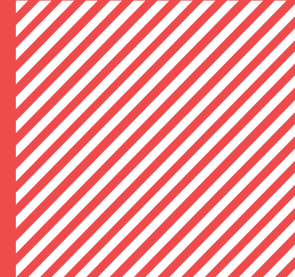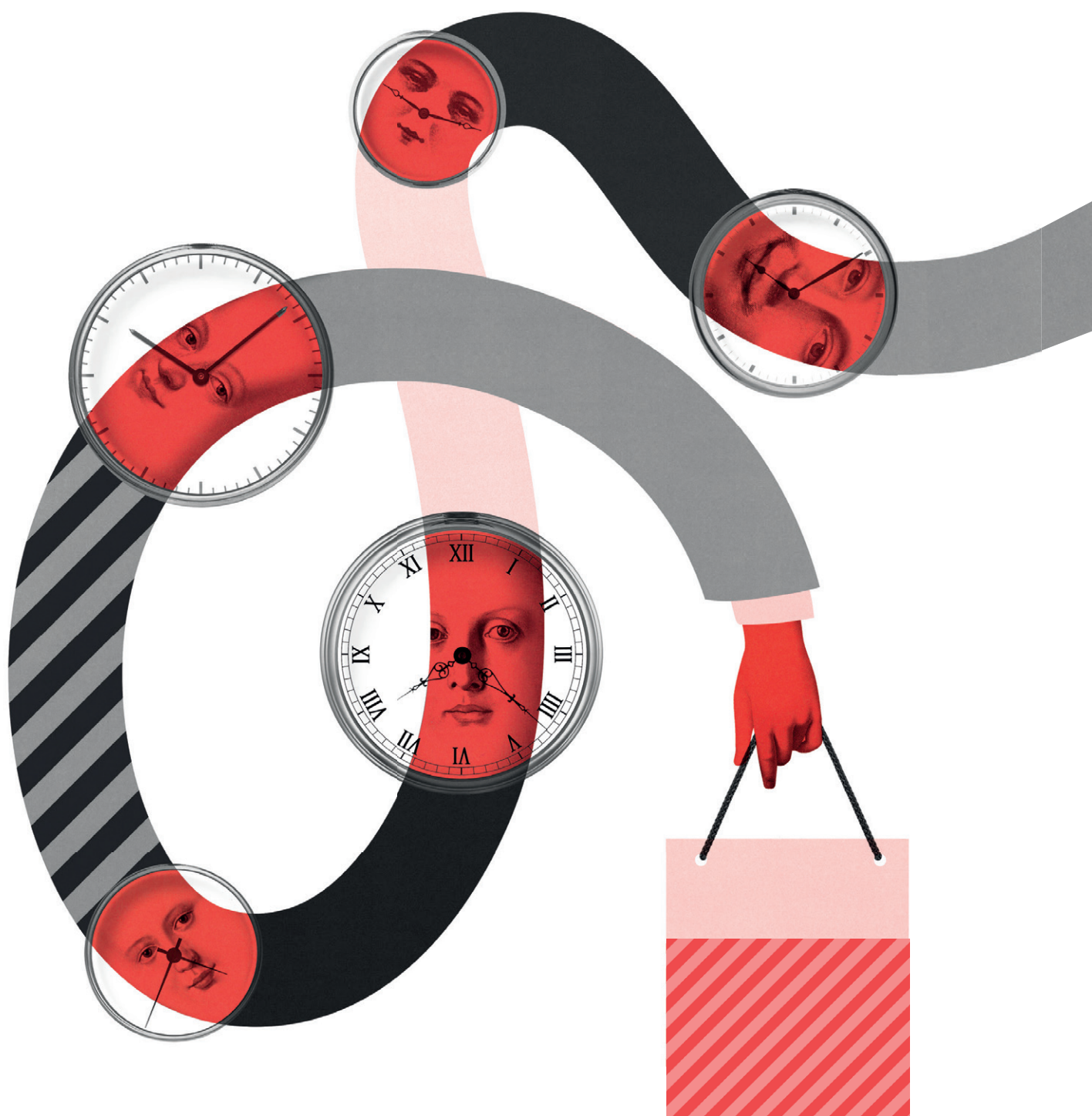# Return on Real-Time

## Preparing your brand for the real-time revolution

In the future, brands will be equipped to engage customers in real-time based on increasingly sophisticated data. The ability to understand and react to customers in the moment is leading to all manner of innovations that can improve customer satisfaction, increase efficiency, and create sales.

To ensure that real-time engagement feels like being there for your customers (instead of invading their moments), brands will need customer journey management technology to orchestrate seamless experiences, as well as sensitive and insightful creative strategies. This is your foundation to gather information, analyze with intelligence, and activate intervention in real-time.

