Customer centricity:

A key priority across all lines of business

In today's content and product-saturated marketplace, personalisation is the key to standing apart from the competition. By 2020, customer experience is expected to overtake price and product as the key brand differentiator, and companies globally will lose over 300 billion USD each year due to poor customer experience.[1] Given those numbers, failure to personalise customer engagement will negatively impact an organisation's conversion and retention rates, making it difficult or impossible to remain competitive.

While a highly relevant customer experience is essential, simply implementing a personalised marketing strategy is no longer enough – it is necessary that organisations structure themselves around the customer across all lines of business. They must stop looking at customers from siloed marketing, sales and service perspectives, and leverage a 360° view of the customer that accounts for every interaction they have with the brand.

# By 2020, customer experience is expected to overtake price and product as the key brand differentiator

[1] PRNewswire

Beyond the traditional CRM platform

Creating highly personal experiences across all channels and touchpoints – like email, social media, purchases or contact centres – is extremely difficult when customer data is fragmented in multiple independent applications and departments. Over 60% of companies still struggle to personalise content in real time[2], even though 78% of customers will only respond to offers or content if it has been personalised to their previous engagements[3].

While the typical customer relationship management (CRM) platforms that most organisations rely on can help to surface some customer data, they typically only deliver narrowly specific details, like a customer's name, address or basic purchase history. In order to add or process additional types of data, organisations are challenged with integrating sources across multiple departments and third-party applications. Establishing and maintaining those connections can cost excess time and money, and to derive any actionable insights requires additional investments in machine learning or analytics capabilities.

60%
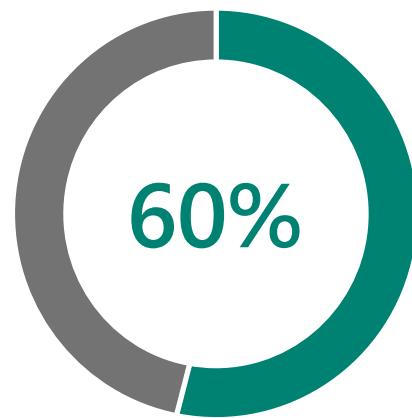
With the addition of a customer data platform (CDP) like Dynamics 365 Customer Insights, organisations can seamlessly unify data from every channel and source in a much simpler fashion, deriving insights that extend directly to other business applications to enable intelligent action across the entire organisation – from marketing, to sales and customer service. This powers not only omnichannel, 1:1 content and engagement at every touchpoint, but enables organisations to know, segment and target customers with unprecedented accuracy, leveraging every customer interaction with the business.

[2] Adobe

[3] Loyalty360

Personalisation across all lines of business

McKinsey reports that implementing an organisation-wide personal engagement strategy at scale can drive 5–15% revenue growth for companies, particularly for those in the retail, travel, entertainment, telecoms and financial-services sectors[4].

It all starts with knowing the customer. By leveraging aggregate data to better understand each individual customer's preferences, purchasing tendencies and context on a deeper level, organisations can avoid frustrating customers with irrelevant content while increasing the likelihood of conversion – for instance, a cruise line offering a singles cruise package can avoid targeting a newlywed, while an insurance agency can offer a family car insurance plan to a client whose child has just turned driving age.

Implementing an organisation-wide personalisation strategy at scale can drive 5–15% revenue growth

5-15%

[4] McKinsey

Providing a single source of truth that surfaces a 360-degree view of customers, Dynamics 365 Customer Insights helps organisations to determine the best action possible for each individual customer in any context or stage of the journey – whether acquisition, conversion or retention. Simply put, it surfaces the right engagement, for the right individual, at precisely the right time. Using historical customer data and machine learning models, organisations can derive insights that empower employees across all lines of business to deliver the best message or service for every customer scenario – from personalised marketing ads based on customer search histories, to next-best-offer sales suggestions based on past purchases or interests, and proactive customer service support leveraging predictive analytics and anomaly detection.

Let's take a look at how Dynamics 365 Customer Insights enables cross-department cohesion on every engagement a customer has with the organisation – for instance, with access to the same holistic customer profile, a sales associate could seamlessly take over a case from a service rep to assist a customer with a product add-on that resolves a problem with a previous purchase. Whole organisation customer experience efforts can not only improve customer satisfaction and drive retention, but also result in significant top line gains.

