Innovating Customer
Engagement Through an
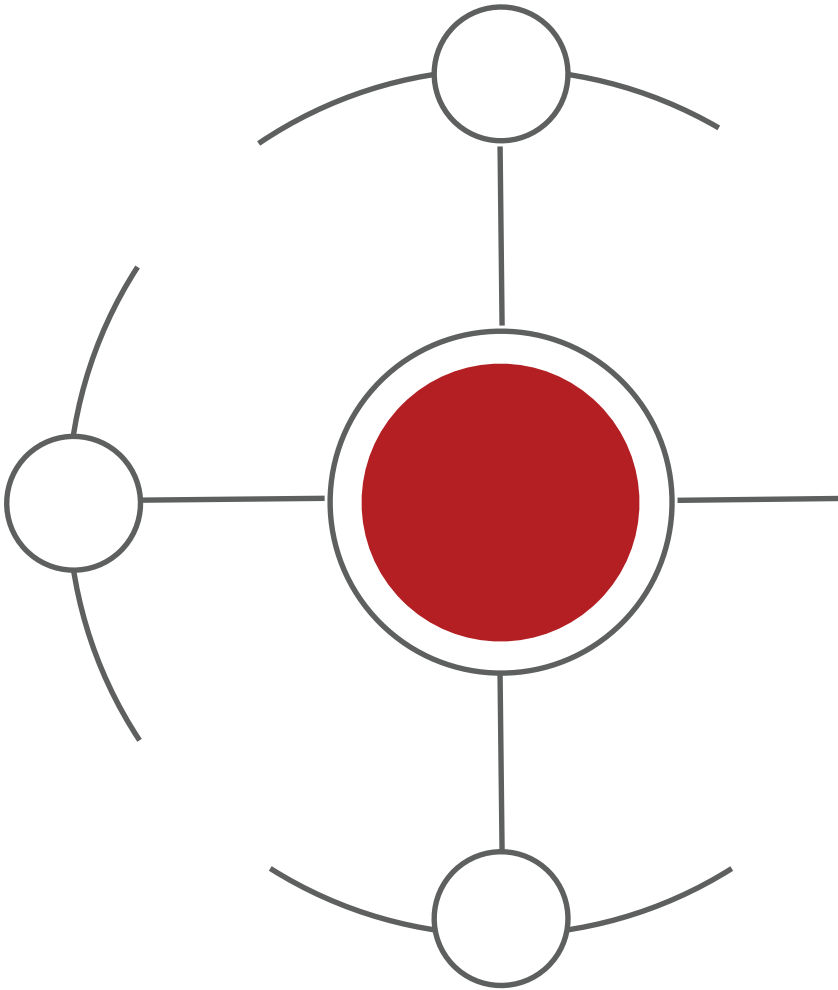
Open Garden
Approach

redpoint™

Outline

Innovating Customer Engagement Through an Open Garden Approach

For enterprises to thrive in the future, marketers need to innovate customer engagement as part of digital transformation to sustain profitable revenue growth.

Unfortunately, those marketers are burdened with technology platforms that have been architected as walled gardens hindering innovation, with technology that is too expensive, too risky, and too inflexible to support today's ever-changing nature of customer engagement. These technology burdens are particularly an issue when it comes to supporting today's dynamic customer journeys that are increasingly non-linear, multi-stage, and real time.

More than 50 percent of customer journeys are now multi-stage[1], and more than 60 percent of customers are now always-on and readily addressable.[2]

Fortunately, open garden solutions are now available that enable marketers to more effectively engage customers across the enterprise and completely future-proof their business in a world of certain change.