Success will depend on clear use cases and dedication to provide true value to customers. The competition to be in the moment with customers will be fierce, and not all brands will earn one of the most crucial requirements for real-time customer engagement: permission.
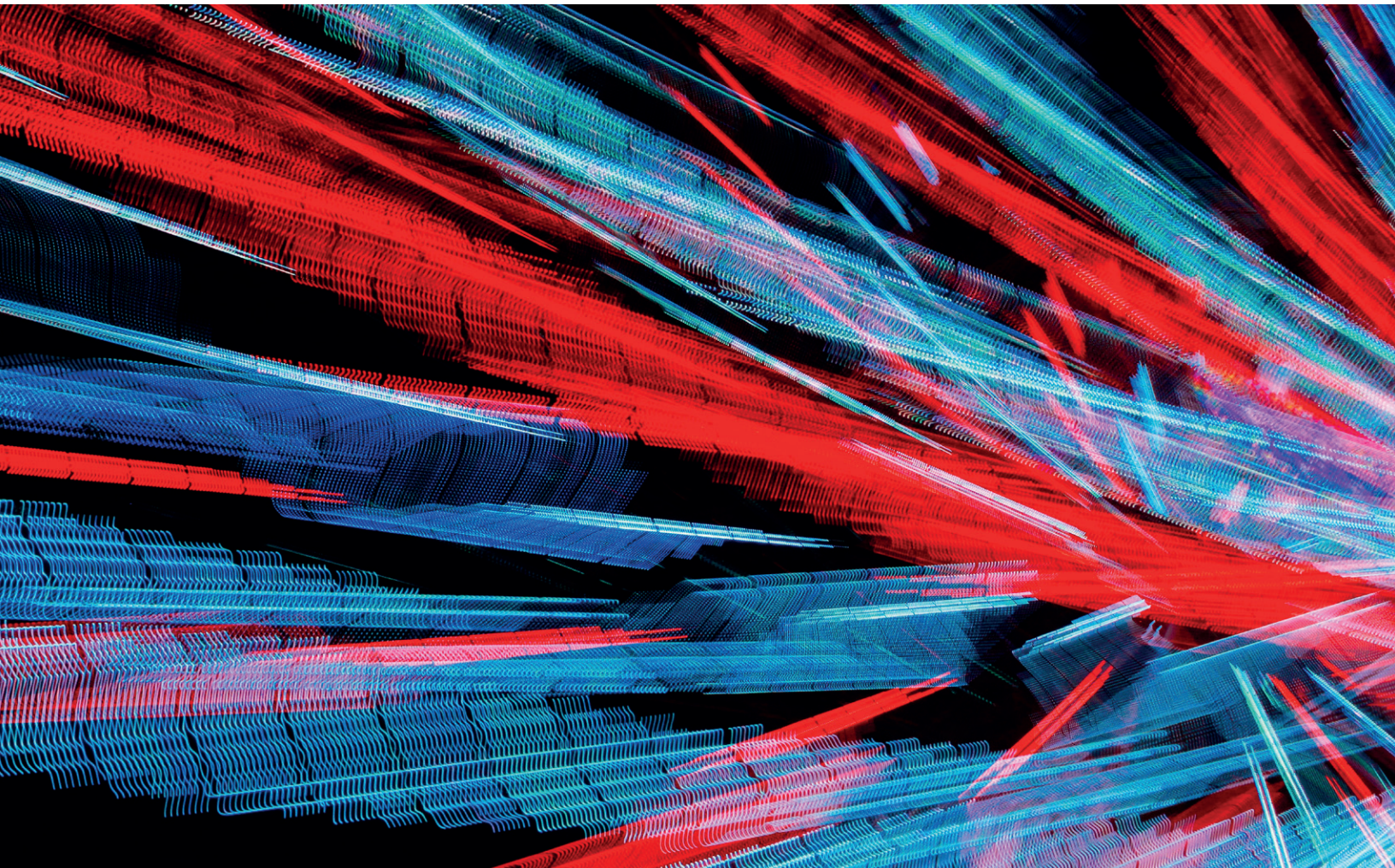
"Nobody is more persuasive than a good listener."

~ Dale Carnegie

Imagine your customer posts a selfie on social media. What if your CRM system could analyze their style—even the weather at their location —through an aggregate of data points including their facial expression? What if the system also knew just the thing to complement their wardrobe and their willingness to buy, and in the blink of an eye sent them a promotion accordingly?

This is the future of real-time engagement. Brands will be there in the moment with customers, equipped with deep knowledge of their behaviours and preferences, powered by technology that can recognize patterns and instantly spot opportunities for real-time engagement based on increasingly sophisticated observational insights.

"If you have a really good salesman, the moment they see a customer come in, they are able to suss them out just looking at a few key attributes and say,

'ok these are people I need to follow, these I should leave alone, et cetera," says Suresh Ramaswamy, Director of Customer Experience & Commerce at Verticurl. *"In the future, automated systems will also have this intuitive ability and operate at scale."*

From individualizable augmented reality display to the simple expedience of timely mobile notifications, the potential payoffs of real-time engagement are huge. Understanding and reacting to customers in the moment is leading to all manner of innovations that improve customer satisfaction, increase efficiency, and create sales. Just imagine if you could know instantly if your customer is facing a problem with one of your products or services and then offer a solution right away before they even realize something is wrong. Unforeseen power failure? Inclement weather causing flight delays?

In the world of real-time engagement, your brand can react to major news that affects your customers' brand experience by sending millions of personalized messages within just a few minutes.

"This is where the conversation is going: how would you evolve how you engage with customers in an era where the consumer is in control the customer lifecycle?" asks Hiro Awanohara, Senior Regional Product Marketing Manager for APAC at Adobe. *"Brands now have the tools that will enable them to leverage customer behaviour in real time to trigger contextual journeys, and extend that journey across a wide range of channels, seamlessly, at scale."*

Real-time engagement can even revolutionize the value proposition of some brands. It will be possible to upgrade your brand role and become an advisor, guide, and curator that offers products and services to enhance brand experiences throughout daily life. You'll be able to offer timely help when people have an emergency, direct customers to partner businesses when they travel, or offer educational support like helping kids learn to brush their teeth. If your brand can be there with customers in the moment, there is a lot more value you will be able to offer.

The promise of real-time engagement can be found in the improvement it makes to brand experience. That's the factor that the overwhelming majority of customers—**88%**—consider as crucial as products or services, according to "The State of the Connected Customer" from Salesforce. Increasingly, "customers look to organizations to understand and anticipate their needs," the report maintains, and most people expect all communications to be personalized.

Positive brand experiences have measurable impact. Great experiences lead to a **16%** price premium on products and services in the US according to PWC, "Experience is Everything: Here's How to Get it Right," 2018.

These consumer expectations make clear that brands have to build out their real-time marketing capacity now, lest they fail to deliver what consumers demand.

