netcentric
A **Cognizant Digital Business**

Cutting complexity, creating resilience

How modern brands can respond to the challenges of COVID-19 using advanced cloud-based marketing solutions

The times are changing, and it's time for business to change too.

The COVID-19 crisis has created a complex new landscape for modern companies. Customer behavior has changed, sales have taken a hit in some sectors, new channels are gaining popularity, and consumers are moving dramatically towards mobile & e-commerce.

The tendency for CMOs is to play it safe and stick with the solution they have. But, in fact, now is the perfect time to leap to a cloud solution such as Adobe Experience Manager that allows your brand to evolve with the times continuously.

It is possible to achieve lower costs, lower complexity and higher agility by leveraging AEM as a cloud service with the support and experience of Netcentric. In this whitepaper, we look at how to build resilience in challenging times by moving to a marketing platform that keeps complexity and cost under control so you can keep an eye on the horizon of customer experience.

The new normal: what's changed for modern brands in 2020?

There are several key ways in which the COVID-19 crisis has impacted the way businesses operate and create experiences for their customers. Here are the four key challenges facing organizations:

Marketing Operations is a relatively recent addition to the marketing workforce. It ensures all operations run efficiently and business objectives are met. Marketing Operations are the machine that joins the dots between data, platforms, people and processes to make sure marketing initiatives truly deliver results.

1. The need for strong, consistent brand values.

Your audience's priorities may have changed. The current reality has changed livelihoods, disrupted daily routines and altered how customers interact with brands. In challenging times, customers want to support rather than marketing speak. This means returning, time after time, to your core brand values and how your offering meets user needs. Then make sure your brand communicates those effectively, directly, and sensitively to customers in these difficult times. Studies show 71% of consumers want to buy from brands that align with their values, a number that goes up to 83% for millennials. Customers are less likely to risk trying new products or brands than ever, so

earn trust by making clear to potential users what your brand stands for and how you can help them.

2. Responding to changing user behaviors and channel priorities.

Studies show that 65% of customers tried different shopping behaviors since the outbreak of the COVID-19 pandemic. Adobe data shows online spending hit over $80 billion, which is up 77% from the previous year, a growth curve that would have taken between 4 to 6 years if we continued at pre-pandemic rates. Audience behavior has changed irrevocably: what worked before simply won't in the new normal. Brands need to be continually analyzing their customers to understand how the shift to digital, the rise of e-commerce, and increased time spent online are impacting the customer life cycle.

Online spending hit over **$80 BILLION** which is up **77%** from the previous year

For instance, studies show some users are spending 36% more time on social media every day, meaning some brands may want to invest more in their footprint on Twitter and Instagram. New TikTok downloads were up 60% in the first quarter of 2020 on the last quarter of 2019 making it the single most downloaded app on the App Store. If your brand is trying to reach younger audiences, it may be time to explore this rapidly expanding channel.

Engagement with email communications is up 20% in 2019, so if your business historically focussed on mail marketing over email, it may be time to shift your focus. Finally, the crisis has accelerated the transition to mobile - ensuring that customer experiences are optimized for mobile engagement. And making the most of push marketing should be a priority for any brand seeking to connect with potential and existing audiences within our current landscape.

3. Navigating economic uncertainty with lower risk purchasing.

80% of global consumers say they've delayed purchasing decisions due to the economic impacts of the virus. Over two-thirds of professionals say the outbreak has had some financial impact on their jobs or income, and that means driving sales is more complicated than ever. An awareness of the financial struggles that may be facing your customers will be a valuable asset when it comes to your marketing efforts: Can you offer different price packages or pay-as-you-go options? Could you offer discounts or special offers to valuable customers given the economic uncertainty they might be facing? It's all about making your users feel seen. This might mean postponing the release of your higher-price-point new product and working on how to make your current offerings accessible to your customers.

It's not just customers that are tightening their belts. Similarly, marketers are likely to be operating on smaller budgets than ever before. 65% of marketers expect to be working with reduced funding as a result of the crisis, renewing the focus of critical stakeholders on ensuring maximum ROI from marketing spend. Cutting costs, time-to-market, and building efficiency will be essential to make operational savings during this period of reduced income.

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of professionals
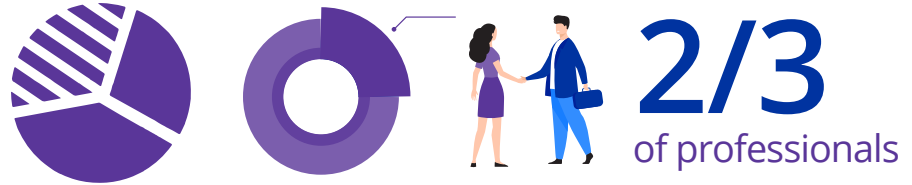
4. Agility, agility, agility.

