

Fujitsu's Digital Marketing Method Realized with Customer Experience-Oriented Concept

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The utilization of digital technology is now a pressing issue for companies, and it is particularly urgent in the field of marketing. Such utilization often involves significant investment in ICT. In addition, the wide scope of applications for the technology has left many companies puzzled about how and where to start. Fujitsu provides digital marketing services from the customer's viewpoint to a wide variety of industries. In the process, as factors hindering its realization, we have focused on poorly defined digital marketing objectives and the fragmentation of tasks and ICT systems between departments due to a vertically segmented organization. To address this issue, Fujitsu proposes the use of a consulting method to develop a customer-oriented culture on the basis of a customer's viewpoints. This solves issues in terms of communication with customers, and thereby contributing to the improvement of customer experience, customer loyalty, and corporate profits. This paper analyzes the essence of the factors hindering the use of digital marketing, introduces the points to be understood by companies and Fujitsu's systematized consulting method.

1. Introduction

Today, it is becoming essential for a company to collect, integrate, and apply internal and external data using digital technology to differentiate itself from other companies. Digital marketing initiatives that encompass the above activities hold the key to a company's long-term growth.

Companies like Amazon.com, Inc. and ZOZO, Inc.^{note 1)} are now driving the market with innovative approaches. These companies are not only offering new services and products such as the Amazon Echo and ZOZOSUIT^{note 2)}, but are also creating processes for obtaining customer data, such as personal lifestyle and body measurements. This is because they place great importance on understanding the customer through data and digital technology and applying that knowledge to the development of new services and businesses.

In this way, a number of leading companies are steering their corporate activities toward the use of data to provide an exceptional customer experience (CX). Nevertheless, many companies today are conducting their marketing activities with the intention of placing the customer first but without concrete measures.

To solve this problem, Fujitsu is working on supporting companies to overcome the barriers facing them in adopting digital marketing from their customer's viewpoint. For this purpose, Fujitsu has systemized the points that need to be discussed and studied to overcome those barriers in the form of a consulting framework called CXC³ (pronounced "CXC Cube"). CXC³ is described in more detail in the paper "Human Centric Marketing for Customer-Centric Innovation of Corporate Marketing Activities" in this issue. Fujitsu is presently supporting many companies through a consulting method based on CXC³.

This paper first introduces the advantages of digital marketing from the customer's viewpoint. It then explains the factors hindering the use of digital marketing and describes in order Fujitsu's approach to overcome those barriers and achieve digital marketing.

note 1) A company that operates apparel electronic commerce sites in Japan.

note 2) A suit covered with fiducial markers used to capture exact body measurements with a smartphone camera for custom-fit clothing.

2. Digital marketing method from the customer's viewpoint

This section reaffirms the advantages of promoting digital marketing from the customer's viewpoint.

The goal of corporate activities is to increase sales and revenue, and to do so over the long term requires that a company focus its efforts on the provision of products and services that a customer will continue to select. This, in turn, requires a precise understanding of what the customer inherently needs. Marketing from the customer's viewpoint as described in this paper is a corporate strategy that assumes the building of long-term relationships with customers on the basis of the above measures.

Putting marketing from the customer's viewpoint into practice has advantages for both the customer and company. For the customer, it means an unexpected feeling of pleasure, a sense of being special, and a moving experience. Such feelings and emotions help to make the customer a company fan.

For the company, meanwhile, it can lead to the building of a long-term and robust customer base. This is not simply a marketing approach to a customer segment with obvious needs—it is also directly connected to the establishment of a new structure for attracting customers by cultivating fans (**Figure 1**).

3. Problems in achieving digital marketing from a customer's viewpoint

Once a company comes to understand the importance of digital marketing from the customer's viewpoint and decides to put it into practice, it is customary to begin by understanding existing customers or new prospective customers (leads). Then, after visualizing current CXs and obtaining an understanding of customers, a common approach is to construct mechanisms such as a data management platform (DMP), business intelligence (BI), and marketing automation (MA), and to connect those mechanisms to the implementation of specific measures.

