Omnichannel Customer Engagement: Oracle’s Formidable Arsenal

Supporting large enterprises with omnichannel ambitions in B2B and B2C markets

Publication Date: 20 Nov 2014    |    Product code: IT0020-000069

Jeremy Cox
Summary

Catalyst

The first priority for any enterprise wishing to remain in business is to ensure its continued relevance to its customers. For commercial organizations – irrespective of sector – this demands continuous adaptation at the right speed triggered by deep understanding of customers' behaviors, wants, needs, and rising expectations. It requires a level of orchestration across the enterprise, with a singular focus on creating and delivering value to the customers or consumers the company hopes to serve. Public sector organizations also have a strategic imperative to increase their relevance to citizens at lower cost or find their funding cut or the services they provide being outsourced.

Ovum view

One of the critical engines of growth and continued customer relevance is sensing and understanding where the customer buys, and providing a rewarding, personalized, and relevant customer experience across any and all channels the customer wishes to use. This calls for deep understanding of the customer’s behaviors and intent, and how best to satisfy their needs throughout their lifecycle. It also means delivering continuity of experience across any channels through which they choose to explore options or to interact. This requires:

- integrated sensing capabilities to unearth the customer’s context and intent and to provide relevant information to help the customer fulfil their needs
- integrated and responsive processes that span all relevant channels
- cross-departmental orchestration and collaboration to deliver a rewarding customer experience without the impediment or friction created by departmental silos
- leadership with the vision to center the organization on the customer and to empower and enable the workforce to deliver the right experience.

This is omnichannel customer engagement. Ovum refers to organizations that achieve omnichannel mastery and the ability to innovate continuously to create new value and remain relevant to customers as customer-adaptive enterprises. Only a small proportion of enterprises have reached this advanced level of maturity. This report focuses on the first of these two strategic imperatives, omnichannel customer engagement, and assesses how well Oracle can support large enterprises in B2C and B2B or B2B2C markets in the design and delivery of their omnichannel customer engagement capabilities.

Key messages

- Omnichannel customer engagement is relevant to B2B organizations, not just B2C.
- Oracle has one of the most developed and integrated portfolios of enterprise applications and platforms and can support firms with sophisticated omnichannel ambitions.
Recommendations

Recommendations for enterprises

Any enterprise seeking to develop a coherent omnichannel strategy or to find a technology partner that can enable a comprehensive and integrated approach to customer engagement, across any and all channels, should consider Oracle and its ecosystem of partners.

Recommendations for Oracle

Over the last two years Oracle has made major strides in fleshing out and integrating its growing portfolio of omnichannel customer engagement applications, and bringing them into the cloud. The modular approach for rapid development and deployment makes sense, because enterprises must adapt much faster now to remain relevant to their customers, the most pressing of challenges. Oracle must harvest its industry know-how and accelerate the development of its cloud-delivered industry offerings, because this is emerging as the next competitive battleground for major enterprise application vendors.

Omnichannel customer engagement is relevant to B2B organizations, not just B2C

B2B organizations should not be overlooked

Most discussions, blogs, papers, or presentations on omnichannel start by looking at the role of the consumer and how their habits have changed dramatically in recent years with the advent of smartphones and social channels. B2B organizations are often overlooked, but they must wrestle with many of the same dynamics impacting customer behaviors. Part of remaining relevant to customers through positive interactions is to develop an effective omnichannel customer engagement strategy that goes beyond traditional route-to-market thinking.

B2B and B2C organizations should be focused on the same ends, even though the means will be different

The need to engage with customers in ways that create and add value is universal. How that manifests itself will vary depending on the context and industry. Purchases made as a consumer are manifestly different from purchases made as a business buyer. Transaction value and complexity will also have a significant impact on how people buy and the level of risk involved in the purchase. Buying a house is much riskier than choosing the vegetables for the main course, and will usually require third-party support from the legal profession. In B2B markets commodity purchases may be automatically purchased without human intervention as part of a pre-agreed replenishment mechanism. More complex and higher-value purchases, in contrast, will often take many months of discussions and consensus building within a buyer group, consisting of individuals with both influencing and decision-making roles.
B2B companies should design better customer experiences

In B2B markets a firm’s supply chain or network position may mean that the ultimate customer or consumer is far removed from the company. However, its overall network position can be greatly enhanced by thinking beyond its distributors and customers to its customers’ customers, deriving new forms of value or making the buying process much easier for their downstream customers.

