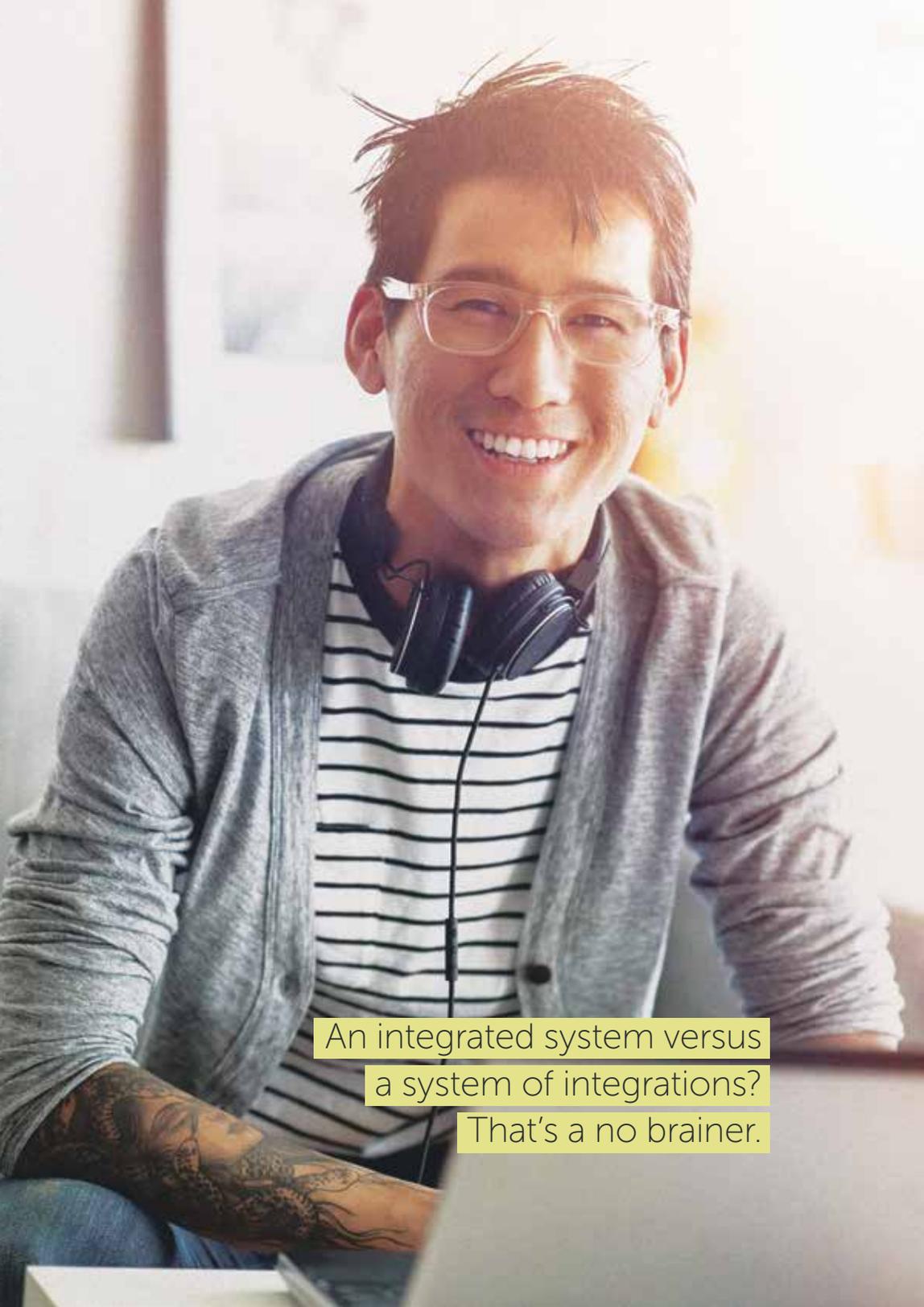




weeds

dive in





An integrated system versus  
a system of integrations?  
That's a no brainer.

This book is for technology leaders who want to use customer engagement at scale to accelerate performance and value creation. Two principles apply:

**Human-first** is a way of doing business, an approach to engaging with people as human beings who have their own needs and desires. Building meaningful connections requires more than great technology and smart employees. It requires intuition, understanding, and empathy.

