



CITO Research

Advancing the craft of technology leadership

December 2011

# **Creating a Successful and Meaningful Customer Experience on the Web**

Sponsored by **ORACLE®**

## **Contents**

<b>Introduction</b>	<b>1</b>
<b>Challenges of Web Experience Management</b>	<b>2</b>
<b>The Next Evolution of Web Experience Management</b>	<b>8</b>
<b>Oracle WebCenter: A New Vision</b>	<b>11</b>
<b>Conclusion</b>	<b>16</b>



## Introduction

Today's corporations live and die by their web presence. Modern marketing, sales, and customer relationship management are largely conducted online. Managing a customer's experience of a company on the Web has become a major focus for marketers and line-of-business leaders.

Yet with the increasing complexity of challenges and options, many companies are delivering a poor online experience, and they are suffering for it. The consequences of having a subpar online experience are severe: one study found that poor online user experience, coupled with a lack of insight about why customers are abandoning websites, is causing businesses to lose 24% of their annual online revenues. That equates to more than \$50 billion a year lost in the US alone.<sup>1</sup>

What's more, the power dynamic of interactions on the Web has shifted. Customers have the power. They drive the interactions, not the companies. With the rise of mobile devices and a flurry of easy-to-use applications, customers have transformed from passive broadcast consumers into captains of their own destinies. The modern web experience must adapt to this reality.

But how? Effectively harnessing the power of the Web is much harder than it used to be for several reasons:

- **Social computing** is changing the way people interact with each other and with companies online. More than 40% of consumers factor in Facebook recommendations when making decisions about purchasing.<sup>2</sup> Customers on the website may want to "like" a product on Facebook or tweet about something they find. Or the reverse: while on Facebook, liking the company could make the customer eligible for special offers that appear on the corporate website.
- Customers are used to accessing the Web in new and engaging ways through **multiple channels and devices**, and they want that ease and diversity to be reflected in their dealings with businesses. Yet companies need to maintain branding in a consistent way across multiple platforms and keep track of customers' movements from device to device throughout the day.
- The current multichannel environment makes marketing so complex that creating **targeted, personalized, relevant experiences** is harder than ever. And when you get it right, the bar is constantly rising. Companies are struggling to

1 "Reducing Customer Struggle: Findings from eConsultancy's Customer Experience Survey," eConsultancy, Aug. 2011.

2 "Increasing Campaign Effectiveness With Social Media," Syncapse, March 2011





find a way to reconcile sentiment analysis, location, channel, demographics, and the many other factors that surround an interaction.

- **Marketers and line-of-business leaders** need to find a way to control the on-line experience easily and intuitively. Ideally, marketers should be able to quickly identify visitors, follow their history across multiple channels and, by evaluating real-time activities against historical data, make time-critical point decisions. Marketers should be able to analyze interactions and be empowered to change the experience, fast.
- The entire **spectrum of components and data** needed to create a consistent and compelling web experience today is comprised of diverse assets such as websites in multiple languages, user-generated content, microsites, mobile and multichannel sites, social channels, and more. Meanwhile, companies have made enormous investments in CRM, campaign management, and other enterprise systems that house critical customer data. Often, these are disconnected from online customer engagements, but companies must integrate and manage all of these facilities to create a truly engaging experience for customers across online channels and between online and offline channels.

In this paper, CITO Research explains the challenges of contemporary web management for enterprises and the business importance of web experience management as the basis of an integrated online strategy. This concept is vital for executives who are concerned about the strategic direction of their companies and who seek to provide an experience that will drive competitive success.

## Challenges of Web Experience Management

So much has changed since the task of presenting a simple HTML page defined the scope of a customer interaction over the Internet. Now, to deliver a pleasing web experience, one must weave a complicated fabric of content and social media, tailored through targeting, and deliver it through multiple channels, each with its own form factor and design characteristics. Before we can propose a coherent model for delivering a web experience, we must first examine each of its five major dimensions: social media, multiple channels and devices, targeted and personalized experiences, multiple corporate stakeholders, and a spectrum of components and data.





