car or their financial service. Hence, we have to make sure that we walk in the shoes of the customer and think about their interests, and then serve our information in the way that they want to consume it.

However, I think customers – especially when it comes to technology – do not precisely know what kind of solution would be the right one for them.

Yes, it is easier to sell something that is tangible. A great example for a technology trap is that technology companies tend to give strange names to products. We had something called “Cisco Unified Communication Desktop Device”. And it's actually a phone. So if it is a phone, let's call it a phone. Just by simplifying your language and debunking some of the complication, being more native in terms of the language, makes a huge difference for customers to search, learn and discover. They start with that problem of “What am I trying to do?” That is the first step on their journey and therefore it has to be the first step of our journey. If they need a phone, we are going to describe our technology in an easy and understandable way.

Are you moving towards individualized marketing or assistance as well?

Yes, absolutely. Through the technology investment we made, we can now track on Cisco.com where visitors have been on our site, what they look at and what their dwell times are, as well as previous orders and even some additional data.

Are you using this information? And if yes, how? Sometimes, this can be a little bit intimidating.

Absolutely, and I am thrilled that the EU is taking such a strong stand on GDPR. I actually think that it's a good approach to put the power of privacy back with the consumer and then, ultimately, they will give you their information if you add enough value. So, it puts pressure on us to make the experience so great that you want to share your information with us. And if I know more about you, I'm going to make you faster, smarter and I'm going to make it easier for you to buy what you need. Many of the tools that

„What we have found – and we are very lucky – is that our customers are incredibly loyal.“

we use as consumers are transferring across into the business world. And that's where we are headed.

Cisco is often an example for open innovation. Cisco has a big community and you regularly ask the customer for feedback on how you can improve yourselves. Are you also making your customers kind of advocates for Cisco?

There are a couple of ways to answer that question. What we have found – and we are very lucky – is that our customers are incredibly loyal. In fact, we have customers that come to our events and they have tattoos of

„Our community of brand lovers is incredible. It's worth gold to us, and we take their trust very seriously and know we have to earn it every day.“

our logo or they even shaved the Cisco logo into their haircut. That makes me think I probably shouldn't try to change our logo! (laughs) The level of advocacy is just incredible and a valuable asset to our company. However, we need to earn that trust every day. So what we do is ask our customers for insights. An example is Cisco Gateway: we created a digital community, where we ask customers about certain products or engage with them on their questions. This is a great listening tool, but it's also a safe and trusted environment, where customers can exchange their experiences and receive honest answers. And you know the old marketing rule: a customer will listen more to another customer than he or she would to a vendor. Honestly, I was not sure how intensely customers would use it but I was so wrong. They take the time and make the effort as long as they feel that you are listening and will take action. And to us this insight is invaluable and has made Cisco Gateway a

really great success. What happened next was really unusual: customers who had only met digitally now wanted to meet physically at Cisco Live in Barcelona. It is a little bit as if they had been online dating. Therefore in the event we created a special place. If you were part of the community, you could go there and meet the others. This really enriches the whole experience and they just love talking to each other. Our community of brand lovers is incredible. It's worth gold to us, and we take their trust very seriously and know we have to earn it every day. We never take it for granted. Those tattoos ...

I guess you will have to show us a picture! Thank you for your time. It was such a pleasure talking to you. 🚩

Use-Case

Get a glimpse of how the innovative collaboration technologies of Cisco transform the daily work at one of the leading offices for architecture in Switzerland – fsp Architekten AG – and how local content is used to convey a global message.



https://www.cisco.com/c/de_ch/solutions/small-business.html