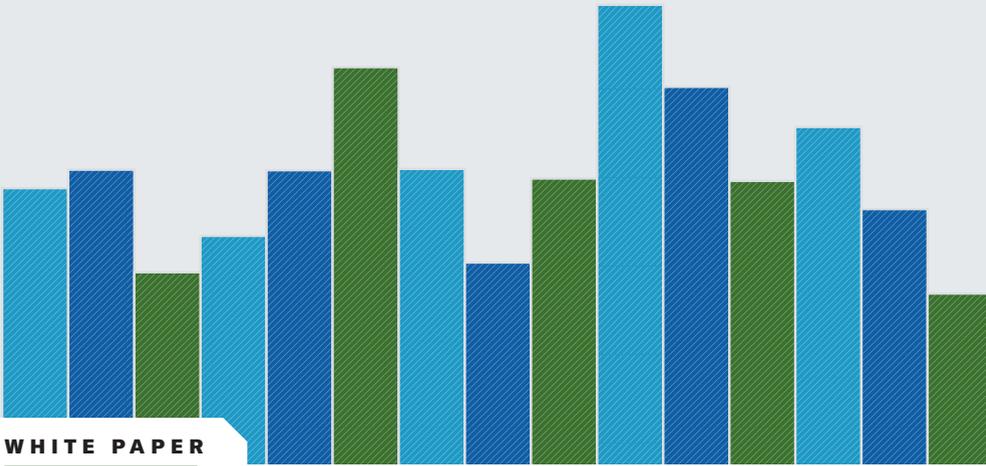




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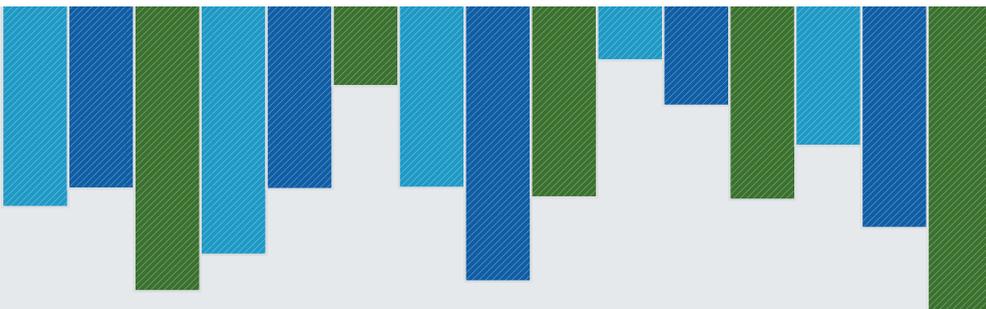
ANALYTIC SERVICES



WHITE PAPER

# Using Data to Deliver Customer Delight:

## Six Modern Marketing Lessons from Asia Pacific



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Marketers collect and analyze huge amounts of data to improve how they engage with customers, with the goal of boosting sales conversions, retention, and loyalty. This is a fruitless effort if the data being collected is inadequate, siloed, or just too much to handle. The risk is that all this data collection and analysis leads to more fragmented, less personalized engagements with customers rather than deeper relationships.

The good news, according to this new report from Harvard Business Review Analytic Services, is that organizations big and small are starting to improve the use and quality of data across their business.

For instance, Australian Red Cross Lifeblood used data insights to reduce the likelihood of both no-shows and adverse aftereffects by sending a simple push notification reminding each blood donor how to prepare a few hours before a donation. Meantime, data also informed more personalized communications to build long-lasting relationships with each donor. “It is all well and good to have this data available in a marketing platform, but you need to understand what the ‘So what?’ is for the customer and what each data point is telling you,” says Amy Rozsa, from Lifeblood, an Australian not-for-profit.

ShopBack, a Singapore-based multinational e-commerce company, is another organization focused on building a more robust data framework for its rewards program that refines what information the company should and should not collect, how it’s analyzed, and which specific insights it applies in its dealings with customers. “More advanced analytics means you get better insights—not necessarily more insights, but maybe more appropriate ones,” says Scott Tan, the company’s head of customer relationship management.

This report, sponsored by Oracle, also explores how several other organizations are overseeing, measuring, and organizing every customer interaction—that is, managing the customer experience through advanced analytics and data integration. The report examines not only best practices, but also barriers to success. Please visit us at [oracle.com/cx](https://oracle.com/cx) to learn more about how to make every customer interaction matter by connecting data across advertising, marketing, sales, and service.



