

CUSTOMER DATA - MARKETING'S SECRET WEAPON

How to Accelerate the Creation
of Digital Experiences and
Drive High ROI



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ABOUT LONDON RESEARCH

London Research, set up by former Econsultancy research director Linus Gregoriadis, is focused on producing research-based content for B2B audiences. We are based in London, but our approach and outlook are very much international. We work predominantly, but not exclusively, with marketing technology (martech) vendors and agencies seeking to tell a compelling story based on robust research and insightful data points.

As part of Communitize Ltd, we work closely with our sister companies Digital Doughnut (a global community of more than 1.5 million marketers) and Demand Exchange (a lead generation platform), both to syndicate our research and generate high-quality leads.

For more information, visit <https://londonresearch.com>.

jahia

ABOUT JAHIA

Jahia Solutions Group makes digital experiences simpler. Leveraging a cloud-based platform, Jahia helps companies around the world better leverage their content and customer data while connected to their existing technology stack. With an unparalleled level of flexibility and connectivity, Jahia's solutions can be customised to meet the specific business needs and challenges of each customer.

Founded in 2002 and headquartered in Switzerland, Jahia has offices in Boston, Toronto and Paris. Jahia's customer community includes hundreds of global brands and organisations, including Ben & Jerry's, Nationwide, NASA and General Motors.

For more information, visit www.jahia.com, read our [blog](#) and follow us on [LinkedIn](#).

ABOUT THE AUTHOR



Andrew Campbell
Martech Director, Customer Experience Division,
Home Agency

A marketer at heart but with a passion for designing and delivering technology-led marketing solutions that add value for consumers and deliver competitive advantage (and profits) to brand owners. Andrew has more than 25 years of experience leveraging technology to deliver marketing goals, including executive management roles both client-side and supply-side. He has a proven track record helping to grow brands and businesses, translating marketing theory into improved

bottom-line performance, developing marketing strategy, and delivering high-payback marketing programmes. He firmly believes that brands need skilled, experienced marketers with the vision, creativity, consumer focus and technical literacy to deliver game-changing marketing solutions. Andrew has the grey hairs, youthful enthusiasm and professional ambition to ride these waves – and enjoy the thrill and exhilaration of it all!



1

Introduction: Principles for a Successful Technology Strategy

There's a saying in business that customers won't remember what you said or what you did, but they will remember how you made them feel. And if you made them feel good then they'll reward you with their loyalty and advocacy. It is therefore essential that brands are able to master the art of customer experience (CX).

In a highly social, hyper-connected, always-on and mobile world, digital experiences (DX) are becoming increasingly important. Consequently, the tools and technology that support the delivery of seamless, cross-channel experiences are now mission-critical for marketers. Selecting, procuring and deploying the right technology stack have now become critical success factors. For senior marketers to control their own destiny they must take control of this process and lead it in an informed, commercial, collaborative and customer-centric manner.

There is no one 'best' technology strategy and therefore it is not possible to be totally prescriptive as to the optimal approach. However, there are some fundamental principles and design techniques that, if intelligently applied, will help guide technology strategy, architecture and application component selection. This white paper provides the strategic context, theoretical framework, planning template and practical guidance to help senior marketers define an appropriate technology strategy and systems architecture.

As marketing has become more tech-enabled, a significant chunk of marketing budgets are being consumed by technology investments. According to the Gartner's Annual CMO Spend Survey 2019-2020, martech spending accounted for over a quarter of the total marketing budget¹.



Customers won't remember what you said or what you did, but they will remember how you made them feel. And if you made them feel good then they'll reward you with their loyalty.

The scale of this investment makes driving ROI from it a key marketing priority. Unfortunately, despite the sums of money involved, marketers are still adapting to their increased technology responsibilities.

The previous year's Gartner survey highlighted that marketers reported using only 61% of the functionality available in their martech portfolio. Typically, organisations lacked the resources and skills to integrate and adopt technology tools to get the most from them.

In the interests of commercial success and self-preservation, senior marketers must quickly learn how to play the marketing technology game better. They need to buy the right tech, integrate it smarter and deploy it more effectively. To do so they must:

- **Embrace accountability** in terms of ROI and the delivery of other business benefits that directly deliver against strategic goals. Marketing technology is all about delivering against the KPIs of the business.
- Have **an eye on the enterprise systems and data architecture** within which marketing technology operates. It is this context, more than the specific product features of any specific software component, that will dictate its long-term success. It is easy to be blinded by the features and functions of shiny new technology and so it is important to be able to step back from this and see the bigger picture.

