

Deploying *Customer Intelligence* in large corporations

IBM Connect
Gent





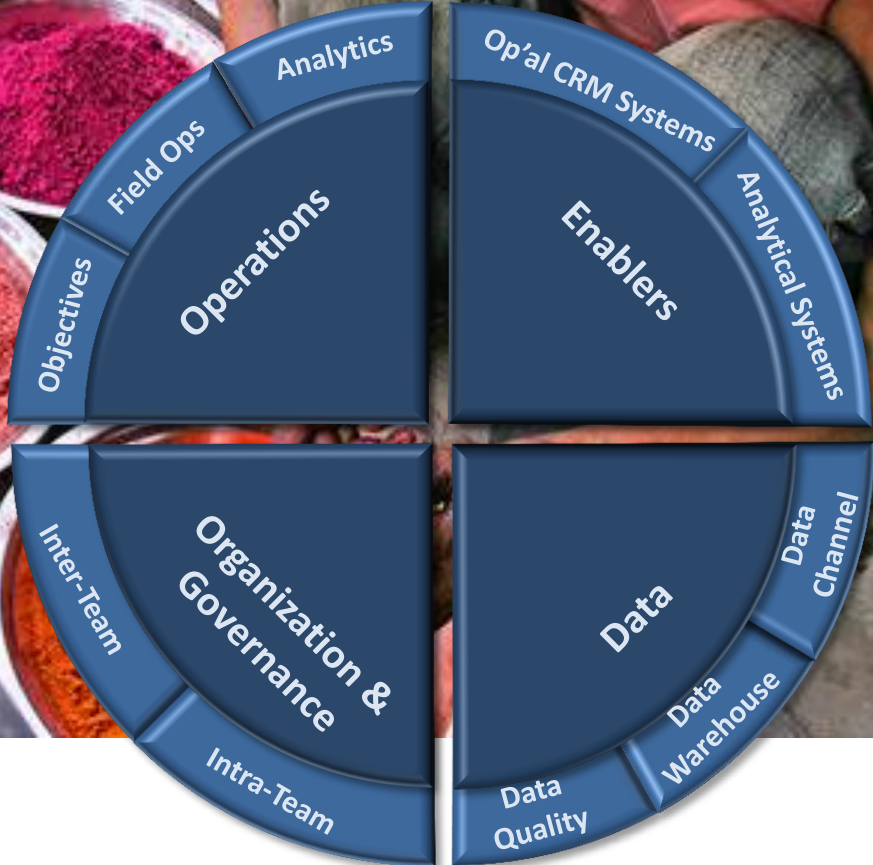
*“It took me four years to paint like Raphael,
but a lifetime to paint like a child”*

Picasso



Agenda for today ...

...a childish story about a lifetime in Customer Intelligence



The 10 ingredients of Customer Intelligence

The first ingredient

Objectives



Objectives

Customer Profitability

Loyalty & Retention

Quality of Service

Self-Service

Reactivity of Sales

Customer Insight

Win Rate

Competitive Advantage

Customer Value

Employee efficiency

Customer Service

Sales Efficiency

Organisational Change

Cost of Service

Response Time

Channel Cost

Understanding Needs
PERSONALISATION

Cross-Sell

Customer Identification

First things first ...

Set the right objectives

Get rid of bad customers

Info Sharing

Customer Experience

Brand

Customer Engagement

ORDER & INVENTORY MGT

Channel Preferences

Satisfaction

Reactivity of Sales

MANAGEMENT DECISIONS

Consistency

Word of Mouth

COST OF SALES

Sales Cycle Speed

Influence Identify Prospects

Channel Interactions

Dialogue

1 Objective and 100's of projects

1

Corporate Objective

"Increase Value of Customer Base with 3 %"



3

Chantiers

(Acquire, Retain, Grow)



