

# 4 Big Barriers to an Integrated Customer-Centric Strategy

*The key, as always, is data—and how you use it*

**I** RECENTLY ATTENDED an alumni course at my alma mater, the Wharton School, titled “Customer Centricity.” We played a simulation game where each group implemented a variety of sales, marketing, and service activities with the goal of maximizing customer value over time.

When the game ended, I asked the professor whether an organization can optimize customer value if it fails to integrate both offline and online data. The professor’s answer was revealing. As in real life, the game’s algorithms require accurate data to produce accurate results. Offline data is easy to secure and tends to be accurate. Reliable online data, on the other hand, is harder to obtain, and knowing how to leverage it to engage customers remains a huge challenge.

Which brings me to our objective: to identify the top four challenges (the issue of data integration prominent among them) on the path to an integrated customer-centric strategy. I define such a strategy as a structured approach that leverages *all* customer data to increase customer satisfaction, loyalty, and revenue.

## Challenge No. 1: Integrating Offline and Online Customer Data

Most organizations effectively gather and use offline customer sales and service data but fail at securing online data. It’s easy to see why: Customers often surf the web anonymously. Still, failure to secure online data can lead to wasted engagement efforts based on an incomplete picture of the customer. Today’s sophisticated data on-boarding tools can help, but the best solution lies in making offline and online data a key part of the organization’s DNA. This is how Disney, Uber, and Amazon run.

## Challenge No. 2: Getting Organizational Buy-in

Imagine the impact when the marketing department instantaneously shares customer insights captured in social media communities with sales reps to drive new business, or the e-commerce department shares a customer’s online behavior with product management to produce a better “next best offer.”

An executive from a consumer packaged goods client told me, “I know that sharing customer data across company divisions is what we should be doing. But our divisions act like siloes; each division looks after itself, often at the expense of the organization.” Sound familiar? It takes

executive-level commitment to ensure that customer satisfaction, loyalty, and advocacy is a companywide imperative.

## Challenge No. 3: Knowing How to Meaningfully Apply Big Data Analytics

A successful integrated customer-centric strategy requires online and offline data to flow across five distinct channels of customer engagement—traditional media, social media, e-commerce, emerging technologies, and customer experience—and into the holistic customer profile. An integrated strategy also employs Big Data analytics to mine these profiles, leading to refined segmentation, better customer journey maps, enhanced websites, sales-channel optimization, and more powerful mobile apps.

Big Data tools must be applied skillfully and effectively so that *actionable insights* result from the analysis. Tight collaboration between “creative” marketers, responsible for securing real-time data from brand-loyal customers sensitive to privacy issues, and “technical” marketers, responsible for applying new tools to harness data from offline and online sources, will be necessary.

## Challenge No. 4: Creating a Meaningful Road Map

How do you eat an elephant? One piece at a time. This is why a multiyear road map is critical to your strategy. The road map prioritizes activities in all five customer engagement channels, based on the ability to achieve sustainable results. Implementation occurs in manageable, bite-size pieces.

A successful road map has three distinct but integrated strands: a technology strand that accounts for 20 percent of the overall success of the strategy; a process strand (30 percent); and a people strand (50 percent). Any other emphasis is doomed to fail. No CRM application, new website, social media community, or omnichannel software implementation can overcome bad company processes or by itself motivate personnel to change the way they work.

There are brilliant minds in the CRM and related industries working to resolve the four challenges noted above. They will get resolved sooner than we think. 

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