Brandon Hall Group

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BEYOND EMPLOYEE LEARNING:

How Customer & Partner Education Drive Value and Growth

2023

Brandon Hall Group
Smartchoice®
Preferred Solution Provider
PLATINUM
2023-2024

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Introduction

External learning, which can include learning for many different types of non-employee audiences, has grown enormously since 2020. Back then, when the pandemic was just starting, only 27% of organizations offered both external and internal learning. Now, in 2023, it is almost the opposite: 77% of organizations offer both external and internal learning of some kind, and only 23% offer just internal learning, according to Brandon Hall Group™ research.

2020
27%

2023
77%

We attribute this to several factors, not the least of which was the expansion in Software as a Service as the world went remote during the pandemic. Many organizations wanted to connect in some meaningful way with customers and partners since in-person interactions were not possible.

Another factor includes how customer and partner training became critical revenue sources for many companies during the pandemic. These alternative revenue streams were no longer "nice to have," but were in fact keeping companies afloat. There has also been a shift from product-led to customer-led growth strategies. Customer-led growth strategies are driven primarily by customer needs and customer feedback. The key principles include putting the customer at the center of decision-making and engaging customers directly to help them shape future products and solutions.

Customer and partner education can play a significant role in customer-led growth strategies by providing a clear path forward to address some of the key actions businesses can undertake in growth through current customers. We really like the GEAR framework from Catalyst Software as a place to start. To grow your business, you need to decrease costs and increase revenue. But how does customer education drive these outcomes? That's where GEAR comes in. GEAR stands for Growth Efficiency, Expansion, Advocacy and Retention.

The underlying thought here is that it is far easier to expand current customer relationships than it is to find net new customers. Decrease costs by focusing on accelerating profitability with your current customers and drive growth efficiency by having a strong proactive strategy for retention and growth of existing customer accounts. Increase revenue by actively targeting customer expansion and building brand advocates with people who already believe in your value. Finally, maximize retention by focusing on mitigating the risk of customer churn.

A well-crafted and executed external learning strategy can help you achieve each of these milestones.

Customer-led growth strategies

G.E.A.R.

CLG strategies lead to Growth efficiency, Expansion, Advocacy and Retention.

DECREASE COSTS

G

Accelerate Profitability
Prioritize growing customer revenue at higher margins than net new business

Drive Growth Efficiency
Reduce post-sale costs with a proactive strategy for retention and growth

INCREASE REVENUE

E

Increase Expansion
Actively target customer expansion to tap into new, available revenue streams

A

Build Customer & Brand Advocates
Build your brand faster with the people who already believe in your value

R

Maximize Retention
Focus on mitigating churn risk while maximizing every dollar amount renewed

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Building the Business Case

Extended enterprise learning can help your business in many different ways, Brandon Hall Group™ research shows.

As you might expect, most companies say external learning helps customer relations and increases the awareness of brands, products and services, two of the key ingredients in the GEAR model, but there is potential for so much more. You see a small percentage of organizations beginning to use learning to drive sales and revenue and create lead generation. You can begin to see a shift — learning as a marketing strategy through brand/product awareness, leading to increased sales, more demand and lead generation, which has the potential to become a revenue-building machine. We are on the cusp of seeing a huge change.

There can be many different external training audiences. When most organizations that engage in externally focused education talk about their audience, customers are the predominant group. This is likely due to the fact that customer relations has been the predominant business case up until now. Other audiences, such as sales partners and resellers, manufacturers, association members, franchisees and more, can all provide great dividends. It will depend on companies being able to build specific business cases for each relevant audience. Knowing what problems and opportunities there are to address with external learning is the first step.

How does your extended enterprise learning help your business?

Improves customer relations — **77%**

Increases awareness of brand/products/services — **68%**

Helps meet and exceed corporate objectives — **45%**

Improves product/feature adoption — **45%**

Maximizes client retention — **41%**

Increases sales — **41%**

Generates revenue — **36%**

Meets compliance requirements — **32%**

Reduces client support interactions — **27%**

Builds demand/lead generation — **27%**

Provides a more unified voice across sales and marketing — **18%**

Source: Brandon Hall Group™ Study,
Extended Enterprise Learning

Organizations must build the business case behind delivering learning to specific external audiences. Consider how each of these possible scenarios might be useful to your business.