## Social Media

In their personal lives, people ask each other when they want advice about what to buy, what to do, where to go, or how to solve a problem. Through social media, the Web enables these interactions at a global scale. Customers are talking about products and services. The question is, how does your company harness this conversation? Are customers “talking behind your back” on Facebook, Yelp, TripAdvisor, and elsewhere? A wiser option is to provide a forum for these conversations and create an opportunity for engagement.

Companies must offer social experiences to drive engagement and build community. This includes collaborative tools such as comments, blogs, ratings, and reviews. People expect virtually everything they do on the Web to have a social component, and they expect company websites to have facilities for sharing information, and for collaboration—and that it will be as easy to use as Google or Facebook.

The social challenge goes beyond providing venues for interaction. Customers bring a social identity to your site: a Facebook profile, a LinkedIn account, a Twitter feed, and so on. To engage the customer, organizations need to tap into their social activity and tailor their online experiences accordingly.

Driven by a sense that “we need to have social media,” but with no clear strategy for providing an integrated, connected experience, marketers are struggling to deal with the challenge of turning social media into a productive channel for brand engagement. Many companies have Facebook pages or Twitter feeds, typically disconnected from the company website. Marketers struggle with questions like:

- How can our social media presence be integrated with the rest of the web experience?
- If a customer shows a particular enthusiasm or interest on Facebook, how can the company make sure that this interest is acknowledged when the person comes to the corporate website?
- If a customer interacts with the company on Facebook or Twitter, shouldn't their interactions be acknowledged when the same person comes to the main website?
- Shouldn't positive interactions be promoted for others to see or share?
- Shouldn't marketers have the ability to address negative, unwarranted, or critical comments?





CITO Research

Advancing the craft of technology leadership

Many marketers' greatest fear around social media is the likelihood that the company forum will become a free-for-all of negative comments, irrelevant discussions, or spam. It's essential that marketers have the right tools for social channel enablement so that they can moderate and optimize the experience of social media on their site and across the social networking sites important to their customers.

## Multiple Channels, Multiple Devices

Consumers are used to a web experience that adapts to where they are and how they want to consume information. They change channels and switch devices whenever they need to. They can keep tabs on friends and family on Facebook. They can follow the Twitter feeds of their favorite soccer team, pop star, or business thought leader. They can find a nearby restaurant with Foursquare geolocation on their phone and then look up reviews of that restaurant on Yelp. In short, the consumer web is oriented to individual requirements, with channels for every niche.

A corporate web experience must meet these consumers where they are—and they are virtually everywhere, all the time.

*Companies cannot afford to treat customers as a familiar face on one channel and virtual strangers on another, or they run the risk of alienating them.*

Your company web page should be customized for each channel or device—the web browser, Facebook, Android devices, and iPhones. For example, the iPad is a vibrant device that thrives on rich media. Ideally, a company website should be optimized for commonly used devices, with rich media and interactive panels.

Part of this challenge is technical, such as integrating with third-party applications like Facebook, publishing content to diverse mobile devices, or integrating geolocation. But there are also broader challenges of providing a contextual experience around each customer and allowing the business-to-customer interaction to move between platforms without missing a step.

Right now, many companies manage this challenge manually. One team handles the corporate website while another works with social media. Integration is ad hoc, involving email and cutting and pasting content, with lots of redundancy.





## Mobile

Mobile technology is growing at runaway speeds and few companies are keeping up. Strategies for getting ahead of this explosion are just emerging and are experimental at best. According to a recent report by research firm IDC, mobile usage will surpass that of PCs and other wired devices by 2015. Smartphones will outsell traditional cell phones. Tablet sales are booming. Mobile data traffic is expected to increase 26-fold between 2010 and 2015. IDC predicts that the number of users accessing the Internet through PCs will stagnate, then decline.<sup>3</sup>

The mobile boom has profound implications for marketers. Enterprises must optimize their websites for mobile use. They must prepare for users who visit their sites on the fly, from devices with smaller screens and limited bandwidth capacity. They must prepare to target customers based on context and location.

Companies have tried an array of strategies to cope with the mobile explosion. Some offer no mobile capability at all, forcing customers to scroll through the website on a tiny smartphone screen. Others create different mobile applications for every device that they want to optimize for, leading to significant management challenges as versions of phones change and as content changes. This strategy has led most organizations to the realization that optimization of content and campaigns across disparate web platforms is virtually impossible using traditional methods and tools.

