

ORACLE
Customer Experience

The Path to CX Excellence for B2C Marketers

4 Stages to Thrive in the
Experience Economy



Connect with Customers

Consider this scenario. Preparing to do some renovations, you order supplies from a big box home improvement store. You're promised they'll be available for curbside pick-up later that day, so you book a rental van from a local self-service lot. You know you'll need the bigger vehicle to bring all of your supplies home.

When you go to pick up the van at the prescribed time, though, it won't start. After half an hour trying to get through, you finally talk to someone from the rental company over the phone. They offer a car nearby instead, but it's not big enough for your load. So you travel across town to pick up a van there. By the time you get to it and drive to the home improvement store, you're two hours behind schedule, but still within the pick-up window—except your order isn't ready yet.

41%

of consumers are willing to pay as much as 20% more for an impressive customer experience.

– Oracle One Size Doesn't Fit All research study, 2019

66%

of buyers cite time as a top factor for a good customer experience.

– Forrester

That's more than bad luck. It's a string of bad experiences. And for many consumers today, it's reason enough to give up on a brand—in fact, in a survey of US consumers by **American Express**, 33% of respondents said they would consider switching companies after just one incident of poor service.

This is the reality of the Experience Economy, a driving force in the relationship between brands and consumers today. Modern B2C customers do more product research before connecting with a brand and expect every interaction to be personalized to their needs. They're willing to share personal data but expect something in exchange—namely, a personalized experience with the right message delivered at the right time through their preferred channel.

And while seven out of 10 US consumers have spent more money to do business with a company that delivers excellent service (**American Express**), don't expect them to stick around if their experience doesn't measure up.

All of which introduces new challenges for you, the B2C marketer. To keep up—and retain and grow your best customers—you have to deliver a consistent, relevant, and timely experience. Which is why many marketing teams—recognizing the need to change their approach, and in fear of lagging behind—are shifting focus. They're looking to optimize every “micro-moment” along the customer journey, to make sure every one of them counts. And they know that doing so requires them to:

- 1** **Know** the customer better than they know themselves (while respecting their privacy)
- 2** **Anticipate** customer needs before they do (while staying invisible)
- 3** **Engage** with customers on their terms (at the time and in the channel of their choosing)
- 4** **Think** beyond the siloes of marketing, sales, and service (because that's what customers are doing)

More than half of US online consumers will abandon an online purchase if they cannot find a quick answer to their questions.

– Forrester

Follow these four stages to achieve customer experience excellence in today's Experience Economy.

Stage 1:

B2C Broadcast Marketing

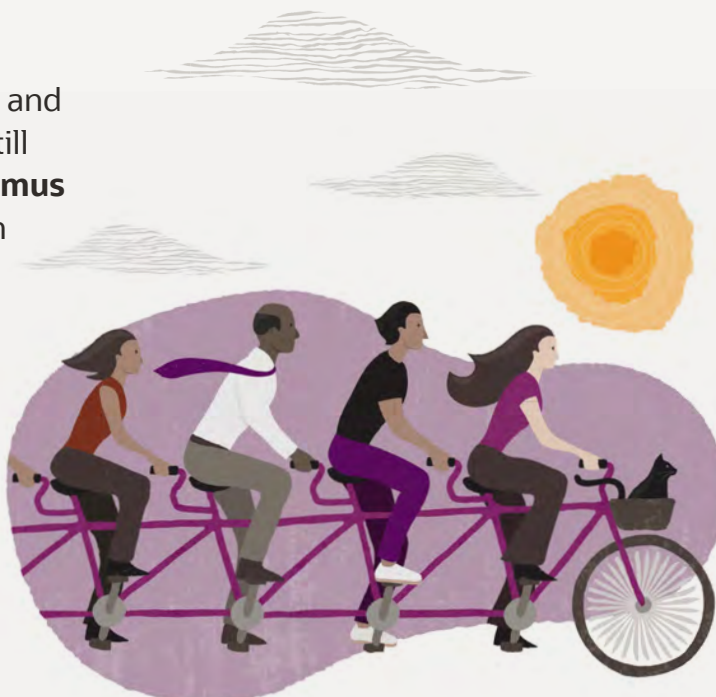
The first stage, B2C Broadcast Marketing, is one you're probably well familiar with, and likely mastering already. It's where marketing teams gain efficiencies on well-established channels. By automating mass communications across your contact database—primarily on one or two channels (typically email and website)—you can begin to engage new prospects as well as current customers.

