

Oracle zeros in on its data management roots to drive customer experience

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Ovum view

Summary

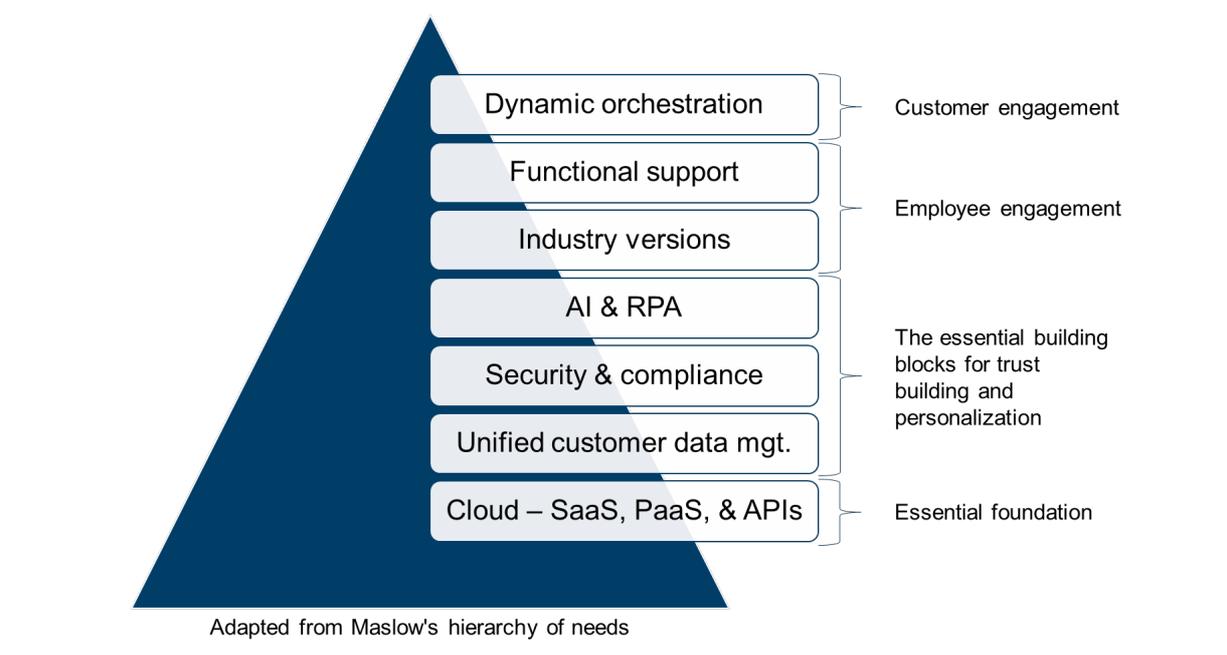
It is impossible to deliver a positive customer experience (CX) consistently without the right and reliable data, and the ability to derive meaningful insight from it to trigger the right response. Attempts via traditional CRM systems and customer data platforms (CDPs) to create and manage customer profiles have fallen short. In the case of the former, the 360-degree view remains a myth and, at best, is limited to basic demographic or firmographic transactional data captured by reluctant salespeople. What is often missing is the customer's context and motivation. In the latter's case, CDPs have helped marketers segment their campaigns to provide a quasi-personalized messaging capability, but with limited or no access to non-marketers in other departments with which customers may interact. Data, departmental, technology, and channel silos have all unconsciously conspired to create mayhem and irritation for customers. Customer centricity means centering the entire value chain on the customer and, often through advanced technology, creating a systematic and connected environment of value creation and delivery – a joined up, empowered, and enabled organization, connected by good data, real-time intelligence, relevant content, and end-to-end processes that support the customer throughout any journey.

Oracle provided evidence for attendees at the Oracle Modern Customer Experience conference in Las Vegas (March 19–21, 2019) that it has made substantial progress in the pursuit of this omnichannel ideal, supported by the Oracle CX Cloud customer engagement platform (CEP), and by bringing its 40-year data management expertise to the fore.

Executive summary

To provide additional context, Ovum identified seven layers that constitute a complete CEP arranged in a hierarchy of value in Figure 1. Data provides the foundation for higher levels of capability, culminating in the ability to dynamically orchestrate relevance at the point of customer interaction. In the Ovum report, *An Evaluation of Oracle CX Cloud through the Lens of the Customer Engagement Platform*, published in December 2018, we examined the entire Oracle CX Cloud portfolio, to see how it stacked up as a CEP against our ideal model. In this report, we focus on the data and machine-learning combinations provided by Oracle CX Unity, Oracle DataFox, and its new intelligent content management system.

Figure 1: Adaptation of Maslow's hierarchy of needs from a CEP perspective



Source: Ovum

Good data is the lifeblood of customer experience and Oracle is putting its data management expertise to good use

Who owns the customer experience? In many enterprises, the CMO leads CX initiatives, but the risk is that customer experience becomes equated to personalization efforts and the customer journey stops at the purchase. Omnichannel is often incorrectly seen as a mechanism for making a personalized promise and driving sales without consideration for the entire customer experience that must include fulfillment and ongoing support. This partly explains the hysteria surrounding CDPs – useful for the narrow self-centered marketing purpose, but inadequate when looking at the customer's experience in its entirety.

