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# The Splinternet And CRM

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*Serving Customer Intelligence Professionals*

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# Agenda

## **The Splinternet**

What is holding CRM back?

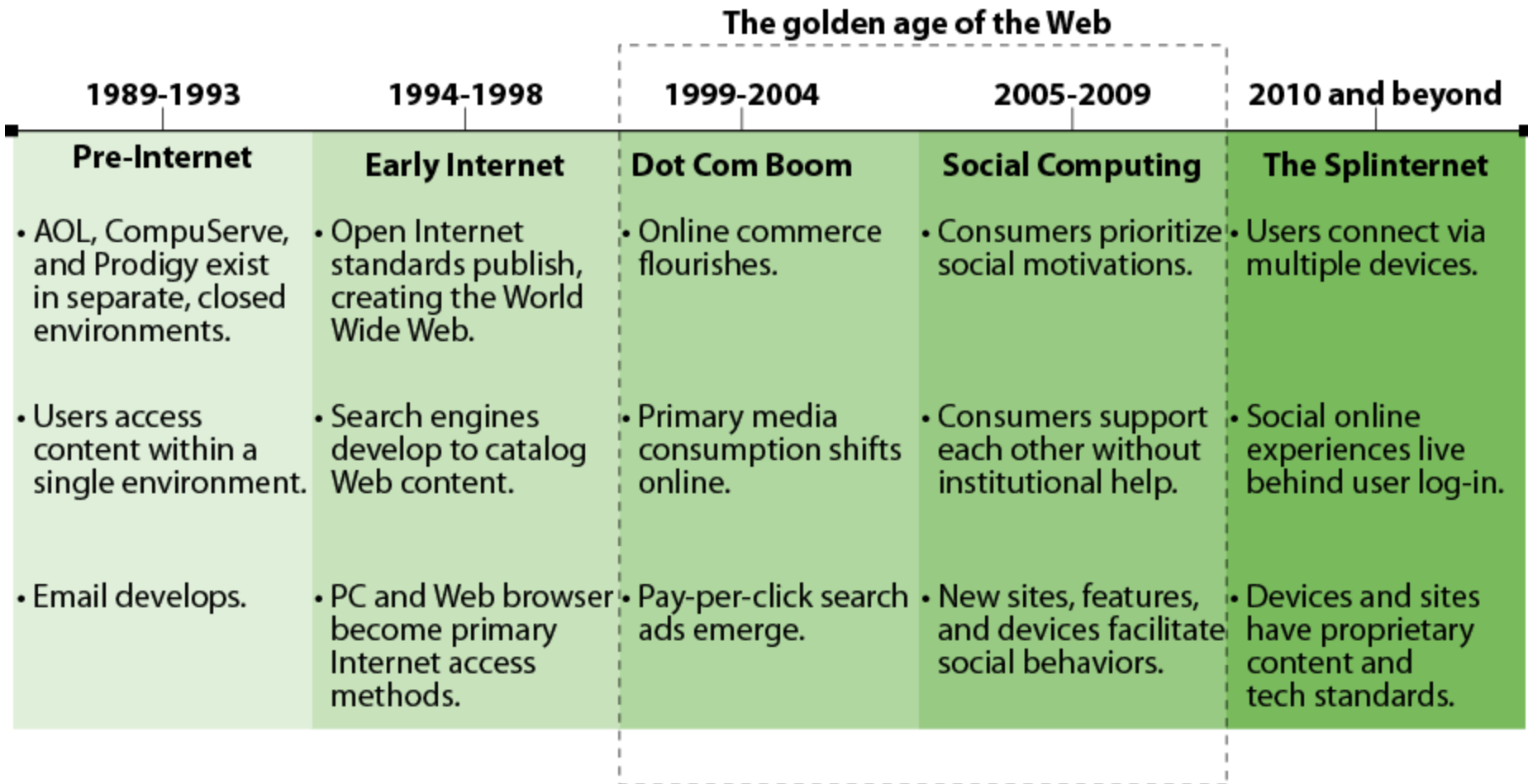
What should your CRM look like?