Most communications at this stage are batch-and-blast, where the same messages are sent to every contact at the same time. For companies that have customer relationship management (CRM) systems, it also often includes an integrated solution that helps pass contacts back and forth between marketing and sales.

Broadcast Marketing is an excellent way to begin addressing the Experience Economy and reaching CX excellence. After all, email is still an incredibly effective channel—in fact, **Litmus Research** has found it can have a return on investment as high as 38:1. At this stage, you can also begin to reduce the cost of customer acquisition and improve your marketing efficiency.

Key Capabilities of B2C Broadcast Marketing

- Single-channel marketing automation
- Batch-and-blast/broadcast messages



Notes From the Field: PETstock

By mastering Broadcast Marketing capabilities, Australian pet retailer PETstock improved their reach and impact across channels, including e-mail and SMS. Ease of use and intuitive platform functionality helped them achieve their goal of 1:1 personalization.

In doing so, they saw a 17% uplift in opt-ins, a 27% increase in open rate, and a 13% increase in personalized SMS campaigns on transaction.



Ready for the Next Stage?

Reduce costs, increase efficiency, and enhance lead handoff and management by automating marketing and integrating CRM. Watch out though, because **Statista** shows that 55% of emails sent across the globe are marked as spam, which can lead to opt-outs and potential deliverability issues. A high spam rating may also potentially get you blacklisted and/or blocked. And according to OptinMonster, only 9% of marketers are confident that all of the emails they send are relevant—meaning they're at risk of being considered spam. That can slow down your Broadcast Marketing efforts.

Be ready to better understand your customers' interests and behaviors and the best way to reach them with the right message. Expand on your Broadcast Marketing efforts and get to the next stage: B2C Responsive Marketing.

Stage 2:

B2C Responsive Marketing

B2C Responsive Marketing is a two-way conversation meant to expand your channels of engagement and reach customers wherever they spend their time. This stage works to improve engagement and begin creating an experience more specific to each user—and has been shown to increase revenue and decrease time to buy.

Simply put: by engaging your customers on the channels they frequent most, you improve the likelihood that they'll interact more with your brand—and in a pretty significant way. McKinsey & Company has seen an 84% increase in open rates when multiple channels are used.

To tailor experiences that fit more closely with the specific interests of your consumers, move away from the one-size-fits-all approach and segment your target audience. Use adaptive campaigns to allow different paths depending on the activity and interest of the consumer. Personalize their experience with dynamic content, and make tracking, testing, and optimization part of every step along your journey, as you constantly see what works best.

In doing so, you get smarter about customers' and prospects' interests, and can start nurturing them by providing more adaptive, personalized campaigns that guide them toward a specific experience path.

Key Capabilities of B2C Responsive Marketing

- Multichannel marketing
- Behavioral retargeting
- Send-time optimization
- Landing page optimization
- Basic segmentation

Open rates increase by

84%

when multiple channels are used.

– McKinsey & Company



Notes From the Field: Dymocks

Australian bookseller Dymocks mastered the Responsive Marketing stage, using customer data to connect on a more individual basis. To do so, they introduced send-time optimization to automate their communications and engage with customers at their preferred time—improving their open rates from 18% to 64% and their CTR from 2% to 7%.

Ready for the Next Stage?

According to **Gartner** 90% of marketers still struggle to seamlessly connect more than three channels at a time, making consistent messaging and coordination a challenge. A lack of message consistency across channels risks making the customer experience feel broken—which can result in a hit to ROI potential. Find the tools you need to overcome such challenges in the B2C Relationship Marketing stage.

Stage 3:

B2C Relationship Marketing

B2C Relationship Marketing is all about enhancing the long-term relationship that brands have with their prospects and customers. It's characterized by capabilities such as advanced segmentation, strong account-based marketing (ABM) programs that increase marketing and sales alignment, send-time optimization, AI-driven offers, and intelligent orchestration.

Begin to look at success beyond KPIs like “open rates” or “conversion rates,” and take into consideration more holistic, consumer-specific metrics such as “repeat purchase rates” and “customer lifetime value.” Knowing that customers expect a consistent, relevant, and beneficial brand experience across channels, look for new solutions to meet those needs, including AI and machine learning, advanced segmentation, and intelligent orchestration. Test your approach continuously to see what gets the best results.