Oracle CX Unity avoids marketing myopia

When the marketing department jealously guards its CDP and limits its use to marketing, customers with an existing support issue may have that exacerbated by poorly timed and inappropriate offers. Service also becomes reactive if the support agent is unaware of the customer journey prior to the call. The customer may have tried to resolve their own issue online but now, with heightened exasperation, are in the mood to vent their fury on the agent or possibly abandon ship altogether in frustration.

Customer journeys are not linear or as predictable as many would like

Customer journeys are often haphazard and unpredictable like fireflies sparking in the dark night. In a high-volume B2C environment there can be millions of customer interactions every second of the day. Time lost asking the customer to explain in detail what could have been inferred from their journey and what is already known about them puts the support agent on the back foot and irritates the customer.

To track the customer's journey progress and sense what they are trying to achieve requires a living and evolving customer profile that can draw on data about that customer wherever they reside. Oracle CX Unity, currently in beta, is designed for that purpose. Making optimal use of machine learning, Oracle classifies it as a customer intelligence platform (CIP), embedded in Oracle CX Cloud, which connects customer data from anywhere in the enterprise to support entire customer journeys. To draw meaning from the data and trigger the most contextually relevant response, Oracle CX Unity includes an intelligence layer on top of the data. Oracle's Adaptive Intelligent Apps embed AI capabilities across the Oracle CX Suite and other application areas and, when combined with Oracle CX Unity, deliver a range of capabilities, including next best product recommendation, intuitive search, dynamic open-time content, and next best action, among others.

This combination of AI culminates in the highest value layer – "dynamic orchestration" of the customer experience – providing real-time context-aware content, guidance, or next best action. Oracle's CEP, therefore, is potentially equipped to handle complex cross-departmental and omnichannel customer journeys as they arise.

Oracle CX Unity goes beyond traditional CDPs

While Oracle CX Unity can unify all data sources throughout the enterprise, including third-party sources, the priority has been to provide a unified customer data platform that can be consumed by front-office functions, where there is the most pressing need. CX Unity will ingest customer data residing in the back-office and fulfillment applications from day one. Eventually, back-office applications will also be able to consume CX Unity. This is essential, as the customer experience in its totality must be supported and will include fulfillment, not just the promises made by marketing or sales, or customer reviews on a commerce site, or even customer care. In an omnichannel environment, this might even be someone in dispatch informing the customer of a delayed shipment due to a flood or other problem. Dynamic orchestration allows firms to be proactive, not simply reactive, and to support the entire customer journey irrespective of the organization's departments. Customers appreciate being informed before they know there is a problem. Oracle CX Unity is already designed for that purpose, which is a major differentiator compared to most CDPs developed with marketing in mind.

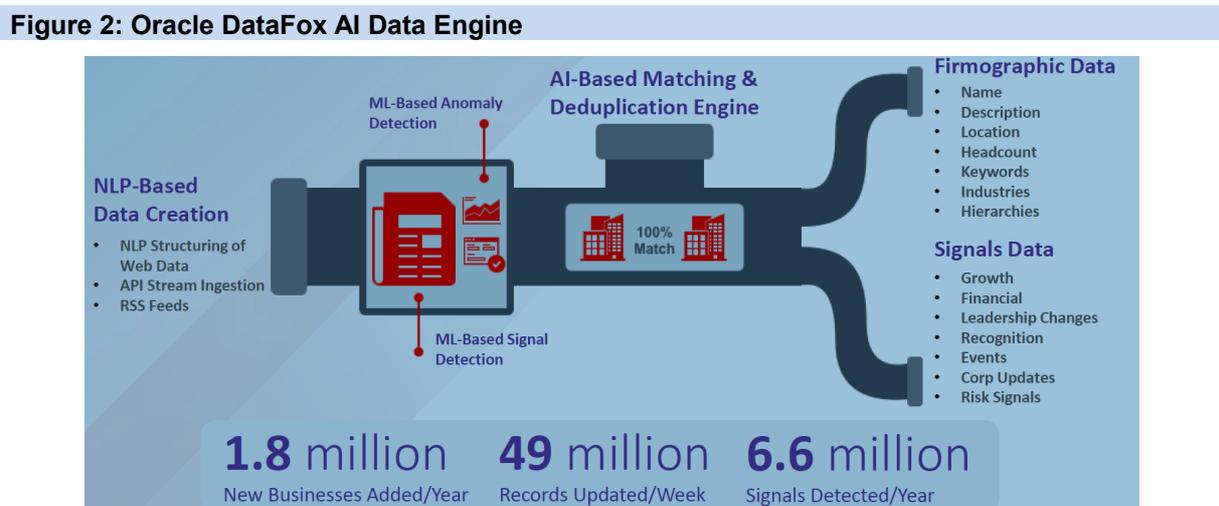
Oracle CX Unity supports dynamic orchestration by providing:

- a unified and constantly updating customer profile
- ingestion of third-party data to enrich profiles
- intent curated segmentation to deliver timely and relevant offers/recommendations
- real-time analytics to trigger the most relevant action
- a unified customer experience with minimal friction across any channel throughout the customer journey.

