

## Satmetrix Success Story

# Vignette Optimizes the Customer Experience to Retain Customers and Increase Profitable Growth

Industry: Computer Software

Customer Experience  
Management Solutions:

- Satmetrix CEM Customer™
- Satmetrix CEM Employee™
- Satmetrix CEM Partner™

“We understand the need to develop more of our customers into Promoters of Vignette, and do so by identifying and taking action on issues that matter to them. Revenues from customer Promoters increased 22% from 2004 to 2005, significantly outpacing the rest of our installed base.”

—Ritch Haenke, Senior Vice  
President of Global Customer  
Care and Education Services,  
Vignette

*Vignette helps the world's best-known organizations leverage their mountains of documents, e-mails, Web pages, records, and other unstructured content to create new opportunities, expand their profitability and realize greater efficiencies and cost savings. Using Vignette's enterprise content management solutions, these organizations improve their interactions with key internal and external constituents with better Web presences, better automation of business processes and better business record-keeping. Headquartered in Austin, Texas, Vignette has operations worldwide.*

In the mid and late 1990s, Vignette was instrumental in the growth of the World Wide Web as we know it. Vignette's early success came from its ability to support large, complex Web sites at a time when very large organizations began to appreciate the importance of a rich, dynamic Web presence.

As the tech boom drew to a close, Vignette's rapid expansion was further accelerated through multiple strategic acquisitions. However, the economic collapse of 2001 left the company in a vulnerable position: like many growth companies in that era with aggressive expansion strategies, when the music stopped and the cash followed suit, Vignette had to take careful measure of its options. The classic business challenge facing Vignette quickly became critical: incorporate not only the newly acquired businesses' products and services, but their customers as well.

The leadership team at Vignette quickly recognized that developing and maintaining strong customer relationships was going to be key to its ability to survive and continue growing. They understood that this would demand an unwavering focus on customer needs if Vignette hoped to avoid defections and retain newly incorporated customers.

“The CEO insisted that we achieve a high level of customer satisfaction. It became a key measurement of the company's health, and was to be reported on regularly. It has since become an essential element of the company blueprint,” explained Ritch Haenke, Senior Vice President of Global Customer Care and Education Services.

Vignette came to understand the different areas in which a customer experience solution can show a positive return on investment. Starting in 2002, and with guidance from Satmetrix, Vignette set out several primary objectives for the first phase of its customer experience management (CEM) initiative:

- Avoid customer defections and retain the customers that came from acquisitions
- Increase the company's ability to identify up-sell and cross-sell opportunities within the installed base
- Use customer insights to guide product market segmentation and solution selling
- Increase employee satisfaction and loyalty
- Increase partner satisfaction and loyalty.

## Truly Targeted Product Marketing

Vignette launched its CEM initiative with a comprehensive customer program that was designed to provide better visibility into customers' interactions with the company. By measuring all aspects of the customer experience, Vignette was confident it could identify changes to the business that would improve that experience.

Vignette understood that, in the wake of several acquisitions that in turn afforded the company a complex product and customer portfolio, remaining alert to the needs of every customer segment was going to be a challenge. But through its integrated Satmetrix CEM programs, Vignette has been continuously collecting customer data that guides segmentation of its product marketing and solution selling strategies. By understanding, in depth, who its customers are, what verticals they sell to, and what their product needs are, Vignette is able to effectively optimize its product solutions. The result is extremely efficient, highly targeted selling, with increased up-sell and cross-sell opportunities in the installed base.

## Reaping the Benefits of Enterprise-Wide CEM

Vignette also realized that ongoing employee satisfaction and loyalty was essential. It extended its CEM program to include an employee solution, and the effort has helped identify areas where Vignette should invest in its employees. "When our employees feel like they are being listened to and taken care of, that sentiment filters down to our customers and our partners at every touch point. We believe in the linkage between customer, partner and employee experience and financial performance," said Gayle Wiley, Senior Vice President of Human Resources.

With full understanding of the value of partnerships, Vignette also launched a CEM partner solution. Vignette's partner program helps the company identify any gaps in the end customer experience, and how a partner's involvement in the sales process, project implementation or even support may have affected that experience. According to Haenke, "It is critical we get feedback from our customers about how our partners are performing, as well as how we are performing for our partners. We take it a step further and link it all together, so that partner feedback about Vignette is tied to customer feedback about that partner. It gives us great insight into how our channel strategy is performing."

By continuing to build out the integration of its CEM systems with multiple organizations across the enterprise, Vignette is driving the value of the customer insights it collects. "We measure all aspects of the company's performance, including products, support, sales, partners, and services, with line management taking responsibility for defining actions." Haenke said.

## Showing the ROI

With its return to consistent profitability, Vignette's company-wide emphasis on customer satisfaction has created a lot of believers. It has also driven subsequent waves of organizational change. One clear result of Vignette's CEM program has been an increased focus on account management.

"The CEM data was telling us that customers wanted more in the way of account management. As a result, over the last year we have undertaken a new approach to post-sales account management. We invested in the additional resources and provided these resources to key customers. The benefits have been significant and we continue to see an increase in satisfaction with these customers," Haenke said.

The work Vignette has put into building a world-class CEM solution has paid off. In alignment with the fundamental premise of CEM—optimize the customer experience and see increased profitable growth—Vignette has been growing revenues. "At the heart of it, we understand the need to develop more of our customers into Promoters of Vignette, and do so by identifying and taking action on issues that matter to them," Haenke said. The result? "Revenues from customer Promoters increased 22% from 2004 to 2005, significantly outpacing the rest of our installed base." Haenke said.

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