Digitization in the Fast Lane:

EngageOne RapidCX

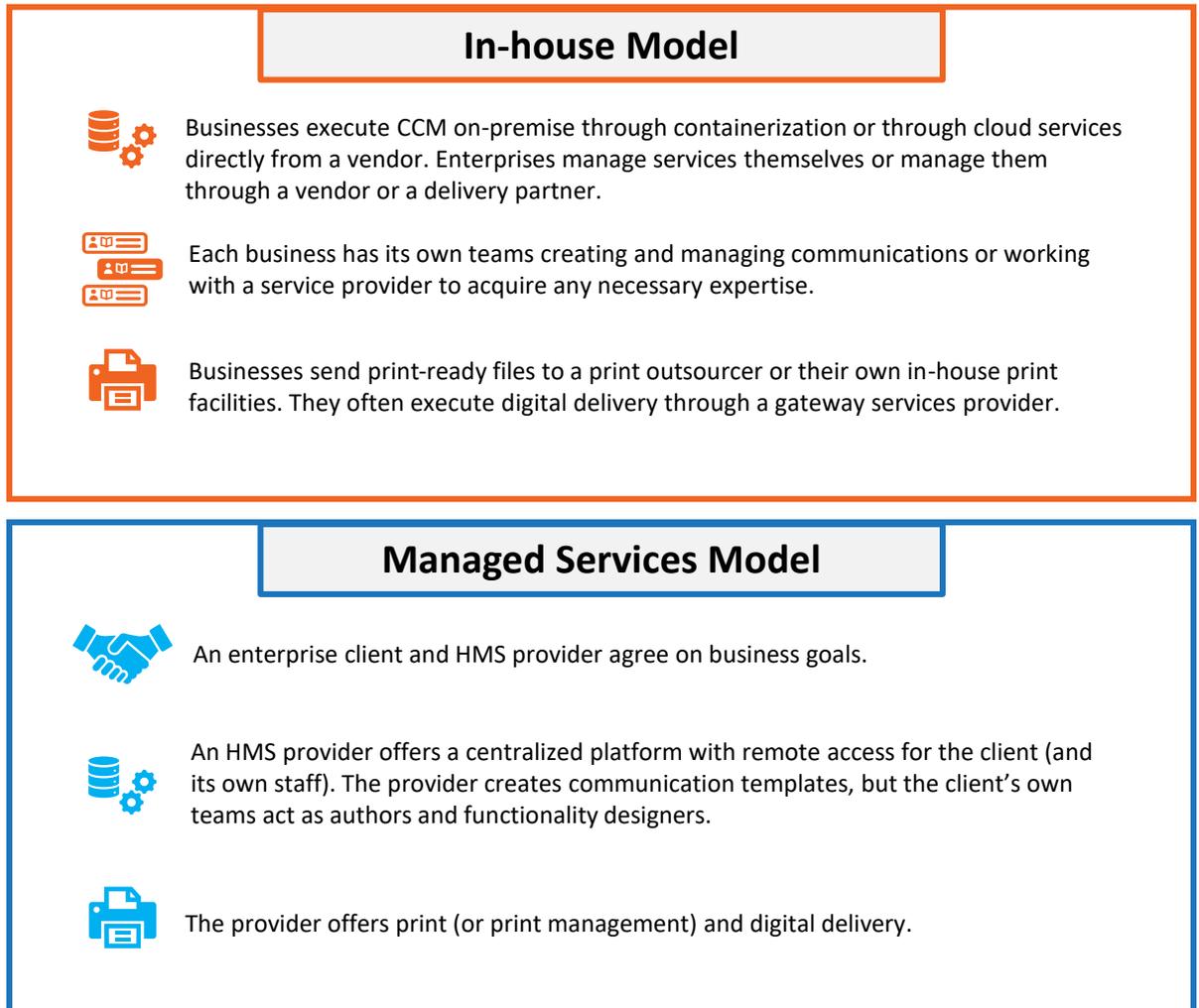Will Morgan   October 2021

INTRODUCTION

In this point-of-view document sponsored by Precisely, we will examine how an increasing focus on customer retention through improved digital interaction has led enterprises to reassess their customer communications management (CCM) strategy. After reviewing the challenges facing businesses who choose to manage communications using an in-house model, we will then look at the ways a hosted managed services (HMS) model like Precisely's EngageOne RapidCX addresses these issues and offers enterprises a faster route to modern digital communications.