[2] Forrester, [3] Gartner, [4] CRM Magazine, Frost & Sullivan

89%
of companies expect

to compete mostly on the basis of customer experience, up from 36 percent four years prior[3]

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50%
of product investment projects

will be redirected to customer experience innovations to keep up with digital transformation in the overall market[3]

Organizations globally lose
($300 billion)
every year due to bad customer experiences[4]

The Technology Myth in Customer Engagement

## Let's address the myth right up front.

While there are clouds masquerading as a single solution, there is no "single stack, platform, cloud" or anything closely resembling that when it comes to marketing and customer engagement technology. Not only does it not exist but any companies making this claim become less credible by the day.

In their 2020 Marketing Technology Landscape, ChiefMartec.com identified more than **8,000 unique vendors**

which is **over 900 more vendors** than the previous year.

With that many technology options it's not practical to think that all the capability represented across 49 different categories could all be provided by a single vendor. Some cloud vendors have attempted to acquire various components and stitch them together, yet they have done it in a way that is neither compatible with most broad enterprise ecosystems, nor with the vast array of emerging technology.
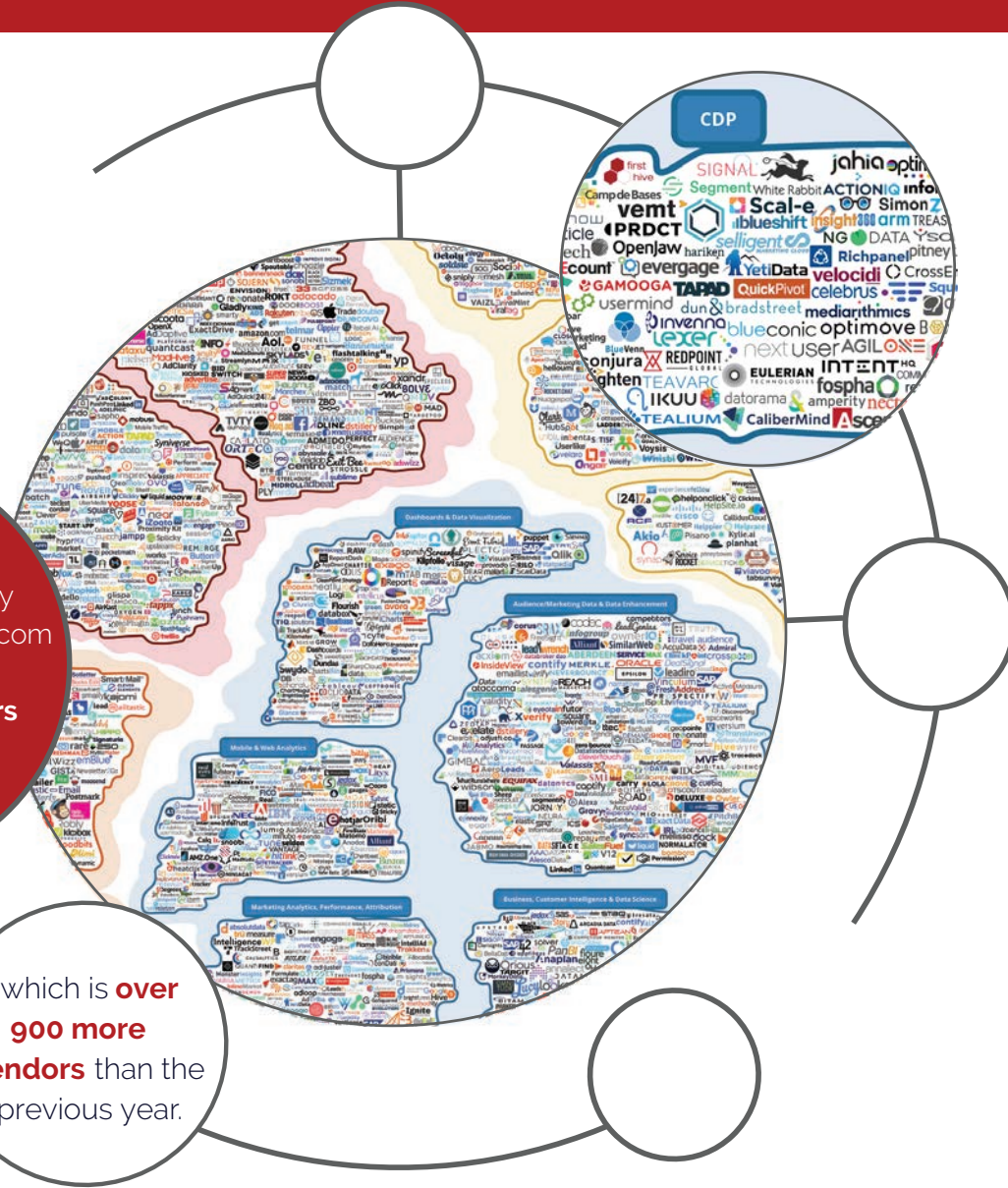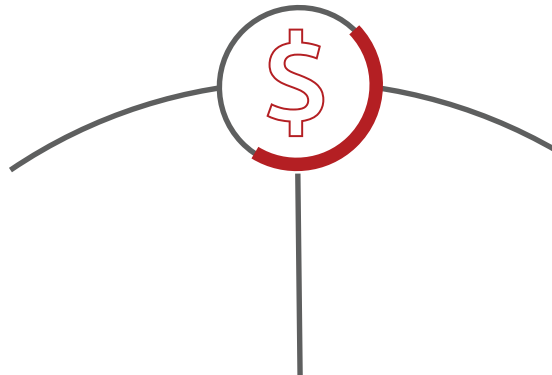
"Open Garden" Versus a "Walled Garden" Approach