100

Customer Initiatives



30

Analytics Projects



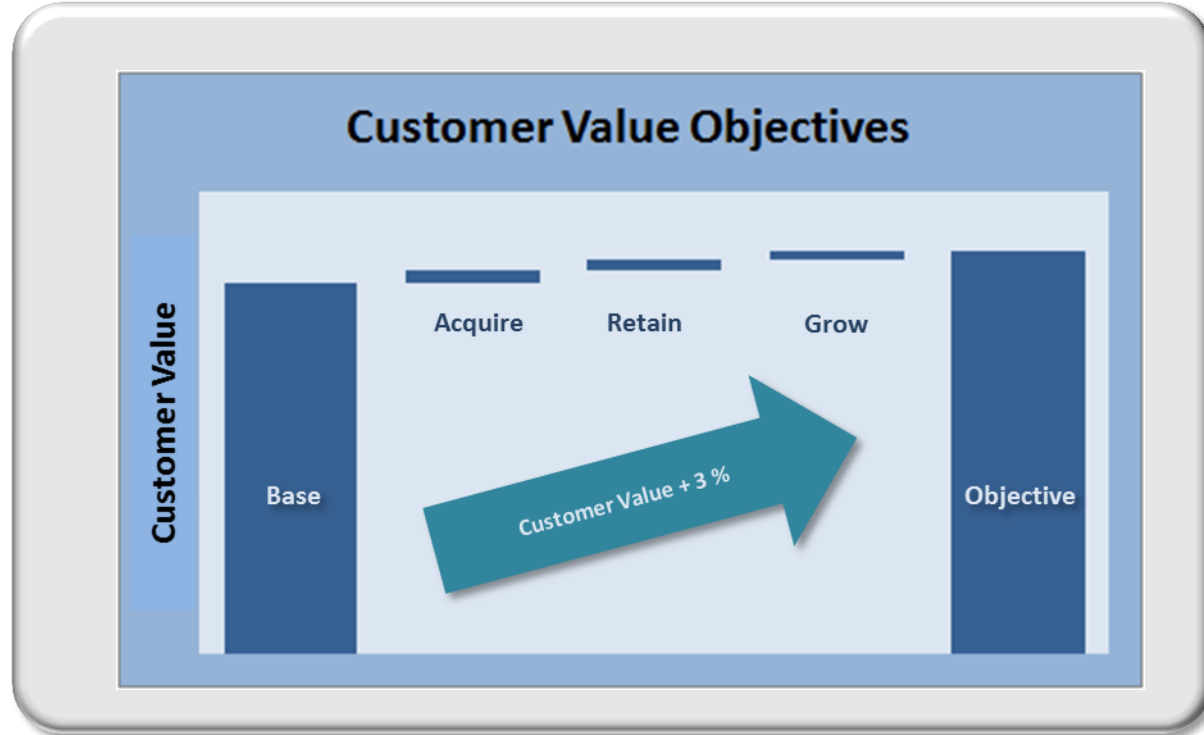
6

Technical Projects



2

Governance Projects



Company vs CRM objectives

Product Sales Objectives



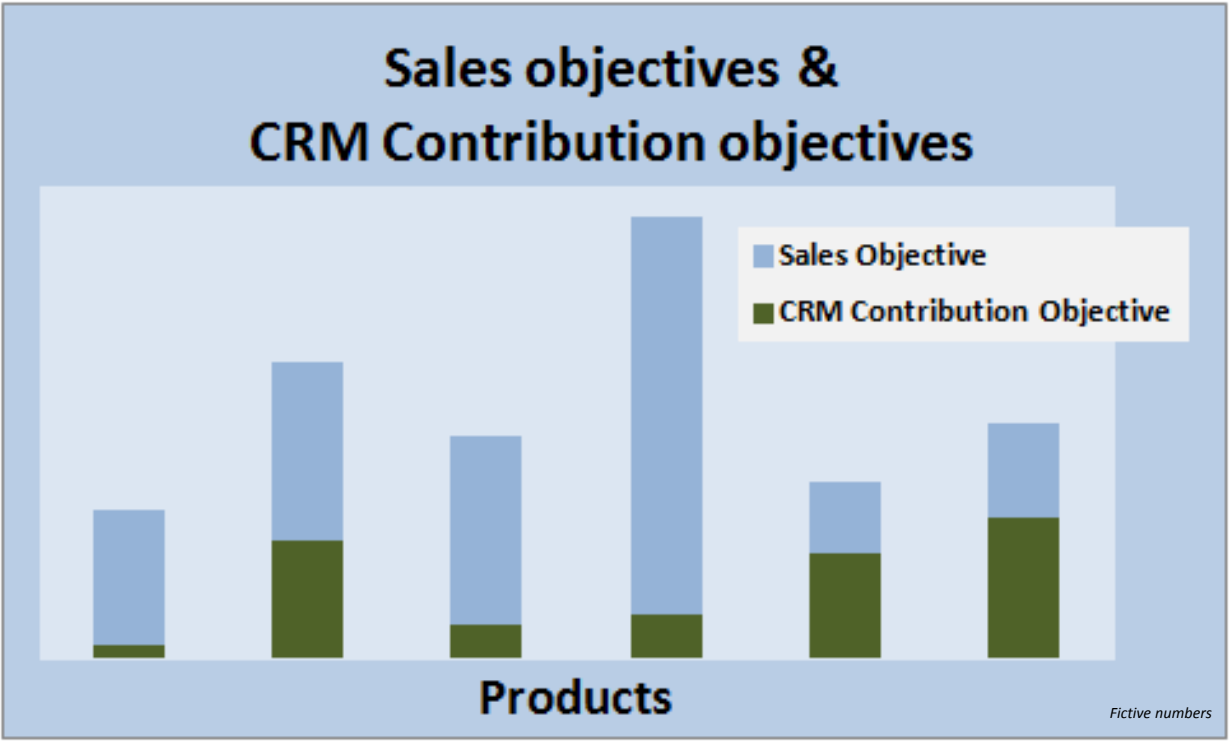
CRM Objectives



Campaign Portfolio



Analytical Projects



Technical Projects



The main challenge : *Meaningful objectives*

~~Clicks rates~~



~~Conversion rates~~



~~ROI~~



Contribution
to Company Objectives



Ensure the boss understands

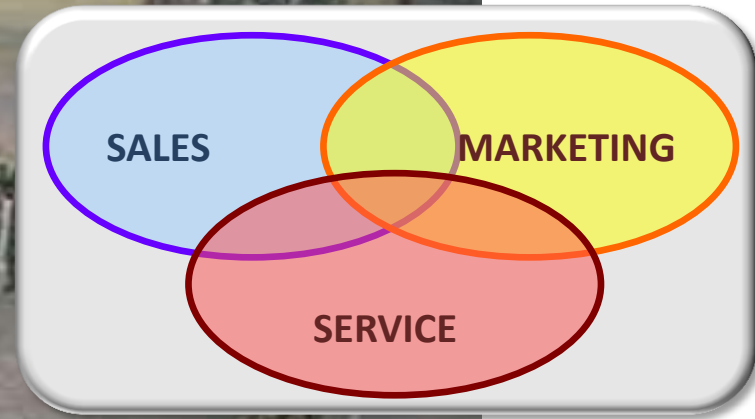
The second ingredient

Field Operations





Integrate all customer facing operations

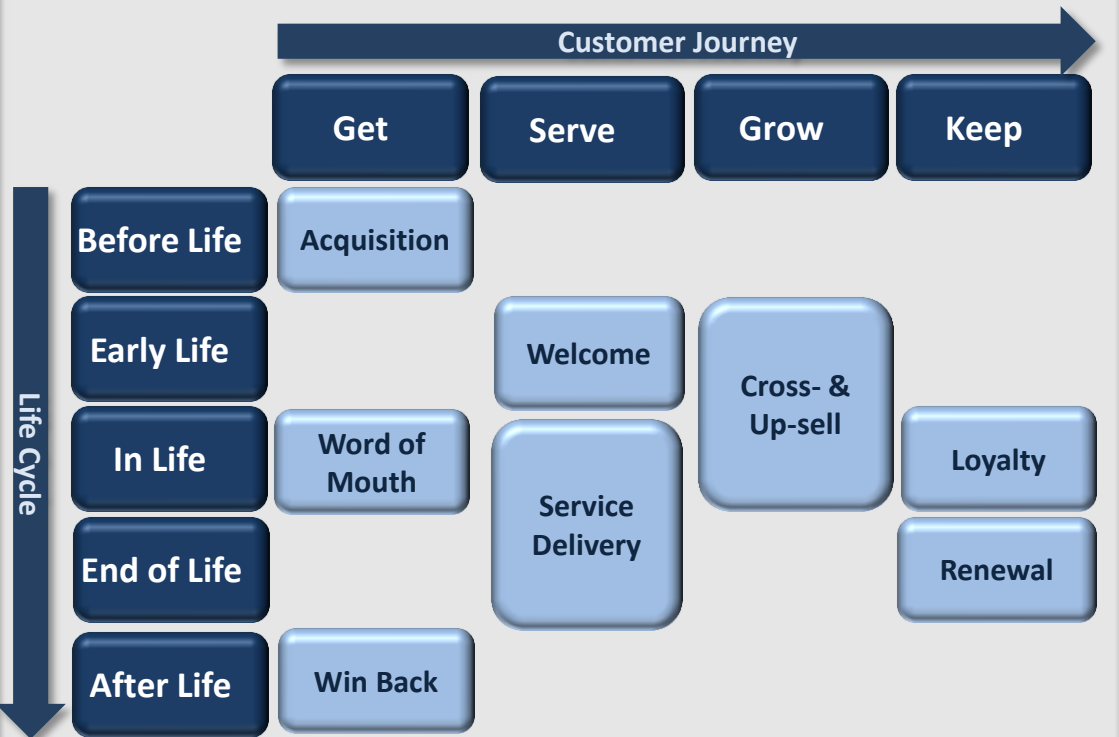


Companies deploying and integrating CRM across **all 3 functions** simultaneously :

- Attained **more** objectives (66%)
- Attained **all financial** objectives (100%)

Portfolio of Operations across Life Cycle & Customer Journey

Portfolio of Operations



Main **Challenges** to establish the portfolio

- *Cross-company alignment*
 - *Cross-departments*
 - *Cross-channels*
- *Mapping the portfolio*
 - *Identifying what is being done*
 - *Agreeing on what should be done*
- *Adding new ops more difficult than removing obsolete ones*

Best Practice

- *Involve the top of the company*
- *Relate Life Cycle and Customer Journeys to company objectives*

