

White Paper

Creating connected consumer experiences

The critical importance
of personalization and
identity management



vindicia®



Going beyond a basic transactional relationship with an account holder to connect directly with every individual consumer of digital services is the key to managing user relationships, creating personalized experiences, and earning a lifetime of engagement.

Digital consumers have high expectations

In a crowded market for digital content and services, user experience has become the key battleground for differentiation. Global players like Amazon, Apple, Disney, Netflix and Spotify are setting the bar exceptionally high, leading consumers to expect effortless experiences from every platform they use.

Underpinning great user experience requires effective user management: Linking identity to behavior and data to deliver a lifetime of joined-up, seamless experiences across every product, service and device. Matched with the best content and frictionless transactions, users are incentivized to stick around and spend more.

But those providers who fail to respond to the needs of every individual end user are missing out on revenue opportunities and risk losing those users altogether.

User management is more complex than just passwords

Delivering slick journeys tailored to each user creates a crucial competitive advantage. Consumers expect to be able to manage their subscriptions effortlessly and in a

personalized way. But the tools they need to do this have been too difficult for many digital product providers to build on their own.

- Established providers must often deal with spaghetti-like legacy back office systems for identity management, with authentication based on a multiple IDs and users having different log-ins for each service.
- New platforms wanting to build an effective user and identity management solution from scratch run the risk that either it under performs or becomes too complex and expensive.
- Implementing only a basic identity management and authentication solution will fail to deliver the crucial connected consumer experience needed to compete.
- The volume of identity combinations is proliferating across users, households, devices and products.
- Digital services are often delivered through partners and third-party devices with their own user credentials, where it's not always straightforward who owns the user relationship and the data about it.

Connecting with every user

In a competitive digital market, it's no longer adequate to deal only with the one person in a household who pays the bill. Whether it's a video streaming service, a digital magazine, cloud storage, a connected vehicle or a smart home, multiple members of the household are using digital services across dozens of devices.

Every individual user expects a compellingly simple experience to navigate and consume digital products, with a high degree of personalization tailored to them, not the rest of the family.

"You need to engage with every user, not just the subscription payer, if you want to survive and compete – and partner – with the OTT players."

From transactions to personalized experiences

Creating a successful direct-to-consumer business means moving from a transactional relationship with a subscription account holder to a personalized relationship with each user.

Behind the scenes, this means moving from basic identity management and authentication, to delivering compelling user management: Combining digital identity for every individual with tools to manage households and groups, entitlements, privacy and granular user-level data. As a result, happier, more engaged consumers are incentivized to spend more over a lifetime of relevant engagement.

Frictionless cross-platform digital access creating seamless user journeys

The best digital products "just work" and consumers don't need to think twice about how to use them. Building a connected experience that is compellingly simple for consumers requires planning behind the scenes.

- A user's **end-to-end journey is carefully mapped out and designed**, from their first engagement with a marketing campaign, to a product trial, to conversion into a paying customer, to long-term retention.



Best practice priorities for managing digital consumers

- Provide a single digital identity for each user from the earliest interaction and maintain it for life.
- Ensure every consumer's journey is frictionless as they consume any product on any device.
- Allow users to onboard, subscribe and manage digital subscriptions seamlessly.
- Expand the range of products and services available to each user, with a consistent experience under their single digital identity.
- Use each consumer's data sensitively to personalize and tailor their experience and make relevant recommendations of content and products.
- Enable users to control their own privacy and consent with granular data management controls.
- Allow federation of digital identities within households, giving consumers the tools to manage their family's entitlement and access to digital content and services.
- Deliver consumer-grade performance able to handle millions of identities and peaks of demand.
- Use SaaS technology in the cloud for quick deployment and integration without needing to rip and replace existing systems.