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**Global Senior Vice President,  
Advertising & Customer  
Experience**

**Oracle**

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# Using Data to Deliver Customer Delight:

## Six Modern Marketing Lessons from Asia Pacific



Customer experience (CX) management is the orchestration of processes used to oversee, track, measure, and organize every interaction between a customer and the key functional areas across an organization. The goal is to ensure that each customer has the best possible experience in every interaction with the brand, an effort that translates into customer loyalty and better business outcomes, like increased revenues. But the more that customer data gets collected by more business units of the enterprise, the more it gets siloed away in those pockets.

Organizations in Asia Pacific (APAC) have had to grapple with this data collection crunch and the complexity arising from information residing in different parts of the enterprise. The data collected from various consumer touchpoints needs to be integrated with existing customer account data and released from these silos so companies can have a 360-degree, single view of customers, refreshed in real time. Without this integrated view, more data only adds to more fragmented, impersonal engagement, while it could be an opportunity to deepen relationships with customers.

“It is all well and good to have this data available in a marketing platform, but you need to understand what each of those data points is telling you, how to combine and overlay them for your audience segments, and be able to get some insights out of those clusters so that there is a ‘So what?’ for the customer,” says Amy Rozsa, retention marketing manager in the marketing department of Australian Red Cross Lifeblood (“Lifeblood”), an organization that supports the country’s health outcomes through the provision of life-giving blood, plasma, organ transplantation, and biological products.

### HIGHLIGHTS

Organizations in Asia Pacific (APAC) have had to **grapple with the data collection crunch** and the complexity arising from information residing in different parts of the enterprise.

With actionable insights gained from integrating and analyzing data across all customer touchpoints on a single platform, **organizations can become more relevant and responsive to their customers**, leading to improved customer retention, sales conversion, and brand equity.

APAC organizations that have implemented data integration platforms to help them respond to customer needs in real time highlight six critical success factors: **a clear vision and well-defined strategy, data quality, agility, change management, having the right skills, and collaboration.**





“More advanced analytics means you get better insights that can be directly translated into campaign logic,” says Scott Tan, head of customer relationship management at ShopBack.

Siloed and incomplete data, however, has proved a difficult challenge for many companies in their efforts to improve customer experience. They will need to address this obstacle before they can consider opportunities to use insights from advanced analytics—such as algorithms, artificial intelligence, and machine learning—to improve the customer experience.

To better manage CX, APAC companies need to embrace a strategy that encompasses all customer interactions, pays attention to customer signals, creates a uniform data flow to more departments, expands on the limited insights available from purchasing data, and includes engagement with advertising, social networks, and branded content. The right technology can help bridge the information gaps and harness all available data to deliver real-time connected experiences for customers.

In some cases, APAC organizations are already doing this better than some of their Western counterparts. ShopBack, a multinational e-commerce company in Singapore with a discovery platform, is now looking to build a more robust data framework that collects relevant data points, draws insights from the data, and translates those insights into campaigns for the end user. “More advanced analytics means you get better insights that can be directly translated into campaign logic,” says Scott Tan, the company’s head of customer relationship management (CRM).

This report explores customer experience management and highlights best practices among APAC organizations when it comes to using data and analytics to transform CX. It also examines the barriers to—and critical factors for—success that several APAC companies have faced and overcome.

