THE DEFINITIVE GUIDE TO EXPERIENCE-DRIVEN COMMERCE
BOOK 1

The New Customer Journey:
A Convergence of Content, Context, Channels and Commerce
# Table of Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Foreword</strong></td>
<td>4</td>
</tr>
<tr>
<td>by Errol Denger of Adobe</td>
<td></td>
</tr>
<tr>
<td><strong>Chapter 1</strong></td>
<td>6</td>
</tr>
<tr>
<td>What is Experience-Driven Commerce?</td>
<td></td>
</tr>
<tr>
<td><strong>Chapter 2</strong></td>
<td>14</td>
</tr>
<tr>
<td>Fundamental Trends Driving Experience-Driven Commerce You Can’t Afford to Ignore</td>
<td></td>
</tr>
<tr>
<td><strong>Chapter 3</strong></td>
<td>20</td>
</tr>
<tr>
<td>5 Ways Experience-Driven Commerce Will Positively Impact Your Company</td>
<td></td>
</tr>
<tr>
<td><strong>Conclusion</strong></td>
<td>25</td>
</tr>
<tr>
<td>Is Your Organization Ready?</td>
<td></td>
</tr>
<tr>
<td><strong>Glossary</strong></td>
<td>27</td>
</tr>
<tr>
<td>The Terms You Need To Know</td>
<td></td>
</tr>
</tbody>
</table>
Regardless of what industry or arena your business operates in, it’s a sure bet that your company is grappling with the challenges of continuous innovation. Competitive advantage is quickly eroded as technology evolves and barriers to entry fall away. In fact, almost 98% of the value of innovation ends up in the hands of competitors and imitators.

These trends are placing enormous downward pressure on companies’ existing competitive advantages. What’s needed to combat this is a systematic and continuous approach to innovation. For global brands with a digital presence (which is everyone), this innovation is centered on the customer.

Consumer technology, and in particular exponentially increasing mobile use, has tipped the scales of power in the favor of consumers. Customers know more about products and brands than the actual brands do. Digitally savvy consumers are now at the center of what analysts call the Age of the Customer. Whereas brands once controlled the flow of information about products, consumers are now in charge throughout the customer lifecycle.

With this in mind, how can brands compete and adopt frameworks for continuous innovation with the customer in mind? First, brands need to adopt a methodical approach to innovation. As I detailed on the Adobe blog, brands should carve up their approach to innovation into these phases:
1. **Continuously analyze.** Brands need to adopt tools and methods to measure and act on changes in consumer needs and market forces.

2. **Define problems.** Know what you’re trying to solve. Business challenges are complex, so writing down your business challenges will help you stay focused and on target.

3. **Ideate.** Develop points of view and hypotheses for your ideas.

4. **Prototype.** Brands must embrace software tools to create designs and customer-facing solutions.

5. **Test.** Develop scenarios for testing ideas and designs using real-world environments and data.

6. **Evaluate and refine.** By analyzing the results of your efforts, brands can visualize the advantages of ideas and determine their validity before iterating.

7. **Pivot if necessary.** In the Age of the Consumer, change is the norm. Be prepared to move quickly and pivot on the fly.

With this systematic approach to innovation, brands can formulate a strategy to win new customers and stay competitive in an era dominated by digital. This is at the heart of what we at Adobe call experience-driven commerce.

In conjunction with our partners Elastic Path, we have created this series of ebooks -- The Definitive Guide to Experience Driven Commerce -- to help you get started on the road to innovation. In this first book, you’ll learn what experience-driven commerce is all about, what trends are driving it, and how it will positively impact your organization. In future ebooks, we’ll dive deeper into the specifics of what steps you need to take to build a business case for implementing experience-driven commerce at your organization.

“Experience-driven” means that an organization is brave enough to rethink how they do business. Are you ready?

---

**Errol Denger leads Adobe’s commerce program. With over 15 years of e-commerce experience, Errol is responsible for anticipating client and market needs to deliver innovative commerce solutions. Prior to this he was director of product management and strategy for IBM Commerce where he led portfolio strategy and product management. He has also held several leadership positions in strategy, retail and M&A including authoring the acquisitions that laid the foundation for IBM’s Smarter Commerce business. Errol is passionate about omni-channel commerce, marketing and innovation regularly working with companies around the world to transform their businesses and deliver great shopping experiences.**
Chapter 1

What is Experience-Driven Commerce?
Over the past decade, how businesses sell has undergone a profound shift in almost every way imaginable. In its early days, ecommerce was little more than rows and columns of product images on a website. The best experience an online shopper could hope for was something akin to a product catalog. Times have changed, and it couldn’t be a more exciting time for retailers, publishers, educators, distributors and other industries to embrace experience-driven commerce.

What does it mean to be focused on the experience? And what exactly is experience-driven commerce?

Experience-driven commerce provides customers with personalized, immersive experiences across any channel, any time. Think of it as inviting customers into a visually compelling story that blends, rather than silos, the ecommerce experience.

Browsers are converted into buyers because they choose the context, products, and the pace of the story with their personal preferences and previous interactions with the brand. It’s the new customer journey that combines content and context across multiple channels that ultimately leads to commerce. This approach is something the antiquated catalog storefront of the ’90s just can’t offer, and today’s shoppers expect more. A lot more.

Mobile Technology

Mobile phones and beacons – which are small Bluetooth devices retailers can use in-store to transmit messages or prompts to shoppers’ smartphones — are all the rage as shoppers research and checkout inside a physical store without ever approaching the cash register.

Beacons placed strategically can communicate with a branded app on a shopper’s smartphone. The shopper can received personalized offers in-store based on activities they may have performed online.
Experts estimate that US$4.1-billion of total U.S. sales will be driven by beacon-triggered technology. Mobile devices have essentially erased the notion of “channels.” A website and physical store that were once distinct entities are now one and the same, offering interchangeable and complementary services. For example, customers can place an order online and pick it up at a store, or order from a store kiosk and have the items shipped to their home.

**Wearables and Holograms Will Transform Shopping**

Other mobile devices are having a similar transformative impact on shopping habits. Smartwatches are poised to explode in 2015 with predicted unit sales of 10.8 million as Apple legitimizes the wearable as a digital wallet, making payments super fast and secure. And head-mounted displays such as the Microsoft Hololens, a new high-definition holographic computing platform, have stoked consumer expectations even higher for how shopping experiences might evolve.

*Wearable technology is going to explode in 2015, making payments faster and more secure, and entertaining the demanding shopper with virtual experiences.*
Thirsting for an Experience

Even without the futuristic headgear, shoppers today have a thirst for something much more engaging. Consumers expect their shopping to be a full-on “experience,” an immersive, content-rich story that happens seamlessly when they want it, across all touchpoints. They want access to the same experience whether it’s in-store, online through an iPhone or tablet, or at home on a regular desktop PC. This complex digital journey that blends content with commerce — not the catalog website — is at the epicenter of experience-driven commerce.

A typical shopper can start shopping from multiple devices and locations before finally making a purchase. Leading-edge brands will need to understand and take advantage of this new customer journey.

Consumers expect shopping to be a full-on “experience,” an immersive, content rich story. What’s your experience?