Fortunately, there are new tools that help brands move to a real-time engagement model. *"Brands can now build a single platform that allows them to combine and analyze data in ways that unlock all kinds of contextual opportunities,"* says Don Huynh, Product Manager, Adobe Journey Optimizer. *"Unified, real-time customer profiles change the nature of segmentation and let brands send personalized messages rapidly across multiple channels right at the time they are most likely to influence behavior."*
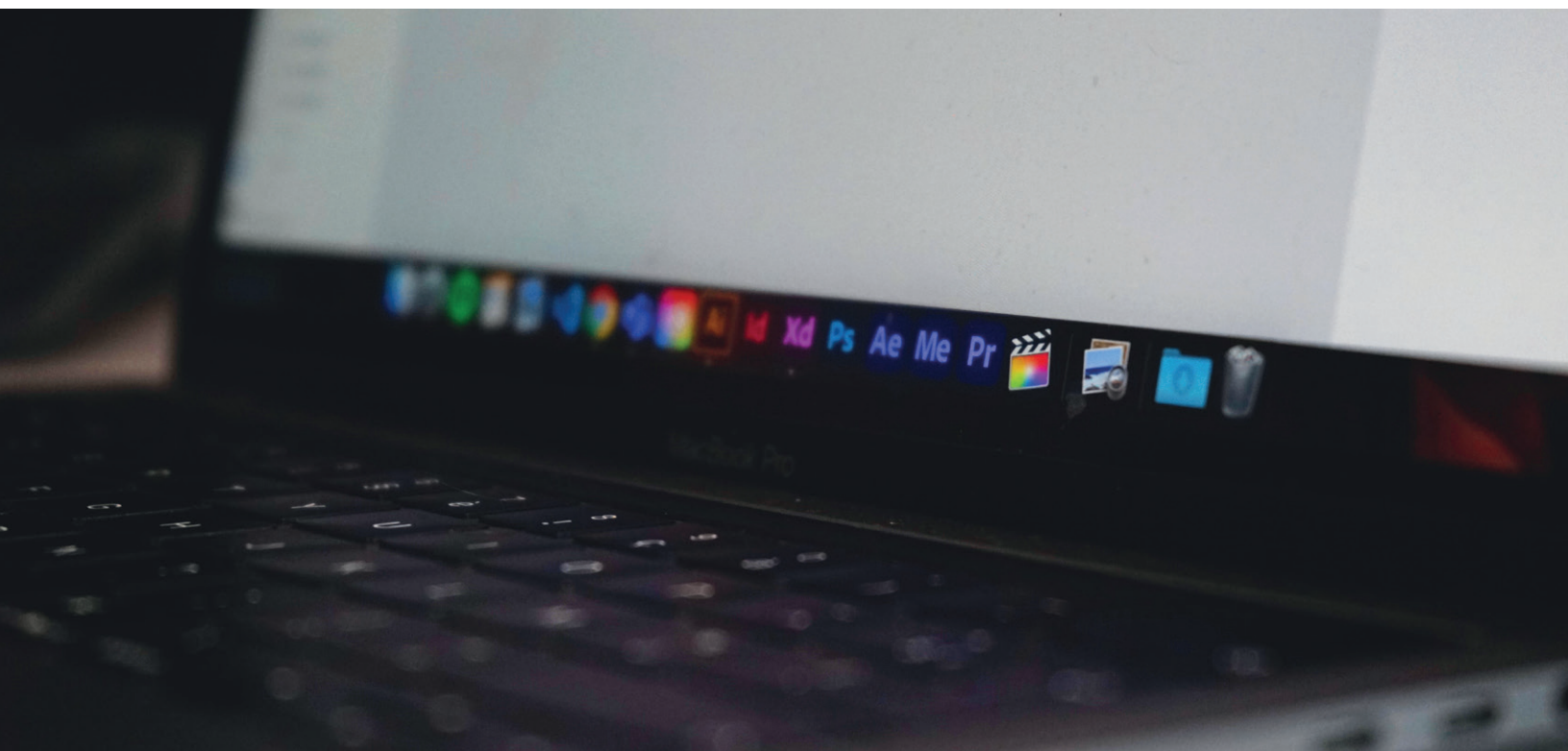
The downside of this brave new world is getting it wrong by misinterpreting your customers' behaviour and reacting with insensitive messages. You might bombard customers having a bad day with cheerful messages, unaware that a hundred other brands are doing the same.

By becoming more intimate with your customer, you run the risk of becoming creepy instead of helpful. With so much risk for mishandled customer experiences, brands will rely on customers to agree to opt-in to share their data, which helps brands deliver on these experiences, with transparency. And then they'll have to rely on good judgement—judgement developed by hard-won lessons in some cases—to get the balance between assistance and alienation just right. Brands are staring down a tightrope, however.

While **63%**[1] of US consumers say they would share more information with a brand that offers a great experience, **32%**[2] would walk away from a brand they once loved because of just one bad experience.

[1, 2] PWC, "Experience is Everything: Here's How to Get it Right," 2018

"With increasing digital penetration and a more digitally native generation, purchase behaviors have become a lot more impulsive. The ability to capture our audience and shoppers in the moment becomes very critical in these scenarios and that requires deploying everything we know about the buyers as an individual or a cohort," says Rajiv Babu, Head of Ecommerce, Mondelez SEA. *"This creates complexities that demand the deployment of complex methods to both acquire and convert consumers on the fly. We need technology to solve this,"* Babu continues.

Fortunately, those technologies are already here. The challenge is putting it all together, gaining and retaining customer trust, and operationalizing in ways that customers value.

To really be in the moment with your customers will require a wealth of contextual understanding and data, a razor-sharp definition of your brand role, and most of all permission to join them there as a trusted and valued partner. Brands that get it right will enjoy more intimate and high-value customer relationships that become part of the fabric of daily life.

2. This Future Isn't So Distant -

Technologies of real-time engagement

The technologies that will shape the future of real-time engagement are already here today. The challenge is putting it all together, gaining and retaining customer trust, and operationalizing in ways that customers value.

INFORMATION |
Data for real-time engagement

Our ability to track and understand what our customers' behaviour is telling us is greater than ever. Brands have access to first party data gathered from owned channels and can acquire second and third party data from partner sources such as social, ecommerce, media platforms, and other partnerships.

One of the most ubiquitous and useful data sources is the smartphone. The quantity and quality of data available to brands through smart phone interactions should not be underestimated — even taking recent privacy changes into account. With penetration of smartphones now reaching 6.4 billion[1] users globally, the base is already there to gather data from the majority of people on earth.

[1] https://www.statista.com/statistics/203734/global-smartphone-penetration-per-capita-since-2005/#:~:text=The%20global%20smartphone%20penetration%20rate,population%20of%20 around%207.8%20billion

With so much potential data to harness, brands will need to be able to gather, store, and clean customer data in cloud-based platforms that can parse both individual and aggregate data. Cleaning data (or identifying incomplete or inaccurate data and then correcting it for consistency) will be an important step for brands intent on real-time engagement to avoid misfires based on faulty information.

Brands will also need to be able to store customer data in one platform without silos and create a unified profile for each customer that is the source of information for all channels of engagement.

> **Brands require the timeliest data across all channels, and we need to speed things up,"** says Awanohara. **"We should be working towards the end-user perspective and be able to deliver a much more consistent and seamless experience from a single platform."**

There's another major data source that's important to the future of real-time engagement, and is showing accelerated, ubiquitous adoption: the Internet of Things (IoT) or networked objects with the ability to communicate.

Think of how Apple and Google are getting closer to their customers with smart home hubs such as Apple Home Pod or Google Home respectively. Or how Peloton rose (and fell) with smart bikes equipped with content hubs to keep riders engaged through the pandemic. Depending on the category, brands should consider introducing their own smart device or partnering with those already out there to increase their capability to learn about and engage customers in real-time. More data also means more potential for noise, and timeliness depends on being able to process and analyze all these sources of data efficiently.