However, while some companies are steadily achieving results by the approach described in the previous section, there are also cases in which customer-centric digital marketing has been met with setbacks or in which companies have lost sight of their original objectives in introducing digital marketing. To explore why such cases occur in the first place, we describe some underlying problems as follows.

3.1 Poorly defined digital marketing objectives

Many marketing tools that enable data to be

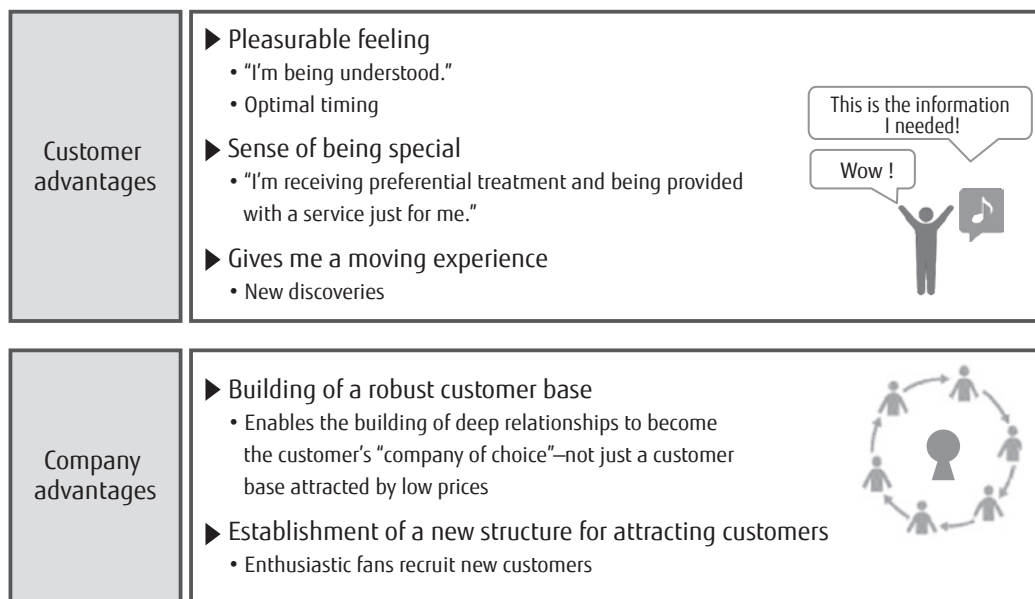


Figure 1
Advantages of digital marketing from the customer's viewpoint.

collected from a variety of sources have recently come on the market. As a result, there are now many options available for businesses that wish to use digital technology and data. On the other hand, there are few companies that have been able to design a future vision of marketing that can realistically be achieved.

If it is not clearly understood as to what can be changed or what can be accomplished in promoting digital marketing on the basis of customer understanding, it will be difficult to incorporate such digital marketing in the company's overall marketing strategy. That is to say, if it is not clear as to what the company wants to offer the customer through digital marketing or what issues exist in communicating with the customer, it will not be possible to achieve digital marketing from the customer's viewpoint.

3.2 Tasks and ICT fragmentation due to a vertically segmented organization

Marketing tasks in a company are almost never concentrated in a single department. It is said that a consumer who buys something or enters into a

service contract passes through the purchasing stages of cognition, interest (searching), study/comparison, purchasing/contracting, and participating/sharing. As a result, marketing measures in each of these stages and mechanisms for achieving them are usually studied and implemented by different departments within the same company. In such a case, it often goes unnoticed that measures and channels can only be partially optimized, and as a result, the company ends up offering an inconsistent CX. In this way, it frequently happens that a customer receives unneeded (non-optimized) information at the wrong time causing a drop in customer loyalty contrary to company expectations (Figure 2).