Taking on the Splinternet

Marketers once thrived in the golden age of the Web, where people accessed Web sites using standard, similarly formatted PCs and browsers

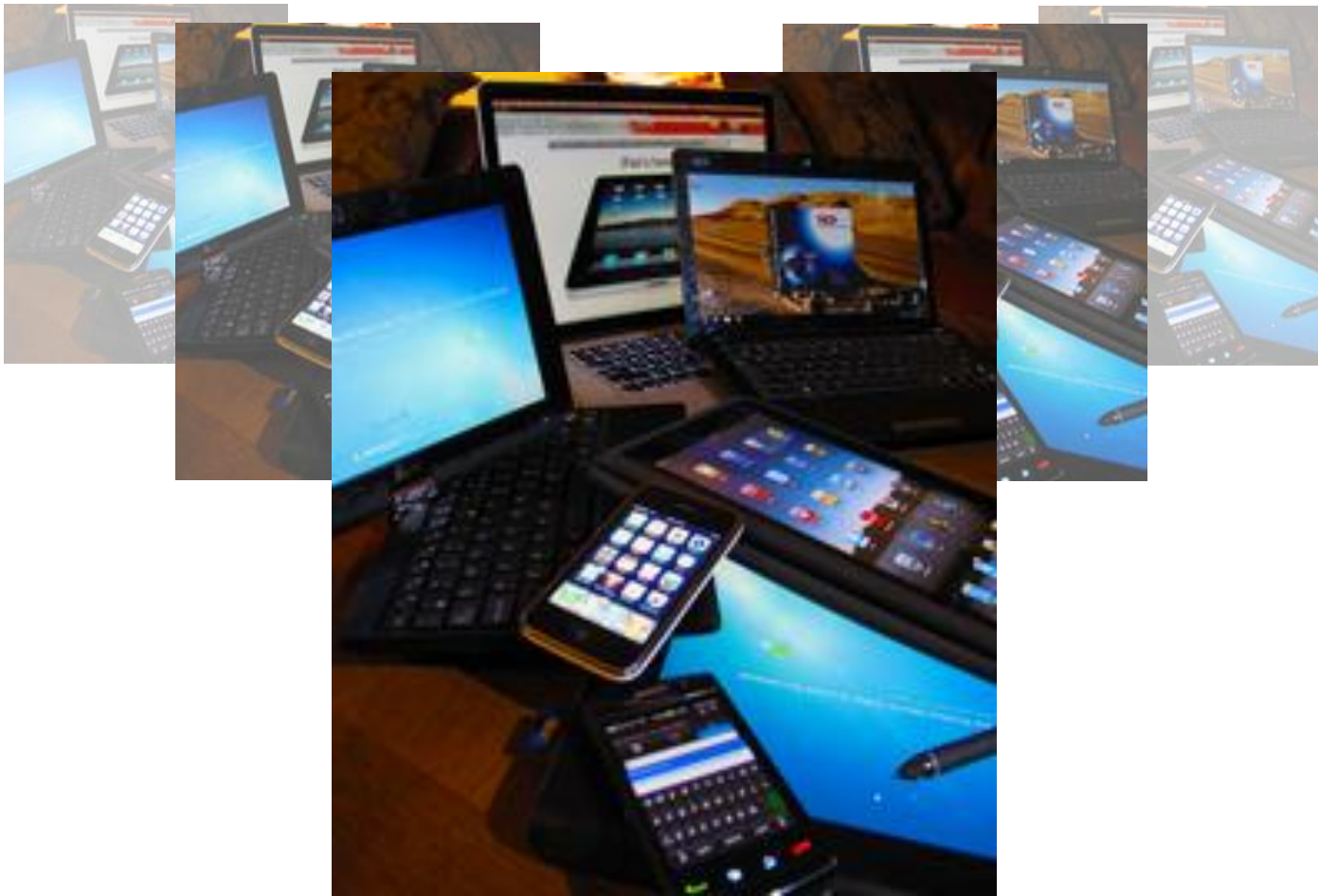


# But that time has passed



Today, the Internet is splintering due to the rise of powerful connected devices and the spread of social technologies





Now, new incompatible devices are spreading by the millions...

