

**An increase of marketers' focus on insight and action,
adequately approaching the marketing stack**

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Abstract

Marketers are struggling to delight customers at every touchpoint by adequately managing the combination of X-data and O-data, and considering the employee experience (EX) and the conduct risk. They need to simplify their company's marketing stack approach, and within their focus on creating an Omni channel view to consider both the opportunity provided by an all-in-one CRM and marketing automation platform, and the fact that customer feedback goes multi-channel. There is no doubt about their hard work to give customers value and delivering them a great CX, with the help of a balanced approach of the four forces of marketing operations & technology. And in the midst of the next disruption of the CX market, which among other aspects will access AI to evolve from reporting to prediction, there is an increase in marketers' focus on insight and action.

Keywords: X-data; O-data; CX; EX; CRM; Marketing operations & technology

JEL Classification: L86; M31; O33

**Delighting customers at every touchpoint by adequately managing the combination of
X-data and O-data, and considering the employee experience (EX) and the conduct risk**

Three years ago we underlined a real need for rethinking the businesses in another way in the era of the "Nonstop Customer", by keeping pace with this type of customers, and putting a greater emphasis on both personalization and relevance. (Purcărea, 2015) Indeed, as shown by R2insights, organizations are challenged to reevaluate their business models taking into account customer expectations, technology trends, competitive and macro-economic forces, what involves a vigorous effort while commencing their transformation journey on the basis of a unanimous vision's adoption and advocating for the needed change.

On November 27, 2018, The Innovation Group presented "The Future 100: Trends and Change to Watch in 2019", highlighting, among other aspects, that: the more meaningful role in consumers' lives assumed by brands; the continued evolution of new products and services within the evolution of the connected lifestyles, and the reexamination of technology's reach. (JWT Intelligence, 2018) Two days later, on November 29, John Zimmerer, senior director of marketing at Topdown (a leading customer communications management software provider),

and well-known for researching on the future direction of the technologies powering customer experience (CX), attracted our attention on the imperative of aligning CX strategy to business metrics, (Zimmerer, 2018) by starting with a value-based discipline model (created by Michael Tracy and Fred Wieserman; in order to create competitive differentiation by focusing on the key value discipline: customer intimacy, product leadership, operational excellence), identifying what it is necessary to be measured (by incorporating a comprehensive matrix of metrics – EPS, CLV, CES etc. – and linking company's strategy across and down the business to key stakeholders), align metrics to company's discipline (one of the three above mentioned), and connecting company's strategy to outcomes (by considering the technology to deliver the proper CX). Zimmerer recommended again Topdown's eBook. (Zimmerer, 2015) According to this eBook, in order to find out the possible merger between customer communications management (CCM) and digital experience delivery (DXD) platforms used for customer experience management (CXM), Topdown commissioned three years ago Forrester Consulting to conduct a research study which revealed that CCM is needed to merge into CXM, the necessary core of a CCM solution being a web content management (WCM). Findings also revealed, among other aspects: the disproportionate emphasis on the acquisition side of the customer life cycle (for example, discover, explore and buy), at the expense of customer service and retention (for example, engage, ask and use); companies need access to data from both DXD and CCM in order to get deep and consistent personalization at all touchpoints; increasingly of great importance to companies' ability to compete in the current modern digital marketplace it will be the ability to automate highly personalized, relevant and timely communications both at any and all customer touchpoints and via multiple channels.

We should recall within this context what Ryan Smith, the co-founder and CEO of Qualtrics, highlighted in March last year (Smith, 2017) in relation with the new imperative today represented by the experience data (X-Data) necessary to close the experience gap (between what a company think is going on, and what is actually happening), better understanding the difference between these X-Data (the human feedback, the beliefs, the emotions, and the sentiments constituting the human factor data) and O-data (operational data: sales, finance, and HR data, tangible records of tangible activities etc.), and giving employees', customers', or prospects' experiences a voice so as to step ahead of the competition, measuring, prioritizing and optimizing four interdependent foundational experiences of business: product experience, CX, employee experience (EX), and brand experience (BX). In other words this means experience management (XM), as the system of record for all of company's experience data so as to delight customers at every touchpoint, building both an adequate employee culture and iconic brands.

