Customers incorporated
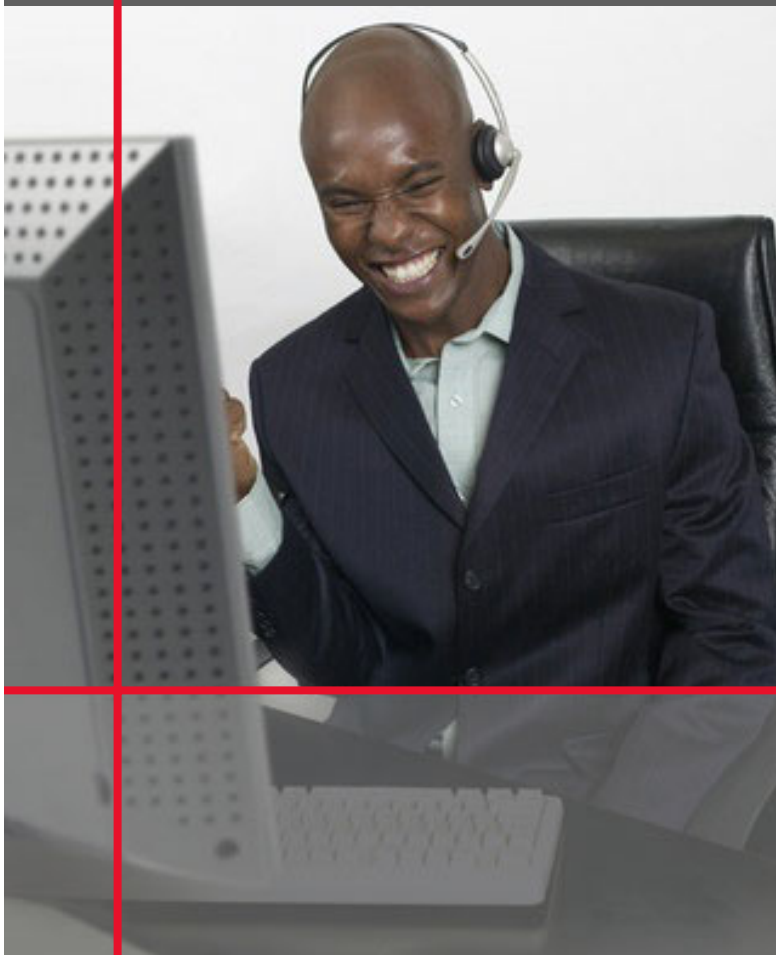## designing business around customers

"Right Time" CRM

customer relationship management comes of age

Liz Roche
Managing Partner

Today's Critical Issues

- ► **Understanding right time CRM**

- ► **Surfacing best (and worst) practices for right-time CRM**

- ► **Applying right-time principles to Customer-Aware Commerce**

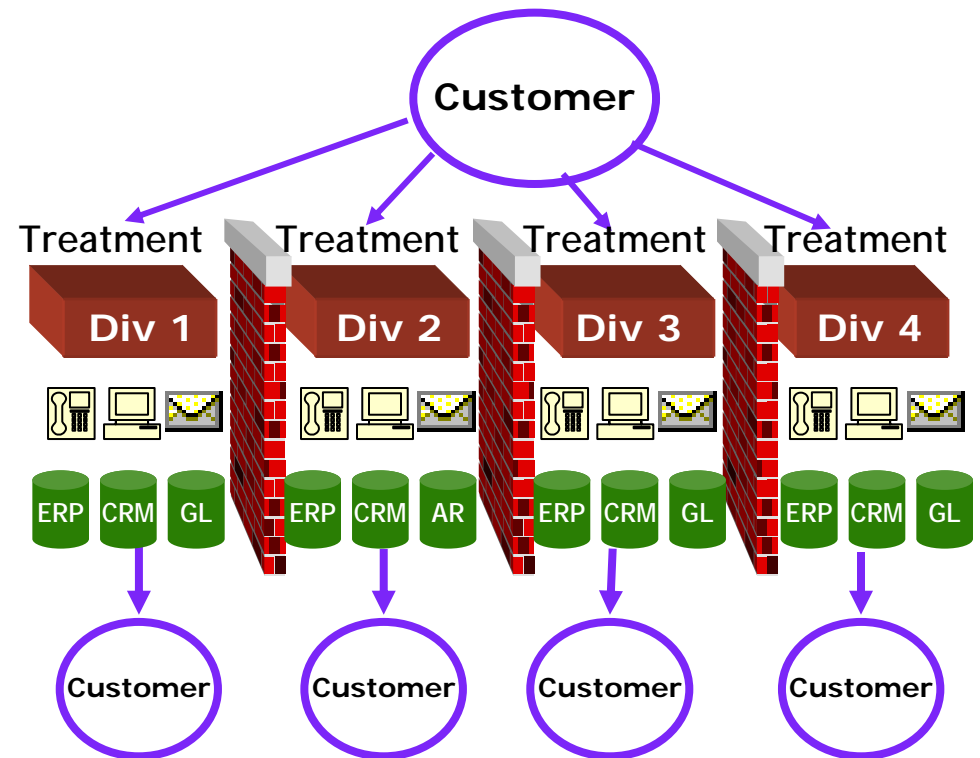**The Grim Customer Reality of CRM Today**

