

## INTERVIEW



# DON PEPPERS

BY DAVID BAUM

*Don Peppers is president and founder of the Marketing1to1/Peppers and Rogers Group ([www.marketing1to1.com](http://www.marketing1to1.com)), based in Stamford, Connecticut. His latest book, published May 2001, is called One to One B2B.*

**IB MAGAZINE** - What is the basic tenet of one-to-one marketing?

**PEPPERS** - One-to-one marketing involves knowing who your customers are individually, having some mechanism for interacting with them or hearing from them, and also customizing your business for them.

**IB MAGAZINE** - How do these concepts apply to building and managing Web sites and portals?

**PEPPERS** - One of the fundamental rules of one-to-one marketing is that each customer has different needs and brings different value to the relationship. A Web site must know each user and remember his or her preferences, maintaining a complete history of each transaction. It should remember your specific needs and deliver value-added content based on your unique requirements as a business customer. What do you need to do your job, or transact business with me, or support my business as a partner? We call this a Learning Relationship because the relationship is getting smarter and smarter with time.

**IB MAGAZINE** - What can software developers do to apply one-to-one marketing concepts to an Enterprise Information Portal?

**PEPPERS** - The best way to make a Web site useful is to remember what a visitor wants, or to deduce what he wants before he has to ask for it. On a simple level, that typically involves delivering what the customer asked for the last time he visited your site. If I always go first to quarterly sales reports, the site should recognize that predilection. Beyond that, a portal should have options for different types of users, since different people want to view information in different ways. Some people need to analyze information at a detailed level. Others want personalized navigation tools to access pre-summarized information. An intranet or Internet portal should offer both.

**IB MAGAZINE** - You have stressed the importance of developing customized interfaces and personalized portal pages for different constituencies and different types of companies. Can you supply a real-world example of this type of B2B personalization?

**PEPPERS** - In our new book, *One to One B2B*, we use the example of Dell Computer and its Premier Dell.com Web service. Back in 1996, one of Dell's large corporate clients asked the computer vendor to selectively aggregate some of the information available on Dell.com and present it in a way that made sense for the client and its workforce. Back then, Dell's Web site contained too much information; it was difficult to find what you needed. In effect, this client told Dell it only wanted to see information related to its own specific needs.

So Dell built a unique, password-protected Web page for the client. Since then, it has done the same thing for many other large customers. They find the Premier Dell.com to be very valuable, because it allows them to gather specific data germane to their individual needs. In a nutshell, your interaction with the Dell Premier.com web site is a function not just of what Dell wants to sell or what your company wants to buy but of who you are, what your role is, what your authority is. It's profile-driven. This makes the Web site very, very useful for Dell's corporate customers.

**IB MAGAZINE** - How do these personalization technologies apply to the realm of business intelligence?

**PEPPERS** - Whether its an Employee Benefits manager analyzing health claims or an individual reviewing his 401(k) information, most users have a need for reporting and information analysis. What better way to instill loyalty in a group of users than by granting them a degree of direct control over their own work environment?

**IB MAGAZINE** - How is this achieved?

and simple reports. Many companies can benefit from this level of intelligence within their Web sites.

**IB MAGAZINE** - So, ideally, even an internal site, such as a self-service intranet portal, should remember my preferences.

**PEPPERS** - Exactly. If the first place I tend to go in the self-service HR system is travel expense reports, I ought to be put there automatically. This is a way to make a portal friendly and personal and intuitive based on who is visiting and what they have looked at before. It's also

ing. For a service business, this increases asset utilization. For a manufacturing firm, it reduces inventory through just-in-time production of goods and services. It's more cost efficient on the producer's side, and it's more convenient for customers.

**IB MAGAZINE** - What kinds of technical capabilities are required to enable this level of automation?

**PEPPERS** - Some of these capabilities can be automated by off-the-shelf software, but there are many organizational process changes that also need to occur. American



“From what I understand of the WebFOCUS Business Intelligence product, it allows reports to be tailored and customized for different users. That's a fundamental part of one-to-one marketing because you are acknowledging the different needs of different individuals”

**PEPPERS** - A personalized Web site will always attempt to infer what a customer wants, rather than making her choose what she wants. From what I understand of the WebFOCUS Business Intelligence product, it allows reports to be tailored and customized for different users. That's a fundamental part of one-to-one marketing because you are acknowledging the different needs of different individuals. Managers might want summarized information with an option to drill down into the details. Executives may want to see graphical displays of key performance indicators. And any user has a need for database queries

very valuable to external customers. American Airlines knows I've been to Europe with them twice in the last year, so they offer me special promotions for my next trip to Europe. That's personalization: a special offer based on who I am, not just based on what they want to sell.

**IB MAGAZINE** - Clearly this benefits users. Are there benefits to the company that owns the Web site as well?

**PEPPERS** - Yes, this type of intelligence also benefits the owner of the EIP because less resources are consumed by web searching and brows-

Airlines makes a special offer based on who I am, not just based on what they want to sell. But whose job is it at AA to make the call?

In the end, getting the right technology in place is only half of the challenge. The other half is in the process. Who do you hold accountable? How do you measure success? What's the benefit to the corporation as a whole? Someone has to answer these questions and transpose them into business rules that can be applied on the Web site in a meaningful way. 🌀

David Baum is a freelance writer based in Santa Barbara, CA.