



Delivering Digital Experiences Responsibly

How to achieve digital marketing success in a new era of customer sensitivity and privacy regulation

crownpeak



Introduction: Walking the Tightrope

Today, **more than ever**, the relationship between digital experiences and regulatory compliance are absolutely intertwined.

When a potential customer visits your website, their experience plays a titanic role in determining whether they choose to take the next step of engaging with your brand. If the experience is positive and you've established some level of trust, they might complete a web form to request a demo, download content, or maybe even pick up the phone and call you. In the process, they may share their name, email address, and maybe more.

The entire experience is integral to onboarding that person as a prospect. But the rising tide of legislation and regulation designed to protect the personal data of individuals, such as the GDPR, not to mention a profusion of accessibility requirements, means you're walking a tightrope between providing an optimized experience that provides real value, and staying in compliance with rules and codes.

If you're in a heavily regulated industry such as financial services, where you've got to follow Know Your Customer (KYC) or similar mandates, it's even more complex and difficult to tread that path.

In this piece, we'll examine the tension between marketers' desire to deliver customized, personalized digital experiences and the need to keep compliant with regulation and legislation meant to protect consumers.

Rest assured, there is a happy middle path that works – for everyone.

YOU HAVE TO START WITH THE CUSTOMER EXPERIENCE AND WORK BACKWARDS TO THE TECHNOLOGY.

STEVE JOBS



Is There DX Without Personalization?

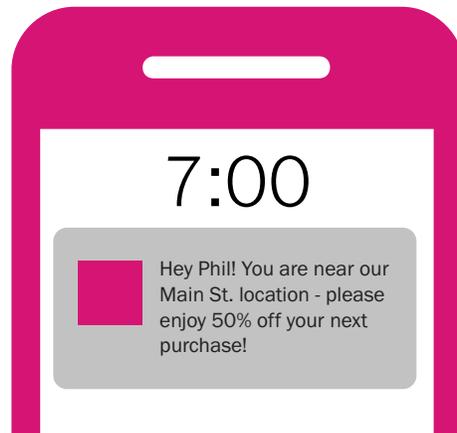
Back in 2016 (and well before that), Forrester revealed the importance of personalization as a priority to both marketers and consumers alike; the two sides of the very same coin.

- **89%** of eBusiness and channel strategy professionals intended to invest in personalizing the customer experience in 2016-17.¹
- **77%** of consumers said they'd chosen, recommended, or paid more for a brand that provided a personalized service or experience.²

Digitizing customer experiences gives marketers access to a wealth of data they can use to personalize that engagement. A partial (but hardly all-inclusive) list:

Profile	Identity • Accounts • Tech Ownership & Usage • Demographics
Attitudes	Preferences • Disposition
Sentiment	Consumer Ratings • Feedback • Opinions
Affinities	Memberships • Affiliations • Networks • Follows
Behaviors	Interactions • Transactions • Marketing Responses • Testing Responses

Leveraging all this data to generate personalized experiences deepens the bond between brand and consumer, whether it's Starbucks promoting nearby specials by incorporating geo-location into its mobile app, or the pioneering approaches taken by Amazon or Netflix to put relevant offers in front of their customers.



That personalization of experience creates a virtuous cycle-in the minds of consumers, who have come to not only expect personalization, but demand it:

73% of consumers prefer to do business with brands that use their information to make experiences more efficient.³

Where is this trend leading us? Toward a time when, in the eyes of consumers, digital experiences that aren't personalized won't be worth engagement.

¹Forrester's Q2 '16 Global eBusiness And Channel Strategy Professional Online Survey

²Forrester's North American Consumer Technographics Brand Compass Survey, Q3 '15

³2015 Accenture Personalization Survey





Delivering RoT: Return on Trust

The quid quo pro for consumers who allow marketers to use their personal data? To them, it's a form of investment, where they expect their trust in the brand to be repaid with value. McKinsey's formula for this dynamic?¹

$$\text{Value}^* = \left[\frac{\text{Relevance} + \text{Timeliness}}{\text{Loss of Privacy}} \right] \text{Trust}$$

**value to the consumer*

As McKinsey puts it,

Customers see value as a function of how relevant and timely a message is in relation to how much it costs, meaning how much personal information has to be shared and how much personal effort it takes to get it. Importantly, trust in the brand will boost overall value, though that can grow or recede over time, depending on the customer's satisfaction with various interactions with the brand.

That satisfaction with various interactions is largely predicated on the quality of personalization the marketer can deliver. Any shortfall the consumer perceives in the “Return on Trust” can cost a brand sales and loyalty.