- Recognise and **leverage customer data as a strategic asset** with management of it addressed as a core competence. This will require a blend of technology, human resources and expertise.

This paper provides senior marketers responsible for marketing technology investments with:

1. A strategic framework highlighting the key architectural principles that should be applied to the design of the overall CX marketing technology stack.
2. A high-level functional model for the digital experience platform (DXP) that lies at the heart of the marketing technology application ecosystem.
3. A data-oriented technology architecture to help future-proof marketing technology strategy.

Applying these models and frameworks will help marketers make good technology procurement decisions that don't just meet immediate business needs but deliver high ROI in the long term.



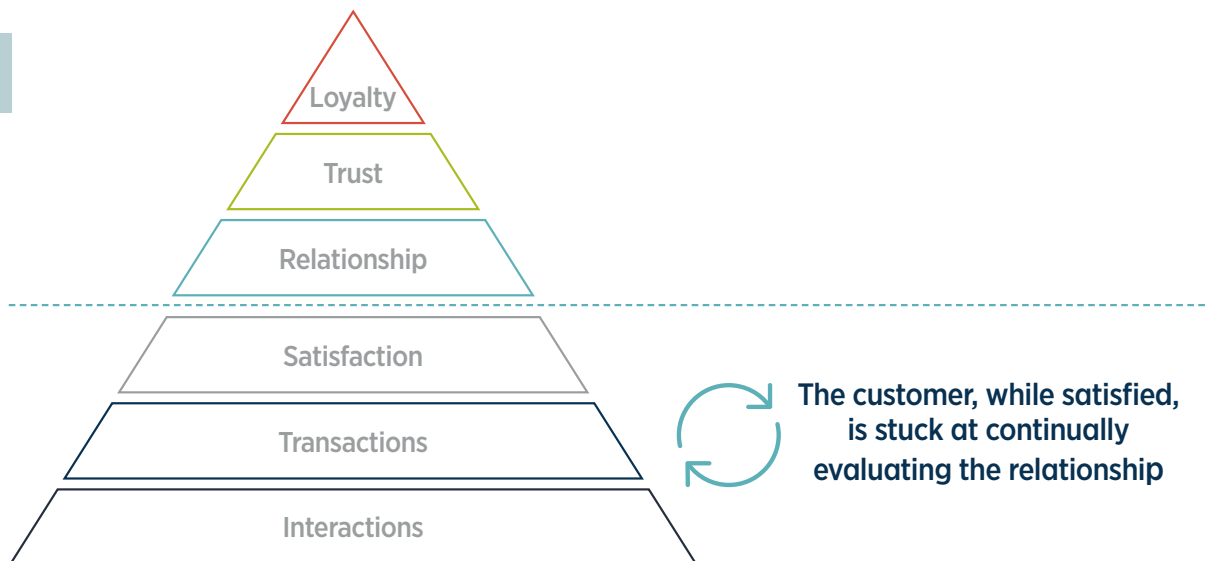
2

Customer Experience (CX) – The New Marketing Model

Customer experience is now widely recognised as the only source of defensible competitive advantage for brands. The Hierarchy of Customer Experience Model (*Figure 1*) highlights why this is the case:

FIGURE 1

The hierarchy of customer experience



Source: *Informatica: A Marketer's Guide to Customer Experience*
https://www.informatica.com/lp/a-marketers-guide-to-customer-experience_3788

Brands seeking to achieve lasting and sustained loyalty must move beyond a transactional and rational relationship and achieve an emotional connection and relationship with the customer based on trust.

Brands must earn their place in consumers' lives by using their data to consistently deliver value whenever and wherever customers engage with the brand. The 'customer experience' is the perception created by the sum total of all these interactions. So, marketers are working to the law of marginal gains where lots of small improvements add up to a material step change in performance.



There is no single silver-bullet campaign or activity to win a consumer's heart for life. It's all about turning up and being useful when the consumer needs you.

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There is no single silver-bullet campaign or activity to win a consumer's heart for life. It's all about turning up and being useful when the consumer needs you - or as Google so concisely put it: 'Be there, be quick and be useful'.