Many B2B organizations will have developed route-to-market strategies and plans. These need to be renewed, with more consideration given to how the customer touch points can be enhanced to deliver more rewarding, relevant, and differentiated experiences. As a starting point, organizations should focus on the immediate customer and their desired outcomes. By having more insight into the outcomes consumers wish to achieve by using the product purchased, opportunities for new services delivered both in the field and electronically will emerge, adding more value.

As more channels are adopted, marketing in B2B markets must widen its scope

In B2B environments the role of marketing has traditionally been heavily weighted toward lead generation. As more channels become integrated to deliver a rewarding customer experience, the marketing department’s role should expand to include research. This can be used to fine-tune segmentation, to target and position messages, to harvest insights gleaned from analytics across this broader landscape of channels, and to provide automated lead nurturing capabilities so that sales teams focus on the best opportunities.

The ability to measure the effectiveness of marketing activities and their contribution to sales over long sales cycles remains a thorny issue for many CMOs. However, with the right omnichannel customer engagement strategy, supported by good analytics, this is a challenge that can be addressed. Another key challenge is how to offer relevant content at the right time and across multiple form factors. Modern marketing automation systems, supported by predictive analytics and dedicated content marketing technologies, can help firms meet this challenge. Where marketing support must be given to external partners such systems should be integrated with partner relationship management platforms, so that relevant marketing collateral can be easily accessed by the company’s partners and a consistent brand message can be delivered.

Better territory planning and management helps focus sales resources on the best opportunities

Market opportunity coverage is a constant challenge for most B2B companies and can have a major impact on productivity and revenue growth. Better territory-planning tools can help firms align their sales teams, both field and inside sales, on the right opportunities. Where this is augmented with external third-party data, for example from Dun & Bradstreet, organizations can target higher-growth companies or firms that provide a closer fit for what they can offer. Using effective territory planning systems, sales managers can assign resources to where they will be most productive and manage quotas more fairly to keep the salesforce motivated.

Sales teams sell more through predictive analytics and team collaboration

A wealth of customer data can be locked away in email, customer relationship management (CRM), and enterprise resource planning (ERP) systems; social networks such as LinkedIn; and third-party data stores. Predictive analytics can be used to mine this data and generate usable insights on “white space” opportunities, propensity to purchase, or buying triggers that can help salespeople focus on
the most promising opportunities. Modern selling, especially of high-value and complex offerings, requires a range of expertise to be brought to bear in a timely manner. Being able to identify the network of relationships and influences that can shape the outcome of a sale requires both good analytics and the ability to collaborate rapidly, especially when salespeople are out on the road. The best CRM systems are designed to help the salesperson sell, and to minimize any administrative overhead. They have to be accessible from mobile devices, and embedded collaborative tools and intuitive analytics will make field sales more productive.

**Configure, price, and quote is a valuable extension to CRM in the field**

The difficulty of getting a reliable quote and commitment to supply during negotiations is a common cause of customer frustration. Often a salesperson dutifully goes back to the office and several days later returns with a quote but the customer, in need of urgent and guaranteed supply, buys from a competitor. If the salesperson had a reliable configure, price, and quote (CPQ) system accessible from a mobile device such as a tablet they could satisfy the customer under pressure to make a quick decision, cement their relationship with that customer, and win the business.

**Commerce and communities are also part of the customer experience**

Ovum’s ICT Enterprise Insights 2014/15 survey found that commerce is one of the most buoyant areas of IT investment. The research shows that more than 44% of the organizations surveyed are either investing in commerce systems for the first time or are transforming existing commerce systems to meet the rising expectations of their customers and the increased demand to support purchases from mobile devices such as smartphones and tablets. Investment in commerce systems outstripped that in digital marketing and CRM systems.

Another trend is an increase in community portals to provide peer-to-peer communities of interest sponsored and supported by B2B companies. When run well these can provide valuable insights to help firms innovate faster, and can enhance the value of the relationship for the customer. B2B companies and those with aspirations to connect directly with consumers should consider commerce and communities in their omnichannel customer engagement strategies.