Tweet this
Elastic Path Commerce for Adobe Marketing Cloud is the world’s best solution for integrating ecommerce with Adobe Experience Manager (AEM). It’s a revolutionary product designed specifically to enhance and add value to your Adobe Marketing Cloud investment. Out of the box, it brings robust merchandising, monetization, and customer management directly to Adobe Experience Manager, Adobe Target, Adobe Analytics, and Adobe Campaign – giving you one combined platform to create amazing, transactional customer experiences.
A Treasure Trove of Opportunities

Experience-driven commerce presents tremendous opportunities for marketers, who can capitalize on a treasure-trove of branding innovations beyond the catalog website. Microsites, social media, blogs, lookbooks, and digital magazines are turning interactive, content-sharing events into creative sales opportunities without the usual friction associated with storefront catalog websites.

The New Customer Journey

At its heart, experience-driven commerce is a fusion of digital marketing, content, analytics and data, with commerce and transactions to support the entire customer lifecycle. It’s not just about marketing. Experience-driven commerce is more about emotionally connecting with the customer in a digitally enabled way. It’s not about creating a “big-box” experience for the masses. It’s about using data to assemble commerce experiences for the individual.

For example, by using experience-driven commerce a retailer can deliver contextual experiences that are critical to the visitor at that exact moment of their customer journey, such as product discovery.

The following are several scenarios that illustrate the new customer journey.

Imagine this scenario: A shopper walks into an upscale retail store and begins to casually browse. On the wall hangs a digital screen showing a new pair of boots. As the shopper moves about the store and gets closer to the digital sign, the display quickly changes to show a new handbag — the exact model handbag that our shopper added to her online wish list a day ago. The shopper receives a personalized in-store experience without even knowing it.
This may appear magical to the shopper, but behind the scenes a carefully choreographed ballet of technology is taking place. The shopper’s iPhone app for the store is communicating with the store’s iBeacon array, which in turn signals to the digital signage that this shopper is near. The shopper’s purchase history and preferences allow the signage to be personalized based on context - it knows this shopper already owns the boots, but not the handbag. Further, the color of the handbag shown matches the boots she purchased last month.

In the “store of the future,” a series of carefully choreographed behind-the-scenes events takes place to give the shopper a highly personalized experience. Watch the video here: https://vimeo.com/112736973

In the publishing and education sectors, experience-driven commerce strategies are providing a valuable commerce service to students through digital textbooks and embedded app purchases, while allowing operators to monetize content through revenue share deals with publishers.

Desire2Learn, an innovative learning management company, is using experience-driven commerce to enable students to interact with course documents, e-textbooks and more, whenever and wherever it’s convenient.
McGraw-Hill Education (MHE) had a goal of creating a consistent digital brand and commerce experience across all of its global businesses. It wanted to blend content and commerce functionality so its products were easy to find and purchase, and allow customers to create a single account they could use to manage their overall relationship with MHE.

In the retail sector, experience-driven commerce is driving significantly higher conversion rates while providing an entertaining shopping environment. For example, pure-play retailer eBags.com recently launched its “Obsession” product discovery feature that mimics the dating app Tinder. Shoppers either swipe left to indicate that they like a product image, or right if they do. This gamified approach to shopping provides a sticky environment that keeps shoppers engaged while eBags learns about customer preferences. Already eBags’ Obsession feature has seen its site conversion rate hit 10%, significantly higher than the 1% to 2% for other online retailers.

The impact of experience-driven commerce is even more profound when the experiences cross multiple physical and online channels. Take Disney for example. Its much lauded MagicBand technology allows customers to enter parks, unlock their hotel rooms, access their meal plans, and pay for retail purchases. Interestingly, many have used the word “magical” to describe both the Disney MagicBand and their early experiences with wrist-worn Apple Pay. The concept is so fast, convenient, and secure that it could be the catalyst that marks the beginning of the end of cash.

In the age of the digitally empowered customer, delivering great digital experiences is an essential strategy and business imperative. Embracing the new customer journey will ensure you remain competitive and are able to monetize the digital experience that you provide to customers.

Chapter 2

Fundamental Trends Driving Experience-Driven Commerce You Can’t Afford to Ignore
There are powerful forces at work influencing how marketers approach this new customer journey. Technology has changed. The age and sophistication of the most influential shoppers has shifted. And physical and digital shopping environments, which have until now coexisted, are now blurred.

Here, we examine the fundamental trends driving the rapid adoption of experience-driven commerce.

The Mobile Mindshift Has Reshaped Basic Human Behavior

With mass use of mobile phones, social media, and fast ubiquitous Internet access, consumers today are more empowered than ever. Take the smartphone, for example. Mobile devices have proliferated across the world at a breakneck pace — there are now more than 6.8 billion mobile phones in use around the world. This mobile phenomenon has given consumers a much wider sphere of influence. They have an expectation that they can get what they want, anytime, in context.

Mobile technology is also reshaping basic human behavior. On average, a smartphone user reaches into their pocket or purse approximately every six minutes to do everything from checking the weather, reading an e-mail or sending a text, to getting directions, discovering new products on Pinterest, complaining about customer service on Twitter, or hailing an Uber driver.
The new reality is that customers often know more about products, services, pricing and reputation than the actual brands do. This has tipped the balance of power in favor of digitally-savvy consumers, ushering in what Forrester Research calls the Age of the Customer.

What is the Age of the Customer?

The Age of the Customer, a term coined by Forrester Research, is one in which abundant access to consumer technology — smartphones, Internet access, social media, etc. — has bestowed on consumers new levels of power and control. Whereas brands and corporations once controlled the flow of information about products and services, consumers are now in charge of all interactions throughout the customer lifecycle.
Millennials Will Demand More, Spend More and Engage More

Today’s savvy consumers are also younger and have grown up with social media and mobile devices. They simply don’t know a world without digital conveniences. Millennials are leading this Age of the Customer. They demand accessibility and expediency, and are more influenced by word of mouth and what they see on social networks than by more traditional advertising.

Boston Consulting Group recently wrote, “This generation is ushering in the end of consumer marketing as companies have long known it.”

In 2015, Millennials’ spending power will fall somewhere between US$1-trillion² and US$2.45-trillion³, depending on who you ask. By 2018, Millennials will have the most spending power of any generation. By 2025, three out of four workers⁴ globally will be age 18-34.

All of this is of tremendous value to marketers who can use data and engagement to develop experience-driven commerce strategies for this influential group.
Blurring Lines Between Digital and Physical Worlds

Millennials are also forcing brands to break down the silos that have traditionally separated the digital and physical worlds. They are digital-first customers, accounting for 59 percent of mobile shoppers around the world. In many cases, they are using their mobile devices to research products and prices while in store.

By 2018, Forrester estimates that digital technology will influence in some way almost 60% of all physical store retail transactions, worth US$1.8-trillion. This “influence” could come in many forms: In-store sales associates using iPads to check inventory for customers; digital signage that changes promotions based on preferences and proximity of a shopper; showrooming or “webrooming” where shoppers compare products online or in-store, but buy elsewhere; or simple product reviews.

These trends are why many CMOs and CIOs are focusing more of their budgets on the customer’s digital experience. Leading-edge companies know that experience-driven strategies can help them compete more effectively, particularly for that younger buyer, through customer service and digital experiences rather than on price or operational technology alone.
The Future Is Now: The Technology Already Exists

Marketers no longer have to just dream about integrated marketing solutions that combine content with commerce, because these systems exist today. Best-of-breed platforms are designed to communicate with web content and ecommerce systems seamlessly, creating cross-channel campaigns that deliver immersive shopping experiences.

Marketing and IT face a variety of the same challenges created by rapidly evolving digital demands. The good news is the same technologies that benefit the marketing team also make life easier on an IT team.