THE STATE OF CUSTOMER COMMUNICATIONS

Aspire's most recent enterprise research shows that businesses have reacted to 18 months of unprecedented market disruption by sharpening their focus on customer retention. Respondents cited customer retention, improving customer experience, and digital transformation as their top three strategic priorities related to customer communications. In order to provide superior digital interactions that will enhance engagement and drive revenue, 65% of all the enterprises we surveyed are investing in new CCM technology and 45% are reviewing their approach to outsourcing. (This rate is higher among respondents in financial services and insurance. Over half – 54% - said that they are rethinking their outsourcing arrangements in the wake of COVID-19.) Together, these two initiatives set the stage for what we believe will be the evolution of customer communications going forward.

Figure 1: Expected Market Evolution, 2021-2025

In-house Model

Businesses execute CCM on-premise through containerization or through cloud services directly from a vendor. Enterprises manage services themselves or manage them through a vendor or a delivery partner.

Each business has its own teams creating and managing communications or working with a service provider to acquire any necessary expertise.

Businesses send print-ready files to a print outsourcer or their own in-house print facilities. They often execute digital delivery through a gateway services provider.

Managed Services Model

An enterprise client and HMS provider agree on business goals.

An HMS provider offers a centralized platform with remote access for the client (and its own staff). The provider creates communication templates, but the client's own teams act as authors and functionality designers.

The provider offers print (or print management) and digital delivery.

Source: Aspire, 2021

These opposite strategies are not defined by their relationship to cloud CCM. They are instead distinguished by the party overseeing communications management. For instance, an enterprise that selects an in-house model may have some elements of its CCM in the cloud, but it will ultimately manage it on its own. In contrast, an HMS model takes on-prem installations or self-managed cloud deployments and shifts them to a private cloud managed by a service provider.

CHALLENGES WITH THE IN-HOUSE MODEL

The in-house model presents several challenges, but the most fundamental and the most common is the lack of a coherent, centralized approach to customer communications management. A third of enterprise respondents reported that a lack of coordination between internal teams presents the greatest obstacle to communications transformation while a quarter cited unclear ownership of communications and inaccurate or conflicting customer data as their biggest hurdles. A labyrinth of outdated legacy systems, fragmented IT, and sub-optimized workflow wastes capital, employee potential, and consumer good will. Under these conditions, it can be exceptionally difficult to cobble together a strategy, establish a single view of customer, develop a comprehensive voice, or settle on cohesive messaging. Such an aimless, piecemeal approach ultimately results in a glut of templates — in fact, businesses consider excessive overhead to be the greatest inhibitor to better communications. It can take nearly a year for stakeholders working within an in-house model to make even simple changes to templates and up to two years for them to struggle through a major version upgrade.

In short, enterprises choosing in-house CCM must cope with inherent expenses and inefficiencies in people, infrastructure, and software:

- **People**. By design, in-house CCM requires more people to run than a hosted model. An enterprise must dedicate time, effort, and money to training employees to manage its stable of solutions and is likely doomed to further waste because inefficient systems will ultimately demand even more hours from a greater number of employees.

- **Infrastructure.** To keep in-house CCM up and running, an enterprise must purchase and maintain a network of servers, printers, and support equipment. Costs increase every time the system goes down and businesses must make even greater infrastructure investments in order to add more customers or more communications volume. Worse still,

hardware quickly grows obsolete, so IT is always facing the need to replace aging equipment.

- **Software**. Not only does IT face the challenge of trying to wrangle a single strategy out of disparate systems, it also is forced to weigh the costs and benefits of upgrading these different solutions. This is how enterprises end up with outdated CCM — they do not have the time, money, or people they need to effectively upgrade.

In the end, businesses are investing precious funds and expending countless hours on something they no longer consider a core competency. This approach is not only costly and ineffective, it is distinctly ill-suited to keeping pace with the rate of digitization and communications modernization. Inaction risks damaging customer experience and sacrificing a potential competitive edge.

CHOOSING HOSTED MANAGED SERVICES

Even before a global pandemic began to reshape customer communications as we know it, enterprises worldwide were beginning to understand the value of hosted managed services. As Figure 2 illustrates, 43% of the businesses we surveyed expected to shift to subscription CCM by 2022.

