



# Investments in Customer Education Lead to Growth

Program maturity earns high marks across leading indicators

RESEARCH BY:



**Cushing Anderson**  
Program Vice President,  
IT Education and Certification, IDC



**Lisa Rowan**  
Research Vice President,  
HR, Talent, and Learning Strategies, IDC





## Navigating This InfoBrief

Click on titles or page numbers below to navigate to each.

Executive Summary .....	<b>3</b>	More Maturity Means More Success Across the Customer Life Cycle .....	<b>10</b>
Now Is the Right Time for Customer Education.....	<b>4</b>	Mature Programs Outperform Developing Organizations in Key Areas .....	<b>11</b>
Customer Education Spending Is Up, As Is Revenue .....	<b>5</b>	Barriers to High Impact .....	<b>12</b>
Customer Education Improvements Across the Customer Life Cycle .....	<b>6</b>	Looking Ahead – Plans for the Future .....	<b>13</b>
Detailed Improvement by Key Performance Indicator.....	<b>7</b>	Appendix .....	<b>14</b>
Performance Improvement by Industry.....	<b>8</b>	About the Analysts .....	<b>18</b>
Program Maturity Impacts Results .....	<b>9</b>	Message from the Sponsor.....	<b>19</b>

# Executive Summary

## Customer and extended enterprise education contribute to success across the customer life cycle.

The most mature organization reported an improvement of more than 26% across all measures compared with 15.7% improvement for those with the least mature education programs (65% greater improvement between lowest and highest maturity).

Investment in customer and extended enterprise education is rewarded with accelerated growth in key metrics.

- ▶ Companies across industries are realizing 10% to 16% increases in performance on key metrics across every segment of the customer life cycle, from demand generation through sales, onboarding, renewal, and growth.
- ▶ Roughly one-quarter of the change in those business measures was attributed to customer and extended enterprise training.
- ▶ In the most important measures influenced by customer and extended enterprise education, firms saw improvement between 19% to 22%.

Impact is felt across industries, including manufacturing, software, technology, and telecommunications.

As customer and extended enterprise education programs expand and mature, the benefits compound.

# Now Is the Right Time for Customer Education

Today's business climate presents unique challenges:

- ▶ **The increasing complexity of today's products:** Customers must see value quickly or they will move on.
- ▶ **More competition:** The number of new businesses registered in 2021 was more than twice the number registered in 2011.
- ▶ **Growing customer expectations:** Customers expect connected journeys, personalization, innovation, and security.

The research examined the impact of customer and extended enterprise education across the buyer journey.

- ▶ Brand awareness introduces the company's products and services to the market.
- ▶ Decision making helps prospective clients narrow their selection to make a purchase.
- ▶ Onboarding helps the customer implement or begin regular use of the product.
- ▶ Feature adoption grows over time.
- ▶ Master users can maximize their use of the product.
- ▶ Brand champions are willing, enthusiastic spokespeople.

## Why customer education?

Lack of training on the use of a product can lead to product abandonment, risks associated with misuse and lower customer satisfaction. Poor customer satisfaction lowers lifetime customer value and company revenue.

The overall goal of customer and extended enterprise education is to move customers successfully through the customer life cycle from new client to brand ambassador.

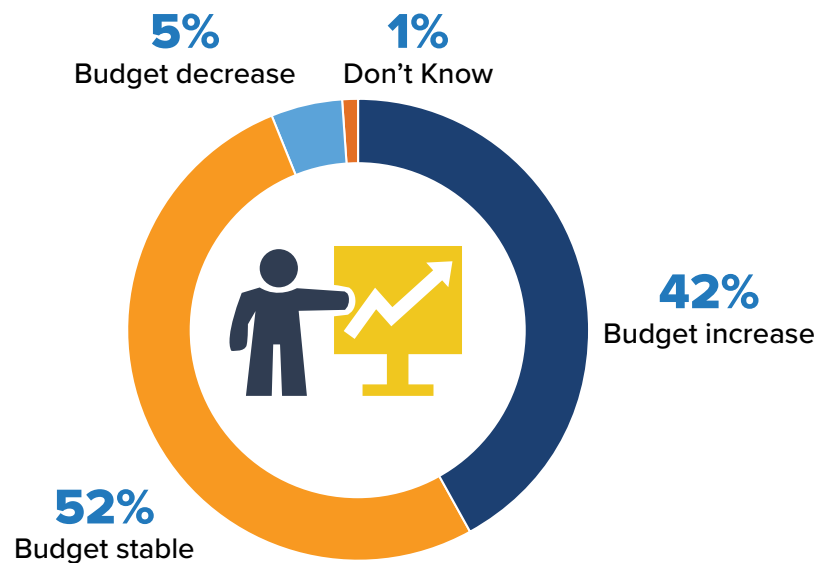
Because of its positive impact, customer and extended enterprise education is an increasingly important tool for VP and C-level decision makers.