Companies can no longer afford to ignore mobile use or support a manually managed portfolio of dozens of mobile web properties. Instead, mobile access must be fully integrated into the web presence, optimized and synchronized in real time, offering rich media content scaled and targeted to the device in question.

## Targeted, Personalized Experiences

People expect companies to know who they are and what their interests and needs are. If you provide a generic experience, expect a listless response. For a compelling and relevant experience across channels, companies need to target, analyze, and optimize the customer experience.

*Which promotions worked and which did not?  
How did behavior vary among different customer segments?*

<sup>3</sup> Mobile Internet user to eclipse wireline users by 2015, <http://gigaom.com/broadband/mobile-internet-user-to-eclipse-wireline-users-by-2015/>  
IDC: More Mobile Internet Users Than Wireline Users in the U.S. by 2015  
<http://www.idc.com/getdoc.jsp?containerId=prUS23028711>





CITO Research

Advancing the craft of technology leadership

Customer engagement is a matter of ongoing *optimization*. Companies must acknowledge a customer's history of interactions and changes to personal profile details.

Marketers need the ability to engage with customers through both *explicit criteria* (profile of a registered user, purchase history, CRM data, IP address, location, device type) and *implicit criteria* (behavior on the site, keyword searches, navigation). With this information, companies can begin to develop a customer profile, assign that profile to a customer segment, and target them with appropriate content. As loyal and repeat customers interact with the website, their experiences can be continuously tailored with panels, messages, and offers. If the customer is volunteering information, reading content, or purchasing, marketers require analytical tools for tracking the effectiveness of online content and adjusting it to optimize its success.

### **Decision-Making and Analytics**

Companies aim for targeting customers but often miss the mark because they lack decision-making capabilities and analytics. Most enterprises are sitting on treasure troves of data but have blind spots that prevent them from using this knowledge.

Processes for targeting customers effectively need to combine the best of marketer-controlled analysis and automated optimization. Organizations require tools for marketer-controlled customer segmentation and the assignment of content or promotions that will be most effective for those segments. Marketers need data to make decisions, but not just a data dump. They need real-time intelligence on their customers and their behavior across channels focused on the right indicators to directly inform their decisions. And they need these capabilities paired with predictive analytics and automated decision-making. Marketers require the support of automated decision-making and optimization in cases where there are far too many variables for marketers to analyze or manage effectively. Multivariate testing and analysis must be an integrated part of the marketer's toolkit for identifying customer micro-segments and offering information that is relevant and personalized for that unique audience.

### **Multiple Stakeholders Need Control**

Expectations for system usability and manageability have changed for good. When consumers play a video game, they don't ask someone else to push a button on the controller. It would be ridiculous to play if they couldn't use the controller. When people go on Facebook, they don't need a lengthy tutorial to figure out how to 'friend' someone. These expectations for usability don't change at work. Marketers and line-of-business staff require that managing websites be as easy as playing a video game





or interacting with friends on Facebook. Nontechnical users need to be empowered to build websites, design the layout, make content changes, set up targeting rules, control user-generated-content, and enable the mobile web, all from an intuitive and easy-to-use interface.

Of course, IT remains an important player because the Web is and always will be a critical enterprise software system. But they don't want to spend their day supporting the marketing department's content changes; instead they want to focus on more strategic initiatives. When considering a web experience management system, IT executives must ensure that a new solution meets key requirements:

- Can the system scale? Can it support tens of millions of content assets, hundreds of concurrent content contributors, hundreds of sites around the globe, and hundreds of millions of monthly site visitors?
- Is it flexible enough for changing requirements?
- Does the solution empower business users to help themselves without burdening IT?
- Can line-of-business leaders and marketers rapidly launch or revamp campaigns without IT support?

