Der 2016 Digital Marketer

So nutzen Sie Daten und Technologie, um besser mit Ihren Kunden zu kommunizieren

Experian®

Marketing Services

Digital Marketer 2016: Was die Entscheider in Europa und weltweit bewegt

Gregor Wolf, Geschäftsführer
Experian Deutschland GmbH

Das exponentielle Wachstum an Daten bringt für die Marketingverantwortlichen weltweit zwei Folgen mit sich: Zum einen eröffnet datenbasiertes Marketing den Unternehmen völlig neue Möglichkeiten, um bestehende und potenzielle Kunden mit exakt aufeinander abgestimmten Werbebotschaften zu erreichen und mit ihnen crossmedial zu kommunizieren. Zum anderen stellt die Ära des Data Driven Marketing die Unternehmen vor völlig neue Herausforderungen – in Bezug auf Strategien, (Organisations-)Strukturen, Technologien und vor allem auch auf die Transformation der Vielzahl an Daten in nutzbare und relevante Information.
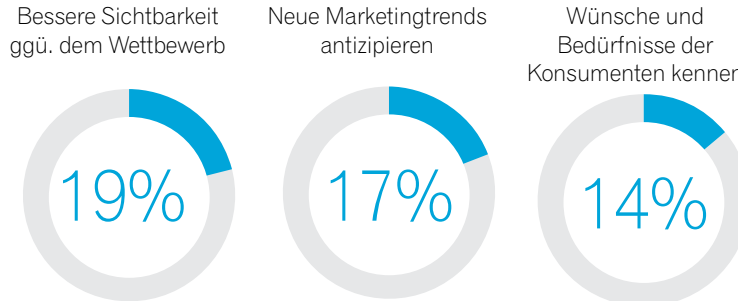
Um ein neutrales und ganzheitliches Bild darüber zu bekommen, welche Themen und Herausforderungen für die werbetreibenden Unternehmen heute und morgen relevant sind, erhebt Experian Marketing Services bereits seit nunmehr acht Jahren den „Digital Marketer Report". Im Rahmen der internationalen Erhebung wurden dieses Jahr 1.190 Entscheider in 14 Ländern – Australien, Brasilien, China, Deutschland, Frankreich, Großbritannien, Indien, Indonesien, Japan, Neuseeland, Singapur, Thailand, Neuseeland und USA – befragt.

Deep Dive: Was Unternehmen wirklich beschäftigt

Für den aktuellen Digital Marketer interessierte uns vor allem, wie die Unternehmen in die Welt des datenbasierten Marketings eintauchen, welche Vorstellungen sie damit verbinden und welche Ziele sie verfolgen. Die Top-Priorität und gleichzeitig Top-Herausforderung für die Unternehmen weltweit: Mehr über die wahren Bedürfnisse, Wünsche und Einstellungen der Konsumenten zu erfahren und die Zufriedenheit und Kaufabsicht von Bestandskunden und Interessenten durch eine exakte Kundenansprache zu

Digital Marketer 2016: Was die Entscheider in Europa und weltweit bewegt

Größte Herausforderungen für Marketers in EMEA

Bessere Sichtbarkeit ggü. dem Wettbewerb	Neue Marketingtrends antizipieren	Wünsche und Bedürfnisse der Konsumenten kennen
19%	17%	14%

Source: Experian Marketing Services, 2016 Digital Marketer

steigern. Für die befragten Marketingverantwortlichen weltweit von zentraler Bedeutung ist dabei die Integration von Technologie zur Automatisierung, Harmonisierung und Durchführung von Cross-Channel-Interaktionen mit den Kunden sowie das Sammeln, Vernetzen und Managen von Daten.

Unterschiedlich: EMEA hat andere Herausforderungen als UK & Co.

Erstmals weist der Digital Marketer in diesem Jahr auch Ergebnisse speziell für die EMEA-Region (Deutschland, Frankreich und Spanien) aus. Hierbei ergeben sich im Vergleich zu
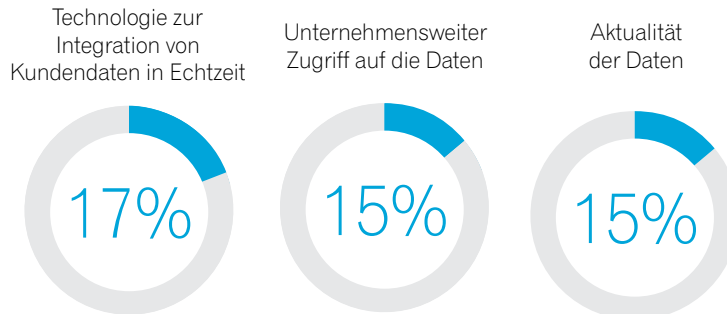
anderen Regionen durchaus interessante und nennenswerte Unterschiede. So sehen die befragten Marketer weltweit in der Generierung von Customer Insights, der Kontextualisierung von Marketingbotschaften und der Etablierung von Marketing-Analysemodellen die größten Schwierigkeiten. Für EMEA-Entscheider sind die Herausforderungen eher genereller Natur:

- Die eigene Sichtbarkeit gegenüber den Wettbewerbern steigern

- Neue Marketingtrends antizipieren sowie

- Die Wünsche und Bedürfnisse der Konsumenten kennen,

lauten in Europa die Top-3-Aufgabenstellungen (siehe).