**Enterprise engagement** calls for mobilizing your entire organization to create, measure, predict, and optimize the experiences of every customer. Wherever, whenever.

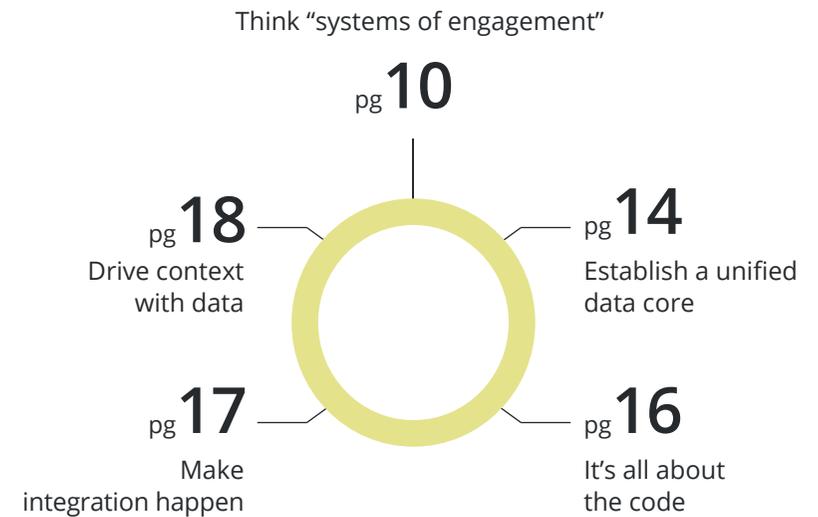
# get comfortable

Some people recoil at the idea of being buried in detail, while others thrive in the weeds. Neither way is wrong or right, except when it comes to understanding how your brand engages with customers. Those moments of truth become clear only by digging into the bits and bytes of how and why interactions between brands and people happen the way they do. And *that* requires understanding the technology that's critical for enterprise engagement.

There's no other way to make sense of all the data and all the systems around customer interactions. And there's no other way to make sure all the parts and pieces work together in a seamless system of engagement.

So spend a few minutes diving into the technology of digital customer-first transformation. Learn how it works – and what you can do to make it work better. That's what this book is about.

## Deep-dive operating principles



## it starts with a vision

Digital customer-first transformation. It's a business strategy that prioritizes serving customers over everything else. Like many others, it is fundamentally reliant on technology. Brands that don't craft a clear vision for the role of technology in enabling great customer experiences will fall short. In a world where customers expect brands to deliver personalized, real-time, all-the-time engagement, technological proficiency – regardless of channel – is non-negotiable.

For many companies, the more systems of record they purchase, the harder it is for people to get work done and create synchronous, consistent experiences for customers. What they're missing is a single, unified system of engagement that supports every customer-facing employee and business unit. Put simply, you'd much rather have an *integrated system* than a *system of integrations*.

Amidst the texting and Twittering and Facebooking of a generation of digital natives, the fundamentals of next-generation communication and collaboration are being worked out. For them, it is clear, there is no going back. So at minimum, if you expect these folks to be your customers, your employees, and your citizens, then you need to apply THEIR expectations to the next generation of enterprise IT systems... systems of engagement... that will overlay and complement our deep investments in systems of record.

**Geoffrey Moore**

author, futurist, organizational theorist

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# systems of engagement

Over the past two decades, consumer software has been revolutionized by apps that have redefined experience design, interoperability, and bidirectional communication. But there hasn't been a similar revolutionary response in enterprise-level software. The traditional enterprise software regime, dominated by systems of record, is only now experiencing a wave of disruption from the introduction of systems of engagement.

A system of engagement is a distinct, people-oriented software platform that captures customer data from social channels and integrates with existing CRM, CMS, email, direct marketing, search, paid advertising, earned media, call center, and other legacy systems of record. As such, a system of engagement is a layer of software, an operating system for all front-office and customer-facing functions. A system of engagement enables data-driven, real-time interaction between employees and customers across any digital channel or touch point.

Forrester Research defines a system of engagement as:

*Software that harnesses a perfect storm of mobile, social, cloud, and big data innovation to deliver apps and smart products directly in the context of the daily lives and real-time workflows of customers, partners, and employees.*

## **Systems of engagement vs. systems of record**

Many global enterprises have amassed an ever-growing portfolio of systems of record to address a specific function such as transaction logging. Systems of record are process-oriented, focused on the past, and department- and function-centric.

