



## I D C   V E N D O R   S P O T L I G H T

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# The Multi-Touchpoint Online Experience: Implications for Web Content Management

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Adapted from *Web Site 2.0: An Updated Survey of Customer Plans and Priorities for Web Site Investments* by  
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*With the dramatic adoption of smartphones and other mobile devices and the growth of social networking sites such as Facebook, today's online experience is evolving beyond the notion of a Web site or single destination to include multiple online touchpoints; that is, each of the points — whether Web, mobile, or social — where content touches the user. Each of these touchpoints constitutes a unique context for customer interaction: To truly engage customers, organizations need to tailor the user experience for each touchpoint so that it is contextually relevant. Consumers expect the company they are dealing with to learn about them and understand their needs and interests better over time as they interact and transact via these different touchpoints. The ability to leverage the consumer's multi-touchpoint interaction history to deliver an increasingly relevant and contextually rich experience is critical for building customer trust and loyalty. Companies that fail to deliver a multi-touchpoint online experience put that trust and loyalty at risk.*

*How can organizations manage the customer experience across all of these touchpoints in a consistent way, in a way that lets them leverage customer interaction information to customize the experience by user and by touchpoint? IDC believes Web content management (WCM) solutions are evolving to address this need.*

### Introduction: The Web Agenda

As consumers have moved online, so has the marketing budget: IDC estimates that 1.6 billion people worldwide are using the Internet today and that a third of the world's population will be online — some 2.3 billion people — by 2013. As our research shows, companies are continuing to invest in their online properties — despite the economic downturn. Among respondents to IDC's *August 2009 Web Site Investment QuickPoll Survey*, only 11% said they were decreasing spend on their public Web site(s). About half of the respondents to our survey said their budget was staying about the same, and more than a third said their Web site budget was growing.

Clearly, organizations recognize the opportunity for return on investment (ROI) in their online properties. The Web has become a ubiquitous platform for commerce, news and entertainment, social interaction, and customer relations. Consumers check online reviews before making a buying decision, and self-service communities are helping to lower the cost of service for companies. As millennials who grew up with the Web become the majority in the workforce, we will see this shift to the online channel continue to gain momentum.

It's no wonder, then, that companies are investing to improve the effectiveness of their online channel, and we see two agendas.



## Improving Web Publishing

The first agenda is to improve the company's Web site(s) and make it easier to use and maintain. Among the top priorities for enhancing public-facing Web sites uncovered by our *August 2009 Web Site Investment QuickPoll Survey* were improving site and product search, improving ecommerce capabilities, and making Web sites more interactive and engaging; enabling nontechnical users to manage and maintain content and improving the publishing workflow so that marketers can keep Web site content up to date without the help of IT; and analyzing Web site usage and user interaction to optimize the user experience (see Figure 1).

**Figure 1**

Priorities for Web Site Enhancement



n = 210

Base: Respondents who rated 4 or 5 on a scale from 1 to 5, where 1 means not at all important and 5 means very important.

Source: IDC's *August 2009 Web Site Investment QuickPoll Survey*

## Increasing Engagement

The second, emerging agenda is all about engagement. This agenda is reflected in our survey research by the increasing interest in community features such as commenting, user-generated content (UGC), and content rating to put relevant content in front of consumers, foster discussion and invite consumers' participation, and thus increase consumers' engagement with the company's products and brands. We see this agenda reflected also by the increasing interest in targeting and personalization as a means to increase the relevance of the online experience to consumers, further

deepening their emotional connection with the company and its brands. Increasingly, the online experience is about mobility and social networks.

### **Mobility and Social Networks: Reaching the Always-On Generation**

Of the more than 600 million new Internet users that will come online by 2013, users accessing the Internet from laptops, handheld devices, connected TVs, and other new consumer devices will account for the majority. By 2013, there will be nearly 4.9 billion mobile subscribers worldwide, and an increasing percentage of them will have smartphones capable of delivering a high-quality Internet experience: IDC expects total shipments of smartphones to reach 227 million units worldwide in 2010, up 31% from 2009. Reaching mobile consumers with targeted messages and content will become an essential component of any online campaign or marketing initiative over the coming years, as location-based services evolve.

Social networking sites have also become a strong influence on customer preferences: The top 10 social networks combined now have over 1.3 billion members. As IDC research shows, more than 60% of Internet users in the United States regularly access one or more public social networking sites, and the number of Internet users creating blogs or participating in online communities is expected to more than double between 2008 and 2012.

Social networking and social media have had a profound influence on the Web and on marketing in general: There now seems to be a discussion around everything. Content is no longer static — it has a life of its own, and the "buzz" created about that content often is just as important as the content itself. It's no longer just about providing information; it's also about creating a community of like-minded individuals. Web sites not only must reach out but also must allow existing customers and potential customers to reach in and contribute their own comments — and even new content — to the site.