As if this was not challenging enough, marketers must also accept that consumer expectations are no longer set within a category but rather by 'best-in-class' experiences wherever they occur. Think Uber for functionality, Amazon for transaction, Apple for design/usability, Spotify for curation or Facebook for sharing.

Digital experiences (principally website and ecommerce but also email, app, social and paid media) are an increasingly prominent part of the experience mix. That significance has only been amplified by the 2020 Coronavirus pandemic which has restricted most offline channels.

A digital experience platform that can deliver memorable brand experiences and seamless journeys across all channels has become a key part of the marketing technology mix. These experiences will build trust and engagement by delivering consumers:

- **Great front-end experience** - UI/UX, rich media and immersive content.
- **Control and privacy** - permissions and contact preferences.
- **Context** - real-time decisioning reflecting timing, environment and location.
- **Utility** - serving customers in their moments of greatest need, enabling the brand to win in the 'moments that matter'.
- **Relevance** - value-adding ('in-the-moment') personalisation that recognises them as individuals, reflecting customer characteristics, circumstances, intent and behaviours.
- **Choice and accessibility** - seamless journeys across all digital channels.
- **Consistency** - across all channels, online and offline.
- **Continuity** - right across the customer lifecycle.

3

Omnichannel Technology Stack Architecture Model

A well-architected and integrated marketing technology stack powered by rich customer data and deep insights empowers marketers to design and deliver enhanced experiences for customers. Marketers must become more technically-literate, data-driven and insight-led. This will make them better marketers and encourage them to aim higher in the CX/DX strategies, and build the kind of emotional engagement that characterises higher-order customer experiences.

Marketers must leverage customer data at every opportunity to enhance the value proposition and experience they deliver. Jahia's omnichannel technology stack architecture model (*Figure 2*) is a planning framework to help them meet this challenge.

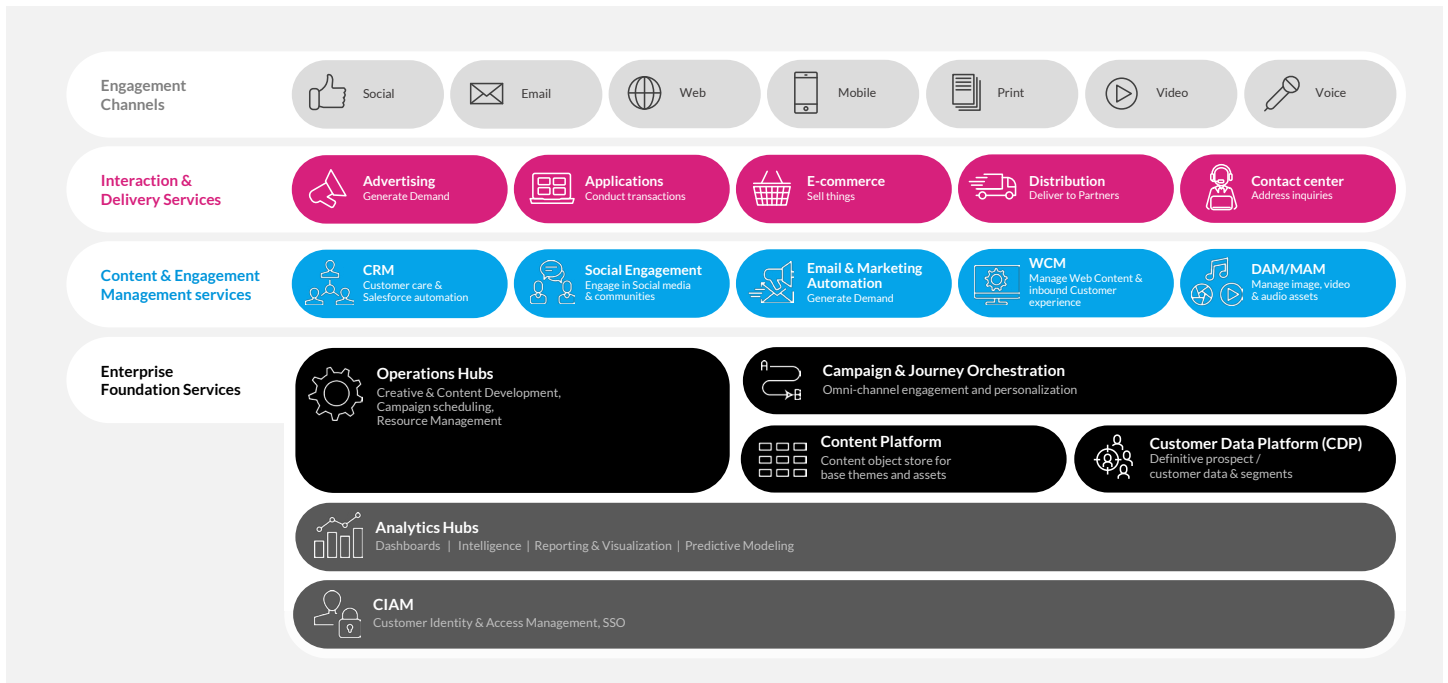
The variety, complexity and speed of technology advancement combined with the unrelenting need to innovate makes it impossible for even the biggest technology vendors to offer a one-stop solution for marketers. The marketing technology stack is now universally viewed as a cloud-based ecosystem of individual applications performing different functions that cumulatively deliver the customer experience strategy of the business.