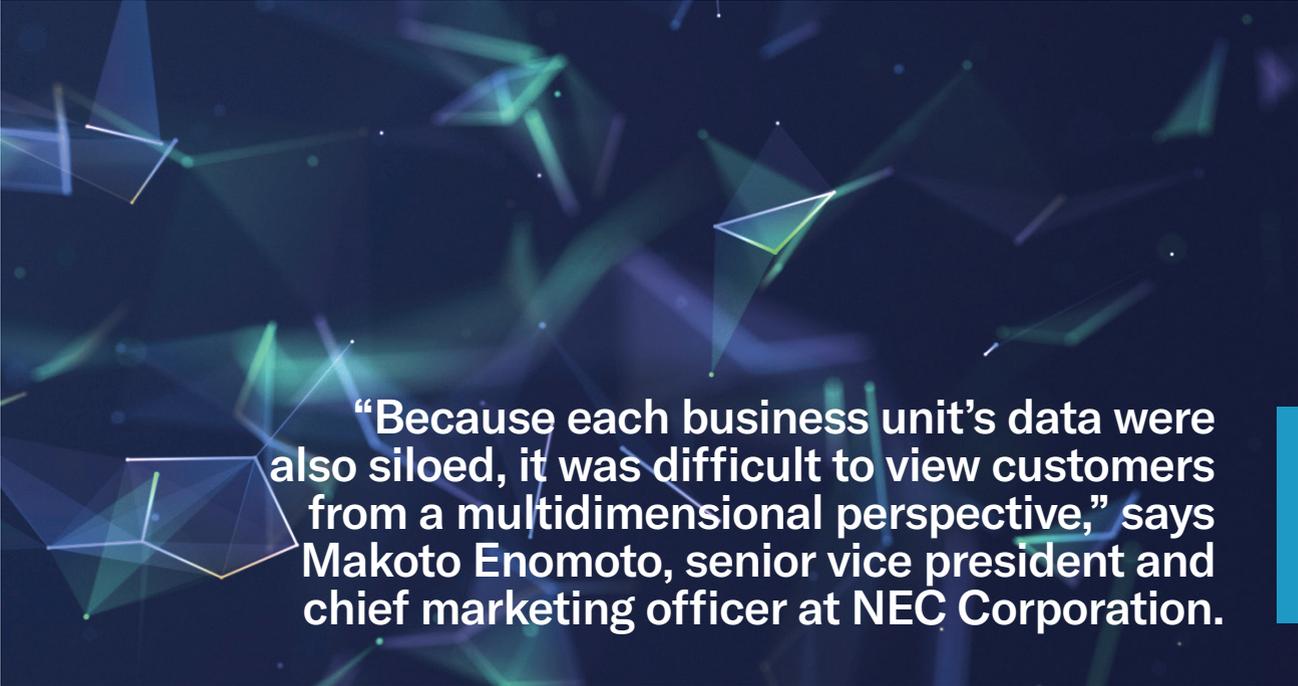
## More Data Complexity, More Impersonal Customer Experience

Increasing the volume of customer data collected has created a more fragmented, impersonal customer experience, and there is too frequently an inability to get a 360-degree view of the customer. Based on the insights from several APAC organizations, this is due to one or more of four data-related issues: inadequate data, siloed data, unactionable data, or too much data. Some also suffer from increasing data complexity that complicates data integration and analytics.

Lifeblood, for example, found that inadequate data can lead to impersonalized mass communication. Prior to implementing its integrated CX management solution, the company found that it had limited data on its donors, which limited the organization’s ability to personalize its communication to them. “We relied on batch-and-blast email communications to our various donor cohorts, which were not personalized at all,” says Rozsa. Combined with manual processes to extract audience segments, this data deficiency resulted in donors receiving inconsistent and potentially misaligned communication via Lifeblood’s different channels.

Even when a company has the data it needs, it may be trapped in organizational silos, which can prevent the enterprise from creating a 360-degree view of interactions with customers as well as limit interdivisional collaboration. NEC Corporation, the Japanese electronics and information technology company, tackled this challenge of siloed data. Since NEC provides business-to-business IT services, with different business units providing solutions within specific target industries, it was easy for customer data to get trapped in silos across the organization. “Because each business unit’s data were also siloed, it was difficult to view customers from a multidimensional perspective,” says Makoto Enomoto, senior vice president and chief marketing officer. In addition, important customer information was gathered only by customer service representatives, which prevented information sharing in the company. “This [siloed data and knowledge] hindered interdivisional collaboration at the company,” Enomoto adds.

It is also possible for an organization to collect plenty of data but not have a way to mine it for actionable insights. After taking its consumer acquisition process online, Bausch + Lomb India, a leading supplier of contact lenses and eye care products based in Gurugram, found itself with a trove of new data on potential new consumers. But the action it could take on that data was limited to sending them a trial pair of contact lenses because the company lacked an appropriate platform to analyze the data, determine the most appropriate action to take, and implement that action efficiently. “There was no actionability to the data that we had; and that is what got us started on this journey of building a platform which can allow us to [gain insights and take action],” says Rohan Arora, the company’s head of marketing in India.



