Case Study & POC & Demos Information

Type: Case Study

Name: Multichannel Campaign Management (MCCM)

Description:

The IBM Company seeks, as vendor, through the *multichannel campaign management* (MCCM) services, to orchestrate company communications and marketing offers to customer segments across channels, such as websites, mobile, social, direct mail, call centers and email.

1. Description of Services:

Capabilities include:

- Basic campaign management includes functions for segmentation, campaign creation, campaign workflow and campaign execution.
- Advanced analytic functions include predictive analytics and campaign optimization.
- Advanced execution functions include loyalty management, content management, event triggering, and real-time offer management in inbound and outbound environments.
- Digital marketing capabilities include ad management, content marketing, mobile and social marketing, Web, and email marketing. Digital marketing extends the marketing process through channels such as the Web, email, video, mobile and social applications, point-of-sale terminals, interactive TV, and digital signage and kiosks.
- MCCM offerings may also integrate marketing offers and leads with sales for execution in B2B and business-to-consumer (B2C) companies.

2. Market Overview:

IBM, as MCCM vendor, works on many fronts at the same time to add all of the capabilities that digital marketers want. It can produce a long list of improvements and planned additions for any coming year. The main themes that stand out currently are:

Need for unified access to data: IBM as MCCM vendor increasingly focuses on supporting multichannel marketers that want more data at the point of action; it provides or is evolving hub functions ("Digital Marketing Hubs"). A digital marketing hub seeks to provide marketers with unified access to previously disconnected areas of anonymous audience profile data, along with connections to content and common analytic functions to inform multichannel campaigns and interactions.

Multidimensional segmentation: These techniques and capabilities group audiences based on multiple attributes along multiple dimensions. Traditional attributes focus on products:

Who has bought, and who would be likely buyers? Newer groupings focus on profitability and techniques for moving segments into more valuable ones. Others focus on grouping personas, life cycles and lifestyles. All vendors have some segmentation capability. IBM focuses on its strength in utilizing multiple approaches in segmentation.

Real-time capabilities: Customer engagement drives marketing today. To engage customers, marketers don't just need to understand who they are; they need to understand what they want at the time they want it. Therefore, IBM continues to focus on real-time capabilities, such as multichannel event triggering, in-line predictive analytics and real-time decisioning. These capabilities help it to understand the customer's context, determine how best to interact with the customer across channels, and spot and react to events that provide an opening for marketing (such as approaching a store, an upcoming renewal or an intent to purchase).

Ease of use: With each new tactic, channel or data source, multichannel campaigns grow more complex. Marketers look for approaches to simplify operations, allowing "access to the complexity" and without "dumbing down" the application. IBM has responded by making its applications more visually appealing with functions such as drag-and-drop in-line segmentation, A/B testing and channel selection along multichannel campaign processes.

Performance and scalability: Marketers do not want to hit a wall with functionality and performance once they get moving with executing multichannel campaigns. Gartner's surveys find that MCCM reference customers see performance and scalability as top considerations for vendor choice.

Need for speed: Marketers often don't have months to set up applications. Gartner's surveys find that MCCM reference customers also see speed of implementation as a top consideration for vendor choice. Some applications can get marketers up and running in weeks at lower costs, and they are becoming popular with digital marketers setting up a few digital channels to get moving.

Mobile: Marketers have realized that mobile technologies will play a key role in many of the above trends, including customer engagement, real-time marketing and even commerce. Accordingly, the MCCM vendor IBM speaks to mobile marketing needs.

Commerce: Marketers are taking on more responsibility for revenue and profit from digital commerce. Digital marketing increasingly focuses on driving commerce results. IBM has responded by tying its applications more closely to e-commerce engines.

Customer experience focus: IBM in the MCCM market is leveraging marketers' focus on improving the customer experience; in the last period, there have been seen areas such as campaign creation building functions renamed to customer journey tools, or applications themselves renamed as customer experience platforms. We see this focus as healthy maturity and a needed approach in the MCCM space. However, areas such as inbound and outbound campaign integration, still-siloed channels (such as social and mobile that are real-time supporting channels), and lingering blast processes (send email to a segment, wait three days, send another) IBM might run the danger of little customer experience substance outside of their product name.

3. Six advanced MCCM functions available:
3.1.   *Advanced analytics*:

Predictive analytics: Capability to analyze customer behavior to predict churn, next-most-likely purchase and propensity to buy. These functions enable a company to target customers more effectively or stage the offers to make during interactions. Vendors may offer these capabilities through partnerships, but we will look for proven integration and references of actual use.

Campaign optimization: Ability to balance and coordinate multiple constraints to maximize expected value from single or multiple campaigns. This capability enables trade-offs among different campaign execution options, such as which campaign to use, which channel to use, the number of interactions per individual and the expected value of each campaign.

Multidimensional segmentation: Ability to group audiences based on different attributes along multiple dimensions. Traditional attributes have focused on products and who are likely buyers. Newer groupings focus on profitability and the customer life cycle. New and old data play an important role in defining the target audience and understanding the channel where you should focus the campaign. Traditional transactional data, third-party data, anonymous customer data all contribute to targeting the right audience with the right offer at the right time in the right channel.

3.2. *Advanced execution*:

Event triggering: The detection, prioritization and execution for a significant event affecting a customer relationship.

Real-time recommendations: Ability to manage offers and deals with offer arbitration. These functions combine the most-up-to-date information from data collected prior to the interaction, as well as new data collected during a real-time interaction with a customer.

