

Closing the Loop with Siebel Marketing A Discussion and a Case Study

By Gemma Fookes, Customer Systems plc

This article will discuss the challenges and benefits presented by Siebel Marketing. We will consider the industry issues this software seeks to address and the way in which it does so, as well as the new opportunities offered by the deployment of this software.

We will then consolidate these considerations through a case study showing how we helped to successfully bring the power of Siebel Marketing to one of the world's largest automotive manufacturers. To conclude, we will talk about two lessons we learned from this particular deployment that would be of use to anyone embarking on a Siebel Marketing deployment.

Changing the Traditional View of the Place of Marketing in the Sales Cycle

Traditionally, sales departments considered that the sales cycle commenced only when a salesperson began working with a prospect, and ended as soon as the order was received. This way of thinking assumes that the selling process begins with the salesperson, disregarding the efforts and importance of the marketing team in building brand awareness and generating the initial lead. It also assumes that marketers and salespeople cease to be concerned with the customer once the order is received. Again, this disregards the value and necessity of maintaining the relationship after the sale in order to encourage further sales of the same or additional products and services. In contrast with this traditional thinking, most organisations now view the marketing department as an essential component of the sales cycle and have begun to integrate the sales and marketing functions as a result, both in terms of processes and technology.

Understanding your Customer Better

Another factor to consider is the level of customer insight companies can now achieve. Given the amount of information provided by customers to companies through various channels nowadays, it is imperative that companies demonstrate that they have a thorough understanding of their customers. An important way to demonstrate this is to ensure that they present marketing messages which are customised, consistent and based on the precise preferences, requirements and plans of individual customers. This customisation is often achieved by the use of a large number of highly targeted marketing campaigns, in place of a small number of broad ones.

It is also essential to track, in real time if possible, all the interactions that take place between the company and its customers. This must commence with the initial marketing and continue through to after-sales activities. The consistency of interactions throughout this cycle is essential to the development and maintenance of the company's brand.

Meeting Customer Requirements in this New Marketplace

The only way this type of totally integrated, real-time communication, tracking and management – sometimes referred to as end-to-end or closed loop marketing – can be achieved is with a cohesive system accessible to everyone within the company. This system must enable them to fully understand every

customer and prospect and thereby to provide better value, whether in the marketing, sales or after sales department. Therefore the challenge presented is not only one of a change of opinion about where customer management begins and ends, but also an equally important technological challenge which can only be met using a fully integrated, customisable CRM system with full marketing functionality.

Thanks to the introduction of Siebel Marketing, Siebel can now provide all the marketing and sales functionality organisations need in an integrated package.

Bringing Siebel Analytics to Marketing

Siebel Analytics offers the combination of a powerful suite of analytical and data reporting technology and pre-built

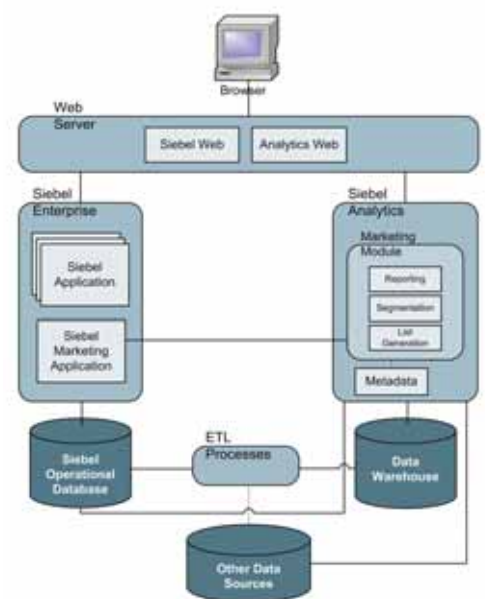


Fig. 1: Architectural overview of Siebel Marketing and Siebel Analytics

EXAMPLE

An email is sent to a broad range of prospects mentioning both new and pre-owned cars.

