The Era I Enterprise: "Ready for Anything"

April 5, 2016

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INTRODUCTION

Mass production technologies spawned modern consumerism. While most agree this was a good thing, profoundly changing the human experience – it also presented inherent tradeoffs, namely less individualism and personalization in our products and transactions.

The digital age is turning convention, once again, on its head – as we increasingly expect, and even demand, to have it our way – whether transacting, communicating, working, or simply enjoying leisure time. Welcome to **Era I – the Age of the Individual**. Millennials and Generation Z behind them lead the way, but the impact of Era I extends well beyond these two demographic juggernauts.

What does this mean for enterprises? Organizations must be ready and able to turn on a dime and deliver content, experiences, services, and technology to individuals however and wherever they desire. But how are they doing?

Oracle's "**The Era I Enterprise: Ready for Anything**" report surveyed 300 North American C-level executives to understand the emergence of Era I and, importantly, how prepared organizations are to manage this shift.
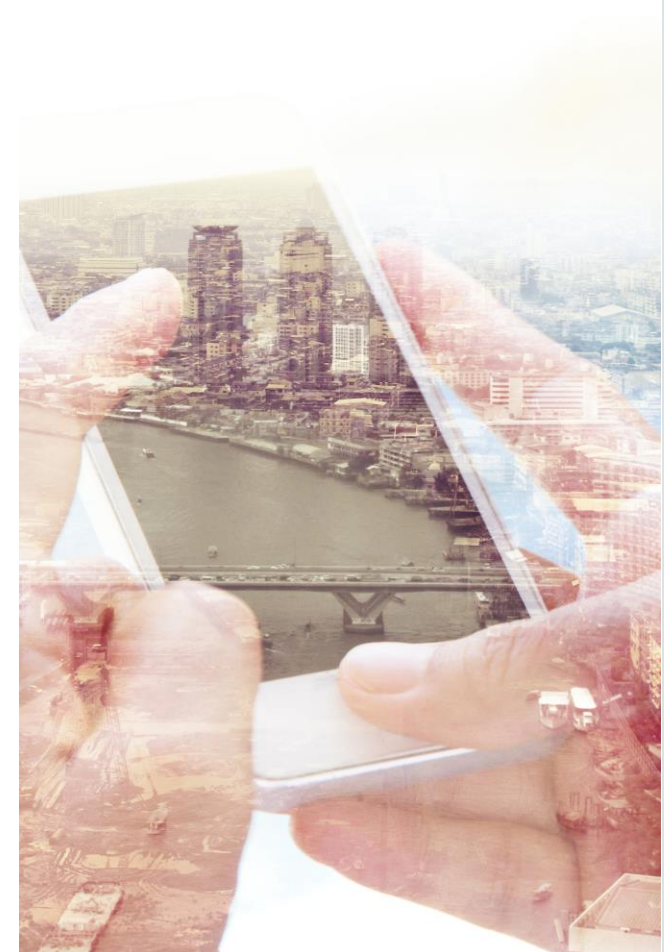
METHODOLOGY

Oracle conducted telephone and online interviews with 300 North American C-level industry executives in January and February of 2016 that surveyed the following industries:*

- Communications
- Education and Research
- Engineering and Construction
- Financial Services
- Healthcare

- Hospitality
- Life Sciences
- Public Sector
- Retail
- Utilities

*The sample size results in a margin of error of ±5.62% at a 95% confidence level

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DEMOGRAPHICS

Sample demographics include:*

Job Titles

Owner/Partner	**10%**
President/Chief Executive Officer/ Chief Operating Officer	**14%**
Chief Information Officer/ Chief Technology Officer	**15%**
Chief Financial Officer	**23%**
General Manager/Managing Director**	**38%**

Revenue

$50M-$249M	**37%**
$250M-$499M	**16%**
$500M-$1B	**19%**
More than $1B**	**28%**

Size

200-499 employees	**23%**
500-999 employees	**20%**
1,000-9,999 employees	**35%**
10,000 employees or more	**22%**

*Job titles and revenue do not include public sector data. Qualifying public sector titles include Administrator, Director, and other agency leadership

KEY TAKE-AWAYS

The Era I Challenge:

- **84%** say their organization has experienced a trend toward customers wanting a more individualized experience and **70%** have experienced this trend from employees

- Nearly **two-thirds** of managers say the shift is a *growing challenge* in their ability to compete effectively

Most Organizations are Unprepared:

- Today **fewer than one in five** C-level executives give their organization an "A" in its ability to offer highly individualized customer or employee experiences

- Their biggest weaknesses are their abilities to: Turn on a dime in response to change or opportunity, offer highly individualized products/services, and respond effectively to changing market conditions

Individualization and Agility are Key to Revenue Growth:

- Organizations estimate that if they were able to successfully offer customers and employees a highly individualized experience, they would earn an additional **18% in annual revenue**. For a $1 Billion company, that's **$180 Million** a year

- To get there, organizations say business intelligence tools, customer experience solutions, and other industry-specific applications will play a vital role

- Additionally, **81%** believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

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THE ERA I CHALLENGE

Nearly all organizations are experiencing a market shift toward greater individualization and the majority say it's impacting their ability to compete

84% say their organization has experienced a trend toward customers wanting a more individualized experience* and

70% have experienced this trend from employees

Nearly **two-thirds** of managers say the shift is a *growing challenge* in their ability to compete effectively

100% of communications and hospitality executives have noticed this trend with customers; utility executives are the most likely to say it's impacting their ability to compete

*In terms of products, services, content, and how they are purchased/obtained, delivered, or consumed

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Take Away: Ready or Not, Era I is Here

THE INDIVIDUALIZATION OPPORTUNITY

93% of organizations believe they are leaving money on the table by not successfully offering customers and employees a highly individualized experience

How Much?

Managers estimate that if their organization were able to successfully offer customers and employees a highly individualized experience in terms of content, products, and services, they would earn an additional

18% in annual revenue

For a $1 Billion company, that's **$180 Million** a year
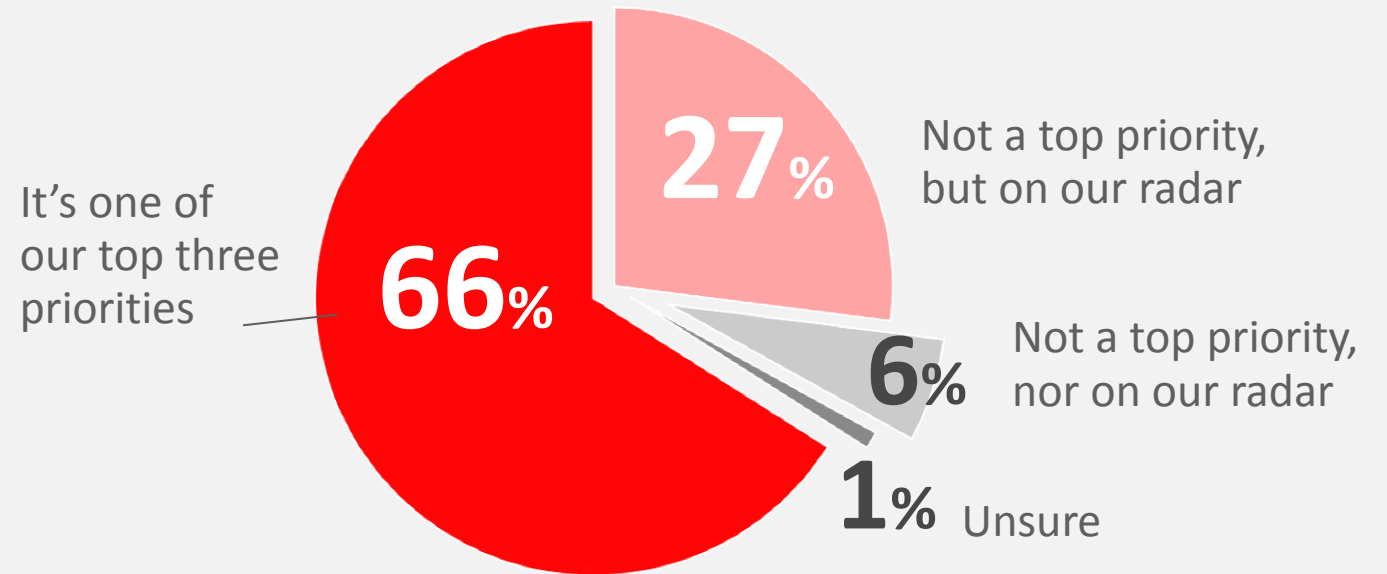

Take Away: Millions to Gain

PRIORITIZING THE INDIVIDUAL

Two out of three organizations are focused on improving their ability to offer a more individualized experience

Where does the ability to offer a more **highly individualized experience** (such as tailored products, content, and/or services) to customers and employees rank in terms of your organization's current priorities?