51% OF MILLENNIALS WOULD SHARE PERSONAL INFORMATION WITH COMPANIES AS LONG AS THEY GOT SOMETHING IN RETURN, VERSUS 40% OF PEOPLE 35+

USC ANNENBERG CENTER FOR THE DIGITAL FUTURE

¹Boudet, Julien, et al. “What Shoppers Really Want from Personalized Marketing.” McKinsey & Company



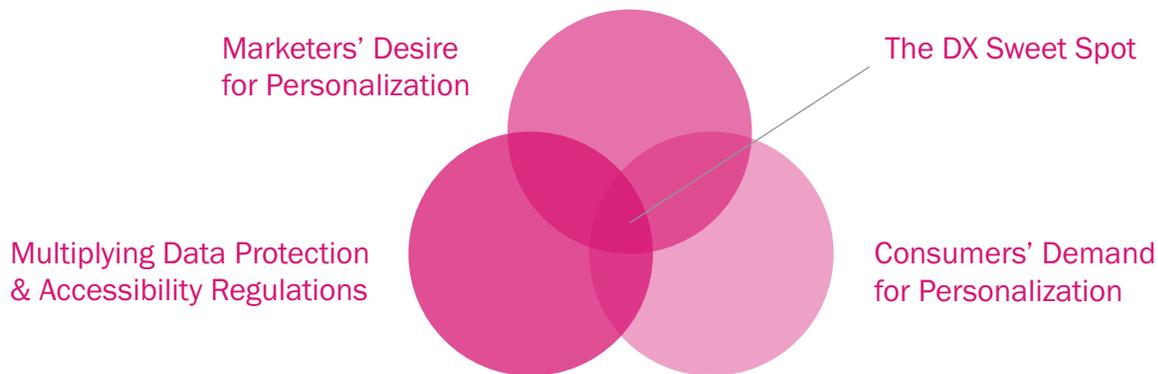


Compliance is the New Black

Not to make our calculus any more complicated, but the coin actually has three sides:

- Marketers' hunger for more customer data
- Consumers' desire for increased personalization
- Data protection and accessibility laws and regulations

The sweet spot of which is best represented by a Venn diagram:



For a digital experience to be effective, it needs to live at the juncture of these three pressures. Today, it's difficult to simply survive the data policy and accessibility rules being legislated by various governments and regulatory bodies, let alone thrive.

In 2018, KPMG found that **operational compliance was the second-fastest growing priority** among 4,000 global IT leaders surveyed.¹ As CIOs are forced to confront proliferating regulations that carry increasing monetary and reputational risks, there's a pressure to treat each new challenge as another fire drill – which can result in **a growing patchwork of point solutions**.

¹"The Harvey Nash / KPMG CIO Survey." The Harvey Nash / KPMG CIO Survey



Data Protection Goes Global

The GDPR wasn't an endgame, but a prophecy. Data protection legislation is on a growth trajectory across governments worldwide. Some of the more outstanding recent examples:

- **Brazil's** Federal Senate gave unanimous final approval to their Data Protection Bill of Law, explicitly modeled on the GDPR. Like the latter, it requires that consent be "free, informed, and unequivocal", stipulates that companies appoint data protection officers (DPOs), and mandates they deploy privacy by design. It's intended to take effect 18 months after signature by Brazil's president.
- Draft data privacy legislation in **Indonesia**, proposed by their Ministry of Communication and Informatics, directly copies a surprising amount of the E.U.'s regulation.
- Similarly, **Hong Kong's** Personal Data Ordinance apes GDPR principles like purpose specification, data minimization, and informed consent.
- Even within the E.U., there are national regulations which add complexities for marketers. The new **German** Privacy Act (BDSG-new) complements, specifies and modifies the GDPR by providing rules for specific topics such as data processing in the context of employment, the designation of a company DPO, scoring and credit checks, and profiling.
- As of mid-2018, the White House National Economic Council was exploring what types of regulations could be implemented in the **United States** to prevent the next Cambridge Analytica scandal.
- The **California Consumer Privacy Act of 2018 (CCPA)** grants consumers the right to know if their data is being processed, and to restrict its usage without losing access to the relevant digital services, though companies can offer different services or rates to consumers based on the amount of data they provide (a very monetized example of the RoT model). And other U.S. states may well pursue installing their own regulations.



Satisfying Accessibility

Data protection may have grabbed most of the recent headlines, but web accessibility is another realm where the digital experience roadmap has become more complex for global marketers.

Fortunately, the Web Content Accessibility Guidelines laid down in 1999 (with some updates since) have provided a de facto set of standards followed by regulators worldwide. These dictate three increasingly stringent levels of compliance: A, AA, and AAA. As building blocks meeting those standards, a global company should follow these basic “POUR” principles

- **Perceivable:** Visitors must be able to perceive information that is being presented to them; it can't be invisible to all of their senses.
- **Operable:** They need to be able to come to a website and navigate and operate it, regardless of the device, disability, or assistive technology they're using.
- **Understandable:** The information and operation of a website has to be reasonably understandable for that audience.
- **Robust:** The content must be robust enough to accommodate any assistive technology or user agents that are used, or might be used, when visitors are coming to the website.

In the United States, the accessibility of digital content for the disabled has been a focus of litigation. A landmark lawsuit settlement between the National Federation of the Blind and Target saw the department store giant **pay \$6,000,000 in damages** and over **\$3,700,000** of the NFB's legal fees. In similar cases, accessibility standards are being defined in courtrooms, not in legal codes.

