Beyond Marketing:
Why Digital Disruption Requires a Deeper Transformation

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Highlights

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Executive Summary

The forces of digital disruption have toppled established business models, magnified the significance of digital channels and competences, and initiated the "customer-centric era." Chief marketing officers (CMOs) and their marketing organizations would seem to be ideally positioned to lead the organizational response to these disruptions. Marketing typically owns the customer relationship and has developed sophisticated methods for understanding and communicating with customers. Indeed, many of the vendors and service providers who aim to help companies with customer experience management (CEM) have focused their attention on marketing professionals and processes. Surprisingly, however, CMOs are rarely at the forefront as companies tackle the digital innovations necessary to attract and retain empowered consumers. Accenture recently surveyed C-level executives in 20 countries and found that the CEO was responsible for such initiatives in 35% of the organizations, followed by the CTO (23%) and the CIO (22%). The CMO? Virtually invisible at 1%.[1]

Such results do not indicate a lack of will or skill on the part of CMOs and marketing professionals. Rather, they show that the forces at work in digital disruption have not only granted consumers unprecedented voice and choice — they have also fundamentally transformed the business environment and the capabilities required for business success. Digital is so disruptive because it radically accelerates and warps not only the customer relationship but also the entire process from product innovation to customer satisfaction. As a result, any organization that wishes to remain relevant requires not only a different kind of marketing; it has to develop the ability to sense, understand, and respond to changing market conditions and customer expectations with extraordinary speed, agility, and flexibility.

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Understanding Disruption

Today, disruption fills the air like dust after an explosion. It may be the single most widely used (and abused) concept as we — individuals, business organizations, and societies — attempt to understand and negotiate the numerous and momentous shifts caused by new and constantly changing technologies, social habits, market forces, and cultural formations. Books such as *Digital Disruption* (2013) and *Big Bang Disruption* (2014) document how developments like cloud platforms and free or low-cost software tools radically reduce the cost of creating new products or services and thereby pose new threats to existing businesses.[2] Every day, the rigorous theory of "disruptive innovation," formulated by Clayton Christensen, is further verified in practice — and simultaneously comes under increased scrutiny.[3] On a more practical level, Jimmy Iovine and Andre Young (aka Dr. Dre) have announced funding for an entirely new undergraduate curriculum at USC, which was quickly dubbed "the program in disruption."[4] Meanwhile, a few hundred miles north, disruption is now so often and so loosely evoked by the Silicon Valley startup scene that it threatens to drain the concept of all meaning.

For all of this activity, attention, and controversy around the concept, disruption is neither obscure nor hard to understand. Merriam-Webster defines the root verb form as follows:

> *disrupt*: to cause (something) to be unable to continue in the normal way; to interrupt the normal progress or activity of (something).[5]

This standard dictionary definition neatly and precisely captures the widespread fact of disrupted business models and value chains.[6] Whether we consider the (in)famous "disruptors" — companies or products that seem to single-handedly threaten established industries (iTunes and music; Uber and transportation; Airbnb and hospitality) — or, more broadly, analyze the instances of companies shaken by new technologies (web-based classified ads and newspapers, digital photography and film manufacturers, etc.), in every instance, the incumbents find that they are "unable to continue in the normal way."[7] Indeed, the technology innovations, behavioral shifts, and new market dynamics associated with digital disruption mean that virtually no company can survive by adhering to "business as usual." Between the narrow and specific context of Christensen's theory of disruption and the broad, careless use of the term in startup cultures, the normal, everyday definition is "just right" for grasping

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" Disrupt simply means 'to cause something to be unable to continue in a normal way.' Between the narrow and specific context of the theory of disruptive innovation and the broad, careless use of the term in startup cultures, this standard definition of disruption perfectly captures the challenges faced by so many companies today. "

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the challenges posed to so many companies by the accelerating pace and scope of change.