It's one of our top three priorities

66%

27% Not a top priority, but on our radar

6% Not a top priority, nor on our radar

1% Unsure

Communications and education/research organizations are most likely to say individualization is their top priority

Take Away: Individualization is Top of Mind

THE ERA I READINESS REPORT CARD

Today, however, fewer than one in five C-level executives give their organization an "A" in its ability to offer highly individualized customer or employee experiences

How would you grade your organization's ability to…
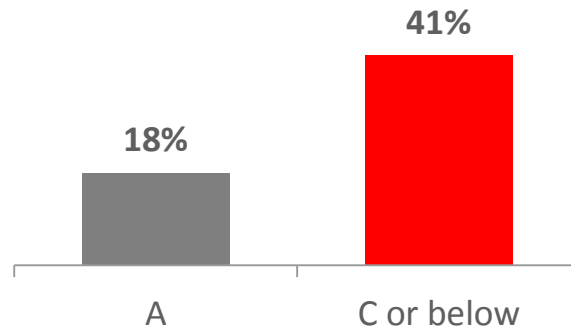
Offer highly individualized **CUSTOMER** experiences

Offer highly individualized **EMPLOYEE** experiences

18% — A
41% — C or below

11% — A
52% — C or below
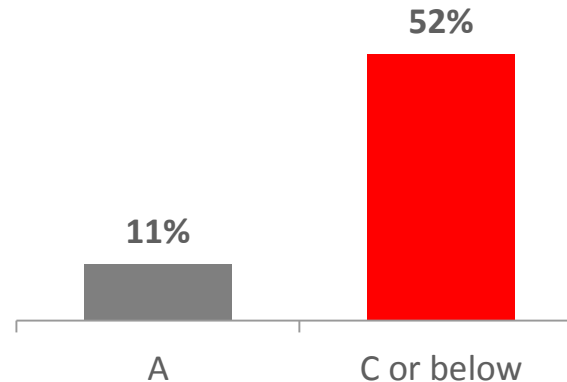
Large organizations (10,000+ employees) are the most likely to give themselves a **C or below**

*Percentage who graded their organization a C or below in each area

Biggest struggles:*

#1 Ability to turn on a dime (**59%**)

#2 Ability to offer highly individualized products/ services (**46%**)

#3 Ability to respond to changing market conditions (**44%**)

#4 Ability to anticipate customer needs (**39%**)

#5 Ability to act on customer feedback (**31%**)

Take Away: Unprepared for Era I

INDUSTRY REPORT CARD

	Public Sector	Education/ Research	Life Sciences	Retail	Engineering/ Construction
Ability to offer highly individualized <u>customer</u> **experiences – Rated C or below**	**67%**	**57%**	**57%**	**37%**	**37%**
Ability to offer highly individualized <u>employee</u> **experiences – Rated C or below**	**80%**	**37%**	**60%**	**63%**	**57%**
Biggest struggle:	Ability to turn on a dime	Respond effectively to changing market conditions	Ability to turn on a dime	Ability to turn on a dime	Ability to turn on a dime

	Financial Services	Utilities	Healthcare	Hospitality	Communications
Ability to offer highly individualized <u>customer</u> **experiences – Rated C or below**	**40%**	**40%**	**30%**	**27%**	**20%**
Ability to offer highly individualized <u>employee</u> **experiences – Rated C or below**	**47%**	**50%**	**40%**	**43%**	**43%**
Biggest struggle:	Ability to turn on a dime	Ability to turn on a dime	Ability to turn on a dime	Ability to turn on a dime	Ability to turn on a dime

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THE CUSTOMER AND EMPLOYEE EXPERIENCE GAPS

While organizations understand that providing individualized experiences is critical for their future success, very few have made the transformation

The Customer Gap	The Employee Gap

82% believe the ability to offer a more individualized experience is critical to *staying relevant* in today's market place

But **just 21%** are very well prepared* to deliver individualized customer experiences across content, products, experiences, services, and technology today

80% believe offering a highly individualized experience is key to *recruit and retain* the best and brightest

But **just 22%** are very well prepared* to deliver individualized employee experiences across content, products, experiences, services, and technology today

*Rated themselves an 8-10 on a scale of 1-10, where 1 was not at all prepared and 10 was completely prepared

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Take Away: Time to Close the Gap

LESSONS FROM ERA I LEADERS

Organizations that have increased their revenue by more than 10% in the last year are significantly ahead of the curve when it comes to offering individualized experiences

Percentage who can successfully do each of the following*:

■ Era I Leaders (those who increased their revenue by 10%+ in the last year)   ■ All others

Category	Era I Leaders	All others
Act on customer feedback	49%	18%
Respond effectively to changing market conditions	38%	10%
Offer highly individualized products/services	38%	15%
Offer highly individualized customer experiences	34%	15%
Anticipate customer needs	34%	15%
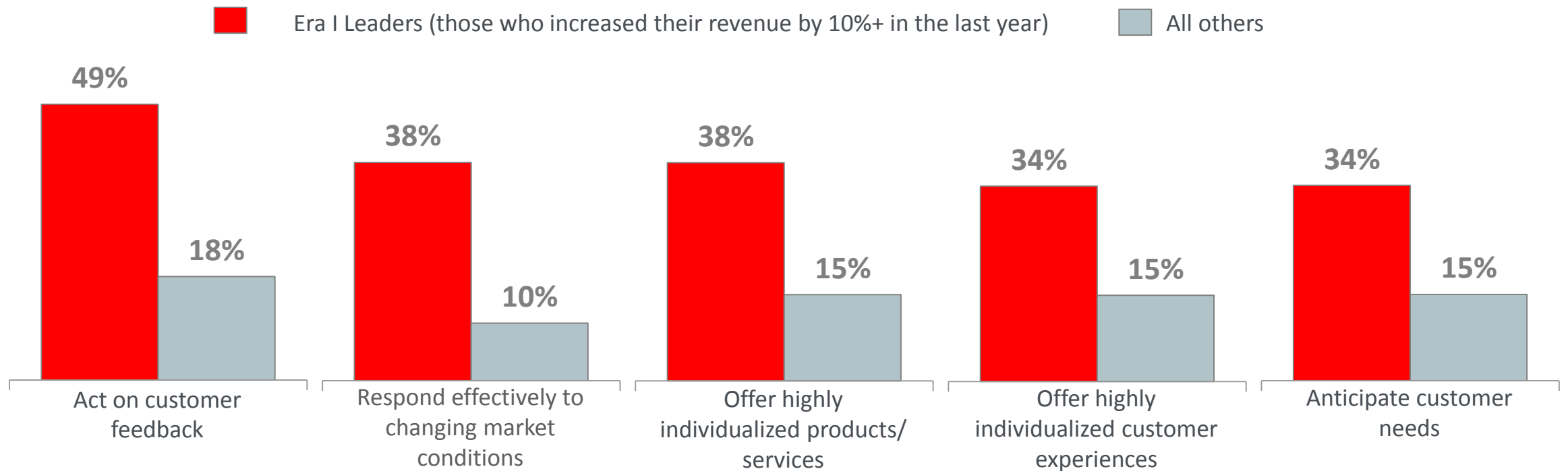
*Percentage who graded their organization an "A" in each category

Take Away: Agility Grows the Business

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IMPROVING THE CUSTOMER EXPERIENCE

68% of organizations do not currently offer customers self-service options and 61% fail to deliver intuitive online experiences

Percentage *not* currently offering the following to customers:*

68% Self-service options from the device of choice

61% Intuitive online experiences

56% Individualized content or promotions

Retail organizations lead with individualized content or promotions; hospitality organizations are ahead of the curve when it comes to intuitive online experiences

*Respondents asked to select all that apply to "Which is your organization not currently offering to meet the changing, more individualized needs of customers?"

Take Away: Meet Customers Where they Live

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IMPROVING THE EMPLOYEE EXPERIENCE

More than two out of three organizations are failing to offer self-service options to employees

Which of the following is your organization *not currently offering* to meet the changing, more individualized needs of <u>employees</u>?*

Self-service options from the device of choice

69%

Data analytics to help employees gain insight and drive innovation

67%

Advanced collaboration tools

63%

Industry-specific applications that enable employees to thrive

57%

*Respondents asked to select all that apply

Healthcare organizations are most likely to offer self-service options and industry-specific apps; the public sector leads in flexible work environments

Large organizations (10,000+ employees) are least likely to offer employees industry-specific apps

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Take Away: Empower Your Workforce

LEGACY SYSTEMS HOLD ORGANIZATIONS BACK

While organizations say cloud is vital to Era I success, many are stuck with legacy systems

81% of managers believe there is an important link between cloud-based IT solutions and their organization's ability to deliver the *flexibility* and *agility* needed to deliver more individualized employee and customer experiences

but

Today, only **28**% of mission and business-critical applications are in the cloud

Additionally, **57**% believe outdated technology systems are *holding them back* from delivering greater individualization

Take away: Capitalize on Cloud

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WHAT'S AT STAKE?

Organizations fear losing customers and employees if they cannot improve

Greatest concerns if organizations do not improve their ability to offer individualized experiences:*

#1	Loss of customers (**46%**)
#2	Loss of talented employees (**45%**)
#2	Loss of revenue (**45%**)
#4	Loss of their competitive advantage (**44%**)
#5	Slower growth (**43%**)

*Respondents asked to select all that apply

Healthcare and hospitality organizations are most concerned about losing customers if they do not adapt; life sciences and utilities are least concerned

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Take Away: No Improvement = Everyone Loses

HOW TO IMPROVE

Nearly all organizations (97%) believe investing in IT solutions will improve their ability to offer the individualized customer and employee experiences needed to compete in Era I

Most needed IT for Era I:*

Business intelligence tools (**49%**)

Customer experience solutions (**49%**)

Industry-specific applications (**40%**)

Departments in the most urgent need of IT modernization:

1. Operations
2. Customer experience
3. Sales/marketing

*Respondents asked to select all that apply

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Take Away: Technology Provides Answers

BENEFITS

Managers believe individualization will lead to greater employee satisfaction and retention

Managers believe if their organization had the ability to offer a highly individualized employee experience, they could increase employee satisfaction by **94**%

Top benefits from offering a highly individualized experience to customers and employees:*

#1 Improved employee retention (**54%**)

#1 Improved customer retention (**54%**)

#3 Improved brand perception (**52%**)

*Respondents asked to select all that apply

Take Away: Keep What Matters Most

ENABLING ERA I

What do you believe will be the single greatest enabler of your organization's ability to individualize the customer and employee experience in the next five years?

"Developing business intelligence analytics to better analyze customer data and anticipate their needs."

"Implementing IT systems that collect and analyze client demographic data to assist in identifying client needs and then creating service delivery systems to meet those needs."