Figure 2: Enterprise Interest in Subscription CCM Software

How would your organization ideally pay for CCM software?
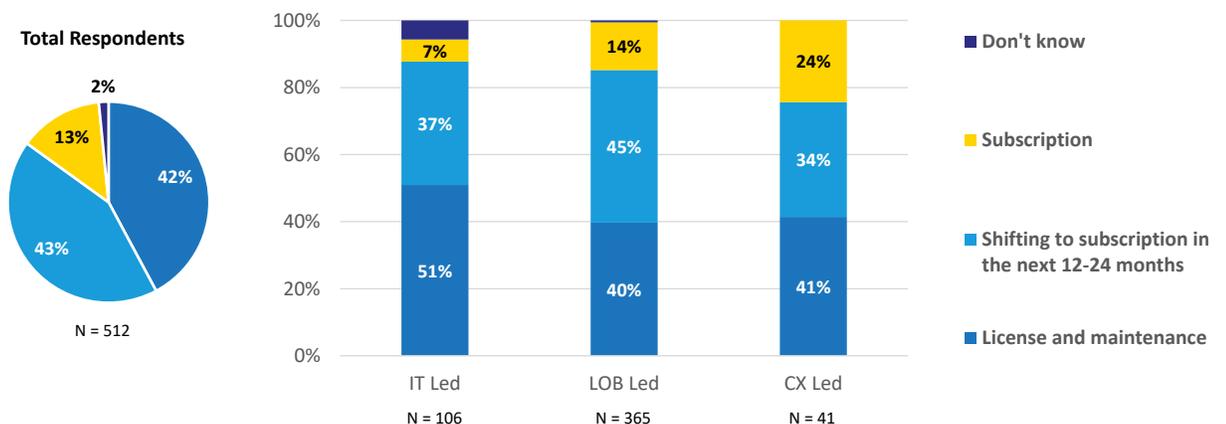
Source: Aspire, The State of CCM-to-CXM Transformation, 2019

Globally, this expectation was most common in Western Europe. On the whole, organizations with customer communications strategy in the hands of customer experience professionals were three times more likely to prefer subscriptions than document-centric, IT-led organizations while those in the midst of their transformation (with the line-of-business in charge of communications) were the most likely to anticipate a shift. Follow up questions also established that emerging buyers prefer managed services and cloud-based CCM platforms over large scale, in-house implementations.

Why? Aspire believes HMS is the key to timely modernization and it results in reduced cost, improved operational efficiency, faster digitization, and better customer communications overall.

Precisely has experience in enabling enterprises to create relevant, seamless interactive engagement with their customers. Its HMS offering, called *EngageOne RapidCX*, is designed to help organizations achieve these goals in more efficient ways while offering them the following benefits:

- **Cost reduction**. EngageOne RapidCX carries lower ongoing costs than traditional licensed CCM. Clients can save on people, software, and infrastructure by relying on Precisely's dedicated professionals while repurposing enterprise employees to core competencies. Instead of investing even more money into depreciating hardware, with EngageOne RapidCX, businesses can onboard more customers to Precisely's service and enjoy elastic scaling.

- **Improved operational efficiency.** EngageOne RapidCX not only enables users to make faster changes to individual documents and templates, it is also built to help clients quickly respond to larger market changes. This is particularly useful to those in financial services and insurance who need to remain agile enough to react to shifting regulatory requirements so they can release new document types in time to meet crucial deadlines. Software upgrades also no longer need to be an obstacle. With HMS, enterprises can remain nimble and free from regulatory peril. Finally, EngageOne RapidCX gathers customer data in one place and centralizes

communications control, enabling clients to overcome their struggles with conflicting data and unclear ownership.

- **Better communications equal better CX.** EngageOne RapidCX can help clients overcome the problem of excessive templates tied to print by streamlining their digital migration. Secure, instant updates allow enterprises to incorporate the next-generation capabilities consumers demand faster and more easily than they could by integrating point solutions on their own.

CONCLUSIONS

In the coming years, we expect to see a growing number of enterprises respond to consumer demands and market realities by turning to HMS to help them expedite their transformation and quickly integrate advanced capabilities into their communications. EngageOne RapidCX, is designed to give enterprises a faster, cheaper, and ultimately more lucrative way to manage customer communications. Its approach promises clients cost savings, operational efficiency, and the chance to gain a competitive edge by fostering engagement, building trust, and improving customer experience, ultimately boosting retention and lifetime value.

ABOUT PRECISELY

Precisely is a global leader in data integrity, providing accuracy, consistency, and context in data for 12,000 customers in more than 100 countries, including 90 percent of the Fortune 100. Precisely's data integration, data quality, location intelligence, data enrichment and customer engagement products are designed to power better business decisions to create better outcomes. Learn more at www.precisely.com.

Precisely EngageOne offers a range of products that can help businesses use data-driven insights to create relevant, seamless interactive engagements with their customers.

ABOUT ASPIRE

Aspire Customer Communications Services is a technology strategy firm, specializing in customer communications management (CCM) and digital customer experience (DCX). The company offers strategic, industry-leading advice to enterprise end-users, technology vendors, and service providers. Visit aspireleaderboard.com for our CCM industry portal or aspireccs.com for our consultancy website.

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Will is an experienced industry analyst with expertise in the Customer Communications Services market. As Aspire's Senior Research Analyst, he works alongside the wider team to provide advice, insight, and vital intelligence to the company's expanding customer base on both sides of the Atlantic. Before joining Aspire, Will worked with Keypoint Intelligence-InfoTrends' Customer Communications and Business Development Advisory Services.