Customer Support

If your organization needs to cut down on customer support inquiries, designing training to address the most common reasons for those calls can reduce the volume of inquiries and reliance on help tickets.

Product Support

Training manufacturers or distributors on how your products are made, used, or sold may help your supply chain run smoother.

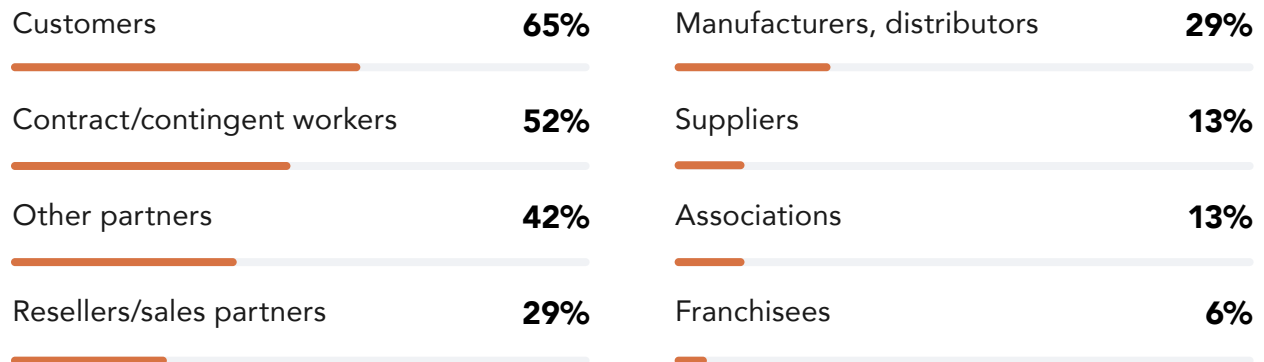### Resellers

Giving reseller partners better quality and more timely information on your products or services could make them more likely to sell them over a competitor's and more effective.

These are just three possible avenues to consider taking advantage of. The real question now becomes, how do you actually do this work? What does it take to build an effective external education strategy?

How To Build the Strategy

External Training Audiences

Customers	**65%**	Manufacturers, distributors	**29%**
Contract/contingent workers	**52%**	Suppliers	**13%**
Other partners	**42%**	Associations	**13%**
Resellers/sales partners	**29%**	Franchisees	**6%**

Source: Brandon Hall Group™ Study, Extended Enterprise Learning

Building an effective external education strategy is really no different from building an effective internal learning strategy. In fact, we've already covered the foundation of any good learning strategy, which is to know your audience.

Beyond that basic orientation, three steps are involved in building a solid learning strategy.

ANALYZE INPUTS

CREATE CONTENT

PERSONALIZED LEARNING
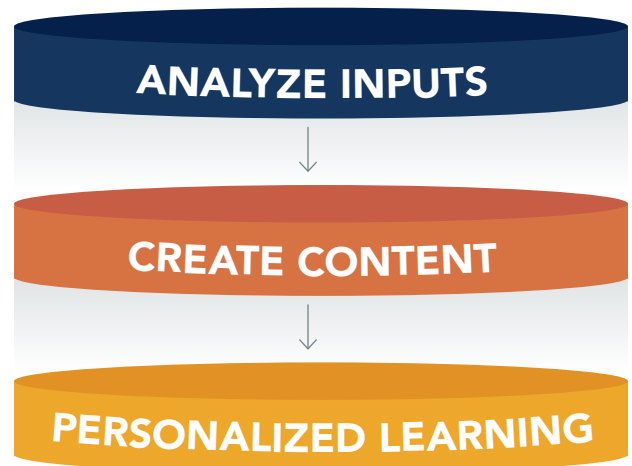
ANALYZE INPUTS

Develop an education strategy that is based on input from across the organization. In order to ensure you have the right inputs, start with the intended audience and outcome and then look to internal sources of data to help you understand the problem your learning needs to solve. Those data points might come from support tickets, customer or partner advisory boards, survey results, NPS (Net Promoter Score) or CSAT (Customer Satisfaction) scores, or even the community at large through informal channels. Validating what the data is telling you through conversations with key business units such as sales, customer success and customer support will be useful as well. All of this helps you determine what content you might need and how best to present it to your external audiences.