Every organisation will have a unique marketing technology stack reflecting its CX strategy, channel mix, technology preferences and budgets. However, it is possible to define a generic reference architecture to:

- Act as a blueprint for the overall architecture of the marketing technology stack.
- Enable marketing and technology strategists to work to a common model when aligning CX and technology roadmaps.
- Guide selection and integration of individual technology components.
- Abstract away from individual technology component functions and features to highlight strategic architectural considerations.
- Identify and manage overlaps between individual components.

FIGURE 2

Jahia omnichannel technology stack architecture model



Source: Jahia

These are the imperatives shaping the omnichannel technology stack architecture:

1. Maintain a rich (data pulled from any internal or external source system) and robust **customer profile** (characteristics, behaviour and context) – to support great customer experiences. Customer data and insights lie at the heart of any successful CX strategy.
2. Make this **customer data available to any calling application** – to support customer-centric processing / decision-making across the enterprise.
3. Make **content assets available across all channels** – to support highly personalised content delivery at scale and speed.
4. Apply a **privacy-by-design approach** – to address consumer demands and regulatory requirements.

5. **Centralise the core 'services'** (to achieve control, consistency and economies of scale) of:

- Customer identity and access management
- Analytics
- Customer data management
- Content
- Personalisation / decisioning logic and rule sets

6. Develop and deploy functionality as **open, callable services** allowing near-instant access to customer dataset via robust interface routines to reduce integration complexity and lead times.

7. Deploy technology via **cloud-based infrastructure** – to provide high performance and scalability.

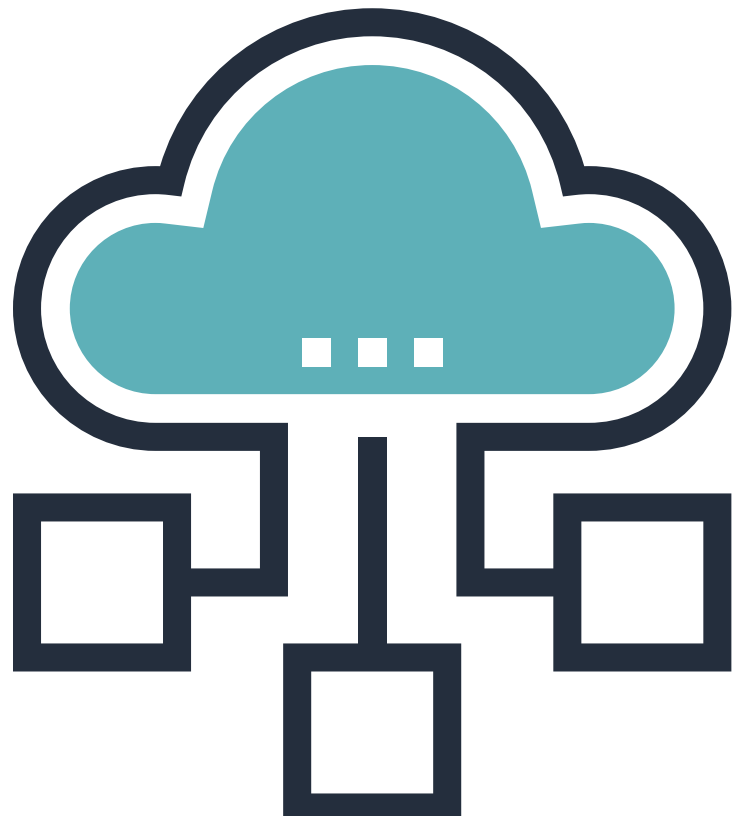
8. Allow **end user control of customer data and the business rules/logic** that drive customer experiences – to support testing/optimisation, innovation and quick response times.

