Welcome To The Age Of The Customer

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#ageofthecustomer
Agenda

- The age of the customer
- The business technology (BT) agenda
- The customer-obsessed business priorities for 2014
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The age of the customer

A 20-year business cycle in which the most successful enterprises will reinvent themselves to systematically understand and serve increasingly powerful customers
Empowered customers have given rise to a new era

1900
Age of manufacturing
Mass manufacturing makes industrial powerhouses successful
- Ford
- Boeing
- GE
- RCA

1960
Age of distribution
Global connections and transportation systems make distribution key
- Wal-Mart
- Toyota
- P&G
- UPS

1990
Age of information
Connected PCs and supply chains mean those that control information flow dominate
- Amazon
- Google
- Comcast
- Capital One

2010
Age of the customer
Empowered buyers demand a new level of customer obsession
- Macy's
- Salesforce.com
- USAA
- Amazon
The dark ages

Women 18-49

Boomers

Men 35-54

Sales

Operations

Customer service

Marketing

HR

IT

Finance

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Then, the customer became empowered
Now, companies need to act

Sales

CRM

Predictive analytics

Customer service

Operations

Customer database

Marketing automation

Marketing

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A customer-obsessed enterprise...

...focuses its strategy, its energy, and its budget on processes that enhance knowledge of, and engagement with, customers and prioritizes these over traditional competitive barriers.
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Translating the age of the customer into business imperatives

A 20-year business cycle in which the most successful enterprises will reinvent themselves to systematically understand and serve increasingly powerful customers.
Four business imperatives in the AoC

**Systematically**
- Transform the customer experience

**Serve**
- Embrace the mobile mind shift
- Become a digital disruptor

**Understand**
- Turn big data into business insights

**Reinvent**
- Serve
Winning engagement

Systems of engagement touch people.

Systems of record process operations.
Two technology management agendas

Technology management = IT + BT

Information technology: The systems, technologies, and processes to support and automate business operations.

Business technology: The systems, technologies, and processes to win, serve, and retain customers.
A projected path for IT and BT budgets

BT budgets increasing due to:
- Mobility
- Maintenance of customer big data
- Customer experience demands

IT costs decreasing due to:
- Application modernization
- Moving resources into cloud
- Increased standardization

Source: October 10, 2013, “Technology Management In The Age Of The Customer” Forrester report
A shocking tale of two numbers

Percent of 2013 new TM initiatives and projects devoted to:

- Improve IT operations: 21.6%
- Improve marketing, sales, service processes: 15.9%

Source: Forrsights Budgets And Priorities Tracker Survey, Q4 2012
Hard times for TM credibility?

“For each pair of statements, which best describes your firm?”

[IT department accelerates business success]

CIO (n=981) 67%

Business (n=106) 51%

1 in 2 business decision-makers think that IT is holding back the business!

Base: NA, European Asia Pacific, and Latin American IT budget decision-makers

Source: Forrsights Budget And Priorities Tracker Survey, Q4 2012
The roles must balance

Technology management

Marketing
Agenda

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Four budget imperatives for customer-obsessed enterprises

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<tr>
<th>Spend More</th>
<th>Spend Less</th>
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<tr>
<td><strong>Invest in real-time data for actionable customer intelligence</strong></td>
<td><strong>One-shot mailing lists</strong></td>
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<td>- Integrate customer data sources</td>
<td>- In-person focus groups</td>
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<td>- Build predictive algorithms</td>
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<td>- Develop 360° view of customers</td>
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<td><strong>Shift from general to contextualized customer experiences</strong></td>
<td><strong>Generic personalization</strong></td>
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<td>- Experience maps for point-in-time relevance</td>
<td>- Static content management</td>
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<td>- Touchpoint-specific behavior analysis</td>
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<td><strong>Tie the selling effort to the buyer’s process</strong></td>
<td><strong>Knee-jerk collateral creation</strong></td>
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<td>- Persona creation</td>
<td>- Short-term sales programs</td>
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<td>- Sales and service scripts</td>
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<td>- Post-sales engagement</td>
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<td><strong>Support content creation over ad creative</strong></td>
<td><strong>Mass advertising</strong></td>
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<td>- Content calendars</td>
<td>- Single-channel creative ideas</td>
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<td>- Journalists to tell the brand story</td>
<td>- Reach- and impression-based metrics</td>
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<td>- Shareable, trackable content</td>
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Make real-time data actionable

Static
- Predefined
- Owned
- Stagnates on stale data

Reactive
- One-way
- Brokered
- Responds to new data

Interactive
- Two-way
- Agile
- Evolves with new data

Adaptive
- Multi-way
- Collaborative
- Adapts “just in time”
Contextualize the customer experience
Focus on the buyer’s journey

1. Understand your buyers and influencers.
2. Create personas that define buyer traits.
3. Create journey maps to inform marketing decisions.
4. Use technology to facilitate buyer engagement.
5. Base your strategy on customer insights.

Source: February 21, 2013, “Rethink Marketing In The Buyer’s Context” Forrester report
Reallocate funds for content marketing

**Planning**
- Define audience
- Research audience
- Identify influencers

**Measurement**
- Assess customer life cycle
- Track reach performance
- Decrease costs; increase performance

**Creation**
- Incorporate keywords
- Involve talent
- Package content

**Promotion**
- Explore native advertising
- Boost winners on social
- Experiment with display
- Explore new channels
Reallocate funds for content marketing
Conclusion

• We are in the Age of the Customer. Your competitive and technology strategy depend on customer obsession.
• The BT agenda must become the dominant force in technology investing, or else.
• Real time, contextual, and valuable. These are the adjectives to describe customer obsessed actions.
Thank you

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