## Organizations with mature customer education programs have seen greater improvement in many areas:

- Brand champions/advocates
- Customer satisfaction scores
- Demand generation
- Brand awareness

# Customer Education Spending Is Up, as Is Revenue

Change in Spending on Customer Education 2021-2022



n = 260 Source: Customer Education Survey, IDC, February 2022

## Revenue from Customer/Extended Enterprise Training

**AVERAGE REVENUE INCREASE OF 12% IN 2021**  
 Overall business performance was the biggest driver.

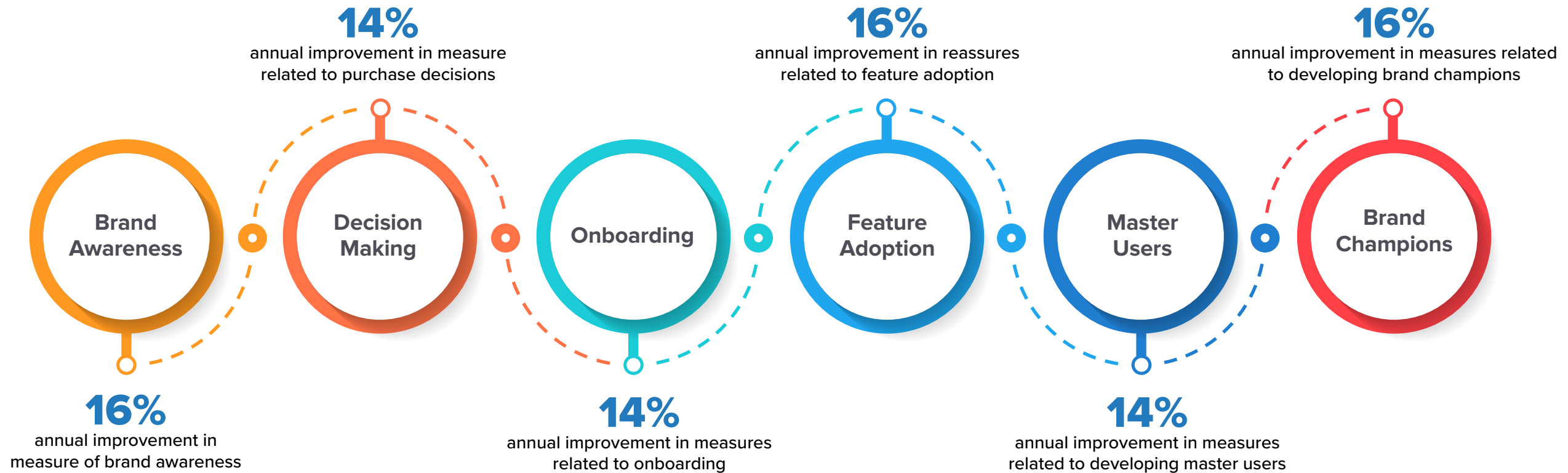


## EXPECTED REVENUE INCREASE OF 19% IN 2022

Organizations expect the greater perception of the value of customer education to drive the 2022 increase.