Marketing

The goal of marketing today is no longer to simply convert a customer in a single transaction – the bigger picture is to focus on higher-value prospects that will not only be more likely to make that initial purchase, but also generate ongoing business in the future. Forward-thinking marketers can leverage Customer Insights to unify and enhance customer data, develop rich segments and target customers more accurately and personally. By increasing the relevancy of content and engagements, and streamlining cross-channel campaigns, they can raise the likelihood of conversion, increase the ROI of marketing efforts and gain competitive advantage with measurable results.

Marketing Use Cases

Customer segmentation and cohorts: Create more accurate and micro-targeted segments that enable precise targeting and contextually relevant content, offers, discounts and experiences. Go beyond segmentation to create "pyschodemographic" cohorts, taking into consideration not only where customers are today but where they might be five years from now; smart personalisation used to recognise customer intent can increase profits by up to 15%[5].

Lead generation: Enrich customer profiles with external data such as brand affinity and preferences, focusing on the best prospects and increasing acquisition by identifying those most likely to convert.

Website, campaign and content personalisation: With direct integration to executional channels (email marketing, mobile messaging), enable seamless delivery of personalised and relevant content to develop an authentic and emotional connection with customers – for instance, an outdoor retailer might display a personalised webpage with hiking equipment to a customer who had previously searched for that activity; marketers who utilise personalised web experiences report an average of 19% uplift in conversion[6].

Increase customer lifetime value with affinity marketing: Focus on more high-propensity customers and achieve greater wallet share based on user interests and preferences from Microsoft Graph. Surface next-best-actions so marketers can engage with confidence and provide sophisticated cross-sell and up-sell recommendations that are relevant to what a customer has already purchased or browsed; 47% of customers have purchased items or services they did not intend to due to a personalised recommendation from a brand[7].

47%
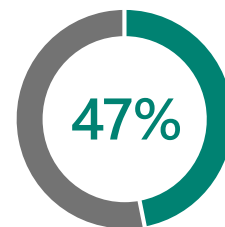
Customer journey analysis: Monitor campaign performance and measure key performance indicators to identify what is working and course-correct in real time, driving improved conversion rates, loyalty scores and per-customer revenue.

[5] Business2Community

[6] CMO
[7] Forbes

Sales

With an abundance of available options for every product and service, sellers need to understand their customers on a deeper level in order to be successful in selling to today's highly selective customer. It's about providing the right offer to the right audience at the right time, and to do that requires not only complete customer data compiled from all sources of previous interaction, but the means to create detailed segments that enable highly targeted sales engagements. Profiles containing each customer's loyalty status, buying frequency, spend and recent purchases can provide context for optimising sales engagement. Salespeople who have a complete picture of each customer are empowered to deliver relevant and meaningful engagement, whether online or face-to-face, at scale.

Sales Use Cases

Data-driven next-best-action: Next-best-action suggestions help salespeople deliver meaningful and unique engagement based on historical data rather than guesswork; complete customer profiles and insights allow relevant suggestions that interest customers – like recommending a product or service add-on that complements a recent purchase.

Personalised buying experiences: Deliver personal and highly relevant experiences at every point in the buying journey, from intelligent cross-sell and up-sell recommendations, to tailored promotions or discounts and individualised pricing based on a customer's spend history and trends.

Consistent cross-channel experiences: Bring together online/in-store customer data to deliver a seamless experience across channels (e.g. research in store then buy online, or buy online and pick up in store), driving cross-channel conversions (e.g. in-store up-sell based on online activities) and enabling a continuous online-offline feedback loop.

Foster relationships: Leverage a complete view of a customer's interactions to better understand the health of the relationship (e.g. what was their last activity, how long ago did the interaction occur, how much time between interactions), using those signals to drive personalised engagement that strengthens the relationship and proactively addresses their needs.
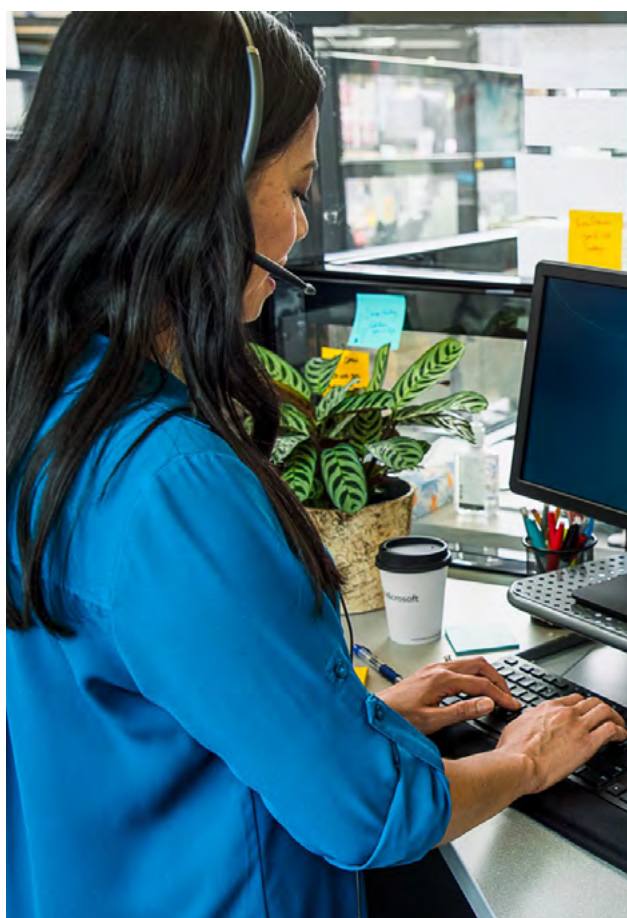
Service

