

Q
& A

10 Common Questions About Customer Advisory Boards Answered

Intro: Customer Advisory Board

Best Practices and Tips

According to [Gallup](#), only 29% of B2B customers are fully engaged, meaning that 71% of companies are either indifferent or actively disengaged and are ready and willing to take their business elsewhere.

One of the most powerful B2B customer-centric approaches to deepen customer engagement and relationships with top accounts, get strategic feedback and new product ideas, drive new sales revenue-*and more*-is a customer advisory board or partner advisory board.

If you are tasked with creating a new customer or partner advisory board, or you are responsible for managing or revamping existing advisory boards...and you have questions about key aspects of customer advisory boards, then this guide is for you.

Our team at Ignite Advisory Group has managed 200 advisory board engagements for leading B2B companies. Based on our experience, we've compiled some best practices and tips on 10 common questions we have received.

What you will learn:

- Mistakes to avoid with customer advisory board agenda creation
- How to elevate the importance of the board internally
- Advisory board recruitment and membership selection tips
- How to increase engagement at advisory board meetings
- Who should facilitate advisory board meetings
- The ideal cadence and length of advisory board meetings
- And more

Mistakes to Avoid When Creating a Customer Advisory Board

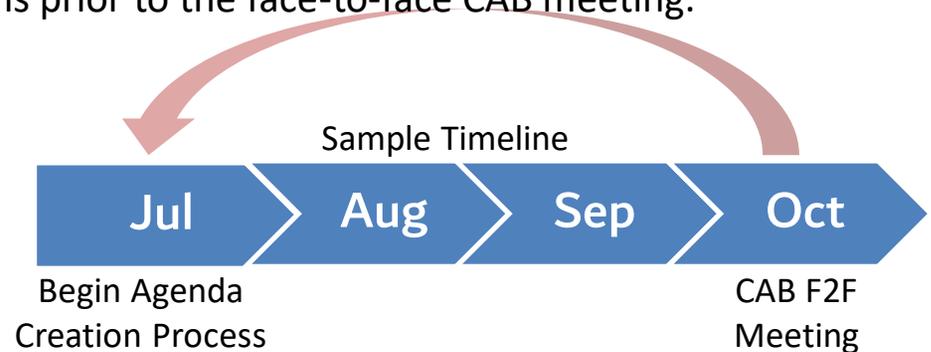
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My company is about to kick-off our first-ever CAB. What is a common mistake companies make with inaugural CAB meetings?

A common mistake is not allowing enough time for agenda preparation. The process takes about 6-8 weeks if done properly. So you need to start this about 3 months prior to the face-to-face CAB meeting.

The agenda creation process:

- Gather key topics from the executive sponsor and the internal CAB steering committee. What are the critical business decisions they need to make in the next 12 months and how can the advisory board insights help?
- Create an interview discussion guide with 6 or so proposed agenda topics.
- Interview each CAB member via phone. An online survey will not suffice to understand member's real perspectives on these key business challenges.
- Analyze the member interviews to determine what topics should be on the agenda, and what topics should be dropped.
- Gain agreement on the agenda from the executive sponsor and CAB steering committee.



The agenda creation process takes time! But it is critical to ensure you have an agenda that is mutually beneficial for your internal team and the advisory board members.

Blog post: Learn more about creating a customer-driven agenda at <http://bit.ly/2iRSR6w>

Elevating the Importance of Your Customer Advisory Board Internally

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We have trouble getting the right amount of time to plan and execute on a CAB. Our development team does not want to spend cycles "waiting" for CAB feedback. Any suggestions on how to make the importance of the CAB understood across the organization?

There are two things that can help here:

- **First**, instead of waiting a year to meet with the advisory board, we recommend at a minimum, having quarterly strategy calls with the board which are interactive working sessions for 90 minutes.
 - Optionally, create working groups with the CAB that meet every 6-8 weeks.
 - A CAB should be a 12 month program, not a once a year meeting.
- **Second**, better communicate what is happening with the CAB by publishing

detailed meeting and call summaries after every meeting and a quarterly CAB update email explaining the outcome of recent discussions and what topics are planned for the CAB next quarter.

“ If you’re focused primarily on planning a one-off CAB meeting, you’re doing it wrong. It’s a continuous process throughout the year. What happens before and after the meeting makes all the difference.

- Dell CAB Program Manager

Customer Advisory Board Recruitment and Membership

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What level of individuals should we be inviting to CABs - senior managers, VPs, CEOs? What about the mix of technical and business?

Determining the level of customers to invite depends on the type of CAB you create, along with your objectives and goals for the advisory board.

There are several types of CABs.