There are currently many companies offering consulting services in the area of digital marketing. However, there are few consulting companies that are deeply entrenched in both company tasks and ICT and wholly committed across the board from upstream planning to implementation and operation of highly feasible measures. Digital marketing from the customer's viewpoint cannot be achieved if there is a deficiency in any of three types of personnel, namely,

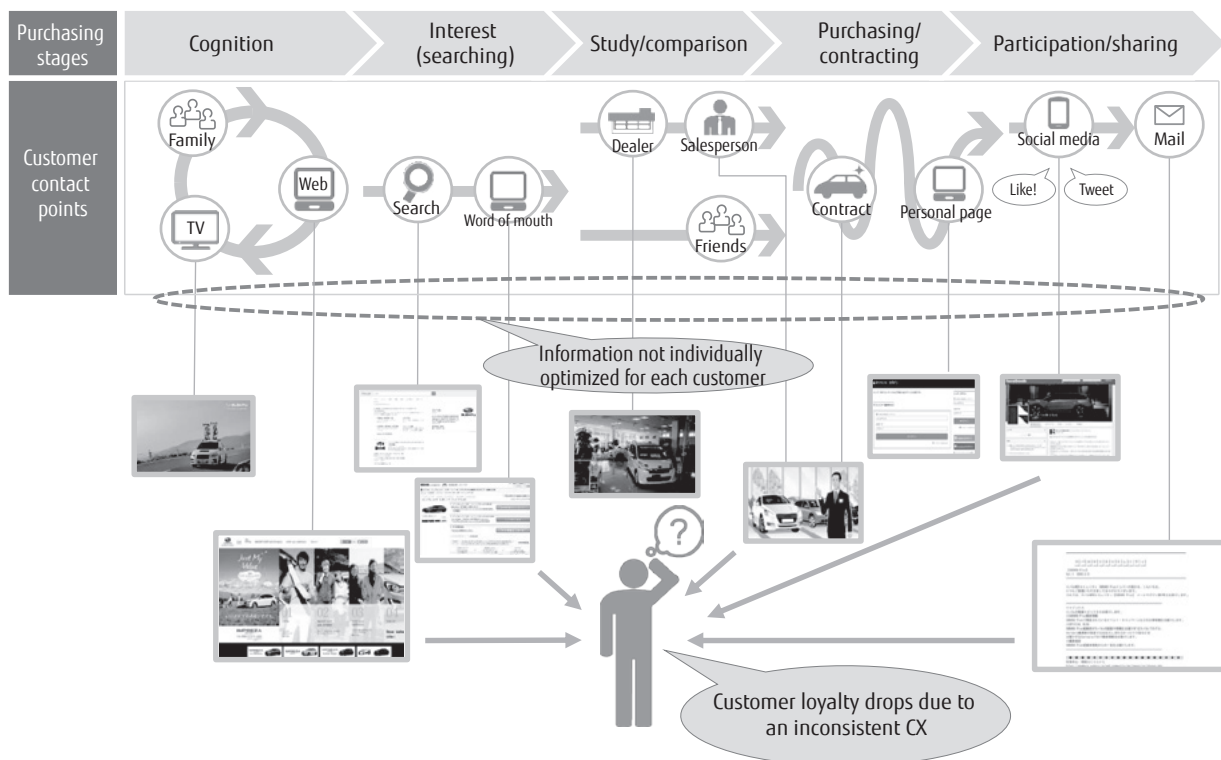


Figure 2
Drop in customer loyalty due to inconsistent CX.

specialists in marketing, specialists in ICT infrastructure, and managers with detailed knowledge of on-site tasks. It is therefore vitally important to be deeply entrenched in each of these areas and to have players that can serve as bridges between those areas.

4. Key points in achieving customer-oriented digital marketing and Fujitsu's approach

To overcome the status quo preventing a company (Fujitsu's corporate client) from providing marketing from its customer's viewpoint, Fujitsu supports the development of a customer-oriented culture on the company's side. For a company, this means diverting its energy to obtaining a company-wide consensus including all relevant departments on promoting customer understanding in line with company objectives. This effort is an essential element to achieving digital marketing from the customer's viewpoint as conceived by Fujitsu (Figure 3).

