



# ON THE PLATFORM EPISODE: (PART 3) RE- ENGAGING WITH SMBS: FROM FUNNEL TO HONEYCOMB

## VIDEO TRANSCRIPT

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**Jacqueline:** Hello everyone and welcome to On the Platform. This is Jacqueline Morgan and today we are diving deeper into what our platform clients can do to help SMBs leverage digital sales, marketing and service tools. Today, my guest is Danielle Moffat, our Offering Lead for Growth Performance Services. Danielle, our first two podcasts set the stage with a discussion on the relevance of SMBs to the global economy and a little more on what really SMBs need to be successful. You and I have had the chance to work side by side in a number of conversations with the clients that are trying to better serve the SMB market – so let's kick off with a discussion on what you have seen change in the last 2-3 years.

**Danielle:** Well Jacqueline, thanks so much for

inviting me today, we always have such rich and engaging conversations!

So that's a great question to start us off today – what has changed in the past 2-3 years? Well – it feels like almost everything has changed in this space. There's been a huge influx of clients asking us to help them serve their SMB customers. And this has been a great thing because it's challenged us to think differently and as a result, we've evolved our offerings to be extremely relevant to this space. And here's what I've noticed and you know basically live on a day to day basis. One is the sheer volume. It's clear that the SMBs are driving global economic growth, and that they are expanding as a market segment, and also that they are pervasive across industries. Our clients across many industries are hyper focused on this market segment – from some of the more expected or traditional digital advertising clients, to the 'born digital' technology companies of California, to existing clients that have not traditionally focused on SMBs. So for example, some Financial Services and Resources clients which I've had some conversations with recently. A few years ago, you know, I'd barely heard of SMBs, and now it's a daily topic. And then I would say second is that the services that they need are evolving. So, again, 2-3 years ago we saw clients across industries approach



this market opportunity with a very straightforward model – and that model was to staff hundreds of agents, each doing their own discrete piece of the funnel – some focused on “marketing”, others trying to convert “Sales Qualified Leads to customers” and still more agents focused on the “onboarding and support” of SMBs after their purchase decision. And now they need more – they need more guidance, more insight, more tools ...and they expect different results. And this has been really fascinating to be part of because in the end, there is truly a need for a different model.

**Jacqueline:** So, it sounds to me, when I listen to you talk about this, that the expectation has changed. So let’s talk a little bit more about that change.

**Danielle:** Yeah, that’s a great way to put it, right. So in a traditional BPO model, so Business Process Outsourcing, clients expected cost efficiency and operational excellence, and that’s been common in the past. And now clients overall are looking for BPS, which is Business Process Services. And this incorporates new capabilities to augment their operations, so for example more data and insights services, richer technologies, platforms, access to different skills and talents such as data scientists, technologists, industry experts. And really this is the premise of what we at Accenture call “Intelligent Operations”. So they quickly realize that a linear staffing model is not sustainable, and they need new capabilities that they don’t have themselves or they can’t afford to invest in or scale rapidly or, just, quite frankly, get to it as quick as needed. So these are capabilities like Artificial Intelligence, machine learning, data services and insights, analytics, content moderation assets, and even more innovative talent.

**Jacqueline:** It sounds like this labor-intensive approach that we use to support the more traditional funnel model is really fundamentally and dramatically changed.

**Danielle:** Absolutely. You’re spot on. The labor model made sense yesterday. Not today. Today, companies must re-invent the operating approach from one that is largely and primarily talent-based, with technology enhanced capabilities – to a newer model with a human-machine operating approach that unlocks the value of data insights through those digital technologies and using the expertise of the human talent. So, this kind of new human-machine operating approach will provide seamless, personalized customer experiences across all touchpoints. And experiences will be continuously optimized for the end-to-end marketing, sales and engagement customer life cycle. And as a result, this is going to drive SMB satisfaction as well as top line sustainable growth for the clients serving them.