A simple and elegant visualization of disruption

The best graphical illustration of the effect of disruption on business operations comes from Andy Grove, the co-founder and longtime CEO of Intel. In his 1996 book *Only the Paranoid Survive*, Grove explained his notion of the "strategic inflection point," which is a "monumental, catastrophic change" in the operating environment of a company.[8] (See Figure 1.) (Although Grove did not talk explicitly about disruption in the book, he was an early fan of Christensen's work and later adopted *disruption* as a synonym for *strategic inflection*.)

Grove stressed that such disruptions could have many sources: "new technologies, new competition, new regulations, new customer values and habits, etc."[9] Managers need to be able to distinguish

"garden-variety change" — i.e., normal operational challenges — from the critical disruptions that threaten the very survival of the company and force it to navigate what Grove did not hesitate to call "the valley of death."[10]

Grove's graphic clearly illustrates how a set of business practices, market perspectives, and insights about buyers — the "old paradigm" — succeeds for a time in producing "relevance" — meaning whatever has been deemed as a positive outcome, such as revenue growth, market penetration, or customer acquisition. When the strategic inflection occurs (which, as Grove later admitted, is usually an ongoing process rather than a point in time), the established practices no longer deliver the desired results. In fact, adhering to the status quo leads to decline and irrelevance. Instead, continuing success depends on identifying, understanding, and adopting a "new paradigm" that reflects and takes advantage of the post-disruption environment.

Figure 1.

Andy Grove's strategic inflection point as a model for disruption
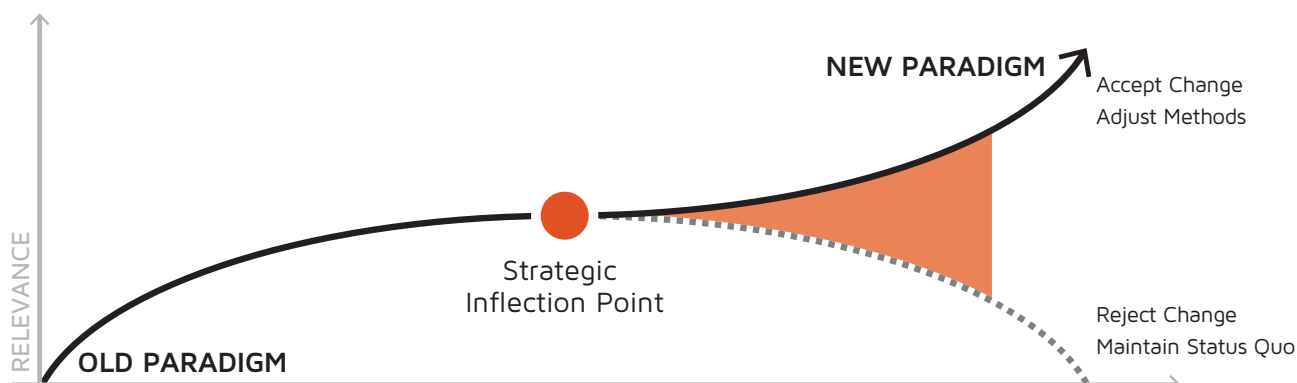
How Digital Disrupts

We're all used to hearing about the forces of digital disruption. The inventory of these forces varies according to the speaker and the context, but they typically include smart mobile devices and apps, cloud-based solutions, "freemium" software applications, massive social networks, and open source, community-based tools and development practices. Independently, any one of such forces could upset the best-laid plans of an incumbent business. In concert, they form a force multiplier that powers unpredictable, and in many cases unheard of, innovations. (Uber, for example, combines every one of these elements to create an explosively popular transportation service and a company whose market value currently exceeds that of Alcoa, Whole Foods, Tiffany, or Avis/Budget.[11])

What's harder to come by is an explanation of *how* and *why* digital disrupts. Analyses often begin with entirely accurate descriptions of how the world has changed ("Your … customers, your products, your business operations, and your competitors are [now] fundamentally digital."), but then jump directly to recommended actions.[12] It's as if digital suddenly erupted in a complacent and sustainable world of analog businesses, like Dorothy's house dropping from the sky into Munchkinland. To understand the impact of digital technologies and digitally enabled practices, we need to look at the fundamental structure of innovation.