Interaction Touchpoints

Purchased Products

This is the customer…

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► Customers are subservient to the channel and division

► But it's a two-way street:

- the enterprise doesn't have a panoramic view of the customer.

- but the customer doesn't have a single view of the enterprise

Customer

Treatment | Treatment | Treatment | Treatment

Div 1 | **Div 2** | **Div 3** | **Div 4**

ERP CRM GL | ERP CRM AR | ERP CRM GL | ERP CRM GL

Customer | Customer | Customer | Customer

How did it get this bad when everyone's been working on CRM?

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▶ **Customer lifecycle for commerce drives right time business processes**

▶ **It's not about crafting the perfect e-mail…**

▶ **…it's about a coordinated approach, where the message is consistent regardless of channel**
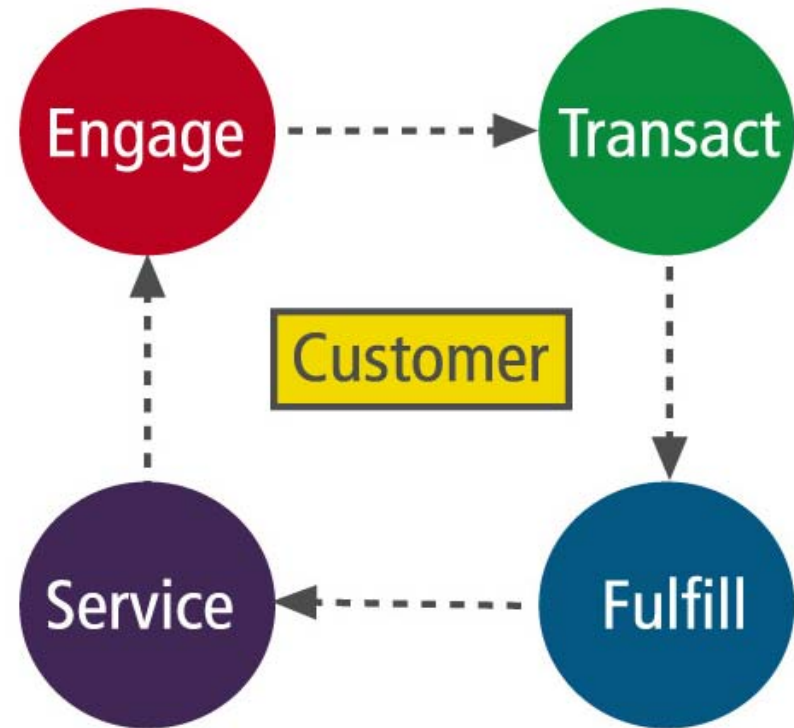
Cross-channel integration truly insulates the customer from internal machinations

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So What is "Right Time"? And What Does CRM Have To Do With It?

Time-based

Arbitrary / Absolute
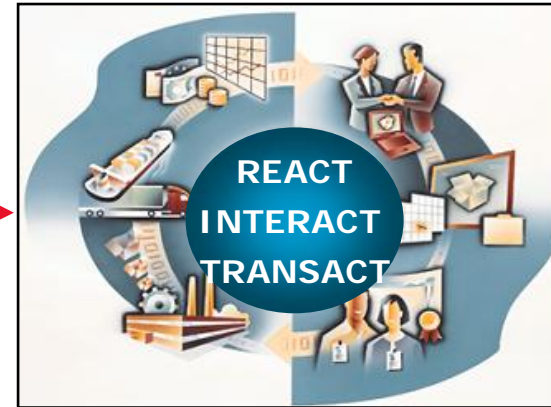
Not every process requires "real time"