CREATE CONTENT

Formulate a hypothesis on what type of content will best achieve your objectives. If we've learned nothing else from the last four years, it's that one size definitely does not fit all when it comes to training. Depending on the resources available to you and the goal of the learning you can take as simple an approach as a digital "job aid" with links all the way up to far more complex full-blown simulation activities with practices and quizzes. Most external learning needs will likely fall somewhere in the mildle of these two extremes.
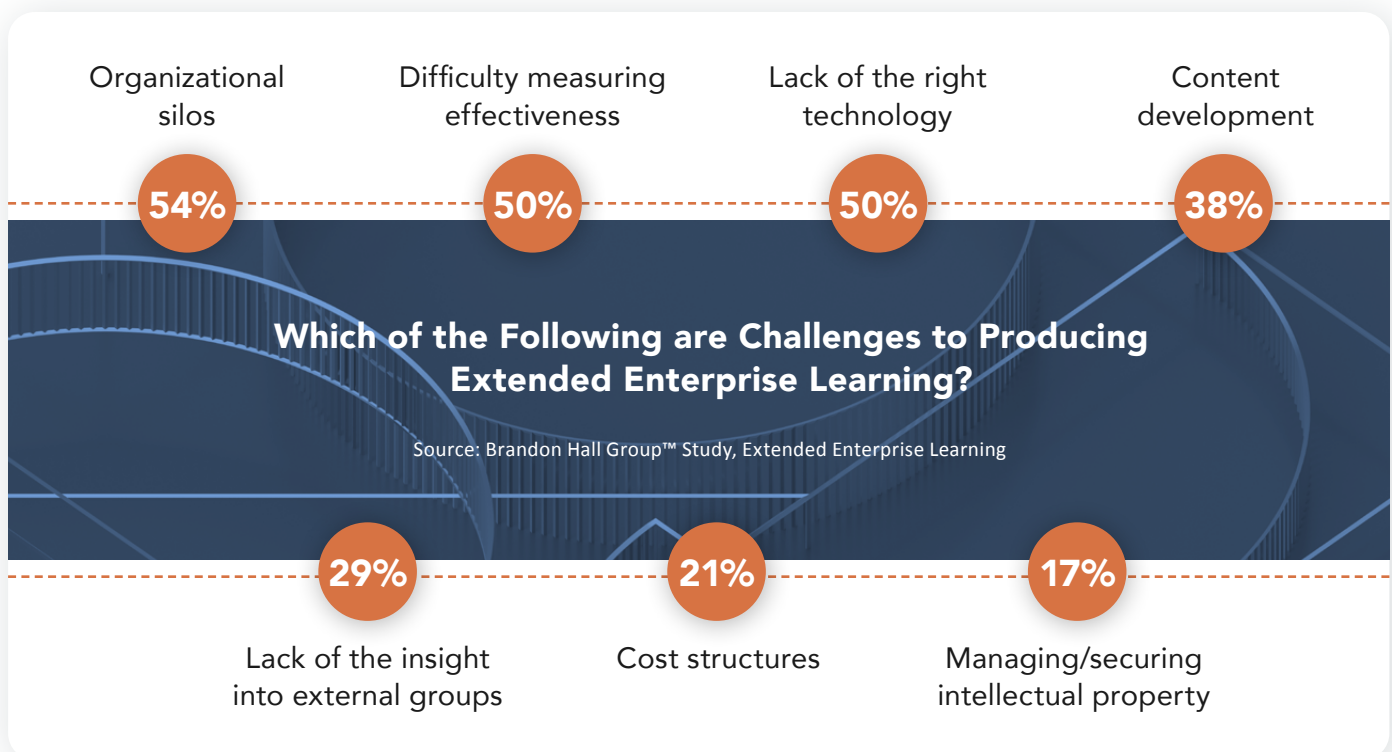
PERSONALIZED LEARNING

Deliver the right content to the right audience on the right channel at the right time. Work with your teams to define different user segments and map the content to the segments. Take an experimental approach based on what you want to achieve and the impact you want to have on your learners. Try things out and make quick adjustments when an approach does not work.