Oracle DataFox AI data engine is the salesperson's companion

Sales-force automation (SFA) systems that belong to the traditional CRM era deliver little value to salespeople and scant reliable information for their managers. The acquisition of DataFox in October 2018 upends the traditional SFA market by making Oracle Sales Cloud and Engagement Cloud (a combination of sales and service) useful for salespeople. Oracle DataFox provides timely signals and alerts to salespeople of changes in their target accounts that might indicate a new opportunity and augment the customer profile. Using a mix of AI tools, including natural language processing (NLP)

and machine learning and, where anomalies are detected, humans, Oracle DataFox detects change signals in businesses. Figure 2 outlines how it works.



Source: Oracle

Oracle Sales Cloud already provided propensity analytics to help focus sales attention on the most promising opportunities but with Oracle DataFox, prior to going into an important call or a meeting with a new contact, recommended talking points are suggested to enhance the relevance of the meeting. In addition to augmenting account information on new hires or changes that indicate an opportunity or that might signal delay, the solution can increase the total addressable market for acquisition of new customers, by identifying organizations that exhibit the optimum characteristics based on analysis of account profiles from previous wins. From a salesperson's perspective, this provides useful insights that can help drive more sales and enhance the reputation of the salesperson – a useful intelligence companion. Account prioritization is also supported through a transparent and therefore more believable scoring model, ensuring fair distribution of sales territories.

Oracle CX Cloud now provides headless content management

A component of the Oracle CX stable that has until now not received the attention it deserves is Oracle Content and Experience Cloud. The larger and more far flung the enterprise, the harder it becomes to create, source, and transmit content of sufficient quality and relevance to add value to the customer experience. Although it was announced in April 2017, it is now more tightly integrated into Oracle CX Cloud as Oracle CX Content and serves several important purposes:

- it provides a centralized content hub for use across the enterprise
- it provides intelligent tagging via machine learning and assisted content discovery to make it easier to find existing content assets
- it supports real-time assembly on demand, so that the most relevant content reflects the customer's actual context, triggered by what is known about the customer and their implied intent.

Oracle CX Content is headless in that it contains just the content management repository, which can be accessed by other applications via APIs. This allows its content to be accessed by any application in the Oracle CX Cloud portfolio, as well as by third-party products.

From a content development perspective, the ability to find existing assets and combine or adapt fragments to create new assets rapidly and contextually is supported by Intelligent CX Content.

The headless architecture coupled to APIs allows content to be rendered in the desired format to suit any device, even those that are yet to come to market. Traditional monolithic content management systems (CMSs) are optimized for the web and not smartphones or other devices. This means content developers have to create multiple content types for different devices, which reduces their productivity and speed to market. Oracle Content and Experience Cloud avoids this effort and time, and potentially reduces the cost of asset storage as a result.

Oracle must avoid marketing myopia when talking about Oracle CX Unity – it has so much more to offer

The impression given in one of the Q&A sessions at the conference was that development is currently focused on the front-office applications – marketing, sales, service, and commerce. While defining this critical layer of a CEP as a CIP differentiates it to some extent from classic CDPs, it does not go far enough.

In an omnichannel environment, customer experience is not simply the sum total of relevant offers received, bought, or consumed. Potentially, customers may touch any part of the value chain, including back-office fulfillment or finance. While most product managers associated with customer data among major vendors such as Oracle have marketing backgrounds, there is a distinct danger that CX is too often seen as the targeting of offers, selling products, with little regard to the wider CX picture. It is true that in many large enterprises the CMO takes up the reins of customer experience, but in businesses that are genuinely customer centric, the CEO acts as the orchestrator in chief, ensuring that the entire company is fit for customers. Fulfillment of the promise is a critical proof point for customers, more so than timely relevant offers. Oracle CX Unity CIP is much more than a CDP, even if that was its genesis. Oracle must dispel the myths and marketing baggage associated with CDPs, otherwise customers will judge the platform through the narrow lens of the marketer.

Oracle's strong heritage of data management must not be constrained by marketing. In high-volume environments in particular, the data challenge is substantial, and other Oracle assets, including Oracle Data Integration Platform Cloud and Oracle GoldenGate Cloud Service and its DataScience.Com services, should be included.

Appendix

Further reading

Building a Blueprint for the Data-Driven Enterprise, INT002-000197 (January 2019)

An Evaluation of Oracle CX Cloud through the Lens of the Customer Engagement Platform, INT001-000116 (December 2018)

Oracle takes a huge leap in content management, as it becomes an innovator, INT002-000200 (December 2018)

Oracle outlines the roadmap for DataScience.com, INT002-000193 (December 2018)

2019 Trends to Watch: Customer Engagement Platforms, INT001-000106 (November 2018)

Oracle uses AI, data, and the cloud to free enterprises to focus on business, INT002-000188
(November 2018)

SWOT Assessment: Oracle Content and Experience, Oracle Content and Experience Cloud, INT002-000130 (June 2018)

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