9. **Decouple the fast-moving engagement channels/ interaction and delivery services** from the more stable content and engagement management/ enterprise foundation services - to apply proportionate approaches to governance, control and risk management, and crucially support innovation at the front end.
10. Adopt a **modular, application ecosystem** model - to engineer flexibility into the tech stack.
11. Leverage **machine learning** - to support powerful, automated personalisation.
12. **Democratise analytics** and deliver insights across the business to those frontline staff and functions that can leverage them to deliver enhanced customer and digital experiences.

This standard omnichannel technology stack architecture model can be used as a template to define the specific application ecosystem that would be appropriate for a particular business. Arriving at this tailored blueprint for an organisation will involve:

- Deleting components that are not relevant, particularly in the presentation and engagement layers, to reflect the brand's delivery model. This will outline the high-level scope of the martech stack.
- Prioritising the significance of the remaining technology components (a simple Red, Amber, Green (RAG) classification is a good start). This will signpost the critical martech components.
- Mapping the key interfaces between different components and specifically the critical data flows. This will outline the key datasets and integration requirements.
- Comparing the reference architecture ('To Be') model to the current martech stack ('As Is'). This will identify areas of greatest risk/opportunity.

These steps will form the basis of a marketing technology strategy and planning process that is rigorous and structured (IT will like that) whilst being accessible and relevant (so that marketers can direct and stimulate the debate). This collaborative, commercial and customer-centric approach will provide a solid platform to support design and delivery of the optimal marketing technology solution for the business.



4

Digital Experience Platform (DXP) – How to Future-Proof Your Technology Investment

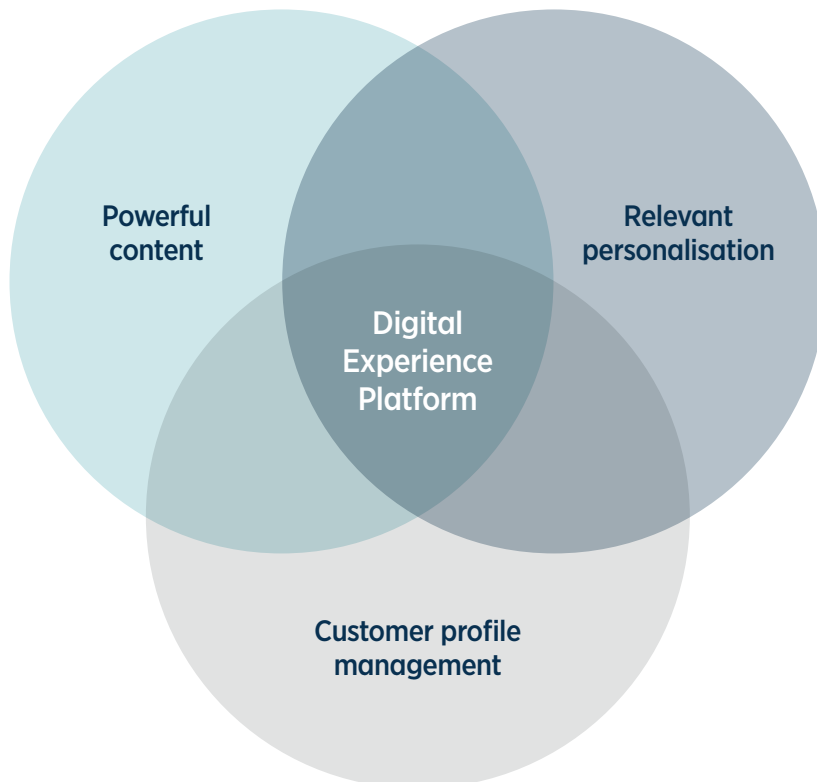
As digital interactions increasingly become consumers' 'channels of choice', the technology supporting these will become more pivotal to the marketing technology ecosystem.