**Organizations that spent more on their customer education programs got more revenue from customer education.**

# Customer Education Improvements Across the Customer Life Cycle

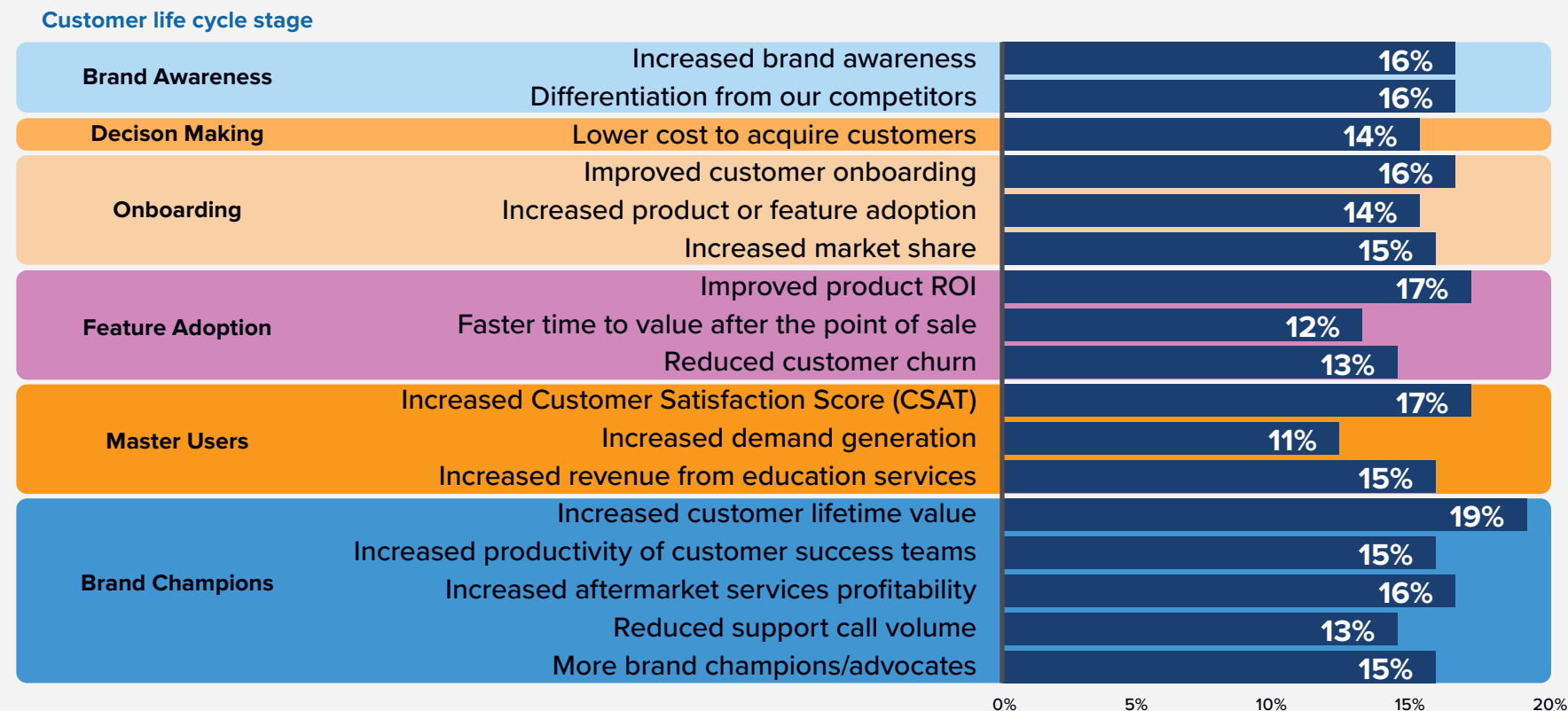


n = 260 Source: Customer Education Survey, IDC, February 2022

# Detailed Improvement by Key Performance Indicator

Performance improved about 15% across all measures from 2020 to 2022. We found that about one-quarter of all improvement was attributed to training external customers.

Improvement in Key Performance Indicator from 2020 to 2022



**From the 2020 study to the 2022 study, we see double-digit growth across the board in key benefits.**

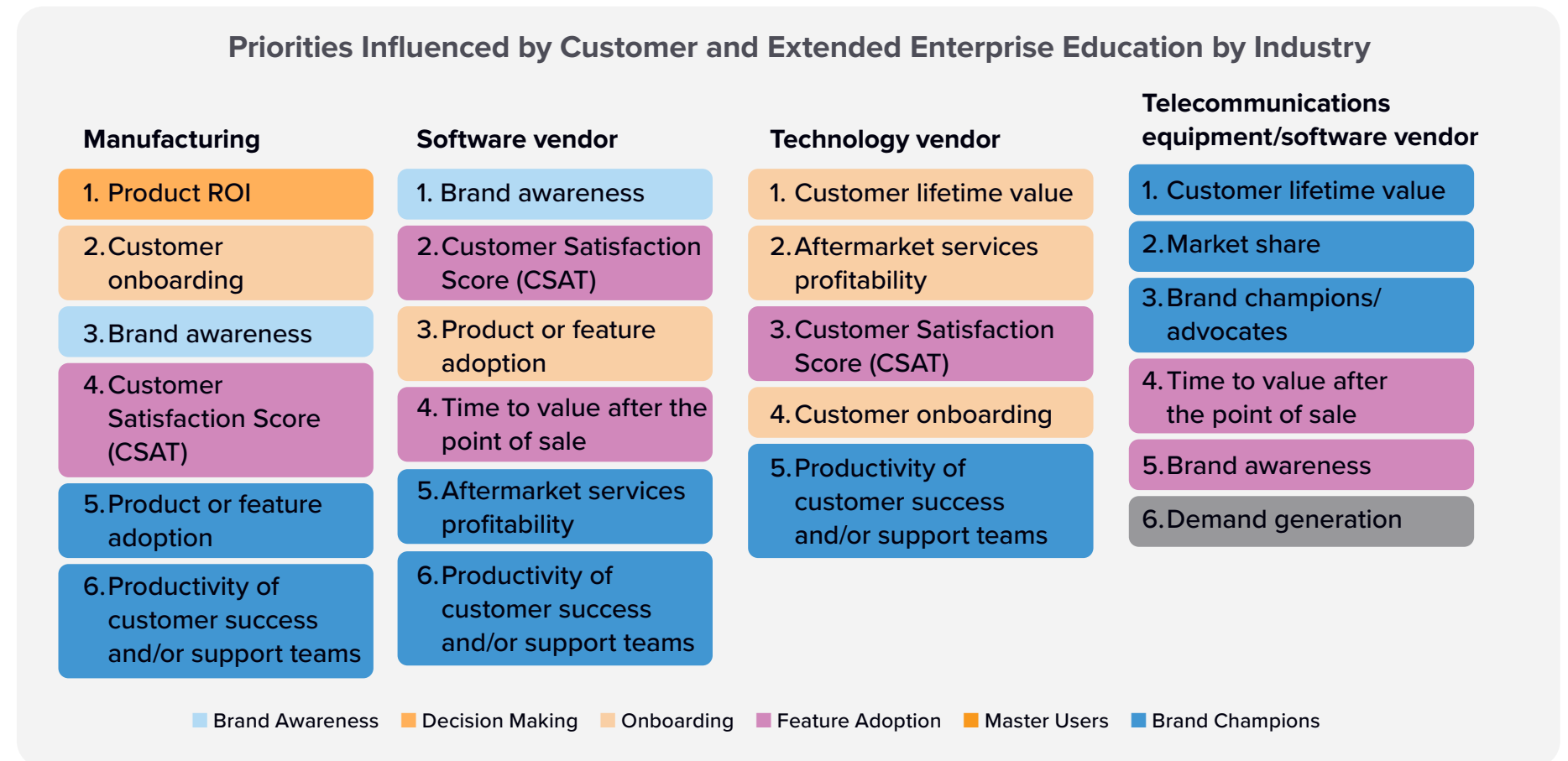
Notably, there is a nearly 20% increase in total customer lifetime value, along with decreased churn, cost to acquire, and increased demand generation.

n = 260 Source: *Customer Education Survey*, IDC, February 2022

# Performance Improvement by Industry

Overall organizations had about 15% improvement across all measures; across the most important priorities, firms performed very well.