"Brands need ways to make sense of a large amount of data in order to understand and gain insights into the customer journey in real time," says Huynh. *"That's where the right technology and analysis framework become so crucial."*
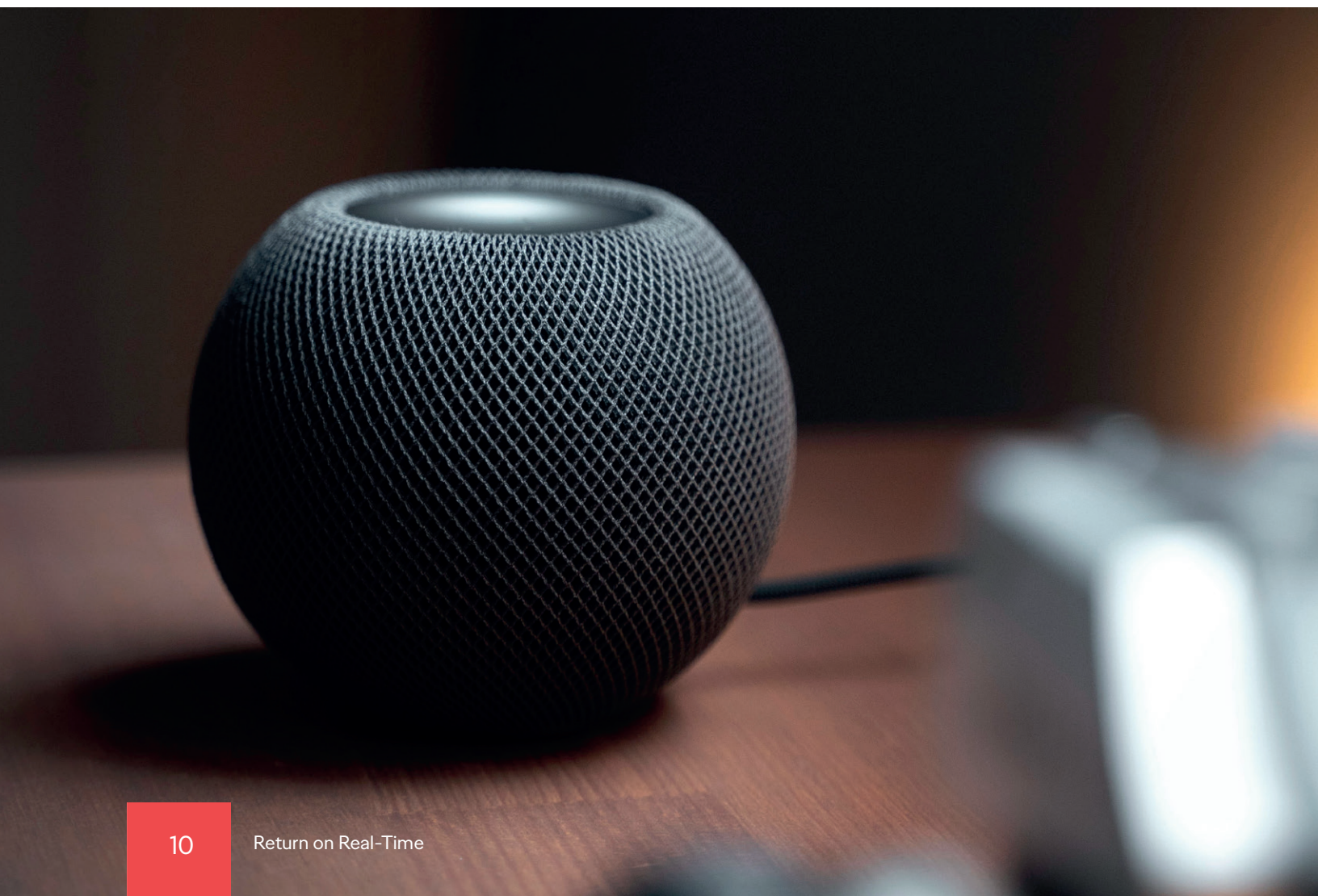
INTELLIGENCE |
APIs, AIs, and Predictive Analytics

Beyond gathering or even organizing data, brands should be thinking about how to process it in a meaningful way. *"More data is only part of the answer,"* says Chivukula. *"We need to be able to filter out what is an important signal and what's noise, and with better tools for linking and analyzing data we could already be doing a lot more with the data we have."*

Brands will need to recognize what data is important and analyze the information they gather to arrive at insightful conclusions. That takes intelligence and is where the future of real-time engagement really begins.

With the increase of smart devices and other data sources, the sheer quantity of data that brands will need to sift through in the future could be even more overwhelming. Beyond information, what we need is intelligence to help us figure out what to do with it.

To make data analytics actionable, brands need algorithms that act as 'recommendation engines' that power their decisions between data and engagement. Algorithms can recommend the next best action or next best offer based on customer data, and even predict what a customer will want in the future.

The most future-forward approaches to get from data to real-time recommendations involve artificial intelligence and machine learning, and the effectiveness of AI is not something brands should expect to be perfect out of the box. AI learns and grows based on the data that it is fed, and analytics performance depends on how well artificial intelligence is 'raised' over time. Indeed, brands cannot rely on machine learning alone —the teams interacting with them need to be smart and learn about customers, too. Good, old-fashioned customer research that maps the customer journey and improves the framework for analysis is essential to training effective AIs, as is feedback for it to 'grow up' and offer reliable and insightful conclusions.

