

## TOP 10 DATA PAIN POINTS—AND HOW YOU CAN GET RELIEF

FROM THE EDITORS OF CHIEF MARKETER

### 1. Not having the right skill sets to manage big data:

"Skills have become so highly specialized," and there is a dire need for marketers to focus on developing the skills needed not only for today but the future for mobile, digital and analytics, says Paul Papas, managing partner of IBM's interactive experience practice. "[There's] an explosion in the volume of data and data sources contributing to a continued under-preparedness. The space has moved faster than marketers can keep up with it and the analytics that are required to make sense of the data and then put it into action are complex."

### 2. Still keeping data in silos:

Customer information is often maintained separately by multiple lines of business within a company or in functional areas such as sales, operations and finance. To fully achieve the benefits of today's marketing analytics, marketers need to set up an ongoing, internal data collection process that can rationalize all of these disparate data sources into a consistent and current record of consolidated, cleansed and enriched business data, notes Michael Stefanick, senior vice president of commercial analytical services for Equifax. For companies that have both consumer-facing and B2B lines of business, there should be some indication when a company provides service to a business owner as an individual, as well as to that person's business.

### 3. Keeping customer data secure:

With increased usage of mobile and digital technology solutions comes an increase in potential security issues, and the last thing a marketer wants compromised is their customers' personal information. There is enhanced scrutiny from clients in every industry—even non-regulated industries—around areas such as



data security and risk assessment. "Even if it's not credit card numbers and addresses, even if it's just email addresses we are concerned about that. I think it's very reasonable and I'm glad the industry is focusing on security this way—above and beyond government regulation—because it's going to be for the benefit of the marketing industry as a whole, with the confidence people have in sharing their information," says Christian Gomez, managing principal, M Tech Advisors. The problem lies in that criminals could theoretically start with someone's marketing contact information and either data mine or social engineer their way to doing real damage, so it pays to make sure partners and solutions take security very seriously.

### 4. Getting a well-rounded view of your customer:

"There are so many ways to reach people, but getting a 360-degree view of the customer and picking the right channels and messaging is the challenge. Integration and basing these decisions on data-driven insights is the solution," says Bill Pena, vice president, tech services, 89 Degrees. Pena says his ecommerce clients are looking for data warehousing for real-time web personalization. This data integrates with other tech solutions to tailor messages and ads for users based on the products they have clicked on and their purchase histories. For example, retailers can leverage data warehousing and integrate that with campaign tools to build out a loyalty

platform. This allows for centralization of the client's campaign management, and allows them to better define segments and audiences.

From there they can offer those specific audiences loyalty rewards or offer campaigns that are personalized to their previous purchases, engagement in emails and social communities.

### **5. Finding on the right data points to close the sale:**

For years, marketers have focused on RFM—recency, frequency and monetary value. But, suggests Karl Wirth, CEO and co-founder of Evergage, they should also consider RPI—relationship, persona and intent. Consider relationship factors such as how frequently someone visits your website or makes a purchase. In B2C, a customer's persona may be a loyal buyer or casual gift purchaser, while in B2B, it could be determined by their title or level. And, says Wirth, "Intent can tell us what, when, and even how [someone will buy]—all important keys to real-time marketing."

### **6. Not having clear business objectives before you segment:**

Before your segmentation effort even gets underway, it is critical to have a clear understanding of the business questions you are trying to solve, and the context in which you need to think about them, note Piers Platt and Jason Bell, associate partners, marketing strategies & insights, at Rosetta. A good segmentation framework needs to fit the objectives it is trying to meet. If it doesn't, then you might find yourself with a framework that is too attitudinally-driven when your business questions required behavioral insight (or vice versa). It may also be designed to fit a global population when a more regional nuance is warranted, or span different product categories when separate frameworks would have been more relevant.

### **7. Making social data meaningful:**

Socializing data—combining big data techniques with factual evidence of social influence—empowers marketers to map meaningful relationships between people in a database to influence purchase decisions and enhance brand loyalty rather than simply relying on Facebook friends and Twitter followers, says Ran Shaul, founder and COO of Pursway. Real-world relationships tend to involve more in-depth interactions, a heightened level of trust and intense similarities—be it current interests, hobbies, activities, salaries, education level, stage of life, etc. Combined, these factors make real-world relationships much more influential when it comes to people's buying decisions than online social circles. This is especially true based on specific topics/products—for instance, there may be one person who someone turns to for advice on a new car purchase and another upon whom they rely for direction on anything/everything child related. Add to that the ability to see—based on past transactional history and sales data—who tends to create a domino effect of purchasing activity, and marketers are suddenly able to better determine the right audience, channel and offer to reach and convert.

### **8. Using data to put experiences into context:**

Everyone is trying to engage their customer base. But how does that engagement translate into ROI? By looking at combining digital, mobile and interaction data, marketers can ignite hyper personalized connections at scale to meet the demands of an ever-increasingly complex customer, says Michael Miller, CMO of Epsilon Agency Services. "It's up to us as marketers to create a powerful experience, one that is fundamentally useful in consumers' lives, provides the information and messaging that they demand, inspires them to share and is culturally relevant."

### **9. Not understanding what really matters to customers:**

There is a wealth of data that marketers can access, but not every data point needs to be scrutinized. "Start by considering data that allows you to create enticing and relevant messaging that anticipates your customer's next action and elicits the desired response," says Alex Lustberg, CMO at Lyris. "For example: Who is opening your emails, and what are they doing next? What information can you glean about their response to prior promotions and purchase history?" Of course, data-driven insight is only as valuable as your ability to use it effectively. "Creating customized content is one thing. Making sure it reaches your intended audience when, where, and how it's supposed to is another," says Lustberg. "Applying digital marketing best practices like A/B split testing, mobile optimization, dynamic content, re-engagement, and click-level reporting and tracking propels the hard work of customization to its ultimate goal—reaching your customers and incentivizing them to act."

### **10. Not understanding engagement across channels:**

In engagement analysis, the underlying analysis is completed much like a traditional segmentation, clustering together consumers with similar patterns across digital channels, notes Phil Hussey, president of 89 Degrees. In email, segmentation is based on patterns in opens and clicks. For more advanced mobile messaging platforms, responses can be measured in much the same way as email. For websites, the analysis typically focuses on recency of site visits and the depth of those visits, while social includes an identification of friends at a minimum. "While engagement is strategically useful at the customer portfolio level, it is also supremely actionable at the individual customer level," says Hussey. "A change in a consumer's engagement score should trigger a range of actions on the marketer's part. The key to success is understanding the customers' intent as they engage, and using that information as leverage to drive relevance." 