- ▶ Manufacturing firms averaged 24% improvement in their most important measures.
- ▶ Software vendors averaged 21% improvement in their most important measures.
- ▶ Technology vendors averaged 22% improvement in their most important measures.
- ▶ Telecommunications equipment and software vendors averaged 19% improvement in their most important measures.



n = 260 Source: Customer Education Survey, IDC, February 2022



# Program Maturity Impacts Results

Leveraging Thought Industries' customer education maturity research, IDC categorized each responding organization into one of five levels of maturity based on the characteristics of its external education program.

Typical of many maturity models, most programs are in the second-least-mature stage; Thought Industries calls this level "Building." There are relatively few organizations in the most mature or "Elevating" stage. Research suggests that the more mature a program is, the greater impact it can have on improving key performance indicators (KPIs).

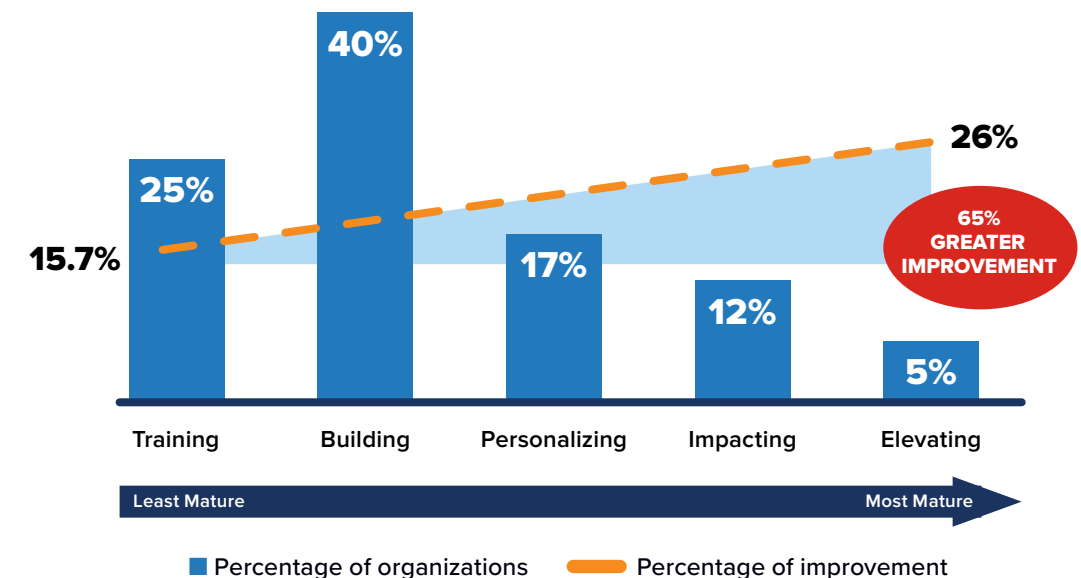
## Characteristics

- ▶ Executive sponsor for customer and/or extended enterprise education
- ▶ High-priority learning content self-service or on demand
- ▶ Learning content in a single, centralized location
- ▶ Measurable customer learning activity
- ▶ Content designed for specific user personas
- ▶ Learner engagement strategy to increase learning consumption
- ▶ Can demonstrate a correlation between learning activity and KPIs
- ▶ Customer learning content also used internally
- ▶ Education generates demand and/or brand awareness
- ▶ New and innovative modalities such as augmented reality/virtual reality, in-app training, or artificial intelligence/machine learning

**The least mature category, Training, had an average improvement of about 15.7%.**

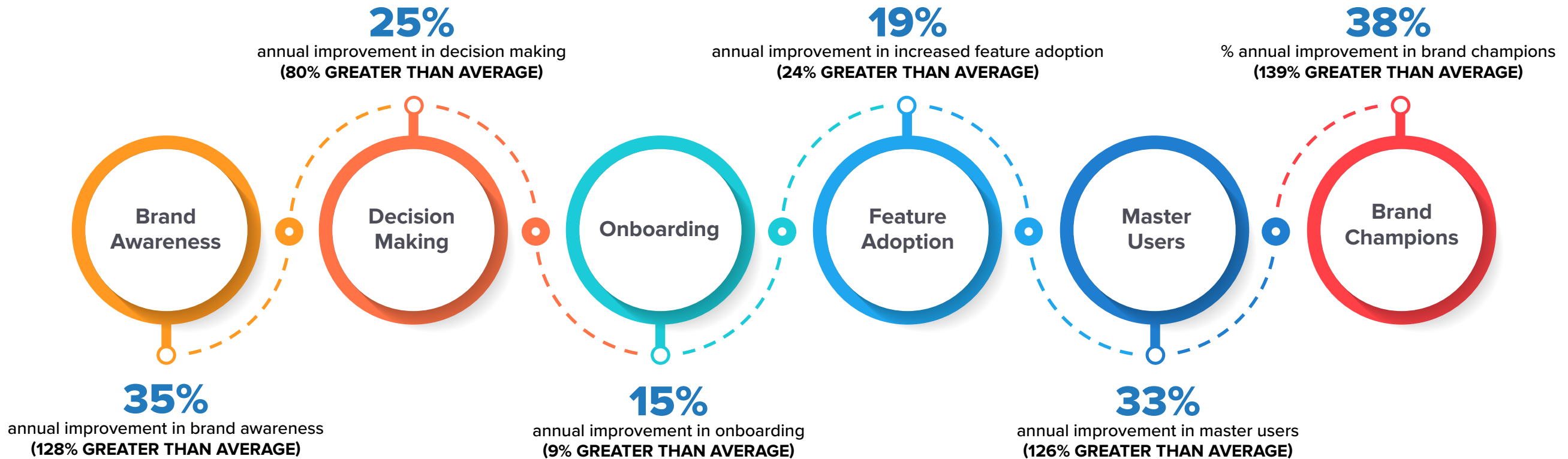
The most mature category, Elevating, had an average improvement of almost 26%, a 65% greater improvement across all measures compared with the least mature programs.