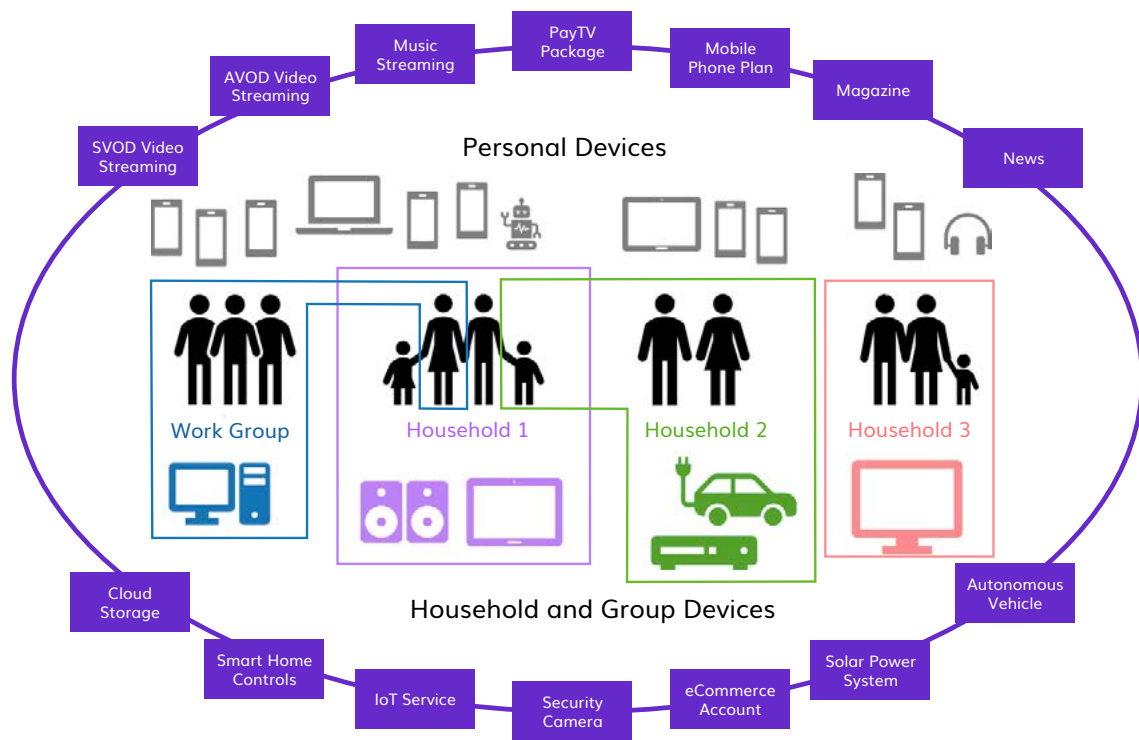


Figure 1. The many-to-many relationships between products, devices, users, households and billing accounts

- A consistent experience across every product and platform is baked in from the earliest touchpoint, long before a transactional relationship is formed. Any points of friction are removed, minimizing attrition and enabling self service.
- A single user identity replaces old models of an “account ID” or different credentials for each service or device.
- Newly-launched products are seamlessly integrated, maximizing the value of partnerships and acquisitions, such as pay TV operators offering streaming apps, or video platforms integrating with digital assistant devices.

User lifecycle management creating compelling, trusted experiences

Earning and maintaining the trust of digital consumers is crucial in a world where data underpins the value and revenue of many products, and where users are more concerned than ever about privacy.

- Giving consumers simple tools to manage privacy, security and consent for themselves and their family at a granular level is essential to underpin that trust.
- Returning the trust by using data to create better individual experiences and data-driven

recommendations and personalization, even on shared devices, is a crucial competitive differentiator.

- Ensuring the experience will remain relevant to a consumer in the long term, as they grow from child to teen into adult relationships, family, perhaps divorce, and on to caring for others and their own older age.
- The flexibility to evolve and adapt to each user’s activities and preferences over time ensures an ongoing, relevant connection between digital products and consumers.

Individual user identities creating granular control for the modern family

Engaging with individual users, not a billing account number, means managing connected groups of individuals who are sharing products within families, households and businesses – where the person who pays the bill may not be the real customer.

- Enabling multiple combinations of individuals to share and consume services together, while keeping individual personalization.
- Providing lead users with granular controls over each member of their household’s activity, ensuring the kids can watch age-appropriate video content and control the lights but can’t access the security cameras.

"When was the last time you called a Netflix contact center? You don't because things just work, it's very simple."

