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The Forrester Wave™: Cross-Channel Campaign Management, Q4 2009

by Suresh Vittal
for Customer Intelligence Professionals

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Unica And SAS Are The Leaders, With Alterian, Aprimo, Neolane, And Oracle Commanding A Pack Of Strong Performers

by Suresh Vittal
with Carlton A. Doty and Emily Murphy

EXECUTIVE SUMMARY

Changing consumer behavior and the overall ineffectiveness of traditional marketing programs ensure that basic campaign management tools are set to go the way of the dodo. Marketers are therefore looking for cross-channel campaign management (CCCM) solutions that support highly personalized and relevant communications delivered across a variety of highly interactive channels and that enable optimization, channel integration, and institutional memory of the customer. In Forrester's 91-criteria evaluation of 11 CCCM vendors, we found that Unica and SAS led the pack because of their optimization, cross-channel program integration, and data management capabilities. The remaining vendors fell into two key groups: 1) Alterian, Aprimo, Neolane, and Oracle (Siebel) led a group of Strong Performers, which also includes Portrait Software, Responsys, and SAP, with solutions that delivered a broad functional footprint, and 2) Infor and Teradata delivered solutions that competed but must improve overall product road maps and strategy to grow mindshare among marketers.

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NOTES & RESOURCES

Forrester conducted lab-based evaluations in September 2009 and interviewed more than 80 vendor and user companies: Alterian, Aprimo, Charles Schwab, Discover Bank, Infor, Deere, Neolane, Oracle, Overstock.com, Packard Bell, Portrait Software, Prudential Financial, Responsys, Rogers Communications, SAP, SAS, Sony, Southwest Airlines, Subaru, Teradata, Unica, Wells Fargo, and Williams-Sonoma.