The compression of time and space

Imagine that you want to conduct business with your bank, perhaps to transfer funds between accounts or cash a paper paycheck. Not long ago, satisfying this desire would have required you to drive to the bank, park, walk inside, stand in line, interact with a teller, and then return home. Over time, innovations such as the drive-up window, the automatic teller machine (ATM), and online banking progressively reduced the time spent and the distance covered in completing these tasks, and today, you can snap a picture of your check (if you still get one) with your phone and complete the transaction with an app. Some institutions now even offer banking apps for Google Glass.[13]

Or, consider the history of what could be called personal music consumption. The first (barely) practical solution was the hand-cranked Gramophone in 1887, with a single recording engraved on a flat disk. Later came massive home hi-fi stereos, transistorized portable 45 rpm players (1955), magnetic tapes, and the Walkman cassette player (1979). MPMan, the first solid-state digital auto player, appeared in March 1998; it had a capacity of about 8 songs and cost $400. Three and a half years later, Apple introduced the iPod, which had a capacity of 1,000 songs. Today, the streaming music service Spotify has a worldwide inventory of 40 million songs and adds approximately 20,000 songs every day.[14] Besides making far more music available far

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" Discussions of digital disruption rarely explore the *how* and *why*. It's as if digital suddenly erupted in a complacent world of analog business, like Dorothy's house falling from the sky into Munchkinland. "

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more quickly and with far less effort, recommendation features built into Spotify, Rdio, and other streaming services can anticipate the next song you want to hear — meaning that the satisfaction can now actually precede the desire.[15]

The history of product or service innovation (especially, but not only, in the consumer sphere) consistently exhibits this phenomenon: Each improvement or novelty *literally compresses time and space* by progressively reducing the delay and/or the physical distance (or activity) required to complete a task and satisfy a desire. (See Figure 2.) For example, the process is evident in photography (plates to film to digital); entertainment (stage to cinema to television to streaming video and multiscreening); news consumption; book purchases; and travel planning (travel agent shop to call center to website to mobile app). Indeed, it extends to shopping itself, with the transitions from physical stores to catalogs to mail order to e-commerce to "showrooming" and the growing demand for transparent, omnichannel shopping.[16]

The effects of digitization

The compression of time and space is the motor of increasing consumer convenience, choice, and empowerment. This process has been happening for decades — in some cases, for centuries. One reason we're more aware of today is that so many products, services, or tasks have turned into app icons on our mobile devices. This is one indication of the way that digitally enabled tools and practices *radically accelerate and intensify* the effects of innovation. More specifically, digitization:

- **Removes friction.** By replacing atoms with bits, digitization both literally and metaphorically reduces the friction in a business process or transaction. Physical objects (books, movies, insurance policies, advertising material) can be shipped electronically and instantly. Physical presence (of a claim adjuster, say, or a physician) may no longer be necessary, thanks to accident-reporting apps, health-monitoring devices, and "virtual" healthcare. (Kaiser Permanente projects that virtual physician visits — where the patient and doctor are separated in space and/or time — will exceed in-person visits by 2016.[17]) The shift from ATMs to online services means that it's no longer necessary for a bank to maintain physical structures and locations. This eradication of the physical allows value chains and business processes to be massively compressed and interwoven. For example, apps powered by image recognition systems allow consumers to snap a photo of an object and immediately place an order, or learn where it is available in a nearby store. The entire retail sales cycle can last only seconds — a matter of See → Want → Buy.[18]

" We're more aware of this established process of innovation today because it has now turned so many products, services, and tasks into app icons on our smartphones. "

Figure 2.