Today’s comprehensive marketing and commerce suites give you the ability to quickly personalize, optimize and monetize marketing campaigns across channels without the constant support from IT.

2. ibid
4. ibid
Chapter 3

5 Ways Experience-Driven Commerce Will Positively Impact Your Company
Embracing experience-driven commerce will ultimately make you better equipped to reach and maintain your target customers and better prepared to compete in today’s marketplace.

Becoming a Customer-Centric Organization Makes You Unforgettable

When experiences are the focus, the customer is at the center of everything. Traditional barriers between departments no longer exist. Information and technology silos are broken down as marketing, IT, accounting, sales, and other teams across the organization are all committed to building interactive and immersive experiences that customers want.

Author Maya Angelou said, “At the end of the day people won’t remember what you said or did, they will remember how you made them feel.”

Creating the emotional connection with customers through recognition, personalization, relevant, and entertaining content will make it easier to engage customers, earn their loyalty, and drive commerce.

Reduced Technical Debt and Redundant Technology

For some organizations, breaking down the information silos can be the most challenging part of embracing experience-driven commerce. It can also be, however, the most impactful. Marketing is racing to keep pace with changes in customer behavior and the
evolution of digital channels. IT is racing to keep pace with marketing. Success comes as the two are aligned on strategy and focused on achieving the same business goals.

Embracing experience-driven commerce puts customer data at the center of all decision-making, driving both marketing campaigns and the IT that needs to support them. Companies that are more data driven are 5 percent more productive and 6 percent more profitable than other companies.\(^1\)

When marketing and IT share a unified vision, there is a dramatic reduction in technical debt and redundant technologies left by ill-timed campaign launches, misaligned expectations, and lack of collaboration. Together, IT and marketing can use data to build solutions that create the best possible digital experiences for their customers.

CIOs Will Have More Time For Truly Disruptive Technology

The key to solving these problems lies with structuring your organization around the customer. The CIO and CMO play key roles in championing the customer and more and more the two are becoming strategic partners in developing and executing the brand experience.

Typical CIOs spend about 60% of their time managing technical applications and IT infrastructure. However, experience-driven commerce and the Age of the Customer are having a profound impact on their roles. As customer-facing technologies become commonplace and organizations increase their focus on customers, the average CIO is predicted to spend only 25% of their time managing IT applications. The remaining 75% will be spent driving and advocating innovation for the organization. These new-age CIOs will act as unifiers of departments and will eagerly push disruptive technologies across the entire organization, regardless of whether the P&L lies with marketing or IT.
CMOs Will Have More Visibility Into Revenue Generation Activities

The role of the CMO is undergoing its own renaissance. CMOs have always been the masters of brand strategy and customer experience. Now they are being asked to fully understand cutting-edge innovations and technology trends that influence how consumers buy and how businesses sell. With the customer experience driving everything, a CMOs’ role has become equal parts marketing, operations, sales and information technology.

As CMOs embrace data and technology, and collaborate closely with the CIO or IT team, they gain more visibility across the organization. Their cross-functional teams bring new insights and understanding about how to use data and technology to develop digital experiences that drive sales. Given that more than 60 percent of digital experience projects fail, this increased focus will help deliver better digital experiences and more successful revenue-generating activities.
What Everyone Wants: A Higher ROI

Forrester estimates that U.S. companies will nearly double their spending on commerce technology from 2015 to 2019. This rapid adoption of technology is driven by the worldwide growth in consumer spending, expected to reach US$1.64-trillion by 2018. Companies that are committed to this technology spend understand the importance of delivering immersive and memorable experiences. Leading the charge will be the combined forces of the CMO and CIO. Researchers estimate that together, they can drive a 25 percent improvement in return on investment in marketing technology spend.

Forrester Research’s Chief Research Officer Cliff Condon wrote recently that the only cure for the competition “is an obsession with customers, driven from the top by the CIO and CMO. These two executives, by their relationship with each other and with the technologies they roll out to connect with customers, will determine the future of business.”

“Experience-driven” means that an organization is brave enough to rethink how online and offline channels are integrated.

Today’s digitally empowered consumers are shopping everywhere — at home, strolling through the park, or while standing in line at the coffee shop. To most retailers, these opportunities represent separate channels (web, mobile, tablet, in-store, wearables) that are often managed by different departments in a company. But customers don’t see “channels” — they only see your brand. This makes having an experience-driven commerce strategy that takes omni-channel retailing into account more important than ever.
Thank you for reading

Enjoyed this eBook? Here is the next step:

Advanced Commerce Maturity Scale™
2015 Enterprise Assessment

The ACMS Assessment is the first tool designed to help business leaders understand all of the key dimensions that lead to success in digital commerce. Unlike ‘one-size-fits-all’ playbooks, it offers unique insights and advice for sixteen very different enterprise types.

Ready to find out how your company ranks? Completing the assessment takes 20-30 minutes.

Download now
Age of the Customer
The Age of the Customer, a phrase coined by Forrester Research, describes an era in which abundant access to consumer technology — smartphones, Internet access, social media, etc. — has given consumers new levels of power and control. Whereas brands and corporations once controlled the flow of information about products and services, consumers are now in charge of all interactions throughout the customer lifecycle.

API
The Application Programming Interface (API) has become increasingly important, and it’s an acronym being heard more often outside of IT circles. Mobile apps, website interfaces, and even everyday objects (a la the Internet of Things) are revolutionizing the retail industry. This is creating an unprecedented focus on the API as developers seek to connect these devices and interfaces to create new supporting services and hybrids. Experts call this trend an API-first strategy.

Best-of-breed
Best-of-breed is a common strategy among senior IT executives whereby the best specialized software components from multiple vendors are arranged into one cohesive, well-integrated system. The opposite approach is called a “big box” or “single vendor stack” strategy, which uses all software from a single software vendor. Analysts and CIOs prefer a best-of-breed strategy because it enables faster innovation, agile methods, and can help future-proof an organization using a “layered” application strategy.
**Contextual commerce**
Marketers often talk of “pinpoint marketing” where the right message can be delivered to the right person at the right time, with the highest degree of personalization. Rather than the old-school aim of advertising, marketers can use contextual technologies to detect interest and desire of a consumer and use that information to grab attention and capture action. Here’s how the book Age of Context defines context: “Context is about how we relate to everything around us. It has to do with what we take in with our five senses: sight, hearing, touch, taste, and smell, and how what we perceive with them affects the situations we find ourselves in. It influences the choices we make, based on what’s going on around us and what we expect or want to do next.”

**Customer lifecycle**
In marketing, customer lifecycle describes the progression that a customer goes through when discovering, researching, purchasing, using, and maintaining loyalty to a brand or service.

**Experience-driven commerce**
Experience-driven commerce is a fusion of digital marketing, content, analytics and data, with commerce and transactions to support the entire customer lifecycle. It is emotionally connecting with the customer in a digitally enabled way.

**iBeacon**
iBeacon is the brand name for Apple’s version of the Bluetooth-based beacon concept. Beacons allow Bluetooth devices to broadcast and receive information within short distances. A beacon usually consists of two parts: A broadcaster (beacon device) and a receiver (smartphone app). For retailers, iBeacons enable contextual modes of interacting with customers.

**Customer journey**
Similar to customer lifecycle, the customer journey is the total sum of experiences that a customer goes through when interacting with a brand or retailer.
**Mobile mind shift**
Coined by Forrester Research in the book “The Mobile Mindshift,” this phrase refers to a world where the new battleground for customers is the mobile moment. The authors posit that the mobile phenomenon has created a sort of Pavlovian response in mobile users — the expectation that I can get what I want, anytime, in my immediate context.