A response allows us to see that a prospect is thinking of changing his car in around 6 months for a pre-owned car. We can also see that he has two children and a pet.

This prospect is fed into a specific campaign about pre-owned 4x4 vehicles.

applications to provide real-time, personalised, relevant and actionable intelligence and insight based on both Siebel and non-Siebel data sources.

Siebel Marketing brings the power of Siebel Analytics to marketing departments, allowing them far greater insight into their prospects and customers, as well as more advanced and effective ways of monitoring the success of their marketing activities.

Highly detailed, real time prospect and customer profiling enables marketers to better understand purchasing behaviour, history and frequency, as well as customers' preferences and plans. They can then develop and refine their marketing strategy and targeting accordingly.

Siebel Marketing also allows the marketing department to conduct campaigns in a far more responsive way than before. Information, for example customer feedback, gained during the course of marketing activities can be fed back into the application enabling more targeted follow up to take place.

Following the conclusion of each marketing activity, Siebel Marketing enables marketing departments to:

- identify what specifically appeals to customers and prospects in their

marketing activities

- understand which marketing activities are most efficient in terms of generating leads that result in sales
- calculate the cost of acquiring each new customer.

Segmentation

The integration between Siebel Analytics and Siebel Marketing allows marketers to interactively segment highly precise lists of contacts to target in marketing campaigns. The tendency in marketing is towards smaller, more highly targeted groups; in fact, some organisations run several marketing campaigns per day, each to an audience as small as 100 customers or prospects. Therefore it is essential that marketers have access to a segmentation tool which allows them to quickly and easily apply complex business logic to data from various data sources, taking into account complicated relationships between data.

Segmentation is one of the most powerful functions of Siebel Marketing, allowing list creation from any source or combination of sources. The number of contacts in a segment can vary over time as contacts' details are updated and then re-evaluated against the segment criteria; or if required, the set can be frozen so that it reflects all the customers and prospects that met the requirements at a certain time.

The types of criteria used to create lists can be wide-ranging, but would typically include the type of customer the marketer plans to target (for example, businesses or domestic customers), and then more detailed attributes such as history of products bought, areas of interest, order status, complaint history and so on. In addition, Siebel Marketing brings the ability to segment on very complex business logic quickly and easily.

The built-in Segment Designer allows marketers to see how many prospects or customers are qualified in or out by a certain criterion or group of criteria. The content of the segment is refined by adding criteria which will either increase or decrease the

EXAMPLE

A marketer can use Siebel Marketing to identify a segment of customers based on the following criteria, who can then be fed into a highly targeted marketing campaign.

The customer:

- has selected a GPS option on their vehicle
- has recently expressed an interest in a new product via the website
- has not raised a complaint in the last twelve months
- has not been contacted as part of a campaign in the last 6 months
- is leasing a particular model of vehicle
- is not currently in the process of terminating their lease
- is aged between 30 and 40
- lives in the south-west of England
- has a current relationship with a local dealer.

number of contacts included, depending on whether a particular criterion adds or removes contacts to/from the segment. As criteria are added, Siebel Marketing keeps count of the total number of contacts who qualify for the segment based on the criteria applied so far, so that the marketer can see in real time precisely how many prospects are in the segment at that point. If required, marketers can then assign all the contacts in a segment to a new marketing campaign, or use Siebel Marketing's ability to select a random percentile of the list for the purposes of trialling a campaign.

Campaign Creation and Management

Siebel Marketing also allows comprehensive campaign creation and management. Organisations can develop sophisticated marketing campaigns using not only the advanced segmentation functionality of Siebel Marketing, but also the built-in tools for the development of marketing materials (such as emails and faxes, or scripts for call

centre operatives) as well as integration with Siebel Events Management to create, promote and manage customer focussed events. Campaigns managed in Siebel Marketing can consist of a number of stages, and make use of multiple channels of communication.