**Customer service must become omnichannel to support the customer**

Customer service must extend beyond the traditional contact center. Customers will often try to resolve minor issues or difficulties themselves, perhaps by accessing a web page from a mobile device. Good self-service capabilities are now an essential requirement, as is natural language processing that allows the customer to enter a few words and find an answer quickly rather than wading through a static list of FAQs.

Where queries are more complex or cannot be met by web content, companies should provide a live chat facility or virtual assistant to walk the customer through their problem and guide them to a resolution. Modern cross-channel service platforms now use a wide variety of tools to improve response times, and to help provide relevant answers directly to the customer (or through the agent for more complex enquiries or support considerations). Knowledge management, decisioning engines, predictive analytics, and unified agent desktops may all play a part in the customer service mix, minimizing issue-to-resolution times and proactively anticipating and resolving customer issues.

**Field service management – optimizing resources and satisfying customers**

Field service management is a major challenge for many B2B companies with field service or installation engineers. A host of capabilities are required to meet the needs of customers, including:
**Omnichannel Customer Engagement: Oracle’s Formidable Arsenal**

- dynamic, predictive scheduling, routing, and optimization of field service resources based on the skills, experience, availability, and work history of each unique individual
- proactive alerts and messages to keep customers informed of impending deliveries or arrivals
- access to back-office information or diagnostics delivered via field engineers’ mobile devices
- the ability to collaborate with colleagues to ensure the right expertise is brought to bear to fix problems quickly.

All the above are common requirements of the modern service center. They can help deliver a positive service experience for the customer as well as reduced cost to deliver through field service optimization. Many of the same considerations will apply to B2C companies.

### Oracle’s developed and integrated portfolio of enterprise applications

**Helping organizations develop their omnichannel strategies**

Organizations must first gain a deep understanding of their customers’ intentions and what they need to help them buy, use, or consume products or services; what post-purchase support they may need; and what additional and relevant offerings can help them derive the benefits they seek. An understanding of where customers prefer to buy and how they go about their decision-making is also critical. Customer journey mapping and the use of personas are useful techniques for developing a proxy for customer behaviors and channel preferences. Oracle helps major customers take an outside-in customer view to design an omnichannel customer experience mapped to the customer journey. The firm also offers online tools that can be accessed for free, so that any organization can experiment with designing an integrated omnichannel environment. Oracle’s limited consulting resources are augmented by its extensive partner ecosystem, and the firm shares its know-how with partners to extend its ability to help customers gain value from its customer engagement technology.

### Supporting the entire customer journey

Oracle’s customer experience portfolio provides six core categories of enterprise applications to support the entire customer journey:

- Oracle Marketing Cloud
- Oracle Commerce
- Oracle Sales Cloud
- Oracle CPQ Cloud
- Oracle Service Cloud
- Oracle Social Relationship Management.

These can be delivered as modules or as an integrated suite of applications, and include cloud, on-premise, and hybrid deployments. Ovum stated in the report *2015 Trends to Watch: CRM* that CRM software provides a foundation for customer engagement, and Oracle has a variety of options to support any industry.
Oracle Marketing Cloud supports both B2B and B2C enterprises

Oracle Marketing Cloud provides options for both B2B (based on its acquisition of Eloqua) and B2C (Oracle Responsys).

**B2B cross-channel marketing support**

The focus in B2B is on helping marketing to support the salesforce through segmentation and targeting of the customer and prospect database, launching and testing campaigns to increase conversion rates and nurture opportunities before they are ready to be engaged by the sales teams. With Oracle, this is accomplished via its B2B cross-channel marketing solution, Oracle Eloqua. It allows marketers to acquire, retain, and convert their B2B customers and nurture personalized, long-lasting relationships with each of them.

**Unifying customer data in B2B and B2C**

To help companies acquire new customers more effectively, Oracle’s Data Management Platform (formerly BlueKai) enables marketers to unify their data under one umbrella. They can pull in first-party data from proprietary assets such as websites and CRM systems and immediately access one of the industry’s largest sets of third-party data, comprising 700 million anonymous audience profiles. With hundreds of direct integrations into paid channels, they can then advertise and message to relevant customers.

