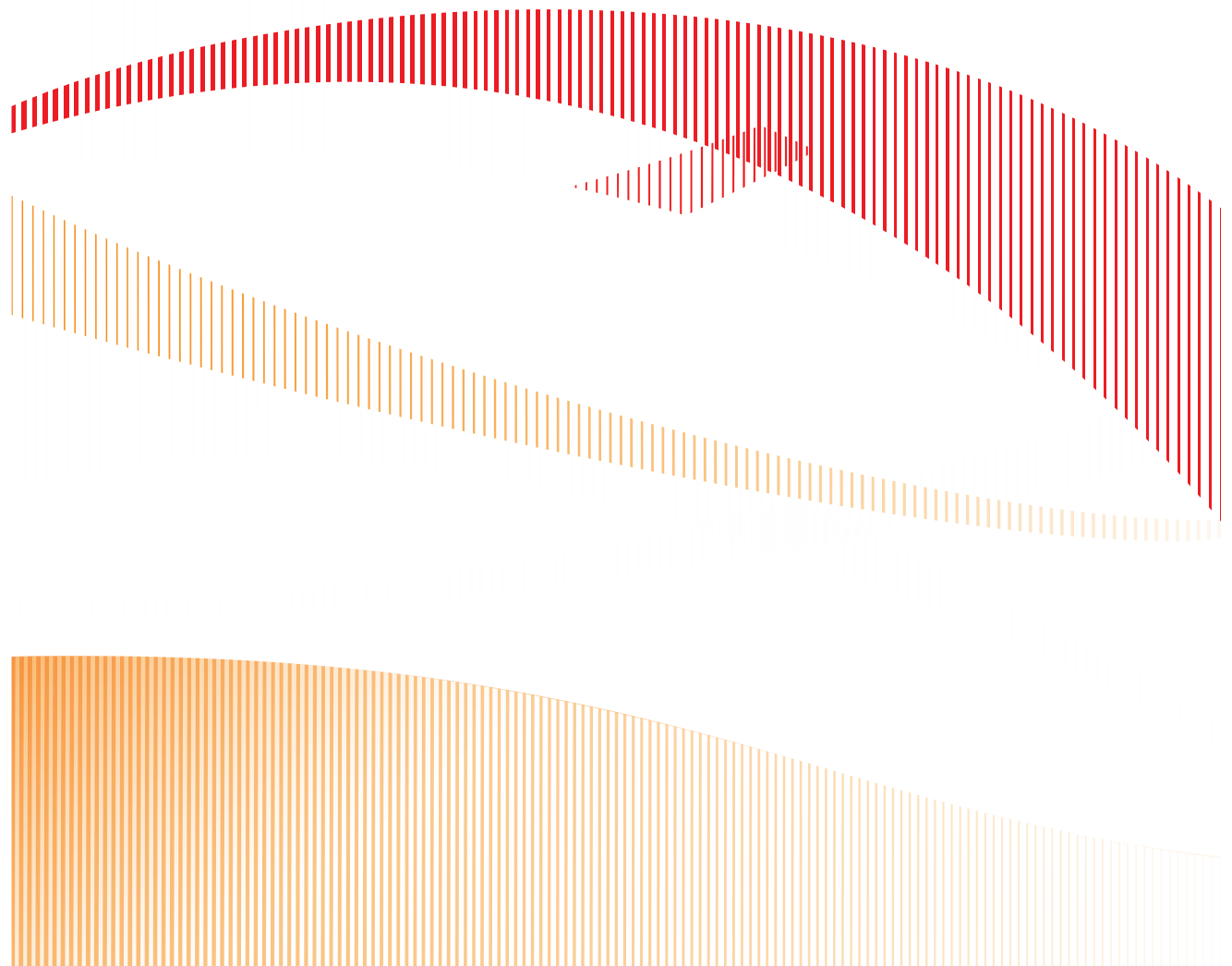


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EXECUTIVE STRATEGY SERIES

# MARKETING

**Customer Experience:** Empowering People. Powering Brands.  
With Oracle Marketing Solutions.



**ORACLE®**



## Introduction

Today customers have more choices, higher expectations, and greater influence. The voice of the customer has never been louder and has taken control of the conversation and forever changed the relationships with brands. Customers decide how, when, and where they want to engage with your brand—whether it's in the store, on the Web, over the phone, or across their social networks. They expect you to know who they are and what they need, and to seamlessly recognize them at every touchpoint. And with the plethora of new social channels amplifying the customer's voice, peers now have greater influence over the buy decisions than traditional marketing. As a result, the power has shifted from brands to customers. This shift makes it impossible for companies to sustain meaningful differentiation based solely on price or product. The only option that remains is a differentiated customer experience.

In this executive strategy brief, we will explore how customer experience drives business value, the three key principles of delivering great experiences, and how Oracle's marketing and loyalty solutions can help organizations create and manage their own great customer experiences across all channels, touchpoints, and devices.

47 percent of businesses struggle to deliver an integrated experience.

—Oracle white paper, “E-Commerce Trends for 2012: Mobile and Facebook Take Center Stage as Online Retailers Focus on Customers’ Digital Experiences,” February 2012

## Measuring the Business Value of Customer Experience

### *Every Interaction Counts*

Good customer experience is a business imperative to grow and sustain competitive differentiation in today’s market. If brands deliver the experiences customers want, customers will reciprocate with loyalty, advocacy, and repeat business resulting in long-lasting and profitable relationships.

Customer experience is the customer’s perceptions and related feelings caused by the one-off and cumulative effect of interactions with a supplier’s employees, channels, systems, or products.<sup>1</sup> Customers strive to have a consistent, connected, personalized, and efficient experience across all phases of the customer lifecycle and across all their channel interactions.

Marketing can positively influence customer perception at each stage of the customer lifecycle. This includes both the buy side of the customer lifecycle (discovering a need, researching a solution, comparing and selecting a brand,