Over the next five years, customer engagement will undergo significant changes as companies adapt to new consumer demands and market dynamics driven by digital transformation, whether through deploying new customer journey stages, social network platforms, IoT devices, real-time engagement technology, or a plethora of other innovations. Addressing this level of change is staggering, 44 percent of marketers have spent more than 25 percent of their budget to "rip-and-replace" engagement systems.[1] The ability to adapt to these changes and achieve competitive advantage will be significantly influenced by the choice a company makes between either a walled garden or open garden approach.
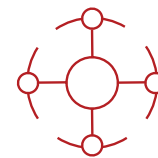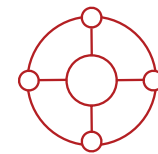
[1]CMO Council

There are fundamentally two opposing technology approaches to optimizing customer engagement:

1. **Open Garden**
   Single or tightly integrated core technology that has been architected specifically for flexibility, integration, and interoperability, thereby future-proofing the business.

2. **Walled Garden**
   A collection or suite of distinct technologies that cover some number of functional areas associated with a business vertical; such as marketing.

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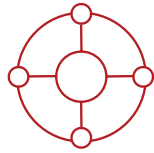
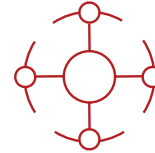|	**Walled Garden** **Barriers to Innovation**	**Open Garden** **Enablers of Innovation**
Total Cost of Ownership	Much higher costs to implement and integrate with an organization's existing ecosystem.	Lower costs due to ease of configuration, and connecting with an organization's ecosystem
Flexibility to Adapt	Have to change the architecture to accommodate business changes, making it difficult and time consuming to adapt to business change.	Architected for business change rather than having to change the architecture – significantly increasing speed to market.
Operational Scale	Low ability to scale due to operational complexity associated with multiple user interface metaphors, distributed engagement rules, data models and integrations.	High ability and easier to reach operational scale due to API integration into the broader ecosystem. This enables one interface to be the single point of operationalcontrol for all technologies in the ecosystem.
Connected Data	Data complexity creates fragmented customer experiences due to each application having its own underlying data model and data definitions.	Creates a single point of data control by integrating all data into a single view.

Today's Market Realities

Why now? Marketing clouds and suites are based on old thinking that incorporates walled gardens, and walled gardens are not the future.