Marketing campaigns can be fulfilled externally, where an agency mails, emails and/or calls the prospects, or internally via mail, email and/or a call centre. Siebel Marketing enables marketers to create lists either for external fulfilment, or to be fed into the various internal fulfilment routes. More complex scenarios, such as where an external agency deals with the sending of the marketing email, but the follow up to this email is carried out internally, can also be handled in Siebel Marketing.

EXAMPLE

A prospect receives an email containing a link to a special offer on the organisation's website.

The prospect clicks on this link, is directed to the eSales website and at the same time creates an opportunity in Siebel to be followed up by a salesperson.

Managing the Marketing Function

Once the campaign is underway, marketers can use Siebel Marketing to monitor and track it, measuring success in terms of response rate, quality of leads, revenue generated by the campaign and return on investment. Because this monitoring happens in real time, the marketer can make swift changes, for example, by changing segmentation criteria in order to increase the success rate of the campaign.

The ability of Siebel Marketing to manage the entire marketing function more effectively is important too. If marketing is to be considered as a fully-fledged component of

the sales cycle then marketing departments must be held to account for their success and achievement of targets. Siebel Marketing coupled with Siebel Analytics can help to manage this by providing far more accurate predictions of campaign costs (because the segmentation is more accurate) and by allowing the up-to-date measurement of a campaign's return on investment.

In Reality

Siebel Marketing provides a comprehensive set of tools for the creation, deployment, management and analysis of highly complex marketing campaigns. More broadly it also enhances the management and functioning of the entire marketing department.

Increased awareness of the importance of the marketing department within the sales cycle is the key driver for many organisations who are now choosing to implement this functionality. In doing so they are also embarking on an integration of the activities of different departments within their own organisation which will ultimately serve to reinforce the company's brand and to improve the overall customer experience. The result is higher levels of customer satisfaction and loyalty – and therefore higher revenue.

The key to success with Siebel Marketing is in the implementation and customisation of the product. Employing resources with the right experience of Siebel Marketing, Siebel Analytics and the Siebel application as a whole, is essential. The following case study will demonstrate how Customer Systems brought extreme product expertise, developed through exhaustive product investigation and intensive consultant training, to the Siebel Marketing deployment of one of the most prestigious vehicle manufacturers in the world, whom, for the sake of client confidentiality, we will refer to as 'Acme Motor Company'.

Implementing Siebel Marketing at Acme Motor Company

The Challenge

The challenge facing Acme Motor Company

was to eliminate the disparate marketing functionality which had been built by its marketing departments in several different countries and to bring these departments together with one Acme Motor Company standard marketing solution. Through this integration, Acme Motor Company's strategic goal was to ensure that all interactions between the company and its customers would be based on the relationship between the customer and their local dealer. Since the project straddled a number of countries, this included the need to support multiple languages, locales, regulatory requirements and differing styles of business.

Selection of the Product

The need to integrate the various marketing departments of its operation, and to incorporate extensive localisation and translation into the marketing functionality, combined with a requirement for a large amount of analytical reporting, led Acme Motor Company to select both Siebel Analytics and Siebel Marketing for this purpose.

Deploying the Product

The deployment of Siebel Marketing formed part of the roll-out of the new Siebel application to Acme Motor Company operations in four European countries. The marketing department in each of these countries was small, consisting typically of only 4-6 people who actually interacted with the application.

An additional challenge when deploying Siebel Marketing was the level of customisation of Acme Motor Company's Siebel application. Heavy customisation meant that a lot of the out-of-the-box functionality of both Siebel Analytics and Siebel Marketing had to be redeveloped. Although this added to the scope of the project, it also allowed Acme Motor Company to deploy a marketing solution which was precisely tailored to their requirements.

Employing Resources

Acme Motor Company were looking for an organisation that would give straightforward

yes/no answers to their questions, as well as bringing a high level of expertise and extensive experience to the project. They particularly wanted a highly proficient technical lead, with experience of in depth interaction with business users, to ensure the success of the project.