A DXP is characterised by a combined approach to customer data, content management and decisioning:

Digital experience platforms (DXP) have emerged as an effective means of meeting marketers' need for smarter customer experiences whilst addressing the key architectural principles embodied in the omnichannel technology stack model.

FIGURE 3

DXP capabilities



It is the combination of these three capabilities that can:

- Deliver memorable brand experiences for the consumer
- Deliver high levels of automation and marketing productivity
- Support rigorous testing and optimisation of content publishing to maximise ROI

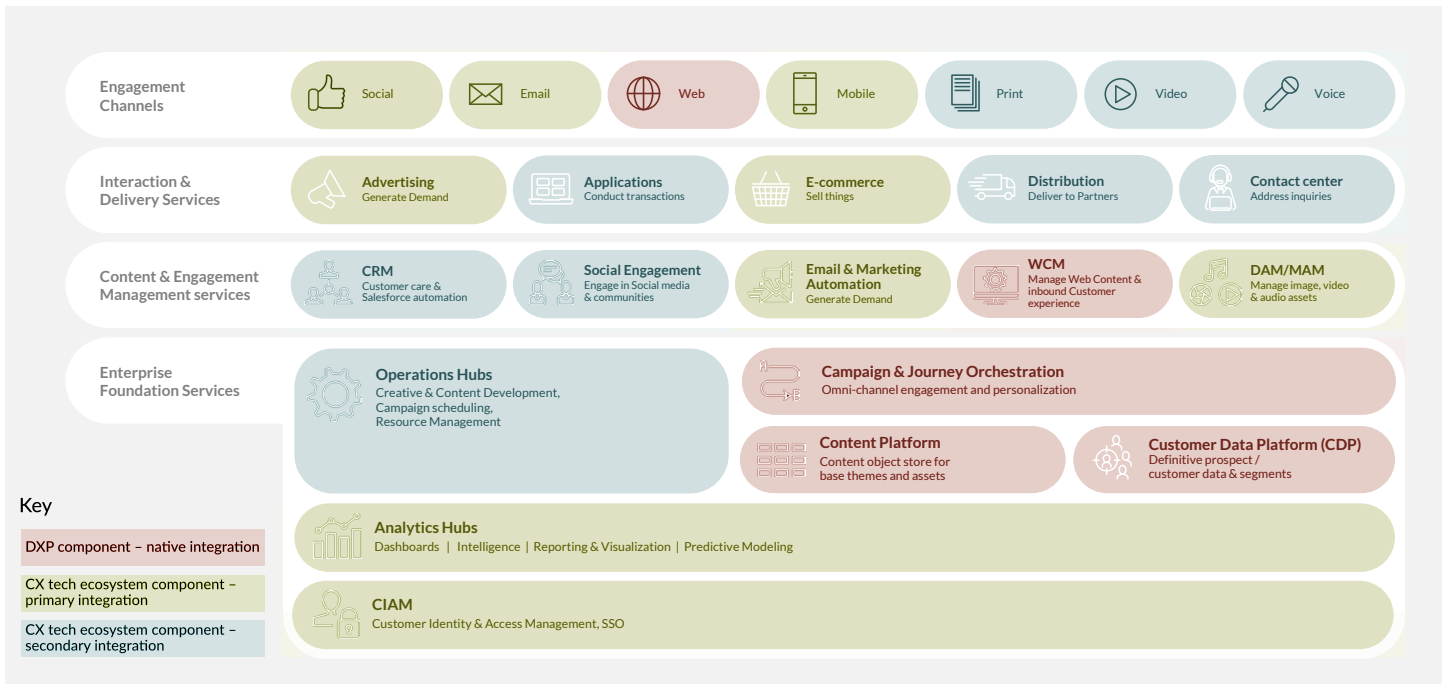
First-party customer data is critical to success as it is the one asset that a brand has that its competitors do not. The unique insights that this can reveal enables brands to tailor experiences, recommend products/content and predict future needs. This provides for the Holy Grail of marketing - defensible competitive advantage.