Maturity Distribution



n = 260 Source: Customer Education Survey, IDC, February 2022

# More Maturity Means More Success Across the Customer Life Cycle



n = 260 Source: *Customer Education Survey*, IDC, February 2022

# Mature Programs Outperform Developing Organizations in Key Areas

**Although most organizations had improvement across measures, the difference between companies with the least mature programs and those with the most mature was impressive.**

Organizations that exhibit more characteristics of program maturity consistently outperform other organizations.

In particular, the most mature organizations have made great strides in cultivating brand champions and in improving overall customer satisfaction. Both factors are critical to achieving success and pay big dividends over time.

The most mature programs had about 65% greater improvement across all measures compared to the least mature programs.

**Compared to the least-mature organizations, those with the most mature customer and enterprise education have greater improvement in:**

263% Brand champions/advocates

236% CSAT

178% Demand generation

138% Brand awareness

67% Cost to acquire customers

52% Product/feature adoption

43% Customer onboarding speed

31% Time to value

14% Product ROI

n = 260 Source: Customer Education Survey, IDC, February 2022

# Obstacles to Achieving High Impact

## Learning paths and improved instructional design are challenges

Q. Which of following are significant barriers to increasing the impact of customer and/or extended enterprise education?



Developing meaningful learning paths and improving overall education design are common barriers to successful customer education.

In addition to the challenge of transitioning legacy instructor-led training programs into scalable digital formats, many programs struggle with inadequate technology and developing effective monetization strategies.

n = 260 Source: *Customer Education Survey*, IDC, February 2022

# Plans for the Future

## Improving learner experience will be the focus for 2022

Q. Thinking ahead, which of the following are areas of focus for your customer and/or extended enterprise education program in 2022?



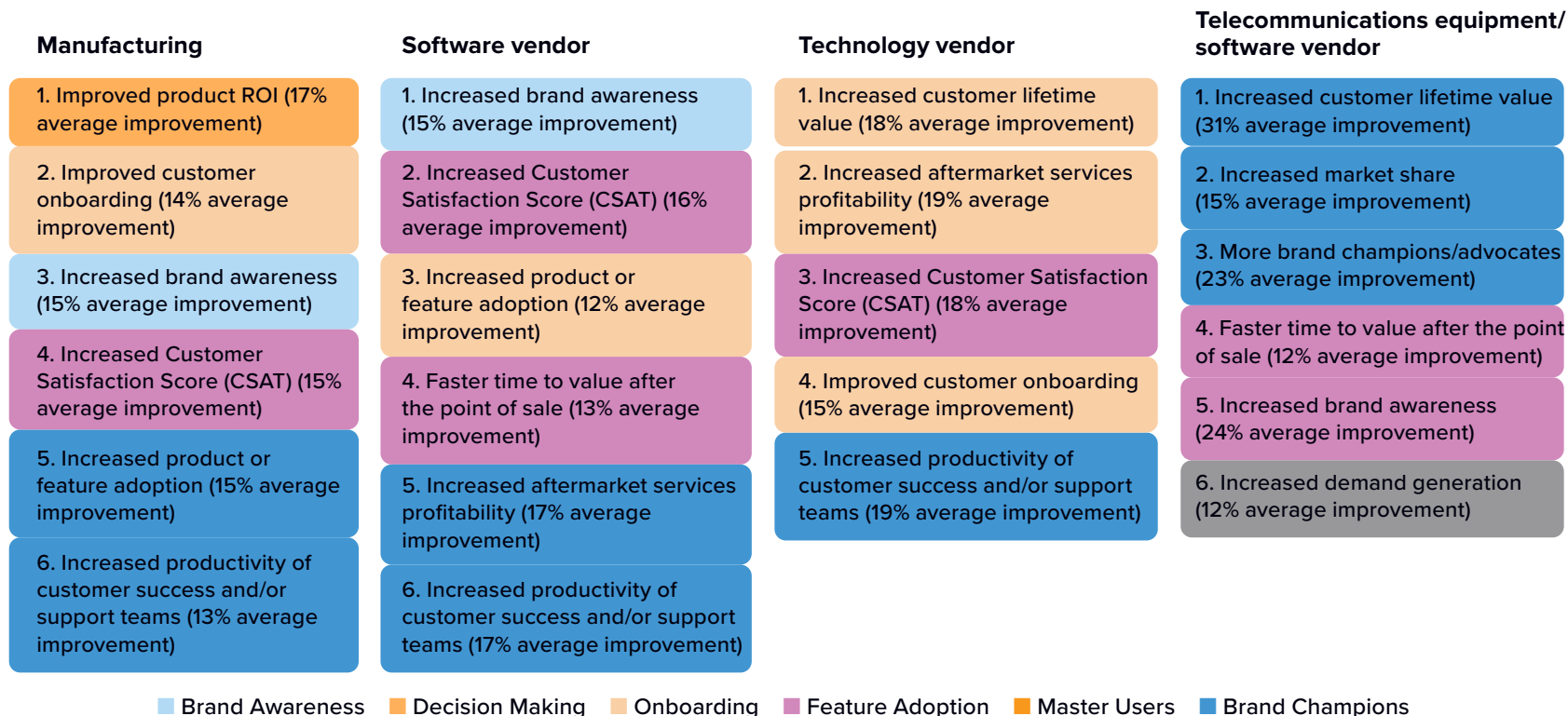
◀ The top 5 most likely areas of focus for the year ahead are concentrated on improving the overall learner experience.