## **Integrated Customer Data and Campaigns**

To create a compelling web experience for customers, companies need the ability to organize and access their enterprise data and leverage it in web interactions. For example, a company may use CRM to create customer segments for direct mailings. But if CRM cannot talk to the web content management system, the company cannot reuse this intelligence online. Similarly, if a customer phones the call center and the company has access to their detailed profile, but when the same customer visits online, she shows up as a virtual stranger, this will be a major driver of customer dissatisfaction. If an organization creates a campaign to encourage repeat business, the campaign needs to be effective regardless of whether the customer is in front of a work computer, on the road on an iPhone, visiting a physical store, or calling customer service. And the organization needs to know what happened across the other channels of interaction so that they can make sure the campaign is applied appropriately. How can organizations bring customer data to bear in the web channel? How can organizations ensure that customers have an optimal and consistent experience with the organization, across both online and offline channels?





## The Next Evolution of Web Experience Management

Today's requirements for web experience management entail a paradigm shift from the way the Web was managed even 5 or 10 years ago. Where web content management (WCM) systems several years ago helped IT administrators manage content for static one-size-fits-all websites, today the need has shifted dramatically. As the Web has become a critical business and marketing tool, organizations must empower their marketers to manage the online customer experience as a whole. This web experience must provide a targeted and personalized, dynamic, social, interactive, and optimized experience across multiple channels. Organizations today need a web experience management system that is focused on these capabilities and that is capable of deploying a customer experience of this sort across the largest enterprise environments. Web content management capabilities remain the critical foundation of the toolset—but it is no longer enough to simply manage content online.



**Figure 1: Web experience management lets marketers tailor interactions to the customer's interests and needs**





## Easy-to-Use Tools, Optimized for Marketers

So what would a marketing video game look like? How would marketers play? How would life for marketers be different if companies had easy-to-use tools to centrally, securely, and easily manage a large-scale online experience?

Marketers are using segmentation and targeting tools to take control of the web presence and the tools must be optimized for their requirements and speak their language. They need control over site content, targeting, and design. Marketers also need analytics to determine who's buying what and where. User-generated content needs to be studied and processed so that marketers understand how customers perceive their offers. They need a way to manage their sites' linkage with social networking sites.

They demand the ability to easily roll out content to their websites—or, increasingly, to multiple websites. This puts business marketers back in control over the message and turns the online channel into an extension of their business initiatives.

## Dynamic Web Presence

Enterprise systems must operate at the speed of the Web. Consumer attention span is measured in seconds; customers will not wait for cumbersome backend processes. In order to be effective, targeting must be instantaneous. Customer engagement and optimization must occur in real time. Homegrown or outsourced solutions cannot keep up with the pace of change, and they satisfy neither the internal audience nor customers. An enterprise solution capable of managing a dynamic web presence is an essential ingredient of web experience management.

## Connecting the Enterprise

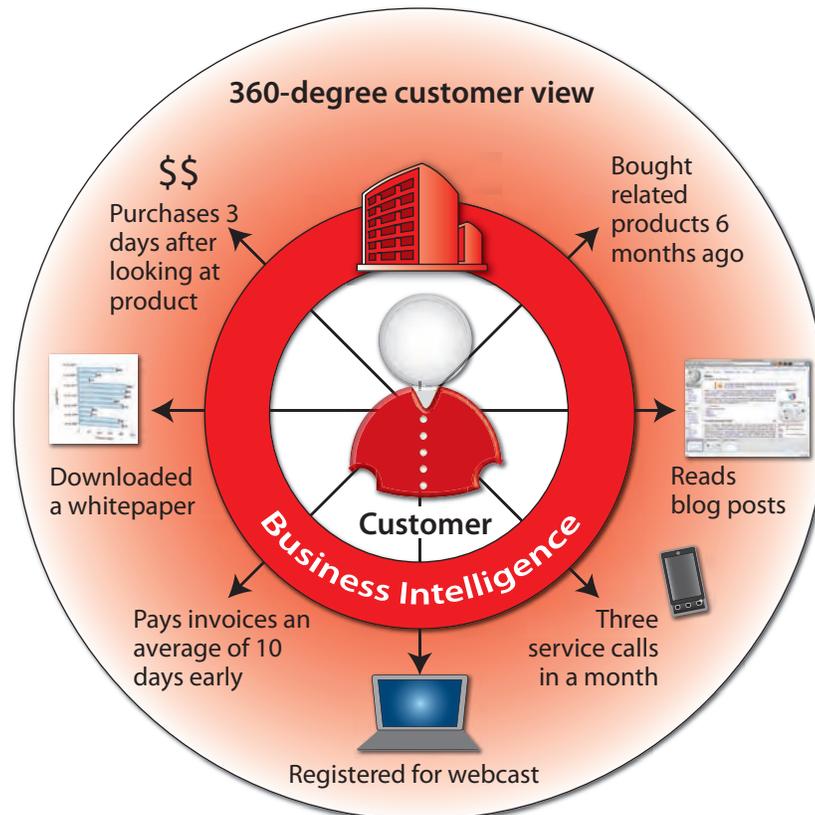
In order to provide an integrated customer experience, companies must close the gap between web content management, front-, and back-office systems. This allows the enterprise to be more effective at targeting and customer service. The web experience can no longer remain separate from critical customer-focused systems like CRM and ecommerce.