"Moving off of legacy systems to more web-based applications and services that can be easily updated and managed."

"The ability to make the consumer feel that the content that is being delivered is speaking directly to them, as opposed to a message that they feel is being delivered to the masses."

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Take Away: Modernize Tech and Mindsets

OUR TAKE

- **The Age of the Individual is Here:** Customer and employee expectations have never been higher. Organizations must accelerate their strategic planning and get on board. The time is now.

- **Give People What They Want:** Despite knowing and understanding the benefits of providing highly individualized customer and employee experiences, most organizations still have not made transforming a top priority. To stay competitive and remain relevant, empower your customers and your organization with the content, experiences, services, and technology that they want…when they want it. Or risk losing them.

- **Prioritize Agility and Flexibility:** Don't wait. From business intelligence capabilities to customer experience solutions to industry-specific applications, organizations need to make IT investments to ensure they are agile and flexible enough to meet Era I needs. There's a lot on the line—managers estimate they can earn an additional $180 Million annually* by offering highly individualized experiences.

- **Consider the Cloud:** Simplify IT and drive innovation—the true business value of moving to the cloud. Become a cloud leader, and gain the scalability needed to turn on a dime to meet the ever-evolving needs of your customers and employees.

* For a $1 Billion company

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INDUSTRY SNAPSHOTS

- Communications   24
- Education and Research   27
- Engineering and Construction   30
- Financial Services   33
- Healthcare (hospitals and medical centers)   36
- Hospitality   39
- Life Sciences   42
- Public Sector   45
- Retail   48
- Utilities   51

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COMMUNICATIONS SNAPSHOT

100% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

77% Have experienced this same trend with <u>employees</u>

70% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

33% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

30% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

31% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$310 Million** a year

Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (60%)
#2 On-demand order fulfillment (57%)
#3 Intuitive online experiences (53%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (70%)
#2 Data analytics (53%)
#3 Advanced collaboration tools (47%)
#3 Industry-specific applications (47%)

*Respondents asked to select all that apply

100% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

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COMMUNICATIONS SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

63%	Improve the cross-channel customer experience
43%	Enable real-time personalized offers and services
40%	Monetize new opportunities such as the Internet of Things
37%	Better leverage predictive analytics and customer data
37%	Improve communication through a unified communications platform – interconnecting video, voice, messaging, and/or email communication
37%	Enhance call center and customer service effectiveness
27%	Deploy network function virtualization (NFV) and/or cloud implementations to drive down CAPEX and OPEX

*Respondents asked to select all that apply

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COMMUNICATIONS SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

50%	Security concerns
37%	Competing with innovative new over-the-top (OTT) services
37%	Difficulty providing subscribers with consistent experiences across the various touch points and interaction channels they use
30%	Lack of the right personnel in place to help shape customers' experiences
27%	Managing the exponential growth in data traffic
23%	Reducing CAPEX and OPEX budgets
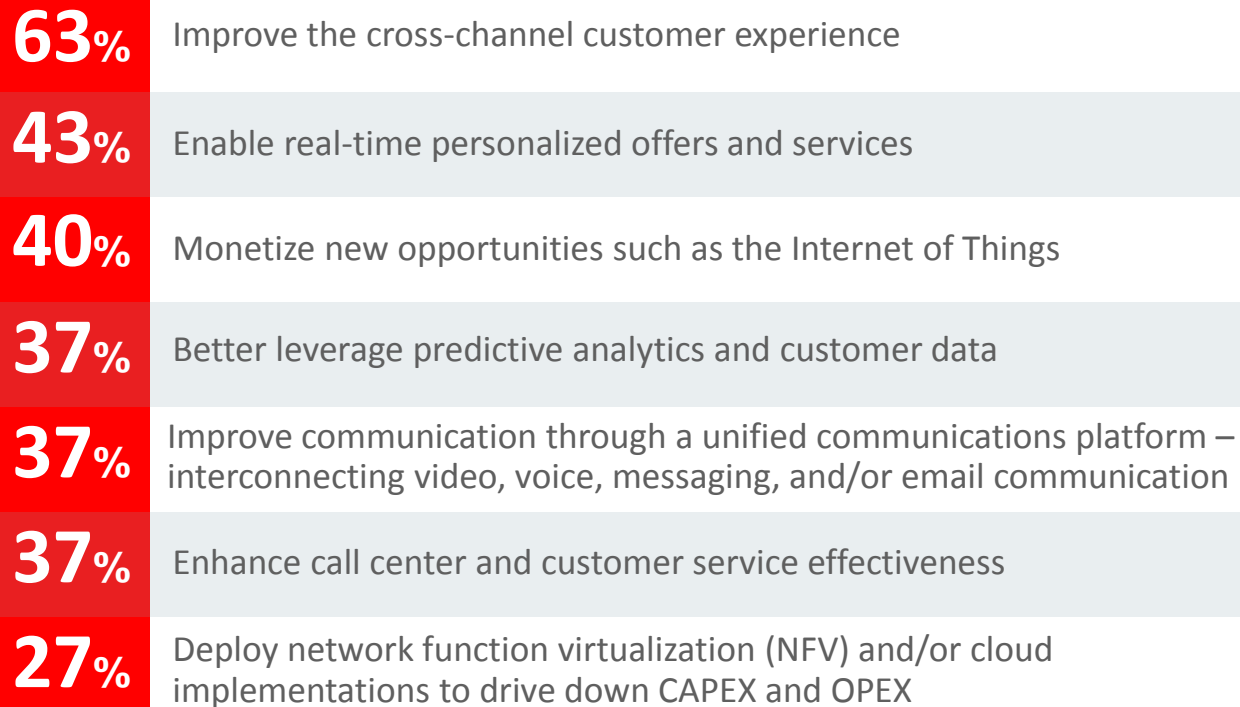
How to do it right?

"Most of the people we are dealing with are looking for content that makes them feel like we are talking to them, and them only. We are doing that better with social media. It has helped the broadcast business go from 'broad' casting to more of 'narrow' casting."

*Respondents asked to select all that apply

EDUCATION & RESEARCH SNAPSHOT

80% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

77% Have experienced this same trend with <u>employees</u>

73% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

7% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

10% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

19% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$190 Million** a year

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Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 On-demand order fulfillment (83%)
#2 Intuitive online experiences (73%)
#3 Individualized content and/or promotions (70%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Data analytics (80%)
#1 Industry-specific applications (80%)
#3 Self-service options from the device of choice (67%)
#4 Advanced collaboration (60%)

*Respondents asked to select all that apply

97% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

EDUCATION & RESEARCH SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*
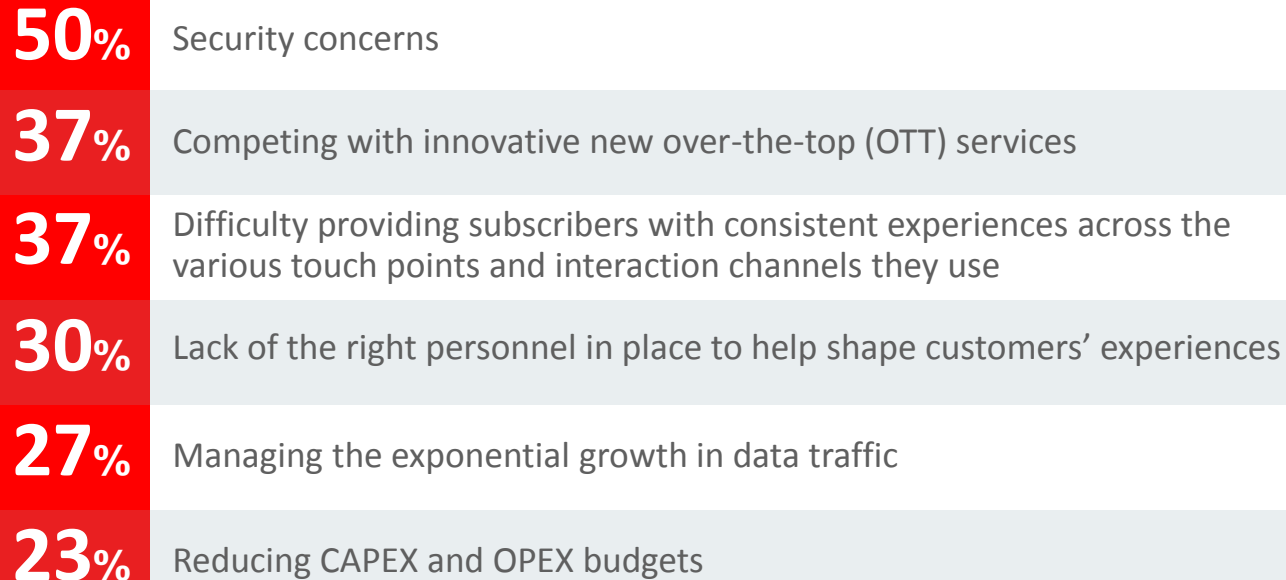
63% Establish mobile apps to provide students, faculty, and staff with quick access to key functions and simple navigation for high productivity and improved communication

50% Use predictive/prescriptive analytics to identify and personalize service at all stages of the student lifecycle, from recruitment, to retention, and through alumni development

**47%** Use social media for communications, questions, and support to better serve current and prospective students as well as faculty and staff

40% Incorporate online support portals to give students 24/7 access to information to ensure every question or issue is answered in a timely fashion--whether from email, an online form, help desk ticket, etc.