Case #3

100 families of operations

Case #4

200 families of operations

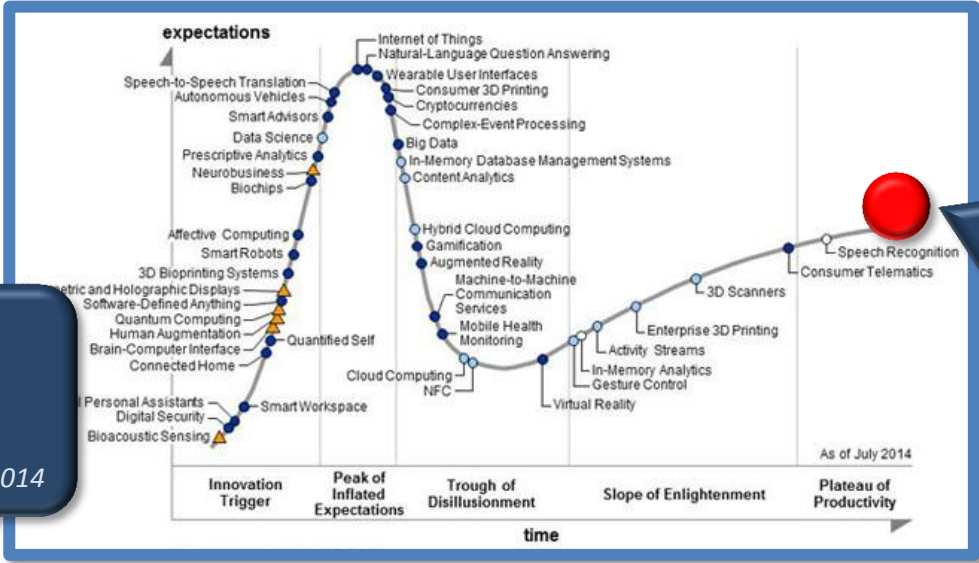
The third ingredient

Analytics

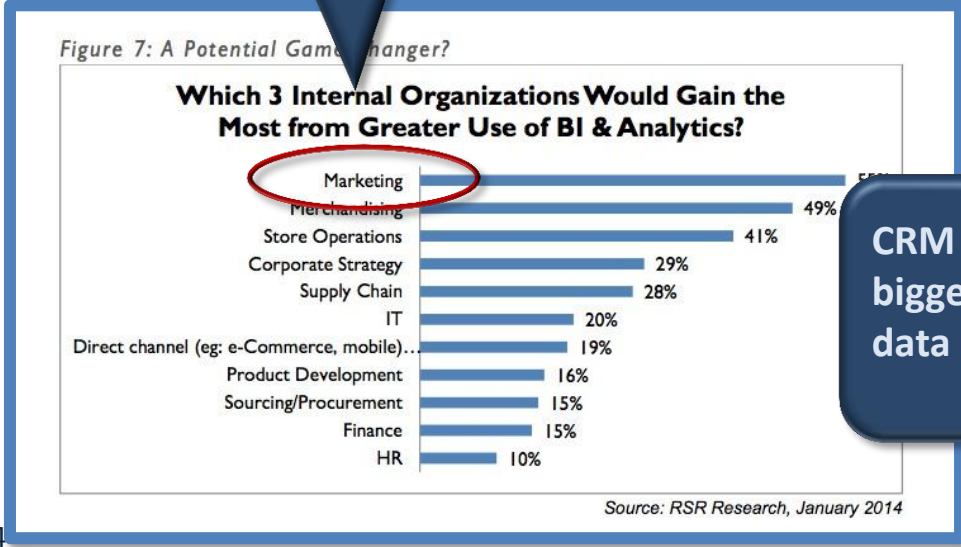


There is a love story between Analytics & Marketing

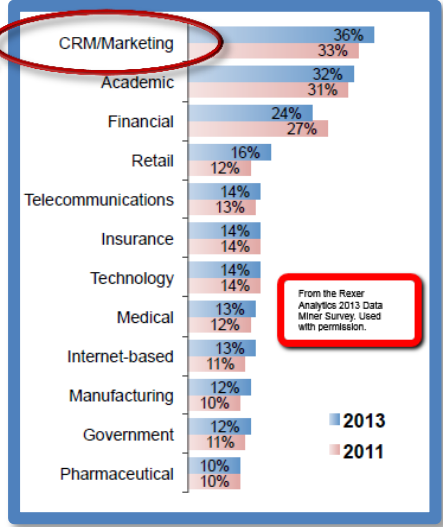
Marketing is biggest beneficiary from analytics
RSR 2014



Predictive Analytics is mainstream since 2013
 (It even "fell off" the graph in 2014)
Gartner 2014



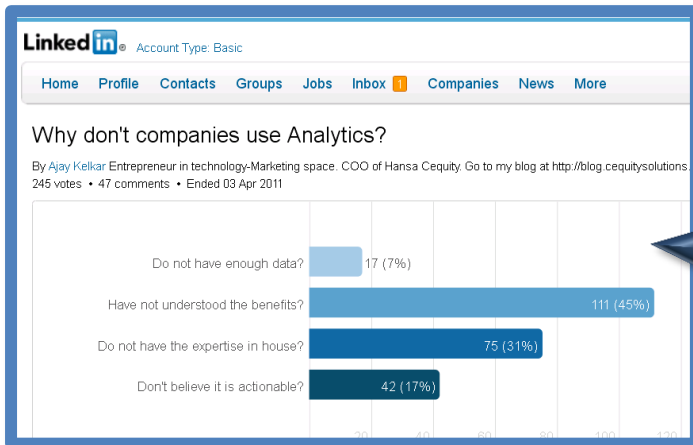
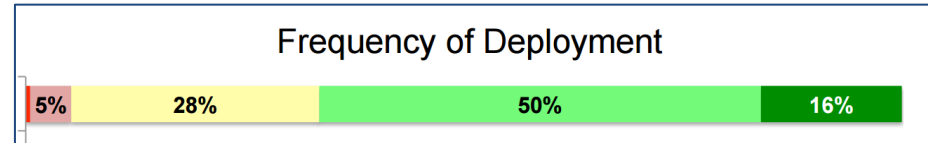
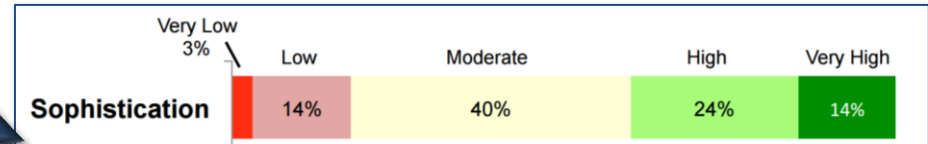
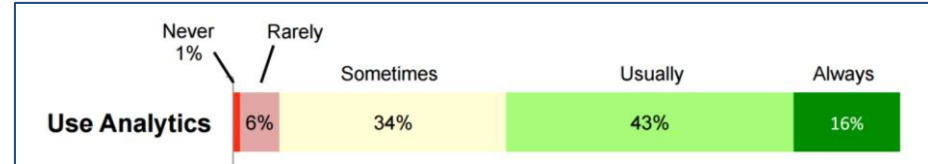
CRM and Marketing is biggest demander of data mining
Rexer 2013



It's a sad love story

1. Companies do **not sufficiently request** analytics
2. When companies request analytics, they only request **simple stuff**
3. Analytics are **not used** or deployed

Rexer 2013



Companies don't use analytics because they don't

understand

LinkedIn 2011

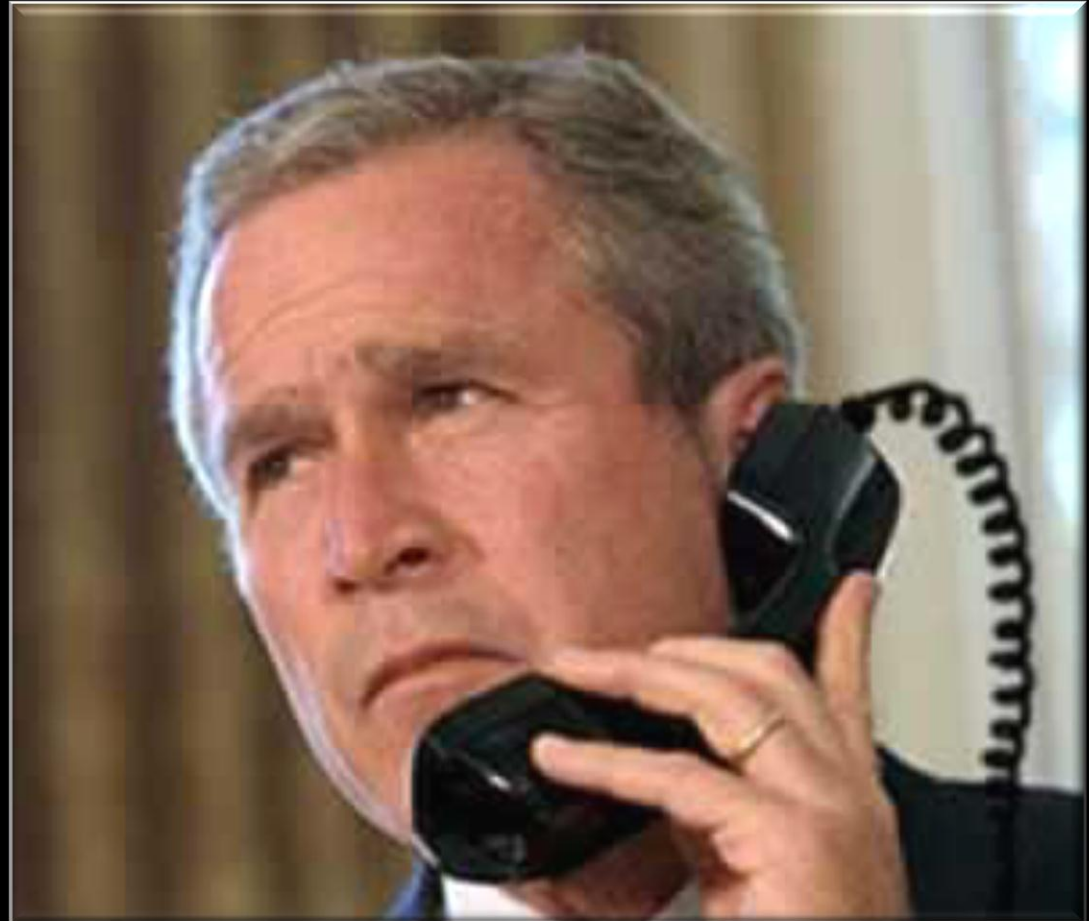


The Top Challenge for Analysts

Top Challenge :