Fortunately, awareness of the potential of AI in consumers' lives is growing, and as digital assistants grow more common, people can point to how the technology has helped them. While a healthy wariness about the potential misuse of AI remains, Salesforce found that 69% of customers are open to the use of AI to improve experiences.
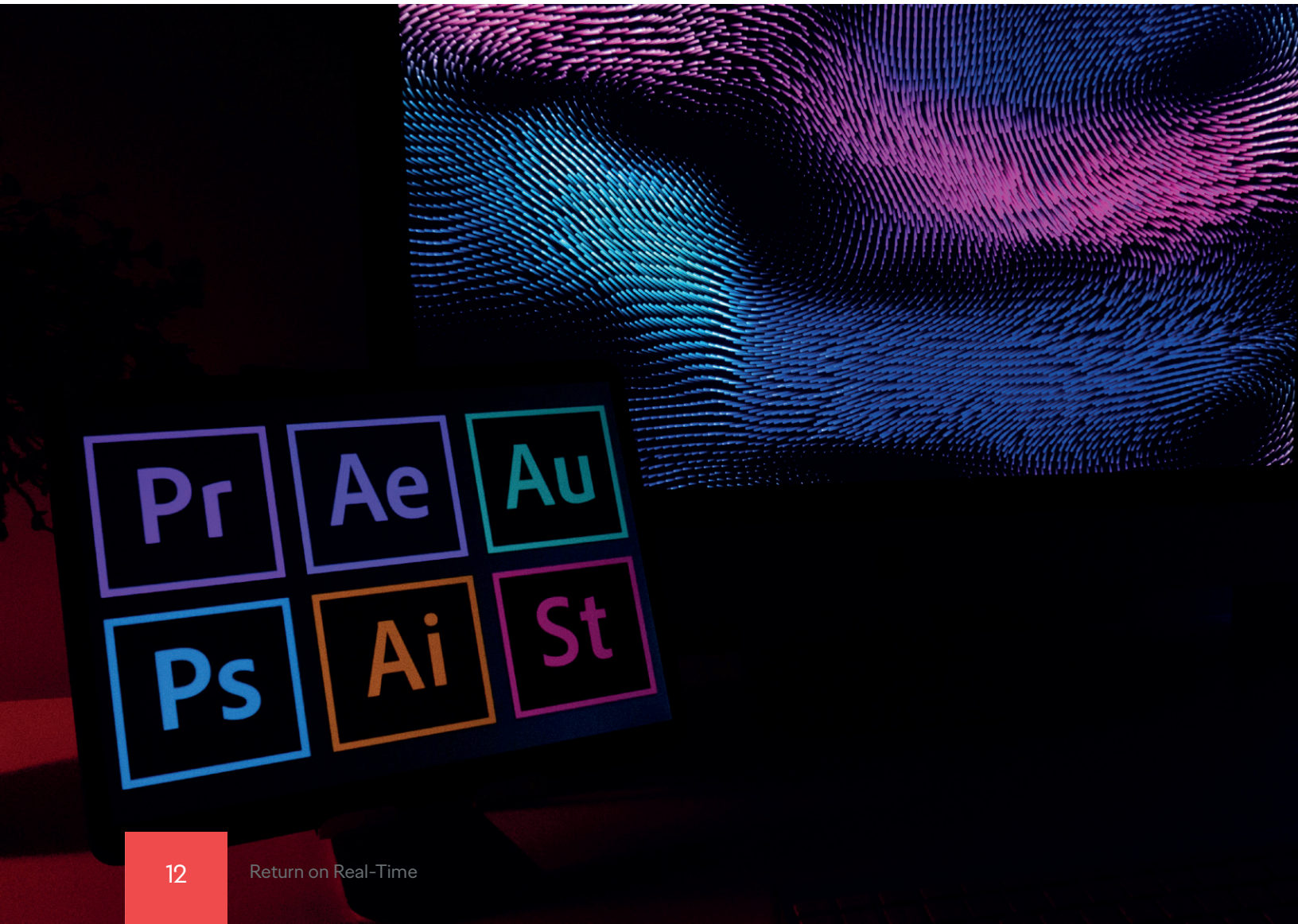
"The most important part is planning and strategy, identifying who we are talking to, what message or offer should be delivered, and that is an area that will still involve humans," says Awanohara. *"We provide the foundation for data-driven decision-making, and in that last millisecond we leverage technology to augment our input with real-time input from the user and let the machine make the decision."*

The framework for communications will have to evolve rapidly from segment-based to trigger-based customer journeys. Focus will shift from more static observations about customers such as age, income, and purchase history to behaviourally and psychographically driven insights about what the customer is doing at that moment to decide how to engage with them.

Traditionally we would define a segment and then we will schedule a batch campaign for this particular segment," says Awanohara. *"Now we need to cover a spectrum of channels, but also to communicate in ways that are more customer led, with behaviour that triggers an event, not just a message but entire journey 1 to 1."*
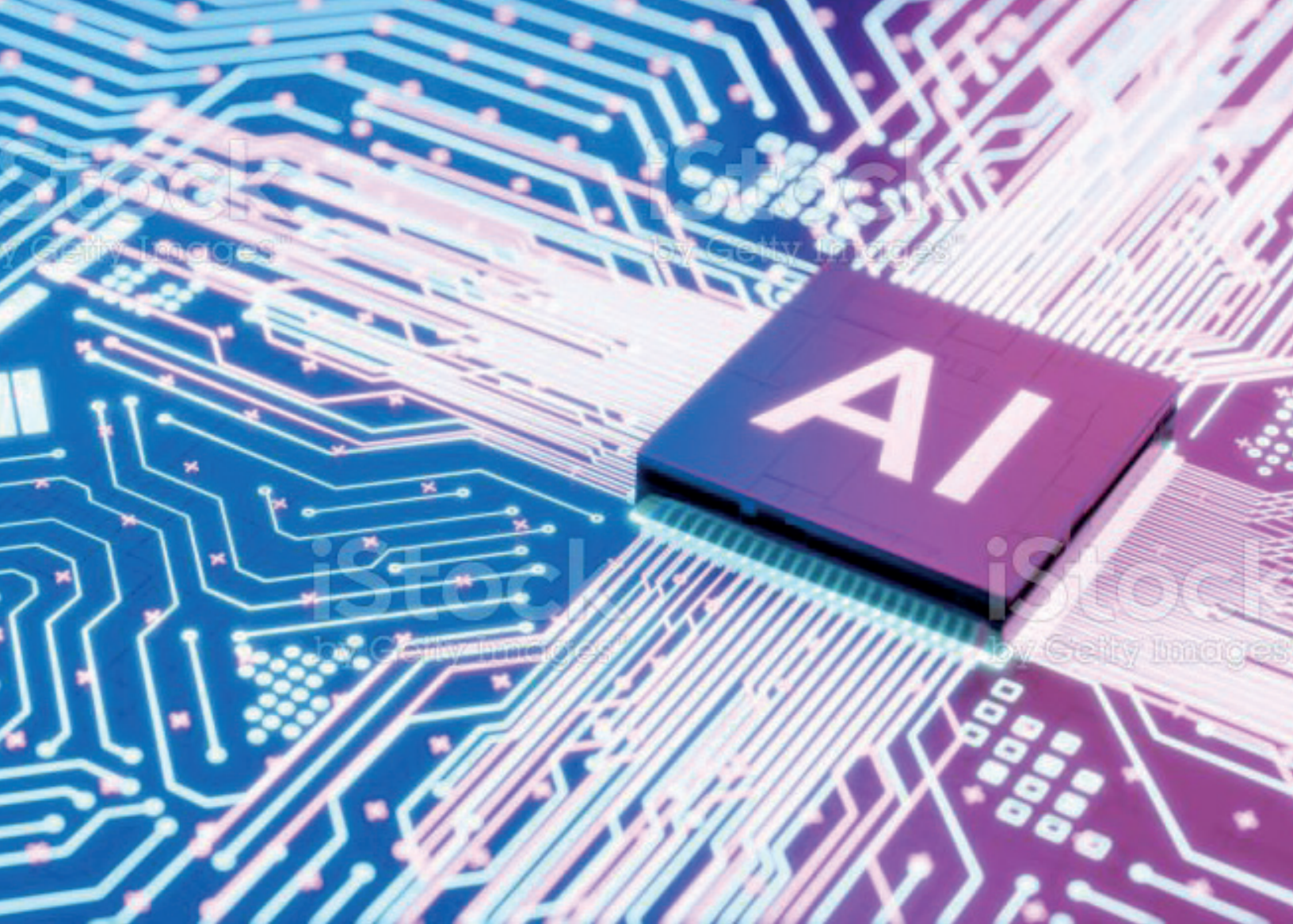
Smartly trained AI can do more than understand what's happening with people now; algorithms can be programmed that actually predict the needs of our customers. Predictive analytics are a reality today and in use in industries such as finance, measuring the factors that influence consumer behaviours and arriving at quantified recommendations based on the statistical similarities of large groups. They will become more prevalent and more effective in the years to come.