Fujitsu has systematized a consulting method

for developing a customer-oriented corporate culture (Figure 4). This method features the following two points.

The first is customer understanding, which acts as the starting point of the cycle shown in Figure 3. The approach taken to achieving customer understanding varies from company to company. At Fujitsu, we provide our corporate client with know-how on first identifying a company's problems and then achieving customer understanding via CXs, customer behavior analysis, external data, machine learning, etc. in line with the current state of the client's ICT infrastructure.

The second point is the framework for driving the project forward. This is Fujitsu's proprietary method of providing consistent project support from upstream formulation of digital marketing strategy to putting that strategy to work in tasks and ICT and implementing specific measures for promoting communication between Fujitsu corporate clients and their customers to better understand them. In the upstream, this means drawing up (visualizing) a plan for CXs that need to be

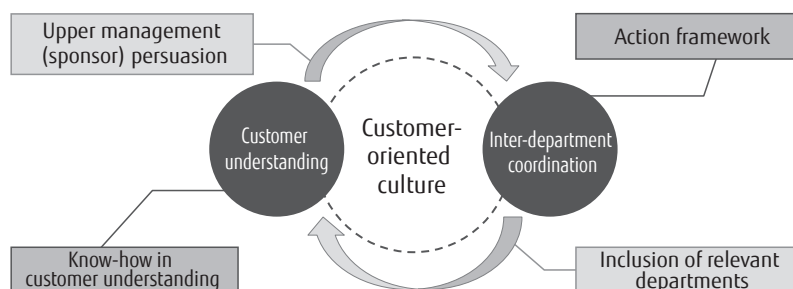


Figure 3 Development cycle of customer-oriented corporate culture.

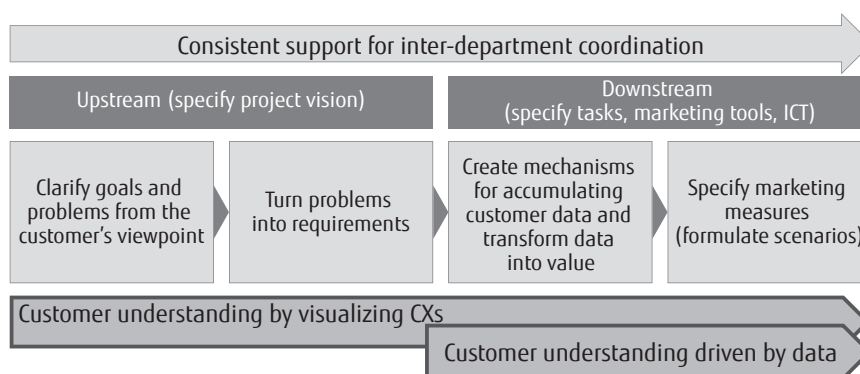


Figure 4 Consulting method for developing customer-oriented corporate culture.

achieved and clarifying what can be achieved by digital technology as a corporate strategy. It also means determining the gap between this strategy and current tasks and ICT and converting the ICT functions needed to resolve that gap into requirements.

Converting those functions into realistic requirements is a Fujitsu strongpoint. In this way, Fujitsu achieves smooth inter-department coordination as a bridge between the client's marketing department and information systems department. These extracted functional requirements can then be used as a basis for constructing a customer-oriented data usage platform for integrating all sorts of data within the company. This process also leads to transforming the data from that platform into value and deepening customer understanding (customer understanding driven by data.) and to the planning of actual measures and services.

5. Putting customer-driven marketing into practice

We examine what a company successful in digital marketing through Fujitsu support considers to be important in promoting inter-department coordination from the customer's viewpoint. To this discussion, we add specific examples of applying Fujitsu's customer-driven marketing consulting method.

5.1 Company-wide launch by setting goals and clarifying problems

1) Setting goals and targets

Conventionally, each department sets its own key performance indicators (KPIs). On setting out to reform a corporate client's marketing tasks from the customer's viewpoint, the first step is to clarify key goal indicators (KGIs) that specify overall digital marketing goals and to get the relevant departments to agree on those KGIs. Once this is done, each department must set its own KPIs.