Explaining

Data Mining to others

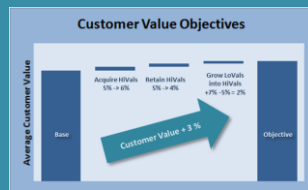


Ensure the boss understands



Lesson Learned : Manage analytics Top Down

Customer Objectives



Campaign Portfolio

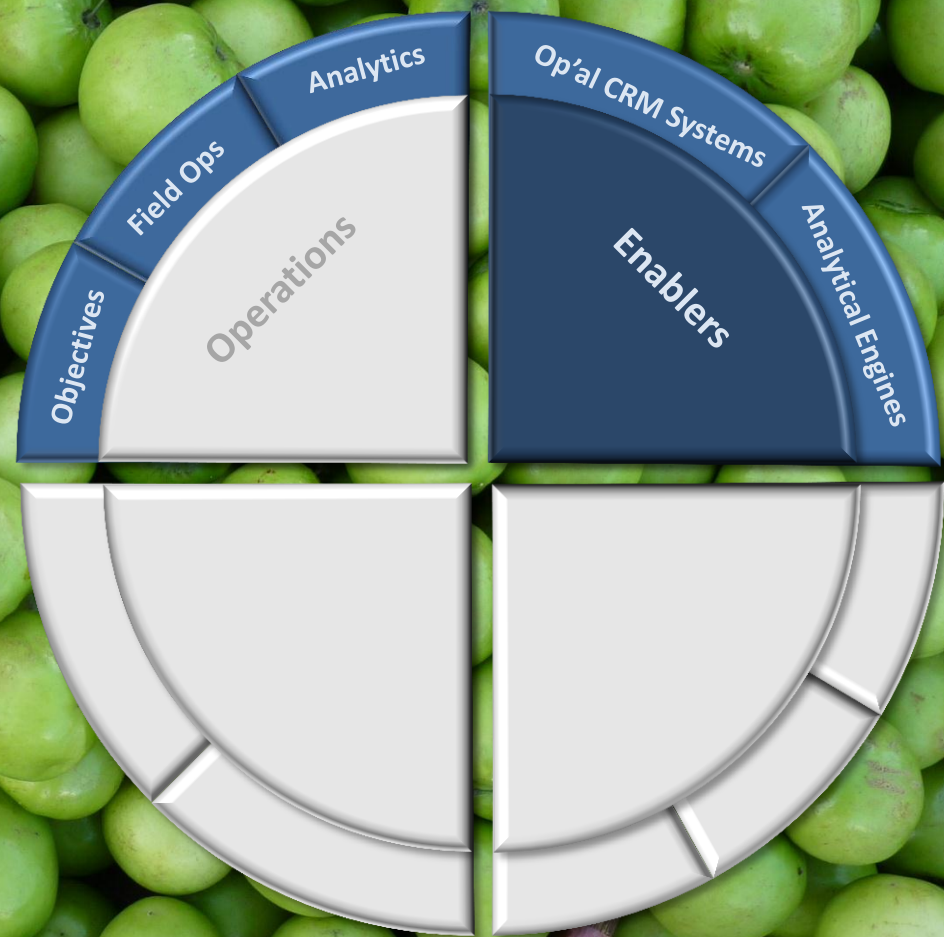


Customer Analytics



Action

The two “technology” ingredients





The crazy race of technology

Business says :

“IT can not follow”

“IT does not deliver what we need”

IT says :

“Business can not follow”

“Business does not use what we deliver”





They're both right : Waiting is not an option

- Advanced Analytics Platforms
- Advanced Distribution Management Systems
- Application Delivery Controllers
- Application Development Life Cycle Management
- Application Performance Monitoring
- Application Security Testing
- Application Services Governance
- Application Testing Services
- BPM Platform-Based Case M
- Business Analytics Services
- Business Continuity Mana
- Business Intelligence and
- Client Management as a
- Cloud Infrastructure as a
- Cloud Infrastructure as a
- Cloud-Based IT Project
- Cloud-Based Recover
- Cloud-Enabled Mana
- Cloud-Enabled Mana
- Cloud-Enabled Man
- Communications O
- Contact Center Inf
- Contact Center W
- Corporate Performance
- Corporate Telephony
- CRM Customer Engagement Center
- CRM Lead Management
- CRM Services Worldwide
- Customer Communications Management Software
- Customer Management Contact Center BPO
- Data Center Infrastructure Management Tools
- Data Center Networking
- Data Center
- Data Ce
- Data C
- Data In
- Data M
- Data W
- Dedup
- Digital
- Digital
- Digital
- Digital
- E-Disc
- End-Us
- End-Use
- Endpoint Protection Platforms
- Energy and Utilities Enterprise Asset Management Software
- Enterprise Application Platform as a Service Worldwide
- Enterprise Application Services China

- Enterprise Architecture Tools
- Enterprise Backup Software and Integrated Appliances
- Enterprise Content Management
- Enterprise Desktops and Notebooks
- Enterprise File Synchronization and Sharing
- Enterprise Information Archiving
- Enterprise Integration Platform as a Service W
- Enterprise Mobility Management S
- Enterprise Network Firewalls
- Enterprise Search
- Enterprise Video Content Manage
- Environmental Health and Safety Mar
- Life Insurance Policy Admin
- ment
- ing BPO
- sk Arrays
- sk Arrays Japan
- HR Systems

- Network Performance Monitoring and Diagnostics
- Network Services Global
- On-Premises Appli
- tion Integration Suites
- Operati
- Management Systems
- ement
- tems
- agement Services Worldwide
- ldwide
- Indirect Procurement
- urance Claims Management Modules
- es Worldwide
- g Services Worldwide
- on
- nt
- services Worldwide
- orldwide
- ery Japan
- ed Training
- agement

Change – change – change ...

There are **149** Magic Quadrants updated this year ...

... about **17** MQ's are relevant for Customer Engagement

... but it can take up to **5 à 10 years** for a technology to reach maturity (*hype cycle*)

- Mobile Data Protection Solutions
- Modular Servers
- Multichannel Campaign Management
- Network Access Control

- ss Management as a Service
- nce and Administration
- rtfolio Analysis Applications
- keting Management
- revenue and Customer Management
- stems
- orkplace Management Systems
- usiness Process Management Suites
- al Retail Core Banking
- vention Systems
- osition
- IT Risk Management
- IT Service Support Management Tools

- Web Content Management
- Wired and Wireless LAN Access Infrastructure
- x86 Server Virtualization Infrastructure

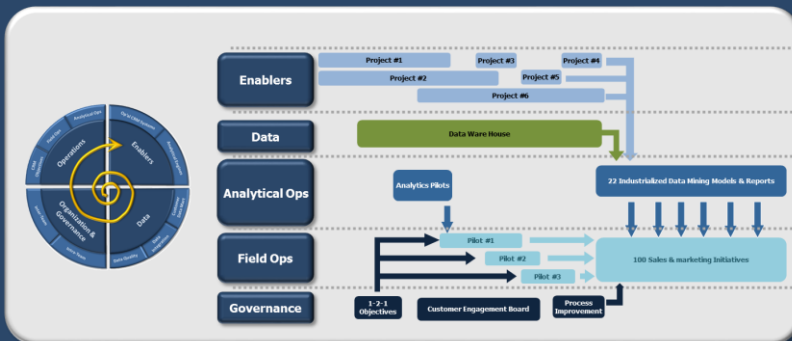
Sharing the throne

Joint roadmap governance

- Business and IT on the **same throne**
- Aligned with objectives
- Involving the main decision makers

Case #7 : Joint roadmap

- Marketing Department
- Finance Department
- Business Intelligence Department
- Program Management Office