*Respondents asked to select all that apply
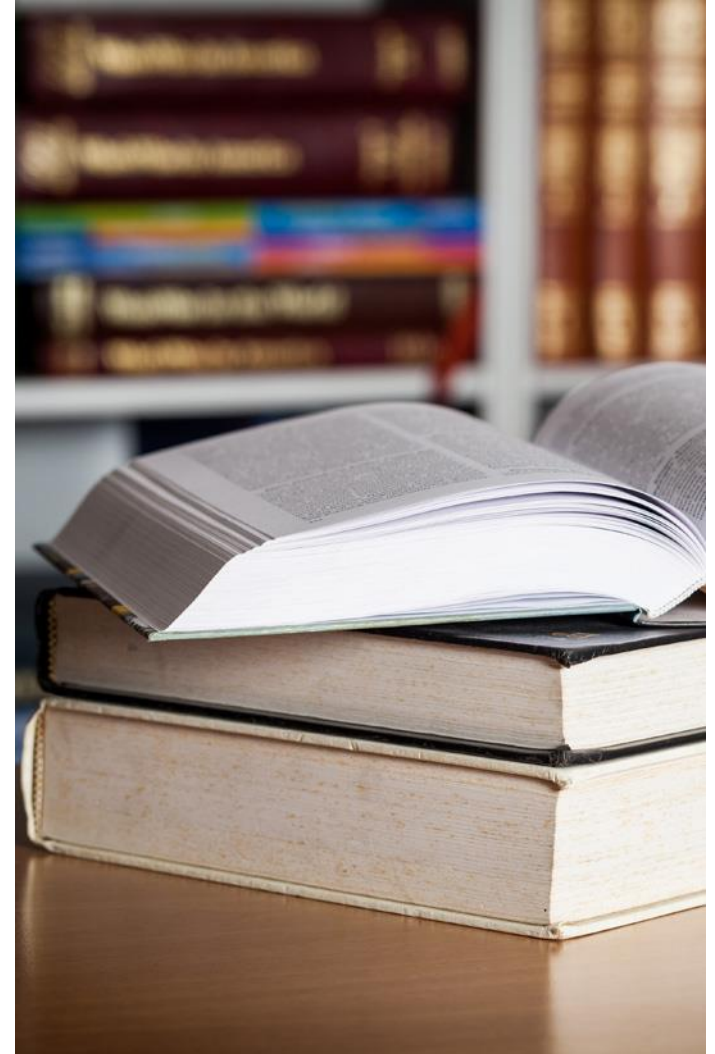
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EDUCATION & RESEARCH SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

63% Budget/cost constraints

47% Security concerns

40% Inability for faculty and staff to identify trends and access the timely information needed to maximize student success and boost retention

27% Difficulty providing students with consistent experiences across the various touch points, channels, and devices they use

23% Inability to identify which technologies impact students at different stages of the lifecycle
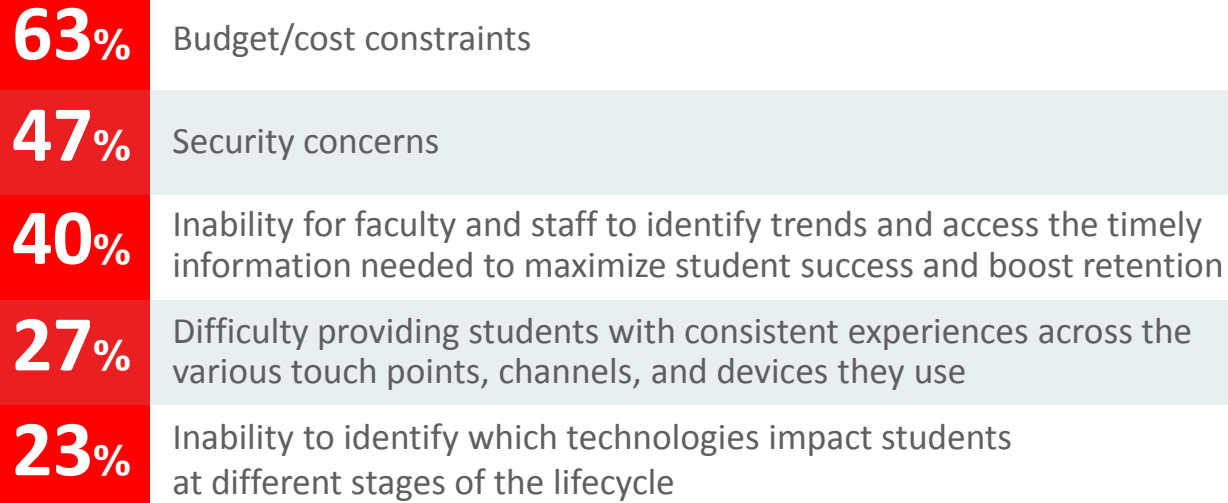
Who is doing it right?

"[A non-profit organization dedicated to helping youth develop into responsible and productive citizens] – They address each student individually through a service plan that is developed to assess a student in three areas: behavior, education, and treatment."

*Respondents asked to select all that apply

ENGINEERING & CONSTRUCTION SNAPSHOT

77% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

67% Have experienced this same trend with <u>employees</u>

57% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

13% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

10% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

13% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$130 Million** a year

Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 On-demand order fulfillment (77%)
#2 Self-service options from the device of choice (73%)
#3 Intuitive online experiences (53%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (60%)
#1 Data analytics (60%)
#3 Advanced collaboration tools (47%)
#3 Industry-specific applications (47%)

*Respondents asked to select all that apply

70% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

ENGINEERING & CONSTRUCTION SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

63% More interactive and connected enterprise project portfolio management, that delivers highly personalized information to stakeholders (engineers, contractors, project management, owners, etc.) in their preferred format

60% Mapping and planning the entire lifecycle of a facility from design and engineering through decommissioning

53% Effectively modeling and communicating the impact (on cost and schedule) of specific change orders

43% Building information modeling (BIM)

*Respondents asked to select all that apply
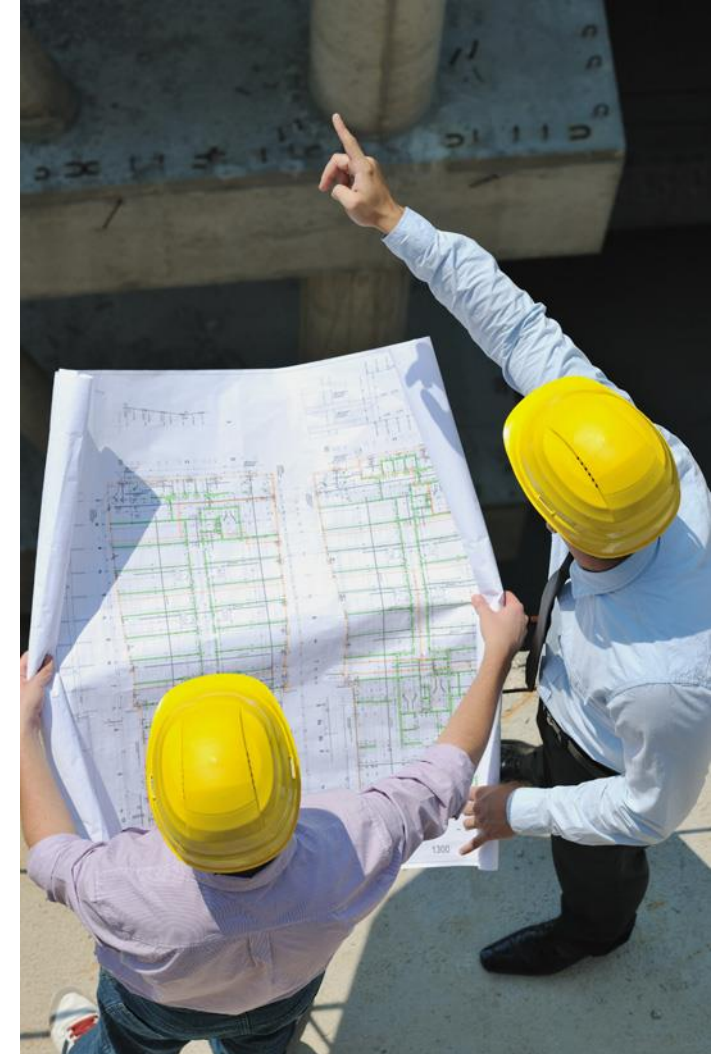
ENGINEERING & CONSTRUCTION SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

63% Budget/cost constraints

47% Experienced staff retiring, attracting talent

43% Inability to effectively share real-time data with clients, partners, contractors, engineers, and project managers

33% Security concerns

27% Inability to manage and analyze project data
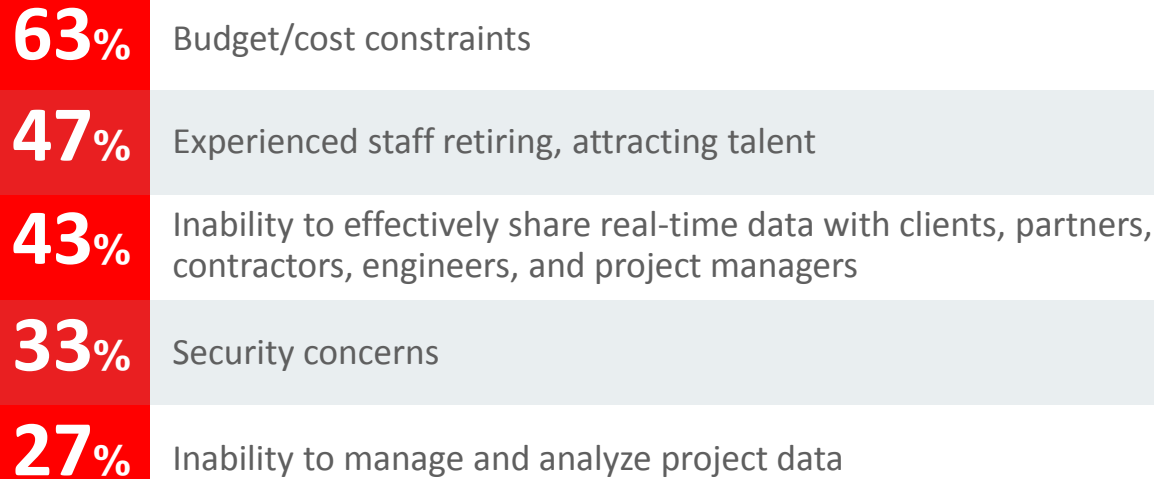
Who is doing it right?