Ideally, a customer service center should have a 360-degree view of every customer who makes contact. They should have the vital information that allows them to quickly resolve problems and make the customer feel listened to—such as the fact that they may have had three service calls in a month or just spent an hour clicking around your website without solving their problem. Customers will not tolerate call





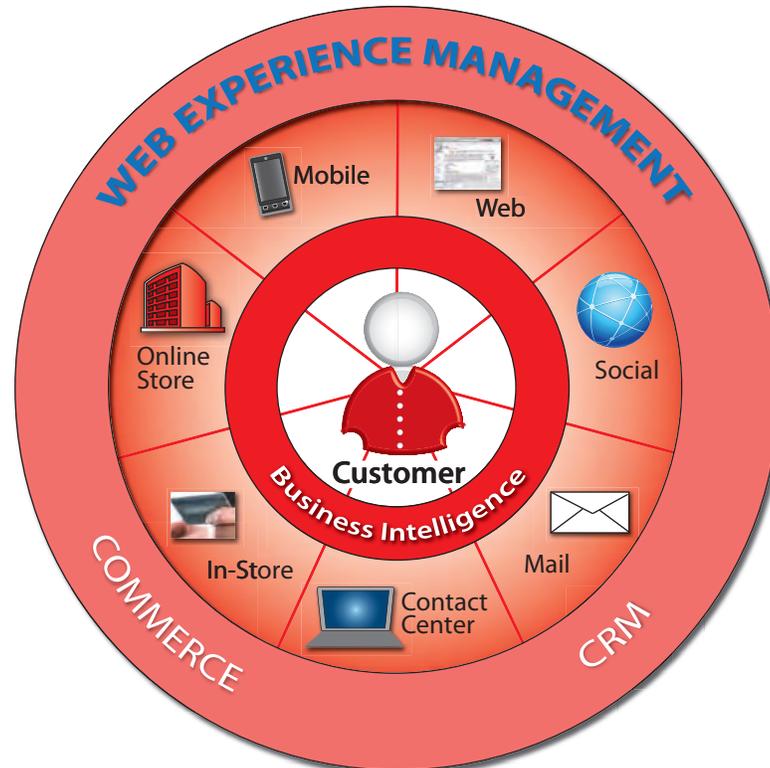
centers with no awareness of their history and interactions and that requires them to repeatedly provide the same information. When service matters are resolved quickly, customers feel loyal; when they are not, customers say “never again.”



**Figure 2: Web experience management provides a 360-degree view of the customer**

Given the challenges of personalization, multiple channels, and the need for marketers to monitor, control, and optimize the web experience for customers, a total web experience management solution is needed.