Related Research Documents

"Campaign Management Needs A Reboot"
April 2, 2009

"Marketing Technology Adoption 2009"
January 28, 2009

"The Forrester Wave™: Enterprise Marketing Platforms, Q1 2008"
January 17, 2008

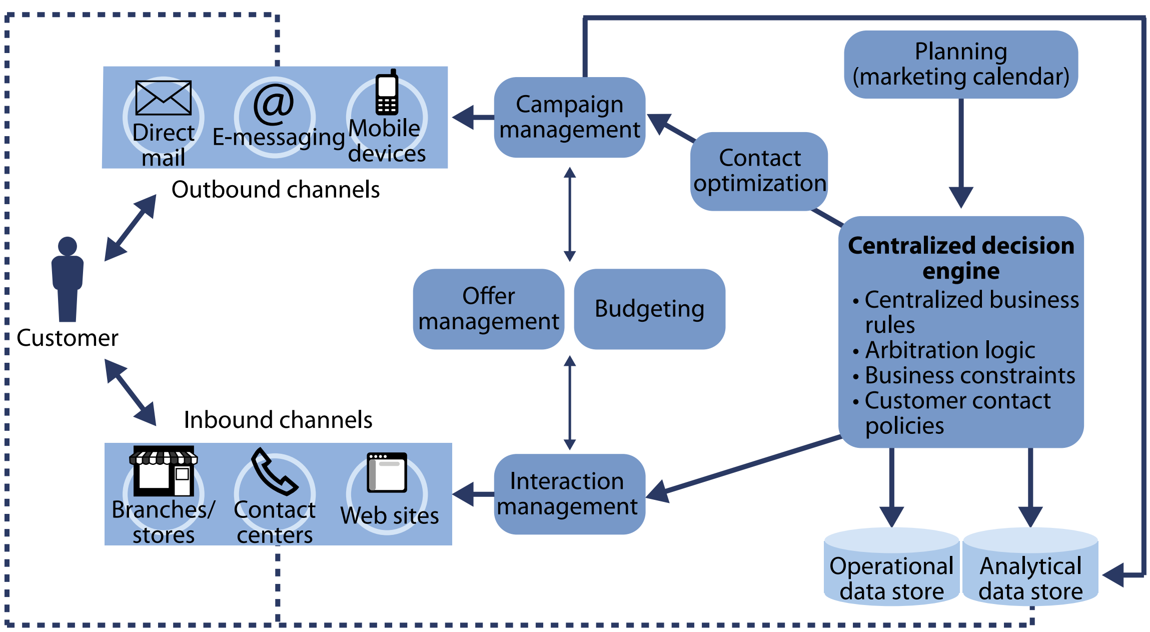
MARKETERS RETHINK THEIR COMMUNICATION STRATEGY

Marketers responsible for creating and executing marketing campaigns are under constant pressure due to the diminishing value of traditional programs.[1] The reasons for the poor performance aren't hard to fathom. The ever-changing media landscape, growing influence of online channels, technological advances that shift power into the hands of the consumer, and the groundswell of consumer opinion conspire to create an uncomfortable scenario for marketers.[2]

Campaign Management Evolves To Support Cross-Channel Communications

The shift from traditional programs underpinned by mass advertising, direct mail, and telemarketing to highly relevant and personalized communications delivered through a multitude of interactive and direct channels doesn't happen overnight. Marketers need a new set of tools to support this transformation. Campaign management solutions — at the center of marketing communication design, development, and execution — must evolve to support this transformation. Forrester identified eight principles that CCCM solutions must support, including optimization, bridging the online-offline gap, inbound and outbound program integration, and supporting an institutional memory of the customer (see Figure 1).[3]

Figure 1 Integrate Inbound And Outbound Marketing Programs



47642 Source: Forrester Research, Inc.

CROSS-CHANNEL CAMPAIGN MANAGEMENT EVALUATION OVERVIEW

To assess the state of the CCCM market and see how the vendors stack up against each other, Forrester evaluated the strengths and weaknesses of top CCCM vendors.

Evaluation Criteria Target Optimization, Decision Management, And Integration

After examining past research, user need assessments, and vendor and expert interviews, we developed a comprehensive set of evaluation criteria. We evaluated vendors against 91 criteria, which we grouped into three high-level buckets:

- **Current offering.** To assess product strength, we evaluated each vendor's application suite across 10 dimensions: planning and budgeting, optimization, campaign design, interaction management, analytics and reporting, cross-channel integration, campaign execution, data management, application usability, and architecture.

- **Strategy.** We compared the product and corporate strategies of each vendor with Forrester's forward-looking vision of the CCCM market to assess how well each vendor is positioned for future success. We also evaluated solution costs and vendors' client references.

- **Market presence.** We looked at installed base, financials, and partnerships. We estimated numbers where vendors would not disclose actual figures.

Evaluated Vendors Show Promise In Three Dimensions

Forrester included 11 vendors in the assessment: Alterian, Aprimo, Infor, Neolane, Oracle (Siebel), Portrait Software, Responsys, SAP, SAS, Teradata, and Unica. Each of these vendors has (see Figure 2):

- **Support for CCCM programs.** Our primary selection criteria were breadth of functionality and support for cross-channel campaigns. All vendors that made the cut have: 1) some level of functionality to address each of the functional dimensions we evaluated; 2) at least 30% of the client base using the product to support four or more channels; and 3) a product road map that extends the platform to new and emerging channels.

- **Significant market presence.** We were also looking for vendors with considerable market share and exposure, which we defined as: 1) annual revenues of more than $25 million, and 2) an installed base of more than 200 enterprise customers using multiple platform modules.

- **Strong customer interest.** Through Forrester inquiries, consulting, media requests, and ongoing conversations with players in the market, we developed an understanding of demand for the vendors and solutions included in this evaluation.

Three vendors — Chordiant Software, Entiera, and smartFOCUS — barely missed the cut, primarily due to lack of significant market presence.