...while social and password-protected sites lock the web away from search engines





Marketers love these new splintered environments, but...

...they need to realize that proprietary standards will define interactive experiences going forward...

| <b>Platform characteristics:</b> | <b>Internet</b>                                 | <b>Splinternet</b>  |
|----------------------------------|---|---|
| Technology standards             | Controlled by open standards bodies (e.g., W3C) | Controlled by platform vendors (e.g., Apple, Facebook)                          |
| Screen format                    | PC-screen sized                                 | Varies from large to small, landscape or portrait                               |
| Interactive applications         | Based on Flash, Java, etc.                      | Based on proprietary platform kit   |
| Permitted applications           | Any   | Only those permitted by platforms   |
| Searchability                    | All sites                                       | Only site elements not behind a password; applications not included in searches |

...and will require them to adapt.

**Ad and experience characteristics:**

**Internet**

**Splinternet**

|                   |   |   |
|-------------------|---|---|
| Reach             | Anyone online   | Only specific device-owners and registered site members                     |
| User experience   | Only when user is at PC and connected                 | Expanded to include nearly anytime through mobile devices or TV             |
| Customization     | Cookie-based  | Profile-based   |
| Ad formats        | Standard formats across nearly all sites and networks | Custom for sites and networks sanctioned by platform                        |
| Measurement       | Multiple analytics vendors                            | Still in development  |
| Marketing process | Channel-centric; campaigns created start to finish    | Relationship-centric; assets created in modules and assembled upon delivery |
| Required staff    | Media buyers, data analysts                           | Engineers, developers   |

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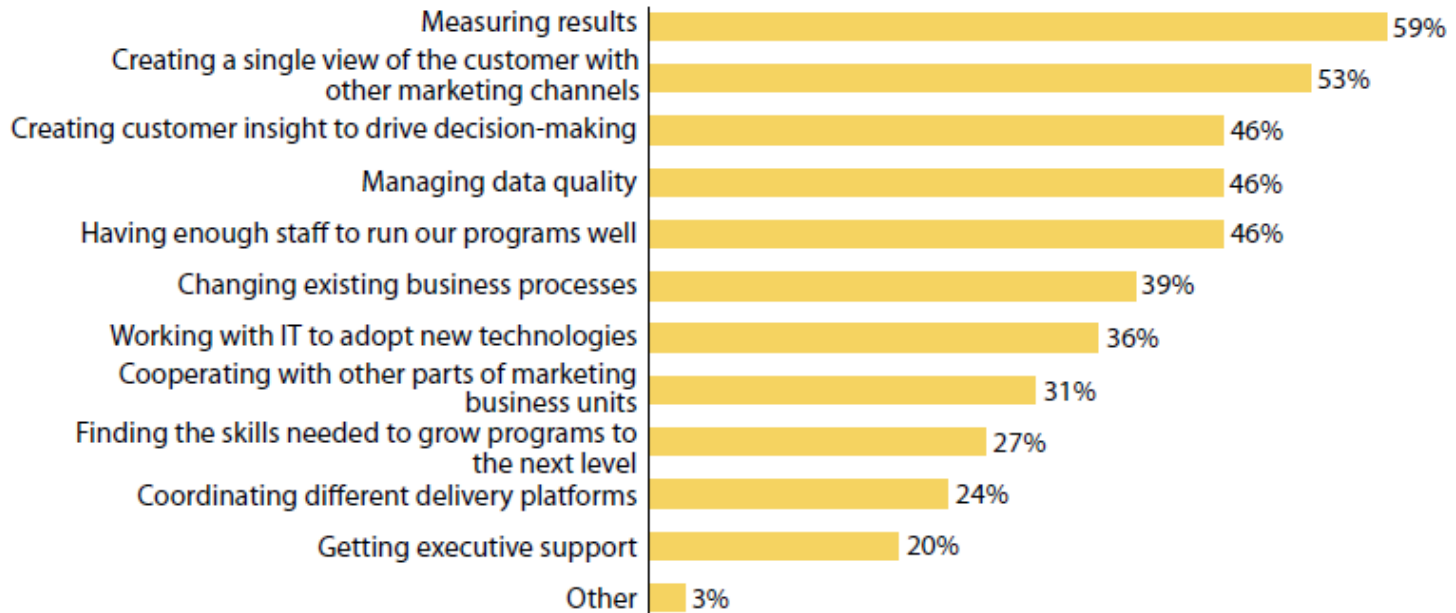
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# CRM struggles with the Splinternet

