

An Oracle White Paper  
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# **Improve your Customer Experience with High Quality Information**

## Executive Overview

**Businesses are better leveraging their key CX asset – customer data - by building MDM foundations in support of their Data Governance initiatives**

***Improvement of the Customer Experience – CX - is a key imperative of all customer facing organizations in today's world. Process changes in marketing, sales, service and beyond in order to deliver a better CX are resulting in new ways of understanding and reaching customers. New channels and applications drive changes in customer communication, always with the idea of the customer in the drivers seat. At Oracle we often hear the wording "Go Social", which is a big part of any modern CX strategy. Given all of these ongoing changes and improvements of processes, services and communication attitudes, one of the key assets of Customer Experience often still gets mistreated. It's the underlying customer information. How can you as an organization achieve 'One Informed Face to your Customer' if you don't know your customer?***

Increasing CX requirements of customers as well as fast and agile adoptions by competitors force organizations to think about how to improve customer interactions. Organizations therefore need to understand their customers and prospects real needs and drive communication and services based on this knowledge. To get a better understanding of what this means, let's for a moment take the seat of your customer. For example, what you would expect from an organization you want to deal with and spend your precious time and money with? I guess you expect that organization to:

- Service you, as if you would be their best and well known friend. Based on your history with an organization, they should treat you with deep understanding of your overall customer history, your real needs and your related demands.
- Offer you just the relevant services and products you need at the current point in time and situation you are in – nothing worse, for example, an organization that offers you a family special, while your kids are grown up and left the house many years ago.
- Offer you consistency and continuity in treatment. Never mind whom you are talking to in an organization, they should start communication where it ended

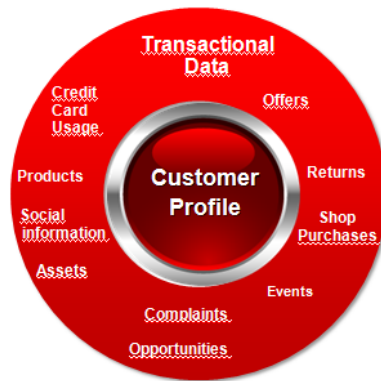
before. Offered services have to be personalized based on what was discussed and agreed before, never mind the channel or touch point you use.

Incomplete or incorrect information about customer value, buying history or the customer's interactions with an organization's services department cause lots of frustration. Missing cross- and up-sell potential, increasing complexity leading to operational efforts on both sides and first thoughts about customer churn are just some of the resulting negative impacts bad customer insight can cause.

To address these challenges, organizations require a valid, up to date 360° view of the customer's overall situation. They need to combine a consolidated customer profile with all other customer related information available across organization. The resulting customer insight drives success in any Customer Experience strategy. It helps organizations understanding and treating their customers the best way possible.

## Customer Relationship Hub

A combination of Persistent & Federated Customer Data



- CUSTOMER MASTER DATA
- CUSTOMER PROFILE INFORMATION
- TRANSACTIONAL CUSTOMER DATA – AVAILABLE ON DEMAND
- FLEXIBLE AND EXTENSIBLE DATA MODEL
- 360° VIEW OF THE CUSTOMER ACROSS CHANNELS, SYSTEMS AND CUSTOMER TOUCH POINTS
- MIXTURE OF FEDERATED AND PERSISTENT INFORMATION

## How does information impact CX processes?

Customer Experience to a certain degree is based on understanding the nature and history of customer activity. The typical questions at this point of thinking are:

- How does this impact an organization?
- What needs to be changed?
- Is there enough relevant customer data within an organization?

The clear answer to the last question in most cases is 'No'.

It's all about organizing the available data. Organizations, who intend to have a 360° view of their customers, need to be able to build a comprehensive, consolidated customer profile including historic interactions across channels and systems. Based on clean and up to date information they are able to treat their customers in the best way possible. What sounds like a natural and easy step, first of all requires a change in mindset of people within the overall organization. Quality, consolidation, alignment and provisioning of relevant data at the point and time where it's required, has to become an organization's key imperative. Changing an organization's customer data management processes as a critical foundation of the overall CX strategy helps to more quickly and comprehensively allow organizations to further streamline their customer related processes. This directly increases revenue potential while at the same time saving operational costs and efforts.