Figure 2 Evaluated Vendors: Product Information And Selection Criteria

Vendor	Product evaluated	Product version evaluated	Date evaluated
Alterian	Alterian Integrated Marketing Platform	2.5	Q3 2009
Aprimo	Aprimo Enterprise	8.0.7	Q3 2009
Infor	CRM Epiphany Marketing Suite	7.0.3	Q3 2009
Neolane	Neolane Marketing Platform	5.1	Q3 2009
Oracle (Siebel)	Siebel Enterprise Marketing Suite	8.1.1	Q3 2009
Portrait Software	Portrait Suite	4.6	Q3 2009
Responsys	Responsys Interact Suite	6.7	Q3 2009
SAP	SAP CRM	7.0	Q3 2009
SAS	Customer Intelligence Suite	5.3	Q3 2009
Teradata	Teradata Relationship Manager (TRM)	6.1	Q3 2009
Unica	Unica 8 Suite	8.0	Q3 2009

Vendor selection criteria
Broad functional coverage of the cross-channel campaign management platform. Our primary selection criteria were breadth of functionality and support for the entire marketing life cycle.
Significant market presence. We defined this as: 1) annual revenues of more than $25 million, and 2) an installed base of more than 200 enterprise customers using multiple platform modules.

Source: Forrester Research, Inc.

Three Vendor Categories Converge In CCCM

The vendors we evaluated fall into three broad segments:

- **Marketing specialists.** A group of five vendors — Alterian, Aprimo, Neolane, Responsys, and Unica — focus entirely on the needs of the marketing organization. Despite this common goal, however, each vendor's approach varies. Aprimo comes to CCCM with a long history in marketing resource management, and Unica focuses on all facets of traditional campaign management, having added Web analytics to its repertoire a few years ago. Responsys, an email veteran, is the only exclusively on-demand vendor in this group. Meanwhile, Alterian focuses on selling campaign management, email, Web content management, and now social media monitoring (predominantly through a marketing service provider channel), and Neolane is a marketing specialist with a long history in European markets.

- **Data and analytics specialists.** Portrait Software, SAS, and Teradata are the three vendors that fit this description. SAS, the world's largest privately held software company, is well known for dominating the advanced analytics market, while Teradata is best known for its enterprise data warehouse solutions. Portrait Software — the smallest of the group — is an analytics and optimization specialist with headquarters in the UK.

- **Enterprise application providers.** Infor (Epiphany), Oracle (Siebel), and SAP focus on delivering applications to all parts of the enterprise. As part of their application stacks, all three vendors deliver a comprehensive customer relationship management (CRM) suite in which marketing software is a key component.

COMPREHENSIVE CROSS-CHANNEL CAPABILITIES REMAIN ELUSIVE

This is Forrester's first evaluation of CCCM. We were looking to understand how the current crop of vendors support marketers in program management, multichannel execution, cross-channel decision management, optimization, measurement, and analytics.

Our evaluation uncovered a market in which (see Figure 3):

- **No single vendor delivered a comprehensive solution.** Although Aprimo, Infor, SAS, and Unica rose to the top of individual functional areas that we assessed, every vendor has shortcomings.

- **SAS and Unica claimed top honors.** SAS and Unica claimed leadership largely based on their platform depth, strategy, and large number of client proof points. Both added a strong roster of clients and displayed impressive capabilities — optimization and analytics in the case of SAS as well as cross-channel integration and campaign design in the case of Unica. Unica's online data prowess also places it in good stead as marketers prioritize online and offline data integration.

- **Alterian, Aprimo, Neolane, and Oracle (Siebel) led a pack of Strong Performers.** According to many clients we spoke with, Aprimo and Oracle (Siebel) made significant incremental improvements to their most recent product versions. Aprimo excelled in marketing planning and made great strides in data access and management through the introduction of its OptiConnect capabilities. Neolane impressed with the ease of use of its solution and comprehensive channel execution capabilities, and Alterian showed strengths in email, social media, and optimization. Other Strong Performers included Portrait Software, Responsys, SAP, and Teradata.