The three “data” ingredients



Mono Channel

The main challenge 20 years ago

"Closing the CRM Loop" for every channel



Shop



Logic

Data

Web



Logic

Data

Field



Logic

Data

Phone



Logic

Data

Campaigns



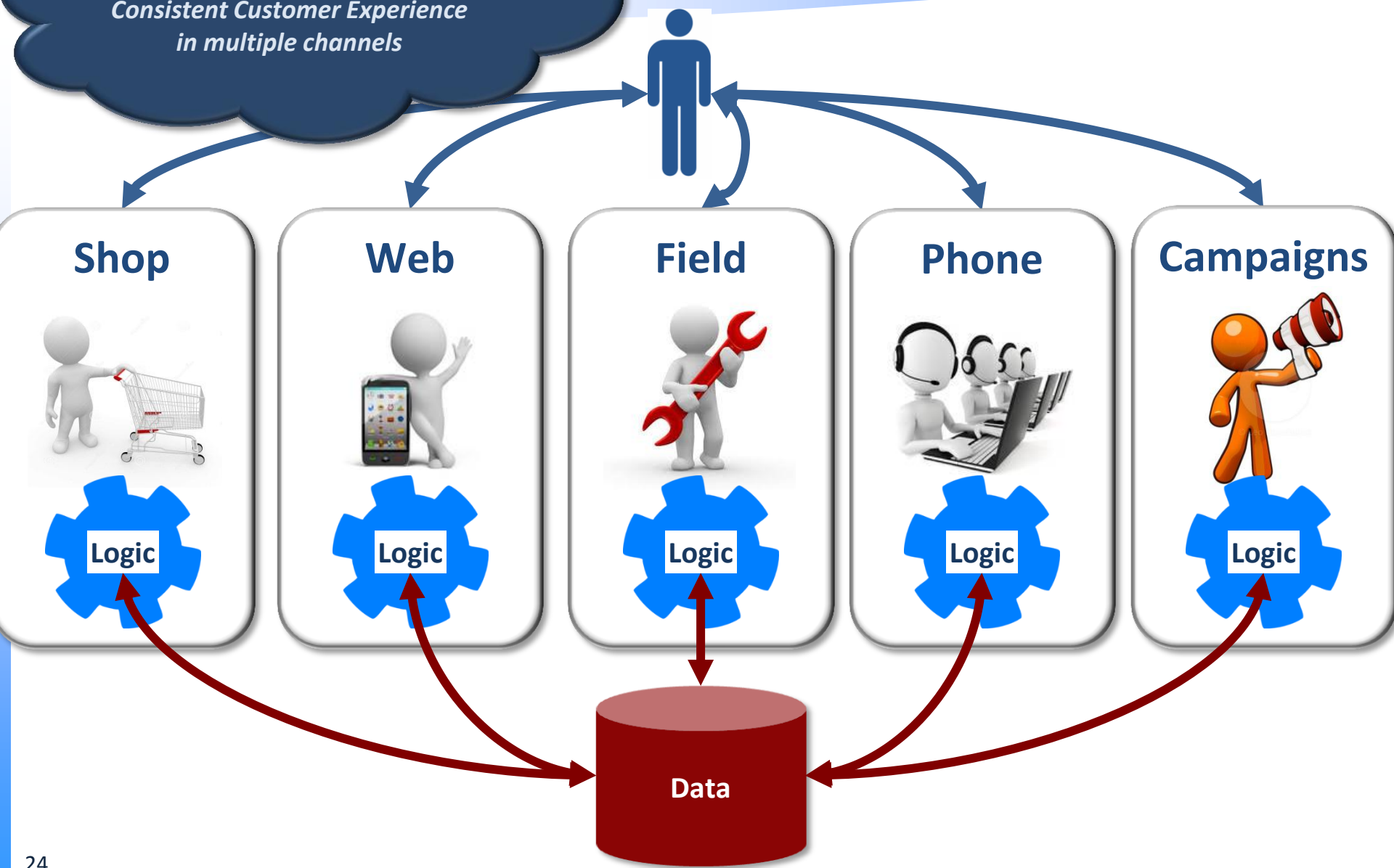
Logic

Data

Multi-Channel

The main challenge 10 years ago

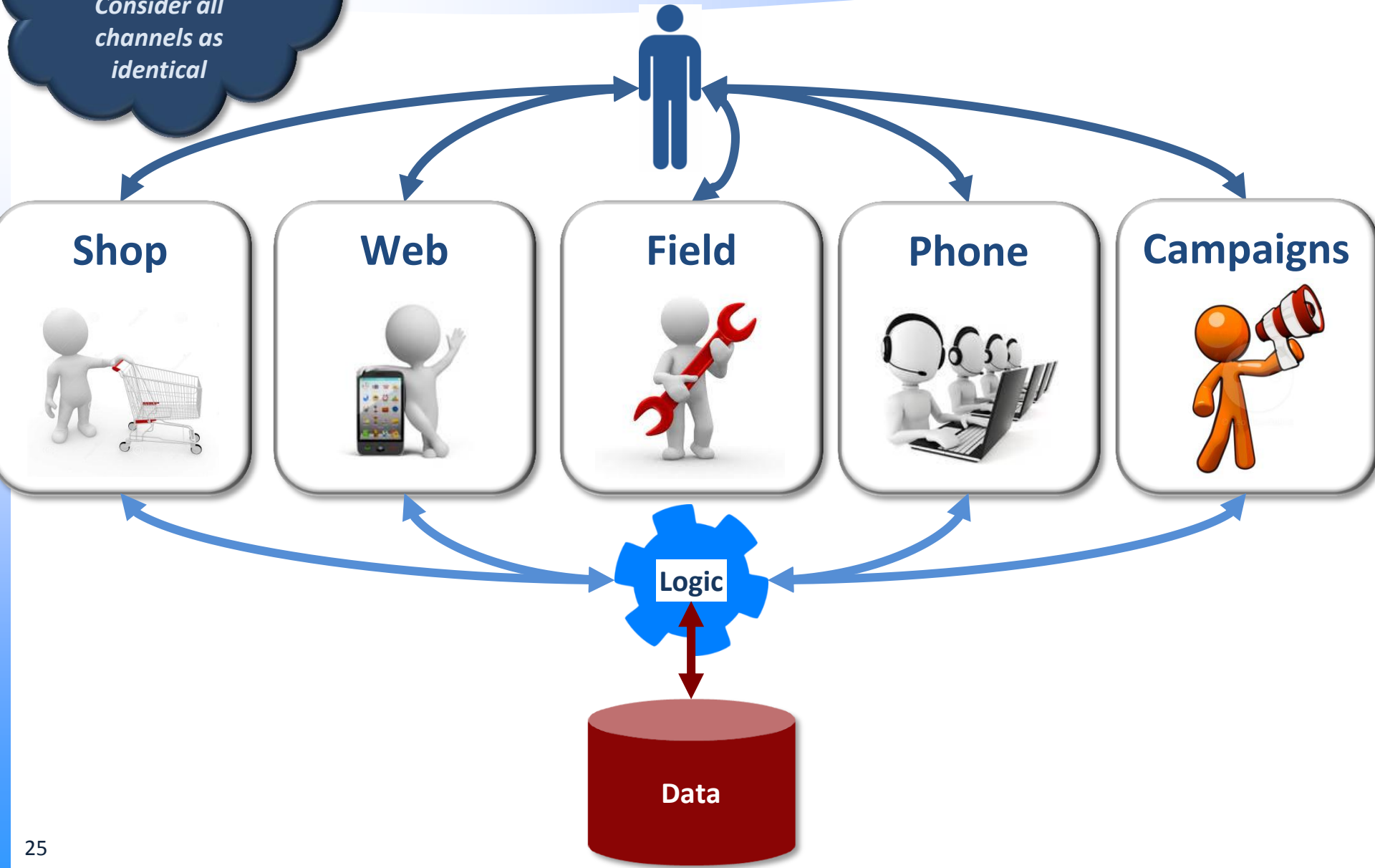
*Consistent Customer Experience
in multiple channels*



The current challenge

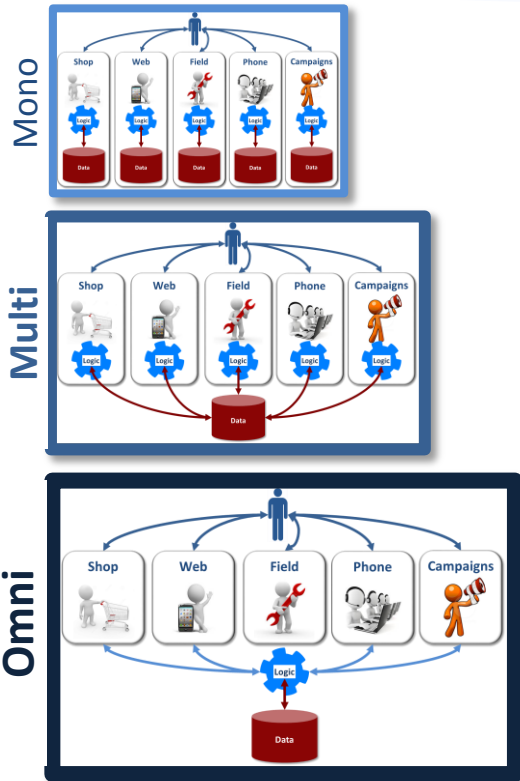
Consider all channels as identical

Cross-Channel (*OmniChannel*)