**Fig 3. Web experience management integrates all customer channels**

## Oracle WebCenter: A New Vision

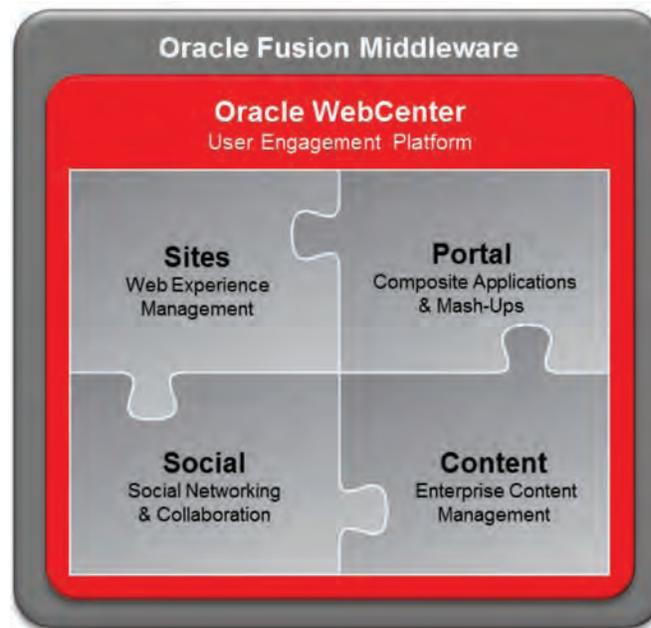
Oracle WebCenter arms companies with the full arsenal of web experience management capabilities such as targeting and optimizing content, social computing, and multichannel engagement—all of which help improve customer loyalty, drive web traffic, and target new customer segments. In one integrated suite, it combines an array of complementary capabilities: web experience management (Oracle WebCenter Sites), composite applications and mashups (Oracle WebCenter Portal), social networking and collaboration (Oracle WebCenter Social), and enterprise content management (Oracle WebCenter Content). Together these form a platform that connects people, places, and information.

Web experience management is part of the foundation of Oracle WebCenter. Over the last decade, FatWire pioneered a new generation of tools that integrated marketing and IT with targeted content delivery and optimization, social computing, mobile





web, and interfaces designed for business users. These tools were designed not just to automate management of web content, but also to help marketers manage the entire customer web experience. FatWire was acquired by Oracle in 2011 and its web experience management technologies were integrated into the Oracle WebCenter family of products. This marriage leverages the best-in-class capabilities of FatWire web experience management with Oracle's world-leading enterprise systems and Fusion Middleware.



**Figure 4: Oracle WebCenter components**

Oracle WebCenter helps organizations drive internal and external user engagement with technologies to:

- Increase customer loyalty with personalized, interactive and engaging online experiences
- Drive innovation with portals & composite applications
- Enhance productivity with contextual collaboration
- Optimize information access with enterprise content management

The Oracle WebCenter product family offers best in class **enterprise content management** capabilities for document, rich media and records management, **portal** technologies for composite applications and access to backend system data, **social**





technologies for collaboration to enhance productivity, and **web experience management** capabilities for driving online customer engagement.

The WebCenter Sites platform for web experience management empowers companies to:

- Build customer loyalty and engage customers with the brand
- Be nimble in creating new marketing programs and launching new initiatives
- Respond quickly to changing market conditions
- Put marketers and business users in charge of the Web—without dependence on IT for daily tasks

Oracle WebCenter Sites capabilities include:

- **Robust Web Content Management Foundation:** Oracle WebCenter Sites offers best-in-class capabilities for managing large-scale global websites, with easy business user interfaces for managing content and sites, strong multilingual content management and delivery, built-in Product Information Management for managing large product catalogs, and highly scalable dynamic delivery for websites.
- **Social Computing and User-Generated Content (UGC):** Oracle WebCenter provides out-of-the-box tools for user-generated content such as comments, reviews, and ratings—for creating interactive experiences for your site visitors. It also offers enterprise moderation capabilities for UGC, such as keyword filters and user black and white lists for easy management of UGC to enterprise standards. WebCenter Sites also integrates with third-party social networking sites for easy dissemination of content to those sites, and automated authentication of site visitors based on their profiles from social networks.
- **End-user Personalization and Syndication with Gadgets:** Oracle WebCenter Sites offers the ability for organizations to create customizable dashboards made up of gadgets (small applications) that can then be personalized by site visitors. Visitors' settings are saved, creating a personalized and interactive experience that engages customers on a one-to-one level each time they return to the site. Gadgets can also be syndicated to third-party sites to extend the reach of the brand and drive sales via partners.