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Businesses are failing to deliver relevant experiences to meet their customers' expectations – in fact 86 percent of customers would be willing to pay more for a customer experience, yet only one percent feel that brands consistently meet their expectations.[1] **How can there be such a sizable customer engagement gap?**

- **Consumer technology is upping the game** – Technology has empowered consumers to shift from linear, static single-channel journeys to dynamic customer journeys across many digital touchpoints. The customer is now in control and is expecting organizations to meet their heightened expectations for relevance and a frictionless experience. Customers expect real-time nteractions and contextual awareness across their multi-stage journeys.

- **Enterprise technology has only increased the friction** – While consumers embrace seamless technology, enterprises are heavily invested in a fragmented set of stand-alone marketing and customer engagement technologies – such as DMPs, social channels, marketing automation, content platforms, email platforms, attribution models, web analytics, e-commerce engines, and CRM platforms – that create friction in the consumer buying process. Siloed data, business rules, and processes associated with each technology prohibit the relevance and personalization today's consumer demands.

Open gardens provide a single point of control over data, engagement rules, and operations as they are architected to enable a broad engagement ecosystem.
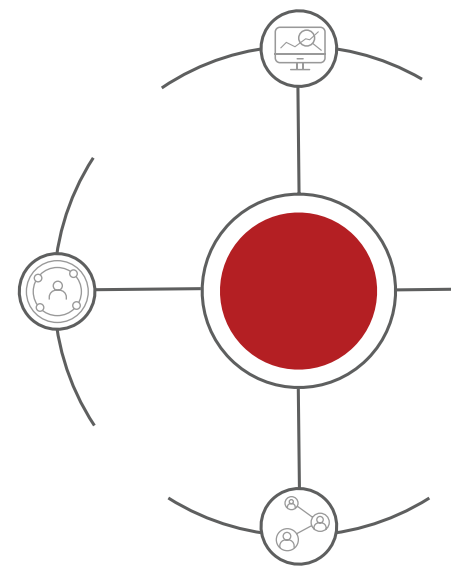
[1] Forbes; Customer Experience Index Survey

According to the CMO Council's research in collaboration with Redpoint Global Inc., enterprises fall exceedingly short of delivering data-driven personalized engagement:

Only 6% **of marketers** believe they are able to get a complete view of their customer from all available data sources.
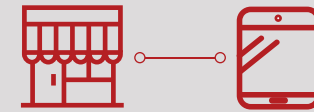
Only 7% of the marketers surveyed are able to deliver real-time, data-driven engagements across both physical and digital touchpoints.

62% have six to 20 customer engagement systems.

Given the external pace of change and the limitations with existing technology, the customer engagement gap will continue to widen unless an open garden approach is used. Open gardens provide a single point of control over data, engagement rules, and operations, seamlessly integrating complex technology in ways that increase relevance and reduce friction for customer engagement.

Using an Open Garden Approach to Optimize Customer Engagement

Highly personalized engagement that conveys contextual awareness and relevance for customers requires two capability sets that must work in harmony:

1 Forming and operationalizing the deepest understanding of a customer to effectively tailor next best actions

2 Aligning customer strategy and execution with that understanding at the speed of the consumer and across all touchpoints