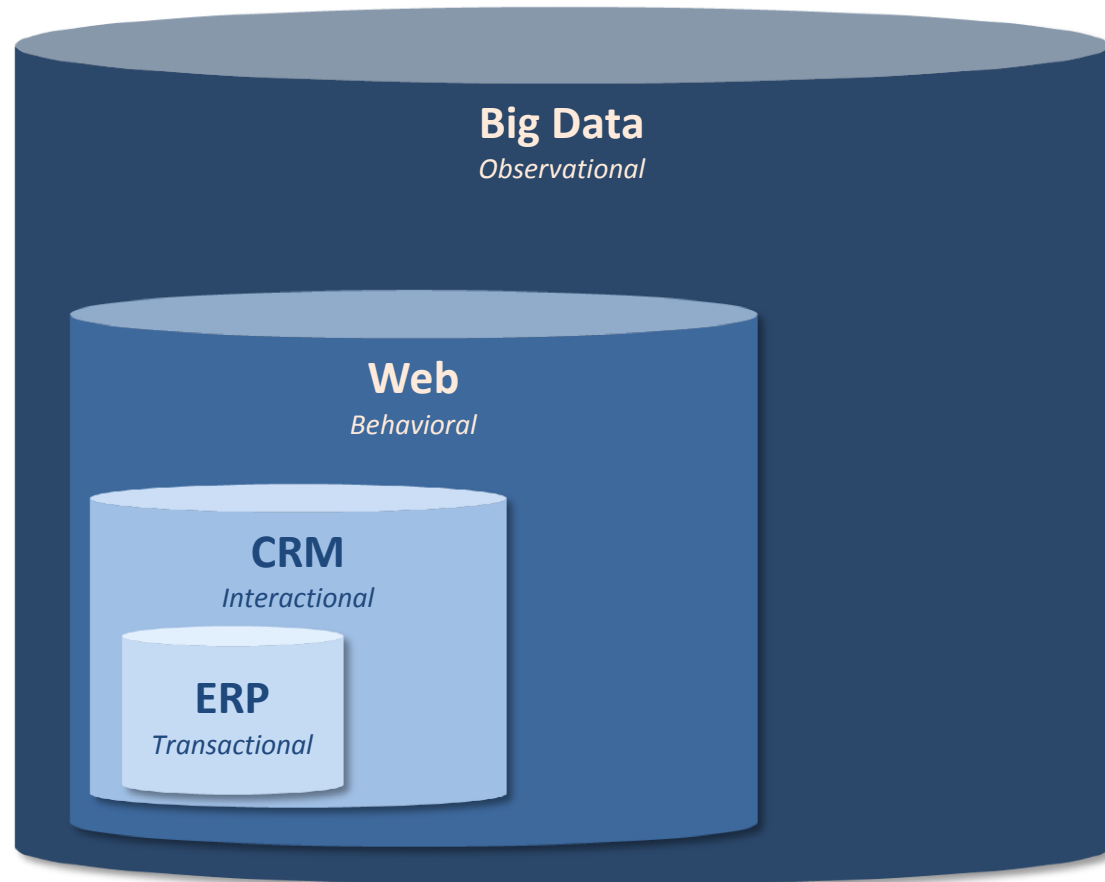


Channels and Customer Data evolved hand-in-hand

LTC



The more we expect from the **interaction channels**, the higher the expectations from the **Customer Data (Warehouse)**



Case #8

Managed as a single project :

- Campaign Mgt System
- eMail Channel
- Customer DWH

Value management

LTC

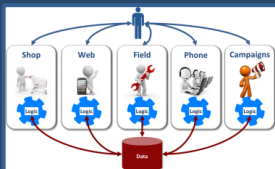
Business Objective

"Value management"

1. Optimize **customer value** within ethical boundaries (*Marketing*)
2. Manage **costs of interaction channels** (*Finance*)

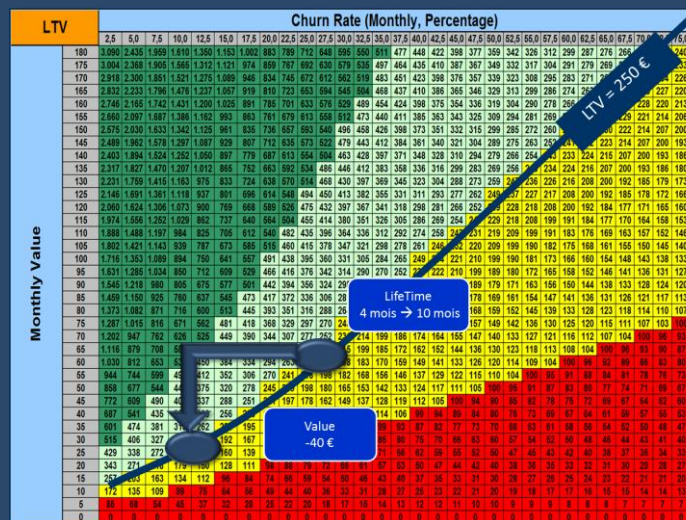
Roadmap for Multi-Channel

- POS
- Web
- Campaign
- Call Center

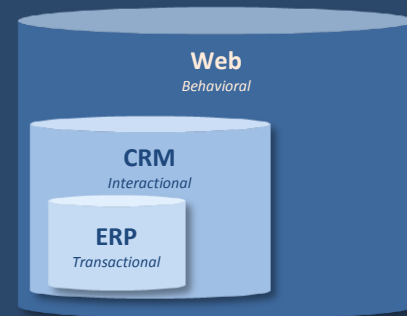


Analytical Roadmap

- Dashboard -> for Directors
- Reports -> for Middle Management
- **Individual Customer Value** -> to feed decision systems in the channels

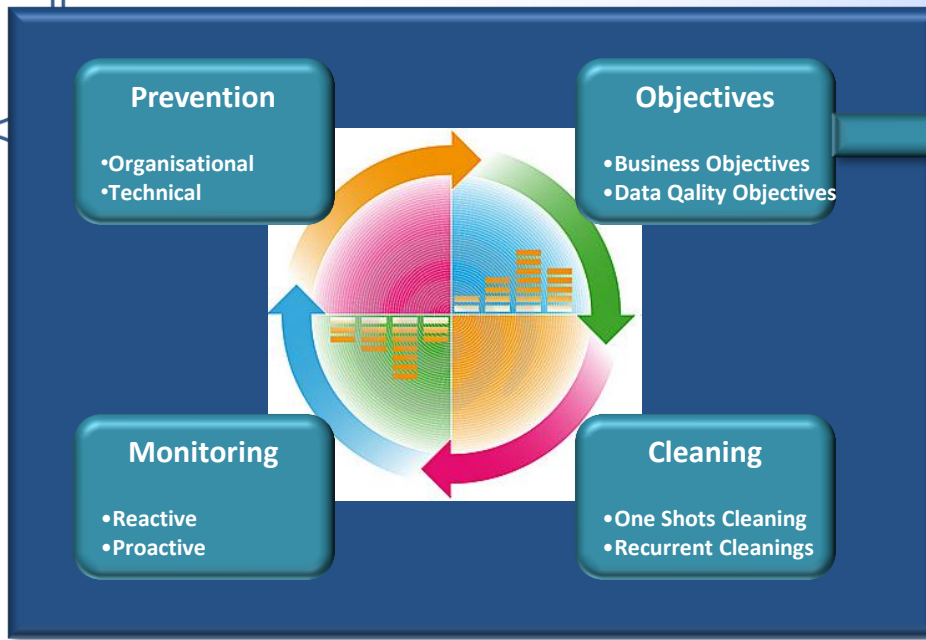


Customer Data Warehouse



Case #10

Data Quality



Lessons Learned

- Start with **Business Objectives**
- Cross-Departmental Data Quality **Board**
- Dedicated resources
- Business budgets