1. One type is **STRATEGIC**: the members are senior level decision makers with budget authority, they sign the checks and receive the benefits of the products your company provides. They can advise on strategic challenges that the industry faces and identify market opportunities inside and outside of their organization.
2. Another type is a **PRODUCT CAB**: The members are the users of your company's product, they are familiar with how the product performs and can advise you on how to improve the product. They have a more shorter term view and may not be aware of wider organization and industry challenges.

TIP: Don't mix the different types of CABs into one CAB. For example, you can't have a CFO serve on a CAB with System Administrators; the agenda topics cannot engage such diverse audiences. The CAB members like to see their peers sitting around the room.

CAB Guide: Read more about types of CABs in our Beginner's Guide, Part 1, Pages 9-11: <http://bit.ly/2hZmvHl>

Customer Advisory Board Recruitment and Membership

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How do you select the CAB members from among your customer base? For example, do you check if they are early-adopters vs. mature?

It all depends on the objectives of the advisory board:

- Are you looking for innovative ideas from early adopters? or
- Are you looking to increase customer loyalty from your largest clients?

As a general rule of thumb, advisory boards should contain the most influential clients within your customer base. We also like to ensure a mix of established and more modern companies on an advisory board. For example, on an advisory board with very established companies like Ford and Wells Fargo, we recommend having a few members from newer, innovative companies like Tesla and Match.com to get different perspectives.

Blog Post: 7 Customer Advisory Board Member Recruiting Tips <http://bit.ly/2iQ1SdH>

Increasing Engagement at Advisory Board Meetings

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Do you have any tips for increasing participation in advisory board meeting discussions?

We recommend using the 80:20 rule to best engage members at an advisory board meeting. Using facilitation techniques, we ensure that the advisory board members are speaking 80% of the time. This only allows 20% of time for the host company to share their perspectives. In this sweet spot, the advisory board members get the most value out of the CAB experience and the host vendor also gets the most value, as they are able to sit back and listen to their clients building on each others perspectives.

Achieving the 80:20 balance takes a lot of preparation, coaching and a variety of facilitation techniques.

80
20

Blog Post: 4 Tips for Facilitating a Customer Advisory Board <http://bit.ly/2jdGH4u>

Training: The industry's only Customer Advisory Board Training <http://bit.ly/2zTFqg5>

Who Should Facilitate the Customer Advisory Board Meeting?

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Can the facilitator be one of the CAB members or our CAB executive sponsor? Ideally, who should it be?

The ideal facilitator is objective and unbiased, so this rules out the customer and the vendor company. The person also needs to be trained in facilitation. We would not put a facilitator in front of your top clients and your executive management team unless the person has facilitated a customer advisory board meeting before. For these reasons, most world-class advisory boards use a third-party facilitator.

Blog Post: Facilitating Your Company's Customer Advisory Board (and Other Career-Limiting Scenarios) <http://bit.ly/2iOaZO3>

Third-Party Facilitation: Benefits of using Ignite to facilitate your CAB <http://bit.ly/2jfB7OU>

Top Customer Advisory Board Benefits

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What are the top 3 benefits CAB members cite for being members?

- Ability to network with their peers and understand what is happening across the industry
- Ability to influence the product roadmap and business strategy of the host company
- Ability to meet host company's executive management team

Psychologically, members enjoy seeing their ideas get implemented—it's a real sense of accomplishment from serving on a board and seeing their ideas adopted in the industry.

Blog Post: 17 member benefits from advisory boards <http://bit.ly/2hZBqRI>

What are the top 3 benefits of CABs for host companies?

- Impact on business/strategic direction
- Guidance on product direction/roadmap
- Market sensing, identifying new markets and revenue opportunities

Blog Post: Top 5 benefits your company can get from a customer advisory board

<http://bit.ly/2iTVogq>

eBook: What value do CABs provide?, with survey feedback from over 30 advisory board practitioners <http://bit.ly/2iNTEF6>