The future of service lies in delivering frictionless, convenient and personalised service through any channel that a customer chooses. By democratising data and empowering every employee with 360° customer profiles, contact centre or customer service representatives can provide proactive, omnichannel support that leaves customers feeling valued and understood – ultimately strengthening loyalty, trust and retention. With customers reporting they're likely to spend 17% more to do business with companies that deliver excellent, personalised service, and 33% who would consider switching companies after just a single instance of poor service[8], the stakes remain high for getting service right.

Service Use Cases

Accelerated case resolution: Resolve customer concerns swiftly and easily by arming service agents with holistic customer profiles and histories, while also predicting customer behaviour and preferred communication channels to route customers appropriately and improve Customer Satisfaction (CSat) scores.

[8] American Express

Proactive fraud and anomaly detection: Discover issues or potentially fraudulent activity sooner with AI and ML, resolving problems before the customer is even aware, to strengthen trust and retention – for instance, a banking institution can detect an anomaly on a customer's credit card account and send the customer a new card prior to any fraudulent purchases or disruption to the customer.

Self-service tools: Cascading contact centre intelligence into virtual agents and chatbots enables customers to resolve issues for themselves at any time; more than 60% of customers say their go-to channel for simple enquiries is now a self-serve tool[9].

Strengthen customer retention: Deliver personalised loyalty or next-best-offer incentives to increase customer lifetime values, repeat business and drive retention, while automating churn analysis to detect at-risk customers and deliver re-engagement offers – for instance, an airline can determine which mileage plan customers recently had a bad travel experience and can send a loyalty offer to accommodate their troubles and keep them from moving to a different airline.

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60%
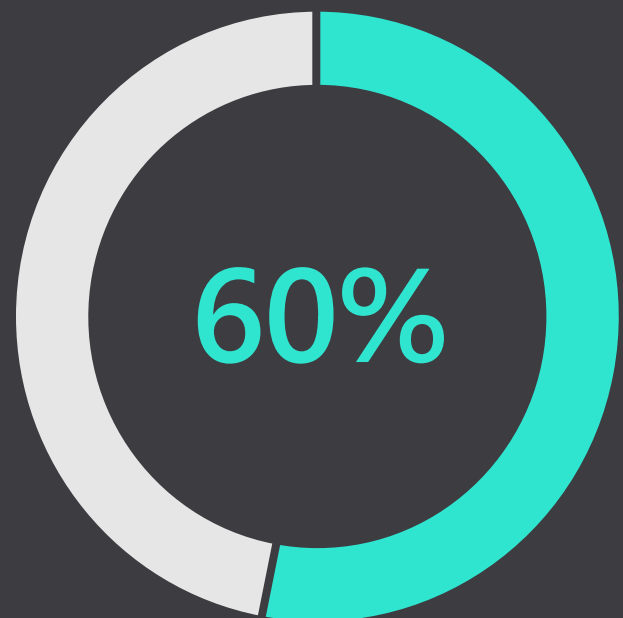
[9] American Express

Dynamics 365 Customer Insights

In a world where companies have only a few minutes to make a lasting impression, organisations need to do more than simply compile customer data – they need to derive actionable insights and get those insights into the hands of every employee who interacts with customers. Marketing, sales and service professionals need first-hand access to holistic customer information, enabling seamless and intelligent customer experiences no matter which department they're interacting with. With Dynamics 365 Customer Insights, organisations can effortlessly connect data from every source of interaction and arm employees with a single source of truth right within the external business applications they use every day – including seamless, pre-built integration with the rest of the Dynamics 365 marketing, sales and service applications many organisations already leverage.