Digital Marketer 2016: Was die Entscheider in Europa und weltweit bewegt

Größte Herausforderungen beim Aufbau eines Single Customer View

Technologie zur Integration von Kundendaten in Echtzeit

17%

Unternehmensweiter Zugriff auf die Daten

15%

Aktualität der Daten

15%

Source: Experian Marketing Services, 2016 Digital Marketer

Der Single Customer View: Technologie und Aktualität der Daten entscheidend

Um die Wünsche und Bedürfnisse der bestehenden und potenziellen Kunden wirklich zu kennen, bedarf es der ganzheitlichen Sicht auf die Konsumenten. Um diesen Single Customer View zu erlangen, müssen sämtliche Datenquellen in einem Unternehmen in einem Daten-Ökosystem konsolidiert und die Daten bereinigt und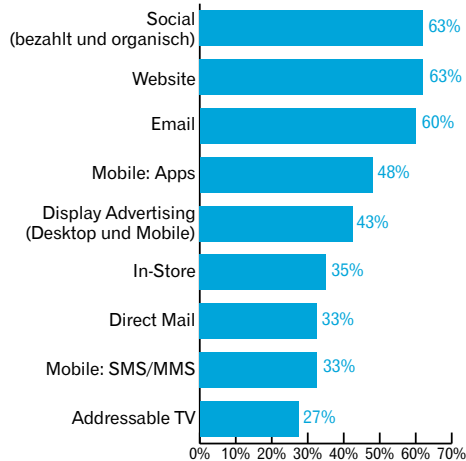 analysiert werden. Der Digital Marketer Report wollte auch hier genau wissen, welches für die Entscheider in Europa die größten Hindernisse auf dem Weg zur Etablierung des Single Customer Views sind (siehe).

Schließlich ist der 360-Grad-Blick der Dreh- und Angelpunkt für die crossmediale und individualisierte Kundenansprache entlang der Customer Journey. Die größten Herausforderungen laut den befragten Entscheidern in Deutschland, Frankreich und Spanien:

• Eine State-of-the-Art-Technologie zur Integration von Kundendaten in Echtzeit

• Zugang zu den Daten über die gesamte Unternehmensorganisation hinweg sowie

• permanente Aktualität der Daten.

Digital Marketer 2016: Was die Entscheider in Europa und weltweit bewegt

So planen Cross-Channel-Marketers in EMEA die Integration von Kanälen

| Kanal	Prozent
Social (bezahlt und organisch)	63%
Website	63%
Email	60%
Mobile: Apps	48%
Display Advertising (Desktop und Mobile)	43%
In-Store	35%
Direct Mail	33%
Mobile: SMS/MMS	33%
Addressable TV	27%

Quelle: 2016 Digital Marketer Survey

Jetzt geht's los: Mobile gewinnt enorm an Bedeutung

Und welche Ambitionen haben die europäischen Unternehmen in Bezug auf ihre Cross-Channel-Marketing-Aktivitäten? Auch dieser Frage ging die Erhebung nach und zeigt ein eindeutiges Ergebnis: Knapp 86 Prozent der Befragten planen, für das laufende Jahr 2016 crossmediale Kampagnen durchzuführen. Die drei wichtigsten Kanäle sind hier das Social Web, die Website des Unternehmens sowie E-Mail. Aber: Auch wenn es Mobile noch nicht unter die Top-3 der Kanäle geschafft hat, so steigt die Bedeutung von Smartphone & Co. als Werbeträger bei den Marketern enorm. Beinahe die Hälfte der Entscheider in EMEA plant, mobile Apps in die Crossmedia-Strategie zu integrieren, und ein Drittel setzt auf die Integration von SMS und MMS (siehe).

Digital Marketer 2016: Trends und Fallbeispiele

Die beschriebenen Punkte beleuchten nur einige ausgewählte Aspekte aus dem Digital Marketer Report 2016. Weitere Themen der aktuellen Umfrage beschäftigen sich mit spannenden Themen wie beispielsweise der Entscheidungsfindung in Echtzeit (Realtime Decisioning), Predictive Modeling, Marketing-Attribution, Cross-Channel- und Mobile Marketing aber auch aufkommenden Megatrends wie In-App-Messaging. Am Ende eines jeden Kapitels finden Sie in der Rubrik „Expert Insights" praktische Tipps und Fallbeispiele von den Spezialisten von Experian Marketing Services.

Lassen Sie sich inspirieren! ■
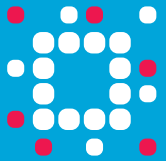
Create and deliver intelligent interactions.
Every time.

For over 30 years, Experian Marketing Services has been a global leader in data-driven marketing.

DATA
Expertise leveraging the world's largest consumer database. Insight on 2.3 billion consumers worldwide.

· · · · · · · · · · ·

TECHNOLOGY
Bringing together Experian's customer recognition and linkage technology, consumer insights, analytics and interactions management technology.

· · · · · · · · · · ·

SERVICE
Consistently ranked highest in client satisfaction through flexible service models, responsive account teams and cross-channel expertise.

More than 10,000 clients
## IN 30 COUNTRIES

Walgreens

QVC

WILLIAMS-SONOMA, INC.