One of the world's largest financial institutions reported having 13 individual social media management tools being used across 88 different business divisions, units, and stakeholders.

More problematic is the fact that most CRM, CMS, knowledge management systems, call center software, and other customer data repositories don't integrate with other tools in your existing enterprise software portfolio. And in most cases, they can't empower all employees to interact with customers in a unified way.

When you think about the future, committing to a system of engagement is the first place to start.

systems of engagement  
touch people

systems of record  
host processes

- Limited to intra-company, employee-specific, binary information transfer
- Enabled by large data marts and enterprise-wide ERP packages
- Excel at transaction recording and accounting processes
- Not designed for customized or personalized outputs
- Long development and release cycles
- Mix of new cloud-based and legacy on-premises systems



Employees



Customers and partners

- Mobilize every customer-facing employee to manage direct interaction with customers, partners, and employees
- Cross-silo collaboration baked into every module or node; customer-facing web-based apps; nothing stand-alone
- Prioritize in-the-moment decisions and tasks; Deliver context and personalization
- Omni-channel core; channel agnostic modular architecture
- Unified profile and message model across channels and functions; native support for unstructured data and text analytics
- Cloud-based, social at the core; architectural integration points to legacy systems
- Iterative, rapid, short development and release cycles
- Consumerized UI vs. first-gen web drop-downs
- Integrated actionable insights vs. stand alone analytics

## unified data core

Few companies have a single repository of customer data to draw from. More likely, there are numerous repositories of all kinds spread across different business units – ranging from software systems like Marketo, Hubspot, Zendesk, and Salesforce to multitudes of Excel files – each with their own unique data architecture and processing protocols. Sometimes different teams use the same systems, sometimes they use their own. Most of the time, it's a big, ugly mess.

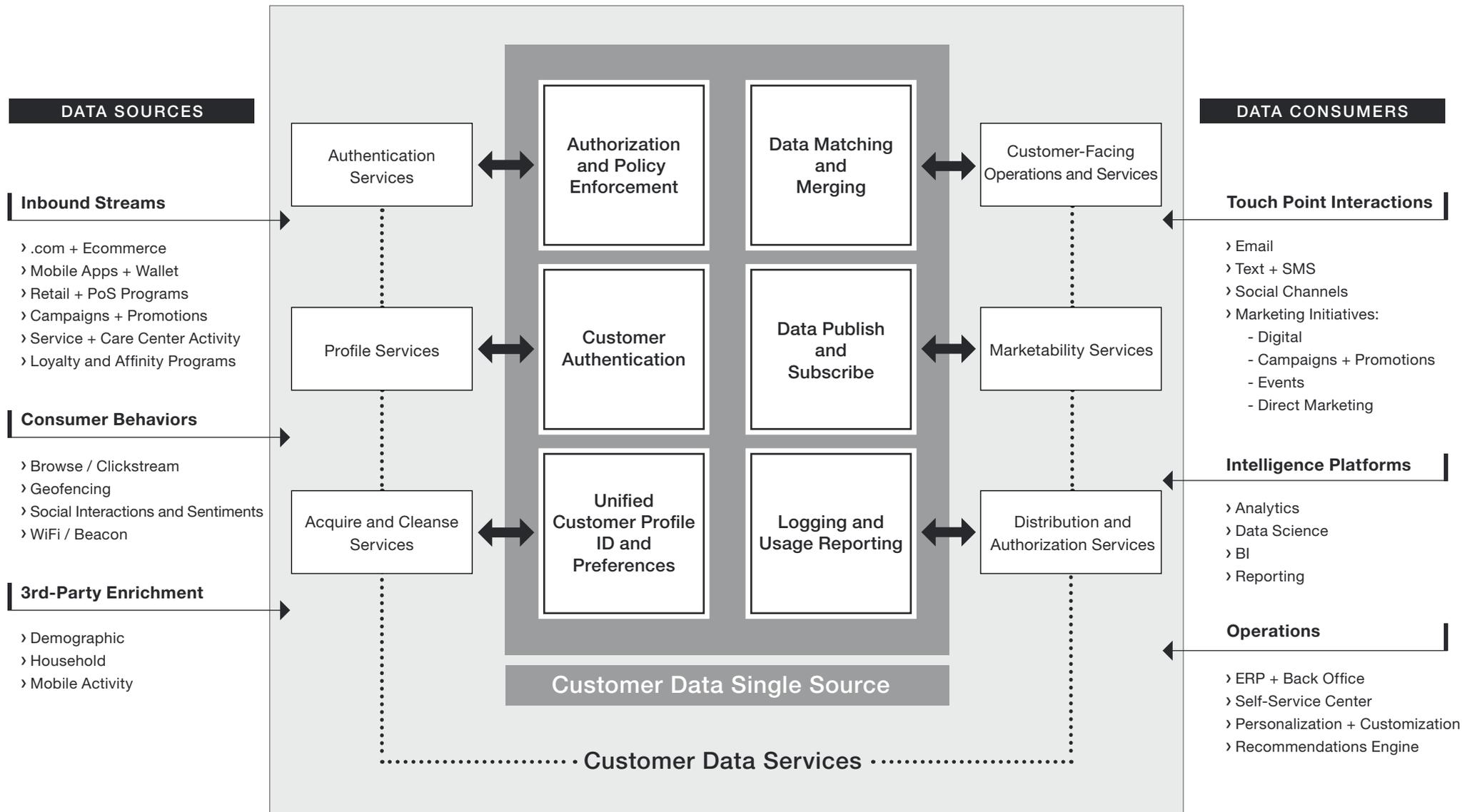
Technology leaders are solving this challenge by creating a centralized, channel-agnostic data mart that can capture and process structured and unstructured data streams. A unified data core becomes a single source of truth for the enterprise, governed at a federated level by rules and permissions that organize, simplify, and protect how teams access and share information.