making a purchase) as well as the own side (receiving a purchase, using and maintaining the product, reviewing or recommending the product to others). While various niche vendors offer point solutions along this spectrum, only Oracle provides a complete solution that helps you make every interaction across the customer lifecycle count.

And by delivering a great customer experience across the customer lifecycle, marketers will see dramatic improvements in acquiring valuable customer insight, engaging customers, maximizing retention, and developing customer advocates. The ultimate test of a great customer experience is when marketing effortlessly transitions its activities to advocates who strongly influence purchase decisions on a brand’s behalf.

### *Attract More, Retain More, Achieve More*

The fact is that customers’ perceptions have a profound impact on business metrics ranging from increased revenue to customer loyalty and brand equity to

<sup>1</sup> Gartner Webinar Presentation, “Customer Experience Driving Value,” Gene Alvarez, July 5, 2012.



*"We can pull information quickly.  
We can put the tool in the hands of  
the salesperson. ...The Oracle  
Endeca tool gives us a lot of power  
in terms of how we look at  
information. It really is part of our  
strategic roadmap going forward."*

—Barry Libenson, Senior VP and CIO,  
Land O'Lakes, Inc.

cost savings and operational efficiencies. The value of customer experience can be measured in three categories:

- **Acquisition.** Marketing is in the business of attracting new customers and enticing them to buy. Brands that focus on customer experience are able to attract more by engaging in smarter demand generation. They target the right customers with personalized and relevant offers to drive demand and sales revenue.
- **Retention.** Equally important to marketing is retaining those customers and getting them to re-engage with the brand. Again, customer-experience-focused brands retain more by recognizing, rewarding, and strengthening relationships. This leads to trust, loyalty, and advocacy.
- **Efficiency.** Lastly, marketing continually strives to demonstrate and increase its financial contribution to the organization through a combination of greater efficiency and effectiveness. Customer-experience-focused marketers are able to achieve a higher return on marketing investments by executing more of the right marketing activities. They know their customers' likes and preferences, they provide customers with meaningful and relevant engagements, and they are strategic with their marketing mix and spend to maximize their marketing impact.