**Omni-channel**
This is one of the most popular buzzwords in the retail industry. An omni-channel strategy or omni-channel experience is one in which there is an interconnectedness between every touchpoint from the perspective of the consumer. What distinguishes the omni-channel customer experience from the multi-channel customer experience is the true integration between channels on the backend.

**Organizational silo**
A silo refers to the real or imaginary divisions within a company that hamper digital innovation. Historically, the dominant approach to digital transformation has been for companies to create a “digital” team separate from stores, branches, marketing, or operations. Often, these silos extend to the executive C-level. Case in point: CIOs have always managed the technology while CMOs are in charge of branding and market messaging. With experience-driven commerce, that’s no longer the case. Technology trends are influencing both how consumers buy and how businesses sell. As a result, silos must be broken down. Organizations must undergo shifts in their structures to align themselves with how customers act in a new world obsessed with digital experiences. In some cases, this may involve a full reorganization while in others merely defining new roles and accountabilities.
**Personalization**
Providing a unique experience to each customer based on his or her wants and needs. Product recommendation engines do a decent job of personalizing a user’s experience, but stand-alone, they only leverage on-site context (profile, clickstream and purchase data), often within a single or a handful of visits (until the customer clears cookies or changes devices, for example). Today’s marketers have access to much more contextual information and should seek to combine personalization with contextual strategies.

**Technical debt**
Often heard among IT departments, technical debt is a term being heard more often among marketing teams. Technical debt (also known as code debt) is a metaphor referring to the eventual consequences of poor application design, software architecture, or software development. Often, IT departments are forced to adopt technical debt from other teams (including marketing) as non-technical managers outsource projects that IT is unable to work on but must later take ownership of.

**Single view of the customer**
A single view of the customer allows businesses to envision a complete customer profile regardless of how that customer chooses to interact with a brand. Most often, organizations struggle with obtaining a single view because they do not have supporting data strategies in place. Other barriers to a single view of the customer include a siloed organization and lack of an API strategy.

**Touchpoint**
A touchpoint is the entryway for how customers connect with a brand or retailer. For example, a customer may use an iPad tablet for browsing products from home, or a smartphone for completing a transaction. In each of these cases, the iPad and the smartphone are the actual “touchpoints.”
Elastic Path provides digital commerce software that helps the world’s biggest brands generate billions in revenue. Our patent-pending technology seamlessly brings omnichannel commerce into content management platforms, allowing businesses to deliver complete, consistent digital experiences that maximize engagement and conversion. Elastic Path serves more than 200 customers worldwide, including McGraw-Hill Education, Virgin Media, LVMH, Western Union, TeliaSonera, Garmin, and Kiabi.

Contact Us

Elastic Path Software
300-455 Granville Street
Vancouver, British Columbia
Canada, V6C 1T1

www.elasticpath.com

North America toll-free: 1-800-942-5282
Europe: +44 1189-485-400
Worldwide: +1 604-408-8070

Questions? Please email:
sales@elasticpath.com
## Contents

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>The Growing Omnichannel Imperative</td>
<td>3</td>
</tr>
<tr>
<td>Understand Where You Stand Today</td>
<td>4</td>
</tr>
<tr>
<td>How to Talk About Omnichannel Commerce with Key Decision Makers</td>
<td>8</td>
</tr>
<tr>
<td>CEO</td>
<td>9</td>
</tr>
<tr>
<td>Marketing</td>
<td>12</td>
</tr>
<tr>
<td>IT</td>
<td>15</td>
</tr>
<tr>
<td>Next Steps</td>
<td>18</td>
</tr>
<tr>
<td>5 Takeaways From This eBook</td>
<td>19</td>
</tr>
</tbody>
</table>
THE GROWING OMNICHANNEL IMPERATIVE

WHY YOUR CUSTOMER KNOWS YOUR BRAND BETTER THAN YOU DO

Consumer technology, and in particular exponentially increasing mobile use, has tipped the scales of power in the favor of consumers. Customers now know more about products and brands than the actual brands do. Digitally savvy consumers are now at the center of what analysts call the “Age of the Customer”.

THE TWO THINGS CUSTOMERS EXPECT FROM YOUR BRAND CHANNELS

Customers expect connection and consistency across all your brand channels. In fact, 68% of the trillion-dollar millennial demographic expect integrated, seamless experiences regardless of their touchpoint with your company.¹ By 2018, Forrester estimates that digital technology will influence almost 60% of all physical store retail transactions—worth US$1.8 trillion.²

In response to these growing demands from digitally savvy consumers, more companies recognize the need to adopt an experience-driven, omnichannel commerce strategy. The technology and tools exist, allowing companies to improve targeting, personalization and the customer experience.

The big question is how and where do you start?

---

². ibid
You believe that your organization could benefit greatly from omnichannel, experience-driven commerce. However, as with all major corporate initiatives, getting leaders onboard is paramount. The C-Suite needs to understand the potential of experience-driven commerce for your organization. The question is: how do you go about starting the conversation?

One proven way to begin is to assess your organization’s status vis-a-vis its readiness for omnichannel commerce. Exactly where is your business in its ability to meet the ever-growing expectations of a tech-savvy, informed and empowered consumer?

To help you evaluate your organization, we developed the 20-minute Advanced Commerce Maturity Scale. The Advanced Commerce Maturity Scale is a self-assessment tool that measures four dimensions critical to experience-driven commerce success.

How does the ACMS work?
What value will it bring to my organization?
Watch the Video >
(45 seconds)
**ORGANIZATION**

Are the skills, operations, metrics and accountabilities related to digital experience and digital commerce outsourced, isolated in specific business groups, or shared across your entire organization?

**INTERACTION**

Does your company interact with customers through one voice, giving them a unified experience regardless of channel or touchpoint? Does it listen with one set of ears to continually update a single, shared and reliable profile of customers that is available to your entire organization?

**TECHNOLOGY**

How close is your company’s technology infrastructure to the current state-of-the-art in enterprise software? Do business units rely on homegrown applications and aging architecture, or do they have access to the latest commercial platforms and integration capabilities?

**STRATEGY**

Is the quality of digital commerce, and the digital experiences that comprise it, a divisional responsibility, or an obsession of your entire company? How concerned are C-suite executives with digital strategy and for how long has this been the case?
GET A CUSTOM ADVANCED COMMERCE PERSONALITY PROFILE

Depending on your answers, the assessment will assign your company a “maturity profile.” The custom profile will detail the challenges and opportunities your organization might face -- as well as potential next steps to act on. The profile allows you to evaluate how different products, solutions, and strategies might affect experience-driven commerce initiatives given your current level of maturity. It generates a road map for “growing up” the scale.

The test provides you with the perfect door opener to the C-suite. You can share results with them. Better still, get them to take the assessment for themselves and then share individual results to see whether they have common perceptions about the organization.

Which of the 16 Personalities is your organization?  
Assess Your Maturity Today >
COMMERCE MATURITY PROFILES

If you don’t actually take the assessment now, keep it in mind for the future and keep reading. The next section of this eBook will help you prepare for conversations with key decision makers you’ll need to have to move them forward along the path toward omnichannel commerce.