Finding the right tools to target the right people and focusing on the learner experience will always serve you well. Depending on your goals and projections, finding the right partner with the technology to help you create, personalize and manage the distribution of the content will make all the difference in your success.

Overcoming Challenges

Organizations face many challenges in producing high-impact extended enterprise learning, and those barriers are basically the same as they are for internal learning. The top three are organizational silos, difficulty in measuring learning effectiveness and not having the right technology to deliver on learning goals.

Organizational silos	Difficulty measuring effectiveness	Lack of the right technology	Content development
54%	**50%**	**50%**	**38%**

Which of the Following are Challenges to Producing Extended Enterprise Learning?

Source: Brandon Hall Group™ Study, Extended Enterprise Learning

	29%		**21%**		**17%**	
	Lack of the insight into external groups		Cost structures		Managing/securing intellectual property	

These challenges keep coming up repeatedly. Brandon Hall Group™ research shows that these challenges have created a gap between the importance that companies place on learning to drive business success and the effectiveness of that learning. A lot of elements contribute to the importance-effectiveness gap, but silos, measurement and technology are the most important to address. Address these gaps and you can have more success with both external and internal learning.

We recommend these three approaches to begin bridging the gap:

1.

Empower Cross-Functional Teams

The best way to minimize the negative impact of organizational silos is to remove them. When it comes to learning strategy, cross-functional project governance can accelerate this process. Brandon Hall Group™ research clearly shows that organizations that have a learning council in place have fewer issues in execution and a faster resolution to problems when they do arise. Review and evaluate organization structure and determine who the right stakeholders are to include in the process. Establish clear roles, titles and leveling guides across teams. Most importantly, tell the story of how the cross-functional team is accomplishing goals in their positive impact on the business.

2.

Improve Processes

Leverage your cross functional teams to help you review and evaluate processes. Someone looking at a process with fresh eyes or through the lens of a different paradigm can often identify inefficiencies faster than those who created or are charged with maintaining that process. As you identify opportunities to improve efficiency and performance, make those changes and ensure mechanisms are in
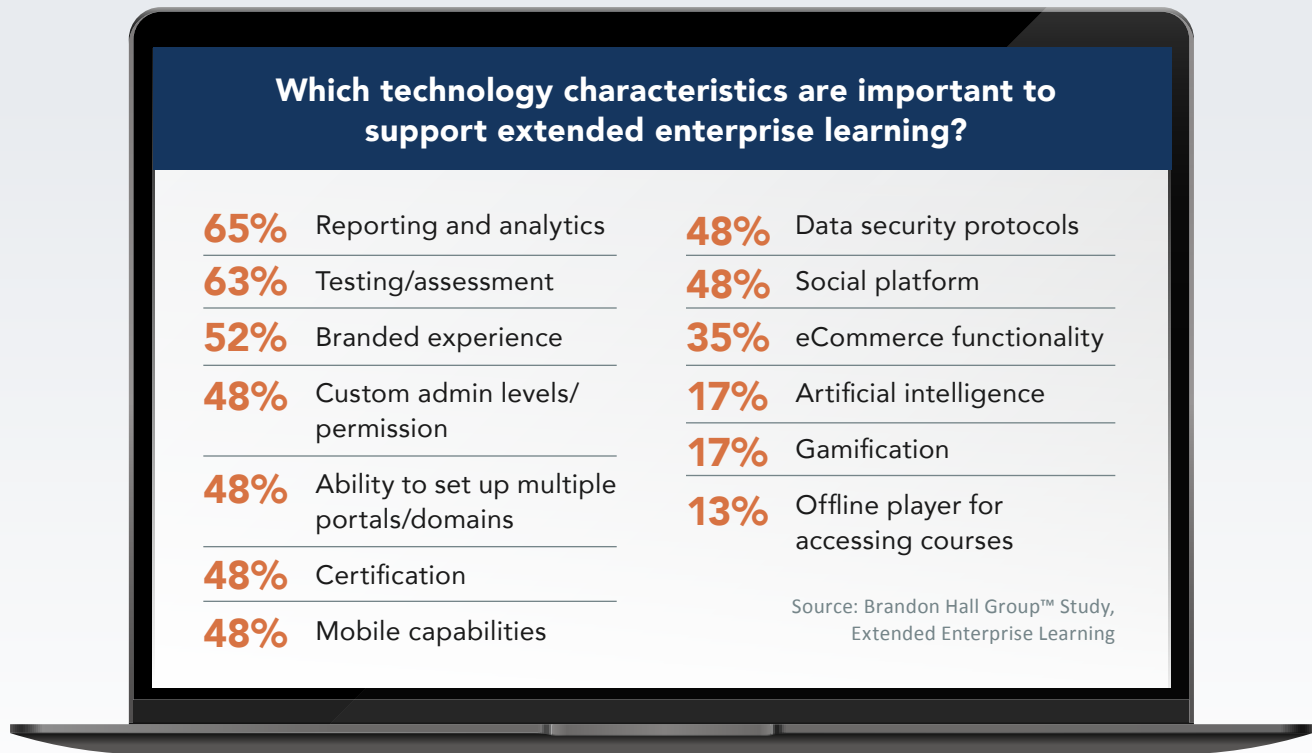
place for good measurement. This often will take you right back to where you started in building your strategy by leveraging some of the same data points you used in problem identification to measure the impact of the learning.