Also at the end of November 2018, the reputed customer experience transformist Bruce Temkin argued that CX and EX insights can be improved by adequately managing the combination of X-data and O-data, achieving the necessary company's results: more both loyal customers and targeted use of resources; more high-performing workforce because of

investments in the right employees. (Temkin, 2018) On the other hand, it is worth mentioning within this framework of XM, that:

- in the same month McKinsey’s representatives showed that as unfair outcomes for customers could be caused by individual or group actions generating incidents of misconduct in retail and commercial banking, capital markets, and wealth management (only recently becoming the conduct risk recognized as a stand-alone risk category), institutions can use advanced analytics and machine learning to “connect the dots” across customer and other sources of data in order to detect conduct risk both comprehensively and cost-effectively, as shown in the figure below: (Baquero et al., 2018)

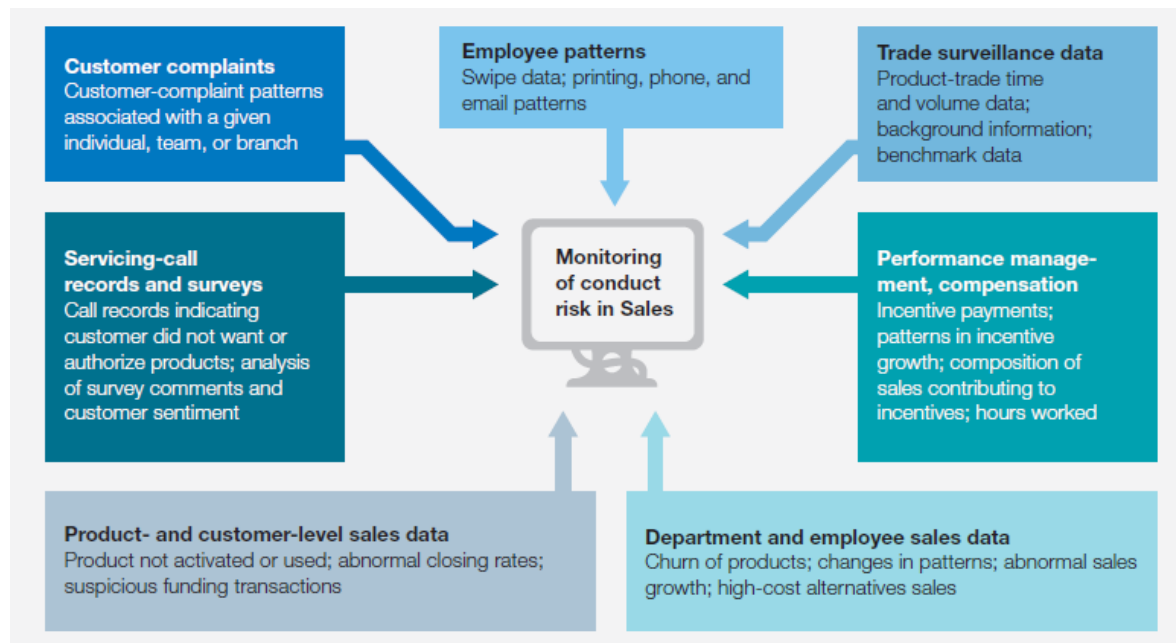


Figure 1: The advanced-analytics approach to conduct monitoring ‘connects the dots’ drawn from many sources of data (McKinsey & Company)

Source: Baquero et al. (2018). The advanced-analytics solution for monitoring conduct risk, McKinsey & Company, November 2018 (work cited)

- in October 2018, an Interactions representative referred to their online research study addressing the concerns about the potential benefits and costs of the artificial intelligence (AI), whether consumers will adapt to using AI including and so on, the research findings revealing that the majority of consumers are comfortable interacting with AI solutions (when AI enables speedier interactions or personalizes the experience), in some cases even preferring AI over human interactions (when there are convenient and effective self-service options available, when they are addressing embarrassing financial information, when they are in a bad mood/angry, when they are addressing a private/personal issue, when they are trying to get a good deal/discount); (Wildt, 2018) as it was argued in the Interactions eBook, AI can both improve CX and lead to significant cost savings for a business when it is done well.

Simplifying a company's marketing stack approach, considering both the opportunity provided by an all-in-one CRM and marketing automation platform, and the fact that customer feedback goes multi-channel

In September 2016 we underlined the real challenge for marketers of continuously building marketing capability, starting from marketers' undoubtedly preoccupation about their marketing technology stack (as a grouping of technologies that marketers leverage to conduct and improve their marketing activities), including by having a clear picture of the necessary workflow in developing a Marketing Capabilities Platform. (Purcarea, 2018) Within this above mentioned framework, an article by Ontraport published in Adweek, in November 2018, and entitled "Here's How to Put Together the Best Marketing Software Platform" attracted our attention.

