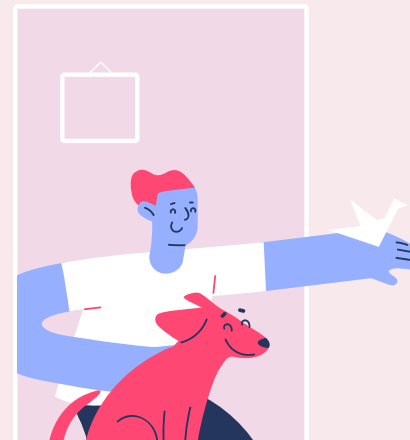


Redefining relationship building in a post-pandemic era: What the future holds.

Insights from our 2021 survey of sales and marketing executives



Contents.

03

The survey

04

Executive summary

08

How 2020 changed
marketing and sales

16

What we need more of
in 2021 and beyond

22

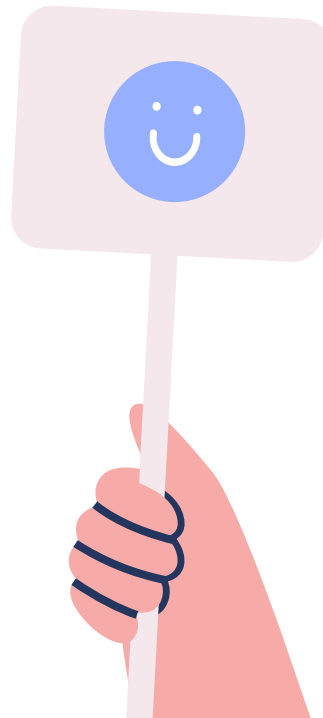
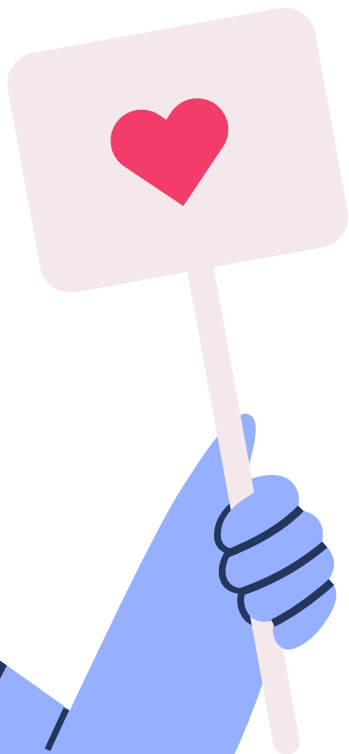
3 steps for building
better customer
relationships right now

26

We're all feeling
optimistic—and
now is the time for
relationship building

The survey.

The results of our 2021 State of CRM survey are in. With the help of Engine Insights, in April of 2021 we surveyed 501 sales and marketing professionals about their company's approach to marketing, sales and customer engagement in 2020. Plus, their thoughts about the future. Some clear trends emerged.



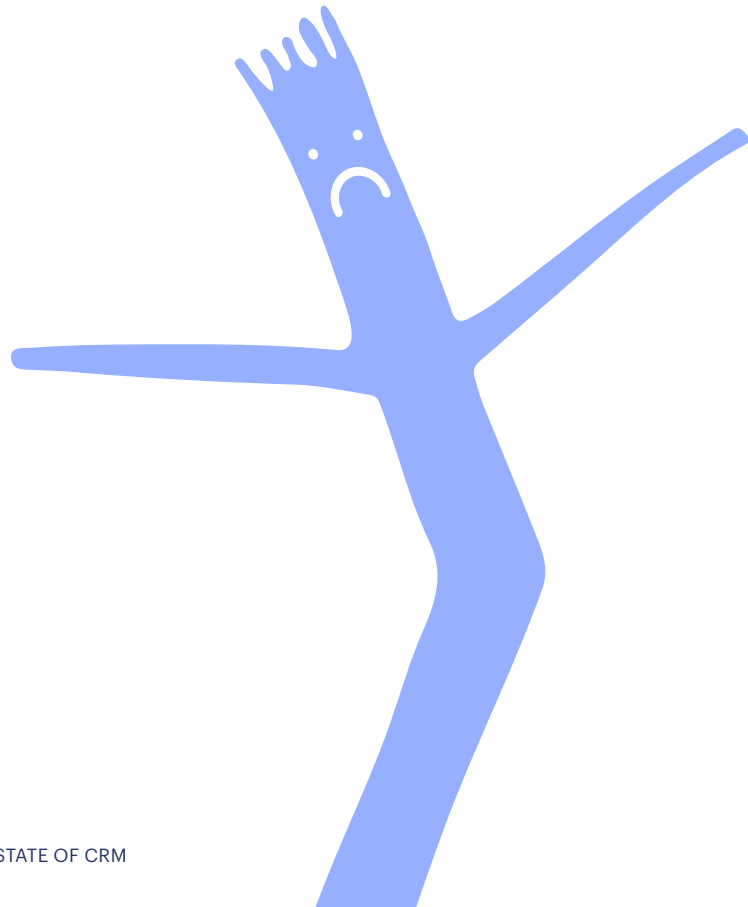
Executive summary.