"There's a general contactor that's on the cutting edge. It's ahead of the curve on implementing mobile access to data, creating a central location for all members of the construction team – including owners, general and sub-contractors, and vendors/supplies. All of this is usually cloud-based."

*Respondents asked to select all that apply

FINANCIAL SERVICES SNAPSHOT

80% Have experienced a trend toward customers wanting a more individualized experience

43% Have experienced this same trend with employees

71% Say the shift is a *growing challenge* in their ability to compete effectively

Era I Report Card:

17% Rate their ability to offer highly individualized customer experiences an "A"

10% Rate their ability to offer highly individualized employee experiences an "A"

14% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$140 Million** a year

Missed Opportunities for Customer Individualization:*

Organizations do not offer:
#1 On-demand order fulfillment (80%)
#2 Self-service options from the device of choice (67%)
#3 Intuitive online experience (63%)
#3 Individualized content (63%)

Missed Opportunities for Employee Individualization:*

Organizations do not offer:
#1 Data analytics (70%)
#2 Self-service options from the device of choice (67%)
#3 Advanced collaboration tools (60%)

*Respondents asked to select all that apply

70% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

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FINANCIAL SERVICES SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

60% Leverage customer behavioral data to make the right offer at the right time

47% Improve the cross-channel customer experience to take the customer off the market as quickly as possible

40% Frictionless service at a lower cost

37% Enablement of flexible product/service bundling

37% Maximize use of social media to connect with customers on an individual level

30% Improve access to staff to communicate to customers through a unified communications platform – interconnecting video, voice, messaging, and/or social

*Respondents asked to select all that apply
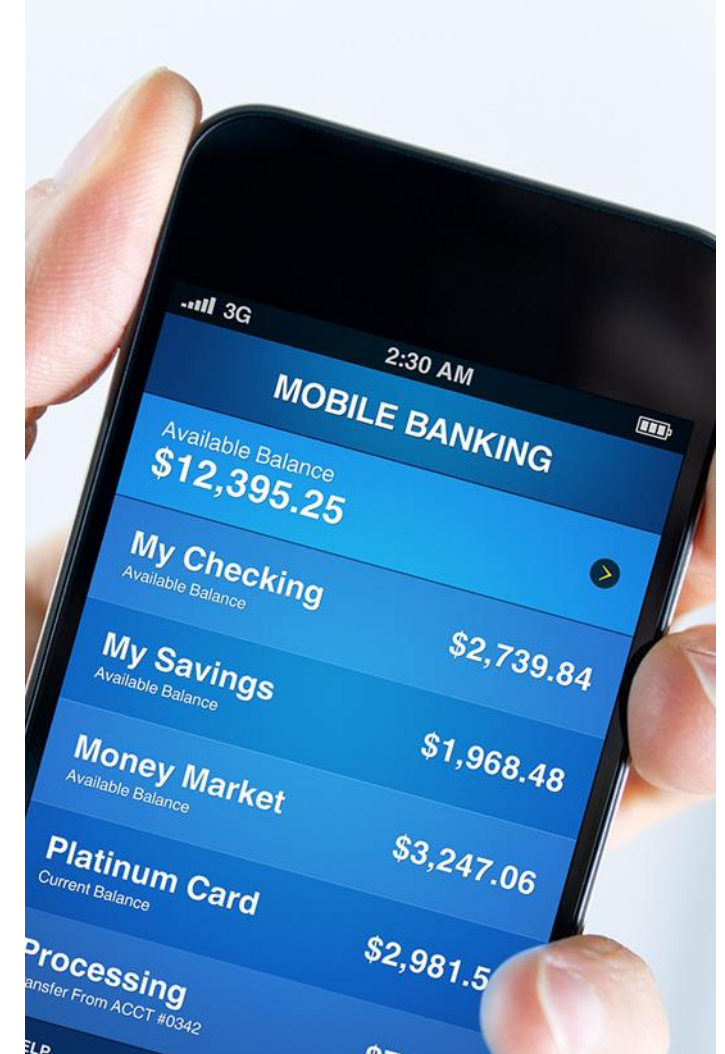
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FINANCIAL SERVICES SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

50% Evolving and more complex regulatory requirements

50% Budget/cost constraints

47% Security concerns

43% Cumbersome, disjointed business processes

30% Difficulty providing customers with consistent experiences across the various touch points and interaction channels they use

20% Past investments in technology that consumes a larger proportion of the resources

13% Competing with FinTech companies who are delivering innovative business solutions without the technology limitations
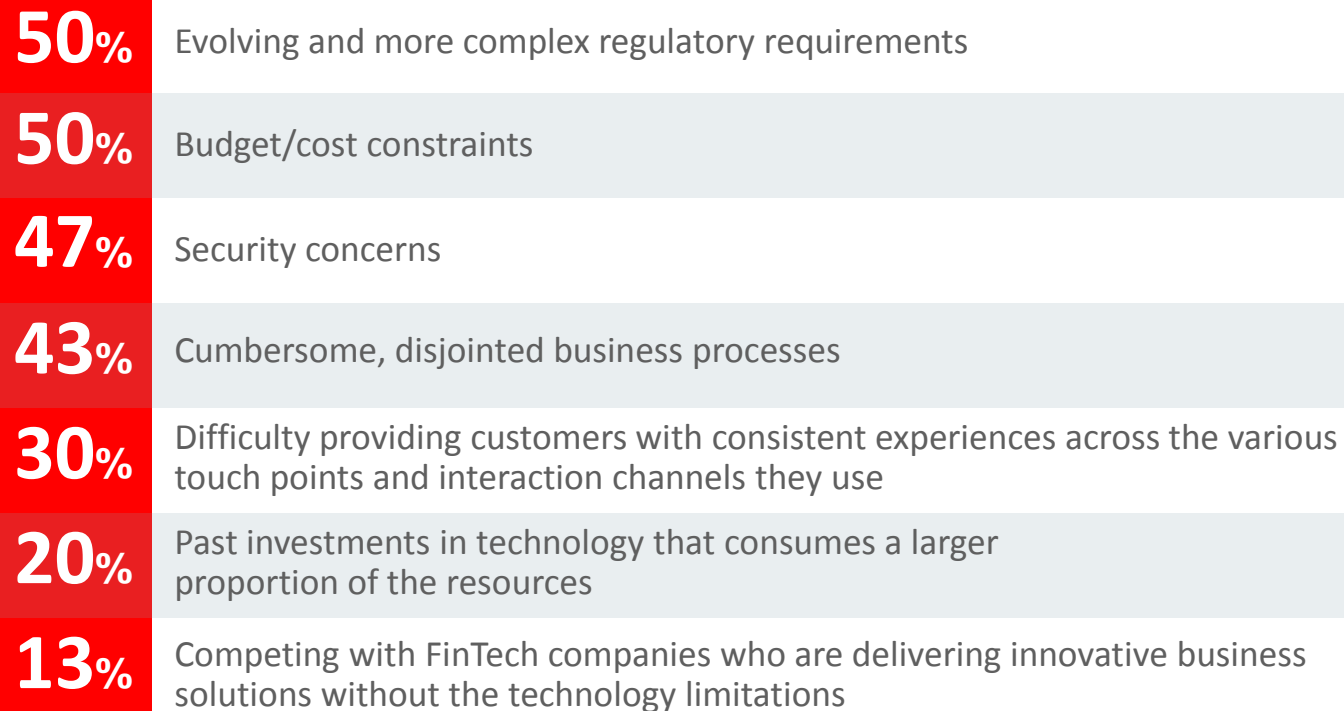
*Respondents asked to select all that apply

Who is doing it right?

"[An American brokerage and banking company] is doing it right. Individuals can create their own portfolio using online tools provided by their website."

HEALTHCARE SNAPSHOT

77% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

67% Have experienced this same trend with <u>employees</u>

65% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

20% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

3% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

16% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$160 Million** a year

Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (77%)
#2 On-demand order fulfillment (73%)
#3 Intuitive online experiences (63%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Data analytics (60%)
#2 Advanced collaboration tools (57%)
#3 Remote network access; flexible work environment; and self-service options from device of choice (all 43%)

*Respondents asked to select all that apply

73% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

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HEALTHCARE SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

87% Giving providers real-time information on patient health indicators to enable timely intervention

63% Providing patients with real-time feedback on their health to improve treatment of chronic conditions