This recently published article by Ontraport made reference to its new report – "The Renaissance of CRM and Marketing Automation Software" – demonstrating how useful is to have an integrated platform which accomplishes all the necessary tasks to be done, as the proper solution to the current standalone-marketing-app stress, taking into account not only the time and money saved by an all-in-one apps, but also the opportunity of both using more personalization in marketing communications (offering customers and prospects a one-to-one experience), and offering streamlined learning and support to company's marketing team. As revealed by this Ontraport's new report, such an integrated platform is like a one-stop-shop which enables the running of a company's entire business from inside a single application, including for smaller and mid-size businesses, as shown in the figure below:

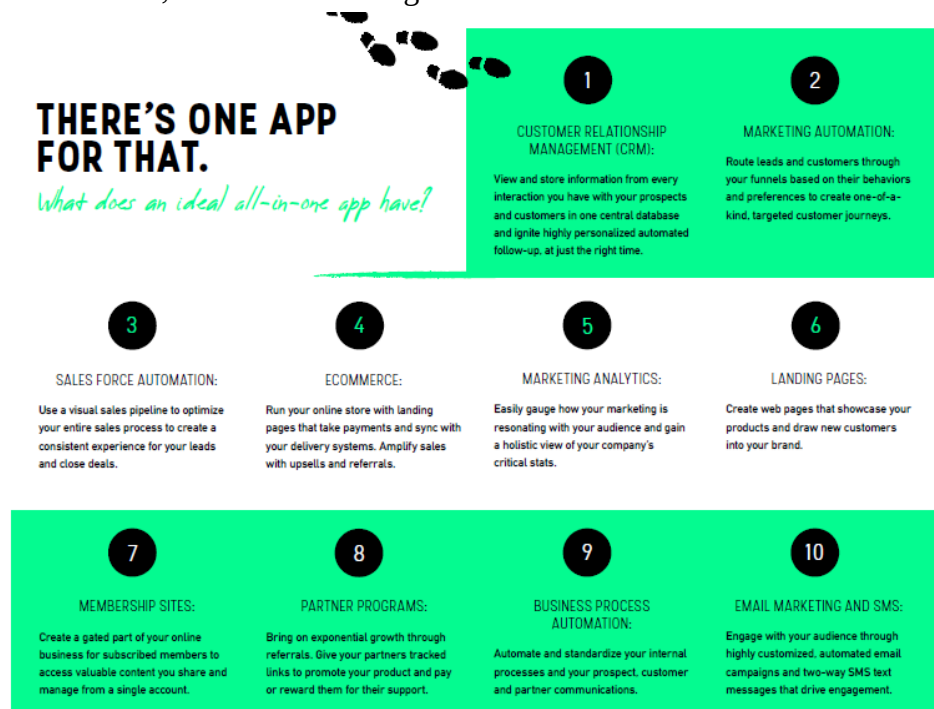


Figure 2: An all-in-one CRM and marketing automation platform for smaller and mid-size businesses

Source: *The Renaissance of CRM and Marketing Automation Software*, Ontraport (work cited)

The advantages of such an all-in-one CRM and marketing automation platform are illustrated in the figure below:

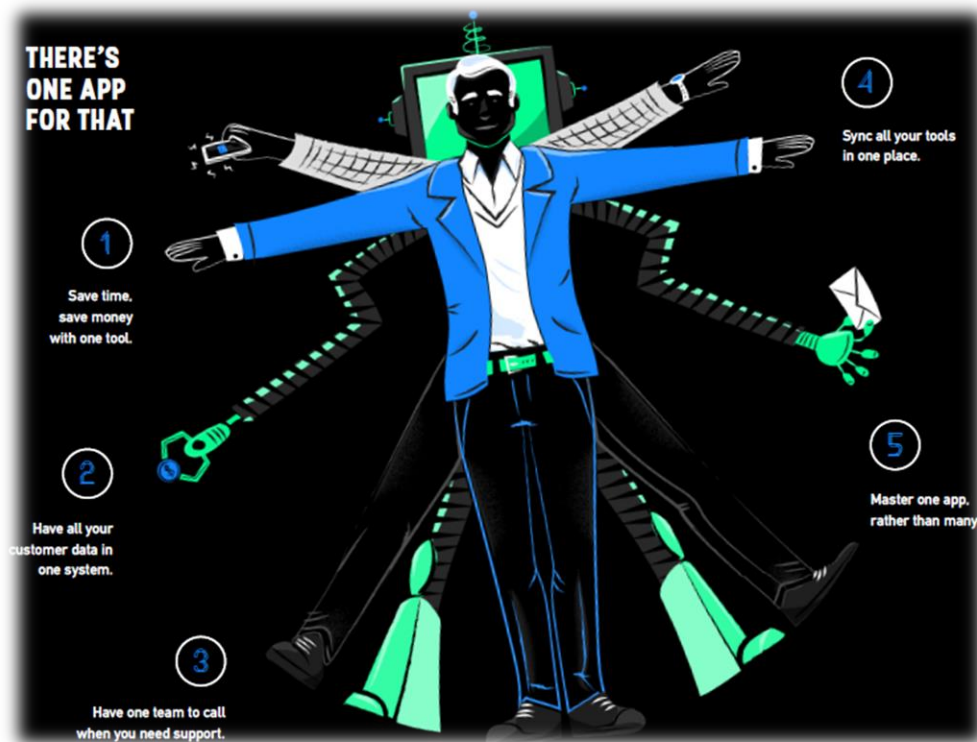


Figure 3: The advantages of this all-in-one CRM and marketing automation platform

Source: *The Renaissance of CRM and Marketing Automation Software*, Ontraport (work cited)

We see here other links, which we also underlined before in relation with the need:

- (in June 2017) of keeping the pace with the quickly evolution of the technology landscape, creating a roadmap based on an assessment of company's direct marketing capabilities, evaluating new technologies, and making CX a strategic priority, including by measuring touchpoints and better understanding the power of cutting-edge design and digital capabilities; (Purcarea, 2017)
- (in June 2018) of having one-on-one interactions with company's customers, and effectively managing customer feedback (shared with a company using different channels and platforms), making difference between structured and unstructured data. (Purcarea, 2018)

And all this allows us to consider useful to make reference to other recent findings revealed on the occasion of a CustomerThink Thought Leadership Webinar, such as: marketers focused on creating an Omni channel view must be aware that customer feedback goes multi-channel (these are the top 5 ways to provide product or service feedback: email, phone, face-to-face; social media & online reviews; online chat with a human; the most common devices used to provide feedback are: mobile phones, desktop/laptop devices, tablets, landline); brands are

challenged to optimize the digital experience across touchpoints, needing to engage customers in the moment and improve experiences. (Sopadjieva and Lane, 2018)

Working hard to give customers value and delivering them a great CX

The reputed “Chief Marketing Technologist” Scott Brinker, President & CTO of ion interactive (recognized as a leading provider of post-click marketing software and services), underlined in August-September this year very significant aspects:

- the marketing operations leaders must ensure the balance between the two axis of opposing forces (centralize vs. decentralize, depending on the company, its strategy, its capabilities, and a particular moment in time; automate vs. humanize, both happening at the same time, depending on the company’s unique circumstances and identity), as shown in the figure below: (Brinker, 2018)