The pandemic's complete transformation of the digital space in a matter of weeks is something that few of us could have anticipated. While the impacts of the virus have been wide-reaching and devastating, this particular shift has quietly forced marketing and sales professionals to reshape their strategies to meet changing consumer behaviors and expectations.

As we were all collectively stuck at home, our daily interactions and routines suddenly moved online. From one day to the next, going "digital" took on an entirely new meaning. We were no longer just shopping online or watching cat videos; the internet played a more essential role: It was the only way we could connect and communicate with each other.

Overnight, the clever marketing tricks digital marketers and tech companies had been relying on fell flat.



Retargeting and personalized ads already felt invasive, tacky, insensitive. In 2020, customer tolerance for marketing gimmicks—when their families’ health and safety were in jeopardy—hit bottom. People were over having their data shared everywhere without their permission. Fed up with creepy ads, people started responding instead to genuine emotion, honesty and direct communication from the businesses they trusted.

Some business leaders read the room and changed tack, refocusing on what mattered to a society in crisis: support, not sales; empathy, not transactions. They prioritized maintaining and nurturing relationships by offering transparency and constant communication with employees and customers through digital avenues. Witnessing the collective human suffering, these leaders replaced the bots and automation with a much-needed human “touch.”

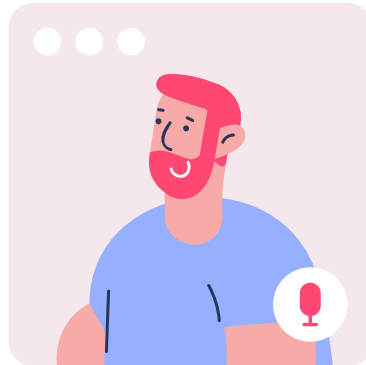
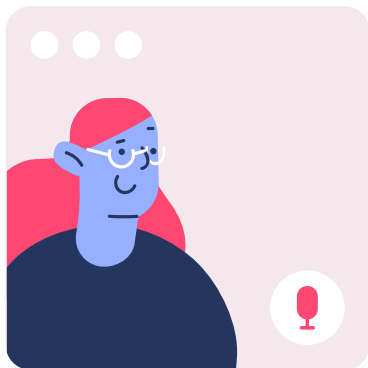
Technology suddenly served a different and more critical purpose: to bring us together.

What emerged was a focus on building meaningful customer relationships, virtually.

These businesses found a way to use technology intentionally to stay connected with the people who *wanted* to hear from them, and then they continued to nurture those connections online.

At the same time, big tech giants and other companies announced imminent changes that limit organizations' access to data about prospects—which will force us all to rethink how we find and engage new customers.

Now that the pandemic is nearing its end and we're readying ourselves for a cookieless world, what does the future hold? Our survey insights paint an intriguing picture.



How 2020 changed marketing and sales.

The volatility and uncertainty that 2020 served up was unprecedented. For marketers and sales execs, three changes loomed large: relationship-building was transformed, we learned that cold emails really aren't effective, and we started preparing for the death of third-party cookies.



We changed how we build business relationships.



Needing to connect without meeting in person, we went all in on virtual interactions during COVID, even though most of us have been digital for a while. And with 4.72 billion people (more than 60% of the world's population) **online today**, overflowing inboxes, digital ads, social media buzz and chat messages have created a cacophony that fades into easily ignorable white noise. Cutting through the digital clamor became even more difficult—and of more vital importance.

To adapt to this change in customer psychology,

70%

of companies reported investing more into professional relationship-building during the pandemic.

Many leaders took to Zoom, Slack and even SMS to stay in close touch with their teams and clients. Noah Lapine, Owner of Lapine Associates, shared his approach with Forbes:

“leaning into our values and principles to guide us through this challenging time... leveraging our front-line account managers to be a partner to our clients, not a vendor, (and) relentlessly communicating with honesty and empathy.”