**“Because each business unit’s data were also siloed, it was difficult to view customers from a multidimensional perspective,” says Makoto Enomoto, senior vice president and chief marketing officer at NEC Corporation.**

Having too much data can be as much of a challenge as not having enough, as it can lead an organization to get caught up in endless data analysis without producing insights that can be acted upon. For example, Federal Bank—a leading private-sector bank with over 1,200 branches across India servicing all segments of the market, from retail to corporate—collects an enormous amount of data on its customers and produces a wealth of analysis. However, according to Shalini Warriar, executive director and business head of retail banking, there is a risk that too much data and endless analytics can lead to analysis paralysis. “We have to move away from that [analysis paralysis] to more insights and implementation,” she says.

This proliferation of data has increasingly been driven by the introduction and acceleration—especially during the Covid-19 pandemic—of new digital channels, from online and mobile banking to social media. “We need to ensure that, across all these channels, we are able to get a common view, so that it is not disjointed or fragmented,” says Warriar.

With the proliferation of channels comes greater data complexity. For example, Victoria University, which offers degree and technical and further education courses to Australian students, found that students engaged with the university through multiple avenues—such as visiting the library or student center, or calling the university’s IT help desk or general inquiries number—and these channels all offered inconsistent experiences. “We needed to be able to aggregate the data and understand how that student was interfacing with the university and ensure that we were

giving that student a seamless experience,” says Zoran Sugarevski, the university’s executive director for IT services. The diversity of its students and products, compounded by serving the education mandates of both the federal and state governments and their different operational reporting requirements, added to the university’s data complexity.

Similarly, ShopBack serves merchant partners and customers across a range of geographies and industry categories—with varying data typologies and attributes. “A hotel booking comes with a location and check-in date, but a dress comes with a size and color,” explains Tan, the head of CRM. The company needed to ensure that its CRM solution and personalization of its marketing campaigns could accommodate this complexity.

### **Improving Data Integration and Applying Analytics**

Several APAC companies have seen how data-related problems prevent them from getting a 360-degree view of the customer and lead to a fragmented and impersonal customer experience. To combat these challenges, they have used a variety of initiatives to improve data integration and enable advanced analytics.

Implementing a solution to address data inadequacies and fragmentation, and thus gain more precise and nuanced insights about customers, is something that can start small. ShopBack—a digital-first company—started with relatively



“Now, we collect a whole raft of information—an interaction via social media, or an email that is coming from a personal address or multiple personal addresses. Through our CX platform, we are able to correlate that communication back to a single entity,” says Zoran Sugarevski, the executive director of IT services at Victoria University.

simple business rules in 2016, allocating customers to category segments based on their past purchases. “At that point, it was a good start in making our messages more relevant for our customers, and targeting more precise for merchant partners,” says Tan, the head of CRM.

Similarly, Bausch + Lomb started with the digitization and automation of a single core process: signing people up for a free trial of contact lenses. “From there, it had a cascading effect,” says Arora, the marketing head. “As soon as we started collecting consumer data in a usable, readable format, we needed a platform to visualize it and make it more actionable.” The company has since gone on to build and automate multiple journeys that could flow from that core customer acquisition process.

Victoria University’s CX journey formed part of a broader organizational transformation in 2016 to change its operating model from the traditional parallel teaching model to a block model, in which courses are taught sequentially in four-week blocks. The implementation of its CX platform allowed the university to manage the rapidly increasing amount of data it was collecting about its current and prospective students. “Now, we collect a whole raft of information—an interaction via social media, or an email that is coming from a personal address or multiple personal addresses. Through our CX platform, we are able to correlate that communication back to a single entity,” says Sugarevski, the executive director of IT services.

With the increase in data collected and the integration of that data, analytics opens further opportunities to enhance the customer experience. Victoria University’s data is ingested into a large data repository for analysis. “We then run a series of algorithms to identify students at risk [of dropping out], identify personalization of services that those students need, or be in a position to give them a personalized learning outcome where they may be struggling with some of the content that they’re dealing with,” says Sugarevski.

In another example, NEC analyzes access patterns—including anonymous access—to predict areas where customers are most likely to opt in. The company also uses several in-house artificial intelligence engines to conduct analysis. “Through these analytics methods, we

are implementing appropriate actions to optimize customer experience,” says Enomoto, the chief marketing officer.