Channel And Program Integration Need More Work

Our research and client reference calls revealed that many marketers struggled to extend the applications to support cross-channel program integration. They told us that:

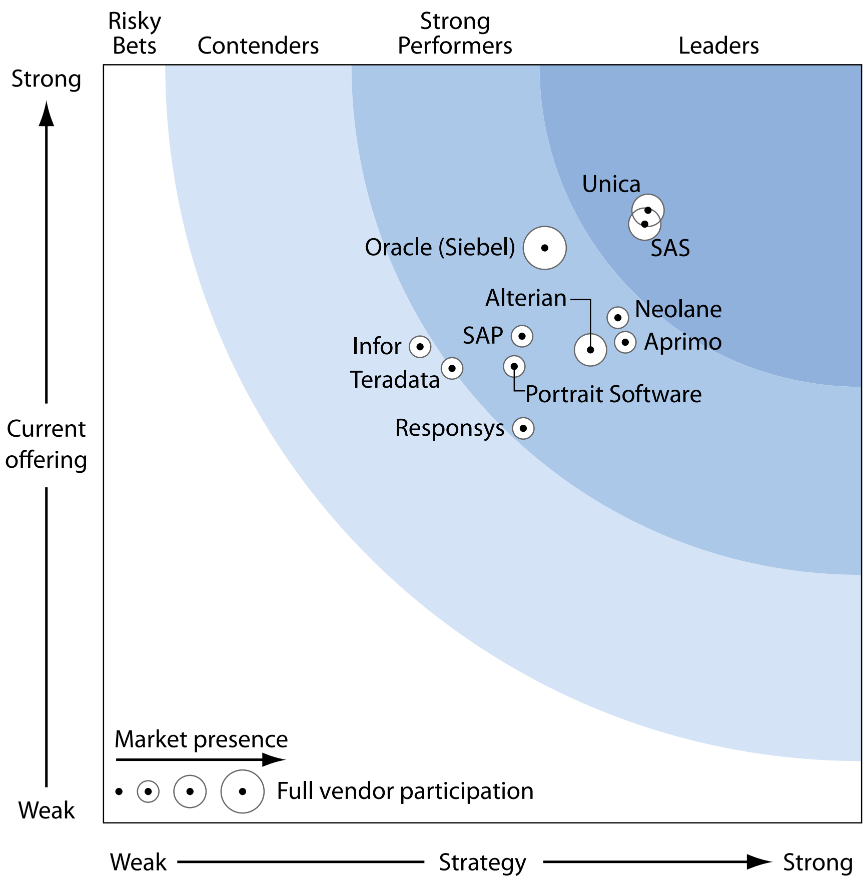
- **Channel integration capabilities need improvement.** The current crop of applications struggle with channel complexities and customer handoffs. As one marketer in the midst of an evaluation told us, "Most applications offer limited support across all channels. We end up creating business rules and logic at a channel level. This makes it hard to scale our programs."

- **Inbound and outbound programs are largely disconnected.** Integrating inbound and outbound programs requires: 1) a single user interface across both channels; 2) shared business logic, rules, offers, and messages; 3) common arbitration, eligibility, and prioritization processes; 4) shared customer promotion and response history; and 5) support for unified planning processes across channels.[4] But today's applications don't fulfill all of the requirements. The outcome is inconsistent customer experiences and longer campaign cycle times.

- **Measurement focuses on channel-specific operational performance.** Marketers tell us that cross-channel programs need a different set of metrics to help them understand interaction effects and response attribution. But vendors focus on operational metrics for individual channels rather than measuring the business impact of programs or comparative effectiveness of individual channels.

This evaluation of the CCCM market is intended to be a starting point only. We encourage readers to view detailed product evaluations and adapt the criteria weightings to fit their individual needs through the Forrester Wave™ Excel-based vendor comparison tool.

Figure 3 Forrester Wave™: Cross-Channel Campaign Management, Q4 2009



The Forrester Wave™
Smart data for smart decisions

Go online to download the Forrester Wave tool for more detailed product evaluations, feature comparisons, and customizable rankings.

Source: Forrester Research, Inc.

Figure 3 Forrester Wave™: Cross-Channel Campaign Management, Q4 2009 (Cont.)