Companies hope to build out more mature programs and improve the overall educational product.

n = 260 Source: *Customer Education Survey*, IDC, February 2022

# Appendix: Customer Education Outcomes and Average Improvement (Ranked by Industry)

## Outcome Priorities by Industry



Columns show the top 5 most important outcomes for each industry group and each industry's average improvement for that outcome.

n = 260 Source: Customer Education Survey, IDC, February 2022

# Appendix: Defining Maturity

Organizational maturity is defined by the characteristics exhibited by an organization’s customer education program and the relative weight of those characteristics. Leveraging Thought Industries’ customer education maturity research, IDC asked respondents to indicate the characteristics of their customer and external education programs. Each characteristic was weighted (given points) to reflect its importance in achieving impact. We designed the weighting to recognize the importance of foundational characteristics. We then added the points for each organization and assigned them a maturity level.

Characteristics	Importance/Points
Executive sponsor for customer and/or extended enterprise education	5
High-priority learning content self-service or on demand	5
Learning content in a single, centralized location	4
Measurable customer learning activity	4
Content designed for specific user personas	3
Learner engagement strategy to increase learning consumption	3
Can demonstrate a correlation between learning activity and KPIs	2
Customer learning content also used internally	2
Education generates demand and/or brand awareness.	1
New and innovative modalities such as augmented reality/virtual reality, in-app training, or artificial intelligence/machine learning	1

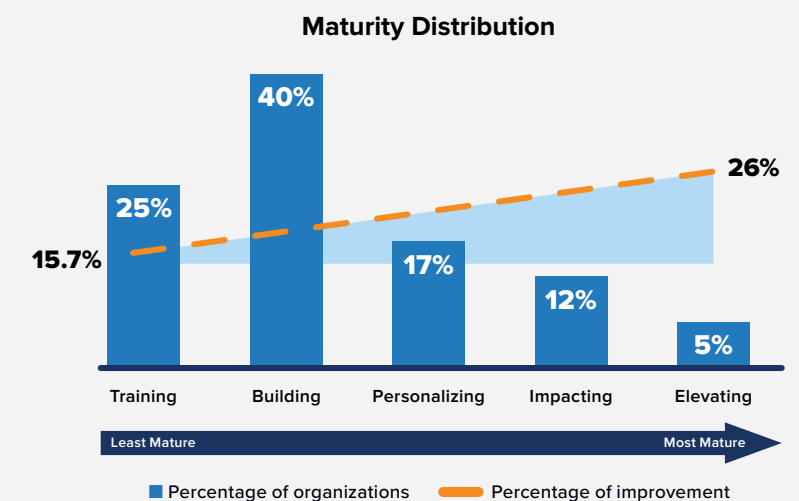
## This approach demonstrates two defining attributes of success:

- ▶ Although some foundational characteristics are worth more, whenever programs exhibit more characteristics, their performance improves.
- ▶ The absence of more foundational characteristics hinders a program’s effectiveness.

Typical of many maturity models, most programs are in the second-least-mature stage, called “Building.” There are relatively few organizations in the most mature or “Elevating” stage. Research suggests that the more mature a program, the greater improvement it can offer in key performance indicators.