Take the Test Today >
Now that you know your organization’s advanced commerce personality, it is time for conversations with your executive team. Different players will have different levels of understanding regarding what an omnichannel strategy consists of and how to leverage existing processes as well as new technologies. Each will have their own set of driving forces to harness and myths to challenge. In this section, we discuss some of their perceptions, goals and concerns that you may encounter.
A CONVERSATION WITH YOUR CEO

CEOs are confronting the need to transform while still growing annually and they are facing an era of unprecedented change. Disruptive technologies have blind-sided whole industries and continue to do so.

The C-suite is trying to envision a future fifty years from now in which your company still exists. Uncertainty reigns regarding how to shape future company strategic direction.

They are demanding innovation, pressing the company forward. They will be quick to see the value of adopting an omnichannel commerce strategy as a competitive advantage. They will look to outside expertise to help drive the strategy.

“What's our future business model? How do we prepare for a future we can’t see?”
CEOs want to shift their business into hyper drive - accelerate the speed of business activities, from product development to customer response. At the same time, they want to create resilient organizations and systems that are future proof and agile enough to survive “the unknown.”

CEOs have seen industries get blindsided by technologies that rapidly obsolesce their business model. Their main concern is to identify those technologies that have the potential to sideline the business and understand how they can use them to advantage – before getting wiped out.

Your organization’s brand has been around for a long time. The people and processes it has used to achieve success yesterday may not be the same as are required today. The CEO will be concerned about encouraging people to “think young” and may buy external expertise to lead the process.

Most organizations have spent a bundle on IT systems that look like they are now obsolete. CEOs may be asking, “How can we leverage the old systems and remain relevant to customers?”
Customers expect a uniform experience across your brand.

Customers are expecting great digital experiences in step with their other digital experiences.

Technologies exist that make this possible without replacing legacy systems.

WHAT TO ASK

Ask them to champion an omnichannel strategy.

Ask for permission to experiment.

HOT BUTTONS

Lack of internal ability to innovate

Don’t understand the digital economy / millennials

Legacy systems cannot adapt fast enough
A CONVERSATION WITH YOUR MARKETING DECISION MAKER

Of all of the people in an organization, the marketing decision maker or CMO will likely best understand an omnichannel strategy, because they are already contending with multi-channel communications. They will see that unless the company adopts an omnichannel strategy, the brand and the business will suffer. The CMO is the most likely to champion omnichannel commerce, so it makes sense to get this person on-board as soon as possible.

It is quite likely they already accept the idea of moving toward multiple customer touchpoints and treating the customer as a single individual across those touchpoints.

They also probably already have some kind of content management system that might span multiple touchpoints, for example across their web site, Facebook and mobile application. What the organization won’t have is an ecommerce system that works across all three. And, maybe the in-store experience is completely divorced from any online experiences.

“Our competitors are able to offer multiple touchpoints and see customers as single individuals. We have to get there more quickly.”
MARKETING

THEIR GOALS

Their goals will be to expand and enable new customer touchpoints and a common brand experience as quickly as possible. But, they are likely held back, either by their content management system, their ecommerce system, or their back-end legacy systems. Or all three.

THEIR CONCERNS

Speed to market. Your competitors are ahead, able to offer in store experiences that integrate digital with physical shopping. Why can’t your organization? CMOs know that there is a window that might close if your organization can’t rapidly shift to omnichannel commerce.

Mistrust of old systems. They may have thought that CRM systems could handle all customer touchpoints and are feeling burned by them. They mistrust the old technology, but don’t know what to adopt instead.
There are technologies available that will accelerate the process.

These technologies won’t stop us from adapting in the future.

We can start with a showcase project to demonstrate success.

**WHAT TO ASK**

- Ask them to champion an omnichannel strategy.
- Ask them where they think the biggest “wins” would be.
- Ask for support to hire a digital agency or systems integrator.

**HOT BUTTONS**

- No aggregate customer view
- Inability to develop personalized marketing campaigns
- Inconsistent brand experiences across channels

**MARKETING**

3 KEY POINTS TO MAKE
“How can we leverage our legacy systems and make any new technologies as future proof as possible?”

A CONVERSATION WITH YOUR IT DECISION MAKER

Your CIO, oversees the whole digital ecosystem involved with omnichannel commerce transformation: BSS, OSS, WFM, CRM, Online Sales and Care, and CMS.

They’ve spent years building these systems to support multiple business processes. Or, they have inherited them. Either way, the new imperative for multiple customer touchpoints has thrown a monkey wrench into these heavily orchestrated legacy systems. A lot of money has been spent trying to get them to talk to other systems and incorporate new features.

CIOs will see that factors driving multiple customer touchpoints aren’t going to go away and will support the corporate strategy for omnichannel commerce. They might feel held back by legacy systems and at the same time will balk at getting rid of them.
IT

THEIR GOALS

Identify new technologies that create differentiation through new business models that grow profit and deliver money-saving market efficiencies.

Support the corporate strategy for omnichannel commerce in the most cost-effective and future proof way possible with technologies that are flexible.

THEIR CONCERNS

Point to point integrations between new technologies and back end systems are expensive and time consuming. Often the talent that built them leaves and then no one knows how they work. Alternatively, they are created using vendor-proprietary languages that no one knows how to use anymore.

IT budgets are expected to remain relatively flat. As a result, disruptive technologies and next-generation business models must be funded by optimizing existing investments. Legacy systems are not easy to work with, but we the organization can’t just rip and replace them.
Omnichannel commerce is a reality that we need to move toward quickly.

There are technologies available that will accelerate the process – an API strategy is key.

Those technologies won’t stop us from adapting in the future and they don’t require eliminating legacy systems.

We can start with a showcase project to demonstrate success.

**WHAT TO ASK**

- Ask them to help make an omnichannel strategy possible.
- Ask for support to hire a digital agency or systems integrator

**HOT BUTTONS**

- Single-vendor, monolithic solutions
- Proprietary programming languages
- Customization
- The Cloud
What’s stopping your organization from achieving omnichannel, experience-driven commerce? You can get there. Including the key decision-makers in the assessment process and digital conversations will ultimately help you to progress on experience-driven commerce maturity faster, so that you can be more competitive long-term.

1. Take the Assessment
   Understand where your organization is along the omnichannel commerce maturity scale.
   
2. Share the Results
   Ask other people to take the assessment as well to see if there is agreement across your organization.
   
3. Get Help
   With so many moving parts to contend with, look to build an internal team lead by external experts to help guide you through the process.

Start down the path toward experience-driven commerce

sales@elasticpath.com | North America +1-800-942-5282 | Europe +44-1189-485-400 | Worldwide +1-604-408-8078
5 TAKEAWAYS FROM THIS EBOOK

1. **Understand where you are today.** Which of the 16 advanced commerce personalities is your organization?

2. **C-Suite support must be unanimous.** The CEO, CIO and CMO must ALL support moving toward an omnichannel strategy.

3. **Act quickly.** It used to take 12-18 months to make decisions regarding new technologies. Now, 6 – 9 months is more reasonable. Less for retailers.

4. **Make incremental changes not monolithic ones.** “We have decided to go with this technology now, knowing that we might have to change it in the future.”

5. **Don’t be afraid to fail.** Forget about your ego. Don’t hold tight to decisions that are wrong. Let go of things that don’t work and don’t blame people for trying.
Enjoyed this eBook? Here is the next step:

**The New Retail Experience** - *White Paper*

Perhaps no other industry is being transformed by the hands of technology as much as retail. This white paper will help retailers and branded manufacturers adapt their businesses to monetize digital experiences and prepare for the future of retail.