And for most companies, the work paid off.



62%

of companies felt they adequately maintained customer and prospect relationships in a virtual environment.

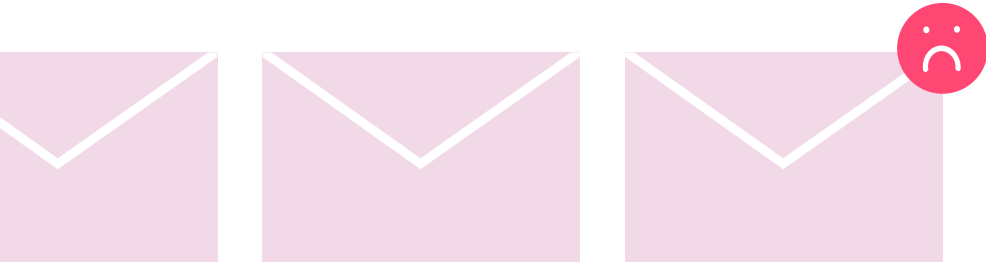


52%

of companies felt they adequately built new customer and prospect relationships throughout 2020 despite being virtual only.

Some businesses, though, were unable to survive going dark even for a few weeks, while others just barely hung on; **14%** of companies lost valuable relationships in 2020.

And in 2020, cold email performance became less effective



47% of respondents **still send cold emails often**, where they have no prior relationship with the prospect

37% have **sent more cold emails** since the start of the pandemic

Businesses may have prioritized relationship building more in 2020, but many still poured their resources into ineffective marketing efforts, like cold emailing.

But this strategy hasn't yielded more fruitful outcomes.

More than half (**53%**) say they see the same results they always have (the average cold-email response rate is **only 1%**, according to Clearbit), and 10% say they've gotten a worse response, with fewer people responding to cold emails during the pandemic. Cold outreach, whether via email or phone, simply doesn't work today—the noise levels have gotten too high. It's high time to explore other strategies.

We started preparing for a cookieless future

Starting in 2023, Google Chrome will no longer support the use of third-party cookies (aka cross-site tracking). This change essentially means companies won't be able to track what people are doing on sites that aren't their own. They'll no longer be allowed to act on the zillions of bytes of data gathered through often questionable tactics by retargeting visitors or sending them personalized ads or emails based on their actions elsewhere online.

The move is designed to encourage publishers, advertisers and other platforms to help Google create a new set of privacy-focused open web standards. It sets up a future where customers must intentionally *opt in* to give companies access to their data, putting the power back in the people's hands.

The focus on privacy shouldn't come as a complete shock. If you really think about it, the writing was on the wall. Companies weren't going to be able to get away with quietly mining our data forever. People were fed up, and the tricks marketers were using, like personalization, weren't very effective. Over **85% of people** believe "businesses should be doing more to actively protect their data," reported *Tech Crunch*.

Sure, personalization is useful—when you get it right. But third-party cookies miss the mark often. Your teen daughter only needs to borrow your laptop for 10 minutes and suddenly, you're retargeted for every teen product you can imagine, ad nauseum (we hope you love the CW TV shows and BTS).

Why continue to invade people's privacy if no one likes it and it doesn't work that well, anyways?



Well it turns out, many marketers seem ready for a cookieless future.



47%

said they're not at all concerned or not too concerned about the change



28%

said their organization wouldn't be impacted by the change



20%

said they weren't sure if they would be impacted by the change

Still, 51% said their organization will be impacted by this change. Marketers are clearly split in their outlook on a future without third-party cookies. Companies

that rely on third-party cookies for marketing and prospecting will benefit from doing some serious re-thinking.

What we need more of in 2021 and beyond.

So what happens now? We're in a strange moment where business leaders are weighing the best path forward. Decisions are looming around remote work versus hybrid versus in-office, and people are eager to get back out there and do all the in-person things. We're all feeling nostalgic for simpler times, streaming retrospective docs like *The Last Blockbuster*, *The Friends Reunion* and *Class Action Park*. The virtual fast-forward has got us looking backwards with fondness. In the business space, many people are yearning for a return to "old-school relationships."