Cadence and Length of Customer Advisory Board Meetings

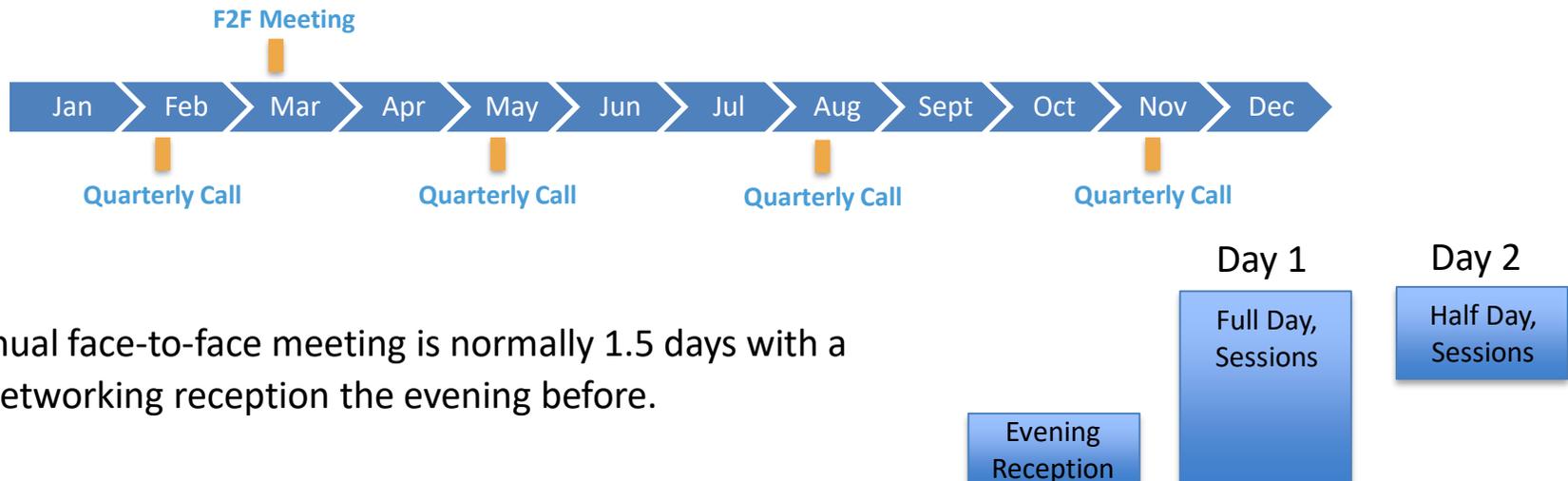
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What is the right cadence for CAB meetings?

Monthly, bi-monthly, quarterly?

How long are meetings (one-day or multi-day events)?

Ideally, an annual advisory board cadence involves, at minimum, one face-to-face meeting and quarterly online meetings for 90 minutes.



The annual face-to-face meeting is normally 1.5 days with a social networking reception the evening before.

Blog Post: 7 Customer Advisory Board Logistics Qs & As with information on meeting cadence, meeting venue locations, seating arrangements and more <http://bit.ly/2iNSkCc>

The Ideal Customer Advisory Board In-Person Meeting Venue

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What is the ideal venue for a CAB in-person meeting? Do you ask a customer to host in his or her facility or do you use a hotel?

In our opinion, it's a lot to ask a board member to host an entire meeting for 20 or more people for multiple days. We find that hotels and event locations have the necessary staff and infrastructure to create a productive meeting experience.

The ideal venue for your advisory board depends on your budget and the level of customer members that are on the board. Do you want to provide an ultra-luxury 5-star experience or a level down, 4-star, but still high-end experience?

Blog Post: 7 Tips for Hotel Selection for Customer Advisory Boards <http://bit.ly/2i1m7rF>

Restructuring and Revitalizing a Customer Advisory Board

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What is the best approach on restructuring an inherited advisory board that has long-term members who want to be involved when you need to revitalize the board and engage a fresh, new perspective?

CAB Membership: Re-evaluating the membership is key. Ensuring you have the right level and type of customer on the board is critical. Evaluation criteria may include: level of commitment, value of participation and attendance, value of insights and perspectives, relationship tenure with host company, company industry, company innovation, and others.

Internal Key Stakeholders: You may also want to re-evaluate your internal steering team—do you have the right stakeholders and executive sponsorship internally engaged to ensure the insights collected can be actioned by your organization? The restructuring will fail if you can't turn advisory board insights into actionable items to create ROI from the program.

For a new executive sponsor or stakeholder, find out their key performance indicators (KPIs) and ensure that the advisory board can help them achieve those success metrics.

Blog post & Video: Without executive commitment, a customer advisory board will fail <http://bit.ly/2iUD2fm>

Optimize your CAB: Ignite can help optimize and revitalize your CAB program <http://bit.ly/2iULfjE>

Maximize the value of your advisory board

Customer advisory boards are an effective part of a strong customer-centric strategy when properly designed, managed and executed.

At Ignite, we help leading B2B companies create, implement and manage high impact and high value customer advisory boards.

Contact Ignite today to find out more.



“Working under tight deadlines and with multiple Dell stakeholders, Ignite Advisory Group delivered a best in class Customer Advisory Board experience for the President’s Advisory Board members and Dell.”



Joanne Moretti
VP & Global Head Software
Marketing
Dell



“Running 11 global boards with 200 members is a daunting task. Ignite’s outcome based methodologies and extensive best practices give us a dynamic blueprint for Customer Advisory Board success.”



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