Because machine learning—one of the oft-used approaches to AI—is so conditional upon the data that is fed into the system, the advantage will go to brands that best understand the customer journey and spot the data points that really matter to high-value outcomes. Being able to look at use cases, identify inflection points along the journey, and connect those moments with data a brand has gathered or can gather is the strategic underpinning of collaborating with artificial intelligence to achieve success.

INTERVENTION |
Personalization and augmented reality

A customer data lake that is cleansed and contains a wealth of consistent and accurate information, and a CRM platform that has been configured to spot opportunities in real-time based on that data, are the key tools a brand needs to engage in ways that truly enhance the customer journey. Next in the process is intervention, and in order to enter the moment effectively requires a holistic engagement plan.

Providing timely and valued information is always a good start, especially in service categories such as travel and health. In some cases where the stakes are high for the customer, highly relevant and personalized information might be considered almost priceless.

"Take for example travel use cases when regulations were in constant flux due to COVID," says Ramaswamy. *"The moment you book a trip, regulations could already be changing at your destination, and lots of people had unpleasant experiences because they didn't have access to information that was changing."*

One of the best engagement channels is, of course, the smartphone. They provide an excellent way to engage customers with technology already available today. There are great examples where simply a timely text message or email can have a big impact on customer satisfaction, especially in moments of crisis when people have an urgent need for a response.

But why stop there? If we imagine a future where brands are present in the moment with customers as a valued companion, there is so much more we can do.

Personalization is fundamental to real-time engagement, essentially tailoring communications to a specific individual, group, or context. In the context of real-time engagement, personalization might involve a whole series of tailored interactions. For instance, brands might create smart shoppers or smart assistants that help customers discover and customize products that meet their needs.

More than deploy a single timely trigger that leads to the desired response, brands should be able to engage in a continuous feedback loop with customers. To do so at scale requires artificial intelligence that can interact with people at a radically sophisticated level.

The good news is that the machine learning technology that enables us to analyze data about our customers also provides tools to engage with them.

Brands will be able to build artificially intelligent services that converse with customers in real time. Imagine a 'smart store' system that allows customers to browse inventory and make purchases with an interface that travels seamlessly between in-store tablets and their phones. Digital shelves with additional mobile-enabled features could help customers access more information independently, integrating e-commerce and offline retail seamlessly with shared data and service.

> " A customer might be looking at a garment and want to check if it is available in the size they want, maybe order it for delivery with their phone," says Chivukula. "You want them doing this with you, not comparison shopping on Amazon. Some brands are already doing this, and as the tech becomes more scalable it will increasingly make business sense to do so more for 1 kilo bags of detergent and not just $500 dollar pairs of shoes."

Augmented reality is another technology sure to bring the wow factor to real-time engagement. Since so much of the customer moment is contextual and related to their environment, it makes sense that we be able to tailor engagement to fit with and enhance the reality that customers experience. Imagine smart rooms that are completely reactive and use augmented reality to create immersive virtual flagship stores.

"Forget about sending your customer all over the place; with a good smart room you could stay in one place and have the world revolve around you," says Ramaswamy. *"Customers can transport themselves to the high streets of London or Paris without leaving home."*

Augmented reality tools can be built into your brand touch points or sit with the customer through their own smart devices. Even entry-level smartphones have the processing capability to create impressive augmented-reality experiences, and as such AR be considered as something that can be scaled.

"Even with the cheapest version of a smartphone in your hand, the hardware is all there for rendering VR," says Chivukula. *"This is not just gimmickry, but the beginning of virtual commerce where customers will have loyalty accounts and currencies that are accessible through these virtual worlds. The ecosystem is not there yet, but it could be."*

3. With Great Access Comes Great Responsibility —

The competition for consent and the quest for trust

All of these remarkable capabilities depend on customer consent to be activated successfully. People today are more concerned about data privacy, and the regulations around permission to gather data are getting more stringent. Even without the legal hurdles, brands will need to compete in an increasingly invasive competition for attention as the ability to observe and engage in real-time becomes more commonplace. The science-fiction trope of smart holographic displays that pester people in the streets might soon be a reality, with the danger that people will simply tune out, revoke permission, or switch off when the barrage of messaging becomes too much.