Business Process Based

REACT INTERACT TRANSACT

Contextual

Traditional	**Right-Time**
Monitor for "significant" events	Monitor for "significant" events relative to patterns

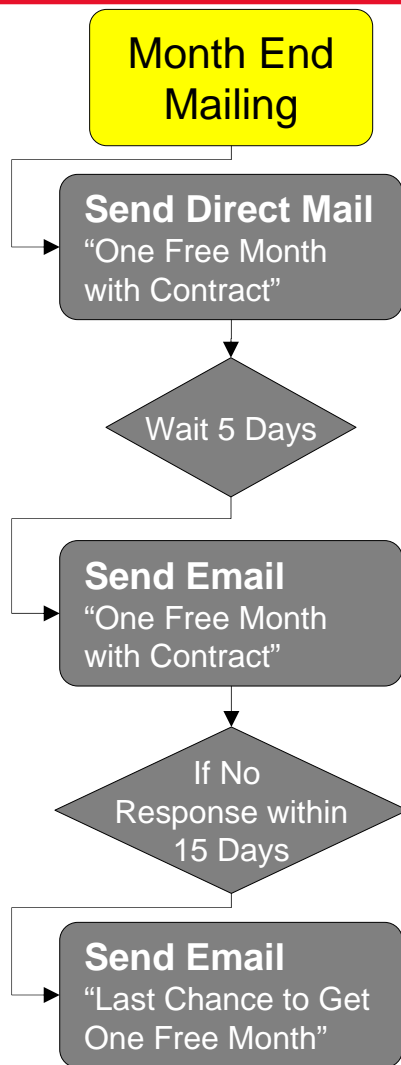# The Key Is Creating Pervasive Customer Relationships

► **A pervasive customer relationship is**

- an 'always on' conversation transcending individual transactions and interactions

- Informed by the panoramic customer view and a customer's strategic value

- Valued as useful, unintrusive, personal, respectful

CRM is the air traffic controller of pervasive customer processes and interactions across every channel

Defining The Interaction:
The Wrong Way (time-based)

Month End Mailing

Send Direct Mail
"One Free Month with Contract"

Wait 5 Days

Send Email
"One Free Month with Contract"

If No Response within 15 Days

Send Email
"Last Chance to Get One Free Month"

A dialogue is an 'always-on campaign'
– actually a conversation –
with a customer.

The conversation is predefined by marketing – and tends to represent the marketer's interpretation of a customer's anticipated behavior.

However every consumer is unique and spontaneous (maybe she'll buy a competitor's product during the 'wait').

