

Digital Marketers and the Challenge of Optimizing Omni channel CX

Dr. Costel Iliuță NEGRICEA

Ioan Matei PURCĂREA

Abstract

Placed at the intersection of digital transformation with CX, digital marketers are focusing on differentiating on digital CX in a fast changing environment in which integral to competitiveness are both digital technology and CX. Omni channel marketing is shopper-based and must ensure a seamless CX, acting accordingly in recognizable touchpoints with customers, ensuring the presence of brands where the customer is and offering an adequate Omni channel CX, tailoring it more effectively and finally improving customer retention. Digital marketers do also know how important paying attention to a humanized DCX is while optimizing Omni channel CX, seeing customers as individual people within the context of both integrating CX with the business model and the operational processes, and of rethinking the execution.

Keywords: Digital Marketers; Omni channel marketing; Omni channel CX

JEL Classification: L86; M15; M31; O33

Placed at the intersection of digital transformation with CX, digital marketers are focusing on differentiating on DCX

Digital media consumption is a reality, and the overload of digital media consumption determined diminished social awareness and lack of empathy, in other words affecting the human interaction, many of us being made less social by this social media addiction. Within the current pledge for digital wellness, the need of creating an environment allowing an adequate usage of digital devices, while ensuring the human connection and natural space, was underlined. (Local Measure, 2018) Digital transformation trends are affecting marketing, marketers being under the pressure of adjusting to an increasingly digital market, digitization being at the core of the modern workplace. (Target Marketing Magazine, 2018)

As clearly shown in the last years, marketers are differentiating (competitors trying to create the ideal experience to their customers) on digital customer experience (DCX), considering their always connected and empowered digital customers, the usage of smartphones as the first screen within mobile devices, the large access at connected technologies (wearables and the Internet of Things), and the last but not the least the so-called “micro moments”

(customers' real-time interactions – with specific intents – with brands across all online and offline channels). What presupposes creating a digital customer journey map involving both basic tips (clear goals, identified buyer personas, feedback gathered from stakeholders, cross-functional team, smart data) and advanced tips (single touch points defined, aspects below the line of visibility, identified moments of truth, move beyond mapping). (Neosperience Team, 2016)

In the opinion of the Oracle's representatives, for example, within the current chaotic digital environment (fast increasing customer expectations, channel proliferation, more competition) marketing departments need distributed marketing solutions which overcomes organizational complexity, one of these being the set of streamlined apps for specific tasks and roles provided by the Oracle Marketing Cloud, and by collaborating throughout the entire campaign creation process with their corporate counterparts marketers can amplify their collective knowledge. This interactive process orchestration ensures both individual responsibility and corporate quality control. (Miller, 2017) Recognized by Gartner as a leader in the Digital Marketing industry (according to Gartner's 2017 Magic Quadrant for Digital Marketing Hubs), Oracle (whose Oracle Marketing Cloud is a leader in the CX category for the third consecutive report) is working on centralizing all interactions with customers (many touch points living outside the marketer's purview) and the resulting customer data on a unified CX platform in order to attain the true customer centricity. (Miller, 2017)

According to a McKinsey's February 2018 survey, the implementation of digital solutions was involved by the most recent major organizational transformations, the digital transformations (setup; piloting; scaling and implementation; sustaining changes) requiring: scope and scale; new skill sets and resources; new approaches (particularly for assessment). And within the need of quickly responding to a fast changing environment, the implementation of the digital transformation involves a focus on KPIs (research findings revealing that this way the change effort's success being four times likelier). (Lindsay, B. et all. 2018)

But as a great Friend of the Romanian-American University argued recently, the vision and guidance for change come from a better understanding of customers, integral to competitiveness today being both digital technology and CX, the success of the digitization initiatives being increased by CX, which is the reason for change. (Latib, 2018)

It is worth mentioning within this context that recognized as the leading customer intelligence platform in the tourism and hospitality sectors, Local Measure has recently released a hotel industry guide to the technologies shaping today's guest experience. (Frenkel, 2018) But before that, the VP EMEA of Local Measure highlighted Local Measure's recommendation for a hotel's digital strategy considering a holistic view of digital across the organisation so as to drive real value to the hotel proposition and contribute accordingly to hotel's revenue. (West, 2018) They suggested within this framework a digital strategy matrix for hotels as shown in the table below:

Tabel 1: Digital Strategy Matrix for Hotels, Local Measure

Digital Strategy Matrix for Hotels			
Objectives	Pre-stay	During-stay	Post-stay
Expand reach	Web distribution, Content Marketing, Organic-paid SEO/SRO	Influencer Marketing, Peer to peer referral	E-Reputation management
Retain customers (build loyalty)	Pre-stay data capture	Digital guest experience, Real time feedback	Post stay data capture, Loyalty and CRM
Drive revenue	Digital pricing optimisation	Digital cross selling, entertainment F&B	Email marketing, UGC in booking funnel

Source: West, M. (2018). Why Hotels Need a Digital Strategy (work cited)

As we can see from this matrix they have mapped three types of objectives (reach – growing the size of hotel’s audience; retention – customers’ engagement/interaction to keep them; direct or indirect revenue) against three sides of the guest journey (pre, during and post stay – with examples of digital activities which could be carried out). Of course, the digital strategy must be supported by adequate digital tactics.

Omni channel marketing and Omni channel CX

As shown by Criteo, Omni channel marketing is shopper-based, trying to make the shopper experience as easy as possible by a consistent engagement no matter the touchpoint, the Omni channel strategy (having data as its main challenge) ensuring a seamless shopping experience. (Pruett, 2017) According to Emarsys, Omni channel marketing ensures a seamless CX on the basis of a multi-channel sales approach providing an integrated shopping experience, (Tjepkema, n.d.) in other words creating an Omni channel CX by using multichannel marketing solutions and ensuring that customers remain at the heart of all personalised communication. (Timlin, n.d.) As shown by Shopify: multi-channel marketing means offering customers the choice to buy on whatever channel they prefer (each channel existing as a separate purchase opportunity in a multi-channel strategy), then focusing on the most lucrative channels (see the figure below); in Omni channel (customer lying at the center) every customer interaction changes overall CX of a brand, company’s approach to customers being aligned to their online and offline actions. (Orendorff, 2017)

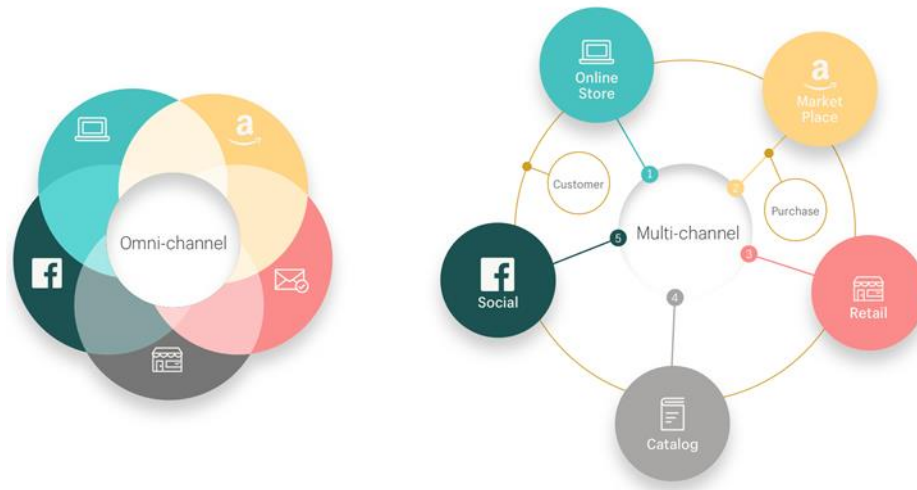


Figure 1: Omni channel vs. Multi-channel, Shopify

Source: Orendorff, A. (2017) (work cited)

A recent study on Omni channel retail conducted by Big Commerce (the #1 SaaS B2B ecommerce platform for enterprise brands; chosen by Fortune 500 and Internet Retailer 1000 brands to power exceptional shopping experiences, grow sales and improve performance across all their channels) and Kelton Global approached the Omni channel American consumer behavior, underlining from the very beginning that Omni-channel marketing becomes more about providing the Omni channel CX, showing how consumers buy in store, online (online shopping being an indispensable part of their life) and on marketplaces, they being no longer loyal to a single brand or type of shopping. In the opinion of the survey's authors, a better understanding of the modern consumer allows companies to be penetrated by the Omni channel CX and to act accordingly in recognizable touchpoints with their customers. When purchasing, the American shopper is influenced mainly by convenience and price, while where he shops is being influenced by price, shipping cost and speed, and discount offers, which means that he is placing more value on the overall experience he had with a brand. On the other hand, with regard to what he wants more of from online stores, the American shopper (who in general dislikes not being able to touch, feel or try out a product) appreciates the online stores recreating the in-person buying experience using images, reviews, comparisons, testimonials or video. Accordingly, retailers need to be where the customer is (on mobile, desktop, in-store while browsing or within apps, on social), offering an adequate Omni channel CX.