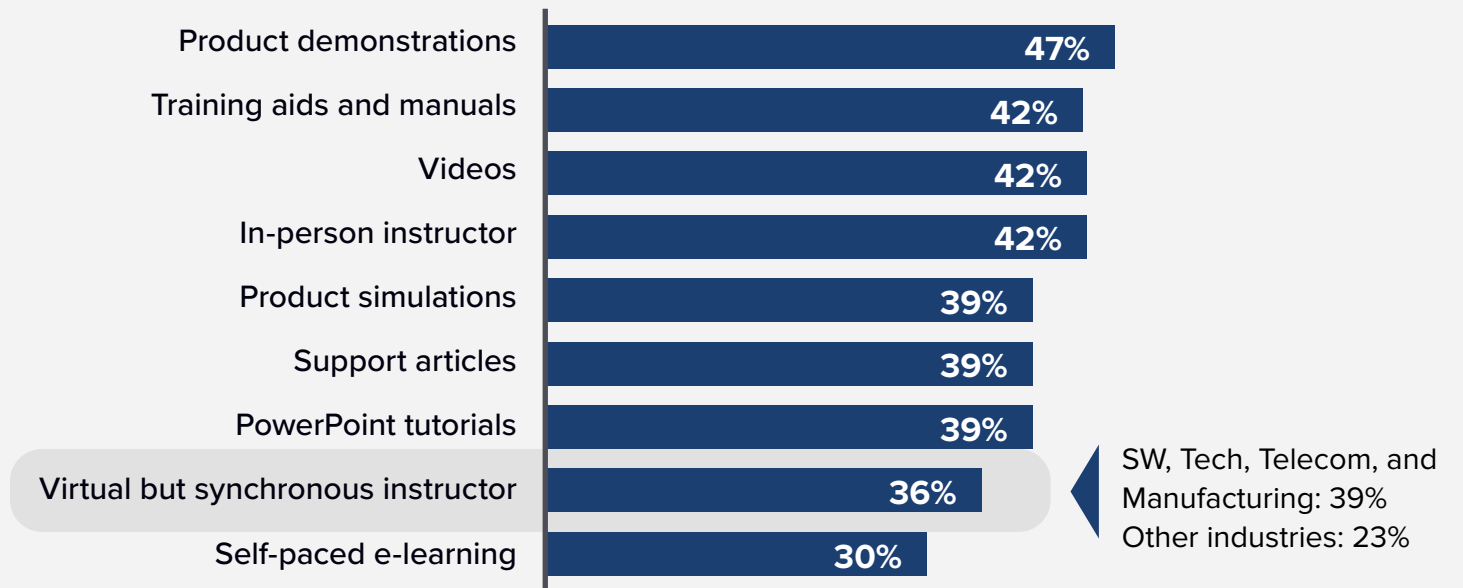
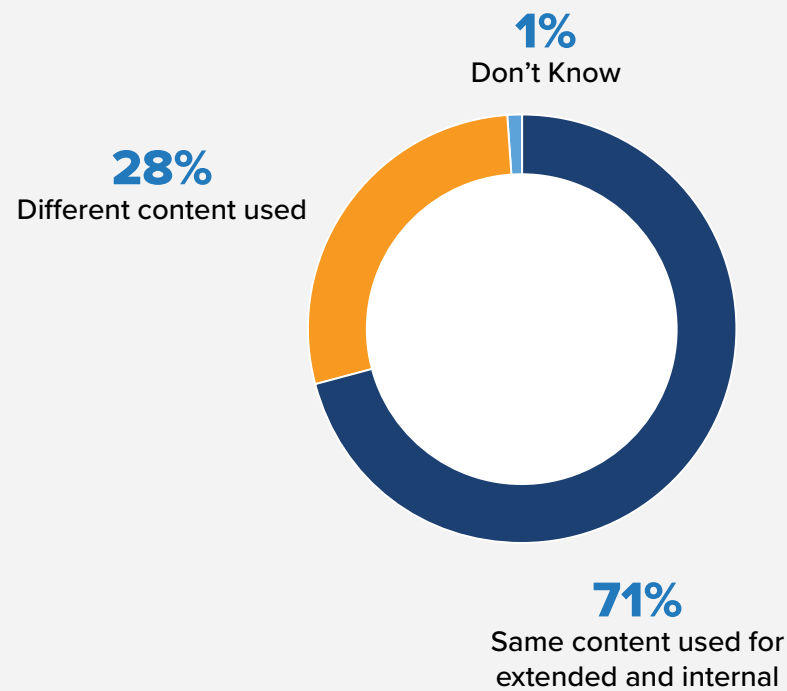
## Maturity is determined by points

- [0-10 points] = Training
- [11-18 points] = Building
- [19-24 points] = Personalizing
- [25-28 points] = Impacting
- [29-30 points] = Elevating



# Appendix: Types of Educational Offerings

Software, Tech, Telecom and Manufacturing use a virtual but synchronous instructor much more than other industries.