rgOne solution

rgOne utilizes an open garden approach and enables seamless and optimized customer engagement across the enterprise, and delivers a highly personalized and relevant experience for an individual customer. The solution provides a single customer view accessible in real time, advanced analytics to drive real-time decisions, intelligent orchestration across all engagement systems, and hundreds of connectors coupled with open APIs to easily integrate with an enterprise's ecosystem.
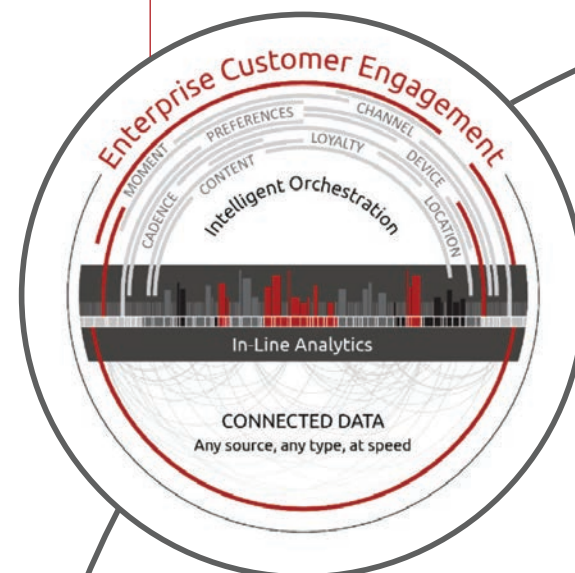
To achieve the deepest customer understanding, enterprises must have capabilities that provide:

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- **Identity Resolution** – resolve identities when customers use different proxies across different touchpoints, show up in any channel in real time any time, and move from an anonymous to a known state

- **Single Customer View** – create a single dynamic customer view from any and all data at any cadence across the enterprise

- **Master Data Management** – de-duplicate customer data across many different engagement systems, providing the highest accuracy in data while giving the business users the tools to manage data at the edge of use

- **Advanced Matching** – match disparate data in an automated manner, with high confidence in the level of precision and accuracy needed to drive higher relevance for customers

- **Real-Time Data Access** – synchronize curated data and make it accessible at a real-time cadence that enables an organization to operate at the speed of the customer and avoid latency

- **Operationalized Analytics** – effectively incorporate analytic models in workflow and use to drive next best actions; and deliver consistent offers, messages, and content no matter through which touchpoint the customer engages

To effectively align customer strategy and execution with the deepest customer understanding, enterprises must have capabilities to support:

- **Dynamic Customer Journeys** – deliver dynamic customer journeys in contextually aware ways that put the customer in control of their journey stages (on-ramps, off-ramps, timing, etc.)
- **Channel Attribution** – optimize channel selections, campaigns, and offers to drive revenue and profitability
- **Enterprise-Wide Engagement** – orchestrate omnichannel execution across all enterprise touchpoints and channels, including marketing, service, e-commerce, POS/ retail, and IoT devices as a cohesive whole
- **Personalized Experience** – scale personalization cost effectively for every customer

- **Real-Time Interactions** – determine and orchestrate next best actions in real time
- **Goal-Based Optimization** – scale operations though machine learning algorithms to dynamically optimize customer engagement to meet specific goals
- **Testing and Tuning** – continually test and tune offers and messages in real time, and in a closed-loop system with full visibility to all customer interactions over time
- **Digital Experience** – reduce the friction in data and engagement systems across the enterprise to create seamless customer engagement in a digitally connected world