When you centralize customer data into a single platform, your workforce has immediate access to the information they need, regardless of where it originates. They can understand customer interaction histories, behavior patterns, and lifetime value analytics. And marketers can marry transactional data with product, advertising, web, customer service, events, and research – all in one place.

A system of engagement is a layer of software that leverages your unified data core. It enables teams to pass customer data in and out of the core warehouse in response to engagement initiatives and interactions, making work such as creating and distributing performance reports a whole lot easier – and in the process making everyone a whole lot smarter.



Capture all the data you can.  
But don't forget we are people.



## a single code base

Your ability to engage smartly with connected customers starts and ends with zeroes and ones. The binary bits and bytes of computer language. The code. Digital customer-first transformation can happen only if the enterprise is in control of the code within the software it relies on to manage, process, and inform customer interactions. And the only way an enterprise can control the code is to deploy systems of engagement built from a single code base.

Object-oriented programming languages are large, complex expressions of how businesses operate today and in the future. So the more systems of record you acquire with different code bases, the harder it will be to make them work together – with multiple code bases, you’re managing various system updates and UI schemas; you’re spending time lining up technology instead of leveraging it to its highest purpose. That’s why having your foundational system of engagement operating off a single code base is both efficient and smart. It’s the only way information derived from your system of engagement and the customer interaction it enables can scale.

How many Apex programmers who know Java, C++, Ruby on Rails, or Python do you have on staff? Without the right kind of talent, you’ll struggle to build your own system of engagement.

## making integration happen

A typical marketer’s engagement workflow requires social listening, audience profiling, content management, campaign management, content publishing, audience response, paid advertising, analytics, reporting, and more – typically handled by individual point solutions and systems of record.

Which means you really don’t have a workflow. More likely, you have strings of individual workflows stitched together manually... inboxes filled with messages streaming back and forth from internal teams and external partners who’ve exported data into spreadsheets.

Point solutions and systems of record can’t natively integrate with one another without API connectors because they’re all written on different code bases. And since the typical enterprise engagement workflow requires dozens of individual functions, you won’t be able to rely on APIs to solve the spreadsheet/email problem.

You’ve invested in some mission-critical technologies, like CRM or other ERPs, which aren’t going away. In a regime dominated by individual point solutions, you have to invest in another expensive partnership with a system integrator to write all your APIs. Who wants to do that? Instead, you want a core system of engagement to handle the heavy lifting of customer engagements, handling inbound and outbound customer messages and data – it’s much easier to integrate a single system into your legacy ecosystem.

# data drives context

When it comes to using customer engagement for competitive advantage, discerning the context around interactions is the differentiator people will notice and respond to.

