

## New Strategies to Keep Customers Coming Back

# Customer Retention in the Digital Economy

Customer retention is mission critical for businesses today. As industries undergo digital transformation and disruption, the challenge to build lasting relationships and long-term recurring revenue streams has never been more difficult. In a global survey of 165 executives, a majority of respondents identified customer retention as central to the success of their business.<sup>1</sup>

### THE RETENTION CHALLENGE



55% of surveyed executives ranked their customer retention capabilities as moderate or weak.

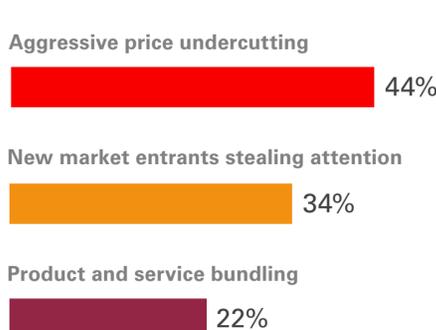
"A plurality of executives see customer retention as the most important stage in the customer journey in achieving the long-term success of their company's marketing and business strategy."

- The Economist Intelligence Unit

Why is it so difficult to generate repeat business?



What is the competition doing to make retention so hard?



Businesses need new strategies to monetize and differentiate their digital and physical offerings in order to secure customer loyalty.

"The challenge...is all about connectivity with customers...and constantly inventing new, better business models to meet their needs and serve them better."

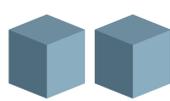
- The Economist Intelligence Unit

### THE NEW MODELS TO RETAIN AND DRIVE REPEAT BUSINESS



"Some of the smartest brands out there are using technology to break pricing down to the units. These slices and slivers were not possible in the past, but now they create new value for customers."

- Lucas Watson, Chief Marketing and Sales Officer, Intuit



64% of executives say product bundling is a highly effective way to drive repeat business.



45% view cross-selling as useful for customer retention.



57% believe discounting or reward points are solid strategies for encouraging additional purchases.

### THE SUBSCRIPTION SOLUTION

Many innovative companies are deploying subscription services to promote retention and repeat business, while meeting their customers' needs for flexible on-demand purchasing models.



80%

of businesses say they see changes in how their customers prefer to access goods and services.<sup>2</sup>



40%

of businesses already say subscription is being added to their business model.<sup>2</sup>



56%

of enterprises will have shifted to a subscription economy model in 2017.<sup>3</sup>

#### Subscription Commerce in Action



Builds long-term relationships



Secures recurring revenue streams



Fosters customer loyalty



Encourages cross-sell and upsell opportunities



Enables scalability and adaptability



Provides affordable pricing options



Differentiates product offerings

### IS YOUR BUSINESS READY FOR SUBSCRIPTION COMMERCE?

Can your existing system handle a new range of digital products and on-demand delivery models?

ORACLE  
MONETIZATION  
CLOUD



Oracle Monetization Cloud is a complete solution that supports agile monetization across the customer lifecycle. It accelerates time to market for subscription and digital services, enables new recurring revenue streams, and improves mission-critical customer retention.



Launch new services quickly and cost-effectively



See real-time usage-based views of customer behaviors



Provide flexible pricing, discounting and rating



Rate on any pricing unit: time, volume, events, click



Support globalized capabilities



Ensure full financial compliance

### FIND OUT MORE



To watch a short video or request a demo, visit [www.oracle.com/monetization-cloud](http://www.oracle.com/monetization-cloud).

<sup>1</sup> Engaging the Distracted Customer: Pricing Strategies and Business Models for the On-Demand Economy Sponsored by Oracle, The Economist Intelligence Unit conducted a survey of 165 global executives to capture their insights on customer retention and new monetization models in the NOW economy.

<sup>2</sup> Supply On Demand: Adapting to Change in Consumption and Delivery Models, Economist Intelligence Unit, 2013

<sup>3</sup> Digital Transformation Benchmark 2016-2017, Nemertes Research, 2017