Given new channels like Facebook, Twitter or LinkedIn, the customer interactions and it's related data - and understanding the problem - even gets worse. More and more customer interactions take place **outside** the organization's direct control. Missing alignment of information across old and new channels leads organizations into rapidly increasing challenges regarding the management of their overall Customer Experience strategy. "Garbage in – Garbage out" is an increasing issue and has to be addressed if an organization wants to get on the next level of its CX enablement.

## The Oracle Customer Experience (CX) Portfolio

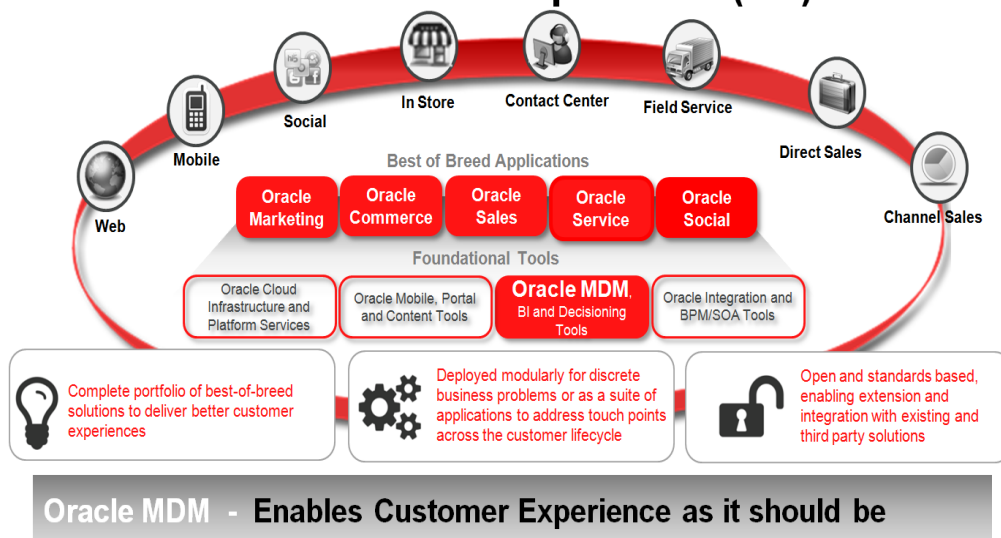


Figure 1: Oracle Customer Experience Portfolio

Based on the case study above this shows the complete best of breed solutions delivered to the customer.

## Why does the Business need to be involved in Data Management?

Let's for a moment have a look at the typical customer data management processes within an organization. Who is responsible for building and maintaining the information needed? In most cases it's assumed to be the IT department! That's at least what business people in an organizations often think, when talking about a consolidated, cross departmental 360° view of their customer.

But what does IT know about your customers? How often are they dealing with your customers? Do they understand the impact bad or duplicate customer data has to your customer's experience, to your quality of service, to your realization of cross- and up-sell potential? Do they know which information you really need on a day to day basis, when dealing with your customers?







In most cases the answers will be "Nothing", "Not at all" or just a simple "No".

So let's ask the question again: "Who should take responsibility for consolidation and maintaining the customer information needed". From our experience working with thousands of customers over the years, the answer is clear: It's the Business owners; Sales, Marketing, Service, Finance, Distribution, etc.

IT definitely needs to be involved as they have the knowledge, experience and responsibility of implementing the tools, platforms and applications that enable the business to manage the processes the business needs to take care of this vital information. IT also knows about technical capabilities of underlying systems. But without the deep understanding of the customers and their related data across the organization, data will remain just data and the best CX strategy will fail in the end due to a lack of customer insight.

It's the business insight, which turns basic data into high value information supporting the overall customer journey within an organization. It's the business who needs to take ownership and drive change of an organization from being pure process driven into customer centric and information enabled.