Innovation reduces the physical and/or temporal resources required to complete a task

Banking

Photography

Entertainment

Personal music consumption

Product/service reviews

- **Transforms the nature and value of information.** Fundamentally, digitization is the process of converting something (object, image, sound, etc.) into information in the form of binary data. But in the current context of ubiquitous mobile devices, always-on connectivity, and consumer social platforms, the result is that *the compression of time and space is extended to information itself*. Gaps, delays, and costs that used to attend accessing, exchanging, using, and creating information are drastically reduced. First, *the flow of information is accelerated*. Pervasive connected mobile devices make information available instantly and anywhere. Second, *the production of information is democratized* by the fact that virtually anyone can publish on the web. Third, *the monopoly on information is shattered*. The combination of real-time access and widespread production of information means that any business model based on an information monopoly, or artificial scarcity and limited access, is no longer sustainable. "As the industrial revolution was defined by radical efficiency in production," states strategy consultant Mike Aruz, "the digital revolution is defined by radical efficiency in information transmission."[19]

At the same time, it has become possible for companies to accumulate information from numerous sources — in the form of user profiles, transaction histories, the Internet of Things (senor-enabled and connected objects), and the general realm of big data — which they can and should leverage as a corporate asset. As open source software executive Matt Asay has recently noted, in the near future, the biggest winners will be companies that can "channel the value of data."[20]

- **Changes the meaning of *consumer*.** Despite acknowledging that the sales funnel is no longer an adequate model for customer engagement, most companies still treat consumers largely as potential (or repeat) buyers. But as digitization has made information open and instantly available, it has transformed potential buyers into insatiable, voracious, and fickle *consumers of digital experiences*, who are always connected and demand satisfaction at the time and place and via the channel of their choice.[21] The challenge is no longer merely to convert more prospects, but rather to pick up the signals they give off, interpret this information more quickly and accurately than others, and create attention and engagement by providing them with the most appropriate and relevant experiences.

Beyond Marketing: Coming to Terms With Digital Disruption

Andy Grove acknowledged that a disruptive strategic inflection could impact an individual business or an entire industry. Digital disruption results in the empowerment of consumers and creates the need for companies to create and manage positive and differentiated customer experiences.[22] In this sense, it represents the most *fundamental* disruption, since this consumer demand affects virtually every business in every industry, worldwide.

It's tempting to believe that the appropriate and adequate response to digitally empowered customers and prospects is digitally supercharged marketing. If we've entered the customer-centric era, who better than CMOs and marketing professionals can nurture that customer relationship, attend to customer needs and preferences, and ensure a positive outcome? This perspective is not wrong, but it is limited. The marketing-centric response to digital disruption underestimates the monumental transformations required in order to execute and constantly optimize customer experience management (CEM) in the fast changing digital environment.

The most important part of Grove's visualization of the strategic inflection is the delta that opens between the declining old paradigm and the new paradigm that can deliver continued business relevance. (See Figure 3.) This so-called dissonance gap marks the divergence between "business as usual" and what you should be doing to accommodate and leverage the disruption. The business challenge is to correct course before the gap becomes too large to cross — or risk the same fate as that of Kodak, Blockbuster, and Borders.
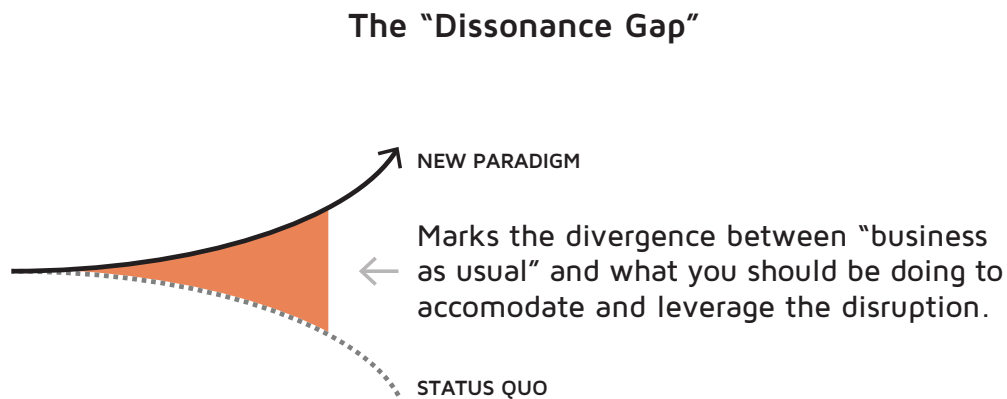
The dissonance gap grows wider (and becomes more of a threat) with every minute of inaction. This is why DCG stresses that customer experience management is an *imperative* — indeed, we feel it is not "the next big thing," but *the next only thing*. Failure to consistently offer positive and competitive customer experiences — that is, failure to cross the dissonance gap or to do so only half-heartedly and halfway — may be terminal. As Grove wrote, "Most companies don't die because they are wrong; most die because they don't commit themselves. They fritter away their valuable resources while attempting to make a decision. The greatest danger is in standing still."[23]