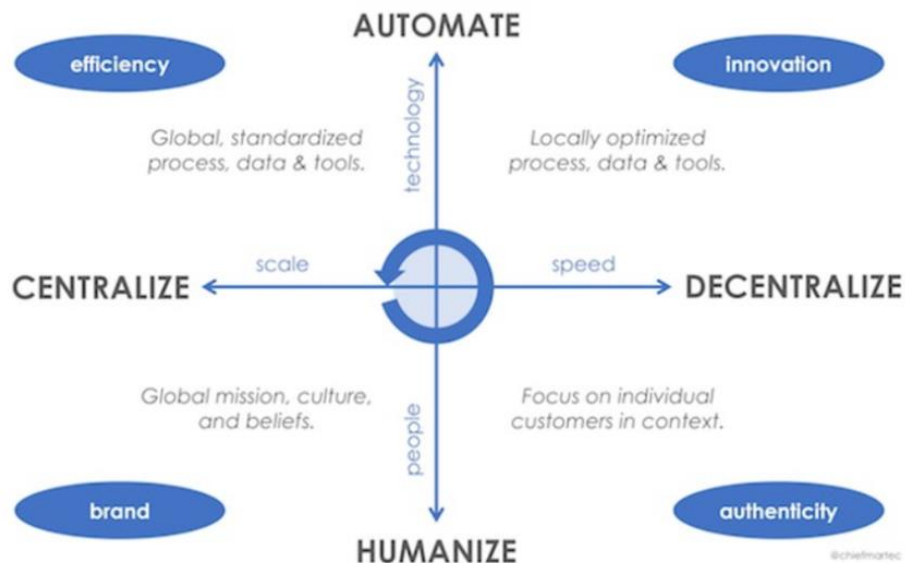


Figure 4: The 4 Forces of Marketing Operations & Technology

Source: Brinker, S. (2018). The 4 Forces of Marketing Operations & Technology, Chiefmartec, August 8, 2018 (work cited)

- marketers need to increasingly benefit from competition between the MarTech vendors within the context of the large marketing technology landscape, while competing for delivering the best CX (including customer-friendly sales and retention policies); (Brinker, 2018) Brinker, who is also the VP of platform ecosystem at HubSpot, gave two recent published examples: the Customer Code (broader than MarTech) launched by HubSpot (see the figure below); the Unmartech Manifesto launched by CaliberMind (echoing many of the same ideals as of the Customer Code; see the other figure below).



Figure 5: The Customer Code launched by HubSpot

Source: Brinker, S. (2018). Martech companies talk customer-centricity, but can they be customer-centric? CustomerThink, September 17, 2018 (work cited)

Brinker commented the report card of HubSpot's own grades on each of these above illustrated 10 points, underlining the need for improvement, while working hard to give customers value and delivering them a great CX, letting them go if they choose to leave and hoping to bring them back (word-of-mouth about treating them well).



Figure 6: The 10 Commandments of how marketing technology companies should treat their customers

Source: The 10 Commandments of #UnMarTech (work cited)

Instead of conclusions: *In the midst of the next disruption of the CX market there is an increase in marketers' focus on insight and action*

It is well-known that a marketing stack is a group of technologies used by marketers to guide and improve marketing activities and the process of analyzing data encompassing customer behavior. Eight years ago, “a technology for automating multi-channel customer feedback, analysis, and response and the related workflow associated with closed-loop voice of the customer programs” – “Customer Insight and Action (CIA) Platforms” – was labeled (as a substitute for Enterprise Feedback Management – EFM, term coined in 2004 by Carl Henning, founder of survey vendor Perseus – applications) by the Temkin Group report (“The Evolution Of Voice Of The Customer Programs”), these new applications called CIA Platforms supporting closed-loop VoC programs which were going beyond solicited feedback, offering new channels of feedback (“listening posts”) and providing actionable insights. (Temkin, 2010) This year, in March 2018, Bruce Temkin expressed the opinion that the market is already serving as a head for the next generation of CIA platforms (advanced analytics, smarter analytics, highly customized dashboards, integration of targeted feedback with customer data from other systems etc.). (Temkin, 2018)

Indeed, the evolution of CIA platforms confirmed marketers' struggling to provide smart analytics and tailored, actionable, and contextual insights across the organization, covering trends and patterns from the data across entire segments of customers and increasing retention and reducing churn, closing the loop on each piece of customer feedback and achieving a more comprehensive picture of the customer across every part of the customer journey. (Bassig, 2018) And as marketers are more and more convinced about the strong inter-dependence between the elements of their right measured customer strategy (acquisition, retention, growth, win-back, divestment), they have to address all five challenges, being aware of the fact that almost always customer acquisition costs more than customer retention, of the need of matching company's capabilities with external opportunities, and of its responsibility to accomplish its promises and to provide ongoing reciprocal value. (Rudin, 2018)

On the other hand, marketers must be aware of what it was recently argued on Verint Community by Ben Smith, Global VP/General Manager, Customer Experience Solutions, that we are already in the midst of the next disruption of the CX market which, among other aspects (such as that it will access AI to evolve from reporting to prediction; please remember that we have shown above as Interactions research findings revealed recently when the majority of consumers were comfortable interacting with AI solutions), will connect X-data and O-data in order “to automatically deliver the right insight to the right person at the right time to take the right actions across engagement channels.” (Smith, 2018)

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