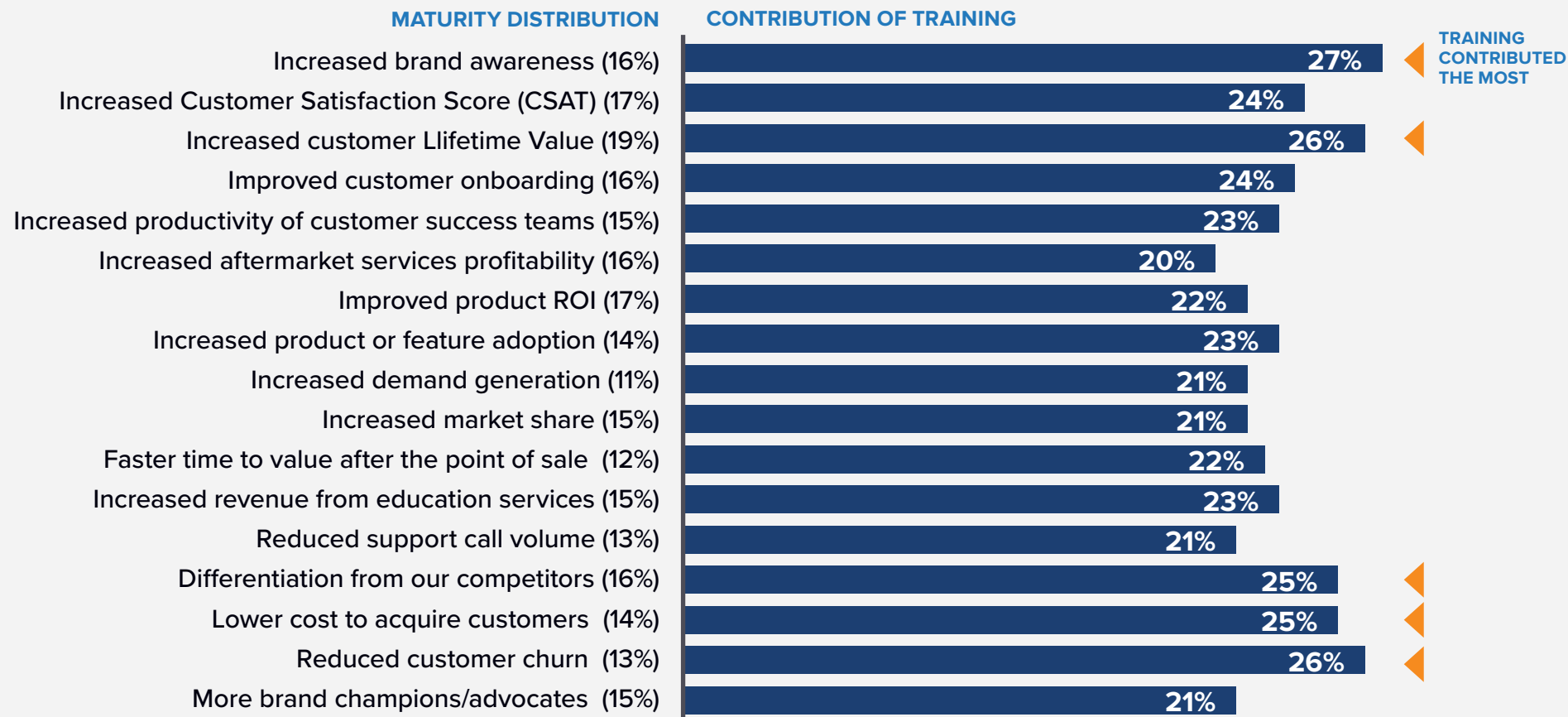
n = 260 Source: Customer Education Survey, IDC, February 2022



# Appendix: Changes in Performance from 2020 to 2022

Q. What percentage change in performance did you see between 2020 and 2021? (in parentheses)

Q. What percentage of the change you saw in the following would you attribute to training the extended enterprise?



**Performance improved about 15% (+/- 4%) from 2020 to 2022. Roughly one-quarter of all improvement was attributed to training external customers.**

n = 260 Source: Customer Education Survey, IDC, February 2022

# About the Analysts



## **Cushing Anderson**

Program Vice President, IT Education and Certification, IDC

Cushing is research vice president, responsible for managing the research agenda, field research, and custom research projects for IDC's Business Consulting, and IT Education and Certification research programs. His research coverage ranges from the value business consulting firms deliver to their clients to the criteria used when selecting transformation training for the IT organization. He conducts regular research on the views and experiences of enterprises with global consulting firms, and he frequently evaluates the impact of various types of training and certification on IT organizational performance.

[More about Cushing Anderson](#)



## **Lisa Rowan**

Research Vice President, HR, Talent, and Learning Strategies, IDC

Lisa Rowan is research vice president for IDC, responsible for global research on human capital and talent management software and services. Lisa provides expert analysis focused on both the business services and software used to address HR and talent-related dimensions. Her research addresses developments in human capital and talent management applications, human resources consulting, and HR outsourcing services.

[More about Lisa Rowan](#)

# Message from the Sponsor

## Thought Industries — Unlock the Potential of Customer Learning

Today's professionals use more sophisticated and specialized products to do their jobs. Their need to acquire knowledge has never been greater and their patience for acquiring it has never been shorter. Thought Industries was founded to deliver on those expectations and help businesses realize the potential of customer learning as a catalyst for scale and growth.

## About the Thought Industries Customer Learning Cloud

Whether it be customer, partner, or professional education, the Thought Industries Customer Learning Cloud allows you to deliver immersive, engaging, consumer-grade learning at scale. Customers across a range of industries, including ZoomInfo, Seismic, Linux Foundation, and Dale Carnegie use Thought Industries to accelerate onboarding, increase customer renewals, and drive revenue. Partner with the only learning platform that combines bulletproof APIs, analytics, and learner security with a visionary road map to meet the needs of thousands of learners today, tomorrow, and for years to come.

[Explore Thought Industries](#)

## IDC Custom Solutions

This publication was produced by IDC Custom Solutions. As a premier global provider of market intelligence, advisory services, and events for the information technology, telecommunications, and consumer technology markets, IDC's Custom Solutions group helps clients plan, market, sell and succeed in the global marketplace. We create actionable market intelligence and influential content marketing programs that yield measurable results.



 @idc

 @idc

[idc.com](https://www.idc.com)

© 2022 IDC Research, Inc. IDC materials are licensed for external use, and in no way does the use or publication of IDC research indicate IDC's endorsement of the sponsor's or licensee's products or strategies.

[Privacy Policy](#) | [CCPA](#)