Carnival

DIRECTV

DELTA

Neiman Marcus

Starbucks

WESTERN UNION
moving money for better

Overstock.com

SAKS FIFTH AVENUE

SIRIUS
SATELLITE RADIO

Experian Marketing Suite

Identity

Unite customers and brand relationships with a consistent, personalised marketing experience based on identified profiles. Manage and plan cross-channel campaign activity using an intuitive single interface for delivery of standardised messages across multiple customer segments.
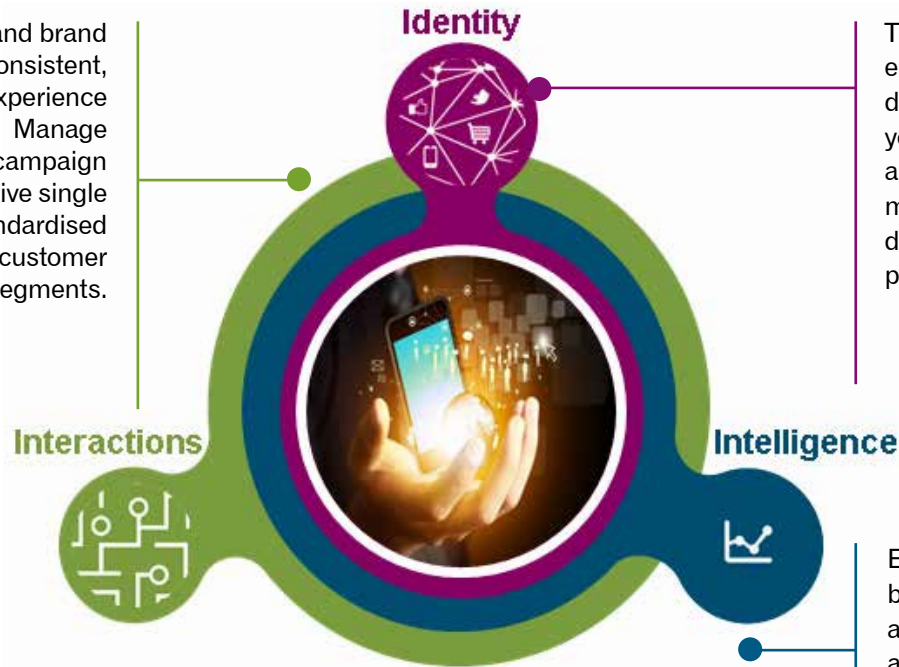
The ability to deliver relevant messages is entirely dependent on the quality of your data and the knowledge you can gain on your customers. The Marketing Suite allows you to pro-actively assess and manage the accuracy of your data and gain deep insight in to your customers and their preferences.

Interactions

Intelligence

Enhance the view of your customers' behaviours through capturing and analysing their reactions to all campaigns across all channels. Use this data to predict future behaviours, helping to drive more personalised data driven events for greater ROI.

Learn more

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EXECUTIVE SUMMARY

Customers won't stand for mediocre experiences. When they have a brand experience that leaves them less than satisfied, they don't just ignore it and hope the brand understands them better next time. They share that experience with social networks and challenge the brand to make things right.

You'd likely be hard-pressed to find a marketer today who does not recognize the significance of knowing his or her customer. Yet this is a top challenge for marketers around the globe, regardless of company size or industry.

Top challenge overall

38% Knowing our customers' needs, wants and attitudes

Source: 2016 Digital Marketer Survey

It's this fundamental understanding of the customer that powers all interactions. And this understanding stems from data.

As we know, data comes into companies from a variety of sources. At the core — that single view of the customer — lies a fount of knowledge, but getting there is no walk in the park.

81% of marketers report having challenges achieving a single customer view

Our data shows that enterprise companies do not have the necessary technology assets in their toolkits.

Top challenges to creating a single customer view for enterprise companies
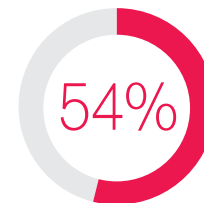
54% Technology to integrate customer data in real time
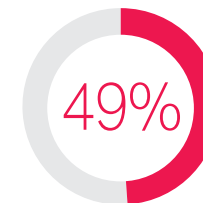
49% Inability to integrate multiple data sources and technologies
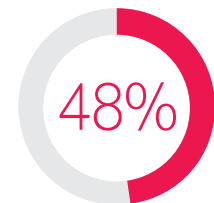
48% Access to data from across the organization

Source: 2016 Digital Marketer Survey

A single customer view is not the only technology issue enterprise marketers face in their pursuit of delivering outstanding customer experiences. To avoid having their brands lost in the valley of vanilla, enterprise marketing leaders seek to master delivery of contextual experiences and equip their data for action.

Top overall challenges for marketers at enterprise companies

33% | Making messages contextually relevant

32% | Making analytics actionable

Top priorities of C-level executives at enterprise companies

56%
Integrating technology to automate, orchestrate & manage cross-channel customer interactions
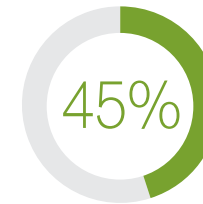
45%
Investing in tools to accurately track and allocate revenue to the appropriate marketing channels
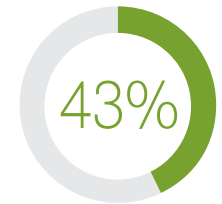
43%
Investing in analytics to optimize customer interactions

Source: 2016 Digital Marketer Survey

The solution

Prioritize technology to heighten your knowledge of the customer, extract poignant insights and produce exceptional experiences.

This can seem like rough terrain, but you don't have to go alone. Our experts will guide you through this expedition to keep you on track and focused on the developments we anticipate being the most impactful to your marketing strategy in 2016.

METHODOLOGY

Survey methodology and demographics

The 2016 Digital Marketer Survey was conducted from Nov. 3-23, 2015. Responses were collected from 1,190 professionals around the globe who have spending or purchasing influence or authority in marketing/advertising. Respondents included marketers from Australia, Brazil, China, France, Germany, India, Indonesia, Japan, New Zealand, Singapore, Spain, Thailand, United Kingdom and United States.