Agility in business has always been necessary. But now it should be a guiding mantra for any modern organization to preserve customer loyalty in this climate of disruption. The times are a-changing, and businesses need to be too. 86% of marketers say their goals are now more challenging to achieve; so it will take out-of-the-box thinking to find new ways of meeting objectives, and business goals themselves may need to be reconsidered in light of the current landscape.

Agility doesn't happen overnight. Businesses need an architecture that allows them to pivot at speed into new business areas, a culture that can withstand shifting priorities, and marketing technology that can respond to evolving customer demands. Brands that haven't built agility into their systems will be feeling the effects now. However, it isn't too late to equip your business with the architecture to weather the storms still to come.
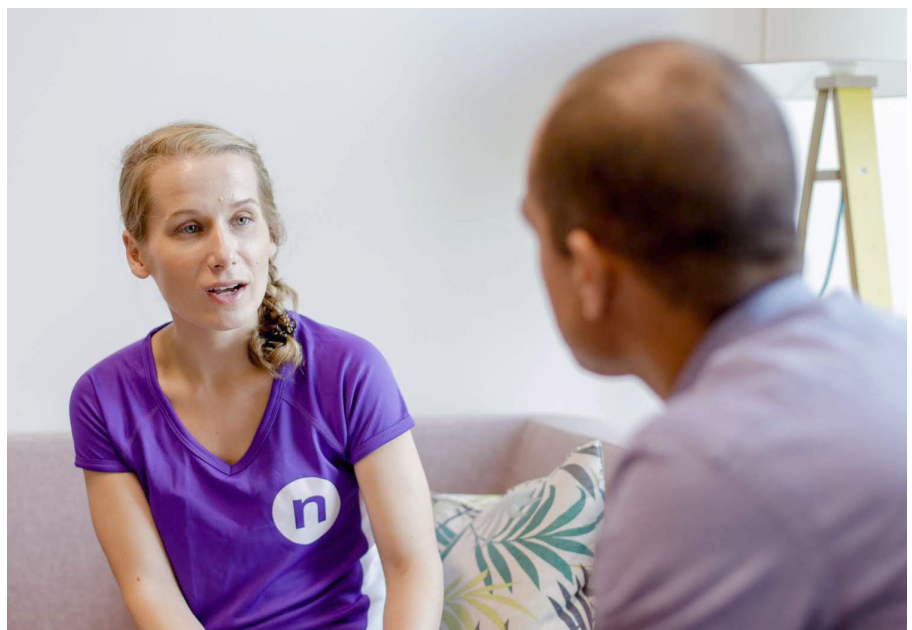
The complexity question: how to reduce it and how to work with it

When it comes to staying relevant in a constantly changing environment, complexity is everywhere:

1. There's external complexity in the world around us, which currently brings a high level of uncertainty, economic turbulence and consumer instability which affects purchasing decisions.

2. There's internal complexity on a technological level within the software and tools we use.

3. Finally, there's complexity on a human level in terms of the internal processes, responsibilities, and communication that makes transformation successful, or unsuccessful.

Reducing complexity comes with notable business advantages. Studies show that software complexity can increase maintenance costs by 25 percent, which is fundamental since these operations comprise about 70 percent of the total acquisition costs. Lower complexity means better user interactions: 61% of customers would recommend a brand due to its simple experiences and communications, and 64% are willing to pay extra for a more straightforward experience.

That means it's time for brands to re-examine their relationship to complexity, and how their systems affect their output, business growth, and resilience in testing times.

Take a large enterprise running a hardware-reliant server set up with data stored locally on dedicated servers. This relies on hardware that needs to be maintained, updated, often by a third-party. This setup also brings a vast landscape which makes new installations expensive and challenging, and deployments can often take up to a year to bring to market. Shifting to meet changing demands such as GDPR and other regulatory compliance brings considerable cost, work, and time. This environment is one that generates complexity for product owners, CIOs, and business leaders alike.

However, when it comes to responding to and managing all kinds of complexity, cloud marketing solutions like Adobe Experience Manager help by cultivating agility and rapid responses. There's greater flexibility when it comes to adding tools for specific business needs since cloud solutions like AEM are endlessly customizable. Extra capabilities, such as the need to add Adobe Target or Campaigns, can be added rapidly to ensure a shorter time-to-market for new products or offerings.

To put it simply, hardware-reliant server architecture generates complexity and cost. In contrast, cloud-based solutions like AEM, when appropriately implemented, can absorb cost and complexity to build resilience for the future of business.