# Customer Intelligence professionals still struggle with the basics, specifically:

**“What are your organization's biggest challenges with your marketing program? We define marketing programs as a single campaign or series of campaigns across one or more channels like email, direct mail, etc.”**



Base: 224 direct and database marketers

Source: Q3 2008 Global Direct Marketing Technology Benchmark Online Survey

Source: Forrester Research, Inc.

# Lack of measurement skills

- Marketing teams often lack the skills needed to implement a measurement framework and integrate the resulting insights to guide customer interactions
- Measurement is an organizational issue as much as it is about data
- Marketers struggle to define and apply enterprise-wide metrics



# Data disparities

- In many organizations, data disperses unevenly throughout departments, lines of business, and product groups
- Data doesn't necessarily tie into a single reference database, resulting in duplicate or incomplete customer information



# Organizational silos

- Companies rarely organize entirely around the customer
- Individual channels, product groups, or lines of business typically call the shots, each with their own agenda
- This makes it difficult to ensure that each division drives customer interactions toward the same goals



# Agenda

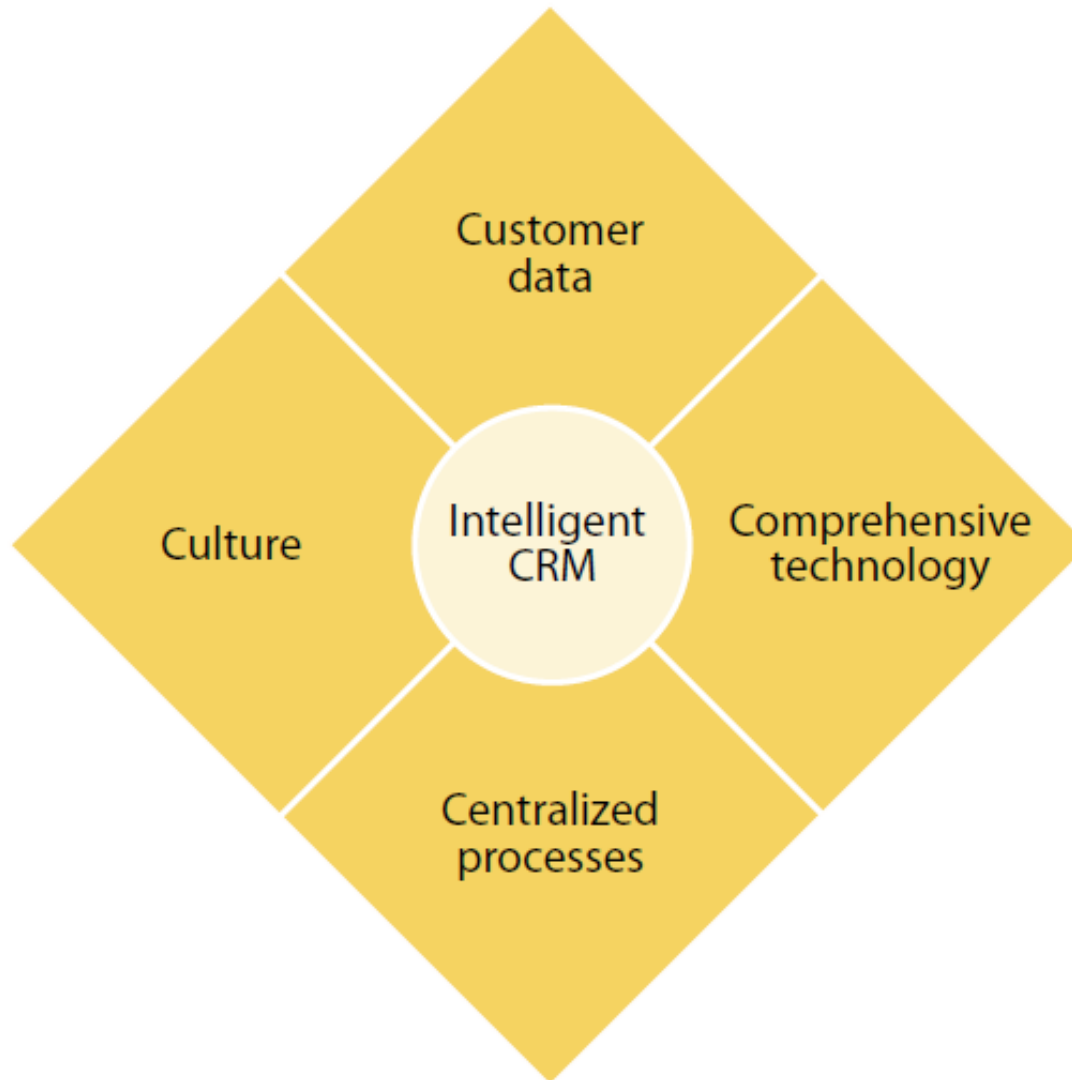
The Splinternet

What is holding CRM back?

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# Intelligent CRM is comprised of 4 key functions:



# A Customer Intelligence-focused culture

- Work with HR and management to build a culture that centers on Customer Intelligence with clearly defined roles and expectations
- Hire people with the breadth of skills needed to collect, manage, and interpret customer data