When the Trump Administration curtailed a previously planned DoJ implementation of WCAG 2.0 AA as a guideline for user accessibility, its **ironic effect** is that a lack of such clear-cut regulation means the current tidal wave of accessibility lawsuits may actually increase.



Marketers Should Run Toward Regulation

According to Tim Walters of The Content Advisory, the multiplicity of new rules for data protection may lead to what he calls “the Californication of data processing”:¹

Californication occurs when a single part of a large market is able to dictate the behavior of practitioners across the entire market. Example: After California introduced higher auto emission standards, most manufacturers eventually built almost all of their US-market cars to meet the California requirements.

So rather than retreat from markets that don’t permit a company to collect the level of data they prefer (or just to keep up with the profusion of laws in all the markets it serves), that company decides to follow the toughest data protection restrictions.

This reduces cost and complexity for the company, but there’s another reason to embrace – enthusiastically – the most stringent regulations, for data protection and accessibility alike. As Walters and others have pointed out, satisfying these standards isn’t an albatross for marketers, but an opportunity.

It goes back to the RoT model again: If trust is the new currency of digital engagement, then **building that trust can mint ROI for marketers.** How?

1. By showing customers that you’re following the strictest standards for personal data protection and accessibility.
2. By explaining the benefits a consumer gets – in better, more personalized content and offers.
3. By consistently delivering in earnest on that promise.

¹Walters, Tim. “Will the GDPR Be the Californication of Data Governance?” Data Clarity Group



Trade the Tightrope for an Autobahn

PricewaterhouseCoopers says that by 2020, consumer demand for omnichannel digital experiences will include **a baseline expectation of near-perfect execution**. The upside? Aberdeen Group claims enterprises with the strongest omnichannel customer engagement strategies **retain an average of 89% of customers**, versus only 33% for companies with weak omnichannel strategies.

As global marketers confront the dueling imperatives of delivering consistent, engaging omnichannel digital experiences while staying compliant, they've found their legacy content management systems can't meet the challenge. They're finding a need for smarter solutions that can capably straddle both worlds by being flexible enough to adapt to ever-evolving customer demands and newly introduced laws and regulations.

One such solution is **Crownpeak Digital Experience Management (DXM)**, designed to help global marketers:

- **Maintain a consistent, personalized digital experience** for customers across a diverse set of markets, channels, and devices.
- **Vastly shorten the time** it takes to bring a new website or other digital touchpoint to market, so brands can stay ahead of market demand and the competition (thanks to it being SaaS).

- **Achieve compliance with the consent requirements of the GDPR and other privacy laws with a unified consent solution** (like Crownpeak's **Universal Consent Platform**).
- **Reduce risk** by ensuring a marketer's compliance with other regulations, including regional or local requirements for accessibility, privacy policies, industry-specific mandates, and more.
- **Utilize security technologies and processes** that meet the highest industry and governmental standards for security and data protection.
- Stay on the **cutting-edge of the latest digital experience innovations** by always being on the latest version of Crownpeak software (upgrades are automatic, thanks to SaaS).
- **Empower centralized digital governance** of a brand's entire digital presence while granting local markets varying degrees of control.

A vital component of Crownpeak DXM that sets it apart from other solutions in enabling global marketers to balance rapid delivering of digital experiences against compliance? Its integrated **Digital Quality Management (DQM)** capabilities:

- Crownpeak DQM crawls sites regularly to ensure digital experiences comply with accessibility, brand, SEO, legal, and usability standards.
- Automated scanning detects compliance and accessibility issues, file and image errors, broken links, misspellings, UX issues, unique brand and business rule violations, and SEO opportunities, so they can be addressed immediately.
- Content standards and policies can be enforced at a global, regional, or local level.
- Identify the same issue in multiple locations on hundreds of sites, even across geographies, from a central dashboard.
- Flexible reporting with advanced analytics and KPI reports expedites and simplifies digital experience management in complex, multi-stakeholder environments.





Summary

With **Crownpeak Digital Experience Management**, a global marketer can rest assured they're building and deploying websites that meet compliance demands in every market, as well as safeguarding brand consistency while meeting other governance challenges.

The “balancing act” of satisfying consumer demands for greater personalization, omnichannel delivery, and regulatory requirements for data protection and accessibility doesn't have to be a matter of acrobatics. Instead, it becomes a path toward truly integrated, efficient, even visionary omnichannel engagement where earning the trust and loyalty of your audience is more than achievable.



About Crownpeak

Crownpeak provides the leading, enterprise-grade, SaaS Digital Experience Management (DXM) platform. The Crownpeak DXM platform empowers Fortune 2000 companies to quickly and easily create, deploy and optimize customer experiences across global digital touchpoints at scale.

Besides featuring content management, personalization, search, and hosting, it is the only digital experience platform that offers built-in Digital Quality Management (DQM) to ensure brand integrity, best practices, and web accessibility compliance, and a suite of monitoring and consent solutions, including a Universal Consent Platform, designed to help companies comply with the General Data Protection Regulation (GDPR).

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