For example, when marketers get only transactional information from your systems of record, their ability to link marketing tactics together into a smart, seamless experience is limited. Here's an example:

*Joe spends \$100 a year, on average, buying your cool T-shirts. You've profiled his social behaviors, and you know he spends a lot of time on Facebook. By sending him coupons through Facebook ads, you're delivering content that seems to get him excited.*

Most marketers stop here. Agencies report they're generating new engagement and everybody's happy. But it's worth going deeper. Marrying your own transactional data with third party sources can enrich what you know about Joe in ways many marketers haven't even thought about. Like creating a more comprehensive view of Joe by connecting transactional data to psychographic, social, and other marketing data you have about him. By conducting complex look-alike cohort analysis you can use to make decisions, or even sell.

In Joe's case, your brand excites him in only one way: when you create a new style, it gets him to buy. By sending more and more Facebook ads, the brand risks creating an opposite, blowback effect. "What do they think I am, made of money?" he wonders. "I'm getting more ads every time I log into Facebook, and it's annoying as hell." In this state, Joe is not inclined to share pictures of his new favorite T-shirts, nor is he inclined to create and share positive sentiment – he'll likely do just the opposite and tell his network that your brand is a spammer.

You have to understand who has affinity for your brand today. To do that, you need three things:

1. **Connectors** – a library of one-click APIs that link first- and third-party customer data sources across the web, mobile, social, email, ecommerce, CRM, and more
2. **A segmentation engine** – a configurable set of filters that enables dynamic, intelligently derived, real-time audience segmentation and cluster analysis
3. **A dynamic targeting engine** – enables teams to build, manage, and deliver personalized content to customers across all channels with an intuitive, consumerized interface

The lesson here is about social context. Social media is now the first line of offense in understanding who people are, what they're interested in, and how brands need to serve them.

## seeing the light

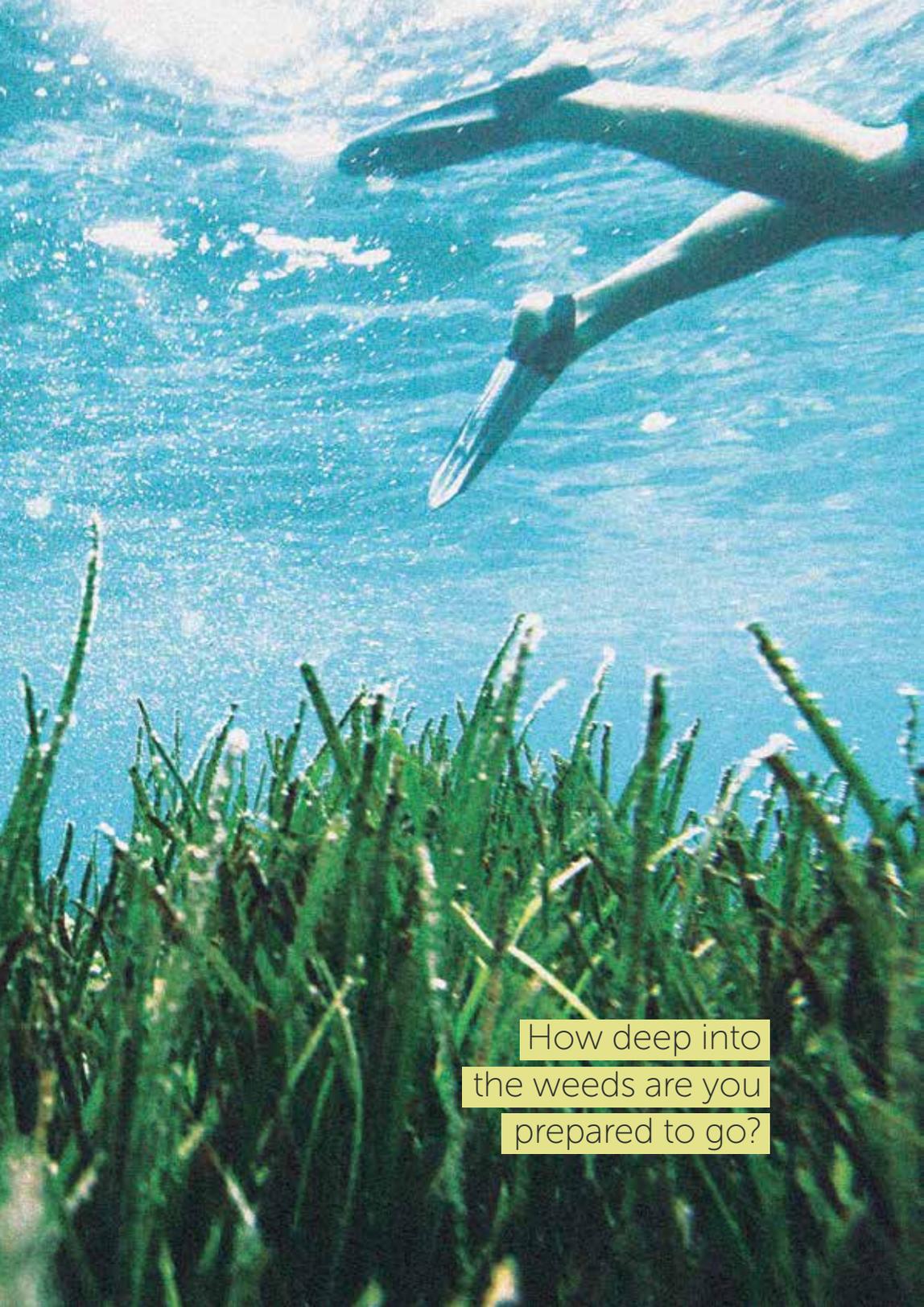
SaaS providers knock on your doors every day. New apps and widgets show up every week. The result? A shadow IT ecosystem eating away at the effectiveness of your company's ability to work together and work efficiently. Digital is now part of everyone's job – and IT departments are struggling with the runaway proliferation of technologies.