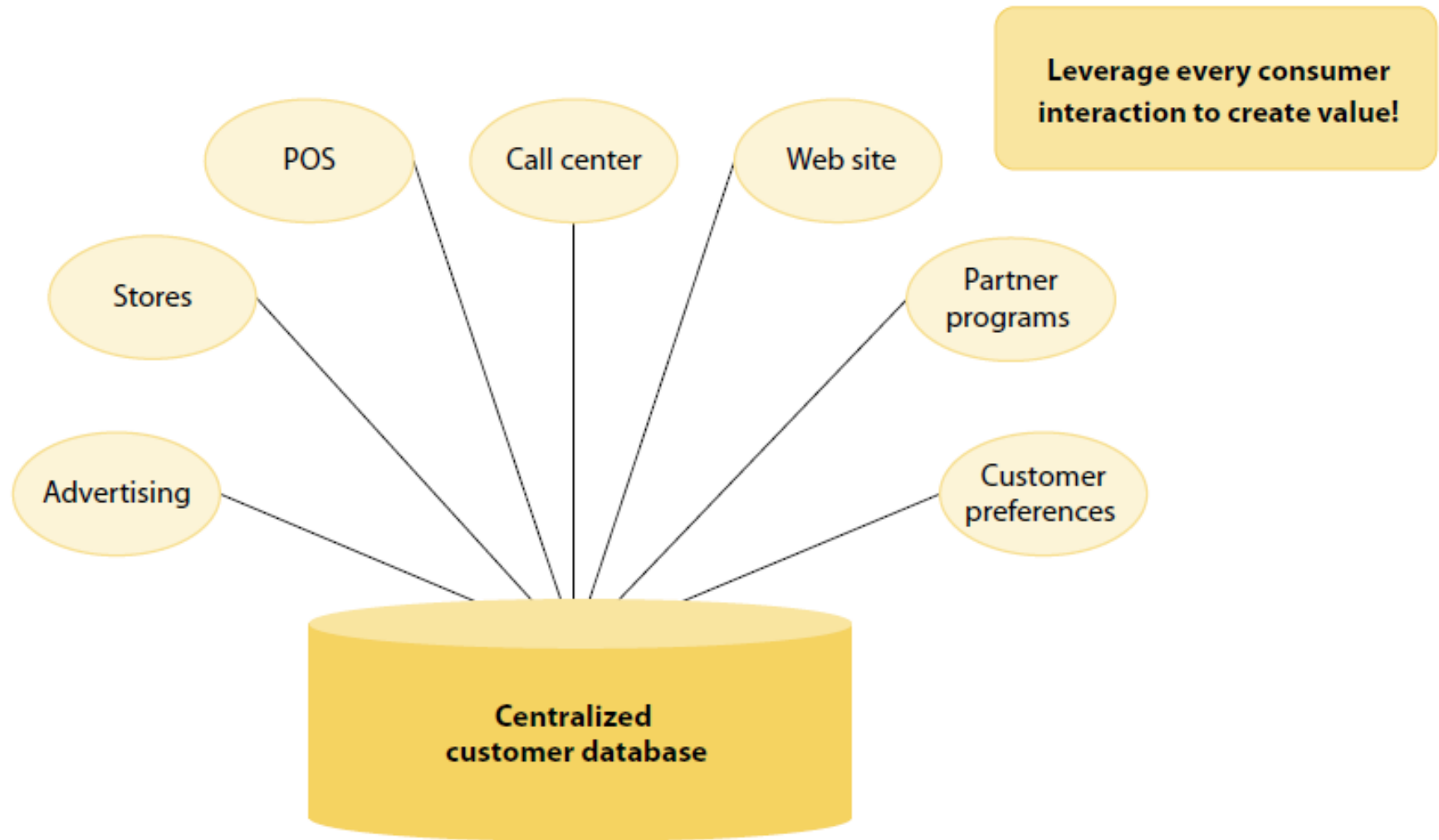


# A collection of robust customer data

- Build a robust real-time database that tracks every customer interaction: online, offline, quantitative, and qualitative
- Store detailed customer information in a centralized database, making it easy to access. Leverage customer profiles, and create insights



# Data cont'd: One Database To Build Strong Relationships



# The implementation of comprehensive technology solutions

- Look for technology partners with a heavy focus on data management, analytics, and capabilities to transform data from various sources into actionable insight