Starting Point

Business Objectives

Data Quality Objectives

70% phone conversations

Phone Quality

- Available : 95 %
- Correct : 92 %

30% of emails read

eMail Quality

- Available : 40 %
- Correct : 80 %

97% mailings delivered

Address Quality

- Available : 99.9 %
- Correct : 98 %

The two “organizational” ingredients





Assemble the balanced teams



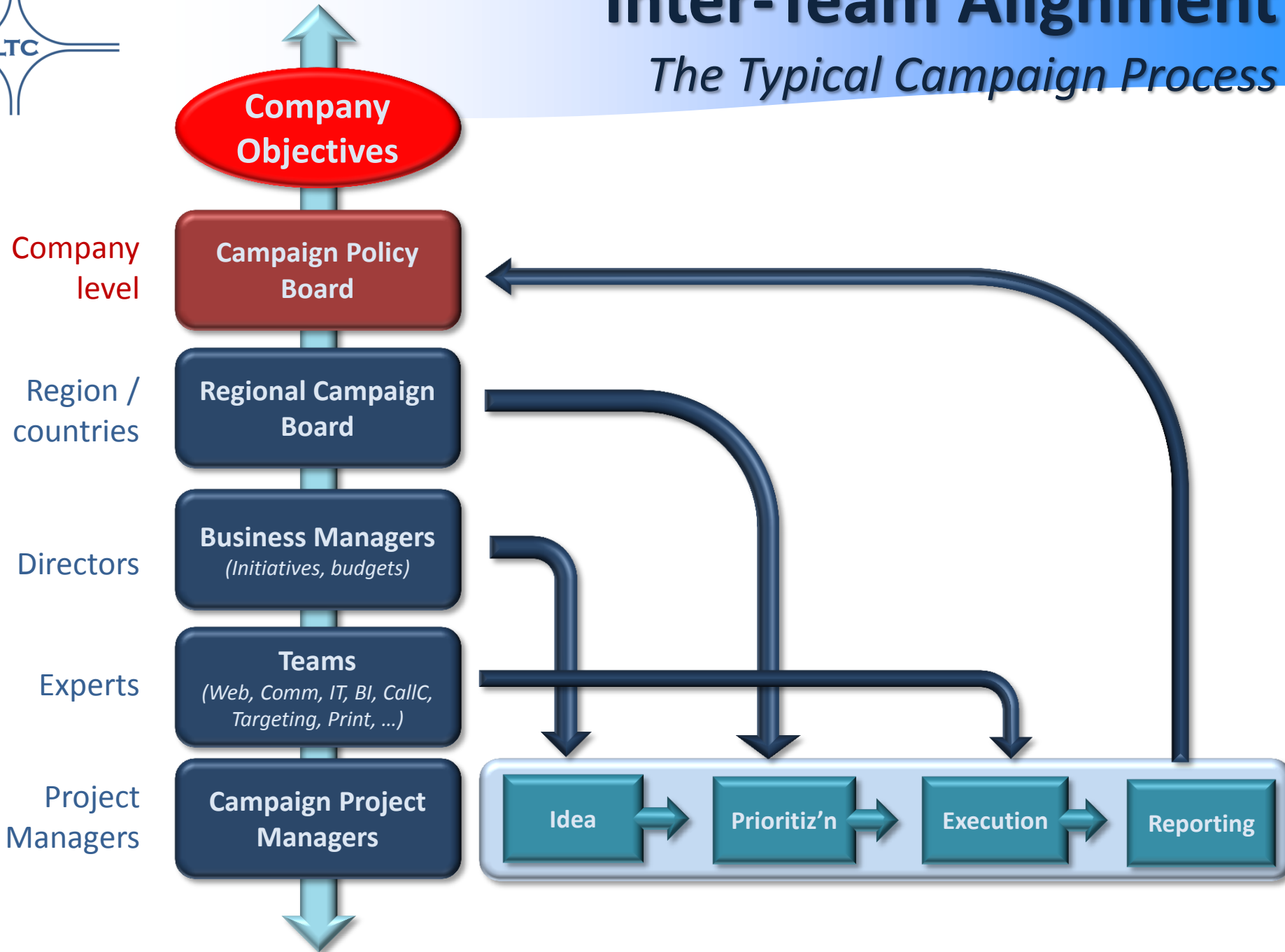
Typical **pitfall** for C.I. Managers :
avoid expecting people to go for the
“**Grand Ecart**”

- Sophisticated **business** understanding
- Detailed **technical** skills
- Advanced knowledge of **statistics**
- Ability to **communicate** with all



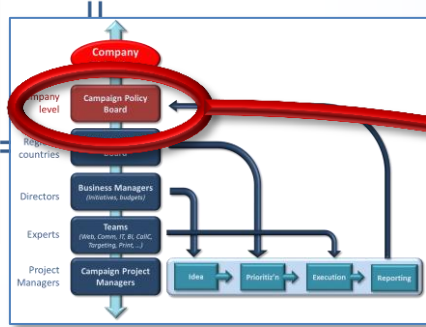
Inter-Team Alignment

The Typical Campaign Process



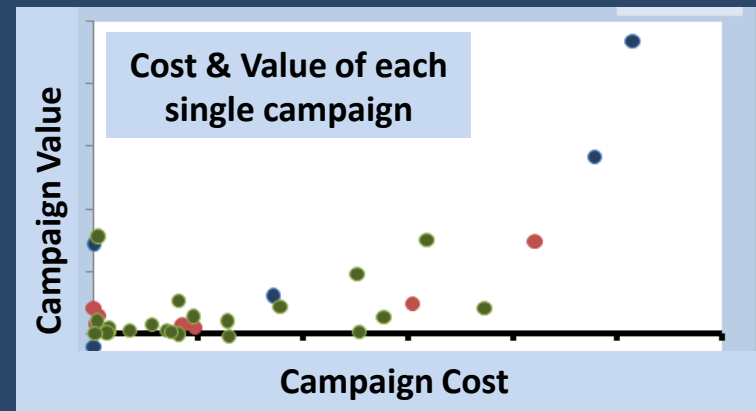
Cases #11 and #12

Campaign Policy Boards



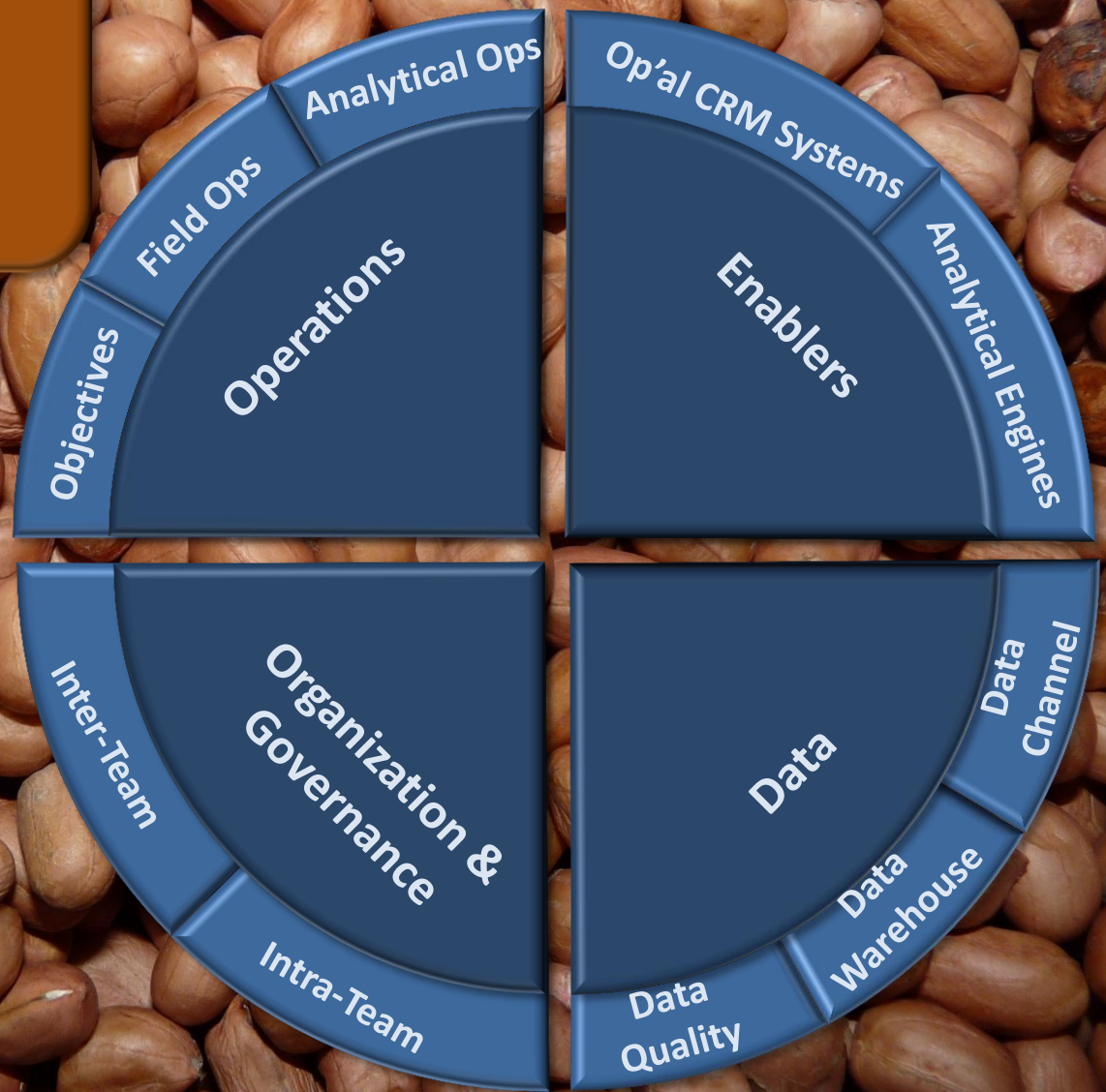
Lessons Learned from Campaign Policy Boards

- Owner of cross-departmental Customer Engagement **Objectives**
- Assessing Campaign **Portfolio Impact**
 - Before : anecdotal success stories about single campaigns
 - After : structural decision making about entire campaign portfolio
- Defining Portfolio of Operations
 - Life Cycle
 - Journeys
- Owner of Customer **Contact Policies**
 - Spam
 - Coverage
 - Data **Privacy**
- Customer Engagement **Architecture** and **Channels**
- Customer Engagement **Organisation**



