Essentials in Creating and Managing a Successful Customer Advisory Board Program

Best Practices from Ignite Advisory Group and Adobe

Gavin Nathan, vp client engagement, Ignite Advisory Group
Alison Lutjemeier, sr. manager, customer advisory board, Adobe
Housekeeping

» Slide deck and recording will be made available to all

» Questions/comments welcomed anytime
  • Submit via chat feature

» Q&A at end of webinar
About Pragmatic Marketing

» Experts in technology product management and product marketing

» Specialize in training

» Trained hundreds of thousands of people at thousands of companies since 1993
About the Presenters

**Gavin Nathan**
- Vice president, Client Engagement, Ignite Advisory Group
- Extensive experience designing, managing and facilitating customer advisory boards in US, Europe and Asia
- Consulted on programs at HP, Brocade, Akamai, Dell, Silicon Valley Bank, Adobe, Equifax, FICO

**Alison Lutjemeier**
- Senior Manager, Customer Advisory Board, Adobe
- Oversees the Adobe Digital Marketing Customer Advisory Board
- 8 years experience managing CABs
About Ignite Advisory Group

» Only company worldwide focused exclusively on customer and partner advisory board programs

» Founded 2007, 200 engagements to date

» Provide outsourcing, training, mentorship, best practices, templates for CAB success
Agenda

- Why customer advisory boards?
- 7 steps to a successful customer advisory board
- Best practices from Adobe
- Next steps and Q&A
What is a Customer Advisory Board?

Panel of leaders from key customer organizations who work with host company’s senior leadership team to guide strategy and offerings, and address shared industry challenges.
What Are the Benefits of CABs?

**CEO**
- Mergers and Acquisitions
- Strategic Direction
- New Business and Customer Segments

**VP MARKETING**
- Branding and Positioning
- New Market Segments
- Marketing Spend and Mix
- References
- Thought Leadership

**VP SALES**
- Deep Relationships with Key Accounts
- Increased Revenues
- New Prospects
- Optimized Sales Process

**VP PRODUCT DEVELOPMENT**
- Product Roadmap
- Product Introductions
- Beta Customers

**VP R&D**
- New Product Development
- Innovation Strategy
- Testing and Prototyping

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**Survey Results**

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<th>Category</th>
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<td>24%</td>
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<tr>
<td>Overall Satisfaction Rating</td>
<td>25%</td>
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Tips: Measuring CAB Success

Measuring Program ROI

- Number of ideas accepted and implemented
- External and internal satisfaction
- Engagement rate
- Number of solutions per customer
- Customers who will endorse you
What is an effective CAB?

LEVEL 1: The vendor presents 80% of the time. This is a poorly executed advisory board that has been convened without the necessary research into top-of-mind topics for members, in advance. The vendor is left to do all the talking due to a lack of insight into the board members’ challenges. The vendor struggles to get 12 people to attend a meeting, and members typically delegate attendance to more junior colleagues.

LEVEL 2: The vendor presents 50% of the time. The board has yet to develop trust, member engagement is relatively low, board objectives are not clear and the vendor doesn’t create the platform for in-depth discussion between members and between meetings.

LEVEL 3: The board views the vendor as a partner. The partner presents 20% of the time while board members talk 80% of the time. This represents a well-designed advisory board. The company has selected hot topics that are top of mind for members. The focus is on peer exchange and actionable insights. There is a clear sense of accountability and direction.
Polling Question #1
Polling Question #1

What is the current status of your company’s CAB program? (select best)

» We don’t have a CAB program, but are considering initiating one
» We are starting a CAB program for the first time
» We have an active CAB program
» We are relaunching an existing CAB program
7 steps to a successful Customer Advisory Board
## STEP #1: Allow Enough Planning Time

### Phase I: CAB Design

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### Phase II: Member Recruitment

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### Phase III: Meeting Preparation

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### Phase IV: Post-Meeting Actions