3.

Improve Technology

Cross-functional involvement also helps with technology evaluation. Working with your partners in IT, Procurement and HR Technology you can evaluate and document your existing technology stack against new requirements, review contracts and costs and review the benefits and value of each vendor to determine the best course of action.

Technology plays a key role in extended enterprise learning, but not every learning solution is built to handle this type of learning environment. Look for partners and platforms with robust reporting, white-label capabilities, mobile functionality and assessment tools that will maximize your efforts. You will need an eCommerce solution as well if your organization intends to charge for your external learning programs. The tools have to be able to meet the demands of multiple user audiences, as well as a decentralized network of administrators and managers. You need to build a structured and strategic technology ecosystem to meet all of your learning needs.

Which technology characteristics are important to support extended enterprise learning?

65%	Reporting and analytics		**48%**	Data security protocols
63%	Testing/assessment		**48%**	Social platform
52%	Branded experience		**35%**	eCommerce functionality
48%	Custom admin levels/permission		**17%**	Artificial intelligence
48%	Ability to set up multiple portals/domains		**17%**	Gamification
48%	Certification		**13%**	Offline player for accessing courses
48%	Mobile capabilities			

Source: Brandon Hall Group™ Study, Extended Enterprise Learning

Secrets to External Learning Success

Unlocking the secrets to external learning success may not be as difficult a challenge as you think — particularly when armed with important knowledge. In looking at the list of technical functions that Brandon Hall Group™ research identifies as important to support extended enterprise learning (see image above), what you'll notice is not surprising.

Reporting and analytics top the list. This is the feature that is most often at the top of our lists of requirements needed or most wanted by customers. We continue, as a profession, to believe that a technology can solve our biggest problem. Reporting capability is crucial. Knowing how to use it and what you are measuring is even more important.

Reporting and analytics is followed by testing and assessments as critical features for external learning success. This is linked to measurement as this capability focuses on knowledge transfer and learner outcomes. Knowing that the learning content you are delivering is having the intended effect on the learner is what drives most learning professionals. Being able to validate that well should always be top of mind for designers and developers.

A Word about AI

One feature that did not make the list in this early 2023 research, but would almost certainly be at the top now, is generative AI. Brandon Hall Group™'s study, *How Generative AI Will Revolutionize* HR, shows that the two most popular use cases for Generative AI among HR professionals are accelerating training content development and scaling learning activities. As you evaluate potential technology solutions, you must have a clear understanding of how AI fits into their product roadmap and how its use is being governed and evaluated.