## Customer Experience per Industry Process

Industry	Customer Experience	Strategic Processes
 Banking	<ul style="list-style-type: none"> <li>• Cross-channel Services for Banking</li> </ul>	<ul style="list-style-type: none"> <li>• Account Origination &amp; Client Relationship Management</li> <li>• Enterprise Risk and Compliance</li> </ul>
 Telecom	<ul style="list-style-type: none"> <li>• Customer Care and Billing</li> </ul>	<ul style="list-style-type: none"> <li>• Rapid Offer Development and Order Delivery</li> <li>• Unified Customer and Billing Management</li> </ul>
 Retail and CPG	<ul style="list-style-type: none"> <li>• Customer Experience and Loyalty</li> <li>• Cross-channel Commerce</li> </ul>	<ul style="list-style-type: none"> <li>• End to End Merchandising</li> <li>• Customer Intimacy: Effective marketing &amp; Retention</li> <li>• Strategic product sourcing and GDSN</li> </ul>
 Public Sector	<ul style="list-style-type: none"> <li>• Citizen Services</li> </ul>	<ul style="list-style-type: none"> <li>• Social Services &amp; Case Management</li> <li>• Student &amp; Constituent Management</li> <li>• Single view of TaxPayer/Citizen/Criminal</li> </ul>
 High-Tech Manufacturing	<ul style="list-style-type: none"> <li>• Cross-channel Customer Experience</li> <li>• Sales Distribution and Aftermarket</li> </ul>	<ul style="list-style-type: none"> <li>• Account Management</li> <li>• New Product Introduction, Compliance and Sourcing</li> <li>• Integrated Business Planning</li> </ul>
 Life Sciences & Healthcare	<ul style="list-style-type: none"> <li>• Patient Care</li> <li>• Health Management Platform</li> </ul>	<ul style="list-style-type: none"> <li>• Aggregate Spend Solution aka Sunshine Act</li> <li>• UDI Compliance</li> <li>• Health Insurance Exchange (HL7 &amp; PIX/PDQ Compliance)</li> </ul>

**CX Processes - Require high quality, clean data across touch points**

Figure 2: Customer Experience per Industry Process

The CX Process – Require high quality, clean data cross touch points

## Master Data Management: THE foundation of a 360° view of the customer

The first steps of customer data management are to know which

- information needs to be available when & where,
- where this information comes from
- which of this information is foundational across processes and channels (so called master data).

All processes of data consolidation, cleansing, alignment, enrichment, etc. are based on the answers to these key questions.

Based on Oracle's experience gained over the years in multiple CRM, CX and resulting MDM projects, key customer data like name, addresses, structural and profile information has to be aligned and consolidated across source systems within one single trusted and persistent customer master solution. This approach allows building and distributing a golden customer record and eases maintenance over time. Most of the other information related to transactional customer interactions then can be grouped around this information in a persistent or federated way, depending on technical needs and capabilities (e.g. performance).

Proper Master Data Management, is the foundation of an organizations so called '360° View of the Customer'. Getting there is a step by step journey which often starts Small – addressing some key often departmental issues and delivering some quick wins – and by nature gets Big over time – extending to the overall organization.