![Download Now >](image)

**About Elastic Path**

Elastic Path helps the world’s biggest brands generate billions in revenue with its patented ecommerce technologies. The company’s flexible enterprise software seamlessly brings omnichannel ecommerce directly into marketing clouds and experience management platforms – enabling a complete digital customer journey that maximizes engagement and drives higher revenue. Elastic Path customers are innovators who seek ultimate flexibility and business agility, such as McGraw-Hill Education, Virgin Media, Time Inc., LVMH, Western Union, Garmin, TIBCO, Wine.com.br, TeliaSonera, Kiabi, Gina Tricot, and Motability. For more information, visit [www.elasticpath.com](http://www.elasticpath.com).
EXTREME PERSONALIZATION
Merchandising in A Multi-Channel World
The Case for Extreme Personalization

Extreme personalization, sometimes referred to as marketing to a customer segment of one, is the holy grail of the multi-channel world. To get to extreme personalization, marketers must have what they need to reach out directly to a real individual, rather than a general marketing persona.

The underlying technology that powers extreme personalization is an omnichannel commerce platform.

This book brings together real-life scenarios, including those from our customers, to illustrate the new merchandising techniques available through an omnichannel commerce platform, in a multi-channel world.

70% of buying experiences are based on how the customer feels they are being treated.

McKinsey
By 2020, the customer will manage 85% of the relationship with an enterprise without interacting with a human.

Gartner

The Challenge

Today, most commerce systems remain siloed. Point of sale systems in-store are not connected to online catalogues or carts. Nor are they connected to a customer profile. Mobile apps don’t always aggregate information for use in the back office. Pricing, billing and fulfillment systems are duplicated for different channels.

Multiple channels and continuously evolving touchpoints have made CRM systems very hard to keep up to date if they haven’t actually become irrelevant.

For customers, the silos result in uneven cross-brand experiences. The gap between the in-store and online experience is cavernous. What’s bad for customers is bad internally too. The silos mean that sales, billing and fulfillment staff can’t readily access a clear, unified picture of each individual customer.

Extreme personalization comes down to one simple reality: customers expect your company to know who they are -- no matter what method or touchpoint they are using. Instore, online, through Facebook or on a phone, customers want to receive the highest quality experience from your brand.
How an Omnichannel Commerce Platform Can Support the 4Ps of Marketing

Here we’ve illustrated seven new merchandising practices across all four “p’s” of marketing: product, place, price and promotion. Many of these use-case scenarios come from our experience working with customers to help them in their quest for extreme personalization.

Pricing

Dynamic Pricing: Incremental Purchases Affect Topline Revenue

Online

When a customer selects a custom bundle of products, or more than one product across any categories, individual product prices can adjust dynamically based on rules set by merchandisers.

A common example of this is when a cell phone user purchases a new bundle of plans, devices and add on services. The selection of a particular device should affect the availability and/or selection of other items. Pricing is updated according to the selection made and the system dynamically displays upsell recommendations based on the choices the shopper has made.

Prices can also be associated with a selling context, or any specified condition that you can collect information on. For example, you could price one way for anonymous shoppers who come to your offering using their iPhone because they were attracted to an ad you placed on Facebook. Or, you could show different prices for people using your iPhone app, who are signed in and have a high-value gold customer status with your organization.
Experience-based Pricing: Customers Buy More When Immersed in Your Brand

Contextual, or experience-based pricing allows you to adjust pricing based on customer behavior, past purchases, touchpoints and current status. It addresses the needs of individual consumers with innovative package and pricing structures, and uses context to set the price for an experience in a dynamic way.

Online
Experience-based pricing is well understood in the video game industry. Game pricing has evolved from charging a flat fee for each game, to contextual pricing within the game after a relatively low initial purchase price. Once players are involved in the game, they are offered the opportunity to purchase superior powers, weapons and defenses for an additional cost.

In-Store
The buying experience itself can also set the context for in-store pricing. A customer shopping for cosmetics in Sephora is going to have a completely different experience from the person shopping for the same thing at Nordstrom. Product quality notwithstanding, the experience itself dictates differential pricing.

In-Store
At its most basic, dynamic in-store pricing takes place when the sales assistant is able to bargain with you regarding price in real-time. If you have ever shopped in Asia, you will understand that the list price is not the ‘real’ price. In an online world, the in-store POS system can automatically apply discount pricing when items are scanned for purchase. Add on another layer of sophistication and the sales associate could monitor which SKU’s a customer has selected with the help of a bar code reader and then be informed that they can offer a 15% discount on the fly.

Benefits
Dynamic pricing supports bundling and can reward customers who purchase more than one item at a time with conditional discounts. For example, if a customer buys 2 items, they get a 10% discount, 3 items 15% discount and so on. Incremental purchases increase topline revenue in a shorter period. Customers feel like they are getting a deal and sellers accrue more revenue.
Retailers in particular are trying out different in-store technologies to improve the buyer experience, making it both more convenient and more immersive. For example, in-store kiosks where people can order different sizes or products, not available in that location. Or, wall-height video displays allow people to “browse” merchandise catalogues as well as mix and match outfits on the fly. Some stores have implemented a technology that digitizes a customer’s movements and projects them on a huge video wall.

While these nascent technologies don’t necessarily support dynamic pricing, they immerse customers in your brand experience, and have the potential for increased sales.

**Benefits**

Strike while the iron is hot. Being able to nimbly adjust pricing, depending on customer experience, allows your organization to gain incremental sales and revenues you may not otherwise have achieved. Customers will also feel better served when offered additional products and services while immersed in your brand experience.

---

**Product**

Product customization based on selling context, customer preference and available options will become pervasive. Making this possible across multi-channels requires a commerce platform that accesses pricing and products from a central catalogue, governed by adjustable rules that do not require intervention by an IT professional.

---

*49% of marketers have to go to IT or another department when they need to add, manage, or edit content on their websites.*

*51% of marketers claim to be unable to react to new channels, devices, trends or competitors with their current technological capabilities.*

---

*Episerver, Multichannel Digital Marketing Report 2015*
While we might tend to think about certain industries for dynamic recommendations, the possibilities are limited only by the imagination of marketing. A cruise line for example, could offer customers who are ready to check out purchasing a cruise in the Mediterranean, many other items besides standard drink packages, excursions and insurance. Why not include lessons in Italian or Greek, eBooks on the history of cities on the itinerary, and any number of complimentary offerings. Partner with other organizations to make your offering a rich, comprehensive experience for your clients.

In-store dynamic bundling takes place for certain products as well. For example, when a sales associate helps a customer select a particular gaming platform, then a number of games are automatically available for use on that platform. The sales associate allows the customer to choose two of those games for a discounted price as part of a package deal. This process can be automated using RFID tags on products and POS scanners that identify deals for customers as they place items in their “cart.”

Benefits
Dynamic bundling allows customers to choose from a greater number of options without encountering compatibility conflicts. This ensures that orders will not be incorrect and that customers are still able to customize their selections.
Now, you can place item purchase right into the context of when and where people use an Internet connected device. Say for example your company manufactures refrigerators. When the milk runs out, people can simply push a button on the fridge to reorder more. The milk can be delivered alone, or along with other commonly ordered items on a standard grocery list – all sourced and delivered by your local grocery partner.

There will come a time when your organization will be forced by competition to support this kind of ecommerce transaction because of the IoT. Think about how your products might fulfill customer wishes to make their lives easier. Then build that service right into your products. With the right underlying omnichannel commerce platform, adding new channels is easy, so the only limitation is your imagination and your ability to conceive of your products in the IoT.
**Benefits**

Building Internet connectivity into products allows you to communicate with customers in new, meaningful ways. Send them alerts on their coffee maker each month reminding them the need to descale their machine. Provide the details of the procedure to make it easy. Send them discounts and coupons they can take advantage of right from the machine.