An independent research firm researched and targeted the universe of companies and individuals within those companies who would likely qualify for the survey, and then conducted the appropriate outreach online to those individuals specifically. Analytics were in place to determine which individuals responded, or hadn't. Incentives were then distributed to the business professionals who qualified and completed the interview.

Respondent demographics

Title/level in company

Title	Percentage
C-level/Sr. Executive	25%
Vice President	14%
Director	26%
Manager	29%

Company size

28% — Small market – less than $25M

57% — Midmarket – $25M-$1B

14% — Enterprise – More than $1B

Industry

Industry	Percentage
Retail and eCommerce	15%
Consumer products	13%
Financial services	13%
Agency and marketing services	12%
Media and entertainment	11%
Travel and hospitality	8%
Consumer electronics	4%
Pharmaceuticals and healthcare	4%
Automotive	1%
Other	18%

Regional breakdown

Region	Percentage
North America	25%
APAC	50%
UK&I	8%
South America	4%
EMEA	13%

Methodology

MARKETERS STRUGGLE TO TRULY KNOW THEIR CUSTOMERS' NEEDS, WANTS AND ATTITUDES

In a world that is increasingly connected, customers expect real and authentic interactions with brands. To meet these demands, customer-centric brands are shifting the way they think about "customers" or "consumers" to start thinking of them as people; people who have real lives, relationships and desires rather than just views, clicks or transactions on the other side of a screen.

Brands that can deliver on these customer expectations know the people who buy and use their products at a deeper, more intimate level. This knowledge goes beyond standard demographics like gender, age or income to include their needs, wants and attitudes. How do these people spend their time? How do they engage with your brand and with other brands? How do they behave as individuals; not just members of a specific demographic?

The needs and attitudes of these individuals in the example to the right are likely very different. A message that resonates with one of the sisters may be completely lost on the other. Without full knowledge of their differences, marketers will speak to them in the same way, which risks making each interaction their last.

Danielle

Dana

Age
30-35

Married

Owns a yoga studio

Degreed

No children

White Plains, NY

Connects via Apple Watch

V.P. of Finance

Travels with her two children

Logs many hours on her laptop
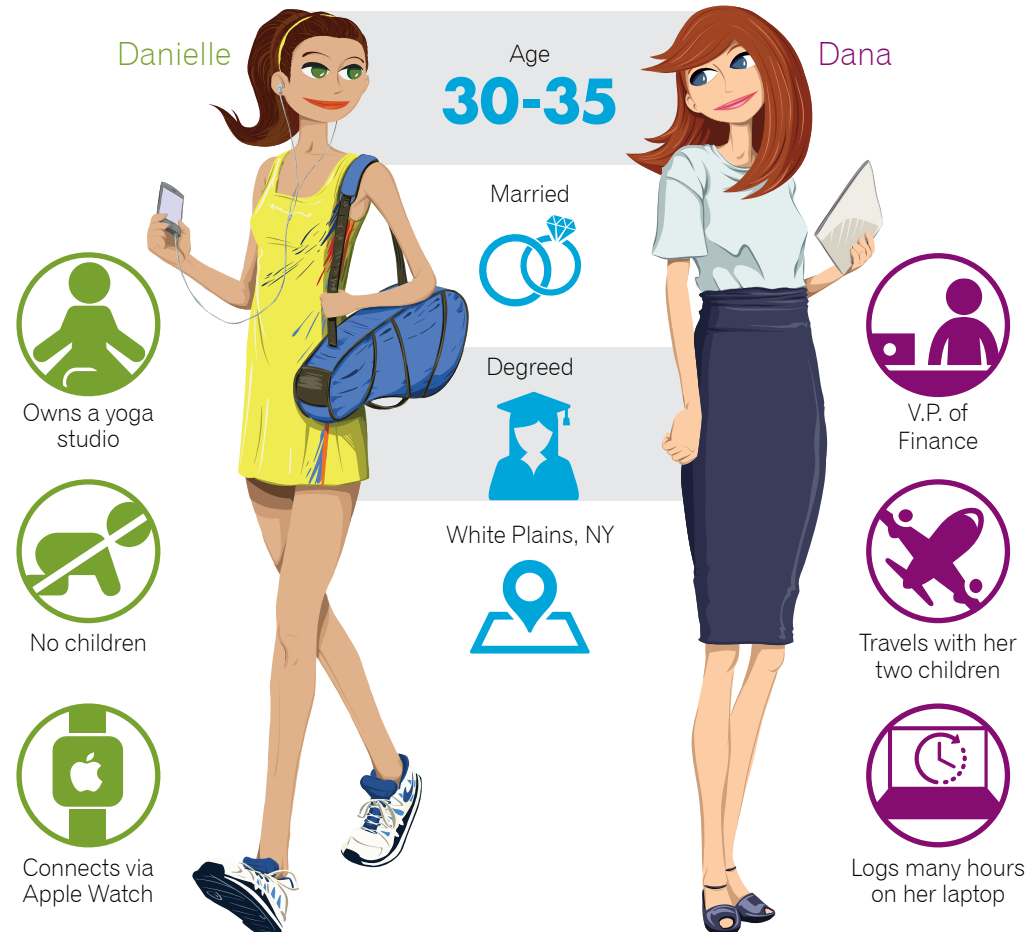
Although most marketers would agree that it's better to have a clear understanding of the individuals they're seeking to engage, this is one of the main challenges marketers at every level struggle with, regardless of company size or industry.