Real-time feedback also provides further clues that can help to improve personalization, messaging, and timing, and create more of a dialog with existing and potential customers.

**B2C cross-channel marketing support**

The major challenge in B2C is to determine and orchestrate a variety of different interactions across multiple channels, including social and mobile, to deliver a personalized customer experience at scale. Oracle’s B2C cross-channel marketing solution, Oracle Responsys, helps marketers orchestrate and individualize customer experience across channels. At the heart of the B2C cross-channel solution is Program, a canvas where the marketer can orchestrate interactions across the mobile, social, email, web, and display channels. With rich analytics, the marketer can measure how these cross-channel interactions drive conversions and revenue.

**Oracle Marketing Cloud provides a central hub for the coordination and orchestration of marketing activities**

Old-style marketing is often planned and developed in channel siloes, supported by specialists in email, web, mobile, or social marketing in support of product marketers. The modern environment provided by Oracle Marketing Cloud creates the possibility of more focused and coordinated activities that can work in combination rather than in isolation. Marketing departments will need to develop new skills and take on new roles to support relevant and intelligent interactions across the entire customer lifecycle.

**Oracle Marketing Cloud supports the management of content across channels**

Since its acquisition by Oracle in 2013, Compendium has been integrated with Eloqua to support the planning, scheduling, production, and promotion of relevant content based on the attributes and behaviors of different personas. Dashboards and analytics monitor results and provide further insight into what works best.
Oracle Marketing Cloud supports the planning, execution, and measurement of marketing activities throughout the customer lifecycle

Retention is even more important than acquisition for established companies. This means marketing has a vital role to play in retention and development efforts, if firms are to drive greater lifetime value from their existing customers. Oracle Marketing Cloud supports this philosophy.

Oracle Commerce supports B2C omnichannel capabilities as well as B2B enterprises

At the heart of the Oracle Commerce proposition is a commerce platform that enables nontechnical business people to establish an effective commerce capability as part of a broader omnichannel customer engagement strategy. It includes:

- multisite creation and management
- management of product catalogs
- management of shopping carts
- real-time personalization based on profiles, segments, and relevant content type
- search and navigation to help the customer swiftly find what they are seeking
- integrated search engine optimization
- integrated service (in conjunction with Oracle Service Cloud)
- Oracle Commerce Experience Manager
- online B2B guided buying by customers.

Many B2B organizations have established an online channel, and the focus in 2014/15 will be on how to grow this channel to maximize revenues by delivering an excellent customer experience. Both B2C and B2B companies are pursuing ways to achieve an exceptional and relevant customer experience, monitoring key success metrics and keeping a close eye on customer acquisition and retention. The more advanced B2B companies are also adopting B2C commerce best practices to drive revenues and market share. Personalization, online catalogs, and SEO are the three B2C practices that influence revenues the most for B2Bs.

Oracle’s commerce capabilities have developed over a decade and are used by many major and well-known large enterprises around the world. To gain the advantages of commerce platforms they must be integrated with ERP and logistics systems, as well as the broader customer engagement applications – particularly service.

Supporting the modern sales environment

Older salesforce automation (SFA) applications seek to manage and control the salesforce, with little thought going into helping salespeople succeed. This has been one of the most common causes of lack of adoption. Oracle Sales Cloud Release 9 is a major evolution of the vendor’s cloud-based SFA platform. Oracle’s growing expertise in employing user-centered design to create graphically appealing and intuitive user experiences on any device, coupled with its focus on providing useful and timely analytics and information, makes this an attractive platform for both salespeople and their managers.

When combined with Oracle’s omnichannel customer experience portfolio and integrated with Siebel, plus back-office systems, ERP, and financials, Oracle Sales Cloud can help drive more relevant and
targeted customer interactions, grow lifetime value, and support multi-country and channel partner sales. Embedded predictive analytics helps salespeople focus on the most relevant products to sell.

**Speeding up buying decisions**

Oracle CPQ Cloud (formerly BigMachines) enables the salesperson to provide rapid configuration and accurate quotes to customers – while in their presence. The resulting quotation provides a further opportunity to project the brand value of the company and reassure the customer that they are receiving accurate as well as timely information, to help them make their decision or to fulfil an urgent need. Oracle acquired BigMachines in 2013 and has fully integrated it into Oracle Sales Cloud and Oracle Commerce as an optional module.