---

**Promotion**

If there is one area most impacted by multi-channel commerce, it is probably promotions. How do you ensure consistent messaging across many different channels? Precisely because brands have access to so many more mediums to reach out to customers, the final impact leaves a lot to be desired. Without an omnichannel commerce platform to orchestrate offers, pricing and products, creating a consistent brand experience is extremely difficult, if not impossible.

---

Only 4% of brands engage in cross-channel marketing where the customer experiences a unified journey through integrated channels.

---

* The 2015 Digital Marketer, Experian
Targeted Promotions: Less Dollars Wasted, Fewer Brand Defections

**Online**
The online world has become a marketer’s dream. Now you can create targeted campaigns using the typical demographics such as age, gender, home location, whether or not a customer is registered, and their lifetime value to your company. You can also add on new ways to target promotions when you take into consideration geo location, referring url, search terms, and any promotion codes or promo urls the customer has selected.

Create custom attributes like which touchpoint is the customer using? FaceBook? Twitter? A phone app? If so, which version of the app are they using? If your organization uses tiered pricing for membership, or loyalty points, which membership tier have they reached? All of these attributes can contribute to more accurate, targeted promotions based on rules that you create. Use them in combination with any of the above to craft unique campaigns that target very specific clientele groups.

**Benefits**
If 94% of consumers discontinue brand relationships because they are receiving irrelevant promotions, that is a lot of wasted marketing dollars. Improved targeting and promotional consistency across multiple channels should lead to fewer brand defections and increased revenues.

Self-Adjusting Promotions: Intelligent Incentives for Increased Brand Engagement

Anyone who has tried to orchestrate marketing campaigns for multiple segments knows this is not an easy task. At the same time through multiple touchpoints, companies are gathering big data regarding customer segments of one. Using decision support software in combination with constraints and business rules, you can leave the heavy lifting to software. Campaigns will self-adjust for an individual customer based on your knowledge of their past purchases, customer behaviors and preferences.

For example, say you are running a segment-based campaign selling winter boots for 15% off. The software runs through recent purchases from existing customers and detects all those who have not purchased winter boots in the last two years to present them with that offer. If the software detects that a customer has recently purchased winter boots, it automatically sends them an offer for 15% off of hats, scarves and gloves. For most marketing teams, this is practically impossible, but not with an omnichannel commerce platform.

---

**Nearly 77 Million**
U.S. adults will use mobile coupons in 2014

*Direct Marketing Association (DMA) Statistical Fact Book, 2014*
Benefits
Using the observed behaviors from potential and actual customers to intelligently offer incentives increases their inclination to engage with your brand – leading to increased revenues.

Loyalty Programs: A Must-Have from Coffee to Luxury Goods

Loyalty programs help companies earn a higher percentage of a client’s wallet over a longer period of time. For low-value, high volume items like coffee, a stamp card and rewards for repeat visits might work, but what if you are selling a much higher value item? Like a computer, an airfare, a diamond or a car? To build a cohesive profile, a unified view of your customers’ experience is imperative across all channels.

In-Store
An in-store beacon detects Kasha’s smart phone as she enters a location. The beacon can identify her path through the store and identifies that she revisits the discount zone. Because Kasha has been in the store for more than 5 minutes, the system sends her phone a coupon for $10 off any item. She leaves the store and then re-enters half an hour later. The system “knows” all of this and increases the coupon to $15 off.

Online
Companies that use loyalty programs as a central entry point through which customers can browse for products online, receive discounts, earn and redeem points, share on social media, and view branded content can influence the entire user experience while capturing data about the actions of individual customers. This information gives brands the ability to personalize future interactions while providing a real-time look at the overall trends and behaviors of their entire customer base.
Then using that information, you can craft a program that makes sense on an individual basis, but without having to go through each customer’s actions and preferences by hand. An omnichannel commerce platform can ensure that communications — whether they are price related, or promotion related — are consistent across all channels and take into consideration the “position” a loyal customer has achieved.

In-Store
Companies have begun to replace reward cards with mobile apps. Not only does this trend mean that customers don’t have to carry a zillion loyalty cards around, but also a mobile app improves your ability to communicate new programs and incentive levels with high-value customers. Mobile apps allow your organization to personalize bonuses and coupon offers based on past purchases. Customers can choose to load coupons and bonus points for use in-store and the phone itself becomes the loyalty card on check-out where a clerk scans a barcode on the phone screen.

Benefits
Getting a customer to download an app, while more difficult, makes brand communications more personal and direct.

Without an omnichannel commerce platform to aggregate customer interactions across all channels and touchpoints, you are unlikely to run the best loyalty programs. At worst, you could offend customers by not “knowing” their true value to your company.
The Rewards of Extreme Personalization

Less Churn, Higher-Value Customers
Regardless of industry, customers don’t see channels, they only see your brand. Brand-aware companies strive to build lifetime customer relationships for mutual benefit. Deliver excellent service, great products and convenience that competitors are just not capable of and you will gain and retain customers. Consistency of message, pricing and promotion across multiple channels is imperative to brand value.

No matter what industry you work in, high churn rates inevitably impact the bottom line in a negative direction. When you cultivate high-value customers, your company will need to worry less about acquiring new clientele by reducing churn.

A Trusted Brand and More Predictable Revenue
Increase customer retention across all channels, and your company will be in a better position to predict revenue. Not only will this improve your organization’s ability to manage cash, but also it will help you gain an upper-hand in supplier negotiations. And, investors will be more likely to trust your brand with their capital when your balance sheet performs well every quarter and every year. Year after year.

81% of companies with strong capabilities and competencies for delivering customer experience excellence are outperforming their competition.*

* Peppers & Rogers Group, Customer Experience Maturity Monitor, 2009
Take personalization to the next level

According to Gartner, by 2018 more than 50% of commerce sites will integrate technologies from more than 15 vendors to deliver a complete digital customer experience. Contact us today to learn how Adobe, Elastic Path, and our partner vendors, can power your digital experience platform using flexible commerce, content, and personalization.

Contact us today to get started >>

Gartner Positions Elastic Path as a Visionary in the 2016 Magic Quadrant for Digital Commerce
About Elastic Path

Elastic Path helps the world’s biggest brands generate billions in revenue with its patented ecommerce technologies. The company’s flexible enterprise software seamlessly brings omnichannel ecommerce directly into marketing clouds and experience management platforms – enabling a complete digital customer journey that maximizes engagement and drives higher revenue. Elastic Path customers are innovators who seek ultimate flexibility and business agility, such as McGraw-Hill Education, Virgin Media, Time Inc., LVMH, Breville, Garmin, TIBCO, Wine.com.br, TeliaSonera, Kiabi, Gina Tricot, and Motability.

For more information, visit www.elasticpath.com.

Contact Sales
Please email us at: salesinfo@elasticpath.com

Call Us
North America toll-free: +1 (800) 942-5282
Worldwide: +1 (604) 408-8078
Europe: +44 1189 485 400
THE RISE OF THE DIGITAL EXPERIENCE PLATFORM

A guide to planning digital experiences that increase revenue and position your business for the future.
Increasingly, consumers are engaging brands via digital touchpoints. These digital interactions experienced through mobile phones, websites, and via social media are essential to business growth and profitability. Companies capable of optimizing these digital experiences will be well positioned for the long haul.