38%
of marketers rank knowing their customers' needs, wants and attitudes among the top three challenges they face.

The second-largest challenge for marketers is to increase brand visibility over their competitors. As company size increases, this is less likely to be a top challenge, as 12 percent of midmarket marketers and only nine percent of those at enterprise-level companies ranked this as their top challenge.

Interestingly, midmarket marketers are most likely to rank integrating technologies their number one challenge. Fourteen percent ranked this as their biggest challenge compared to just eight percent in enterprise-level companies and seven percent at firms with less than $25M in annual revenue.

Top challenges of marketers

Challenge	Rank 1	Rank 2	Rank 3
Knowing our customers' needs, wants and attitudes — **38%**	16%	12%	10%
Increasing visibility over competitors	13%	12%	10%
Staying ahead of new marketing trends	11%	12%	10%
Integrating multiple marketing technologies/platforms	11%	9%	12%
Linking customer data across channels and devices	8%	9%	11%
Making our messages relevant/contextual	9%	9%	9%
Accurately measuring and attributing the results of our programs	8%	8%	11%
Making analytics actionable	7%	9%	9%
Coordinating campaigns across channels	6%	10%	8%
Overcoming our internal silos to center our programs on the customer	8%	8%	7%

0% 5% 10% 15% 20% 25% 30% 35% 40%

Rank 1   Rank 2   Rank 3

Source: 2016 Digital Marketer Survey

Marketers struggle to truly know their customers' needs, wants and attitudes

Enterprise-level firms, however, are more likely to be running cross-channel campaigns and have data coming into disparate systems from a wide variety of sources. So why might integrating multiple marketing technologies rank lower in their list of challenges? It could be because they already have a plan in place to tackle the issue. As you will soon see, integrating technologies was rated the highest priority among enterprise-level marketers for the next year.

Top three challenges for enterprise-level companies

Challenge	Rank 1	Rank 2	Rank 3
Knowing our customers' needs, wants and attitudes	16%	12%	10%
Making our messages relevant/contextual	10%	10%	13%
Making analytics actionable	9%	12%	11%
Staying ahead of new marketing trends	9%	12%	11%
Overcoming our internal silos to center our programs on the customer	10%	10%	10%
Linking customer data across channels and devices	9%	9%	10%
Increasing visibility over competitors	9%	9%	9%
Accurately measuring and attributing the results of our programs	9%	8%	9%
Coordinating campaigns across channels	8%	10%	6%
Integrating multiple marketing technologies/platforms	8%	6%	10%

0% 5% 10% 15% 20% 25% 30% 35% 40%

■ Rank 1   ■ Rank 2   ■ Rank 3

Source: 2016 Digital Marketer Survey

Where marketers in enterprise companies report greater challenges is with:

33% | Making messages contextually relevant

32% | Making analytics actionable

30% | Overcoming internal silos

From campaigns to context

Embracing the contextual marketing mindset requires a shift in your approach.

Download our ebook, *From campaigns to context*, to learn more.

Download now ▶

Marketers in enterprise-level companies can leap over these hurdles by investing in a single technology platform that can perform the functions of the multiple technology systems marketers are dealing with today. Rather than having one point solution for data management, multiple systems for each channel's execution, another tool for measurement and so on, a single sign-on platform enables marketers to reduce waste, get to the insights faster and engage customers with tremendous precision.

Marketers struggle to truly know their customers' needs, wants and attitudes

ENTERPRISE MARKETERS PRIORITIZE TECHNOLOGY TO BETTER UNDERSTAND CUSTOMERS

In last year's Digital Marketer Report, we found that the priorities of senior leaders didn't align with their top challenges. Fortunately, that is not the case in 2016.

Recognizing that the old way of doing business is no longer an option, this year, marketers answered the call of consumers — to refocus priorities and center business and marketing strategies around the individual.

Overall, a little more than half (52 percent) of marketers named enhancing their knowledge of the customer one of their top three priorities for 2016. If this is your top priority, how do you get there? The answer is technology and data, which are positioned as the second (43 percent) and third (42 percent) top priorities for the year ahead.

A technology solution that can perform data management, advanced analytics and real-time interaction operations all within a single platform can enable enterprise organizations to achieve their highest priorities.

Marketers' top priorities for 2016

Priority	Rank 1	Rank 2	Rank 3
Enhancing our knowledge of our customers' needs, attitudes and motivations	21%	15%	16%
Integrating technology to automate, orchestrate and manage cross-channel customer interactions	15%	14%	14%
Collecting, linking and managing data	11%	15%	16%
Investing in tools so that we can accurately track and allocate revenue to the appropriate marketing channels	16%	13%	11%
Delivering real-time, contextually relevant experiences	12%	13%	13%
Facilitating more alignment between the departments within our organization to center our focus around the consumer	12%	14%	12%
Investing in analytics to optimize customer interactions	9%	13%	14%

0% 10% 20% 30% 40% 50% 60%

■ Rank 1   ■ Rank 2   ■ Rank 3

Source: 2016 Digital Marketer Survey

Enterprise marketers prioritize technology to better understand customers

Marketers in enterprise-level organizations ranked cross-channel automation technology ahead of enhancing knowledge of consumers, likely understanding that it's the means to that end. Integrating technology to automate, orchestrate and manage cross-channel customer interactions was the number one priority for 19 percent of enterprise marketers, and 53 percent ranked it among their top three priorities.

For C-level executives of enterprise companies, technology initiatives are an even greater priority. Integrating technology stays in the number one position, while advanced analytics investments are nearly tied for second. These marketers realize the impact poor customer experiences will have on their brand and they're planning to use technology and resulting analytics to prevail.