**Jacqueline:** Right, and nobody can argue with that as a successful outcome. I think it’s really interesting that the SMB buyer journey really more closely resembles the consumer journey. And I love the way Ad Age described it. It said, “The Way People Buy Is No Longer a Simple Path from Awareness to Prospect to Sale.” Today people are jumping in and out of channels, they are looking at alternatives to purchase, and searching for better deals that all with the tap of a screen, the click of a button and, if they’re like me, usually while they’re standing right in front of the product or the service that they’re trying to buy!

**Danielle:** I have seen that with you. I’ve spent enough time with you to know that that’s how you operate.

**Jacqueline:** That is very true. But no one kind of predictably slides through the funnel, ushered along by linear marketing messages. Instead, our buying behavior tends to more closely resemble a honeycomb of activities, and honestly most SMBs are 70 percent of the way through their decision process before they ever engage with a sales person!



Interestingly, some of our more advanced clients are pivoting to adjust to the non-linear funnel, or the “failing funnel” as we call it. It’s been interesting to meet with our clients in new C-level roles that are arising. So, for example, the Chief Customer Engagement Officer, Chief Data Officer, VP of SMB, and so on. I just think of the interactions I’ve had over the past couple of months and these are the roles of folks we’re meeting with now. And these roles didn’t exist in the past. So, most companies are not there yet, and some are not even starting the journey. But, it’s a huge difference from a few years ago when we were speaking with you know solely the VPs of customer service and/or Chief Sales Officer.

**Jacqueline:** Interesting. And every time we talk about this it just strikes me that these new roles, just as an example, really highlight this evolution and change in the labor shortage that we’ve all been talking about. The “greying of the workforce” and the talent wars, for decades it feels like. And I think what has changed is the problem is no longer somewhere in the distant future – it’s here. Today. In 2018 Korn Ferry released a study that found that left to run its course, a global labor shortage will create 85.2 million unfilled jobs and nearly \$8.5 trillion in unrealized revenue by 2030 – and, honestly, that’s only 11 years from today. And I think what’s even more compelling and equally as interesting, the study cited three milestones dates during which we still start to feel this impact: 2020, 2025 and 2030. 2020 is right around the corner! So, we can’t rely on a model that demands we just hire more agents. The days of thousands of agents working around the world has changed so dramatically that there will literally not be enough people available to fill these roles.

**Danielle:** I just get goosebumps every time you share those numbers with me. What an amazing opportunity for the future and what that can bring. But really, I think a couple of your comments... by 2020, nearly half – or 46 percent

– of all the U.S. workers will be Millennials. So think about that right. They’re going to be taking on more corporate leadership roles but more interestingly, they’re predicted to own more small and medium sized businesses than any other generation. And so why does this matter? Well, Millennials buy differently. They demand a more collaborative, integrated, multitasking, experimentation driven and nomadic buying journey. Less of a traditional funnel and more of a honeycomb of opportunities. And this has also impacted our thinking and how we needed to orient our capabilities to serve these emerging changes. It’s interesting. Just as I mentioned earlier about the different roles and the different teams that I’ve been meeting with. I would say that a lot of the, in particular the Silicon Valley clients, have a lot of Millennials already in these leadership positions and it is a very different buying experience than traditional companies of the past.

**Jacqueline:** Right. And they have a different set of expectations about how sales, marketing and service are meant to align kind of together in terms of serving the SMB market and also inside their own organization. So, I think that the SMB market is dramatically changing and the way in which the SMB market is buying has changed – right?

**Danielle:** You’re exactly right! These changes are all happening right now, globally! As you said, change isn’t coming – it’s here... now... and what’s more important is the pace of this change. The pace of change will never be as slow as it is today – so stop and think about that for a moment.

**Jacqueline:** Wow. It’s kind of scary, actually.

**Danielle:** If you think that we’re at a challenging point now, just consider what’s coming .... And then consider the scale of change and what’s also different is that this is happening around the world.



Jacqueline: Ok. We're going to stop here and, folks, stay tuned for the next podcast. Danielle is going to join us again and we're going to dive deeper into our new growth performance service capabilities.

Danielle, you know I think you're awesome. Thank you for joining me On the Platform. We hope you all enjoyed this episode. Please help us get the word out and be sure to subscribe, share, rate and review our series. We'd love to and hope you tune in again for the next episode of On the Platform!

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