	Forrester's Weighting	Alterian	Aprimo	Infor	Neolane	Oracle (Siebel)	Portrait Software	Responsys	SAP	SAS	Teradata	Unica
CURRENT OFFERING	50%	3.12	3.17	3.14	3.33	3.79	3.01	2.60	3.21	3.95	3.00	4.04
Background information	0%	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Planning and budgeting	3%	3.66	5.00	2.00	3.33	4.33	2.00	3.32	3.67	3.34	2.67	4.33
Optimization	15%	3.75	2.50	2.65	2.50	3.25	3.25	1.65	2.65	4.63	2.25	3.75
Campaign design	15%	3.35	4.05	3.15	4.10	4.10	2.90	3.30	3.05	4.15	4.15	4.60
Interaction management	15%	2.10	2.00	5.00	3.00	4.00	4.00	2.00	4.00	3.40	2.30	4.00
Analytics and reporting	10%	3.45	3.00	3.45	2.75	3.50	3.25	1.90	3.45	4.50	3.00	3.75
Cross-channel integration	15%	3.20	2.80	2.00	3.20	3.20	2.40	2.60	2.80	3.20	2.60	4.00
Campaign execution	2%	3.50	3.15	2.40	3.75	3.00	2.90	3.85	2.55	3.05	2.65	3.25
Data management	5%	3.40	3.80	3.60	3.80	4.60	3.20	2.80	3.20	4.20	3.80	4.80
Application usability	10%	2.65	4.00	2.45	4.00	3.80	2.48	3.80	3.55	4.00	3.78	3.55
Architecture	10%	3.03	3.68	3.45	3.68	4.55	2.75	2.83	3.10	4.28	3.05	4.20
STRATEGY	50%	3.21	3.44	2.09	3.39	2.91	2.71	2.77	2.76	3.57	2.30	3.59
Product strategy	30%	2.80	3.35	2.10	3.80	3.00	2.10	2.00	3.00	3.90	2.10	3.90
Corporate strategy	30%	3.45	3.35	2.10	2.90	3.10	3.00	2.90	3.00	3.90	2.10	3.90
Cost	5%	4.00	4.00	2.50	4.00	4.00	3.50	5.00	2.50	3.50	2.50	4.00
Customer references	35%	3.25	3.50	2.00	3.38	2.50	2.88	3.00	2.38	3.00	2.63	3.00
MARKET PRESENCE	0%	3.26	2.68	2.48	2.71	4.01	2.52	2.80	2.65	3.90	2.16	3.51
Installed base	40%	3.00	2.00	2.40	2.30	3.80	2.50	2.00	2.70	4.00	2.10	3.70
Financials	40%	3.00	3.20	2.30	2.80	4.40	2.30	3.50	2.60	4.40	2.80	3.40
Partnerships	20%	4.32	3.00	3.00	3.33	3.67	3.00	3.00	2.67	2.68	1.00	3.33

All scores are based on a scale of 0 (weak) to 5 (strong).

Source: Forrester Research, Inc.

VENDOR PROFILES

Leaders Offer Well-Rounded Cross-Channel Capabilities

- **SAS.** The analytical juggernaut delivers on many fronts including optimization, program integration, and measurement and analytics. Marketers tell us that SAS continues to make strides in improving application scalability and usability. In the past year alone, SAS has added several blue-chip clients like Carnival Cruise Lines and Deutsche Telekom. Forrester believes that SAS must extend its online and social capabilities to become a true cross-channel powerhouse. While application usability continues to improve, we believe that extending the solution for the masses through templates, focusing on simpler contact optimization capabilities, and extending the optimization footprint into online channels will benefit marketers.

- **Unica.** A leader in previous Forrester Waves analyzing enterprise marketing platforms, Unica has long delivered campaign management solutions to serve direct marketing. But over the past two years, Unica's platform has extended and morphed to deliver cross-channel marketing capabilities. Version 8 is the culmination of this transformation with tighter integration of planning and operations management, Web analytics, and the disparate user interfaces. But Unica is also a company at a crossroads. In the past year alone, it has restructured its platform and research and development (R&D) functions, rebranded the core products, built an on-demand business, and expanded focus from traditional direct marketing channels to build new strengths in digital and interactive areas. Given the magnitude of these transformative efforts, success is not a guaranteed outcome for Unica in this endeavor.