Marketers pursuing this goal via a DXP technology investment are well placed to deliver a step change in the experiences they offer customers if they invest wisely. They should take care to fully exploit the opportunity this represents and future-proof their investment by selecting a technology set that:

1. Supports native integration across content, customer data and personalisation. Seamless processing across these functions will unlock the synergies across them.
2. Maps well to the overall omnichannel technology stack architecture model. The key areas covered by a DXP have been highlighted in red.
3. Supports easy integration with the other applications in the CX marketing technology ecosystem - the primary integrations have been highlighted in green and the secondary integrations in blue. The exact applications/components and integrations will be driven by the requirements of the business (and IT).

FIGURE 4

Jahia omnichannel technology stack model (integrations)



Source: Jahia / London Research / Andrew Campbell

5

Customer Data Platform – Powering the DXP

Customer data management is a core, foundational (cross-application) function in the technology stack architecture model. It is effectively the foundation on which the DXP is built. Sharing data across different marketing applications within the ecosystem will drive integration across the DXP and other components to enable them to operate together as a cohesive whole.

A key pointer to the fundamental importance of customer data management can be seen in the influential analysis of the marketing technology landscape performed by Scott Brinker and the Chiefmartec team (*Figure 5*).²

Brinker's research has shown data management to be the fastest growing marketing technology category with more than 1,200 vendors now operating in this space, an increase of more than 25% year on year. We would not be seeing this level of investment and activity unless customer data management had huge potential to deliver high returns for marketers.

A customer data platform (CDP) should cover the following customer data management functions:

- 1. Profile management** – customer-centric, cross-channel view of the customer.
- 2. Consent and permission management** – all customer contact and data usage preferences.
- 3. Data sourcing / ingestion / staging** – receiving data from the data-generating systems (online and offline).
- 4. Data validation** – applying internal data integrity checks before processing and loading data.
- 5. Data matching and appending** – maintaining the customer profile.
- 6. Data / event modelling** – enriching the customer profile with behavioural insights.
- 7. Data in** – integration with data-generating components:
 - Data collection (zero party)
 - Data enhancement (first/second party)
 - Data enhancement (third party)
- 8. Data out** – integration with calling/recipient applications:
 - Internal systems e.g. CRM
 - External systems e.g. ad exchange

FIGURE 5

Martech landscape solutions

Total solutions		Growth since 2019
Advertising & Promotion	922	4.1% ↑
Content & Experience	1,936	5.6% ↑
Social & Relationships	1,969	13.7% ↑
Commerce & Sales	1,314	9.0% ↑
Data	1,258	25.5% ↑
Management	601	15.2% ↑

Source: Chiefmartec, Scott Brinker, April 2020

These functions enable a CDP to deliver four critical capabilities:

1. **Sourcing data to build and maintain a rich customer profile** (for identified customers / enquirers / subscribers and anonymous site visitors) reflecting: customer characteristics, preferences and permissions, purchase behaviours, interactions, intentions and circumstances.

The ability to access and manipulate source data provides for flexibility in meeting any future requirements. It is the critical capability that will support future innovation with regard to the analysis and activation of customer data.

Marketers must spot opportunities to create value-adding insights from source data. For example, a motor insurer might have a product configurator tool on its website. Typically use of this feature on the website would be defined as a Google Analytics (GA) 'event' and in all likelihood proven to be highly predictive of conversion. The GA event 'firing' could then trigger subsequent website personalisation or a triggered email for registered users delivering an enhanced customer/digital experience.

This is good – but not great! Instead let's consider a case where clickstream data is being collected via a CDP. Access to this raw data would then allow modelling and analysis of different behaviours (recorded and maintained as part of the customer profile) that go beyond simple usage/repeat usage of the product configurator, such as:

- **Repeated, incomplete use** of the product configurator **on a mobile device** – suggesting a user may have usability issues.
- Use of the product configurator **and** saving of an illustration for a high-value policy, **after** visiting from a price comparison website **by an anonymous** visitor – suggesting the prospect is price-sensitive, high-value and close to purchase.
- Use of the product configurator by an **anonymous visitor with widely ranging product parameters** – suggesting a customer is 'browsing' and higher up the purchase journey.
- **Single, completed use** of the product configurator by an **existing customer close to renewal, using narrowly varying product parameters** – suggesting a customer investigating different renewal options for their current policy.
- Use of a **live chat / IM link after using the product configurator** – suggesting the customer is close to purchase.

