

Chief Marketer

# Special Report



## SPARKING THE CONNECTION

WHAT MARKETERS NEED TO DO TO BREATHE LIFE INTO ONLINE/OFFLINE INTEGRATION

BY BETH NEGUS VIVEIROS

If marketers want to be successful in today's environment, their schemes can't be Frankensteins of disconnected parts haphazardly stitched together. Rather, campaigns must be seamlessly connected across multiple channels.

The technology exists to make that reality come alive. But is it truly happening? To an extent, yes. But there's definite room for improvement.

"Marketers are doing a good job at integration for the most part, but I'm constantly finding new silos that clients have created," laments Ron Jacobs, president of Chicago-based agency Jacobs & Clevenger. "For example, I talked to someone who was in charge of search at a major retailer. I asked him a question about email, and he said that was handled by the CRM department. And then social is handled by another department, and so on."

"A majority of marketers are not using the reporting and tracking tools at their disposal to move forward to make sense of online/offline metrics," adds Grant Johnson, CEO/founder of Johnson Direct in Brookfield, WI. "The data is out there and you need to look at what it is telling you and adjust accordingly—but most marketers are so busy putting out the day-to-day fires that they can't deal with it."

"Many B2B marketers were in a rush to abandon offline marketing and embrace online techniques, but in the process they forgot the basic benefits of multiple touch points and media," says Cyndi Greenglass, senior vice president, strategic solutions of St. Charles, IL-based Diamond Marketing Solutions. "Now we're starting to see them realize that there needs to be better integration, as well as measurement and tracking."

"In traditional direct response channels, offer or messaging typically drove relevancy, but in emerging channels relevancy is typically driven by content," adds Johnson. "Think of banner ads that utilize pre-roll video as a great example of this union. The key is to strike a balance between the old and new to bolster results."

## IN THE MAIL

Direct mail isn't close to extinction—far from it—but the old-school business reply envelope is becoming a thing of the past, as marketers increasingly use mail to drive prospects online, especially for complex purchases like health care or deregulated energy, says Jacobs.

"This can create a tremendous opportuni-

ty for retargeting, that starts with direct mail," he says. "You end up treating the person like a web-first customer once they've raised their hand [by responding to a mailing]."

The Stanford School of Business is one example of using direct mail in a progressive way as part of its student recruitment process, notes Greenglass. In some countries it targets, the data privacy laws are so strict it can't prospect online. Direct mail is used to get new possible students into the sales funnel, where they can be served up more content.

"Every time they are read a whitepaper or consume another piece of content, they're asked a few more questions, and that gets them closer to conversion," she says. "When relevant and well done, direct mail can help you create a conversation that can't always happen solely online."

Marketers should remember that there are a whole lot of steps in between reading a whitepaper and making a purchase. "When a consumer is interested in content, they're not ready to buy—they may not even know

*Continued on page 3*

## A MATTER OF PATIENCE MARKETERS ARE MISSING OPPORTUNITIES IN THEIR RUSH TO TEST NEW THINGS



Technology can help marketers to better integrate their offline and online marketing efforts, but they need to take care not to become overwhelmed by all the options available.

"You need to make the experience seamless for customers across platforms," says Jeff Crouse, vice president and general manager, SMB, for Pitney Bowes. "For example, if you just toss up a mobile website but don't integrate it with traditional marketing, you're missing a huge opportunity."

Crouse notes that often marketers are keen to move to the next hot new marketing medium, simply because it is new.

"You don't want to be the last one to use [a new technology]," he says. "Marketers always want to be the first one to test something off the assembly line, but it's a matter of discipline and patience, and knowing how to run the analytics."

More than 60% of Pitney Bowe's new customer interactions and marketing activities happen online, which means integrating those efforts with traditional media such as direct mail is essential.

"Direct mail is far from going away," says Crouse. "It remains a valuable element if you link it to the power of interactive marketing."

Pitney Bowes' clients have used QR codes to allow customers such as restaurants with daily specials update the content accessible through their direct mail flyers.

"It allows them to be fresh and dynamic," notes Crouse, adding that Pitney Bowes itself uses QR codes to drive customers to case histories and other content on its website. "It's a great way to bring individual products to life and identify truly engaged prospects—we find that those who went to the QR code landing pages are much better prospects."

Pitney Bowes does a lot of experimenting and testing to measure the analytics around pricing and offers, and how they play differently in different media, including SEO, email and direct mail. "Cross-channel testing allows us to migrate learnings to different channels."

Matching the right message with the right media is important, he notes. "We utilize different messages for different touch points. We don't believe in complete consistency across channels—different times and environments are open to certain messages. Certain coupons and discounts work better in email and online, where you have the ability to be more immediate and use interactive codes." — *Beth Negus Viveiros*

*Continued from page 2*

what they want to buy yet,” says Jacobs. “They’re in a different place on the path to purchase. Marketers get anxious and they have to know that content isn’t a silver bullet when it comes to making a sale.”