In the process of setting KGIs for a digital marketing project, Fujitsu sets not only indicators directly related to profit such as sales and revenue but also customer loyalty indicators. Furthermore, in addition to studying indicators, it also studies customer segments to be targeted. For a certain corporate client, for example, Fujitsu divides customers on the basis of indicators such as net promoter score (NPS) and life time value (LTV) and prioritizes target segments for deepening

customer understanding through digital marketing. Of importance here is that Fujitsu's ability to make a total commitment to establishing mechanisms for achieving KGIs (ICT infrastructure and marketing tools) and to studying marketing tasks goes hand in hand with setting KGIs using customer loyalty indicators.

2) Extracting problems by visualizing CXs

The next step after getting the relevant departments to agree on KGIs and other indicators is to determine what kind of gap exists between those goals and current conditions. In the case of a corporate client, Fujitsu would prepare a customer journey map to understand this gap from the customer's viewpoint instead of the company's viewpoint.

The idea here is to portray CXs and emotions occurring at contact points between the customer and company (customer contact points) along a timeline from the customer's viewpoint in a way that resembles a "journey." In other words, a journey map aims to draw an image of the company from the customer's viewpoint as opposed to an image of the customer from the company's viewpoint. Fujitsu creates a journey map while placing importance on visualizing how the customer evaluates the value being provided by the company.

On the other hand, there have been few cases in which all problems could be identified simply on the basis of a customer journey map. This is because the map visualizes only customer contact points and CXs. Consequently, when drawing up a journey map from the customer's viewpoint in a supported project, Fujitsu visualizes the company's business tasks and ICT as well. Being able to appropriately map out "problems in the customer experience" and "tasks and ICT problems" in this way is extremely important in advancing the later processes in the project.

5.2 Specifying tasks and ICT requirements from extracted problems

1) Using specialists to convert problems into requirements

To solve extracted problems and promote digital marketing, mechanisms (ICT infrastructure and marketing tools) must be set up while studying marketing tasks. This involves holding meetings with the marketing department and information systems department all together so that problems can be structured and

turned into requirements while listening to the opinions of both sides.

Fujitsu puts considerable effort into the training of specialists for this purpose. These specialists accurately break down the factors behind current problems and carefully convert needed tasks and ICT into requirements. They then output these as a list of functional requirements and a task flowchart. In this way, the information systems department can understand what the marketing department wishes to achieve and what it considers to be problems, and thereby promoting a company-wide understanding of the customer.

2) Persuading the in-house sponsor of the project's merits

After drawing up an ICT grand design and task outline based on clear requirements, the next step is to gain support of upper management (the in-house sponsor), procure a budget and resources, and promote customer-oriented digital marketing throughout the company. This is essential because there are many cases in which a project comes to a standstill due to a failure in getting management to understand the merits of digital marketing.

In this phase, Fujitsu recommends the preparation of a "customer-oriented digital marketing promotion proposal" based on its proprietary methodology to foster understanding within the company. This proposal outlines specific tasks and measures and demonstrates their feasibility with the aim of persuading management to back the promotion of digital marketing throughout the company. It can help get all relevant parties on the same page as to specific measures and an agreement for a small start of digital marketing while contributing to inter-department collaboration.

5.3 Constructing data-driven customer-understanding mechanisms

1) Customer-centric data integration connecting systems and measures

Once understanding has been fostered within the company and an environment has been created in which all relevant departments can work together to advance the project, the next phase is to construct the required functions and tools as specific mechanisms.

In the past, achieving customer understanding was centered about information stored in mission-critical systems such as attribute information (age, gender,

etc.), contract information (type of service, contract period, etc.), and purchasing information in point of sales (POS). However, the evolution of digital technology has made it possible to consolidate addressable data (for identifying an individual), trackable data (for tracking behavior along a timeline), and real-time data (for taking action instantly) at customer contact points on all sorts of channels. As a result, it is now possible to grasp in detail individual behavior not just when purchasing something or entering a contract but before and after that point in time. It is no exaggeration to say that this is the essence of digital marketing.