**Enhanced to improve service**

Oracle acquired RightNow in 2011, and it is now at the heart of Oracle Service Cloud. It has been fully integrated into the omnichannel customer experience portfolio and augmented with further acquisitions such as LiveLook, which supports co-browsing between the agent and the customer to help solve customer service issues rapidly. The Oracle Engagement Engine supports proactive chat and click-to-call capabilities strengthen Oracle’s mobile field service capabilities.

**Surfacing the customer’s intent**

Self-service and agent-assisted service are enhanced through Oracle RightNow Intent Guide Cloud Service, which recognizes the customer’s intent based on their behavior and helps guide either the customer or the agent serving them to the most relevant information, aided by Oracle’s dynamic knowledge management capability. Other intelligent tools such as Guided Assistant, which provides step-by-step troubleshooting, and Smart Assistant, which recommends the best answer based on a customer question, help drive self-service resolution. This reduces resolution times, increases the productivity of agents, and reduces costs through advanced self-service facilities.

**Oracle RightNow Dynamic Agent Desktop Cloud Service**

Oracle Service Cloud provides a dynamic agent desktop that guides the contact center agent through business processes such as Guided Assistant, Workflow, and Scripting and helps them capture, track, assign, and manage customer requests through to resolution. The ability to move seamlessly between channels (including mobile and social media) with no loss of context or data speeds up issue resolution and reinforces the relationship with the customer.

**Closing the loop through voice of the customer**

Oracle Service Cloud also provides a customer feedback mechanism via surveys across channel in order to monitor the experience and provide analysis of any systemic weaknesses that must be addressed. Although not as sophisticated as some of the leading customer feedback management systems, this provides a useful feedback mechanism to support continuous improvement.

**Engaging with customers globally on social media**

Oracle Social Cloud helps enterprises engage with their customers on social media in relevant ways. It consists of four key components or services:

- Oracle Social Engagement and Monitoring Cloud Service, which incorporates latent semantic analysis to refine relevant contextual insights from the deluge of social data, including positive, negative, or neutral sentiment about products or brands; to identify customer intent,
such as desire to purchase or to obtain timely support; and to trigger a rapid response to resolve issues quickly via routing capabilities.

- Oracle Social Relationship Management, a unified platform to provide for all social interaction and management capabilities.
- Oracle Social Network, which supports collaboration and share intelligence.
- Social Relationship Management Services, which are consulting services that help enterprises develop coherent and well-orchestrated social interaction capabilities, including support for customer communities of interest.

This collection of components and services enables enterprises to create holistic social engagement capabilities in support of their omnichannel customer engagement strategies.

**Helping enterprises refine their omnichannel customer engagement capabilities**

Oracle’s database and analytics heritage is evident throughout its omnichannel customer engagement platforms and applications. The vendor continues to expand the breadth of its analytics portfolio to build products for almost every user type, from the transactional application user to the self-service, ad-hoc user. It has the potential to support everyone’s needs for customer insight; it can be delivered in an intuitive and relevant manner for the nontechnical or in a way that allows more complex analysis and the development of real-time and predictive capabilities for the data scientist.

Throughout its omnichannel customer engagement portfolio, Oracle provides real-time and predictive analytics with the end user in mind. This goes well beyond analytics in application silos. It allows the enterprise to monitor the end-to-end capabilities of its omnichannel strategy. This enables it to refine the entire customer experience over time, and also to deliver timely analysis of the business impact and how well the enterprise is meeting strategic customer objectives such as NPS, CSAT, and growth in lifetime value. In essence it provides a central nervous system that enables the company to sense, respond, and adapt to remain relevant, which is the essence of a customer-adaptive enterprise.

**Connecting customer data across the omnichannel customer engagement portfolio**

Combining external data with customer data within the enterprise enables the enterprise to offer further customer context enrichment capabilities. Oracle has started to perform this type of data aggregation, enrichment, and cross-channel mapping service, which would be a monumental and expensive task for companies to do alone. Oracle DaaS for Marketing and Sales is available now, and Ovum expects further announcements and examples of how Oracle can inject intelligence from these new sources of data to help business users gain richer and more actionable insights across various lines of business and applications.