- Develop a strong and collaborative relationship with your technology providers and internal IT department



# And centralized processes

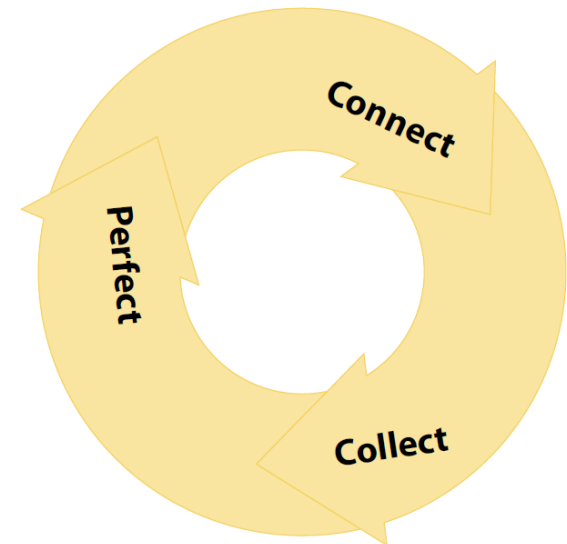
- Define goals and objectives that map directly to business objectives, and make sure that every decision can be linked back to those goals
- Constantly collect and share metrics across the business to support decision-making
- Create a centralized, enterprise-wide view of the customer across business units, lines of business, products, etc



# Intelligent CRM should be an equitable value exchange

Using consumer insights, both inferred and direct, this approach identifies, attracts, and retains the most valuable consumers.