PwC has recently stated that by 2020, buyers will expect not only transparent "omnichannel" experiences but also "nearly perfect execution" throughout all interactions.[24] It's debatable whether it will take that long, but the notion of offering perfectly executed omnichannel experiences succinctly formulates the goal and highlights the fundamental changes that will be necessary to achieve it.

" Most companies don't die because they are wrong; most die because they don't commit themselves. They fritter away their valuable resources while attempting to make a decision. The greatest danger is in standing still. " – Andy Grove

Figure 3.

The "Dissonance Gap"

NEW PARADIGM

← Marks the divergence between "business as usual" and what you should be doing to accomodate and leverage the disruption.

STATUS QUO

At DCG, we think of the evolving consumer demand in terms of the "three Cs" — that is, the desire for (and tendency to favor) consistent, coherent, and contextual experiences. Each illustrates the profound challenges posed by digital disruption and empowered consumers:

- **Consistent.** Customer engagement remains fragmented and siloed at most organizations.[25] Each touch point may be owned by a different department or team, which is typically evaluated and compensated according to the performance and satisfaction level of that specific channel. Yet, as McKinsey has noted, a 95% satisfaction rate in each of the six interactions that constitute a customer journey means that up to 25% have a poor experience for the journey as a whole. Delivering consistency throughout the journey pays off: McKinsey estimates that optimizing the complete customer journey can increase customer satisfaction by up to 20% and revenue by up to 15% — while simultaneously reducing costs by up to 20%.[26] Consistency can be largely, but not exclusively, considered as a content management challenge. This means not only ensuring that,

say, the policy description online is compatible with the one in the brochure, or that the brand identity is clearly expressed; more broadly, it requires identifying, creating, managing, and delivering (experience) assets in the time, place, order, and combination dictated by the available insights about a given customer.

- **Coherent.** From the customer perspective, coherency should be felt but not seen — that is, it is experienced as the seamless and transparent "perfect execution" envisioned by PwC. Consumers increasingly expect to be able to start, interrupt, restart, and complete a customer journey in any channel without having to repeat steps or provide information. For companies, delivering such coherency is a massive and unprecedented integration effort. For example, a recent study by Forrester found that 71% of retail shoppers in the U.S. and Europe desire access to in-store inventory levels online, and 39% stated that they would be unlikely to visit a store if the information was not available.[27] Yet the study found that only 36% of organizations can offer reliable inventory data; 40% reported difficulty

integrating back-office technology; and 94% have experienced significant barriers to execution. Similarly, Capgemini has determined that retail banks have to manage and monitor on average between 300 and 800 back-office processes. These legacy systems are the source of 60% of all customer dissatisfaction; failure to integrate them effectively means, for example, that the average mortgage application goes through 35 manual handoffs before completion.[28]

- **Contextual.** Despite the very legitimate concerns about data collection and privacy, consumers favor personalized and relevant interactions. In the U.S., 86% say that personalized content and offers influence what they purchase, and 74% state that they are "irritated" by irrelevant content.[29] In the U.K., 74% reported they respond positively to companies that "understand" them — where this was defined as "taking into account preferences, purchase history, and other provided information."[30] Unsurprisingly, 52% of surveyed companies say that the ability to personalize content is "fundamental to their online strategy."[31] Contextuality is about having, understanding, and acting on the best possible information and insights about a given consumer's needs, history, task orientation, and environment. It is the intelligence that informs and enables the aspects of consistency and coherency. These customer insights will draw on marketing-driven activities, such as campaign data and voice of the customer (VoC) programs. But the intense competition for the consumer's attention and loyalty mean that the customer profiles must also be fed by every customer interaction, including with product research, sales, call centers, and customer support.