Brands will compete for all the attention consumers can give," says Chivukula. *"Even when customers like the idea of being served they don't want that to saturate their inbox. They are willing to give consent for engagement, but it will be a select few brands allowed to notify them at any time." Those brands will be the ones that get the value exchange right.*
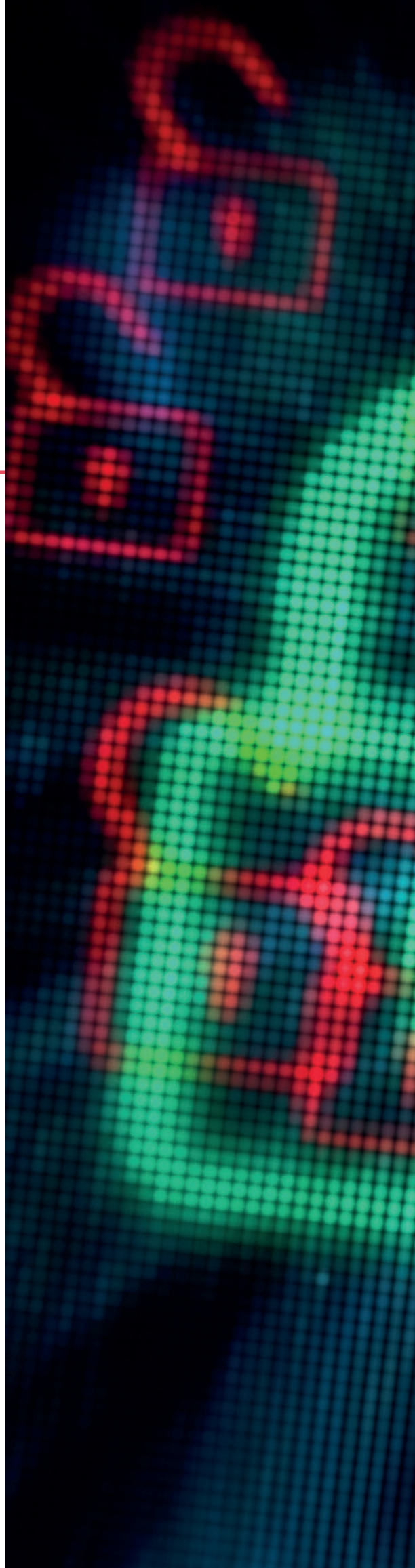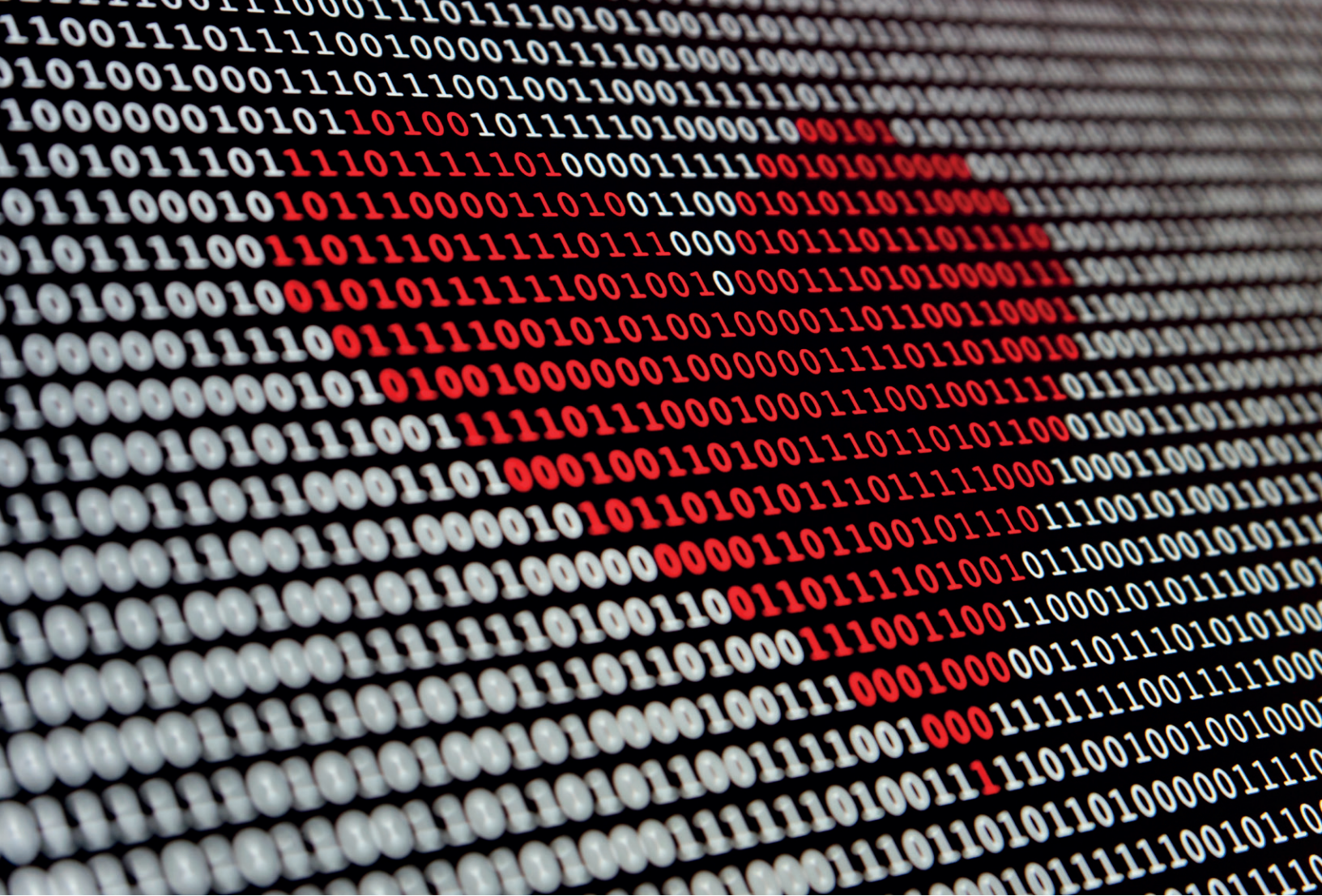
One technology that will likely become increasingly important in the quest for trust are CDPs. Customer data platforms create a shared record of where your data has been. It will be possible for customers to sign up to share data with you in exchange for real-time services and for you to make certain no one else is getting hold of their information.

"When people provide consent by ticking on acceptance, going forward this this consent will not be able to be used for any other services," says Chivukula. *"If the marketing department wants to use data granted for a specific purpose for something else it won't be possible; the customers' consent will be immutable."*

Creating systems of permission that customers trust will be important to create confidence to opt into more intimate and potentially more invasive real-time engagement services, especially in categories where information privacy is already critical such as finance or life sciences.

The most important step towards real-time engagement is asking for permission to get closer to people. Brands will have limited chances to get it right and should respect the privacy and feelings of their customers at every step along the way.

The brands that have permission to engage with customers in real-time today are few. It's mostly select gatekeepers such as Apple or Google that have created seamless and highly reliable systems for asking permission from users.

"Every time you update your smartphone, you get an update notification from each app, asking you for permission, are you okay for ads?" says Chivukula. *"The habit has been built, the education has been there that gives people a feeling of safety and transparency, the promise that we are going to make use of your data and will provide value to you in return."*

4. Imagine the Future —

Creative strategy and use cases to work towards

Earning consumer trust is about more than cybersecurity technologies. Brands will need a clear idea on how to differentiate themselves from the pack. Central to that will be creative application of real-time engagement. Great creative will cut through the clutter, and consumers will reward brands with greater data access and price premiums when brands deliver fantastic experiences. This is the difference between pushing a message and providing a meaningful interaction, and some brands are already making headway with it.

Below are some use cases that can help inspire your vision for real-time engagement.

GAMIFICATION

What if real-time engagement is actually fun for your customers? A great source of inspiration is how brands engage players within the metaverse and multiplayer online games like Roblox and Fortnite.

While the metaverse as a concept has been around for a long time, the recent focus put on it by META (previously Facebook) has accelerated the creation of new use cases.

One popular use case is to create branded avatars and virtual merchandise that gamers can unlock or earn by acquiring points. For instance, Gucci created a virtual exhibition experience within the gaming platform Roblox called Gucci Garden, showcasing the game's latest developer tools and lighting technology. Vans activated their Off The Wall skateboarding experience within Roblox as well, with a series of skate parks and the ability to dress up your

avatar in custom apparel to 'shred in style.' Coca-Cola created a branded virtual jacket in NFT form that could only be unlocked in Decentraland, a popular 3D virtual world. The winner would also receive a physical Coca-Cola branded fridge.