Top priorities of marketers in enterprise companies

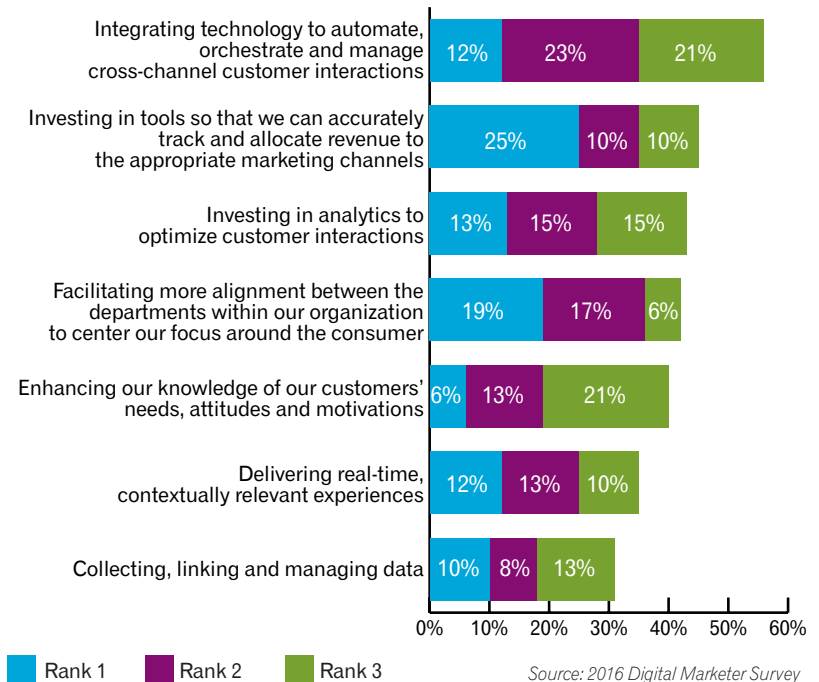| Priority	Rank 1	Rank 2	Rank 3
Integrating technology to automate, orchestrate and manage cross-channel customer interactions	19%	18%	16%
Enhancing our knowledge of our customers' needs, attitudes and motivations	12%	17%	16%
Facilitating more alignment between the departments within our organization to center our focus around the consumer	8%	15%	8%
Delivering real-time, contextually relevant experiences	12%	13%	15%
Investing in tools so that we can accurately track and allocate revenue to the appropriate marketing channels	16%	12%	12%
Collecting, linking and managing data	9%	10%	18%
Investing in analytics to optimize customer interactions	11%	13%	11%

Source: 2016 Digital Marketer Survey

Top priorities of C-level executives in enterprise companies

Priority	Rank 1	Rank 2	Rank 3
Integrating technology to automate, orchestrate and manage cross-channel customer interactions	12%	23%	21%
Investing in tools so that we can accurately track and allocate revenue to the appropriate marketing channels	25%	10%	10%
Investing in analytics to optimize customer interactions	13%	15%	15%
Facilitating more alignment between the departments within our organization to center our focus around the consumer	19%	17%	6%
Enhancing our knowledge of our customers' needs, attitudes and motivations	6%	13%	21%
Delivering real-time, contextually relevant experiences	12%	13%	10%
Collecting, linking and managing data	10%	8%	13%

Source: 2016 Digital Marketer Survey

Enterprise marketers prioritize technology to better understand customers

Do you have what it takes to surprise and delight your customers with every interaction?

Ashley Johnston, Senior Vice President, Global Marketing Experian Marketing Services

The future of marketing is driven by sophisticated, hyperconnected, omnichannel consumers who expect exceptional experiences every time. Given that very little is proprietary anymore and consumers can purchase their favorite products from multiple vendors, brands have to work that much harder to win customer loyalty, purchase-by-purchase and engagement-by-engagement. To stand out, today's marketers must take a deep dive into their customers' individual preferences and purchase paths to customize the experience around their unique and evolving needs.

I am a firm believer that you're only as good as your last interaction, so it's incredibly important to always get it right. If you don't give your customer an exceptional experience, there are hundreds of other companies that will. And consumers will continue to change: new purchase channels will emerge, existing customers will have new needs and life moments that will change their preferences and behaviors, and new generations of consumers will emerge introducing new trends and opportunities for engagements.

So, do you have what it takes to surprise and delight your customers with every interaction?

To keep up — and stay one step ahead — we need to adapt to this reality and build our businesses to support the customer experience.

This starts with asking fundamental questions like

1. Do we have confidence in how we define our best customer?

2. Do we have a centralized database where we can analyze behavior from every channel?

(continued ...)

Do you have what it takes to surprise and delight your customers with every interaction?

3. Are our incentive structures and organizational silos dictating the customer's experience or are they forced to conform to channel-specific P&L structures?

4. How easily can the customer navigate and interact with our brand regardless of channel?

As technology has progressed and new channels have emerged, many marketing organizations have built teams around these channels. This system no longer works. Instead, it's time to build around experiences. For brands trying to adapt, this is a fundamental shift. Organizational structures need to be channel-agnostic so the customer receives the same exceptional experience regardless of how they interact with your brand.

Conflicting business priorities and department goals can lead to poor customer experiences and loss in revenue for the business. Data from all channels needs to be consolidated for analysis and action. If you're still doing attribution per channel, you need to structure and incentivize your teams to work together. If you have channel conflict, pricing discrepancies or conflicting sales models, you need to make it a priority to fix them. Having separate profit and loss statements (P&Ls) and objectives designed around each channel only creates missed opportunities and huge gaps in the customer experience.