## CRACKING THE CODE

One seemingly simple way to integrate direct mail with online media is by including a QR code or personalized URL. For some, these techniques have fallen out of favor, much because the execution in many campaigns was poor.

“The strategy was poor because many people didn’t think about who would ultimately be looking at the printed piece,” says Greenglass. “B2B professionals are the perfect audience for QR codes, because they’re on the go. But marketers needed to better consider where [these customers were viewing the codes]—in airports, Starbucks, etc., and take their attention span and the available technology into consideration.”

Over time, available QR code reader technology has improved, as has marketers’ skill at contextually placing the codes. But they still need to improve the mobile landing page experience for campaigns employing both QR codes and PURLs, she says.

## EXAMINING THE MICROSITE

Many campaigns fall down when it comes time to move a prospect toward a dedicated microsite. “The experience needs to be dynamic,” says Greenglass.

One mistake many marketers make is immediately asking prospects a ton of questions when they reach a campaign’s landing page. “A customer goes to a microsite to get great content, and then gets asked so many questions they abandon the process,” she continues. Progressive profiling, where a prospect is instead asked a few basic questions, and then asked for additional information as the prospect moves through the engagement, is a better approach.

“Technology allows you to trigger the profiling progressively to increase engagement and capture more data as the relationship evolves,” she says.

## THE NEED FOR TESTING

A testing plan today is more critical than ever, simply because of the addition of so many new channels like mobile, cookie-less banner ads, numerous social media options, organic and paid search, more contextual marketing and retargeting, says Johnson.

“Understanding what and how to test as defined by not only your target audiences, but by medium used as well, will be vital to your marketing success,” he says. “Social media and most emerging channels are great at starting an engagement but do a very poor job of closing the sale. Thus, the integration of channels like email, direct mail, telemarketing and conference calls or group calls and even face-to-face meetings, seminars and webinars become key to driving sales to the bottom line.”

## THE SEAMLESS EXPERIENCE

### CHANNEL TRANSPARENCY IS WHAT WILLIAMS-SONOMA AND NORDSTROM CUSTOMERS WANT NOW

No matter what channel they’re interacting or shopping in, all customers today want one thing—a seamless experience. This means that service and relationship building is more important than ever.

“Consumers want us to know them, and as part of that service the customer wants a frictionless shopping experience,” said Pat Connolly, executive vice president and CMO of Williams-Sonoma, during Responsys Interact in San Francisco.

Consumers today have different choices than in the past on how they want to receive personalized service, said Jamie Nordstrom, president of Nordstrom Direct. For example, just a few years ago if you wanted to rent a video on a Friday night that meant a half hour wandering around a Blockbuster store trying to find something you like. Enter Netflix and suddenly relevant choices and suggestions are delivered right to you.

“Customers define a great shopping experience differently today—it’s not just whether there is enough parking or a clean bathroom. Now, it’s who has the best online shopping or mobile experience,” said Nordstrom.

Expectations cross channels, he said. If you send a customer an email advertising a dress and that dress isn’t available to try on in a store, that’s a bad experience. “That’s going to be a big focus for us going forward—we want to optimize all touch points individually, but maintain the experience across all of them.”

Connolly noted that Williams-Sonoma originally viewed its catalog and retail stores as two different businesses, as did customers. “That is no longer the case. They see us as a brand, and the experience should be seamless—customers have become less tolerant of anything less than perfection.”

There’s a definite difference between being targeted on something that is relevant to you and something that you want to participate in, said Nordstrom. “We need to figure out how to deliver relevant recom-

mendations—customers are more aware of the data we have on them and how we are using it.”

Customer expectations vary depending on the channel, Nordstrom said. In online marketing, fulfillment is a big part of the mix. There aren’t a lot of new shopping malls being built, so the big growth opportunity for most companies is online. That means fulfillment and depth of product selection is essential if you want to be relevant to the consumer.

Finding that selection should be easy for the customer, added Connolly. Shoppers don’t want to have to scroll through all 500 pairs of shoes you offer to find the ones they want, he said.

“Retailers are investing in websites to not only expand selection but narrow down at the same time,” said Nordstrom. “We’re learning and testing, and we need to get better.”

“We were lucky, because we were in the catalog business from the beginning. Direct has always been about 47% of our business, so when the Web came along we had the data, we had the fulfillment, we had the customer knowledge and we were able to take advantage of that,” Connolly said. “We’ve embraced the multichannel aspect of the company from the beginning.”