These two agendas will continue to drive innovation in Web content management systems over the coming years. Customers will continue to seek solutions that make their Web sites easier to use and easier to manage. But as the online customer experience evolves beyond the notion of an informational or even transactional Web site to Web experience management in the large, and as the online channel continues to fragment, we expect to see greater and greater emphasis on the second agenda (i.e., engagement). It will increasingly be about managing the user experience across diverse online touchpoints to create a differentiated and compelling online experience that engages customers wherever they interact and transact — an experience that is contextually aware.

### **Contextualization and Web Content Management**

The explosion of mobile and other connected devices creates content design and delivery challenges: Content needs to be repurposed and dynamically reformatted for the burgeoning number of Internet-connected devices, all of which have different display and navigation characteristics. Content that "plays well" on a PC is likely to be difficult to browse on a mobile phone.

We think the bigger challenge, however, is dynamically generating a variety of user experiences that are tailored specifically for the different online touchpoints and that are *contextually aware*. The user's intent is in fact different for each of these different touchpoints, and so must be the user experience.

Web sites have traditionally been crafted with the PC user in mind. The tethered, "lean-in" PC experience lends itself well to the consumer who is shopping, searching for information, reading, or watching video. Web site designers, accordingly, have put considerable effort into making their Web sites "sticky."

Consumers on the go, however, who are accessing a company's Web site from their smartphone, are likely to be looking for quick facts such as store locations or hours, a product's price, a sports score, or breaking news. Typically, they are looking for specific information, and they don't want to spend a lot of time finding it. This is a fundamentally different context from that of PC users who expect to

spend more time on the site, browsing and exploring at a leisurely pace. We are seeing new location-based services for smartphone users that connect them to the places, events, and people that are in proximity to them at any given moment, and we will see increasing "specialization" of the mobile experience over the coming years to leverage location-based marketing opportunities.

Similarly, consumers who are interacting with friends via a social networking site are seeking to share information or opinions, tell a story, or start a discussion. When consumers engage with a brand on Facebook, they're making an emotional connection: It is more about the relationship of that brand to their lifestyle, aspirations, or preferences than it is about transacting or searching for information. Increasingly, social networks are a place where consumers become aware of the existence of a given product or service through the recommendations of their friends and peers. Thus, social networks have become another touchpoint that must be managed; the challenge is how to combine the social graph with the marketing message.

## **Managing the Multi-Touchpoint Customer Experience: Web Content Management Requirements**

The need to serve users across all of these touchpoints — and deliver a *contextually relevant experience* — has significant implications for Web content management systems.

First of all, the WCM must be able to access and manage a sophisticated user profile. Typically, user profiles leverage several sources of information, including data that is:

- Explicitly created by the user, as the user manages personal information associated with his or her user ID
- Implicitly generated by the Web content management system, based on the user's online behavior
- Extracted from enterprise applications such as customer relationship management (CRM), billing, and other transactional systems

Maintaining the user's context, however, essentially requires the ability to manage a cross-touchpoint user profile — one that is continuously augmented as the user interacts via Web, mobile, and social touchpoints. The WCM needs to be able to capture interaction and transaction information across all of these touchpoints for a comprehensive understanding of the customer.

Second, this "rich" user profile then becomes the basis for personalizing and tailoring the user experience by touchpoint and by user, according to business rules. The WCM must be able to leverage that multi-touchpoint profile to dynamically compose and deliver tailored and personalized content; that is, deliver a contextually aware experience. Marketers need to leverage all of the information they have about users if they are to serve them better. A rich user profile enables marketers to cross-sell and upsell across touchpoints. Knowing users' preferences and affiliations in one or two of these contexts helps marketers to better target their messages in the third context.

Finally, the way content is consumed online also provides valuable insights to marketers: It can help them understand what content is relevant to what demographic or collection of users. Marketers need to capture this information and use it to enhance the metadata about the content itself, so this enriched metadata can be leveraged to improve the relevancy and impact of the content that is served to a given user in a given context.

Marketers need a single, unified platform for online marketing that provides centralized management and contextualized publishing of content across all of these touchpoints. As the online channel continues to fragment across Web, mobile, and social networks, IDC believes that WCM systems will evolve to address these issues.

## CoreMedia and Multi-Touchpoint Web Content Management

CoreMedia is a provider of WCM software to organizations demanding engaging, context-driven online experiences for their customers regardless of channel or touchpoint. The company's WCM suite offers business value by seamlessly integrating digital and social media assets, increasing editorial productivity, and accelerating time to market in complex environments. As a result, businesses can more effectively execute their online strategies to engage users, build customer loyalty, and ultimately drive greater revenue and profitability.

