



Which of the following current topics will significantly change the market in the next year? And what is the impact? (Business Intelligence/Analytics, Customer Engagement, Mobile, Security, or Social)

The Cloud Is Disrupting How Digital Goods Are Sold Customer Engagement Becomes a Critical Pillar of Any Corporate Strategy

While the emergence of Cloud infrastructures has facilitated widespread access to digital goods, it has also disrupted traditional marketing, sales, and support processes leaving digital goods vendors uncertain how to best attract, retain, and service customers in this new world. Thanks to the advent of SaaS delivery and to the Apple model of frictionless buying, customer expectations have grown and customer relationships have become more intimate. Vendors must work to meet these high expectations by providing an excellent customer-centric experience across all channels and touch-points in a consistent way.

Vendors are faced with an abundance of tools for managing all the elements of digital sales, from online marketing, to subscription billing, to payment processing. However, most of these tools are siloed in nature and only focus on one aspect of the broader problem. Digital goods vendors are then forced to spend significant time and money creating complex integrations between multiple tools as they strive to achieve a positive, customer-centric experience throughout the customer lifecycle. These tools include:

- Merchandizing and marketing tools
- Shopping cart tools
- Tax engines
- Global payment processing services
- Fraud detection solutions

- Subscription billing tools
- Multi-channel order management and fulfillment solutions
- Customer service solutions

The difficulty of integrating so many tools across so many different departments can drive any digital goods vendor mad, but what's truly maddening is that 9 times out of 10 these complex integrations still fall short of delivering on expectations. What's worse is the required ongoing maintenance and enhancement of these complex custom solutions. Each time business users want to try a new promotion, enter a new market, or try a new licensing model, they must wait for the IT team to make the requisite changes to the various tools and retest the integrations to ensure nothing has broken. It's not the cost of the change that is the issue, it's the opportunity cost of the delay in time to market. In the cloud economy, it's all about speed.

The customer-centric model also requires a shift from internalizing data to externalizing data—that is, making information transparent to the customer. In the past, customers endured the shortfalls of legacy systems that resulted in billing discrepancies, slow customer support response times, and order mishaps. Today, customers expect frictionless, self-service access and consistency in how they are serviced across all touch-points.

What's more, the disruption is not just transforming direct sales. The channel is becoming more important (check out Forrester's end of 2011 survey of tech companies) as it increasingly provides the marketing, solution selling, and support to customers in both the B2C and B2B markets. Digital goods vendors therefore need to equip channels - whether resellers, online marketplaces, managed service providers, or even affiliates - with the right tools to acquire, service and retain customers on the vendor's behalf in a consistent way.

In affirmation of the rising importance of customer-centric commerce, Gartner has identified eCommerce as the fourth “leg” of CRM, along with SFA, call center/support, and campaign management, as per several of their reports, including the recently released “[The Gartner CRM Vendor Guide, 2013](#)”.

To stay competitive in this new world, digital goods vendors should seek out a complete customer-centric commerce solution that brings together the many required tools for customer engagement into a single platform. This kind of solution offers advantages not only from a cost perspective but most importantly helps digital goods vendors significantly reduce their time-to-market while providing their customers a consistent experience across touchpoints.

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