

Integrating the Online Channel within a Multi-Channel Customer Management Strategy

Industry & Client Situation

A major communications equipment manufacturer supplying incumbent players in the voice and data communications industries was moving aggressively to target a new market segment. Adding an online element to serve this new market was an important step, in addition to creating an integrated multi-channel strategy. However, preliminary challenges had already been identified:

- Reaching a set of customers with potentially distinct needs in the new target market
- Changing the company's online and offline interactions from disconnected business and channel strategies to an integrated channel approach based on customer needs
- Coordinating a number of large, distinct product units around creating relevant service solutions and a consistent customer experience across various touch-points
- Orchestrating customers, salespeople, distributors, product managers, and product developers to seamlessly and efficiently manage the customer relationship
- Avoiding the development of stand-alone e-Business infrastructure through: 1) the integration of e-Business practices throughout the business system, and 2) building new organizational capabilities based on the possibilities presented by e-Business

Approach

Bridge adopted a comprehensive and practical approach:

- Synthesized understanding of customer needs to assess segments, channel dynamics and anticipated customer value
- Designed the desired customer experience in the target segment across all channels
- Developed specific processes and defined improvements to systems to manage the customer relationship and support collaboration across channels
- Designed organizational and systems blueprints to support multi-channel strategy (direct and indirect channels, sales support, marketing support, product management, services, call center, etc.)
- Engaged all parts of the organization in the channel introduction effort as the entire business system needed to realign around the new target channel

Results

The transition from stand-alone channel strategies to a multi-channel strategy integrating online business was very successful. The Company has used the Web to reach a new set of customers and a new set of buyers within existing customer. The Web enabled the Company to rapidly roll out its new strategy across the market at speeds not possible with the traditional channels. On the Web, new customers see one company providing them with solutions, rather than multiple product units selling products.

In terms of quantifiable benefits, the online strategy immediately saved over \$30 million through the consolidation of stand-alone online channels and was expected to deliver over \$1 billion in online revenues by the end of the following year. The online channel also generated numerous sales leads absorbed by other traditional channels.

The best online channel strategies support the company's overall business strategy. When that support exists, all channels work together to align the organization's resources and optimize value delivered to and received from the customer.