Organizations who truly value exceptional customer experiences should review structures and merge their channel-based teams into one intelligent system designed to serve the customer. Those who do will be the ones who win customer loyalty.

All of this change can be intimidating, but it's also exciting. We have everything we need to surprise and delight the customer with every single interaction. The data, technology and tools exist to help you create and deliver those experiences. Change is only coming faster and the customer is our guiding light; they must always be in our line of sight. ■

THE MOVE FROM CHANNEL-CENTRIC TO CUSTOMER-CENTRIC ORGANIZATIONS

As we saw in our discussion of the challenges facing marketers, 23 percent of respondents ranked "overcoming internal silos to center our programs on the customer" as one of the top three challenges they face. When we take a closer look, we see this challenge increase along with company size.

30%
of marketers in enterprise-level companies rank organizational structure among their top three challenges.

They are 31 percent more likely to do so than the overall survey population. This makes sense, as bigger companies are more likely to have larger, more separated teams, which can inhibit marketing efficiency on many levels — most notably the ability to deliver consistent customer experiences across a variety of channels.

Fortunately, while organizational silos are a larger challenge for larger companies, overcoming these silos is also a greater priority.

Enterprise level marketers were 54 percent more likely to name facilitating alignment their top priority, compared to the overall survey population.

Breaking down these silos is a challenge that must be overcome from the top-down. This must be a priority of C-level executives in order for change to happen within their organization. Our data shows that enterprise-level leadership recognizes this and plans to attack this in the year ahead.

42%
of C-level executives at enterprise-level companies rank overcoming internal silos as a top priority.

Organizational restructuring at the enterprise level is a massive undertaking, however. The commitment can be risky and some Chief Marketing Officers may not be able to convince their peers of the rewards resulting from this endeavor.

Marketing team structure

29%
Our marketing teams are broken out by channel

41%
Our marketing teams are somewhat integrated

30%
Our marketing team is fully integrated

Source: 2016 Digital Marketer Survey

However, while organizational silos are an intra-departmental challenge, they are also interdepartmental, at least when it comes to marketing teams. Overall, 70 percent of survey respondents work in marketing teams that are either fully or somewhat integrated. This is up from 61 percent last year.

Just as overall organizational silos are more of a challenge for larger companies, silos within marketing teams are more prevalent as company size increases.
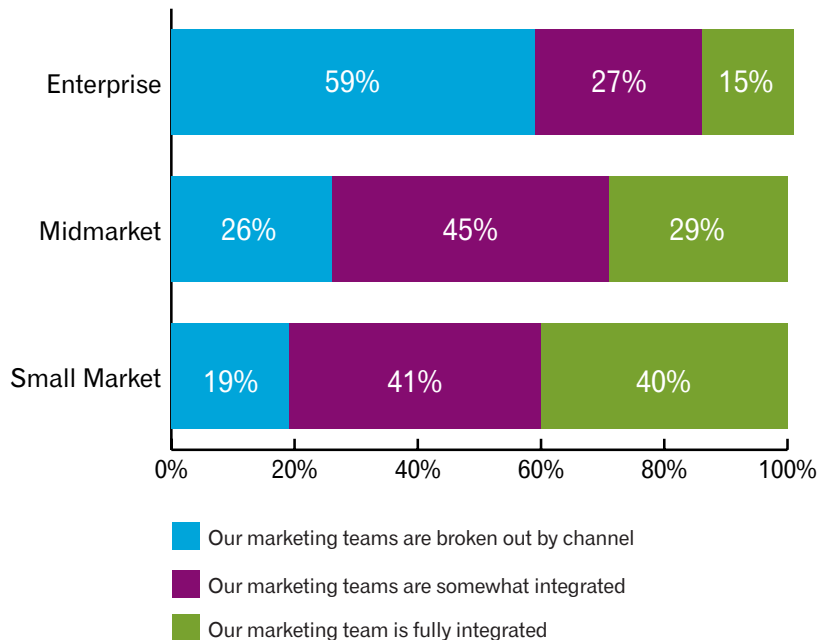
59% of the enterprise-level marketers in our survey work in marketing teams that are broken out by channel.

That means different teams control the customer experience for each channel; one marketer covers email, one covers mobile, another covers social and so on.

It is no wonder that knowing customers' wants, needs, attitudes and behaviors is a top challenge when marketing teams are not integrated and are challenged to share the insights they learn in one channel with the teams in other channels. What results is a disjointed customer experience — the opposite of the seamless experience today's customers require. They want to see a consistent brand across each channel in which they engage.

Marketing team structure by company size

Enterprise: 59% / 27% / 15%
Midmarket: 26% / 45% / 29%
Small Market: 19% / 41% / 40%

- Our marketing teams are broken out by channel
- Our marketing teams are somewhat integrated
- Our marketing team is fully integrated

Source: 2016 Digital Marketer Survey

So, even if your organization can't undertake a massive restructure, you still have the ability to affect change and deliver better customer experiences by realigning your marketing department from one that is channel-focused to one that revolves around your customer.