Multichannel lead management: The ability to provide lead management functions for both inbound and outbound marketing initiatives. This capability includes, at a minimum, lead collection, analytics, augmentation, scoring, process management and nurturing, across at least three lead-generation and lead-management channels within a single campaign. In addition, functions must support bidirectional integration with CRM or sales force automation applications.

4. IBM Strengths and Cautions

IBM, a MCCM vendor in Leader position, supports a broad range of industries with a wide global reach and lasting viability. Consider IBM's MCCM capabilities when you need strong segmentation, broad functions and multiple deployment options.

Strengths

- **Product**: On-premises IBM Campaign (formerly Unica Campaign) and SaaS-delivered IBM Silverpop Engage (for digital channels) are now IBM's main offerings for MCCM. IBM has several other applications that add mostly advanced campaign management functions, such as Opportunity Detect, Contact Optimization, Interact,

Digital Analytics, SPSS Modeler Advantage Marketing Edition, Social Media Analytics and Tealeaf.

- **New capabilities**: 2013 brought the acquisition of Silverpop for stronger digital marketing capabilities (particularly email marketing) and improved B2B lead management. Integration with Digital Analytics enhances the behavioral profile of Silverpop Engage. Silverpop Engage and Xtify give IBM needed cloud delivery and digital channels for IBM Campaign.
- **Roadmap**: IBM plans to expand Silverpop Engage to Europe and Asia, to improve usability and consistency among its offerings, and to extend connections to big data platforms to bring in multiple sources of customer data. IBM will make available real-time simulation for decision logic that models different points of interactions and capabilities to collaboratively design customer experiences.
- **References**: References note that tools such as Silverpop Engage, in combination with IBM Digital Analytics, are powerful yet simple enough for nontechnical business users to manage complex programs. References say that IBM Campaign's segmentation capabilities are a big strength.

Cautions

- IBM provides only adequate support in social marketing, content marketing and ad management, and it trails competitors in functions and vision in those areas.
- IBM Campaign provides broad functions, but in many cases, a complete solution involves implementation of multiple products and deployment models.
- Some references note a lack of integration among various tools and the need for a "single source of the truth" for multiple sources of data.

5. Evaluation Criteria

Ability to Execute

Product/Service: Core goods and services offered by the vendor for the defined market. This includes current product/service capabilities, quality, feature sets, skills and so on, whether offered natively or through OEM agreements/partnerships as defined in the market definition and detailed in the sub criteria.

Overall Viability: Viability includes an assessment of the overall organization's financial health, the financial and practical success of the business unit, and the likelihood that the individual business unit will continue investing in the product, offering the product and will advance the state of the art within the organization's portfolio of products.

Sales Execution/Pricing: The vendor's capabilities in all presales activities and the structure that supports them. This includes deal management, pricing and negotiation, presales support, and the overall effectiveness of the sales channel.

Market Responsiveness/Record: Ability to respond, change direction, be flexible and achieve competitive success as opportunities develop, competitors act, customer needs evolve and market dynamics change. This criterion also considers the vendor's history of responsiveness.

Marketing Execution: The clarity, quality, creativity and efficacy of programs designed to deliver the organization's message to influence the market, promote the brand and business, increase awareness of the products, and establish a positive identification with the product/brand and organization in the minds of buyers. This "mind share" can be driven by a combination of publicity, promotional initiatives, thought leadership, word of mouth and sales activities.

Customer Experience: Relationships, products and services/programs that enable clients to be successful with the products evaluated. Specifically, this includes the ways customers receive technical support or account support. This can also include ancillary tools, customer support programs (and the quality thereof), availability of user groups, service-level agreements etc.

Operations: The ability of the organization to meet its goals and commitments. Factors include the quality of the organizational structure, including skills, experiences, programs, systems and other vehicles that enable the organization to operate effectively and efficiently on an ongoing basis.

Completeness of Vision

Market Understanding: Ability of the vendor to understand buyers' wants and needs and to translate those into products and services. Vendors that show the highest degree of vision listen to and understand buyers' wants and needs, and can shape or enhance those with their added vision.

Marketing Strategy: A clear, differentiated set of messages consistently communicated throughout the organization and externalized through the website, advertising, customer programs and positioning statements.

Sales Strategy: The strategy for selling products that uses the appropriate network of direct and indirect sales, marketing, service, and communication affiliates that extend the scope and depth of market reach, skills, expertise, technologies, services and the customer base.

Offering (Product) Strategy: The vendor's approach to product development and delivery that emphasizes differentiation, functionality, methodology and feature sets as they map to current and future requirements.

Business Model: The soundness and logic of the vendor's underlying business proposition.

Vertical/Industry Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of individual market segments, including vertical markets.

Innovation: Direct, related, complementary and synergistic layouts of resources, expertise or capital for investment, consolidation, defensive or pre-emptive purposes.

Geographic Strategy: The vendor's strategy to direct resources, skills and offerings to meet the specific needs of geographies outside the "home" or native geography, either directly or through partners, channels and subsidiaries as appropriate for that geography and market.

Organization: IBM

Website:

http://www.ibm.com/commerce/en-us/marketing/

http://www.ibm.com/marketplace/cloud/analytics-for-your-digital-properties/us/en-us

Related products:

Software and Services:

- IBM Marketing Operations On Premise (EMM)
- IBM Marketing Operations On Demand (EMM)
- IBM Product Recommendation (EMM)

Vertical Industries:

- Commerce
- Insurance
- Banking

Technologies used: Cloud, Digital analytics, Big Data

- IBM Campaign (Outbound Marketing)
- IBM Interact (Inbound Marketing)
- IBM ExperienceOne (Event-based Marketing)
- IBM WebSphere Commerce

Related Patents: n/a

Related Standards: n/a