Strong Performers Deliver Competitive Solutions

- **Alterian.** Alterian made two significant acquisitions since our last evaluation — Mediasurface in Web content management and Techrigy in social media monitoring. These acquisitions have transformed Alterian from a traditional direct marketing vendor into a broader marketing technology generalist. Clients we spoke with are only just starting to embrace the different aspects of the broader platform but are generally positive about overall product direction. Clients also tell us that the platform is due for a dramatic user interface revamp, and a question mark hangs over the approach to inbound channels.

- **Aprimo.** Aprimo has made steady incremental improvements to its CCCM capabilities. Since the past evaluation of enterprise marketing platforms, Aprimo added significant high-volume installs like Wells Fargo and International Speedway to its client roster. Its Version 8 is well regarded by its clients for the unified platform, access to external databases including Teradata through OptiConnect, and its dialogue marketing capabilities. Client marketers described Aprimo as "easy to use" and its management team as "committed" and "approachable."

- **Neolane.** Neolane is a new entrant into the North American market with a track record in France and other parts of Europe. Neolane's clients tend to focus on digital channels like email and mobile and are extremely positive about the application and its performance. Neolane's strengths are in its unified platform, digital capabilities, hybrid implementation model, and easy-to-use user interface. But Neolane faces a stiff challenge in North American markets. It has to prove that it can scale volumes beyond email, support a strong partner channel, and extend inbound marketing and optimization capabilities.

- **Oracle (Siebel).** We analyzed Oracle's Enterprise Marketing Suite 8.1.1 in this evaluation. Oracle made significant strides in improving scalability, the user interface, and tighter integration with Oracle's Real-Time Decisions (RTD). Oracle has top-notch campaign design, segmentation, planning, interaction management, and data management capabilities. Clients we spoke with, while technical in focus, were positive about the overall direction of the suite.

However, the market continues to view Oracle as a broader CRM provider with a large footprint and questions the general lack of online and social data as well as a marketing-centric on-demand model. The marketing suite remains a fit for marketers looking to integrate a campaign management solution with significant existing investments in Oracle's enterprise resource planning (ERP) and CRM.

- **Portrait Software.** Portrait Software entered the CCCM market through the acquisition of Million Handshakes, a Norwegian campaign management vendor. Portrait Software has a strong heritage in analytical platforms and inbound interaction management. The combined solution was evaluated for the CCCM Wave. Portrait Software's interaction management, data management, and analytical platforms compare favorably with those of other market players. Portrait's road map focuses on further integrating inbound and outbound solutions, and we expect to see future versions deliver a tighter fit between the two platforms. Clients we spoke with were happy with solution performance but stressed the need for stronger capabilities in online channels.

- **Responsys.** Responsys is uniquely positioned, compared with its co-participants in the Forrester Wave. How? Responsys is the only exclusively on-demand vendor and email powerhouse that now extends into CCCM. Cross-channel for Responsys clients means email, Web, mobile, and social channels. Given the rapid growth in online channels, this is a realistic approach. But Responsys must overcome some significant roadblocks to succeed in this market including: 1) bringing a predominantly email client base on a cross-channel journey; 2) improving inbound campaign management; and 3) strengthening advanced analytics and measurement.

- **SAP.** The third-largest software provider in the world, SAP comes to the CCCM market through a broader CRM platform. SAP delivers strong capabilities for planning, interaction management, campaign design, and analytics. Since the last Wave of enterprise marketing platforms, SAP introduced a high-volume segmentation engine called TREX, improved the user interface, and integrated the marketing solution with social media channels Twitter and Facebook. We found that SAP is a fit for firms with an end-to-end SAP strategy. But marketers tell us that their best chance of success is when they partner with their IT colleagues to support their cross-channel campaign needs.