Given all sorts of data that has now become available thanks to the evolution of digital technology, a company can select the data it needs (or will later need) and integrate that data in units of customers. However, it must be noted here that integrating data simply on the basis of customer ID is not truly customer-centered optimized integration. Also of importance here is a design that provides perspectives on understanding customer purchasing behavior such as a customer's response to specific marketing measures, time of contact, etc.

2) Deepening customer understanding by transforming data into value

To make integrated data into something that is actually meaningful and to apply it specific marketing measures, it is extremely important that the data be visualized and analyzed in an easy-to-use form tailored to the business needs of each department.

Fujitsu's role does not stop at providing visualization tools and analysis services—it also provides support in training company managers to become data-savvy personnel. In this regard, Fujitsu provides systemized support with the aim of creating an environment conducive to self-analysis in which a manager takes the initiative in performing data analysis in an ongoing manner. Fujitsu recommends that managers become accustomed to analyzing data whenever some questions or doubts arise and that analysis tools be introduced, such as FUJITSU Intelligent Data Service Domo (see the paper "Data-Driven Marketing to Accelerate Decision Making" in this issue) and Tableau that are inexpensive and easy to understand and operate.

As mentioned above, there are various types of approaches and know-how with respect to customer understanding and turning data into value. One of

these is a data analysis service using machine learning, deep learning, and other advanced techniques supported by Fujitsu data scientists having extensive experience in this field.

5.4 Implementation of measures focused on the customer

Up to this point, we have focused on the creation of platforms and mechanisms for enhancing digital marketing. However, consideration must also be given on how to optimize digital contact points where the customer and company actually meet and how to move to specific measures.

The diversification of digital contact points has resulted in many factors that can affect consumer decision-making and behavior, making the customer journey all the more complicated. Under such conditions, communicating with all customers in a single uniform way has been found to be ineffective in improving customer loyalty.

To communicate with each customer in an optimized way, Fujitsu integrates and manages a huge volume of information gathered from a variety of channels and identifies to which customers to reach out. In addition, Fujitsu offers a series of consulting programs to increase the degree of customer engagement through approaches suited to each channel.

Here, "who, when, what, and how" scenarios are vital to making such consulting effective. In recent years, the introduction of MA is enabling on-site managers to effectively apply the plan-do-check-act (PDCA) cycle to the process of collecting and managing the data needed to create and improve scenarios.

However, Fujitsu does not simply support the introduction of MA—it implements measures together with the company from the scenario-creation phase on the basis of customer understanding in the consulting method shown in Figure 4. This facilitates customer communication in line with the requirements established in the upstream process and enables consistent measures to be applied to the customer. Furthermore, this method enables the accumulation of data on implemented measures and the creation of mechanisms that include visualization from an early stage. As a result, digital marketing from the customer's viewpoint can progress with little backtracking.

6. Conclusion

This paper clarified the key points of companies that succeed in digital marketing through Fujitsu support while describing Fujitsu's digital-marketing consulting method from the customer's viewpoint.

Digital marketing is a strategy for building long-term relationships with customers by proposing to a customer what he or she needs (or did not realize as being needed) at just the right time by the most optimal method (channel) through an understanding of the customer on the basis of data coming from a variety of channels.

To formulate a digital marketing strategy, it is essential that a company's marketing department and information systems department design an optimal method from a variety of available approaches for solving the company's marketing problems and achieving corporate goals. Fujitsu is keenly aware that these departments must work together to drive a project forward. By serving as a consultant that understands the functions of both sides and that can act as an intermediary between them, Fujitsu seeks to collaborate with the company in designing a highly feasible customer-centric marketing strategy applicable to a highly turbulent business environment.

It would give the authors much pleasure if this paper helps to promote digital marketing from the customer's viewpoint in some way.



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