1. **Connect:** Target high-prospect consumers with more relevant marketing.
2. **Collect:** Capture information to inform greater consumer insights.
3. **Perfect:** Refine and optimize the next message to be more relevant and more likely to elicit a response.



## RESULT:

Get the right message in the best format to the right person at the right time.

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# Experiment then operationalize

- Take a structured, experiment-oriented approach to adopting new channels
- Fund a formal test program or support low cost, minimal resource, informal participation to evaluate new channels
- Determine whether to proceed with a full scale rollout and allocate significant budget and resources



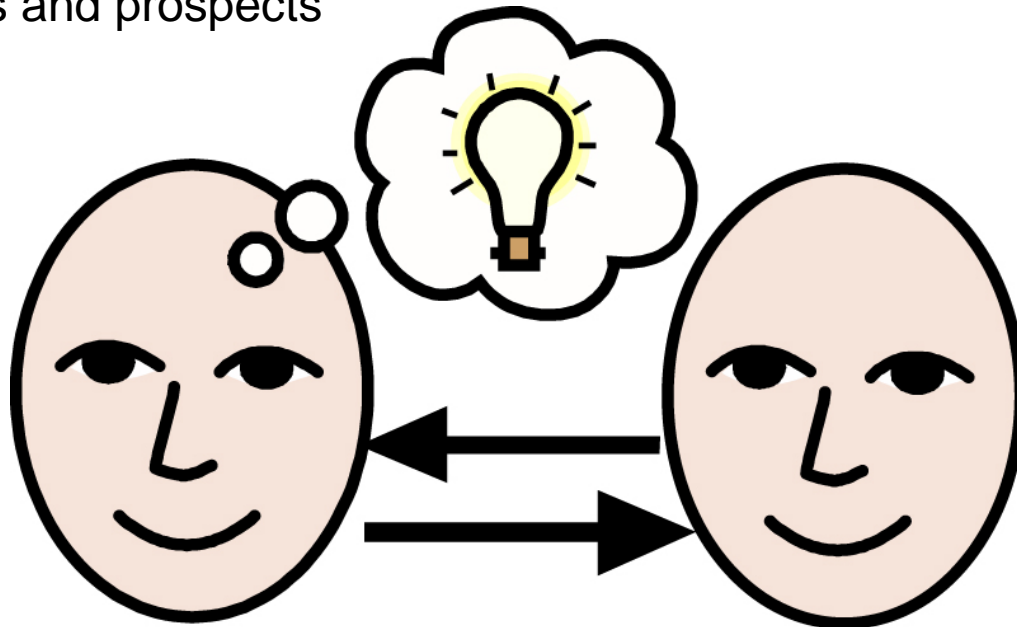
# Utilize segmentation and targeting

- Fragmentation creates the ideal opportunity to understand behaviors and preferences so that firms can segment customers and prospects and target them with relevant content in the right channels
- This is more effective from a customer interaction standpoint and can be financially advantageous by identifying ineffective marketing tactics



# Democratize data insights

- The Splinternet reduces dependence on discrete channels in favor of multichannel marketing
- When developing the measurement strategy, consider how analysis will be distributed to marketing and business stakeholders beyond channel owners and analysts to ensure that they have a comprehensive view of customers and prospects



# Market brand presence in emerging channels

- Simply creating a presence in the emerging mobile and social ecosystems is no longer enough to ensure adoption and, ultimately, data capture
- Promoting participation in digital channels via the website is an obvious tactic, but also consider referring to social and mobile capabilities in print, additional interactive media, and via customer facing staff



# Thank you

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