Open gardens provide the single point of control over data and operations that enables these capabilities to work in concert, at the speed of the customer, and in a cost-effective and scalable manner. In sharp contrast to walled gardens, an open garden approach is the only approach that enables consistent, timely, and intelligent orchestration of next best actions across all engagement systems and provides the means for delivering experiences that meet customer expectations.
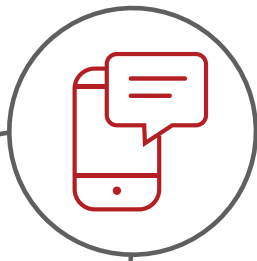
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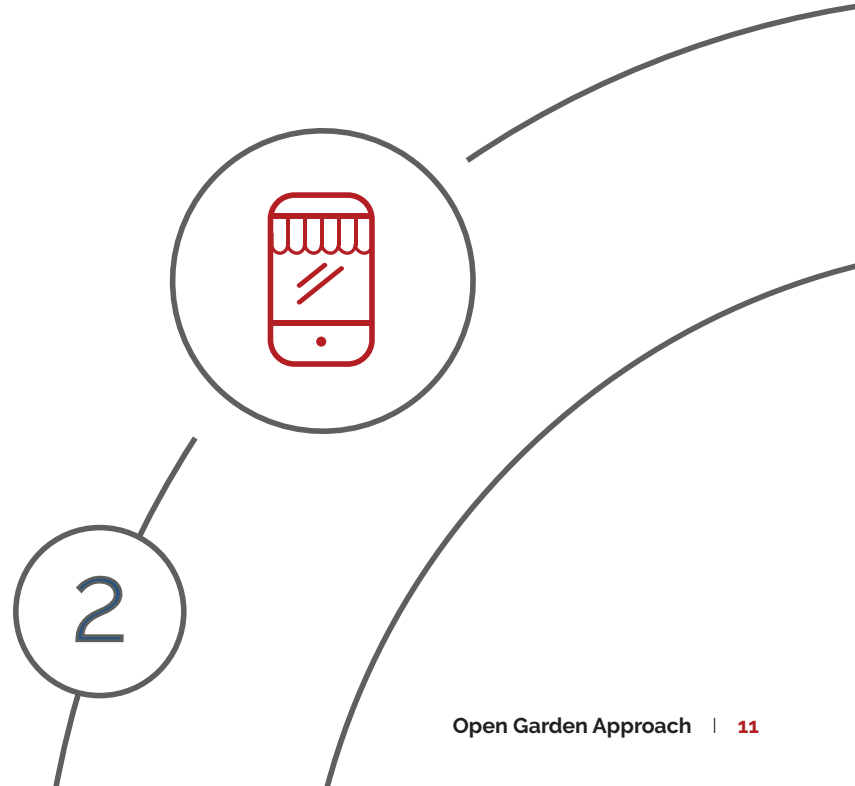
How Open Gardens Work

Redpoint's open garden approach eliminates failed customer experiences created by siloed data and fragmented engagement systems. The open garden approach leverages marketing's investments in current technology while at the same time provides the flexibility to embrace best-of-breed technologies as they emerge. Redpoint's architecture delivers unparalleled adaptability by providing control, choice, closed-loop processes, and cohesive deployments.

- **Control Over Data and Operations** – Redpoint provides a single point of control over data and customer engagement operations, enabling enterprises to design and implement any style of customer engagement as far as can be imagined.

- **Choice of Technologies** – Redpoint has hundreds of out-of-the-box connectors to seamlessly integrate the most widely used customer engagement technology as a data source, or in completing the last mile to the customer. The platform also has a software development kit (SDK) that enables enterprises to easily integrate emerging channels or devices, such as in IoT.

- **Closed-Loop and Cohesive Deployment** – Redpoint captures and makes accessible all detailed data, including behavior data, in a closed-loop system that bridges strategy to execution and achieves targeted results. Redpoint also provides flexible deployment options, whether cloud, on-premises, or hybrid environments.

Redpoint's open garden approach eliminates failed customer experiences created by siloed data and fragmented engagement systems.

144% increase

in attributable revenue

Case Study

OBJECTIVES

- **Unify all customer-related data from 25+ sources**
- **Create a golden record – continuously-updated unified customer profile**
- **Provide centralized, enterprise-level customer decisions and product recommendations**
- **Strengthen customer relationships throughout the entire lifecycle**
- **Enable flexible omnichannel marketing**
- **Future-proof technology investments**
- **Empower marketers with machine learning and advanced analytics**

Large CPG Company – A market-leading consumer packaged goods (CPG) company wanted to engage with consumers in new ways with high contextual relevance to accelerate direct-to-consumer sales.

The company's fragmented data environment and disconnected marketing technology stack precluded this from happening. The target consumers had encountered high levels of friction in engaging with the company for years, and it was getting worse as consumers adopted new channels. The core problem was the company's inability to create a unified customer profile across multiple channels, complicated by the need to access data from both batch and streaming data sources.