Unlike other CDPs, Customer Insights is a self-service solution that enables faster time to value with zero to minimal consulting

engagement, freeing up time, costs and resources typically required from IT. Atop a unified data estate, Customer Insights utilises analytics, artificial intelligence and machine learning to create 360° customer profiles with actionable insights, adding proprietary customer data enrichment through Microsoft Graph for more complete customer segments. Organisations can connect to myriad data sources to seamlessly run analytics on their data estate through Power BI, build custom line of business applications through PowerApps, and can leverage intelligent insights to

trigger business processes in Microsoft Flow. Additional extensibility is made possible through a large ecosystem of Microsoft partners to help organisations optimise and tailor solutions that address specific industry or business needs, maximising the capabilities of their marketing, sales and service departments.
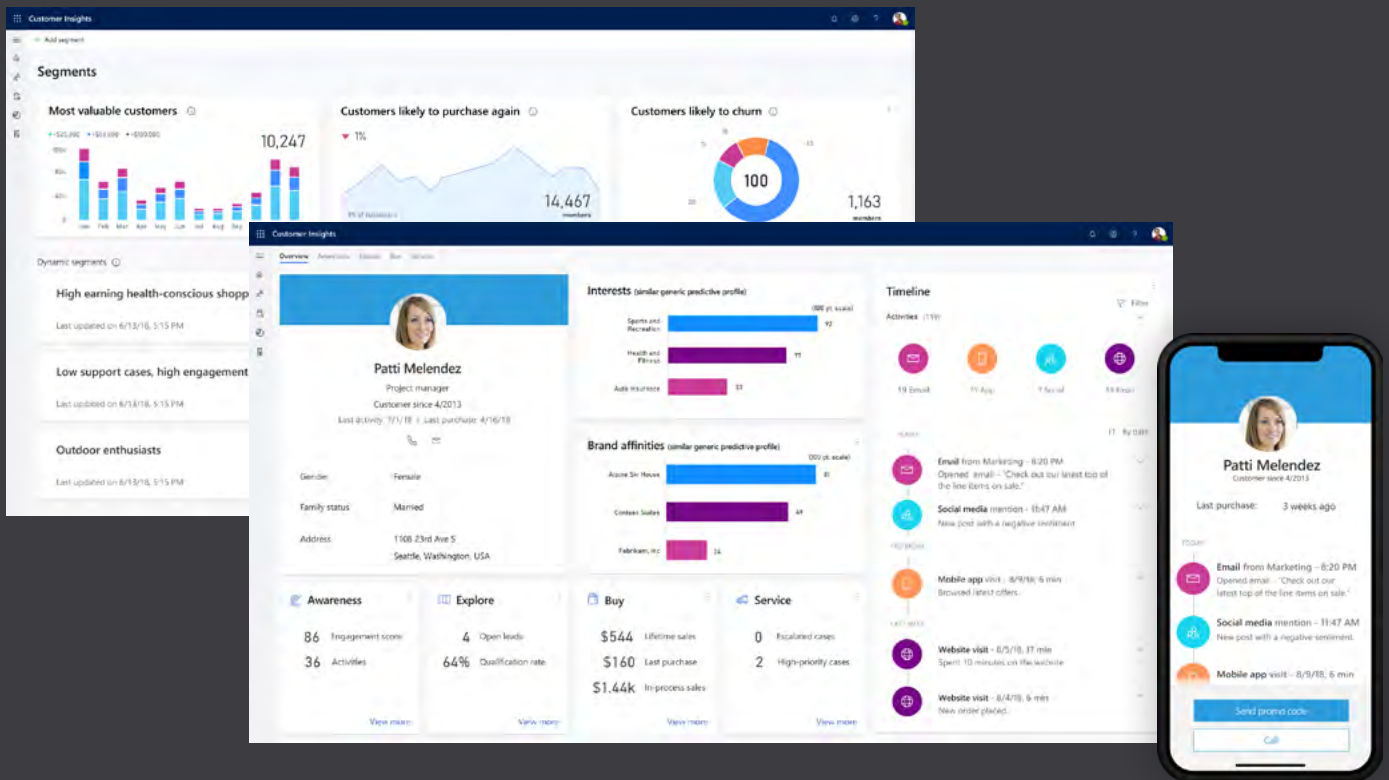
To learn more, visit the Dynamics 365
Customer Insights website.