63% Ensuring patient information remains secure

47% Analyzing genomic data to advance the precision medicine initiative
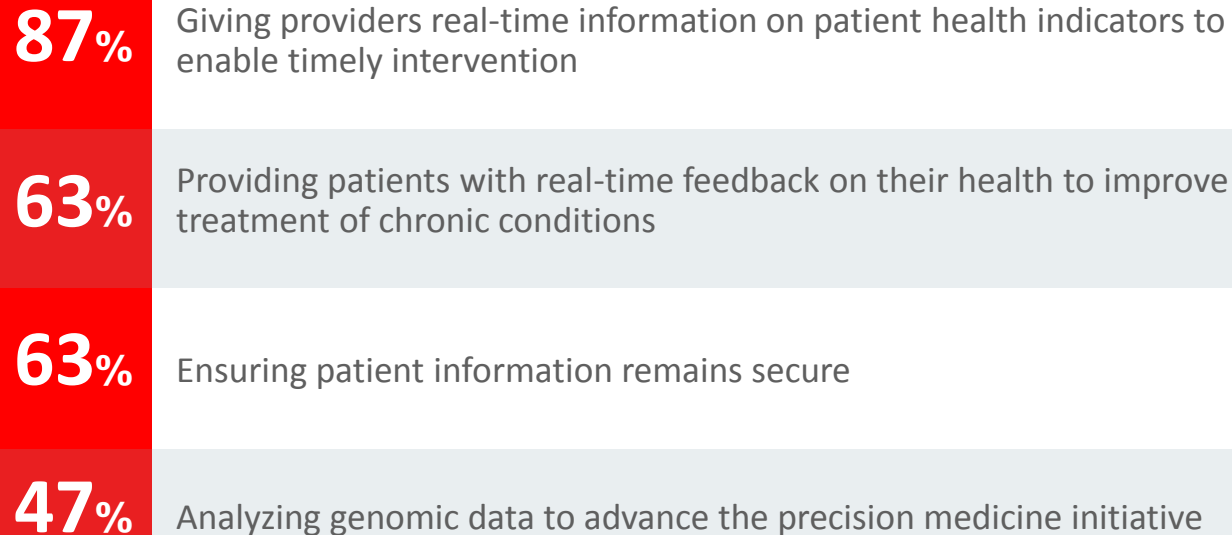
*Respondents asked to select all that apply

HEALTHCARE SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

70%	Budget/cost constraints
63%	Regulatory restrictions, such as Health Insurance Portability and Accountability Act (HIPAA)
63%	Security concerns
47%	Lack of support/funding for legislation surrounding key healthcare initiatives – 21st Century Cures, Interoperability Roadmap, Telemedicine, etc.
43%	Inability to rapidly analyze structured and unstructured data – including genotypic, phenotypic, molecular, patient, and more
40%	Lack of data interoperability
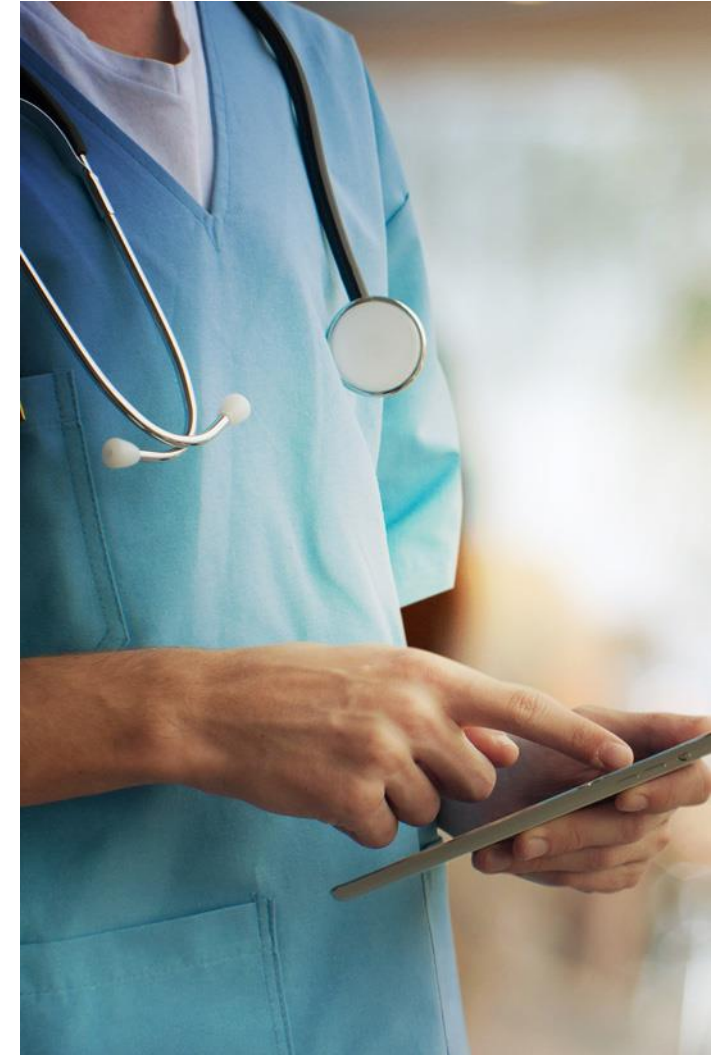
Who is doing it right?

"[A leading provider of medical imaging equipment and laboratory diagnostics as well as clinical IT] went out to speak to its customers and is now tailoring its offerings to fit the specific needs of the customers."

*Respondents asked to select all that apply

ORACLE

HOSPITALITY SNAPSHOT

100% Have experienced a trend toward <u>guests</u> wanting a more individualized experience

83% Have experienced this same trend with <u>employees</u> or staff

40% Say the shift is a *growing challenge* in their ability to compete effectively

Era I Report Card:

33% Rate their ability to offer highly individualized <u>guest</u> experiences an "A"

7% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

16% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$160 Million** a year

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Missed Opportunities for <u>Guest</u> Individualization:*

Organizations do not offer:
#1 On-demand order fulfillment(67%)
#2 Self-service options from the device of choice (57%)
#3 Individual content (50%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Advanced collaboration tools (73%)
#2 Data analytics (67%)
#3 Remote access (63%)
#3 Self-service options from the device of choice (63%)

*Respondents asked to select all that apply

83% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and guest experiences

HOSPITALITY SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for guests and/or employees?*
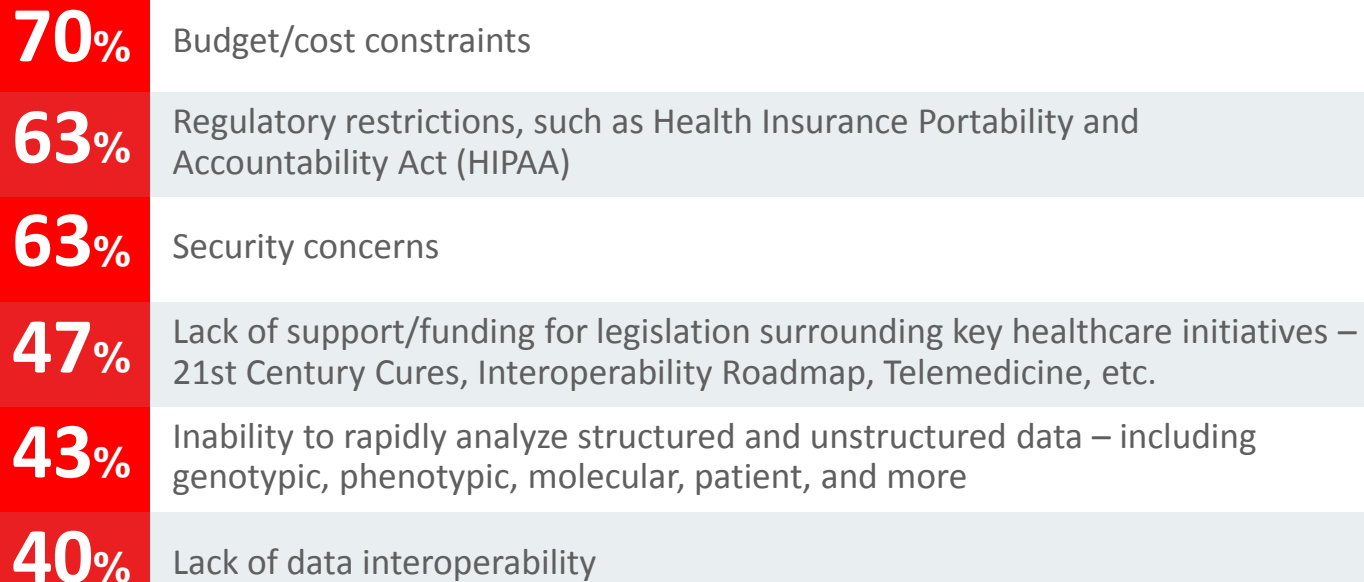
73%	Enhance guest experience
47%	Simultaneously control labor costs, maintain appropriate inventory levels, and use real-time data
43%	Enable easier ordering/booking
40%	Leverage guest profile data to personalize engagement, content, and offers
37%	Improve staff engagement through a robust mobile communications platform
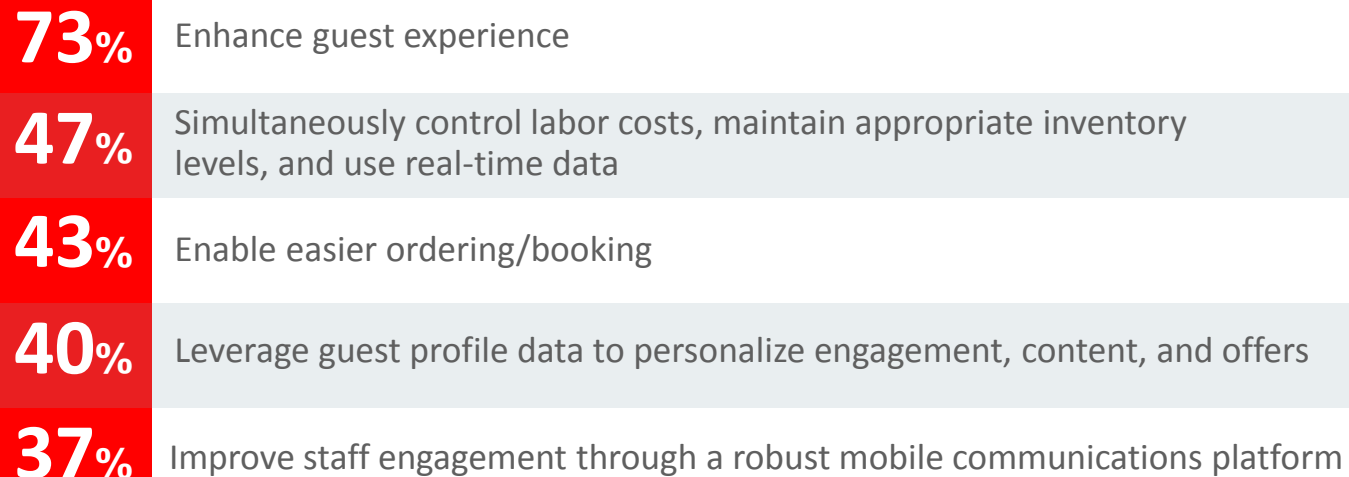
*Respondents asked to select all that apply