Lifeblood uses advanced analytics to segment donors and determine their ideal donation type. The organization has also started using machine learning to reduce donor no-shows. “One of the models the team has built and refined predicts the likelihood of a donor actually attending their appointment, based on a whole range of features at the donor level, as well as the appointment attributes,” says Rozsa, the retention marketing manager. “It is in the process of being operationalized in our data warehouse to be integrated into our marketing platforms so that we can use that score to intervene for donors that are less likely to attend.”

Combining advanced analytics and automation allows Lifeblood to test different options and iterate its marketing and communication to improve outcomes. The team found that, by adding a push notification a few hours before a blood donation—reminding a donor to start preparing by eating and drinking, for example—it reduced the likelihood of both non-attendance and adverse events, such as fainting after donating.

## Driving Retention, Conversion, and Brand Equity

With actionable insights gained from integrating and analyzing data across all customer touchpoints on a single platform, organizations can become more relevant and responsive to their customers, leading to improved customer retention, sales conversion, and brand equity.

Victoria University, for example, reduced its student-year attrition rate from 30% in 2016 to 12% today. Along with changes in the university’s teaching model, Sugarevski credits the school’s CX platform as being instrumental. “It’s also attributable to the significant transformation of overhauling the systems, the processes, and really having a targeted focus around personalization of the digital content and learning outcomes,” he says.

In addition, he notes that data integration and analytics provide a better context for more appropriate decision making within academic departments and nonacademic areas such as student support and marketing. Similarly, implementing

an integrated CX platform has definitely strengthened and simplified collaboration at Lifeblood. “We regularly catch up [with other divisions] to share learnings and collaborate and sync our activity,” says Rozsa.

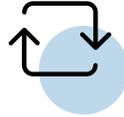
Data integration and analytics have helped ShopBack increase its relevance to its customers and empower its merchant partners. The company is able to contextualize its data associated with each customer and, by applying business rules, anticipate customer needs. For example, the company is able to send grocery-shopping reminders based on each customer’s last purchase date and time between purchases.

Good data visibility was also particularly valuable in informing business decisions as consumer behavior changed rapidly in response to the Covid-19 pandemic and associated lockdowns. “We saw a spike in demand for food and grocery delivery, so we reached out to more such partners,” says Tan. “We also observed an increase in demand for specific items, such as fitness equipment, home improvements, and coffee machines, so we worked with our merchant partners to secure better deals in those areas.”

Lifeblood’s CX platform has enabled it to adopt a clear and consistent approach to inviting donors to donate blood, which has transformed the way that the organization is able to manage its various blood-product inventories. “Whether that’s someone picking up the phone to call a donor, or an email, or a push notification—that message is consistent no matter what channel we’re contacting the donor on,” says Rozsa.

The biggest value that Bausch + Lomb has seen from implementing its CX platform has been a reduction in customer-acquisition costs, which are now at 15% to 20% of pre-implementation levels. This cost reduction is a direct result of an increase in conversions. “What this platform allows us to do is to reach out to consumers over and over again. So, we are now able to address all the drop-offs that were previously going away unaddressed,” says Arora.

In addition, Bausch + Lomb’s platform provides it with actionable insights to use in responding to demand. While the company’s physical presence is limited to 49 distributors servicing nearly 150 cities, it is registering demand via the online trial page from close to 550 locations across India. This demand mapping allows the company to build out its distribution infrastructure and retail network based on real demand, rather than merely the implicit demand of population. These insights also enable Bausch + Lomb to provide a value-added service to retail partners by connecting new consumers to nearby stores to service that demand, which strengthens the company’s brand equity with its retail partners. “Because I’m giving them value addition in terms of incremental business, I become their partner of choice, since I am helping them grow their business, too, and [therefore,] it improves the strength of Bausch + Lomb’s brand among our customers,” says Arora.



**“To become a strategic partner to our customers, it is important to collect and update data in real time across the company to gain in-depth understanding of customers, and to steadily implement action plans to maintain and expand relationships with them,” says Makoto Enomoto, senior vice president and chief marketing officer at NEC Corporation.**

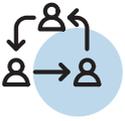
By integrating customer data across multiple channels and touchpoints, NEC analyzes its customers’ challenges and explores ways to make proactive proposals to help resolve them. “To become a strategic partner to our customers, it is important to collect and update data in real time across the company to gain in-depth understanding of customers, and to steadily implement action plans to maintain and expand relationships with them,” says Enomoto.