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<td>Meeting summary and action items report</td>
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<td>Sub committees / webinars / strategy calls</td>
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Tips: Designing and Recruiting

Challenges in Designing and Running a CAB
- Ensure that stakeholders are on the same page and there is executive support
- Sufficient budget in place

Recruiting and Onboarding Members
- Create an online nomination form with your criteria
- Evaluate open seats on an ongoing basis
- Work with the stakeholders on nominees and interview them for fit
- Invite via click-to-accept contract and include necessary terms of participation
  - Confidentiality
  - Ownership
  - Participation requirements
  - Two-year term
- Welcome packet and meeting appointments
### STEP #2: Develop a CAB Scorecard

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Measures</th>
<th>Results To Date</th>
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<tbody>
<tr>
<td><strong>Sales</strong></td>
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</tr>
<tr>
<td>Customer Referrals</td>
<td>Gather 1 referral per CAB member at each quarterly meeting</td>
<td>12 referrals, leading to 3 new sales</td>
</tr>
<tr>
<td>Prospects Database</td>
<td>Increase prospects in sales database by 10% by identifying new target markets</td>
<td>Sales prospect database grown by 6%</td>
</tr>
<tr>
<td>Average Customer Spend</td>
<td>Increase average spend by 15% among CAB members by better understanding their unmet needs</td>
<td>16% increase in CAB member Account Values</td>
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<tr>
<td><strong>Marketing</strong></td>
<td></td>
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<tr>
<td>Success Story Press Releases</td>
<td>Gain agreement from 10 customers on joint press releases</td>
<td>7 joint press releases finalized</td>
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<tr>
<td>Event Scheduling</td>
<td>Synchronize marketing budget with 5 events being attended by CAB members</td>
<td>4 events</td>
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<tr>
<td>Customer Speaking Opportunities</td>
<td>Gain agreement from 3 CAB members to speak at Customer Conference</td>
<td>3 speakers</td>
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<tr>
<td><strong>Customer Loyalty</strong></td>
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<tr>
<td>Customer Retention outside of CAB</td>
<td>Identified through CAB for 10% overall implementing practices</td>
<td>100% achievement</td>
</tr>
<tr>
<td>Customer Retention within CAB</td>
<td>Secure annual contract renewals from all CAB members</td>
<td>100% achievement</td>
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<tr>
<td><strong>Innovation</strong></td>
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<tr>
<td>New Product Development</td>
<td>Create one new product concept to meet the CAB's largest unmet need annually</td>
<td>100% achieved</td>
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<tr>
<td>Innovation Strategy</td>
<td>Align R&amp;D investment with industry trends identified by CAB</td>
<td>50% in alignment</td>
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<tr>
<td>Testing &amp; Prototyping</td>
<td>Commitment from CAB to help prototype and beta test all New Product Developments</td>
<td>80% achieved</td>
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<tr>
<td><strong>Market Intelligence</strong></td>
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<tr>
<td>Identify Top Competitors</td>
<td>Identify top competitors who are approaching CAB members and understand their strategies</td>
<td>Target met</td>
</tr>
<tr>
<td>Identify our unique market differentiation</td>
<td>Gather top 5 reasons why companies buy from us</td>
<td>Target met</td>
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**Total Business Value**
STEP #3: Align Internal CAB Stakeholders

- **Executive Sponsors**
  - Provides high level direction, key areas of focus and an executive face to the program
  - Quarterly alignment calls

- **Steering Committee**

- **Subject Matter Experts**

- **Program Manager**
  - Responsible for design, development and communication of CAB
  - Weekly meetings

- **Functional leads responsible for driving forward advisory board recommendations**
  - Quarterly alignment calls

For content development and working on agreed action items

- Meetings as needed to build agenda and execute deliverables
STEP #4: Create a Compelling Agenda