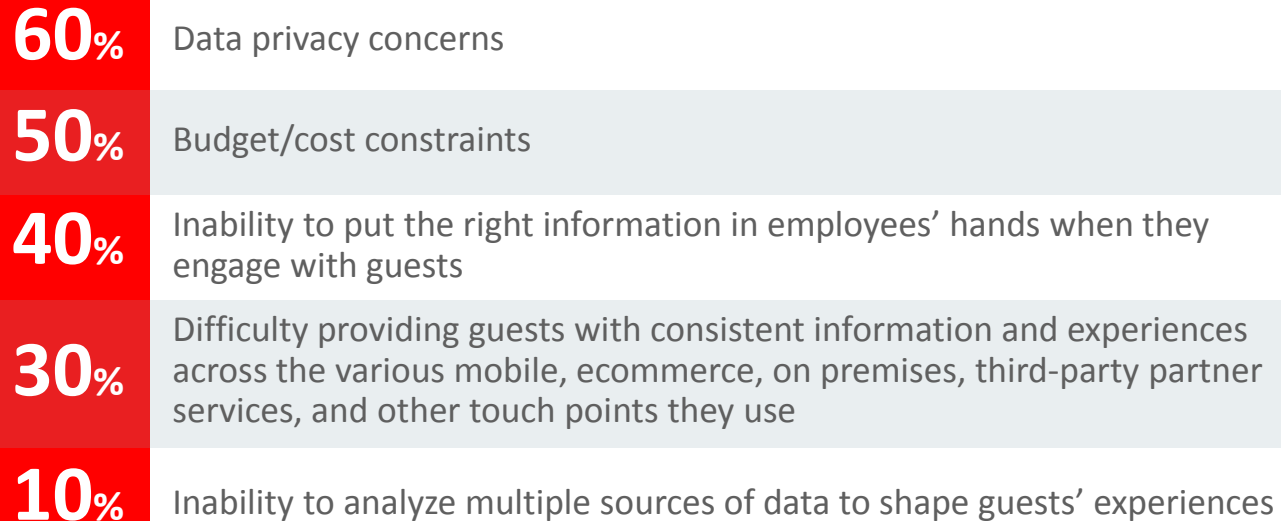# HOSPITALITY SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

60% Data privacy concerns

50% Budget/cost constraints

40% Inability to put the right information in employees' hands when they engage with guests

30% Difficulty providing guests with consistent information and experiences across the various mobile, ecommerce, on premises, third-party partner services, and other touch points they use

10% Inability to analyze multiple sources of data to shape guests' experiences

Who is doing it right?

"[A luxury hotel chain's] customer relationship management – automatic and manual – as well as issue recovery is a benchmark in the industry."

*Respondents asked to select all that apply

LIFE SCIENCES SNAPSHOT

83% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

70% Have experienced this same trend with <u>employees</u>

59% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

13% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

3% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

23% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$230 Million** a year

Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (80%)
#2 Intuitive online experience (73%)
#3 On-demand order fulfillment (63%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Advanced collaboration (77%)
#2 Self-service options from the device of choice (73%)
#3 Data analytics (67%)

*Respondents asked to select all that apply

73% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

LIFE SCIENCES SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*
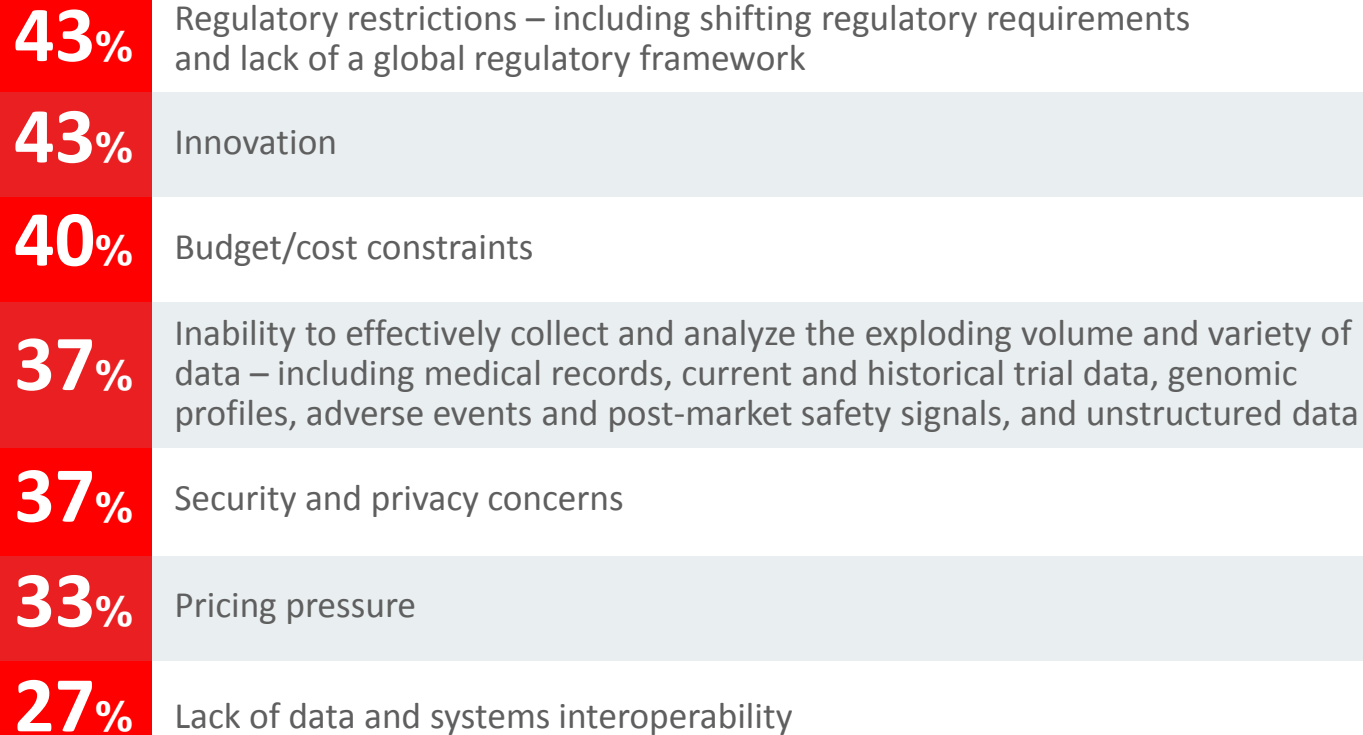
43% Increase clinical trial efficiencies and speed time to market

43% Enable rapid, data-driven R&D and benefit-risk decision-making through collecting, aggregating, and analyzing higher-quality data from a growing number of sources, faster, and with less effort

40% Improve patient safety and outcomes

37% Optimize systems and environments to reduce cost and risk and enable employees to focus on innovation and the core business

33% Develop personalized therapies based on genomic profiles and phenotypic data

*Respondents asked to select all that apply

LIFE SCIENCES SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

43%	Regulatory restrictions – including shifting regulatory requirements and lack of a global regulatory framework
43%	Innovation
40%	Budget/cost constraints
37%	Inability to effectively collect and analyze the exploding volume and variety of data – including medical records, current and historical trial data, genomic profiles, adverse events and post-market safety signals, and unstructured data
37%	Security and privacy concerns
33%	Pricing pressure
27%	Lack of data and systems interoperability

*Respondents asked to select all that apply

Who is doing it right?

"[A non-profit organization providing scientific evaluation, analysis, and advice to decision makers] is providing scientific evaluations personalized to decision making that are specific to its customers' needs. It's very innovative and up to date."

PUBLIC SECTOR SNAPSHOT

77% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

73% Have experienced this same trend with <u>employees</u>

65% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

7% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

7% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

15% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$150 Million** a year

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Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (70%)
#1 Intuitive online experiences (70%)
#3 On-demand order fulfillment (67%)
#3 Individualized content (67%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (90%)
#2 Data analytics (70%)
#2 Advanced collaboration tools (70%)
#4 Industry-specific applications (60%)