The three Cs are deeply interrelated and interdependent. They cannot be tackled in isolation or sequentially. As MRM//McCann CEO Michael McLaren noted, "It's not about what your plan is, what you would like to have happen. It's about understanding what people want to do, how they desire to interact, and then figuring out how to make it easier for them."[32] This interdependence compounds the complexity and the effort required, and underscores the need to fundamentally rethink operating models, skill sets, departmental responsibilities, organizational structures, and technology silos.

Conclusion: Grasp the True Meaning of the "Consumerization of IT"

The forces of digital disruption have empowered consumers, inverted the relationship between buyers and sellers, and created the imperative for every organization to master customer experience management. Consumers have an unprecedented voice and choice, and they do not hesitate to shift their allegiance due to poor experiences in digital or analog channels. In just the last few years, digitization has created a flourishing environment of ubiquitous connectivity, instant information, and pervasive, multiscreen digital interactions. Most consumers thrive in this interconnected ecosystem: They seize upon innovative products and services (witness the meteoric growth of Instagram and WhatsApp) and ride a cycle in which the new becomes the expected, and then the boring, with ever increasing speed. (See Figure 4.)

Most companies find it profoundly difficult to keep up — indeed, to avoid falling ever further behind. Organized to promote efficiencies, repeatable processes, and economies of scale, they lack the agility required by the accelerating pace of change. Focused on shareholder value and short-term returns,

they are ill-equipped for profound shifts. Yet this is the inescapable challenge posed by digital disruption. Sitting on the sidelines is not an option. Success will require a long-term commitment, a full company transformation, and the willingness to embrace disruption rather than avoid it. "That's not how we do things here" will appear on the tombstones of the hesitant and timid.

When it first appeared a few years ago, the phrase *consumerization of IT* referred to employees' growing insistence upon using their personal (and superior) devices at work. Today, it more broadly encompasses the (often authorized and strategic) use of consumer-based hardware and applications (such as Dropbox, LinkedIn, and Facebook) in the enterprise. Going forward, however, companies must grasp and operationalize the "true" meaning of consumerization — namely, making not only IT or marketing, but the entire organization, as agile, responsive, flexible, and open as today's digital consumer.

Software vendors and service providers such as agencies and consultants are well-positioned to support this transformation. There is no end to the

Figure 4.

The consumer's insatiable appetite for exceptional experiences
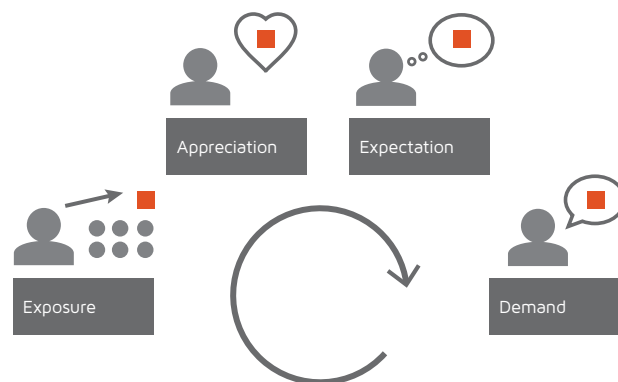
options available, and each player unsurprisingly promotes its own approach: suite versus best-of-breed, on-premises implementation versus the cloud, licensed versus metered, open source versus proprietary.[33] As always, there is no one right answer; every selection will depend upon the specific conditions and focal needs of the organization. But one thing is very clear. Given today's dynamic, volatile, complex, and fast-changing business environment, any solution must promote, rather than inhibit, agility and flexibility. The primary business requirement is the ability to respond to new, unforeseen, or even wholly unpredictable business requirements and consumer demands. If the question is suite or standalone, installed or cloud, open or closed, then the answer must always be: *responsive*.