If your organization is still on the fence about how you will incorporate generative AI technology in your business, you must champion the decision-making process for governance and adoption. AI is here and it is here to stay. Your organization must embrace it and figure out how to incorporate it effectively in your technology ecosystem.

Most Popular Use Cases for Generative AI in HR

65%
Accelerating training content development

60%
Scaling learning activities

57%
Improving employee experience

56%
Supporting predictive analysis

Source: Brandon Hall Group Study,
How Generative AI Will Revolutionize HR

A Further Word about Measurement

Of course, the biggest key to success for extended enterprise learning is establishing strong measurement practices to understand your ROI. Companies often find it difficult to measure learning within the organization. Once we begin talking about dispersed, disparate learning audiences outside of the organization, tracking and measuring becomes even more critical.

That is why having a process and a set of KPIs before rolling out external learning is crucial. For partner training, work together to set expectations for what metrics can be collected and what success looks like. For customer training, use metrics that are meaningful to the business. Your measurement strategy begins with your design decisions. When you determine what the core purpose of your external learning will be, that is the place where you define your measurement approach, data collection process and reporting timelines.

In fact, measurement is where all of the work to design your extended enterprise learning strategy, engage with cross-functional work teams and evaluating and selecting the right technology partner all begins to come together. It starts with data hygiene. Identifying KPI's (Key Performance Indicators) that are most impactful comes from understanding the goal of the learning. Ensuring the data infrastructure is optimized and maintained so that KPI metrics can be tracked requires partnership and access.

You must ensure that the Operations organization and the IT team are both prepared to help you implement processes and ensure the ongoing alignment of the program to the broader business goals. If external learning is new to your organization, these partnerships will be that much more important. That is why they need to be involved from the beginning. This partnership also ensures that integration with existing data warehouse and BI tools critical to measure the impact of the learning on the business and the associated ROI (Return on Investment).

A Case Study: PowerDMS

Brandon Hall Group™ Platinum Preferred Provider Docebo has helped their customer, PowerDMS accomplish significant outcomes through external learning and optimization of learning technology.

SITUATION

PowerDMS went through a series of four acquisitions over **what period of time?** With each acquisition, there were existing learning systems and programs in place and PowerDMS was committed to consolidating all of those into a single environment that would allow for the varying audiences for each brand to remain in tact.

SOLUTION

Utilizing Docebo's learning environment, each successive acquisition and resulting integration was able to be accommodated within the centralized learning hub for PowerDMS. This also resulted in a 30% reduction in new customer onboarding time.

> " Having our customers onboard in less than 90 days is very important for us. We weren't achieving that before because our processes weren't scalable and they weren't conducive to real learning. Since we've switched to Docebo, we've been able to hit that goal more consistently. That's a big deal.

PATTY COSTLEY
Director of Learning & Development, PowerDMS

docebo

RESULTS

+119%
ROI
In 2021

5,420+
training hours
Saved

$150,000
saved
In training costs

Key Takeaways

1.

Design from the Outcomes You Want To Drive

This may seem obvious, but it definitely bears repeating. Applying design thinking to your external education strategy and investing that time at the beginning of the process will pay enormous dividends later. This step is what enables you to build a common language for decision-making as you continue to involve partners from across the business.

2.

Adopt A Experimental Approach

What this really means is to try new things, but don't over-invest or over-commit to any one path forward. The options are truly endless when it comes to modalities for delivering learning content. When your design process factors in what you believe will best work for a particular audience, you will want to test that assumption by conducting a pilot and gathering feedback as well as data to show whether or not the experiment worked. If it doesn't, move on to the next option and continue to test and refine throughout the life of your program.

3.

Partner with the Right Technology Vendor

Partner is the keyword here. You need a vendor who understands all of your business, what your goals are, and what you need their product to deliver. That way they can help you define your use cases and build solutions to meet those use cases, all of them.

4.

Measure Impact Incrementally to Show Business Value

Again, you determine your approach to measurement during the design phase of the effort. Then follow through on that intention by actually capturing and analyzing the data. Telling the story of how your program is impacting the business in a positive way requires persistence and consistency. The goal of learning measurement is to show the correlation between the investment and the results in the business.