## The MDM Journey: Start small – Get Big

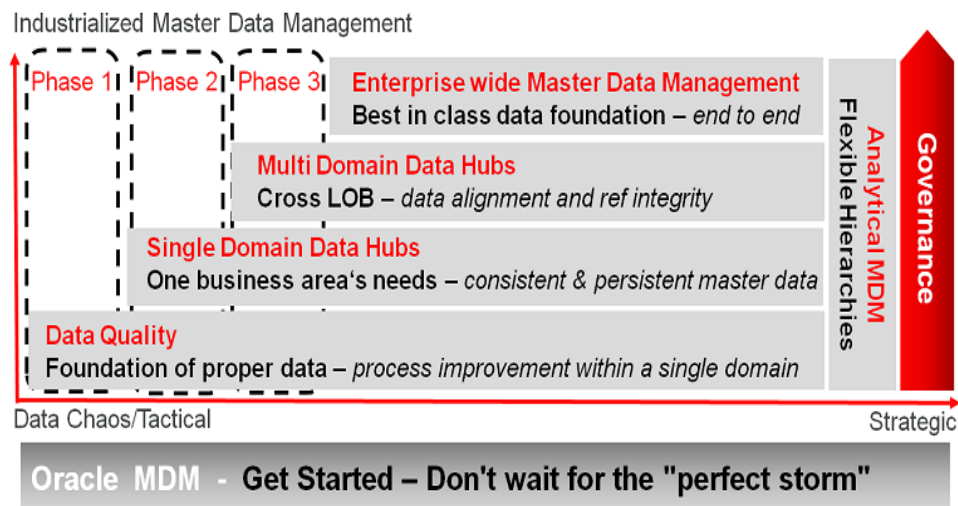


Figure 3: The MDM Journey: Start small – Get Big

Based on Phase 1-3 approach from Data Chaos, Tactical to an overall strategic governance strategy.

Last but not least data or information governance is the still missing piece of the puzzle. Proper governance allows managing and providing high quality customer information and resulting insight over time. Governance processes and policies therefore have to be driven or at least strongly influenced by business experts, providing their domain knowledge and resulting demands. Successful organizations therefore tend to implement an overall data governance board built out of business experts and IT leaders. Data management processes and rules defined in this virtual team then get implemented by IT and ideally monitored and automated by a dedicated team of data stewards.

## How to address the issues

Managing Customers, Products, Suppliers, Sites & Dimensions across organization

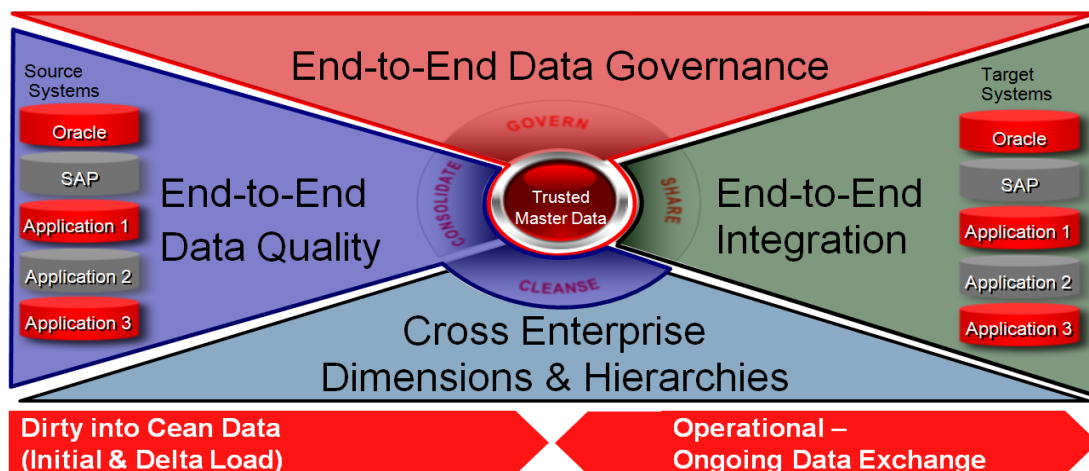


Figure 4: How to Address the Issues

End to End Data Governance from cleansed data to operation data.

## What does a company get out of it?

The main question you probably ask yourself now, is “What do I gain out of such an approach?” The simple and short answer is “Better and more consistent treatment of your customers and prospects across customer touch points, which leads to a much better customer relationship”. Overall a proper established Customer Master Data Management solution

- Improves the overall quality of customer interactions
- Increases the share of wallet as organizations can sell to their customers based on a deep understanding of what really matters to them.
- Leads to better spending of marketing money on real customer cases, while positioning the right solution using the preferred communication channel
- Allows deciding based on real, aligned and consolidated customer information
- Gives organizations better insight, which customers are really worthwhile to do business with
- Helps predicting and addressing potential churn in an early stage
- Helps avoiding fines and penalties due to mistaken privacy rules

So overall MDM drives CX efficiency, helps increasing organizations revenue and reducing operational costs. It allows companies to keep a clear focus on high value customers and drives service improvements beyond departments and across channel borders.