- **Mobile Web Management and Delivery:** Oracle WebCenter Sites offers the ability to manage the mobile web as a seamless part of the traditional web experience. From the same interface used to manage the traditional web, marketers can manage the mobile web experience by device family, with visual tools for previewing what the site will look like on different families of devices. Content changed in one place is changed across mobile and traditional sites, driving tremendous efficiencies. Marketers can easily manage site format and display with further automated optimization at run-time for the thousands of devices within each device family.
- **Customer Segmentation and Targeting:** Oracle WebCenter Sites offers flexible content targeting technologies, empowering marketers to define customer segments, based on implicit (behavioral) or explicit (known information) criteria, and then establish the recommended content or promotions delivered to each segment. This technology also integrates with Oracle Real-Time Decisions for automated recommendations and multivariate testing. WebCenter Sites can also be used with Siebel CRM, importing customer segments from Siebel for use in online targeting campaigns.

***Massive Customization, Massive Scale***

*One of the largest insurance and investment companies manages web experience using Oracle WebCenter. The company markets to its customers as a single company across many different divisions. Customers can easily find out what coverage they need based on customer segmentation. The site also supports partners with branding and marketing support.*

*Oracle WebCenter Sites provides site management and delivery along with segmentation and targeting. The installation supports more than 100 sites in multiple languages and more than 150 content providers in the US, Ireland, the UK, and Japan with fewer than 5 developers. The company offers self-service branded microsites for its agents and is able to get a new site up and running in just a couple of days.*

- **Analytics for Content Optimization:** Oracle WebCenter offers granular content tracking and displays results in at-a-glance dashboards. How are customers using the site? What content is effective with different customer segments? What is working? What isn't? You can monitor aggregate content use across pages and sites and continually tweak campaigns and optimize performance.





- **Web Experience Management at Scale:** The architecture of Oracle WebCenter Sites includes a sophisticated edge caching mechanism that enables dynamic assembly of targeted pages in high volumes, essential for modern dynamic sites. The product delivers sites today with up to a billion page views per month. WebCenter Sites also supports management of tens of millions of content assets with its sophisticated product information management capability, as well as hundreds of concurrent content contributors in its business user-authoring environment.

#### ***Delivering the News at Scale***

*A major news outlet runs the highest traffic website in its region of the world along with numerous local editions. One requirement is that breaking news be published instantly; for this company, being first to market with news is key to success. If this weren't difficult enough, the newspaper needs to enable hundreds of content authors to easily access and repurpose content and publish news articles.*

*Using Oracle WebCenter Sites, the news organization supports massive scale, with more than 400 million page views a month and over 8 million content assets. The sites support some 250 concurrent authors and 4 publishing queues that run every 5 minutes. Breaking news is published to the site within seconds.*

- **The Connected Customer Experience:** The WebCenter product line leverages the full power of the Oracle platform via integration with systems key to managing the online and offline customer experience, including customer relationship management (Siebel), e-commerce (ATG), and business intelligence (Real-Time Decisions), all tied together with Fusion Middleware. Oracle offers all these elements in a comprehensive package for managing the online experience and connecting the online experience to offline customer touch points for an integrated cross-channel customer experience.





CITO Research

Advancing the craft of technology leadership

## Conclusion

The Web is a primary channel for marketing, communications, customer service, business transactions, and much more, and a key enabler of top-line and bottom-line success for organizations across industries. To attract and retain customers today, organizations must deploy multichannel marketing initiatives that enable them to optimize online engagement and the customer experience. Web experience management solves this challenge by enabling organizations to optimize the customer experience that they offer and drive the success of their marketing and customer experience management initiatives.

Oracle WebCenter offers a best-in-class web experience management solution that meets this challenge with technologies including targeting and optimization, social networking, user-generated content, end-user personalization with gadgets, mobile, and multichannel web, and more. And the WebCenter web experience management solution is supported by WebCenter's best-in-class enterprise content management, portals, and social collaboration capabilities. WebCenter also integrates with Oracle's solutions for ecommerce (ATG), Real-Time Decisions, and CRM and campaign management (Siebel) to manage the entire online and offline multichannel customer experience. The Oracle solution helps organizations to increase customer loyalty, drive sales, enhance the customer experience, create successful multichannel marketing initiatives, and drive business efficiencies for significant competitive advantage.

### CITO Research

CITO Research is a source of news, analysis, research, and knowledge for CIOs, CTOs, and other IT and business professionals. CITO Research engages in a dialogue with its audience to capture technology trends that are harvested, analyzed and communicated in a sophisticated way to help practitioners solve difficult business problems.

*This paper was sponsored by Oracle and created by CITO Research*