Criteo's quarterly Global Commerce Report, compiling mobile commerce data from retailers and brands around the world (Q4 2017), showed how mobile commerce growth keeps increasing and revealed some significant key findings such as:

- the increasing of Smartphone Commerce Transactions in North America (13% YoY), shoppers remaining active on mobile, and 67% of transactions on mobile devices (for retailers who generate sales on both mobile web and in-app) being generated by advertisers with a shopping app; Omni channel shoppers represent 7% of all shoppers for Omni channel retailers, but generate 27% of all their sales;
- the increasing of Smartphone Commerce Transactions in Europe (21% YoY), the transactions on mobile and desktop being split 50-50, and retailers with a shopping app generating 44% of their sales on mobile devices; as in North America, European Omni channel shoppers represent 7% of all shoppers but generate 27% of all Omni channel retailers' sales;
- it's imperative for retailers to invest in their mobile web and app strategies within the context of continuous increasing of mobile commerce (and especially in-app transactions).

As the Editor in Chief at SaleCycle underlined very recently, loyal customers are more likely to download apps (for example, retailers can add value by sending adequate in-app notifications), their CX being tailored more effectively with the help of these apps allowing retailers to better understand product trends and individual customer behavior and creating on this basis a personalised shopping experience. (Charlton, 2018) And that means finally improved customer retention. Coming back to the opinions expressed by Emarsys, it is worth to remember that the mobile marketers are empowered to deliver critical increases in traffic, leads, engagement, and revenue by ensuring a smart integration of mobile apps and mobile marketing strategies into an Omni channel experience. (Tjepkema, n.d.)

Paying attention to a humanized DCX while optimizing Omni channel CX

The Co-founder and CEO of NGDATA pledged from the beginning of this year for humanizing CX by being people-based, understanding every customer, and putting insights into seamless actions occurring in real-time across every channel, every touchpoint with a customer, continuously learning from every interaction (including by becoming AI-driven), fueling long-term customer relationships and loyalty through these driven connected experiences and creating long-term customer value. (Burgelman, 2018) He showed that by remembering customers' names, preferences, purchase history, and providing relevant info in real-time etc. customer are feeling valued.

Also at the beginning of this year the CEO of Leader NetworksIn 2018, attracted the attention on the real need of better predicting customer needs and preferences by seeing customers as individual people, gaining deeper customer insight based on cultural influences and social interaction with the help of anthropology and sociology. (DiMauro, 2018) And this within the context of integrating CX with the business model and the operational processes, of recognizing the online communities as the center of the customer journey, of yielding greater

personalization by applying AI to marketing and sales, of standardizing the digital performance metrics etc.

There is also no novelty associated with the power of human interaction which can't be neglected and that in addition to digital channels an Omni channel strategy should always incorporate a human element. (Smith, 2018) As revealed by an OpinionLab (a Verint Company) 2016 survey, customers want direct person contact (around 4 in 5 customers), expect a phone number on a website (3 in 4 customers) and think they get better service in-person (more than 6 in 10 customers).

Conclusions

There is no doubt that Omni channel digital marketing strategies must reflect the new way of competing within the continuous intertwining of the digital with customers' lives. Which involves a holistic view of what digital transformation means, a better understanding of the new economic realities of the value chains under digital pressure, developing a testing, learning and adapting advantage, moving ahead, digitizing the current business and innovating the model, rethinking the execution, trying to reach the increasing customer base by creating value for it, optimizing DCX and ensuring a seamless consistent and gratifying Omni channel CX.