- **Teradata.** Formerly a division of NCR, Teradata has operated as an independent company since 2007. We evaluated Teradata Relationship Manager (TRM) Version 6, which delivers strong capabilities for campaign design, execution, data management, and analytics. Several clients we spoke with were in the initial phases of upgrade to Version 6 and were positive about the improvements in the graphical user interface (GUI) and in different functional areas like segmentation, dialogue marketing, and multistage campaigns. However, Teradata must clarify its partner strategy, improve cross-channel program management, and expand online and social marketing capabilities to advance application adoption.

Contenders Leave Marketers Wanting

- **Infor.** Infor remains a best-in-class application for inbound marketing with more than 150 installations. Infor also offers solid campaign management and analytics capabilities. But Infor falls short on cross-channel program management, channel execution, and optimization. Clients tell us that version 7 of the marketing products posed some performance challenges and significant upgrade costs. Infor has been working to fix these issues in subsequent releases.

SUPPLEMENTAL MATERIAL

Online Resource

The online version of Figure 2 is an Excel-based vendor comparison tool that provides detailed product evaluations and customizable rankings.

Data Sources Used In This Forrester Wave

Forrester used a combination of four data sources to assess the strengths and weaknesses of each solution:

- **Hands-on lab evaluations.** Vendors spent one day with a team of analysts who performed a hands-on evaluation of the product using a scenario-based testing methodology. We evaluated each product using the same scenario(s), creating a level playing field by evaluating every product on the same criteria.

- **Vendor surveys.** Forrester surveyed vendors on their capabilities as they relate to the evaluation criteria. Once we analyzed the completed vendor surveys, we conducted vendor calls where necessary to gather details of vendor qualifications.

- **Product demos.** We asked vendors to conduct demonstrations of their product's functionality. We used findings from these product demos to validate details of each vendor's product capabilities.

- **Customer reference calls.** To validate product and vendor qualifications, Forrester also conducted reference calls with various current customers of each vendor and also scored each vendor based on quantitative feedback.

The Forrester Wave Methodology

We conduct primary research to develop a list of vendors that meet our criteria to be evaluated in this market. From that initial pool of vendors, we then narrow our final list. We choose these vendors based on: 1) product fit; 2) customer success; and 3) Forrester client demand. We eliminate vendors that have limited customer references and products that don't fit the scope of our evaluation.

After examining past research, user need assessments, and vendor and expert interviews, we develop the initial evaluation criteria. To evaluate the vendors and their products against our set of criteria, we gather details of product qualifications through a combination of lab evaluations, questionnaires, demos, and/or discussions with client references. We send evaluations to the vendors for their review, and we adjust the evaluations to provide the most accurate view of vendor offerings and strategies.

We set default weightings to reflect our analysis of the needs of large user companies — and/or other scenarios as outlined in the Forrester Wave document — and then score the vendors based on a clearly defined scale. These default weightings are intended only as a starting point, and we encourage readers to adapt the weightings to fit their individual needs through the Excel-based tool. The final scores generate the graphical depiction of the market based on current offering, strategy, and market presence. Forrester intends to update vendor evaluations regularly as product capabilities and vendor strategies evolve.

ENDNOTES

1 Sixty percent of marketers tell us that they will shift budgets from direct to interactive channels. A big reason for this shift is the growing effectiveness of interactive channels like email and social media. See the July 6, 2009, "US Interactive Marketing Forecast, 2009 To 2014" report.

2 Social media channels are moving mainstream. Nearly four out of five consumers tell us that they participate in different forms of social media today. See the August 25, 2009, "The Broad Reach Of Social Technologies" report.

3 Marketers find that current campaign management tools — while good for defining communications in traditional channels like direct mail and email — struggle to keep up with numerous digital, inbound, and emerging channels. See the April 2, 2009, "Campaign Management Needs A Reboot" report.

4 Marketers must integrate inbound and outbound programs to improve cross-channel customer experiences and deliver value to the consumer and the firm. For more details, refer to *The Forrester Blog For Customer Intelligence Professionals*. Source: *The Forrester Blog For Customer Intelligence Professionals* (http://blogs.forrester.com/customer_intelligence/).

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