**New processes span departments and organizational structures**

**Oracle BPM Suite 12c speeds the development of new processes**

Omnichannel customer engagement by its very nature demands new processes that span the traditional silos of departmental responsibility. It is a collective endeavor, and to help organizations develop and roll out new processes rapidly, Oracle continues to invest in enhancing its BPM portfolio,
building on the release of Oracle BPM Suite 12c. Oracle offers “out of the box” Process Accelerators to provide the ready-made building blocks to support new processes.

**Oracle’s industry-focused heritage can help firms accelerate their process development**

Over the decades Oracle has developed enterprise applications to support the industry-specific needs of organizations in different sectors. Oracle Siebel CRM, for example, has many industry variants to meet the most sophisticated needs. Oracle is accelerating its development to support industry-specific variations in modular form in the cloud. This is still a work in progress, but demonstrates that Oracle’s portfolio of omnichannel customer engagement applications will continue to evolve rapidly, offering some level of future-proofing for enterprises that adopt the vendor’s platform.

**The Oracle ecosystem extends the value of Oracle omnichannel**

Oracle has an extensive global ecosystem of partners to help accelerate and extract value from its enterprise applications. Among its partners are more than 100 systems integrators, including Accenture, Capgemini, Deloitte, and Infosys, each with significant customer engagement and digital transformation practices. Collectively this represents a vast body of expertise, and the capabilities to support any enterprise with sophisticated omnichannel ambitions.

---

**Appendix**

**Methodology**

Both primary and secondary research methods were used to develop this report. These included extensive interviews and use of Ovum ICT research data sources.

**Further reading**

2015 ICT Enterprise Insights on Customer Engagement, IT0020-000064 (November 2014)

2015 ICT Enterprise Insights on Enterprise Applications Software, IT0020-000063 (November 2014)


2015 Trends to Watch: Cloud Computing, IT0022-000207 (November 2014)

2015 Trends to Watch: Integration and Middleware, IT0022-000217 (November 2014)

2015 Trends to Watch: Big Data, Part 2, IT0014-002948 (October 2014)

2015 Trends to Watch: CRM, IT0020-000060 (October 2014)

2015 Trends to Watch: Customer Engagement, IT0020-000055 (October 2014)

2015 Trends to Watch: Enterprise Content Management, IT0014-002941 (September 2014)

Predictive Analytics: Improving Margins and Supporting Growth for Consumer Products Companies, IT0020-000042 (August 2014)

A Maturity Model for Measuring the Customer-Adaptive Enterprise, IT0020-000016 (April 2014)

“Oracle welcomes analytic diversity at Open World,” IT0014-002954 (October 2014)
Author
Jeremy Cox, Principal Analyst, Customer Engagement
jeremy.cox@ovum.com

Ovum Consulting
We hope that this analysis will help you make informed and imaginative business decisions. If you have further requirements, Ovum’s consulting team may be able to help you. For more information about Ovum’s consulting capabilities, please contact us directly at consulting@ovum.com.

Copyright notice and disclaimer
The contents of this product are protected by international copyright laws, database rights and other intellectual property rights. The owner of these rights is Informa Telecoms and Media Limited, our affiliates or other third party licensors. All product and company names and logos contained within or appearing on this product are the trademarks, service marks or trading names of their respective owners, including Informa Telecoms and Media Limited. This product may not be copied, reproduced, distributed or transmitted in any form or by any means without the prior permission of Informa Telecoms and Media Limited.

Whilst reasonable efforts have been made to ensure that the information and content of this product was correct as at the date of first publication, neither Informa Telecoms and Media Limited nor any person engaged or employed by Informa Telecoms and Media Limited accepts any liability for any errors, omissions or other inaccuracies. Readers should independently verify any facts and figures as no liability can be accepted in this regard – readers assume full responsibility and risk accordingly for their use of such information and content.

Any views and/or opinions expressed in this product by individual authors or contributors are their personal views and/or opinions and do not necessarily reflect the views and/or opinions of Informa Telecoms and Media Limited.