Will business rewind to the Mad Men era where customer data came from small focus groups with real people and relationship-building revolved around dinner and whiskey, and maybe a golf game or two? Will we stay stuck in the data era, trying to recreate the clever marketing tricks without the third-party data? Or will we land somewhere in between, stepping

into this modern, post-pandemic era with our eyes fully open, taking stock of lessons learned and putting our tech tools to good use to build old-school relationships? We firmly believe the latter.

Here's what may be on the horizon for sales and marketing teams:

Less cold outreach, more warm connections



Remember Season 2 of the TV series *The Office*, when Michael and Jan closed a deal over an “awesome blossom” and beers at Chili’s? (Michael wins the deal by actually taking the time to connect with the guy instead of using the hard sales pitch that Jan had prepped). It’s old-school relationship building at its finest.

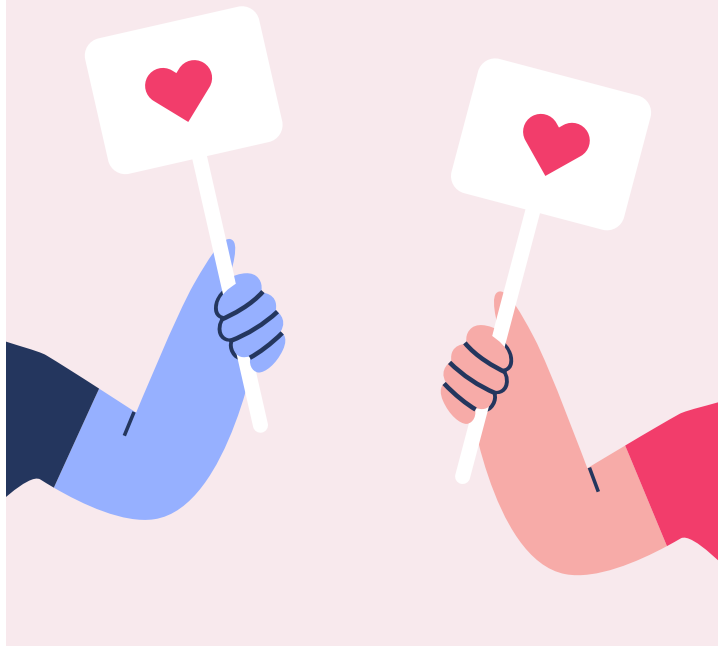
We may have powerful tools to help us build relationships online today, but if 2020 taught us anything, it’s that the sentiment behind virtual relationships should be the same as in person: a genuine interest in connecting with and helping the customer.

As a [Harvard Business Review article](#) recently said, “Relationships are everything...trust and integrity are fundamental to driving marketing momentum.”

Among our respondents,

63%

of companies reported good relationships with customers and prospects in 2020



Investing in relationship-building can pay off—big time. A **2-year study** by Motista found that customers with an emotional connection to a company:

- have a 306% higher lifetime value
- stay with the brand for longer
- recommend at a much higher rate

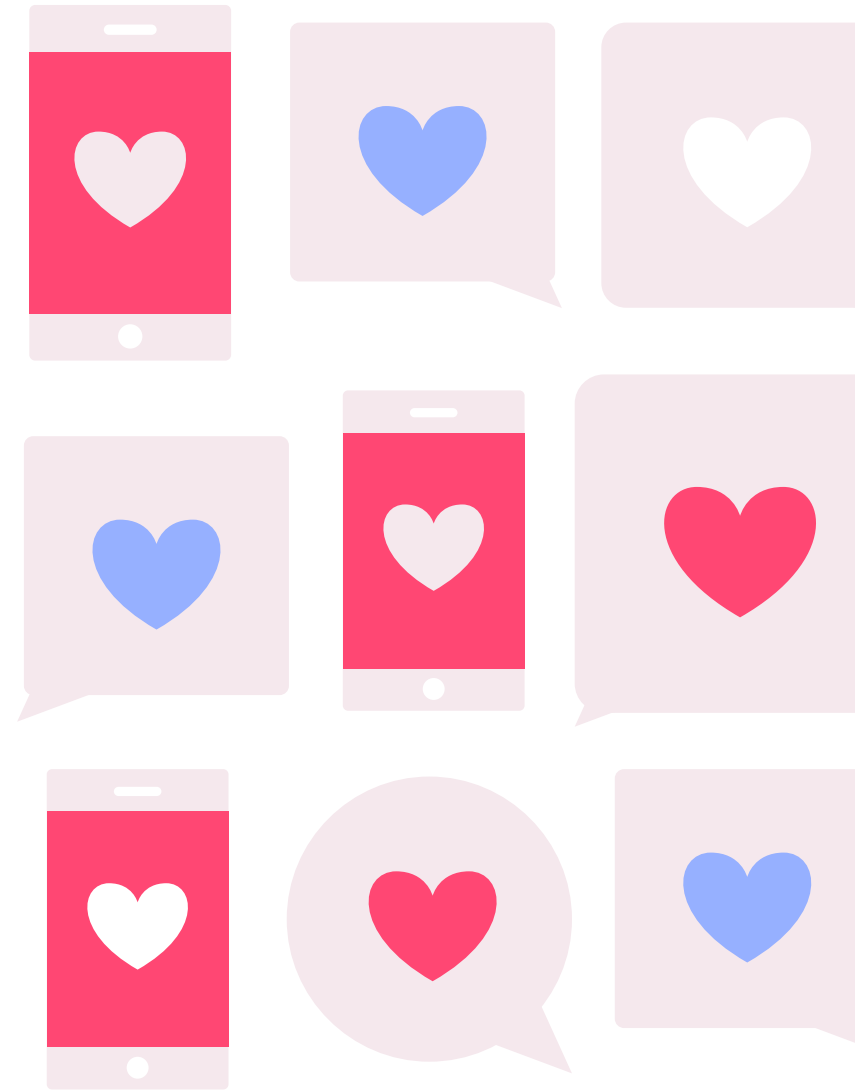
Spending time on cold outreach, in contrast, will likely yield lackluster results since it holds no meaning for people.