Industry analysts are seeing a resurgence of projects and investments in flexible technologies that have reliably demonstrated an ability to help generate sales, save money, improve loyalty, or solve customer service problems. Chief among them are digital experience platforms. More than half of the 14,596 respondents in Forrester’s Business Technographics Global Priorities And Journey Survey, 2015, said they are devoting more resources and budget to delivering digital experiences.

However, many organizations are finding the promise of digital experiences to be elusive. Charged with the responsibility of delivering a multitude of websites, mobile apps, and in-store systems, all supporting digital experience initiatives, IT executives are now discovering that they don’t have all of the technologies they need. In their search for a silver bullet, some executives have fallen for the promise that a single-vendor solution can be singly capable of solving their woes. Sadly, one size does not fit all, and in a world where legacy technology isn’t going away, best-of-breed capability and a solid integration strategy matter more than ever. Savvy CIOs are leveraging a best-of-breed approach, delivery accelerators and agile experience frameworks to build the foundation for a new kind of business architecture – the Digital Experience Platform.
LAYING THE GROUNDWORK

To get started, you need to lay out the steps for digital experience delivery evolution. Start by defining your business and brand objectives. The goal is to gain a detailed understanding of the points at which your business priorities and digital experiences intersect. You must also understand your customer’s needs and digital behaviors, which can be illustrated in a customer journey map. The customer journey map should include your ideal customer’s goals, context, motivations, and interactions in every phase of the lifecycle. Often, the marketing leadership already has such processes documented, so this is a good time to involve your counterparts in marketing.

Next, prioritize interactions in the customer journey that provide the most benefit to your customers, while at the same time are providing high value to your organization. Look to fund digital experiences that benefit customers while simultaneously improving your business performance.

For example, increasing average order value benefits your company, while providing customers with highly targeted, relevant product recommendations directly benefits the customer.
Before proceeding further, it can be helpful to measure the current state of organizational maturity as compared to an industry standard digital marketing maturity model. Take advantage of online tools provided by vendors and industry analysts, such as Forrester and Gartner, to effectively measure your organization’s digital maturity and readiness. Going through this process is time well spent, as knowing your digital maturity level (and that of other stakeholders around you) will help inform key investment decisions in technology, process, and, most importantly, people.

Generating a unique and customized model of digital commerce maturity for your company will make you more effective at planning and influencing the development of your digital strategy. Keep in mind that maturity profiles are not a measure of how good your existing digital experiences are, rather, they indicate the level of effectiveness you can expect to achieve in a digital experience project, relative to the current market ideal, and based on how capable you believe your company to be.
Some executives make the mistake of regarding digital maturity as a self-assessment. Instead, treat it as a basis for an active dialog in your organization around digital experience delivery. Take it further by asking the CMO to fill out the digital maturity assessment, as well. Since you’ve already engaged with the marketing leadership for the customer journey map, you will be seen as an evangelist of digital leadership, strengthening relationships, and gleaning insights.

**Once you understand your digital maturity, you will be able to clearly articulate how the characteristics of your business limit your ability to deliver effective digital experiences.**

This framework will help you better understand which commerce and/or content solutions and strategies are best suited to the unique strengths and weaknesses of your enterprise.
Companies who are successful at digital marketing don’t make one-off tactical investments in individual digital experience projects. Instead, they make organizational-wide commitments to delivering a comprehensive digital experience. You must institutionalize the concept that you’re implementing a digital experience platform that will propel your organization into the future, not delivering a niche technology project.

Now that you have a prioritized set of digital interactions via the customer journey map, and you have organizational commitment to a program, not just a project, you’re ready to start planning technology products and services.

Forrester recommends that your plan include the delivery of short-term capabilities required to meet near-term marketing demands, while simultaneously building out a platform that provides long-term marketing agility.

The goal is to minimize the “throw away” work in what to create now, so as to maximize reuse in the platform you are putting in place.
Forrester, in its Forrester Wave: Digital Experience Platforms, Q4 2015, says that an “all-in-one platform from a single vendor is almost never practical.” It cites legacy technology constraints, organizational politics, and limited budget as common pitfalls to the single-vendor approach. Instead, you must own your digital experience architectural strategy and embrace an integration vision. Technical integration remains a common pain point. A survey by Forrester in 2014 found that the top technical barrier for delivering effective digital experiences was poor integration (Forrester’s Q1 2014 Digital Experience Delivery Online Survey).
A solid integration strategy and execution plan must serve as the cornerstone of your digital experience platform. All too often, CIOs make the mistake of overinvesting in features and underinvesting in integration.

While “integration” may not be the term that marketing or even digital experience leaders use, these stakeholders are nonetheless familiar with the pain points that prevent their teams from working across the aisle. Integration is the key.

Ease of integration and alignment with architectural strategy should be key selection factors when choosing the vendors and technology components of your digital experience platform. Priority should be given to vendors whose solutions are purpose built to integrate using flexible APIs. Digital capabilities that are easy to configure and fast to deploy should trump “all-in-one” suite solutions that claim to offer every conceivable feature possible. Beware of the salesperson who ascertains that it is possible to obtain everything you need from a single vendor.

OTHER TYPICAL CHALLENGES INCLUDE:

- Ambiguous requirement specifications that result in missed client’s expectations.
- Quality issues, scope creep, and requirement rework delay agreed upon go-lives and deadlines, putting initiatives at risk.
- Time and effort overruns result in significant budget overruns.
CONSIDER THESE 6 INTEGRATION QUESTIONS BEFORE SELECTING A TECHNOLOGY OR SOLUTION VENDOR AS PART OF YOUR DIGITAL EXPERIENCE PLATFORM:

Are the systems that I need (CMS, commerce, product ordering, etc.) modular and extensible? Or are they packaged suites that lock in features that are not core to the offering?

Can I extend legacy systems through reusable services and APIs? Or am I looking at a total rip and replace?

Is this solution truly best-of-breed?
Remember that the true goal of integration is optimization and the creation of a seamless digital experience platform.

Can I deploy the solution alongside existing systems, and then adjust business unit workflows gradually to deliver an organizational-wide digital experience platform?

Is the digital experience platform based on flexible technology that I can bring in-house if I choose? Is it flexible enough so that I can swap out proprietary components for open source capabilities if needed? How locked in am I?

Can the solution integrator or service provider guarantee predictable outcomes? Do they have a solid track record of performance with verifiable references? Do they automate or codify best practices?
An often overlooked segment of the digital experience program required for success is people. Ensuring that your organization is aligned and that you fully understand the needs of your colleagues will make the program that much more successful. For example, many technology executives concern themselves solely with building systems and applications that change infrequently, such as systems of record upon which an organization is built. However, to a marketer faced with constant change and a need to adapt quickly to consumer tastes and habits, the opposite is true. To the marketer, it’s all about speed in a hot market. Understanding your business’ need to innovate rapidly therefore requires you to be agile as well.

Build a team around an innovative and agile digital experience program. Adding change-resistant members to this team will only delay progress. Instead, assemble a digital experience team who will work alongside you to evangelize the importance of digital experience throughout your organization. Leverage your digital experience program to serve as a technology evangelist and digital business catalyst, breaking down siloes and organizational divisions.
NEXT STEPS

Digital experience is a challenge that when achieved should be transformational. It has the potential to be a self-sustaining force within your organization, not just a never-ending series of technology projects.

Contact XumaK at sales@XumaK.com or call +1.414.218.9093 to learn how to get started with digital experience in your organization.