

Delivering personalised experiences in times of change



In today's digital economy, customers are continuing to set the bar higher and higher in terms of what they expect from the brands they interact with. Power that was once held by the providers of goods and services has now shifted to the customer – whose demand for a seamless and highly relevant experience at every interaction is driving a shift in the way organisations must operate.

With the rise of internet consumerism, customers have access to more content, buying channels and brand options than ever before. With such an overload of information and choices available, organisations can no longer survive by simply providing the bare minimum necessary to keep customers from leaving – instead they are shifting to a strategy centred around optimising customer experiences and outcomes.

As technology has advanced from traditional one-way marketing and generic engagement to allow for data-driven experiences, organisations now have the ability to approach and engage their customers in more proactive, intentional ways than was previously imaginable.

It's all about the data

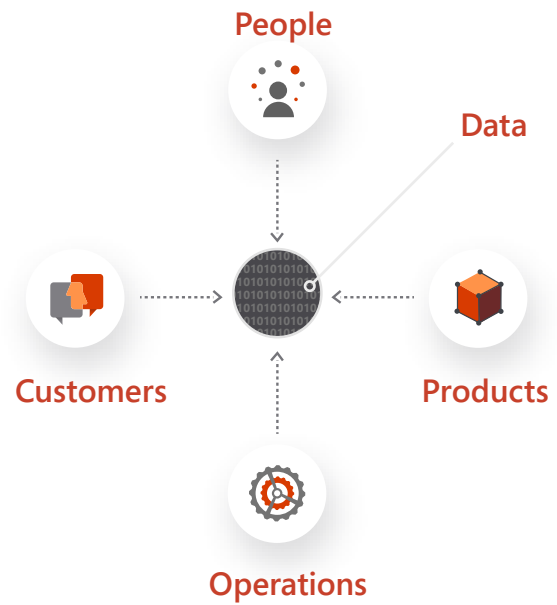
Providing an exceptional, highly relevant customer experience is no longer an option, it's a necessity. In a market where customers are free agents and where adoption and abandonment occur at the blink of an eye, organisations must demonstrate that they both understand and value their customers. It all starts with data and business applications that leverage that data to drive customer-centric experiences.

For decades, business applications have been relatively static in their functionality and approach. Because business applications embody and automate an organisation's business processes, the business processes themselves have been relatively static as well, limiting organisations to operating in a reactive – versus a proactive – manner. For example, when a customer has a problem and contacts a call centre for help, the service representative manually enters the information into the CRM platform,

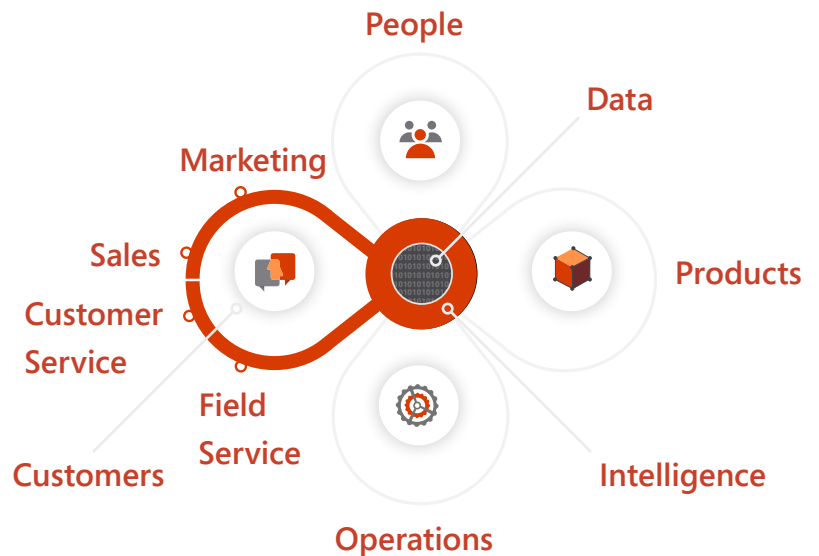
then manually completes steps to rectify the problem, typically utilising several disconnected systems. This is an incredibly reactive process and has been the norm for decades because there has been no other way to approach it.