## Engage: Power a Personalized Cross-Channel Experience

### *Deliver a Consistent Brand Experience*

Marketers struggle to create a consistent, relevant, and meaningful customer experience across all touchpoints. As a result, a customer's brand experience may fall short of the brand promise. Although focused on "the customer," the current multichannel, multidevice environment makes it difficult for brands to maintain an ongoing, contextual dialogue with customers as they move from channel to channel and from device to device throughout the day. Oracle breaks down the barriers between different customer-facing channels and siloed data by providing best-in-class cross-channel and multichannel marketing and loyalty, Web experience management, Web commerce, and business intelligence solutions. As a result, marketers can more effectively and efficiently deliver consistent cross-channel marketing while managing a large-scale, multichannel global presence and thereby more consistently deliver a satisfying and rewarding brand experience.




### *Personalize the Journey*

Marketers know it's all about delivering the right information to the right customer at the right moment. Customers expect you to know who they are and provide a unified and personalized journey no matter where they choose to engage with your brand—whether in the store, on the Web, via mobile, through their social channels, at a kiosk, or through the call center. Oracle allows marketers to tailor their content, promotions, pricing, and offers at every point of interaction based on a dynamic customer profile. Whether it is an anonymous visitor who has yet to register on your Website or a loyal repeat purchaser, Oracle provides a rich and complete view of the customer, enabling brands to connect every interaction, engage customers at the point of need, target and optimize content across all channels, and ultimately provide customers with a highly personalized and relevant journey.



### *Make the Experience Social and Interactive*

Effective marketing is no longer a one-directional outbound push, but a social and dynamic conversation with the customer that happens across various points in time and channels. The question confronting today's marketers is: How do we entice customers to engage in a dialogue? Oracle's Web Experience Management solution enables brands to deliver contextually relevant, social, and interactive online experiences across Web, mobile, and social channels. This solution enables brands to provide social computing capabilities and include user-generated content. For example, brands can easily deploy social features that enable customers to contribute comments on blogs, provide ratings and reviews, and participate in polls and surveys. And through seamless integration with Facebook, Twitter, and more than 20 other social networking sites, Oracle makes it easy for customers to participate with brands and extend the conversation by sharing content they like with their social networks.



*“93% of executives believe their organization is losing revenue—on average, 14% annually—as a result of not being able to fully leverage the information they collect.”*

—Oracle report, “From Overload to Impact: An Industry Scorecard on Big Data Business Challenges,” July 2012

## Gain Insight: Empower and Optimize with Actionable Insight

### *Harness Big Data*

Marketers face another daunting challenge: collecting and analyzing huge amounts of data—including social media activities, Web logs, and multichannel customer interactions. This rich customer information is often unstructured data that resides in multiple data sources. Oracle’s business intelligence (BI) and analytics solutions make it easy for brands to access, integrate, and analyze data—unstructured data, as well as relational and data warehouse sources—within the enterprise and beyond. Expanding the customer profile—with deep, rich, and actionable information from social media and other sources—empowers marketers to provide content, promotions, and offers that are more unified, personalized, and relevant across all their marketing activities.

### *Redefine Customer Lifetime Value*

A successful marketing strategy will continually identify your highest-value customers and engage them with timely and relevant offers while delivering a great experience. The question is: Do you know your high-value customers? Is it Individual A, who spends US\$100 with you, or Individual B, who spends US\$10 with you and generates US\$300 in referral business? By harnessing big data (including data from the social Web), Oracle is redefining customer lifetime value (CLV). Previously, CLV was solely based on customer transaction value (CTV)—an aggregation of customer purchases to date. Now, through leveraging big data and understanding the conversations that are happening in social media, brands can start to track the customer referral value (CRV), measuring revenue generated through referrals. When you use Oracle solutions to harness big data, and when you combine CRV with CTV, you can truly begin to measure customer lifetime value in today’s complex customer landscape.