This type of event modelling and more granular behavioural analysis provides a much richer context and insight into a customer's needs, circumstances, intent and likely future actions. It takes marketers beyond 'black box' recording of major events and over-reliance on single data points/events in a purchase journey.

We don't know which of these insights (or any of the other possible behaviours we could model and explore) would be most powerful and/or actionable. But crucially, access to the raw data enables us to test this out and continually enhance the experience we deliver customers and optimise the results they produce for the business. These are the ultimate goals for marketers, with the management of data via a CDP being a key means to these ends.

2. **Activating enhanced insights** by making the enriched customer profile available to:

- Engagement applications to automate customer journeys and meet customer needs when they interact with the brand.
- Decisioning components to support customer-centric processing and (real-time) personalisation across all channels.
- Analytics and data mining components to reveal rich, actionable customer personas and insights.
- Machine learning applications to support powerful predictive models.
- Reporting components to deliver customer insights right across the business.

Unless we can act on the insight we have generated from customer data, it will not add value, either for the customer or the business.

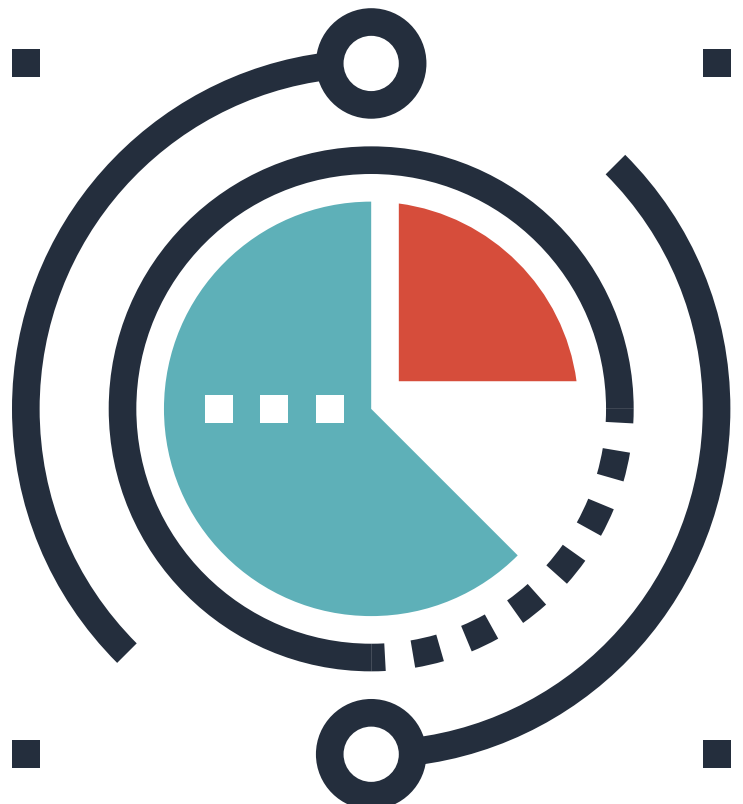
3. **Respecting customer permissions/preferences and privacy regulations.**

As privacy concerns and regulatory obligations become more prominent, a base line, hygiene factor for marketers is tight governance of customer data and compliance with consumers' stated permissions and preferences. This is now effectively 'customer data management 101' and a mandatory aspect of the marketing technology stack.

4. Beyond the key functional requirements for a CDP listed earlier, the other **important (technical and operational) features to be considered when evaluating CDP alternatives** are:

- i. Intuitive user interface and usability.
- ii. Open source standards and code base governance to simplify development and customisation of data management.
- iii. Transparency of data processing to avoid the 'black box' syndrome where data (and corresponding insights) generated cannot be validated and/or interrogated.
- iv. End-to-end visibility and control of data processing to support tight data governance.
- v. Trusted codebase to support data standards and adoption of best practices.
- vi. Compliance with all relevant technical and dev ops standards:
 - Internal
 - External/regulatory
- vii. Extensive connectivity features and developer toolkit to allow easy integration across the application ecosystem whilst maintaining application governance and access control.

These technical and operational requirements are the 'under the hood' features of a CDP but vital to its efficient operation and total cost of ownership (TCO). These features are highlighted here to provide a valuable checklist for use in benchmarking an existing or new CDP platform being considered as part of a DXP.



Get in touch

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If you are interested in producing high-quality B2B research, please contact London Research:

✉ info@londonresearch.com

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