- Overall theme for CAB
- Gather key topics from Internal stakeholders and subject matter experts
- Create interview discussion guide
- Individual member interviews
- Produce summary of each interview
- Executive report with key insights and top topics
- Draft agenda for content workshop with SMEs
- Onboarding pack for members

CAB Members

PRAGMATIClive

Webinar Series
Tips: Meeting Creation

» In-person and Remote Meetings
  • Meet 1x a year in-person in each geography
    ▶ Keynote then break into track for each solution
  • Calls 3x a year via Connect, video and online Innovation Games

» Meeting Content
  • Query members about topics
  • Work with stakeholders on what they want to learn
  • Don’t forget an amazing note taker!
Polling Question #2
Polling Question #2

What are the biggest challenges you face in initiating or managing your CAB program? (select all that apply)

- Building the ROI and business case to start a CAB
- Obtaining the necessary resources (personnel, bandwidth, time, budget, etc.)
- Gathering executive sponsorship to build or continue a CAB
- Recruiting more senior-level executive customers
- Creating a compelling and strategic agenda
- Keeping members engaged between meetings
- Turning insights from board members into actions and deliverables
- Measuring CAB impact, success and ROI
STEP #5: Professional Meeting Facilitation

- Define **role of facilitator** to ensure every member has enough time to form their thoughts, express them and allow the group to build on them.
- Achieve **80:20 Interaction** (members speak 80% of time...)
- Ensure members wear two hats (**customer and industry advisor**)
- Implement an **insight capture process** to enable ‘active listening’
- Develop **seating plan** (executive sponsor, facilitator, most/least vocal clients?)
- Publish **facilitation guidelines** (to coach members and employees)
- Manage **cultural communication differences**
- Use **ideation exercises** and interactive group breakouts
- Create **visualizations** (voting, flipcharts, wall of ideas, doodling)
- Provide in-room **coaching for session leaders** and presenting members
- Gain **consensus** on next steps, sub-committees, engagement plan
Tips: After the Meeting

Turning Meeting Insights Into Action

• Retrospective meetings right after the in-person meetings
  • Track items via Key Takeaways and enter tickets for accepted items
## STEP #6: Turn Insights into Actions

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<th>Action</th>
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### CAB Dec 2014 Action Tracker

- **Status Definitions**:
  - Actionable Idea: An owner has been assigned and a timeline established.
  - Currently Available: No more action required.
  - Evaluating: Need more time and feedback to clarify.
  - Not Viable: Please state reason.
STEP #7: Engage CAB Members All Year

- CAB 2016 F2F Meeting
- Subcommittee 1 Call
- Subcommittee 2 Call
- July: SME/Analyst Call
- August: “All Hands” Call / Management Update
- October: “All Hands” Call

- December: “All Hands” Call / Management Update
- January: Subcommittee 1 Call
- March: Subcommittee 2 Call
- April: “All Hands” Call / Management Update
- June: Subcommittee 1 Call
- July: Subcommittee 2 Call
- October: CAB 2017 F2F Meeting
Tips: After the Meeting

Managing Multiple CAB Programs

- Database to track who your members are, which CAB they belong to, their join date, meeting participation and notes
- Recurring meetings on the calendar for quarterly calls / yearly calendar created
  - Closer to the date, work on the agenda with team and members
- Take each team’s specific needs into consideration as each will be at different maturity levels

Sustain Board Momentum Between Meetings

- LinkedIn private group
  - Reach out with solution updates between
- Assign a product team member as an advocate for each customer
Q & A
Special Offer for Webinar Participants

» FREE 30-minute consultation
   with experienced Ignite CAB Consultant

» Discuss:
   • Your CAB objectives and strategy
   • Immediate suggestions for improvement
   • Action plan for next 12 months

Register: www.igniteag.com/contact
Contact Us

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» Gavin Nathan
  gavin.nathan@IgniteAG.com

» Alison Lutjemeier
  alison@adobe.com
Thank you for attending!

NEXT MONTH’S WEBINAR
Cage fight - Product Owner vs Product Manager

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