## **Six Modern Marketing Lessons from APAC**

APAC organizations that have implemented data integration platforms to help them respond to customer needs in real time highlight six critical success factors: a clear vision and well-defined strategy, data quality, agility, change management, having the right skills, and collaboration.

### **Have a clear vision, start small, and chart a clear path forward.**

NEC wants to transition its business model from selling IT solutions to providing recurring services and is guided by what it calls its “three-phase infinity loop.” The company has been advocating the importance of creating this marketing-driven cycle consisting of finding a new customer, which leads to new business being secured, followed by implementation and operation of that new solution, with evaluation leading to the next business. “As a result, the top management and marketing team understand the significance of the loop and start taking self-directed initiatives to run the infinity loop,” says Enomoto.



**“I’ve always maintained that implementation of a CRM solution across a bank like ours is not a technology or system implementation—it is a highly intense and interesting people-management implementation,” says Shalini Warriar, executive director and business head of retail banking at Federal Bank.**

Similarly, ShopBack established two core ideas very early on that have stayed part of its vision—one, to be relevant to its customers, providing products and services across different categories and mediums (such as app, web, or extension), and two, to build a platform that empowers its merchant partners to connect with relevant customers. “That vision has brought about alignment in the features that we build and the deals that we secure,” says Tan.

“Clarity of vision starts with having a clear understanding of the problem you are trying to solve and how the customer experience, in particular, can resolve it,” says Sugarevski. For Bausch + Lomb, having clarity about where to start was as important as having a clear long-term vision. “Have a very clear business-linked purpose in mind, and identify the core process of that consumer experience that you want to change,” says Arora. The company identified ordering a free trial as the core and was then able to build out from there by identifying upstream and downstream requirements to enhance the overall experience. ShopBack also understood the resources and skills required to implement some elements of its vision. “It is important to aim far, build for that future, but start with simpler solutions,” says Tan.

#### **Invest in your data up front.**

One of Federal Bank’s biggest priorities in starting out on its CX data integration journey was ensuring it has data cleanliness to avoid the pitfall of “garbage in, garbage out.” “Our data has been created over the last 90 years, and we’ve done a lot of work to clean it up,” says Warriar.

Similarly, while Victoria University had a clear vision of where it wanted to be in terms of its customer experience, it initially lacked the data to support how it was going to get there. “Understanding your data and your current processes really helps you articulate the value proposition of the outcomes when you implement the solution and the capabilities,” says Sugarevski. The university took a little over two years and a number of iterations to get its data cleansing and maintenance of data concurrency right. “But once you get that right and there is an established process, a lot of the problems start to disappear,” he adds.

#### **Be agile.**

Having a clear vision and strategy does not need to limit your options. You can be aware of changing contexts and requirements and respond accordingly. Victoria University, for example, underwent changes to its work practices aimed at removing barriers to decision making. It adopted elements of the Scaled Agile Framework (SAFe) and scrum guidelines to help the organization operate in a very agile way. “Areas of the organization were coming together and making decisions on a daily basis,” says Sugarevski.

Agility is particularly important in a rapidly changing market. Federal Bank depends on its implementation partners to ensure that it does not become too inward-focused as it implements its new CX platform. “Our partners bring a lot of market intelligence because, sometimes, we may get stuck in our own internal thought processes,” says Warriar.

#### **Take your people with you.**

For Federal Bank, providing strong leadership and investing in change management are also a high priorities. “I’ve always maintained that implementation of a CRM solution across a bank like ours is not a technology or system implementation—it is a highly intense and interesting people-management implementation,” says Warriar.

Federal Bank elevated the importance of its transformation initiative by appointing a business head—and not a technology lead—as the strategic sponsor, with the person accountable for implementation reporting directly to them. The bank chose to implement the solution in prioritized phases, with modules going live every couple of months, to allow it to celebrate small wins. “We showcase the success, for example, to say the credit card response rate, which was hovering at 3% to 4%, has gone up to 8% now, courtesy of the capabilities we have implemented,” says Warriar. The bank also recruited members of the core implementation team from the most affected business units—marketing, sales, customer service, and data analytics—to increase the buy-in from the team as well as from the wider audience in the organization.

Similarly, NEC aims to involve the entire company, including the marketing, sales, engineering, and research and development departments, to promote understanding of the unified concept of optimizing the customer relationship.