With the advancements of technology, things are fundamentally changing – data is flowing from everything, and at rapid pace. Increasingly, every product and service is being digitally enhanced – products have embedded software, services are consumed via applications and everything is connected to the cloud. These digitised, intuitive technologies are enabling organisations to leverage data to derive insights that power proactive action – detecting issues and anomalies before they arise and knowing what customers want even before they do. This transition from reactive to proactive business processes is powered by data, guided by intelligence and delivered through transformed experiences, while business applications are being reimaged to support this opportunity.

An enormous volume of data is being generated constantly by customers, products, employees and operations, which can be collected, analysed and interpreted in order to gain a more



holistic view of everything going on within and around an organisation. From the customer perspective, behavioural and transactional data gathered at every interaction – like web searches, social media updates, purchases or support calls – provide insights that power more intelligent engagements across marketing, sales and service. These engagements generate even more data and, over time, build and improve the 360° view of the customer in a continuous digital feedback loop.

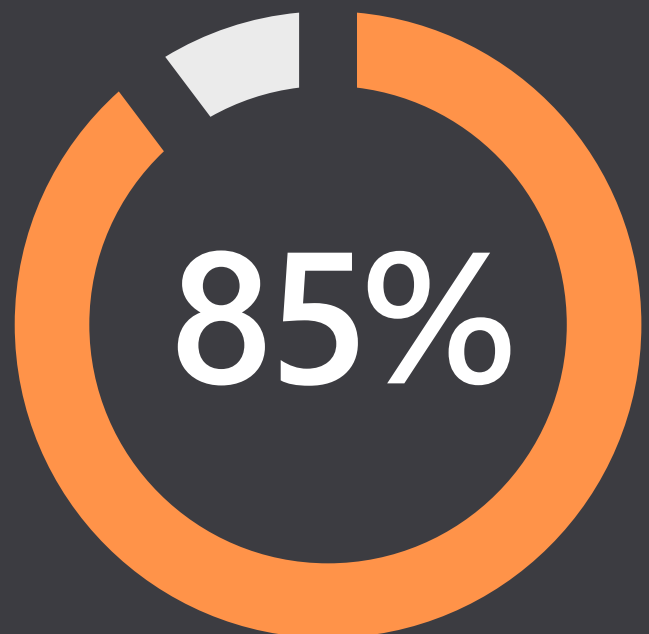


The impact that customer data is having in today's economy is already clear. Organisations that are leveraging their customer behaviour data to generate insights outperform peers by 85% in sales growth and more than 25% in gross margin.¹ A unified data estate not only helps organisations to better understand and engage their customers, but can power better business decisions and strategies – like which products or services to eliminate, or where to locate the next storefront.



¹ [McKinsey](#).

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Gaining a 360° view of customers



Digitally transforming the customer experience not only drives sales, but establishes deeper, more lasting customer relationships. Over 90% of customers report they are more likely to interact with brands that recognise them and provide relevant engagement or recommendations² – making it vital for organisations to leverage their customer data to deliver unique, modern experiences in order to remain competitive.

A recent McKinsey study notes that a popular multichannel retailer leveraged its customer purchase data and on-site activity to trigger targeted messaging to individual customer segments, doubling its email open rate from 10–15% to 25–35%. Similarly, the study found that a travel company utilising comparable strategies with its customer data saw an increase of 10–20% in conversion rates and customer lifetime values.³

Companies like Netflix have been leveraging this approach for years, fine tuning and delivering exceptional experiences built on a deep understanding of their customers. The entertainment streaming giant utilises artificial intelligence (AI) and machine learning algorithms to identify patterns and trends in what customers watch and search for, then produces personalised recommendations for each individual user of an account or household. The more data it collects over time, the smarter the system and more accurate the suggestions become. More than 75% of Netflix viewer activity results from the user-data-driven recommendations, which drives over 1 billion USD in savings per year for the company by reducing churn.⁴

² [Accenture](#).

³ [McKinsey](#).

⁴ [Association for Computing Machinery](#).

Leveraging data to drive acquisition, conversion and retention

With holistic data about customers, organisations can better understand buyer preferences and anticipate customer needs, deriving insights that power proactive, intelligent engagement at every touchpoint – from marketing to sales and service. Not only does this strengthen the entire customer journey, it can also help drive better business outcomes, including increases in acquisition, customer lifetime value, revenue, retention and loyalty.