Established in 1996, CoreMedia is headquartered in Hamburg, Germany, with offices in San Francisco, London, and Singapore. CoreMedia's clients include global brands such as the Association of American Medical Colleges (AAMC), Australian Broadcasting Corporation (ABC), Bertelsmann, BILD, CLAAS, Continental, EPCOS, Deutsche Telekom, Internet Broadcasting, O2, SEAT, and Singapore Press Holdings.

The CoreMedia CMS platform and products address the following five key areas:

- **Content Management:** CoreMedia CMS is designed to ease the content management process. Editorial workflows are tailored to reflect the way your teams operate. The user interface is flexible and allows you to add features and tools based on what you need, so everything is only a click away.
- **Content Delivery:** Delivering an engaging user experience is a function of two things: gathering all relevant information and adapting it to a user's particular context. CoreMedia's Content Application Engine (CAE) is a Web content hub and acts as a data aggregator, processing content in a certain context and delivering it to any channel.
- **Adaptive Experience:** At the core of CoreMedia CMS lies the ability to customize the user experience based on the user's context. CoreMedia's Adaptive products allow you to build a comprehensive customer profile in real time and then match it with the most relevant content and display it on any device that a customer is using.
- **Social Interaction:** CoreMedia's Social Software incorporates all the social capabilities required to have the user interact with an organization and comment, rate, and dialog within its digital ecosystem. Organizations can facilitate the discussion around their content and brand and engage with their customers much more interactively.
- **Open Applications:** In addition to CoreMedia's ability to seamlessly integrate content from third-party systems, CoreMedia's Open capabilities allow the integration of internal or external applications at delivery. By doing so, these applications can be managed and used just like any other content.

The CoreMedia CMS platform is designed to perform all of the Web content management tasks — including creating, managing, and delivering contextualized content — that enable organizations to maximize their "return on engagement" with customers. CoreMedia argues that there is a direct correlation between a company's profitability and the level of engagement it engenders with its audience: An audience that spends more time on a company's Web site, interacts via mobile devices, and connects via social networks is far more likely to buy from that company or recommend the brand to its friends.

By maximizing the return on engagement, CoreMedia CMS helps drive greater revenue and growth. Delivering the right content, in the right format, at the right time enables companies to create relevant and timely offers, take advantage of cross-selling and upselling opportunities, and innovate faster.

## **Challenges and Opportunities**

As noted previously, organizations are continuing to shift their marketing budgets to the online channel(s). As IDC research shows, companies have increased their Web site investments over the past year despite the weak economy. We expect this trend to continue, and Web content management vendors will be the beneficiaries. WCM has historically been one of the engines of growth for the overall content management market, and we expect that to continue to be the case.

The Web content management arena today is a vibrant but quite fragmented market segment, with dozens of vendors. This market segment is seeing a lot of innovation as vendors look to the future and broaden their solutions to pursue the opportunity for Web experience management. We expect to see the WCM market segment begin to consolidate over the next couple of years as leaders emerge to seize the next-generation WCM opportunities that the new online channels — specifically mobile and social — offer.

We believe CoreMedia is well-positioned to compete for these new opportunities. Of course, CoreMedia faces the typical challenges that confront other privately held vendors of its size: It must continue to manage growth while innovating and evolving its technology to remain competitive and increase market awareness of its products and capabilities in both its established and its new geographical markets. We think CoreMedia's focus on enabling the multi-touchpoint Web experience is right on target, however, and should ensure the company's future success.

## **Conclusion and Essential Guidance**

IDC believes that from a user engagement and trust perspective, it is vital that the context of the user's interaction be maintained across each of the different online touchpoints through which customers are engaging. That context is fundamentally different from one touchpoint to another — whether Web, mobile, or social — and the content that is served to the user needs to be tailored accordingly.

As the online audience fragments — and the expectations of that audience rise — the task of satisfying site visitors will become more challenging. It will become increasingly critical for online marketers to address today's touchpoints, both to understand their customers and to engage them.

Web content management systems are an essential tool for managing the online marketing experience. IDC recommends that organizations looking to implement next-generation WCM think big. The company Web site — a critical destination for customers and other stakeholders — has become an indispensable marketing channel. But the Web site designed for the "lean-in" PC user is no longer enough: Online marketers need a solution that also addresses mobile and social.

We suggest that organizations assess whether their existing WCM solution can perform the following essential tasks:

- Deliver dynamic, personalized content in context, such as the kind of user, device, location, time of day, etc.
- Automatically link with other mission-critical applications for information gathering and sharing
- Help them exploit everything they know to provide a valuable experience so that consumers will want to take action and buy their products or services and love their brand
- Manage multichannel access so customers have a consistent experience from multiple access devices

If organizations find that their existing WCM solution falls short, it's time to evaluate alternatives such as CoreMedia.

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