**“My vision is that we’ll be able to deeply understand our donors’ behaviors and preferences and, if there are changes to their patterns, we can intervene in a meaningful way and really nurture that relationship,” says Amy Rozsa, retention marketing manager at Australian Red Cross Lifeblood.**

“Because the to-be approach tends to encounter ‘agreeing in principle, but disagreeing on the details,’ we use data to verify the facts, which have previously been understood instinctively,” says Enomoto.

#### **Have the right skills and expertise.**

Building data literacy in the marketing team is mandatory. Lifeblood was fortunate to have such a data champion who understood the meaning behind the data and could bring its use cases to life. “If we didn’t have that person, it would have been that much harder to achieve what we’ve been able to deliver to date,” says Rozsa.

Victoria University was also able to broaden its skills base through collaboration. It started off with a community of practice, which was focused on sharing information and continuous improvement of its customer experience. “We are ready to uplift our capabilities even further with a center of excellence,” says Sugarevski.

#### **Collaborate around your customer.**

Victoria University focuses on journey maps rather than investing in a particular area of the organization. “We fund a particular customer experience,” says Sugarevski. “That might involve the marketing team, but it might involve five other parts of the organization, as well.”

Partnering across the organization was also a key success factor for Lifeblood, which implemented its largest integration project ever—with 27 integration interfaces, multiple vendor

partners, and a brand new platform for the IT team—all in a complex and highly regulated organization. “I think the key to the project was to have that partnership mentality,” says Rozsa.

#### **Hyper-personalization and Beyond**

Bausch + Lomb has adopted a very organic approach to building its CX system. “We want to keep adding more processes, more platforms, more components,” says Arora. Looking ahead, the company’s biggest priority is to build a platform that can integrate with key retailers and gain true clarity on the end-to-end consumer process, introduce new financial products to increase affordability, and build brand loyalty.

NEC’s next step is all about exceeding customer expectations. The company aims to have all customer transactions centrally managed and analyzed using artificial intelligence in real time as part of its digital transformation strategy. “This will enable us to provide services that exceed customer expectations,” says Enomoto.

Lifeblood aims to use artificial intelligence and automation of customer journeys to move as close to one-to-one personalization as possible. “My vision is that we’ll be able to deeply understand our donors’ behaviors and preferences and, if there are changes to their patterns, we can intervene in a meaningful way and really nurture that relationship,” says Rozsa.



“We plan to invest in artificial intelligence and machine learning, because we believe that is at the center of our personalized learning offerings—not only for our students in Australia, but also globally, as well,” says Sugarevski at Victoria University.

Similarly, Federal Bank aims to take personalization to the next level, with a seamless interaction that makes the customer feel like they are the bank’s only customer. “We need to get more deep learning embedded in the organization so that we are able to identify not just the next best product, which we currently do, but the next best conversation [to have with each customer],” says Warrior.

Investing in hyper-personalization and continuous improvement of the customer experience can open up new opportunities for APAC companies. For example, having disrupted the Australian higher education sector with its block model and highly personalized learning offerings, Victoria University aspires to be a global disruptor in education. “We plan to invest in artificial intelligence and machine learning, because we believe that is at the center of our personalized learning offerings—not only for our students in Australia, but also globally, as well,” says Zoran Sugarevski.

While organizations contemplating the case for data integration and analytics might be somewhat overwhelmed by the scale and complexity of potential and current data sources, there are important lessons to learn from those that have already walked a similar path. In particular, they have established a starting point for the effort as well as a clear vision for what they want CX to achieve. The starting point can be the core customer process or journey that can unlock the most potential. Meanwhile, the CX vision could encompass tactics that allow an organization to meet its broader strategic priorities.

For APAC organizations, as well as those globally, transforming data processes should be seen as a key component of ongoing improvements involving CX. “The customer experience is a journey,” says Warrior. “It is not an end in itself.”

## Conclusion

As data collection proliferates, the threat of more fragmented, impersonal CX will, too, unless organizations make a more concerted effort to integrate customer data and apply advanced analytics to improve the customer experience. APAC companies that have reduced fragmentation and increased the personalization of engagement with their customers have seen improved outcomes such as increased customer retention, improved sales conversions, and stronger brand equity in the form of improved Net Promoter Scores and relationships with retail partners.





# Harvard Business Review

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