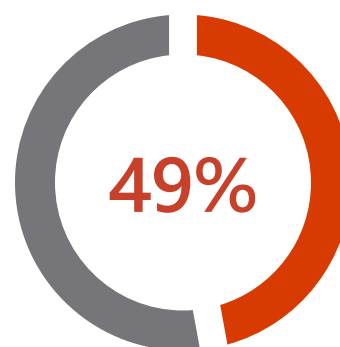
Improve acquisition

Understanding customers on a deeper level helps organisations not only tailor their content for individual customer segments, but helps attract qualified leads who are more likely to be interested in what they're offering. Ultimately, leveraging customer data enables organisations to target the right customer, with the

right offer, at the right time – raising the likelihood of conversion, focusing on higher value customers and improving ROI. Research shows that companies currently utilising individually targeted offerings are converting sales two to three times faster than those that don't.⁵

Unlock new revenue opportunities

The goal is no longer to simply convert a customer in a single, initial transaction – the bigger picture is to secure repeat purchases and increase the customer's lifetime value. By enriching existing internal customer data with third-party data and AI, organisations can provide intelligent upsell or next-best-offer suggestions and drive additional revenue.



In fact, 49% of customers say they've purchased additional items or services they did not intend to due to a tailored recommendation from a brand.⁶

⁵ [BCG](#).

⁶ [Forbes](#).

Strengthen retention and loyalty

Competition is fierce and with no shortage of options available today for nearly every product or service, it is easy for customers to find an alternative the moment they feel undervalued. Considering that it costs five times more to attract a new customer than to retain an existing one,⁷ using customer data to deliver exceptional experiences and service is paramount to strengthening retention. Empowering service employees with complete, 360° customer profiles enables them to provide intelligent service and recommendations and to resolve issues swiftly, while AI-powered analytics can predict customers likely to churn and trigger retargeting offers to keep them from leaving.



⁷ [CMO](#).

5x

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So why is it still hard to do?

While business leaders are realising they must move fast to become customer-data-driven organisations, the reality is that many companies are still falling short of providing the experiences that customers expect. More than 74% of customers report frustration with receiving irrelevant, generic engagement,⁸ and 61% have stopped doing business with a company because of it.⁹

Much of the data necessary to power intelligent customer experiences may already be getting collected, but simply gathering customer data doesn't mean that it will be readily accessible or actionable. With data coming in through multiple channels in an organisation – from sales and marketing interactions to customer service calls – it is often siloed across disparate systems, making it difficult or impossible to unify in order to gain a single source of truth.

Deepening the challenge is the inability to ingest, process and interpret this enormous volume of data at scale in order to react



with the speed necessary to be effective in today's fast-paced market. While a cloud infrastructure can enable this using AI, it still requires the right safeguards in order to maintain data security and compliance. Gaining a truly holistic view of customers requires that data not only be synthesised in real time, but needs to be enriched with AI and machine learning in order to derive richer insights – requiring a clean data estate and expensive data scientists to implement the strategy.

⁸ [Infosys](#).

⁹ [Accenture](#).

How a Customer Data Platform can help

The good news is that you don't have to be an industry giant like Netflix or Starbucks to successfully leverage your customer data – and a customer data platform (CDP) can help you get there. With a CDP like Dynamics 365 Customer Insights, organisations can unify their customer data across all sources to gain a truly 360-degree view of their customers, unlocking insights that power intelligent, authentic engagement at every touchpoint.

What sets Customer Insights apart?

Unlike other customer data platforms, Customer Insights is a self-service solution, enabling faster time to initial value with zero to minimal consulting engagement. Bringing together data from all channels – campaigns, website visits, on-site transactions, social interactions, loyalty redemption, customer

service encounters – Customer Insights utilises analytics, artificial intelligence and machine learning to create a holistic view of each customer with actionable insights. It also provides proprietary customer data enrichment for more complete customer segments with Microsoft Graph.

This unified source of customer data empowers every employee to connect and engage with customers in meaningful ways, extending to other business applications to enable intelligent action across the organisation – from marketing, to sales and customer service. Additionally, organisations can connect to a myriad of data sources to seamlessly run analytics on their data estate through Power BI, build custom line of business applications through PowerApps and can leverage intelligent insights to trigger business processes in Microsoft Flow.

Built on the Microsoft Azure cloud platform, Customer Insights delivers fully secure and compliant SaaS applications, while offering additional extensibility through a large ecosystem of Microsoft partners to help optimise and tailor solutions.



To learn more, visit the Dynamics 365
Customer Insights [website](#)

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