The company chose Redpoint's offering for its open garden approach to collect and connect data from virtually any source, and **leverage 22 million unified customer profiles** to orchestrate engagement across all enterprise touchpoints. Redpoint's solution integrated **more than 25 data sources** comprising over 2,400 data elements. Within the first six weeks after the Redpoint solution went into production, the company saw a **144 percent increase in sales** over the previous baseline.

RESULTS

- **144 percent increase in attributable revenue**
- **New strategic agility to drive personalized engagement in all customer-facing business processes, including marketing, sales, and service**
- **Easy, rapid extensibility and adaptability to new data sources and channels**
- **Rapid cloud-based deployment through Microsoft Azure**

Roadmap:
The Path Forward

To win in the future, companies need to embrace open gardens for their inherent flexibility and interoperability.

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This approach enables companies to thrive in deploying new customer engagement innovations at the pace of the customer. Open gardens elevate all engagement technologies to a single point of operational control for an organization, allowing enterprises to change engagement systems at will, and avoid the costly rip-and-replace associated with walled gardens. There is a proven set of steps to take advantage of open garden technology, in a phased approach that best optimizes customer engagement along the way:

1. Connect all sources and types of customer data to develop a unified and progressive profile for each customer

2. Create a customer golden record to operationalize the data and drive highly personalized interactions at customer speed

3. Leverage advanced analytic models – whether proprietary or third-party – in-line with engagement flows to drive segmentation, predictions, and optimization

4. Intelligently orchestrate engagement across traditional and digital channels

5. Automatically test, tune, and optimize customer engagement in a closed-loop system

Through an open garden customer engagement hub, enterprises will be able to gain control over their data and operations, remove silos, and deliver a cohesive set of contextually correct offers, messages, and content with the relevance that today's digitally connected customers demand.
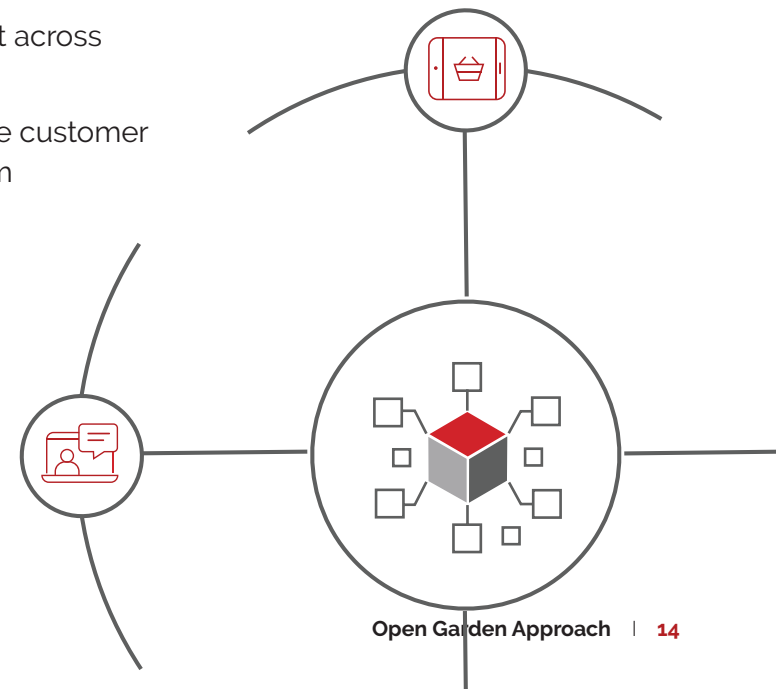
About Redpoint Global

With Redpoint's software platform, innovative companies are transforming their customer experiences across the enterprise and driving higher revenue. Redpoint's solutions provide a remarkably unified, single point of control where all customer data is connected and every customer touchpoint intelligently orchestrated. Delivering more engaging customer experiences, highly personalized moments, relevant next-best actions and tangible ROI—this is how leading marketers lead markets. To learn more, visit **Redpointglobal.com**.

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