Authors and Contributors

Claude Werder (claude.werder@brandonhall.com) wrote this report. He is Senior Vice President and Principal HCM Analyst at Brandon Hall Group™. He leads the Talent Management research and advisory practice, specializing in leadership development, performance development, learning, career development, employee engagement, succession management, talent retention, and diversity, equity and inclusion. He also produces Brandon Hall Group's HCM Excellence Conference.

Matt Pittman (matt.pittman@brandonhall.com) co-wrote this report. Matt brings nearly 30 years of experience developing people and teams in a variety of settings and organizations. As an HR Practitioner, he has sat in nearly every HR seat. A significant part of those roles involved building out functions in organizations and driving large scale change efforts. As a Principal Analyst, Matt leverages this in-depth experience and expertise to provide clients and providers with breakthrough insights and ideas to drive their business forward.

Samantha Murray contributed to this report. She is Director of Go-To-Market Docebo where she is responsible for bringing our solutions to market and ensuring their successful adoption. Working with cross-functional teams across the organization, she has streamlined processes and workflows to optimize GTM efficiency and has championed an organization-wide rollout of new GTM methodology to support Docebo's continued growth. Prior to Docebo, she spent over six years at Shopify, where she held leadership roles in customer education, marketing and customer success. She has over 15 years of experience spanning across multiple strategic functions including marketing, customer education, customer success and product management, and she excels working cross-functionally on data-driven programs that drive tangible revenue results.

Mike Cooke (mike.cooke@brandonhall.com) contributed to this report. He is CEO and Principal HCM Analyst at Brandon Hall Group™. Mike has more than 20 years' experience in human capital management and the research, software and technology industries. Before running Brandon Hall Group™, Mike was co-founder of AC Growth, a research and consulting firm, and VP and General Manager of Field Operations at Bersin & Associates, a global analyst and consulting services firm in all areas of HCM.

Rachel Cooke (rachel.cooke@brandonhall.com) contributed to this report. She is COO at Brandon Hall Group™. She is responsible for business operations, including client and member advisory services, marketing design, annual awards programs, conferences and the company's project management functions. She also leads Advancing Women in the Workplace and Diversity, Equity and Inclusion initiatives, research and events. Rachel worked in the HCM research industry for 15 years and held several key management and executive positions within the Talent and Learning Research, and Performance Improvement industries.

Michael Rochelle (michael.rochelle@brandonhall.com) contributed to this report. He is Chief Strategy Officer and Principal HCM Analyst at Brandon Hall Group™. Michael leads a wide range of advisory support and strategic engagements for Fortune 1000 and small- to medium-sized organizations as well as leading and emerging solution providers across the HCM industry. Michael has more than 30 years' experience in HR, IT, sales, marketing, business development, and strategic and financial planning in Fortune 500 and venture-backed start-up organizations.

About Brandon Hall Group™

With more than 10,000 clients globally and 30 years of delivering world-class research and advisory services, Brandon Hall Group™ is focused on developing research that drives performance in emerging and large organizations, and provides strategic insights for executives and practitioners responsible for growth and business results.

Membership
Individual and Enterprise Membership Options: Includes research assets, advisory support, a client success plan and more.

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recognizes world-class HCM programs that transform their organization and achieve breakthrough results. This designation is the next step beyond the HCM Excellence Awards, which focus on a single program, and looks at the department as a whole.

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uniquely places HCM service and technology companies at the top of organizations' consideration list of vendors. It adds an unmatched level of credibility based on BHG's twenty-eight-plus years of experience in evaluating and selecting the best solution providers for leading organizations around the world.

About Docebo

Docebo (NASDAQ:DCBO; TSX:DCBO) is redefining the way enterprises leverage technology to create and manage content, deliver training, and understand the business impact of their learning experiences. With Docebo's customized end-to-end learning platform, enterprises worldwide are equipped to tackle any learning challenge and create an authentic learning culture within their organization.

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For more information, please visit **docebo.com**