So, how can you nurture people's interest, build up trust, and offer real value to your network? Through warm outreach, thoughtful personalization based on first-party data and community building. (More on this in a minute).

More reliance on first-party over third-party data

The loss of third-party data isn't the end of the line for marketing and sales—far from it. A better solution has been there all along, but many marketers just didn't realize it (say it with us): relationship building!

If you create valuable relationships with customers, guess what happens? *They will share their information with you.* They will intentionally opt in, and give you direct access to deeper customer insights and first-party data, which is inarguably more accurate and useful than any third-party data you can get your hands on.



Take a software free trial, for example. A prospect signs up to test out your tool. Not only do you learn their demographics, but you also get valuable product usage data so you can follow up based on their engagement on the platform. The information enables you to show prospects how your tool will make their lives better. This is a powerful approach to personalization in our current end user era, as the [product-led growth](#) movement demonstrates.

Or take a consulting firm that offers a free SWOT analysis template: The business leaders who sign up to download it are an attentive, qualified audience.

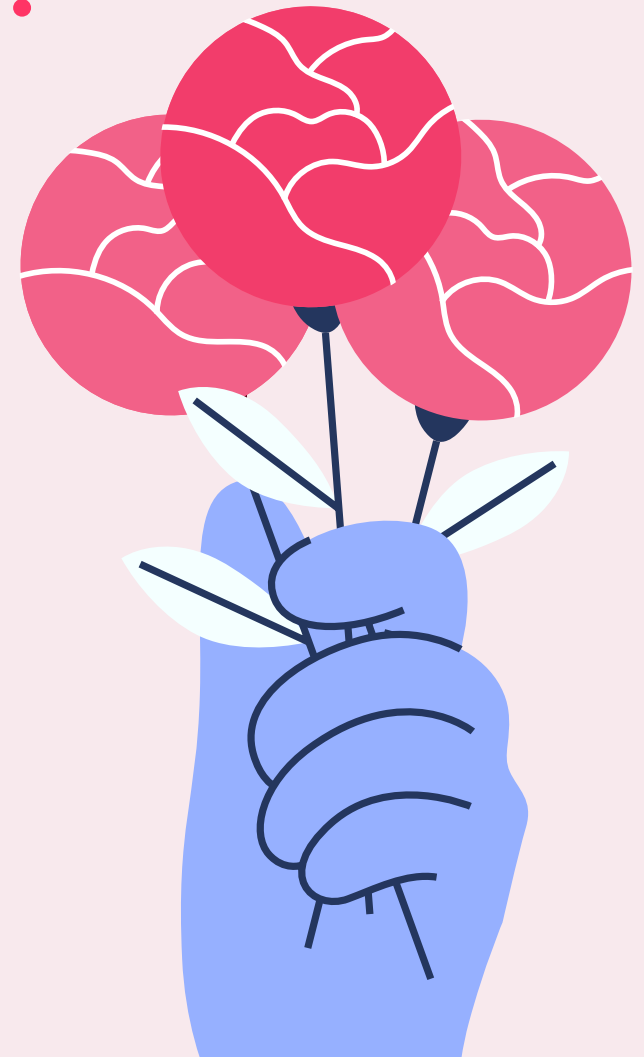
We predict that most small and medium-sized businesses will be better off without third-party cookies—as long as they

refocus their efforts on refining how they engage prospects and make the most of their first-party data.