Companies interviewed in preparation for this report

Acquia

Manifest Digital

MRM//McCann

Endnotes

1. The data is drawn from a survey conducted by Accenture and The Economist Intelligence Unit of 1,041 C-suite executives in twenty countries and detailed in Accenture's report, "CMOs: Time For Digital Transformation." See http://www.accenture.com/us-en/Pages/insight-cmos-time-digital-transformation-risk-left-sidelines.aspx.

2. See James McQuivey, *Digital Disruption*, Amazon Publishing, February 2013, and Larry Downes/Paul Nunes, *Big Bang Disruption*, Penguin Press, January 2014.

3. The most recent and most extreme critique of Christensen's theory of disruptive innovation was provided by Jill Lepore's June 2014 article in *The New Yorker*, "The Disruption Machine"; see http://www.newyorker.com/magazine/2014/06/23/the-disruption-machine. For a summary and analysis of the main claims of Lepore's critique and of the various responses, see my blog post at http://www.digitalclaritygroup.com/jill-lepores-critique-of-disruption/.

4. Formally called The Academy for Arts, Technology and the Business of Innovation, the four-year program uniquely combines courses in visual design, computer engineering, and business strategy with the goal of fostering "positive and groundbreaking solutions to virtually any problem." See http://iovine-young-apply.usc.edu/.

5. See the definition of *disrupt* at http://www.merriam-webster.com/dictionary/disrupt.

6. ReadWrite editor Dan Rowinski argues correctly that disruption is carelessly "thrown about by people who think their laundry-stain-removing-app is changing the world." That, however, is a matter of imprecise usage, not the definition or conceptual coherency of the term, and it does nothing to justify Rowinski's bizarre claim that "*disruption* is a stupid word, anyway." See http://readwrite.com/2014/06/18/disruption-stupid-word#awesm=~oItLcuNtwUqC9J.

7. For an overview of Uber and Airbnb, see the Wikipedia entries at http://en.wikipedia.org/wiki/Uber_(company) and http://en.wikipedia.org/wiki/Airbnb.

8. This quote is from a speech Andy Grove delivered in 1998. See http://www.intel.com/pressroom/archive/speeches/ag080998.htm.

9. Andrew Grove, *Only the Paranoid Survive*, Doubleday, 1996.

10. Ibid.

11. For an analysis of Uber's market valuation, see http://readwrite. com/2014/05/27/software-future-technology-uber-hp and http://dealbook. nytimes.com/2014/06/09/how-uber-pulls-in-billions-all-via-iphone/.

12. This quote is from a Forrester blog post on Forbes.com, which points to a report titled "The Future of Business Is Digital," which is available behind the Forrester pay wall. See http://www.forbes.com/sites/ forrester/2014/03/10/the-future-of-business-is-digital/.

13. See http://thefinancialbrand.com/34773/wearable-banking-google-glass- applications/.

14. For a partial historical review of personal music players, see http:// technabob.com/blog/2007/02/08/a-brief-history-of-portable-media-players/.

15. For a review of the current state of streaming music services and an overview of the main competitors, see http://fortune.com/2014/03/28/will- spotifys-hat-trick-help-it-pull-ahead-of-competition/.

16. See for example Accenture's 2013 report on the promise and perils of "seamless retail," available at http://www.accenture.com/Microsites/retail- research/Pages/index.aspx.

17. Cited at http://healthydebate.ca/opinions/policy-implications-for-the- virtualization-of-health-services.

18. Aaron Dignan of Undercurrent has noted, "The physical world that we used to value so much – the devices, cars, real estate, and other infrastructure — are merely inventory for something bigger. The value, it seems, is in the data, the tools, and the optimization of markets." See https://medium.com/@ aarondignan/the-operating-model-that-is-eating-the-world-d9a3b82a5885. For a discussion of the neural-network image recognition systems that power the shopping apps, see http://www.theguardian.com/business/2014/ apr/20/fashion-retailers-image-recognition-apps-smartphones.

19. See Aruz's presentation "On the Nature of Digital Transformations," available at http://www.mikearauz.com/.

20. Asay is the VP of Community at MongoDB. In this passage, he is summarizing an argument made by Peter Goldmacher of Cowen & Co. See http://readwrite.com/2014/05/27/software-future-technology-uber-hp. Mark McDonald formulated a similar value-based understanding of digitalization in 2011. See http://blogs.gartner.com/mark_mcdonald/2011/10/20/a-different-definition-of-digitization-is-based-on-value-and-revenue-not-atoms-and-bits/.