And Williams-Sonoma will continue to keep email as well as direct mail as two of those channels. The company still mails about a quarter of a billion catalogs annually, and Connolly doesn’t see that changing. “We haven’t found anything that drives customer revenue and lifetime value the way a catalog does, and they will remain a significant part of our mix.”

Likewise, the brick-and-mortar store and the multichannel mix are vital to Nordstrom. “Having a physical presence creates a platform to have a relationship with a customer in that it is much bigger than only one channel.” — *Beth Negro Viveiros*



## CONNECTING THE DOTS

### ESCAPE THE SILOS FOR A BETTER CUSTOMER VIEW

Boston's WGBH is one of the country's best known PBS affiliates, and the single largest producer of PBS web, radio and TV content, including Masterpiece, Frontline, Arthur and Antiques Roadshow.

To support these initiatives, financial support from viewers is needed, which means identifying these individuals across all media is crucial. Siloed data was a huge challenge, notes Cate Twohill, director of technical product development, WGBH Educational Foundation.

"We used Salesforce, which gave us access to the data but the downside was that it was created for B2B use and not B2C, so it didn't fill all our needs," she says. "There was no query tool, and we wanted to do more omnichannel marketing."

Last April, WGBH began working with RedPoint Global to get a better view of its



pledge data. The station wanted to link data from one channel to another—if a longtime donor calls in during a pledge drive, WGBH wanted the call center to be able to identify that they were already part of the family.

In the next phase, WGBH will begin leveraging social tools to listen to what members are saying on Twitter and Facebook. "Matching members to their data in online interactions—that's the Holy Grail," says Twohill. "We want to create an online member portal where we can identify them and know how to address them, whether it be at what level member they are, or whether they are a prospect."

Direct mail from older donors still accounts for half of donor dollars for WGBH, although younger donors are shifting more to online channels.—BNV

## GIVE AN INCENTIVE

### ONLINE-OFFLINE INTEGRATION WORKS... IF CONSUMERS HAVE A REASON TO FOLLOW THROUGH

Many marketers have gotten turned off by bad experiences with offline-to-online technologies like QR codes or PURLs after trying them once unsuccessfully. The key, says Carol Cluppert, marketing director, Ripon Printers, is giving people an appealing reason to try the link.

"Make sure there is a clear call to action so the customer understands what they are getting—if they see a QR code and don't understand the benefit, they won't scan it," she adds, noting that PURLs in print should be short so customers only have a few characters to type.

"Sometimes QR codes are printed without enough space around them so they are hard for users to scan—you need to make sure everything is tested so it works properly," she notes. Once you're sure the technology works, the incentive for the consumer needs to be strong. Whitepapers pull well for B2B, and videos work for both B2B and B2C. "Videos showing how a product is used

are a great idea."

While QR codes make sense in direct mail, many other places marketers try to use them are just plain stupid, noted Scott Stratton, president of Un-Marketing at DMA13.

For example, he saw a "don't text and drive" billboard in Ottawa that included a QR code. "That's entrapment!" he said. Likewise, QR codes in airline magazines don't make sense. Why? "When do people read those things? During take-off and landing, when you can't use your phone."

Downloadable augmented reality apps are a more attractive option for some catalogers, Cluppert says. These allow consumers to see 3D views of items, learn about complex product features, get social media links and more. Ikea is one example of a brand using this technology.

"AR is the direction that people will take," she says. "It is more interactive and limited only by your imagination."—BNV

## GETTING CREATIVE WITH CONTENT

### NETFLIX MODIFIES DIRECT MAIL APPROACH ACROSS BORDERS

Once upon a time, Netflix was the way for many folks to get their entertainment fix. But with the advent of Hulu, Amazon Prime and a host of other content providers making it easier and easier for people to find programming, the service's appeal waned.

This is where exclusive content comes in. Programs such as "Orange is the New Black," "House of Cards" and new episodes of "Arrested Development" drew in new members. Promoting these shows proved just as enticing as the traditional free-trial offers, notes Spyro Kourtis, president and CEO, Hacker Group, who works with Netflix on its direct mail initiatives.

When Hacker began working with Netflix, direct mail was the primary driver of new members, even though the relationship was mostly online. "The audience was naturally people who were comfortable making a purchase online, even though the product was delivered by mail then," says Spyro Kourtis, president and CEO, Hacker Group, who works with Netflix on its direct mail initiatives.

While Netflix isn't doing as much direct mail as it used to, Kourtis notes that the offers and creative that work in the mail usually translate well to online. Today, offers lead with the content, to make the creative mirror the tone of the content Netflix is offering. "The key messaging is around the content now, not the trial offer."

When Netflix expanded internationally, one interesting factor was that since some countries don't have daily delivery, mail has a more exclusive feel to the average consumer, he says. "The logistics were different in how we got stuff delivered, but similar creative, offers, key messages and visuals are used internationally."—BNV