Yes, lead generation and new prospect engagement will look different, and [inbound marketing](#) will be critical to bringing new leads in. But most companies already have the customer data to help inform a powerful inbound marketing engine that will bring them better qualified leads than any cold email campaign ever could.

3 steps for building better customer relationships right now.

For businesses that take a strategic approach to customer relationship building, we're confident that *better revenue and growth are totally possible*. Here's how you can make it happen.



STEP ONE

Prioritize first-party data.

When people willingly share their data, it gives businesses a green light to engage with them in more personalized ways—and **82%** of people believe their company is doing an outstanding job at using their first-party data. That's great. If you feel like you're already crushing it with first-party data, keep doing it.

If not, it's time to figure out how you can get the most out of your first-party data.

What you can do now

Start facilitating ongoing value exchanges with your prospects and customers. Think webinars, educational events, downloadable templates, simple online tools that keep visitors engaged and active on your site (like a weight calculator or conversion tool for your industry). This way, when third-party data disappears, you already have a bustling database of engaged customers and prospects.

STEP TWO

Work on customer & prospecting relationships (both real & virtual).

It's time to focus on connection and quality interactions. In other words, **stop cold calling and cold emailing prospects**. Even top financial firm [Merrill Lynch Wealth Management is ditching cold calling](#)—so you know it's really time to cut it out.

What you can do now

Move to other avenues like LinkedIn for prospecting and get rid of cold emailing for good. Reintroduce in-person prospecting, too, via things like networking events, trade shows, steak dinners and gift baskets. (You'd be surprised how much a tasteful gift basket or thoughtful gift sent from afar can help warm up a business relationship). Be intentional about following up and checking in personally with important contacts on a regular basis.

STEP THREE

Only scale meaningful conversations.

A return to more old-school relationship building comes with a twist: it can be accomplished with modern technology. Prospecting software, social media add-ons, automated email platforms—and of course, CRMs—should all be in your toolkit. They aren't meant to replace the phone calls, lunch meetings or trade shows, but rather to make your activities more consistent, efficient and meaningful—and easily scalable.

Take [Sherlock](#): an engagement analytics platform that helps analyze information about customer and prospect intent and product usage to provide companies valuable data about customer preferences.

What you can do now

To bring back old-school relationships in a new, cookieless future, start using technology that's created with relationship-building in mind, like Copper. Tools that help you sort contacts into different pools, qualify prospects, connect with active social media followers, log activity notes, create automatic follow-up reminders, track promising leads—they all minimize the busy work so you can focus on the personal outreach and engagement required for building meaningful connections.

We're all feeling optimistic—and now is the time for relationship building.

There's a huge shift happening in society as we emerge out of the pandemic—and the expectations around how we engage prospects and customers have changed dramatically. But this moment is also full of possibility, and that's exciting.



We're faced with the perfect opportunity to prioritize building direct relationships with customers and fostering more trust. We aren't the only ones feeling optimistic; our survey respondents are thinking positively too.



88%

of respondents believe their business revenue in 2022 will be stronger than in 2019



73%

expect to increase the size of their sales and marketing teams in the next year

We've been through a lot over the past 16 months, and our resilience has made us even stronger. We've come out of the pandemic with a new appreciation for our health, human connection and meaningful relationships. Thanks to rising vaccination rates, a recovering economy and many companies experiencing upward trends for the first time since the pandemic hit, there's good reason to have a rosy outlook for the future.

Business leaders are stepping confidently into a new, post-pandemic era with unlimited possibilities. And at Copper, we're thrilled to continue our mission of helping businesses cultivate enduring relationships with their customers as we all put ourselves out there again. A relationship-centric future where consumer data and privacy goes hand-in-hand looks pretty bright to us. So, let's do this—together.

Ready to start building better relationships?

Start your 14-day free trial now.

Try free



:copper

Survey methodology

Copper's State of CRM survey was conducted by ENGINE INSIGHTS from April 22-30, 2021 among a sample of 501 adults ages 18+ who were employed full time and worked in a sales or marketing/advertising department. All cited data is taken from survey results unless otherwise noted.