*Respondents asked to select all that apply

77% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

PUBLIC SECTOR SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

63% Increased employee efficiency through customizable work systems/environments
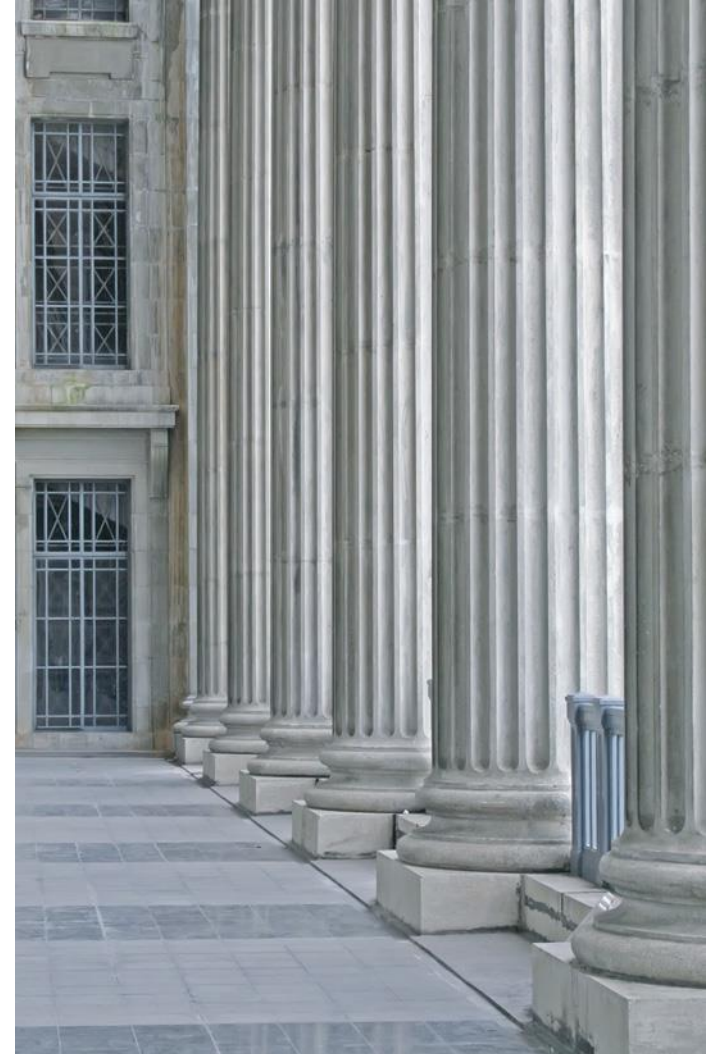
53% Improved public persona of government agencies

50% Cross-agency integration of constituent data

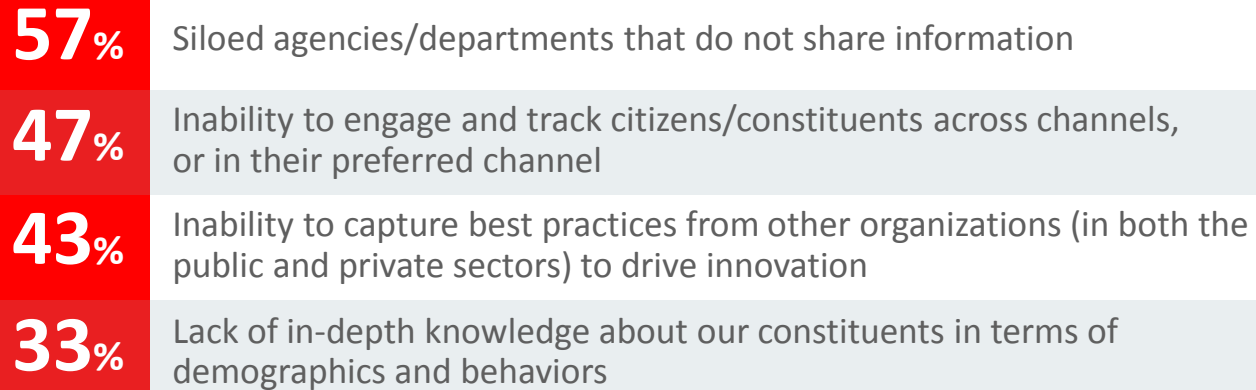**47%** Reduction in fraud, waste, or abuse of government systems

40% Empower constituents by offering greater access to information through email, web self-help, etc.

*Respondents asked to select all that apply

PUBLIC SECTOR SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

57% Siloed agencies/departments that do not share information

47% Inability to engage and track citizens/constituents across channels, or in their preferred channel

43% Inability to capture best practices from other organizations (in both the public and private sectors) to drive innovation

33% Lack of in-depth knowledge about our constituents in terms of demographics and behaviors

How to do it right?

"More government agencies are providing links so that 'customers' can, in many instances, find information on their own rather than having to go to offices in person to submit requests and wait for responses."

*Respondents asked to select all that apply

ORACLE®

RETAIL SNAPSHOT

77% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

67% Have experienced this same trend with <u>employees</u>

56% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

13% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

13% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

10% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$100 Million** a year

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Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (67%)
#2 Intuitive online experiences (57%)
#3 On-demand order fulfillment (53%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Advanced collaboration (80%)
#2 Data analytics (73%)
#2 Industry-specific applications (73%)
#4 Self-service options from the device of choice (70%)

*Respondents asked to select all that apply

73% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences

RETAIL SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

57% Empower associates to improve customer service effectiveness

53% Leverage customer data to upsell and cross-sell merchandise

37% Enable easier purchases by saving client information across channels

30% Improve the cross-channel customer experience by sharing shopping baskets, remembering recent purchases, providing personalized promotions and coupons, and recommending items

*Respondents asked to select all that apply

ORACLE®

RETAIL SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

50% Inability to put the right information in associates hands when they engage with customers via call center, online help desks, or in stores

43% Budget/cost constraints

30% Inability to analyze multiple sources of data to help shape customers' experiences

27% Difficulty providing customers with consistent information, prices and experiences across all channels including mobile, ecommerce, and in store

17% Inventory visibility and fulfillment across channels to meet customer expectations

Who is doing it right?

"[A nationwide beauty store chain's] purchase history suggests upgrades as available, keeps you informed, mixes prices and quality to ensure customer satisfaction, and uses a multi-marketing approach."

*Respondents asked to select all that apply

ORACLE®

UTILITIES SNAPSHOT

87% Have experienced a trend toward <u>customers</u> wanting a more individualized experience

73% Have experienced this same trend with <u>employees</u>

82% Say the shift is a ***growing challenge*** in their ability to compete effectively

Era I Report Card:

20% Rate their ability to offer highly individualized <u>customer</u> experiences an "A"

20% Rate their ability to offer highly individualized <u>employee</u> experiences an "A"

22% Estimated revenue gain if they offered highly individualized experiences. For a $1B organization, that's **$220 Million** a year

Missed Opportunities for <u>Customer</u> Individualization:*

Organizations do not offer:
#1 On-demand order fulfillment (83%)
#2 Self-service options from the device of choice (73%)
#3 Individualized content (63%)
#3 Intuitive online experiences (63%)

Missed Opportunities for <u>Employee</u> Individualization:*

Organizations do not offer:
#1 Self-service options from the device of choice (83%)
#2 Data analytics (70%)
#3 Flexible work environment (67%)
#3 Industry-specific applications (67%)

*Respondents asked to select all that apply

97% believe there is an important link between cloud-based IT solutions and their organization's ability to deliver individualized employee and customer experiences
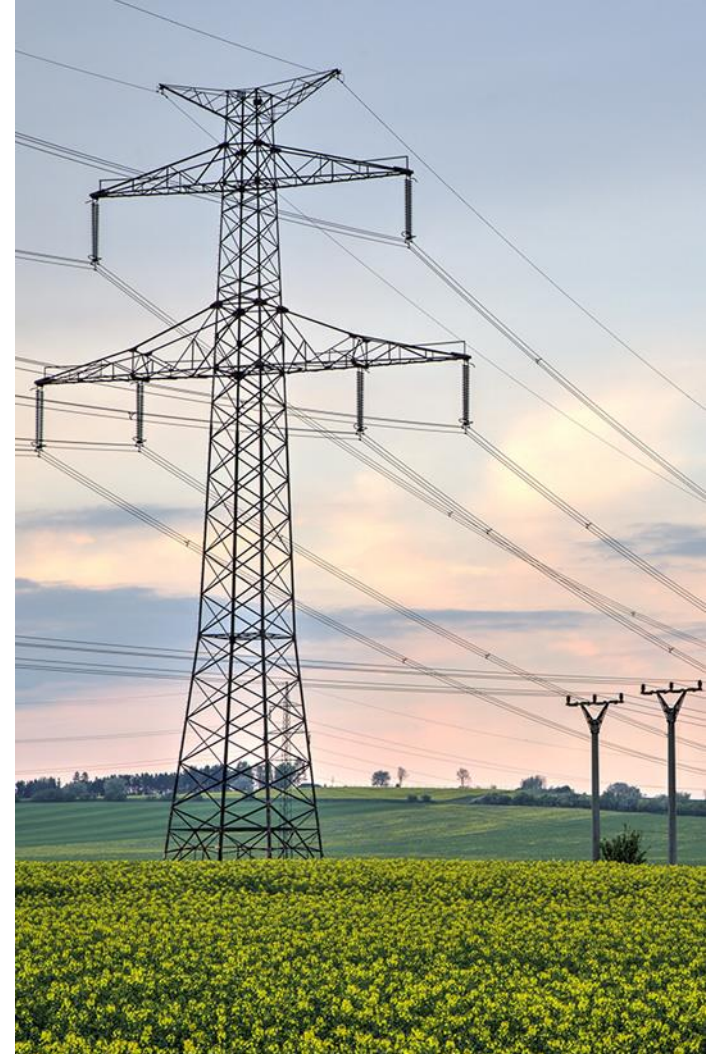
UTILITIES SNAPSHOT (CONT.)

Where do you see the greatest opportunity for your industry to take advantage of more individualized content, products, and services for customers and/or employees?*

53% Use mobile technologies for individual field employee productivity

43% Simplify doing business with the utility process through enhanced self-service options

37% Enable customers by offering customized solutions to optimize cost and convenience

37% Deliver employee development programs to empower our diverse (i.e., aging) workforce

17% Use social media channels to actively engage with customers, per their preference

*Respondents asked to select all that apply

UTILITIES SNAPSHOT (CONT.)

What are the biggest obstacles your industry faces in delivering more individualized content, products, and/or services?*

67% Regulatory constraints

40% Budget/cost constraints

40% Security concerns

27% Developing customer value within a commoditized industry, where price drives consumer behavior

20% Addressing typical reputation challenges

20% Building customer relationships in a low engagement sector

How to do it right?

"We developed and used a customer portal that allows customers to pick how we communicate with them, payment options, billing options, and how they want to be communicated with during an emergency."

*Respondents asked to select all that apply

ORACLE®