Understanding the individual's customer experience and optimizing it in real time is the main goal at this stage. To do so, brands are always evolving, improving, and connecting experiences across marketing, sales, loyalty, and service. And it pays off: according to **Forrester**, insight-driven businesses—typically customer-obsessed and good at systematically harnessing insights across their organizations—are growing at a much faster pace, with predicted earnings of \$1.8 trillion by 2021. Follow this approach to maximize revenue and customer lifetime value and build long-term customer loyalty.

Key Capabilities of B2C Relationship Marketing

- Cross-channel marketing orchestration
- Intelligent content, channels, and offers
- Advanced segmentation
- Web/mobile testing
- Real-time analytics and insights



Notes From the Field: PowToon

British animation software company PowToon embraced Relationship Marketing techniques to drive engagement from customers. By testing their marketing initiatives before launching, PowToon increased deliverability and open rates by 30% and 20%, respectively. PowToon also saw an uplift in engagement by 300% and marketing ROI by 134%.

Ready for the Next Stage?

According to McKinsey, companies that maximize satisfaction in their customer journeys have the potential not only to increase customer satisfaction by 20% but also to lift revenue by up to 15%, all while lowering the cost of serving customers by as much as 20%. But be aware that data silos among marketing, sales, and service can still be an issue at every stage and can inflict pain on the customer.

The final stage, B2C Lifecycle Engagement, begins with the premise that customers expect every interaction with a brand to be consistent, and expect brands to know them better than they know themselves.

Stage 4:

B2C Lifecycle Engagement

Marketing teams at the B2C Lifecycle Engagement stage are dedicated to delivering a unified brand experience across all customer touchpoints. Maximizing customer lifetime value and reducing customer churn are your two main goals in this stage. Accomplish that by delivering a relevant, consistent, and timely experience at every step along the journey.

By successfully differentiating on customer experience, you'll likely begin to see real revenue growth as well. According to Forrester, CX leaders are driving as much as five times better revenue growth, and their companies are outperforming competitors considered CX "laggards."

A data-first approach allows you to understand each individual across every part of the organization. Achieving lifecycle awareness requires a complete and comprehensive customer profile, seamlessly connected in real time across all touchpoints. Activate this information in real time to deliver the most personalized, relevant, consistent, and timely experiences to deliver advanced orchestration.

Connect customer intelligence across marketing, sales, commerce, service, and loyalty systems in order to achieve a comprehensive understanding of your customers. And allow your reps to better initiate contextually relevant interactions with customers at every stage.

That's how brand loyalty is born.

Key Capabilities of B2C Lifecycle Engagement

- A comprehensive customer profile
- Connected customer intelligence across marketing, sales, commerce, service, and loyalty
- A relevant, consistent, and timely experience at every customer touchpoint

CX leaders drive
5x better revenue growth.

– Forrester



Notes From the Field: CVS Health

CVS Health, a retailer and healthcare provider in the US, mastered Lifecycle Engagement and made brand loyalty a critical part of its marketing strategy through its ExtraCare program.

In doing so, CVS Health delivered personalized digital experiences for over 70 billion loyalty program members.

Through six billion emails sent annually and an average of 551 million messages sent monthly, CVS Health saw a 25% lift in unique open rate, well above that of competitors. These communications were also a top driver of in-store traffic.

Reaching Customer Experience Excellence with Oracle CX

Oracle CX brings connected data, intelligence, and experiences together into a single solution, enabling B2C marketers to deliver a customer experience that's compelling and consistent across every device, platform, and interaction.

- **Connected Data:** A data-first approach that provides you with a robust understanding of your customer, no matter how or when those customers interact with your brand.
- **Connected Intelligence:** Oracle has AI capabilities embedded within each functional solution, helping to augment user skills and provide deeper and more personalized experiences for customers, at scale, in real time and for real use cases.
- **Connected Experiences:** Oracle helps you activate that customer intelligence in each of the micro-moments your customers engage in, no matter where in the lifecycle they are.



Conclusion

Today, the Experience Economy drives every customer interaction across the B2C landscape—and it's up to marketers to keep up. That starts with meeting and exceeding your customer needs at every micro-moment across their entire lifecycle journey.

Achieving that level of engagement means knowing your customers better than they know themselves. And it means using behavior data to build a deeper and deeper relationship with customers and prospects—so that marketers will begin to anticipate their needs and create a consistent experience along every touchpoint.

Oracle CX offers the tools to make that happen—connecting data, intelligence, and experiences to build a customer relationship that stands out.

To learn more about Oracle CX, visit oracle.com/cx

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