### *Make Intelligent, Real-Time Decisions*

To handle the expanding number of touchpoints and the volume and variety of customer information, organizations need agile business intelligence and analytics tools. To offer more-targeted experiences and a more efficient business, marketers should be able to quickly identify customers and follow their history across multiple channels, and then through evaluation of real-time activities against historical data, make time-critical decisions. Oracle’s BI and analytics solutions help brands collect customer data from multiple sources and automatically determine likely and potential segments. You can quickly run behavioral data through predictive modeling to determine the next-best action to ensure you are delivering the right content, offer, or promotion at that time. Then you can use sophisticated analysis to test and optimize your process, continuously improving your results.



*"We chose Siebel Loyalty to transform our world-class Rapid Rewards program. The all-new Rapid Rewards includes industry-defining innovations that deliver enhanced value and experience for our valued customers."*

—Joe Migis, Senior Director of IT,  
Southwest Airlines

## Differentiate: Reward, Recognize, Differentiate to Drive Loyalty

### *Deliver Dynamic and Differentiated Loyalty Programs*

Loyalty programs enable brands to identify, attract, and acquire customers across channels (point-of-sale, Web, mobile, and social), recognize them for their long-term value, and deliver real-time loyalty rewards. Effective loyalty programs reward desired behavior, maximize customer value and help sustain a competitive edge. By contrast, loyalty programs that lack personalization and are short-term and often discount-oriented lower brand perception and fail to deliver value. Oracle's Siebel Loyalty solutions help brands across industries—including travel and transportation, retail, telecommunications, and financial services—to truly differentiate themselves. You can quickly launch highly innovative and personalized one-to-one loyalty programs with dynamic rewards that resonate with customers. Best practices are built into the solution, such as theme-based clubs, a graphical-promotion designer, and recurring awards. Brands can now deliver dynamic and differentiated loyalty strategies to captivate customers while surpassing competitor programs.

### *Extend Your Marketing Reach into Social Networks*

One of the biggest challenges for marketers today is extending their reach into social networks. How do you leverage personal networks to communicate messages and promotions to your customers? And more importantly, once you tie in to their networks, how do you recognize and reward your customers? It is one thing to simply post a promotion on Facebook—but transformation comes from getting your customers to share promotions with their friends, family, and associates. When you reward them as an incentive to do it again, you have turned customers into advocates. Oracle enables you to interface with social media like Facebook through comprehensive marketing solutions, and most importantly to track customer behavior as your offers and messages cascade through the social network. Reward the right influencers and your brand and marketing impact will flourish online.

### *Give Your Customers the Power of Customization*

Brands can provide a personalized and highly interactive Web experience that engages customers on a one-to-one level and drives both loyalty and site "stickiness." Oracle's Web Experience Management solution enables brands to offer a MySite page on their Website where visitors have their own personalized experience. They can select gadgets—such as lists of articles, image slide shows, calculators or data analysis tools, blog entries, and videos—and they can personalize their own dashboards. When you provide customers with the power of customization, you gain greater knowledge of their interests and priorities while increasing their incentive to return to your brand and re-engage.





*Nucleus found that marketing automation drives a 14.5 percent increase in sales productivity and a 12.2 percent reduction in marketing overhead.*

—Nucleus Research, "Marketing Automation Drives CRM ROI," April 2012

## The Business Value of Oracle Marketing Solutions

Brands that have invested in delivering superior customer experiences are seeing a profound impact to their bottom-line results. Oracle has empowered many of the top industry brands in providing their customers with consistent, connected, personalized, and efficient experiences. By delivering the experiences customers want, customers have reciprocated through loyalty, advocacy, and repeat business. As a result, Oracle customers are able to attract more, retain more, and achieve more.

Here are just a few examples of the types of successes Oracle customers are seeing in the area of marketing:

- **Demand generation.** Alaska Airlines reduced time to market for their promotions by 150 percent.
- **More opportunities.** Bouygues Telecom gained a 360-degree overview of customers and improved offer-acceptance rates.
- **Improved quality and reliability.** Swedish Rail Operator SJ uses customer relationship management (CRM) to increase profits and customer satisfaction.
- **Loyalty and advocacy.** Coffee Company's core customers cite the rewards program as the #1 reason for increased visits.
- **Increased targeted marketing.** Carrefour France shifted from mass/product-centric marketing to customer-centric, highly targeted, and personalized promotions and offers across channels, including point of sale.