The “shadow IT” phenomenon may be a bigger issue than companies have realized. As software-as-a-service apps have risen in effectiveness, stature and influence, their use outside the purview of IT has spread like wildfire. Such are the findings of a study conducted for McAfee by Stratecast, a unit of Frost & Sullivan. In surveying 300 IT workers and 300 line-of-business workers at enterprises in the United States, United Kingdom, Australia and New Zealand, Stratecast found that more than 80 percent of both groups admit to using SaaS apps at work without IT's approval. Despite the fact that many respondents are aware that they're circumventing IT approval processes and introducing potential risks, they feel that the business value in rogue SaaS apps outweighs any potential concerns. The message for employers is clear: “Businesses need to protect themselves, while still enabling access to applications that help employees be more productive,” said Pat Calhoun, McAfee's general manager of network security.

The alternative to this runaway train is systems instead of solutions, with a priority given to those built off a single code base. That's necessary to achieve scalability and interoperability with other legacy systems.

A woman in a patterned dress and heels is walking away from the camera down a long, brightly lit hallway. The walls are white, and the floor is made of large, light-colored tiles. At the end of the hallway, there is a large window that lets in a lot of light, creating a bright glow. The woman is carrying a black bag and is looking out the window.

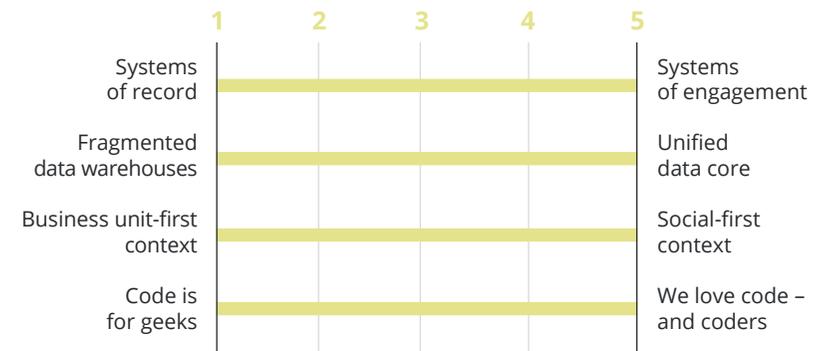
A system of engagement  
helps mitigate the risks of shadow IT.



How deep into  
the weeds are you  
prepared to go?

## pre-dive check-in

As your company moves toward digital customer-first transformation, use this 1-5 scale to assess your cultural and technological readiness.



## it's your move

People who understand the potential of enterprise social engagement are already wading into the technology weeds. But if you want to use it to create sustainable competitive advantage, we suggest *diving* in. Deep.

To help you figure it all out, be sure to check out our *Maturity Model*. It's a solid outline of what you should be looking for along your customer-first journey.

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