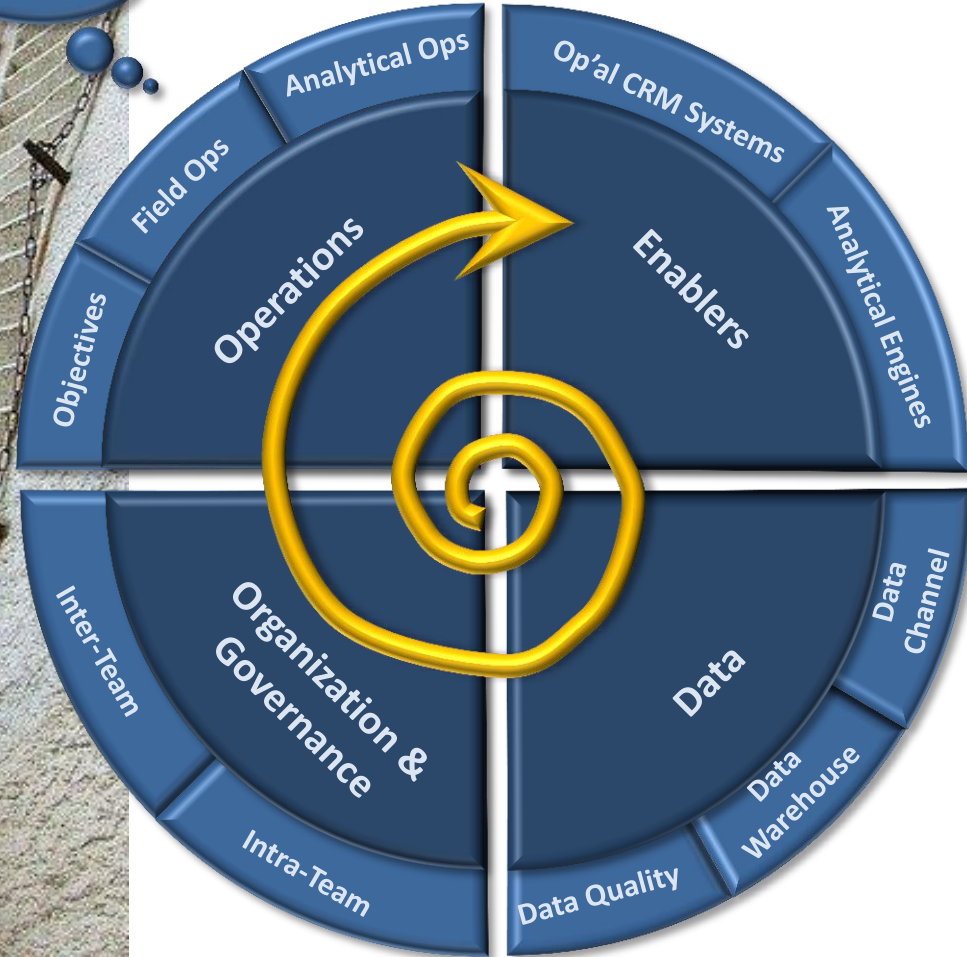
10 ingredients ...

So what?

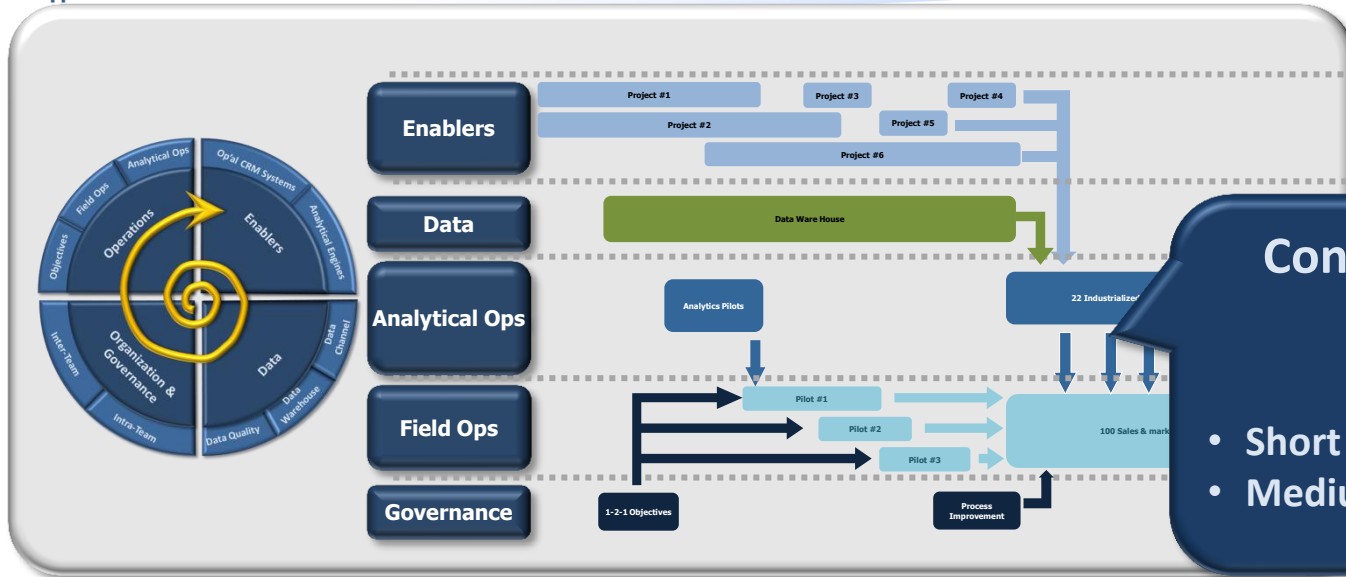


Golden Arrow

- Grow **step by step**
- Grow **iteratively**
- Continuous** improvement



Case #13 Full Roadmap



Consumer Intelligence Roadmap

- Short Term Quick Wins
- Medium Term roadmap

Customer Intelligence Maturity

- CI Maturity Assessment
- CI Maturity Objectives



Customer Intelligence Assessment

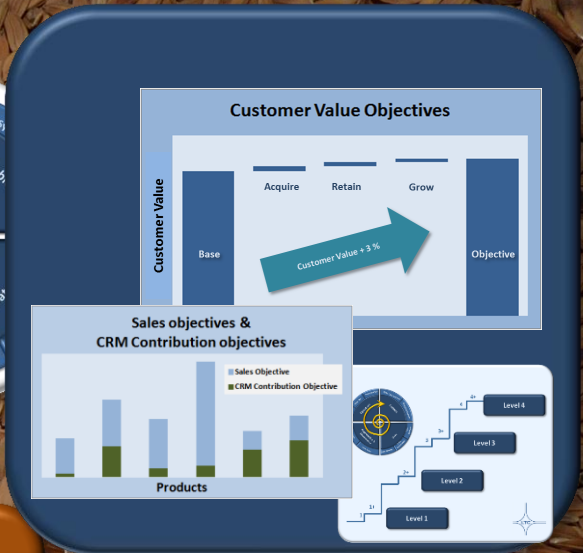




It's a simple story ...



Take the 10 ingredients of CI ...

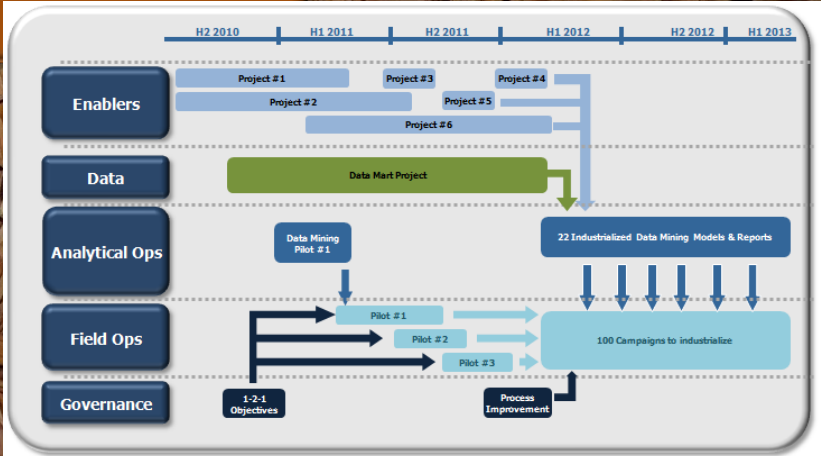


Set objectives ...

Recap



Keep on growing



Start-to-Act

LTC



Marc Weiler

LTC Consulting

marc.f.weiler@gmail.com

+32-475-33.06.97