- A plethora of personal and shared devices means each user consumes content across many screens, while each device may be shared by several people – yet everyone expects the same personalized experience in every case.
- Individuals can be part of more than one household or group – such as when they're caring for elders or where kids live part-time with each parent. Managing this many-to-many relationship between users, devices, households, billing accounts and products is becoming exponentially more complex, yet underpins the entire user experience.

Actionable user insights creating new products and revenue potential

Connecting user experience, behavior and data unlocks the potential to market and launch new products successfully, and to identify effective strategies for increasing user acquisition and retention – growing revenues and reducing unnecessary costs.

- Offering flexible business models such as trials, guest accounts, free and freemium, subscription and hybrid, becomes straightforward when user management connects with subscription management.
- Pinpointing upselling and cross-selling opportunities to make actionable recommendations based not only on the household but on each user's individual behavior.
- Retaining and growing the share of wallet with customers over time – through the power of remaining relevant over a long-term relationship.
- Reducing customer support costs by providing support staff with a single view of activities and transactions, and of course eliminating the waste of password reset calls.



Looming challenges and opportunities for user management

- Users are increasingly adopting non-password identity and authentication: Biometrics such as voice patterns, face recognition and fingerprints. These must be managed with strict levels of security and must work instantly.
- Digital services and content are being delivered via new device categories like smart home and IoT devices, connected vehicles and AI-enabled digital assistants. It's crucial to engage users on these platforms from the earliest moment.
- The same connected devices are driving millions of additional identities to manage.
- The rise of mobile connectivity, boosted by 5G, is increasing the number of consumers using connected devices in multiple locations and networks

Deploying the right user management platform

Implementing an effective user management platform like Vindicia Connect – part of the Vindicia MarketONE platform – simplifies technology and reduces back-office costs, while also delivering the critical user experience benefits that increase revenue. Coupled with a flexible subscription billing solution like Vindicia Subscribe, and recovery of failed payments via Vindicia Retain, the foundations for a seamless user experience and frictionless transactions are in place.

Meeting the "it just works" imperative requires a solution that can scale up to sustain massive peaks in consumer demand (think consumers signing up to watch a World Cup final game about to begin) while maintaining peak performance – nothing impairs user experience like a spinning wheel on screen.

Dealing economically with huge demand peaks, maintaining 24/7 uptime, and enabling quick deployment means a cloud-based, scalable, SaaS platform is an imperative. This also avoids the wasted cost and time of building an in-house user management solution that is likely to be difficult and expensive to manage and scale long term, while under-delivering on user experience.

Some legacy identity management solutions are born out of corporate business systems that don't necessarily scale up to the hundreds of millions of users and levels of usability needed in a consumer-grade system.

Whether deploying a user management solution on top of a legacy environment or launching a green-field service, extensive integration is required. A wide selection of APIs is essential to ensure the seamless user experience at the front-end hooks into multiple existing, new and partner systems and products behind the scenes – supporting the complete user journey and avoiding the need to rip and replace complex legacy systems.



Deploying an effective user management platform leads to...

- **Engaged customers** who enjoy a great user experience, access to a wider range of services seamlessly across devices, and relevant personalization.
- **Secure customers** with full control over their family's data and privacy.
- **New customers** attracted by relevant offers and targeted campaigns based on their digital identity, and rapidly onboarded.
- **Revenue growth** driven by frictionless consumption: One operator experienced a 33% boost to ARPU thanks to increased usage.
- **Lower costs** to develop and operate identity and user management, up to \$1.5 million saving thanks to out-of-the-box support for OpenID Connect and OAuth.
- **Faster time to market** with comprehensive capabilities delivered in the cloud and tightly integrated without needing to dismantle legacy back-office systems.



ABOUT VINDICIA

Vindicia offers comprehensive subscription management solutions that help businesses acquire and retain more customers. Providing much more than just a billing and payments system, the company's SaaS-based subscription management platform combines big data analysis, strategic consulting and proprietary retention technology. Vindicia provides its clients with more recurring revenue, more customer data, better insights, and greater value throughout the entire subscriber lifecycle. To learn more visit www.vindicia.com.

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