Our consultant's experience with both Siebel Analytics and Siebel Marketing, coupled with his no-nonsense approach to this kind of deployment, qualified him for this position.

Success

In spite of the need to build a large application, and to design much of the localisation and translation from scratch, this project was delivered within just 5 months.

Acme Motor Company's marketing departments can now ensure that all of their marketing activities are customised to individual customers' buying habits and preferences, and take into account the appropriate language of communication. All communications are focused around developing the relationship between customers and their local dealer.

The process has also brought together the marketing departments of Acme Motor Company Automotive and Acme Motor Company Financial Services, by providing them with a single view of the customer base, thereby allowing them to coordinate their marketing operations. As a result, many new opportunities have arisen to increase the personal relationship between the organisation and its customers.

Lessons Learned

Customer Systems learns lessons from every project undertaken and the Acme Motor Company Siebel Marketing project was no exception. Here we highlight two particular lessons we learned from this project which we consider would be of use to anyone considering embarking on this kind of deployment.

1. Don't try to do everything at once

Acme Motor Company wanted the ability to use Siebel Analytics to report against

every field in the application as standard. This was largely due to the unpredictability of the requirements which could come at any time in the future from the sales or marketing departments in any one of eight different countries.

We would suggest that, rather than spending time configuring every single field for Siebel Analytics reporting, companies instead focus on small, requirements-driven areas of the application. They should also plan to have several quick releases after the initial go-live. If new requirements are subsequently identified then the required functionality should be ready to roll out within a very short development cycle. Organisations should view a Siebel Marketing deployment as an ongoing project, and should not attempt too much in the first release. After the initial release of the marketing application at Acme Motor Company, a number of smaller releases were planned to take exactly this approach.

2. Keep it as simple as possible

A significant part of the complexity in the Acme Motor Company application arose from the unavoidable need to support many different countries in the same application with differing business processes and requirements. This resulted in heavy customisation.

Wherever possible, Siebel Marketing implementations should aim to implement vanilla Siebel functionality and try to avoid too many process-specific customisations. This may involve altering existing business processes or developing new ones, as well as compromise from the business user community. Despite the heavy customisation of the application, the best business process solutions within Acme Motor Company have always been achieved by working closely with the vanilla Siebel functionality and extending it only in a few key places.

In Conclusion

The increased importance of the marketing department within the sales cycle has led many organisations to embark on the

deployment of software to integrate marketing functions with the other customer-facing functions in the organisation. In doing so they are also enabling the marketing department to make better use of the data held in the CRM application, so that they can understand their customers and prospects better, create targeted lists, design and fulfil campaigns, monitor success rates and evaluate return on investment. The result is that real relationships can be formed between companies and their customers, leading to increased customer loyalty and a better overall customer experience.

Siebel Marketing provides all the functionality a marketing department needs to analyse complex information about customers, design sophisticated marketing campaigns for internal or external fulfilment, create highly targeted lists from multiple data sources, track and react to campaign responses, and monitor and report on campaign success.

Experience and expertise are essential to any Siebel Marketing deployment, but this does not mean that you need to spend vast sums on a huge implementation team. A few key people with the right experience and dedication can often inject enough expertise into an internal team to ensure project success.

About the Author

Gemma Fookes is a languages graduate and senior manager at Customer Systems, responsible for marketing. Customer Systems is wholly focused on Siebel, Actuate and Analytics and has accomplished hundreds of successful implementations. Based in the UK, they have delivered services in 27 countries across 4 continents. 19% of the customers listed in Siebel's last annual report have used Customer Systems.

*Customer Systems plc
1 Guildford St, Chertsey, Surrey KT16 9BG
Tel: 07000 287 835
Fax: 07000 287 329
Email: enquiry@customersystems.com
Website: www.customersystems.com
A Siebel implementation partner.*