References

- Big Commerce and Kelton Global (2017). Omni-Channel Retail in 2017. What Brands Need to Know and Modern Consumer Shopping Habits. Retrieved from <https://grow.bigcommerce.com/rs/695-JJT-333/images/the-omni-channel-selling-guide.pdf>
- Burgelman, L. (2018). 5 Keys to Humanizing the Digital Customer Experience. CustomerThink, January 22. Retrieved from <http://customerthink.com/5-keys-to-humanizing-the-digital-customer-experience/>
- Charlton, G. (2018). Mobile Apps Are Still Important for Retailers: Stats, 27th February. Retrieved from <https://blog.salecycle.com/featured/mobile-apps-still-important-retailers-stats/>
- Criteo (2018). Mobile Commerce Growth 2017: +13% Sales YoY, 67% of Sales Happen In-App & More, February 27. Retrieved from <https://www.criteo.com/insights/mobile-commerce-q4-2017/>
- DiMauro, V. (2018). 10 Digital Marketing Predictions for 2018. CustomerThink, January 5. Retrieved from <http://customerthink.com/10-digital-marketing-predictions-for-2018/>
- Frenkel, M. (2018). Just Released: The Guest Experience in Today's Digital Hotel. Local Measure, February 23. Retrieved from <https://www.hospitalitynet.org/news/4081184.html>
- Latib, M. (2018). Which is more integral to success: Digitization or customer experience? Customerthink, February 1. Retrieved from <http://customerthink.com/which-is-more-integral-to-success-digitization-or-customer-experience/>

Lindsay, B. et al. (2018). How the implementation of organizational change is evolving Survey February 2018. Online survey from April 18 to April 28, 2017. Retrieved from <https://www.mckinsey.com/business-functions/mckinsey-implementation/our-insights/how-the-implementation-of-organizational-change-is-evolving?>

Local Measure (2018). 3 Digital Wellness Resolutions, Local Measure, Trends. Retrieved from <https://www.localmeasure.com/resources/trends/3-digital-wellness-resolutions?>

Miller, A. (2017). Distributed Marketing for the Modern Marketer, Blogs Oracle, December 19. Retrieved from <https://blogs.oracle.com/marketingcloud/distributed-marketing-for-the-modern-marketer>

Miller, A. (2017). Gartner Names Oracle Marketing Cloud a Leader in Digital Marketing Hubs - for the 3rd Consecutive Report! Blogs Oracle, February 23. Retrieved from <https://blogs.oracle.com/marketingcloud/gartner-names-oracle-marketing-cloud-a-leader-in-digital-marketing-hubs-for-the-3rd-consecutive-report>Join the discussion

Neosperience Team (2016). 5 (+5) Tips To Start Mapping The Digital Customer Journey, The Digital Customer Experience Blog, Feb 15, 2016. Retrieved from <https://blog.neosperience.com/5-5-tips-to-start-mapping-the-digital-customer-journey>

Orendorff, A. (2017). Omni-Channel vs Multi-Channel: What is the Difference and Why Does It Matter? Jul 25. Retrieved from <https://www.shopify.com/enterprise/omni-channel-vs-multi-channel>

Pruett, M. (2017). Omnichannel vs Multichannel Marketing: The Key Differences, October 19. Retrieved from <https://www.criteo.com/insights/omnichannel-vs-multichannel/>

Target Marketing Magazine (2018). 3 “Digitization” Trends Shaping Modern Marketing, “Target Marketing Webinars”, targetmarketingmag.com, February 13, 2018, Panel discussion with Brandon Jensen, Director of Marketing Operations at Workfront, Jennifer Johnson, Sr. Web Marketing Program Manager at Informatica, and Jonas Sjoquist, Senior Manager, Accenture

Timlin, A. (n.d.). Omnichannel Marketing vs. Multichannel Marketing: What’s the Difference? Retrieved from: <https://www.emarsys.com/en/resources/blog/omni-channel-versus-multi-channel-marketing-alex-timlin/>

Tjepkema, L. (n.d.). 4 Important Differences Between Multi-Channel & Omnichannel Marketing. Retrieved from <https://www.emarsys.com/en-sg/resources/blog/multi-channel-marketing-omnichannel-2/>

Tjepkema, L. (n.d.) 3 Ways Your Mobile App Can Fit into Your Omnichannel Strategy. Retrieved from <https://www.emarsys.com/en-sg/resources/blog/mobile-app-omnichannel-strategy-2/>

Smith, A. (2018). Omnichannel experiences are critical but must drive tangible business benefits to be successful. CustomerThink, January 18. Retrieved from <http://customerthink.com/omnichannel-experiences-are-critical-but-must-drive-tangible-business-benefits-to-be-successful/>

West, M. (2018). Why Hotels Need a Digital Strategy, January. Retrieved from <https://www.localmeasure.com/resources/thought-leadership-series/hotels-need-digital-strategy?>

*** A powerful B2B ecommerce platform. Retrieved from <https://www.bigcommerce.com/b2b-ecommerce-platform/>