Adidas Case Study: CRM and Digital Transformation

Question 2: Adidas's Business Strategy and CRM's Role

Business Strategy

1. **Customer-Centric Differentiation:** Adidas does not compete on price but on the quality of its brand and customer experience.
2. **Digital-First Approach:** Transition from brick-and-mortar to digital as the preferred shopping medium.
3. **Personalized Customer Relationships:** The company wants a relationship with customers that is more personal than competitors like Amazon.
4. **Omnichannel Experience:** Providing connected and personalized customer experiences across all channels (website, mobile, email, social media, telephone).

Role of CRM in Strategy

- **Central to Business:** Customers are clearly at the center of Adidas's business.
- **Competitive Differentiation:** CRM helps differentiate Adidas from competitors and leads to increased sales.
- **Individual Customer Knowledge:** CRM allows Adidas to answer: "Who is this person? How much do we know about that individual? Where did that person come from? What is that person interested in?"
- **One-to-One Connection:** Adidas can now connect one-to-one with every customer, across multiple channels and on any device.

Quote from Jacqueline Smith-Dubendorfer, Adidas Vice President of Digital Experience Design:

> "Using Salesforce for customer relationship management has enhanced the company's ability to treat each customer as an individual."

Question 3: How Information Systems Support Adidas's Strategy

Salesforce CRM Platform Components

1. **CRM Tools:** Identify customer segments, build relationships, design tailored experiences, and provide unified customer view across channels
2. **Marketing Cloud:** Manage campaigns across email, mobile, social, and web; Journey Builder tailors campaigns to behavior and demographics; predictive analytics optimizes channel selection
3. **Sales & Service Cloud:** Unified experience preventing duplicate contacts; automates service workflows for 1,100 agents; social listening and smart case routing; Service for Apps embeds support in mobile (video chat, screen sharing)
4. **Commerce Cloud:** Global e-commerce platform supporting all languages/currencies; enables rapid product development and delivery based on customer insights
5. **DMP:** Captures behavioral data from all digital channels and devices
6. **Adidas Mobile App:** Personalized recommendations, order tracking, content, and sports updates; Einstein AI chat for support; integrated mobile payments

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Question 4: How Salesforce Made Adidas More Competitive

Competitive Advantages

- **Personalization at Scale:** Deliver tailored service across email, web, social media, and telephone from a single platform
- **Global E-commerce:** Centralized site supporting all languages and currencies worldwide via Commerce Cloud
- **Faster Product Cycles:** Customer insights enable better products manufactured and delivered rapidly

- **Unified Customer View:** Single view of each customer across all interaction channels

Business Changes

- **Digital Shift:** Website became the most important and profitable channel
- **Service Transformation:** 1,100 agents empowered with customer data; automated case routing and social listening
- **Data-Driven Marketing:** Predictive analytics and Journey Builder optimize channel selection for campaigns

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Question 5: Two Business Decisions Improved by Salesforce

Decision 1: Product Development and Manufacturing

- Adidas uses Commerce Cloud knowledge of individual customers and their preferences to create better products
- Products obtained through Commerce Cloud can be manufactured and delivered to customers very rapidly
- **Improvement:** Better alignment of products with actual customer preferences, faster time-to-market

Decision 2: Marketing Channel Selection

- Marketing Cloud includes predictive analytics to help make decisions such as what channel would be preferable for a given message
- Journey Builder helps marketers tailor campaigns to customers' behavior and needs, demographics, and communication channel preferences
- **Improvement:** Optimized marketing spend by directing messages through the most effective channels for each customer segment