Therefore, messaging and triggers need to be built around the consumer's behavior and profile, and not around arbitrary, time-triggered events.
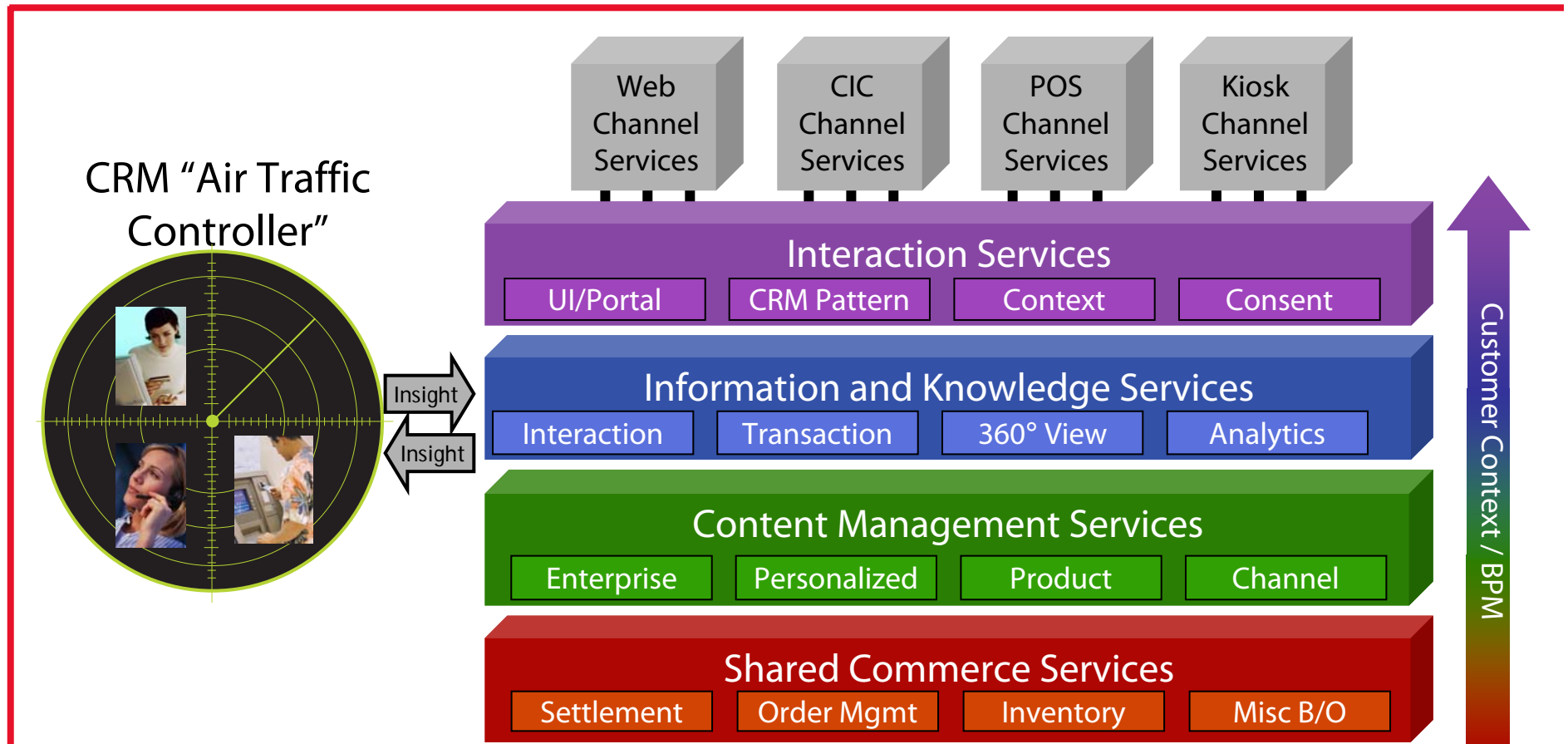
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Defining The Interaction:
The Right Way (event-based)

```
┌──────────────┐     Test Y %
│  Consumer    │─────────────►  ◆ Existing      Yes    ◆ Is Contract    Yes   ┌─────────────┐
│  Interaction │                  Customer? ──────────►  Renewal       ──────►│   Segment   │
│ (any channel)│                                          Pending?             │Renewal Prospect│
└──────┬───────┘                     │ No                    │ No             └──────┬──────┘
       │                              ▼                       ▼                       ▼
   Control X %                  ◆ Abandoned            ◆ Expressed      Yes   ┌─────────────┐
       │                          Purchasing            interest in ───────► │  Treatment  │
       │                          Process?              data services?       │Deliver "14 for 12"│
       │                         Yes │  No                 No │               │Renewal Offer│
       ▼                      ┌──────┴──────┐              ┌──┴──┐            └─────────────┘
```

Segment	Segment	Segment	Segment	Segment
Control Group	Qualified Prospect	Unqualified Prospect	New Customer	Data Prospect

Treatment	Treatment	Treatment	Treatment	Treatment
Deliver All Messages in Rotation	Deliver Sweetened "Free Phone" Offer	Deliver Standard Acquisition Offer	Deliver "Hands-Free" X-Sell Offer	Deliver "Free Ring Tones" X-Sell Offer

Every message should be driven based on the consumer's profile and behavior in order to maximize the potential of every interaction.

The Customer-Aware Commerce Model – Getting Right Time Right

CRM "Air Traffic Controller"

Insight

Insight

Web Channel Services

CIC Channel Services

POS Channel Services

Kiosk Channel Services

Interaction Services
| UI/Portal | CRM Pattern | Context | Consent |

Information and Knowledge Services
| Interaction | Transaction | 360° View | Analytics |

Content Management Services
| Enterprise | Personalized | Product | Channel |

Shared Commerce Services
| Settlement | Order Mgmt | Inventory | Misc B/O |

Customer Context / BPM

Seamlessly infuse customer specificity into every channel interaction with "lights-out" operation as a goal

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Right Time Today -- "It's Not Your Father's Oldsmobile"

Then

Channel-centric

Predefined workflow

One and Done

Perfect Creative

Channel-specific reporting

Time-based

Now

Customer-centric

Predictive Dialogue

Always On

Perfect Conversation

Cross-channel Analysis

Event-based

To transform one-off interactions into right time dialogues,
the context of the conversation must be maintained
and transferred from one channel to the next

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