Similar to "click-and-collect" use cases that have become a norm, we are likely to see many metaverse-to-offline executions by brands. For instance, Chipotle enabled Roblox players to earn 'Burrito Bucks', a virtual currency and then unlock a voucher that could be used to redeem a real-world burrito. Fashion brand Balenciaga created virtual outfits on Fortnite that were inspired by their real-world designs. Customers who bought real physical Balenciaga products were also able to unlock their virtual counterparts on Fortnite.

Is there an opportunity to rethink your customer journey to feel more like an immersive gaming experience? Can you excite your customers to earn points in real time in exchange for virtual and real-world goodies?

THANK YOU

LOCATION-BASED

Use cases that are triggered in real time do not necessarily need to be ground-breaking or super sophisticated. Real time engagement could mean simply converting some of your scheduled communications to campaigns triggered in the moment based on user actions.

Location-based triggering is a good example. Sometimes knowing where your customers are gives you enough context to trigger relevant and timely engagement. Consider the example below of a sports event and media company engaging fans during a soccer match.

The brand wanted to drive fan engagement at live matches by delivering personalized and relevant mobile experiences. So, they leveraged stadium geo-location data and loyalty membership data to deliver a triggered welcome push notification message tailored to the fans.

At halftime, the brand engaged attending fans via mobile with an in-arena trivia game that earned participants loyalty points. Upon leaving the stadium, a thank you message was triggered along with information on the next match and points to collect and redeem for prizes in the future.

The engagement was a success and looking ahead the brand is exploring how to incorporate additional data points such as the score to trigger even more timely engagement.

# 5. Being There with Integrity –

Respecting the customers' definition of value

Even with the sincere goal of becoming a present and supportive companion to customers, there are some risks and watchouts along the way.

While AI is achieving remarkable results, machine learning (like all learning) involves making mistakes. Artificial Intelligence cannot reliably interpret human language or behavior 100% of the time and that means accepting growing pains while your system and your team are learning how to make it all work. Especially with tools such as language processing, there are challenges to reacting in a convincingly human way when so much of what is meant is only stated between the lines. There will be moments when misinterpretation or faulty data lead to dissatisfactory experiences for customers.

"From all the data you still have to make leaps and presumptions, and you might get that right in terms of 80% of the cases, but you don't always know what to expect," says Ramaswamy. *"Saying the wrong thing at the right time will definitely lead to negative reactions and outcomes."*
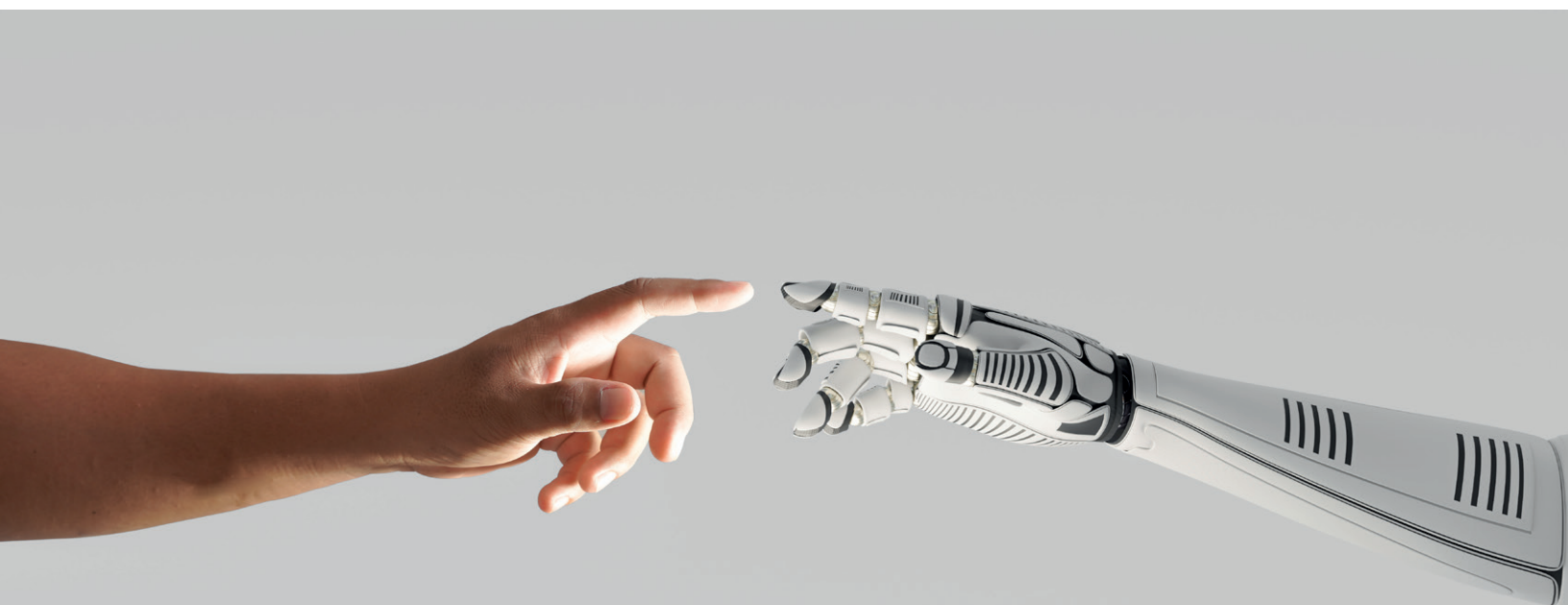
Beyond unintentional mistakes, there are the issues that could arise simply by taking advantage of the ability to get close with customers and going too far without providing enough value in return. None of us want to create a dystopia where people feel that their privacy is being eroded in the service of more effective promotions.

This is where insightful creativity becomes so critical. Brands should think of real-time engagement less as advertising and more as a service, with outstanding creative driving standout experiences. We will need ways to provide valued experiences along the customer journey, informed by insight as well as hard data.

We must ensure that our customers truly value brands as partners and are willing to let us be part of the moment right now because we contribute positively to it. Permission to be closer with customers is not a license to be ever-present. Begin with the moments when the brand has a clear role and can create valued experiences. With imagination, empathy, and creativity we can invent some truly inspiring and valued experiences for our customers.

Brands need a clear promise on the value they can provide to serve as the springboard for creativity and innovation. If we follow that path, we can create a better now together with our customers.
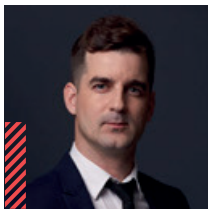
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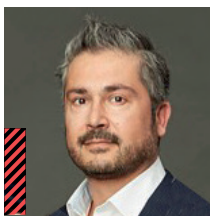
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SCAN ME

Scan now to take the next step in your customer experience journey with our Customer Experience Maturity Assessment.