An innovative asset management solution for an international brewing company

Netcentric partnered with a leading international brewer, heavily impacted by the COVID-19 crisis and its impacts on the hospitality sector and customer behavior. The company was working with a digital asset management system that came with high complexity, a poor user experience, unstable

time spent through carefully applied AI and machine learning, and improves asset search.

However, in the context of the current business landscape, this project needed to be done at a low-cost and ensure maximum agility for our client.

code and implementation. Also, their digital asset management flow was expensive; it brought high operational costs due to the time spent by the business team managing tickets, and it relied on external agency involvement.

The organization wanted to optimize their digital asset management to consolidate its e-commerce content into a single-source-of-truth so that digital assets could be distributed seamlessly across channels without duplication or inconsistency. They also wanted to unlock a deeper understanding of how their content performs to make smarter content decisions as a result of data insights. Also, the new solution is designed to save time: it makes collaboration more efficient, reduces time-to-market for new campaigns thanks to more streamlined approval processes, cuts

Netcentric worked with the company to implement a combination of Adobe Experience Manager as a cloud service, with our accelerator blueprint for digital asset management optimization.

The project handed our client the tools to stay agile and cut costs. And in addition, build in efficiency with a new cloud-native solution, which is scalable, flexible and affordable, especially when contrasted to server-based solutions. As Netcentric's CTO Conrad Woltge highlighted, *"we introduced this company to the combination of AEM as a Cloud Service with our accelerator blueprint on top for digital asset management - so they were able to get rid of additional agency and technology costs. This project demonstrates just how important it is for brands to stay agile during these unprecedented times."*

The future of experience business

The COVID-19 crisis is set to <u>increase cloud adoption by 12.5%</u>, with the market for cloud computing growing to a forecast $295 billion in 2021. In a recent survey of marketing and IT teams, <u>over 50% said their cloud usage this year is proving significantly higher than they expected.</u>

Cloud-based solutions enable businesses to scale up and scale down to reflect sudden changes in operational demand; for instance, in the case of travel bans preventing airlines from being able to offer their usual catalog of bookings and flights. Crucially, when operating in a highly complex business environment, it allows them to reduce complexity internally.

Let's explore the key ways Adobe Experience Manager can reduce complexity to build resilience:

- **Cultivate content intelligence.** AEM brings AI and machine learning capabilities to content creation to help teams convert current customer preferences into high-quality content.

- **Get a bird's eye view of all channels at once.** AEM's hybrid CMS system allows marketers to create and manage experiences across a high number of touchpoints and build digital content destined for many different channels via a single unified platform.

- **Develop a truly collaborative workflow.** AEM's multi-site management and content editing capacity allow different departments to collaborate remotely and seamlessly in a single digital workspace - breaking down silos between marketing and IT.

- **Organize your assets.** Poor asset management acts like a sponge on your team's time, budgets and reduces the value of your assets - whilst increasing complexity. AEM unlocks smart tags so assets can be standardized, stored and located instantly, reducing time-to-market and boosting business value.

- **Same time with greater automation.** Processes that may have been time-consuming and inefficient with on-premise CMS or DAM deployment (like upgrade cycles) are made significantly more responsive.

- **Test your experiences and optimize continuously.** With Cloud-native AEM, you can test new versions of your code efficiently, for instance by running new versions on just 5% of traffic to analyze the performance and continuously improve interactions based on data-driven insights.

- **Streamline authoring flows.** Even with a long queue, in AEM, authors still face the same processing time with an advanced cluster of authoring capabilities that build efficiency and streamline collaborative workflows.

Despite the disruption that 2020 has brought, it's clear this year has accelerated the transition towards a better way of working. Brands that see this as an opportunity for making a lasting positive change to build agility and reduce complexity by building a marketing system fit for the future - will reap the rewards in the years to come.

Netcentric: An experienced digital partner for long-term resilience

Adobe Experience Manager is *the* platform to support businesses to navigate the current ecosystem of disruption, innovation, and change. However, it's not a turn-key answer to the business pain points of 2020. If migrations don't fully take into account the requirements of legacy data lakes, solutions, or if not implemented properly, transitioning to a cloud solution like AEM can create complexity rather than reduce it.

That's where Netcentric comes in: to make your marketing solution a success for your business. Mastering and understanding technology is one element. However, the first-hand experience of what works in a company environment is another. At Netcentric, we can bring both to the table and guide you through the process of building resilience and reducing complexity with a solution that's tailor-made for your business.

Resources

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Adobe Experience Manager Sites:
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