### *Stand Out from the Competition*

Exceptional customer experiences are essential to all organizations looking to grow and sustain competitive differentiation in today's market. For marketers this means it is vital to power personalized and relevant cross-channel engagements; reward, recognize, and differentiate to drive loyalty and customer lifetime value; and optimize your marketing activities with actionable business and customer insight.

Only Oracle Customer Experience provides a comprehensive set of marketing solutions necessary to deliver a great customer experience across every touchpoint. The differentiation occurs between the brand that creates the customer experience and the technology that enables the interaction. This is how Oracle empowers people, and how Oracle powers brands to stand out from their competition.

### *Oracle's Marketing Solutions*

Depending on your specific needs and requirements, the marketing solutions within the Oracle Customer Experience product portfolio include the following:

- **Oracle's Siebel Marketing.** Enables closed-loop enterprise marketing management from planning and budgeting to execution and analysis. Provides sophisticated segmentation and multichannel, multistage, triggered campaigns.





Leverages Oracle Business Intelligence and Oracle Master Data Management solutions.

- **Oracle's Siebel Loyalty.** Provides enterprise-class, multichannel, integrated loyalty management. Powered by a highly flexible and configurable promotions framework and a scalable loyalty engine. Includes embedded best practices for loyalty planning, execution, and analysis.
- **Oracle Web Experience Management.** Enables marketers and business users to easily create and manage contextually relevant social and interactive online experiences across multiple channels on a global scale to drive sales and loyalty.
- **Oracle Endeca.** Offers a flexible platform that powers adaptive digital experiences for any customer, every time, in any channel. Leverages all the data in your marketing ecosystem to deliver rich customer experiences, with tools for business users to scale always-relevant content, search results, and merchandising across every unpredictable customer path. Packaged integration with Oracle ATG Web Commerce.
- **Oracle Real-Time Decisions.** Provides a closed-loop, cross-channel customer experience decisioning platform that combines rules and predictive analytics with a self-learning engine to deliver personalized and optimized decisions and recommendations for the Web channel, in the contact center, or the point of sale. Delivers in context the right offer, message, recommendation, treatment, or action tailored and personalized within the "moment of impact" to deliver unequalled value. Packaged integration with Oracle's Siebel Customer Relationship Management.
- **Oracle Business Intelligence and Analytics Solutions.** Help marketers to thrive by enabling them to discover new ways to strategize, plan, and optimize their operations and capture new market opportunities.
- **Oracle Master Data Management.** Enables organizations to consolidate and maintain a complete, accurate, enriched, and authoritative data store of customer information that can be leveraged across all functional departments, operational, and analytical systems supporting the customer experience.



## Contact Us

To learn more about Oracle customer experience solutions, please visit **[oracle.com/cx](http://oracle.com/cx)** or call +1.800.ORACLE1 to speak to an Oracle representative.

OUTSIDE NORTH AMERICA

Visit **[oracle.com/corporate/contact/global.html](http://oracle.com/corporate/contact/global.html)** to find the phone number for your local Oracle office.

## Summary

We have now entered the age of the customer, in which customers are making decisions that often bypass your employees and interact directly with their peers and social channels, while researching on their own via mobile devices. Your customers expect a consistent, relevant, and personalized buying experience, and internal applications and systems need to support it. Oracle's customer experience solutions support every step of the customer journey by delivering interactions that are more relevant and efficient, whether for internal use or Web self-service.

Creating great customer experiences starts with knowing exactly who your customers are and their needs, and providing the best recommendations based on their history with your company, as well as what you have learned through their social presence. You need to connect and personalize their experiences as they travel across touchpoints and engage with your brand.

With a comprehensive suite of solutions and technologies for commerce, service and support, sales, insight, loyalty and marketing, and social media, Oracle can address the entire customer lifecycle. You will be able to simultaneously connect and engage customers, learn more about them, and make it easy and rewarding for them to do business with you. Oracle customer experience solutions enable you to deliver great customer experiences and profitable customer journeys.



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| Oracle is committed to developing practices and products that help protect the environment

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