Customer-Centric Revolution Unleashed by the Internet of Things

By John McGee

By 2020, the number of internet-connected devices is expected to reach 50 billion. While businesses already use surveys, purchase histories, loyalty programs and other methods to be able to understand customers better, these techniques will pale in comparison to the relationships the Internet of Things (IoT) will build.

As consumers incorporate more and more connected devices into their daily lives, information that's never before been available to companies will redefine what it means to know a customer's needs and wants. Additionally, this new insight will create opportunities to improve timing and customization of sales messaging, improving the results of outgoing sales and marketing efforts.

Marketing and sales messaging that's tailored to a customer has been proven to be more effective time and again. Jupiter Research found that relevant emails drive 18 times more revenue than broadcast emails. Aberdeen Group states that personalized emails improve clickthrough rates by 14 percent, and conversion rates by 10 percent. The numbers show that when companies take the time to craft messaging that customers can relate to and that has meaning to them, it will pay off.

Now, this relates to the IoT because customers will willingly be providing businesses with insights into their habits, decision-making processes and other aspects of their lives that were never accessible in the past. For example, take something as simple as a connected toothbrush. A customer purchases it because the Bluetooth-connected device will track brushing habits and the customer can receive feedback on how good a job he/she is doing with brushing and overall dental health.

For a savvy dentist, a connected toothbrush isn't just a way for a patient to track how many seconds they spend brushing each quadrant of their mouth. With the right marketing and sales software in place, dentists can synch the data collected by a toothbrush with patient records. Sales software can analyze the data from the toothbrush and trigger email outreach to the patient if certain criteria are met. If a patient is only brushing for 30 seconds once a day, the software can create an email recommending that the patient come for a cleaning more often than twice a year, or it can flag an alert for the office administrator to call the patient in for a checkup.

While dentists will be able to recommend custom treatments to patients to improve oral health, dentist offices aren't the only businesses that can benefit from the IoT. Just think of all the devices being

introduced each week that now have the ability to communicate. From connected kitchen appliances like coffee pots and refrigerators to workout clothes and fitness trackers, locks for front doors, even baby clothes, a variety of businesses will be impacted by the IoT.

An article by The Motley Fool documents that by 2019, companies will ship 1.9 billion connected home devices. Right now, just 7 percent of consumers own a wearable tech device, but by the end of 2016, that number will climb to 28 percent. And by 2020, 14 percent of consumers expect to purchase some form of internet-connected clothing.

To keep up with the influx of data consumers will be flooding the cloud with, businesses will need to be prepared. The average CRM software will likely not be able to keep up. Software will need to be implemented to collect and analyze the invaluable data that will now be available because it will be overwhelming for sales and marketing teams to try to manually sift through.

Companies won't be able to stop there. Once the data from connected devices has been analyzed, it will need to be put to good use. Businesses will need a feature in their CRM solution that enables sales and marketing teams to craft customized outreach to customers and prospects without spending hours each week designing individual communications to each person.

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