## A Great Customer Experience

### Benefits from having MDM as a cornerstone

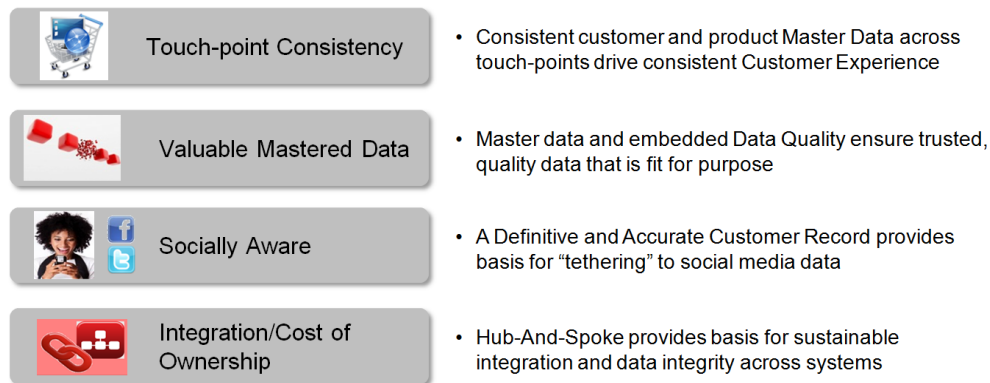


Figure 5: A Great Customer Experience

Having an MDM solution provides for sustainable integration and data integrity across your systems.

## Conclusion

Oracle since many years is a proven leader in the CRM/CX and MDM business. Taking the experience of multiple national and international CRM and CX projects and the deep knowledge of underlying systems and processes Oracle defined a well proven solution of managing Customer Master Data and other core entities within an enterprise.

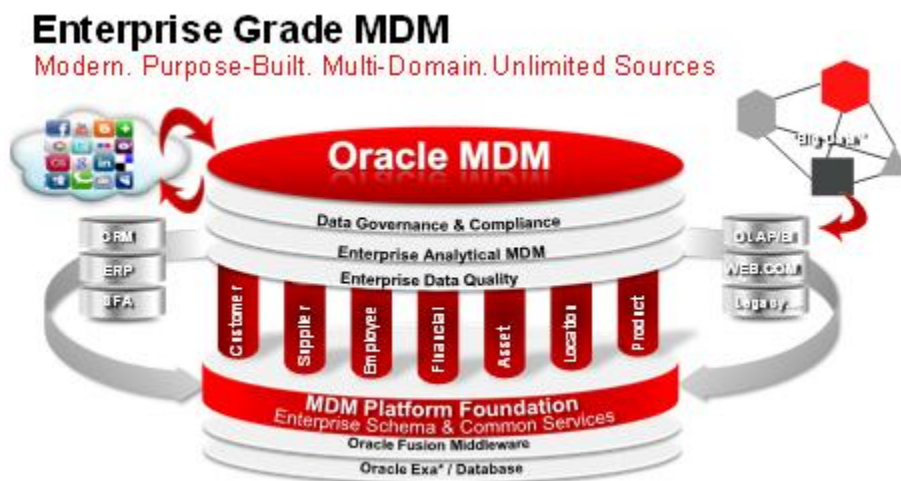


Figure 6: Enterprise Grade MDM

A modern, purpose build, multi-domain platform to drive better customer experience.

Oracle not only delivers successful MDM projects across the world, but it also permanently extends its footprint in the CX product space, year over year. This extension drives inside and outside need of change and adaption of Oracle's MDM solutions as they are the data foundation of Oracle's integrated CX solution strategy. Taking Customer Master Data Management and related benefits really serious, Oracle itself successfully uses its own MDM solutions since years to drive better Customer Experience, to improve sales and service process efficiency and to reduce operational costs.

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Author: Ulrich Scheuber

Contributing Authors: Bill Miller, Neela  
Chaudhari

Oracle Corporation  
World Headquarters  
500 Oracle Parkway  
Redwood Shores, CA 94065  
U.S.A.

Worldwide Inquiries:  
Phone: +1.650.506.7000  
Fax: +1.650.506.7200

oracle.com

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**Hardware and Software, Engineered to Work Together**