21. Extending Alvin Toffler's notion of the "prosumers," who proactively participate in and shape their interactions with companies and brands; we could speak of "pansumers" (in the sense of "all," "everything"), reflecting the fact of AORTA consumers (Always On Real-Time Access) who increasingly demand transparent, seamless omnichannel experiences. See Toffler's *The Third Wave* (1980). AORTA was coined by Mark Anderson, the chief of the Strategic News Service.

22. See Digital Clarity Group's Insight Paper, "The CEM Imperative: Customer Experience in the Age of the Empowered Consumer," available at http://www.digitalclaritygroup.com/the-cem-imperative-customer-experience-in-the-age-of-the-empowered-consumer/.

23. Grove, *Only the Paranoid Survive*.

24. Retailing 2020: Winning in a Polarized World," available at http://www.pwc.se/sv_SE/se/detaljhandel/assets/retailing-2020-winning-in-a-polarized-world.pdf.

25. See for example "Consumer Desires Vs Retailer Capabilities: Minding the Omni-Channel Commerce Gap," a report prepared for Accenture and hybris by Forrester Research. Available at http://www.accenture.com/us-en/landing-pages/Documents/Seamless/Accenture-hybris-Forrester-new_2014.pdf.

26. McKinsey's March 2014 report identified three aspects of consistency for superior customer satisfaction: customer journey consistency, emotional consistency, and communication consistency. See http://www.mckinsey.com/insights/consumer_and_retail/the_three_cs_of_customer_satisfaction_consistency_consistency_consistency.

27. See note 25.

28. See Capgemini, "Backing Up the Digital Front: Digitizing the Banking Back Office," available at http://www.capgemini.com/resources/backing-up-the-digital-front-digitizing-the-banking-back-office.

29. The finding on the influence of personalized content is from a December 2013 survey by Vanson Bourne on behalf of Infosys; see http://www.infosys.com/newsroom/press-releases/Documents/genome-research-report.pdf. The finding on sources of irritation is from a July 2013 survey by Harris Interactive on behalf of Janrain; see http://janrain.com/about/newsroom/press-releases/online-consumers-fed-up-with-irrelevant-content-on-favorite-websites-according-to-janrain-study/.

30. Dynamic Markets surveyed more than 2,000 U.K. citizens in January 2012 on behalf of Experian. See: http://www.experian.co.uk/assets/business-strategies/images/scv-infographic-final.pdf.

31. This finding from eConsultancy, and other statistics on personalization, are available at http://blog.hubspot.com/marketing/data-personalize-marketing-li.

32. From an interview with Michael McLaren, CEO of MRM/McCann, in July 2014.

33. See, for example, Digital Clarity Group's Insight Paper, "How Customer Experience Management Changes the 'Suite vs. Separate' Debate," available at http://www.digitalclaritygroup.com/how-customer-experience-management-changes-the-suite-vs-separate-debate/.

About DCG

Digital Clarity Group

Digital Clarity Group is a research-based advisory firm focused on the content, technologies, and practices that drive world-class customer experience. Global organizations depend on our insight, reports, and consulting services to help them turn digital disruption into digital advantage. As analysts, we cover the customer experience management (CEM) footprint – those organizational capabilities and competencies that impact the experience delivered to customers and prospects. In our view, the CEM footprint overlays content management, marketing automation, e-commerce, social media management, collaboration, customer relationship management, localization, and search. As consultants, we believe that education and advice leading to successful CEM is only possible by actively engaging with all participants in the CEM solutions ecosystem. In keeping with this philosophy, we work with enterprise adopters of CEM solutions, technology vendors that develop and market CEM systems and tools, and service providers who implement solutions, including systems integrators and digital agencies. For more information about DCG, visit www.digitalclaritygroup.com or email info@digitalclaritygroup.com.

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