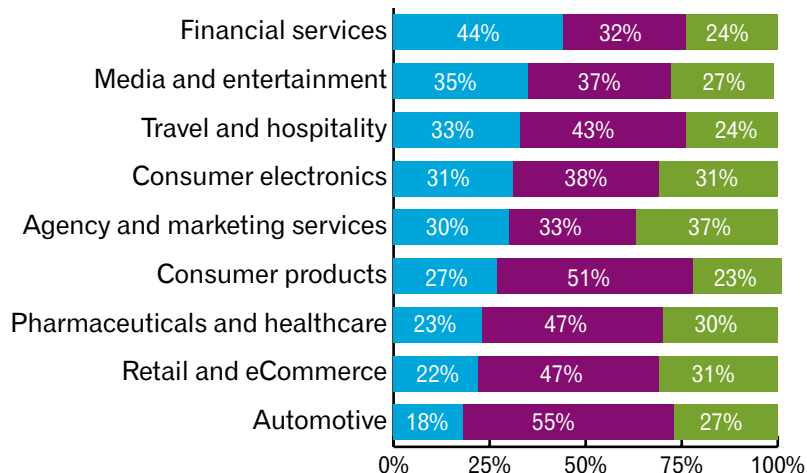> The right technology and data can act as a driver of change within your team and organization.

It can help you on the path to centering focus and programs on the customer by breaking down data silos. Invest in the technology that can make sure data is accessible and actionable across groups.

Structural differences by industry and region

By analyzing the data across industries, we see that automotive, retail and ecommerce, and pharmaceuticals and healthcare are most likely to have marketing teams that are somewhat or fully integrated. Financial services is most likely to be broken out by channel (44 percent). While agency and marketing services organizations are near average in percentage of siloed teams, they are also most likely to have full team integration.

Marketers in North and South America are most likely to work in teams that are at least somewhat integrated, at 80 percent and 72 percent, respectively. South American marketing departments are most likely to be fully integrated (42 percent). This can be attributed to teams in that region generally being smaller in size. Marketing departments in Europe, the Middle East and Africa (EMEA) have the furthest way to go toward full integration, as less than one-quarter are integrated today.

Marketing team structure by industry

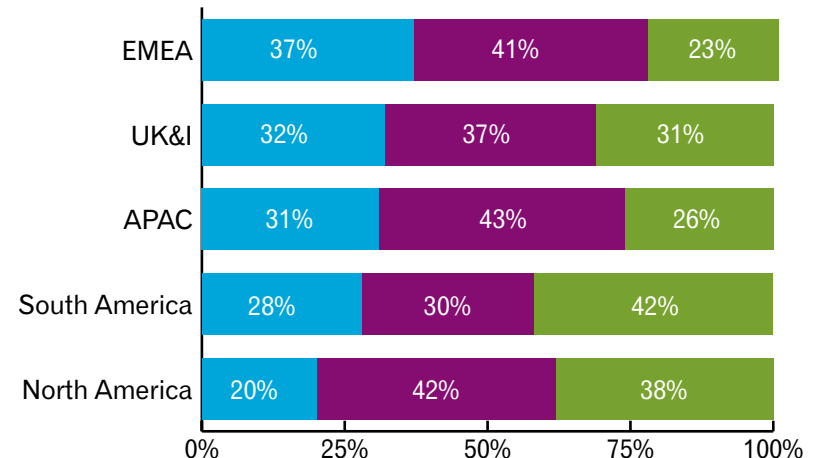| Industry	Broken out by channel	Somewhat integrated	Fully integrated
Financial services	44%	32%	24%
Media and entertainment	35%	37%	27%
Travel and hospitality	33%	43%	24%
Consumer electronics	31%	38%	31%
Agency and marketing services	30%	33%	37%
Consumer products	27%	51%	23%
Pharmaceuticals and healthcare	23%	47%	30%
Retail and eCommerce	22%	47%	31%
Automotive	18%	55%	27%

- ■ Our marketing teams are broken out by channel
- ■ Our marketing teams are somewhat integrated
- ■ Our marketing team is fully integrated

Source: 2016 Digital Marketer Survey

Marketing team structure by region

Region	Broken out by channel	Somewhat integrated	Fully integrated
EMEA	37%	41%	23%
UK&I	32%	37%	31%
APAC	31%	43%	26%
South America	28%	30%	42%
North America	20%	42%	38%

- ■ Our marketing teams are broken out by channel
- ■ Our marketing teams are somewhat integrated
- ■ Our marketing team is fully integrated

Source: 2016 Digital Marketer Survey

The move from channel-centric to customer-centric organizaions

MARKETING'S SHIFT FROM PURE PROMOTION TO CUSTOMER EXPERIENCE

Another organizational change is occurring in marketing departments — the addition of responsibilities. Marketing organizations around the globe are taking on more ownership of the customer experience, shifting responsibilities beyond promotional messaging to include other business functions. This is already happening.

According to our survey, marketers are already responsible for these operational functions:

• Collecting reviews and customer feedback (69 percent)

• Customer service responses on social media (67 percent)

• Operational emails, i.e., order confirmation, shipping alert (67 percent)

• Integrating the customer experience across channels, i.e., ensuring order history or shopping cart experiences stay the same in app or via website (60 percent)

• Operational mobile messages, i.e., mobile boarding passes, shipping and delivery notifications (56 percent)

• Loyalty program (56 percent)

• Call center (52 percent)

Across the board, marketing's role in each of these is expected grow at least 20 percent — in some as much as 28 percent — within the year. We see the largest growth happening in midmarket companies, where increases range from 22 percent to 33 percent.

Integrating the customer experience is poised for the largest growth across all company sizes. More than three in four enterprise-level marketing organizations are already responsible for this function and 18 percent more expect to be within the year.

> That means, by 2017, 95 percent of enterprise-level marketing teams will be responsible for ensuring their organization's data is aligned and actionable, and that they have the technology to effectively execute a seamless customer experience regardless of channel.
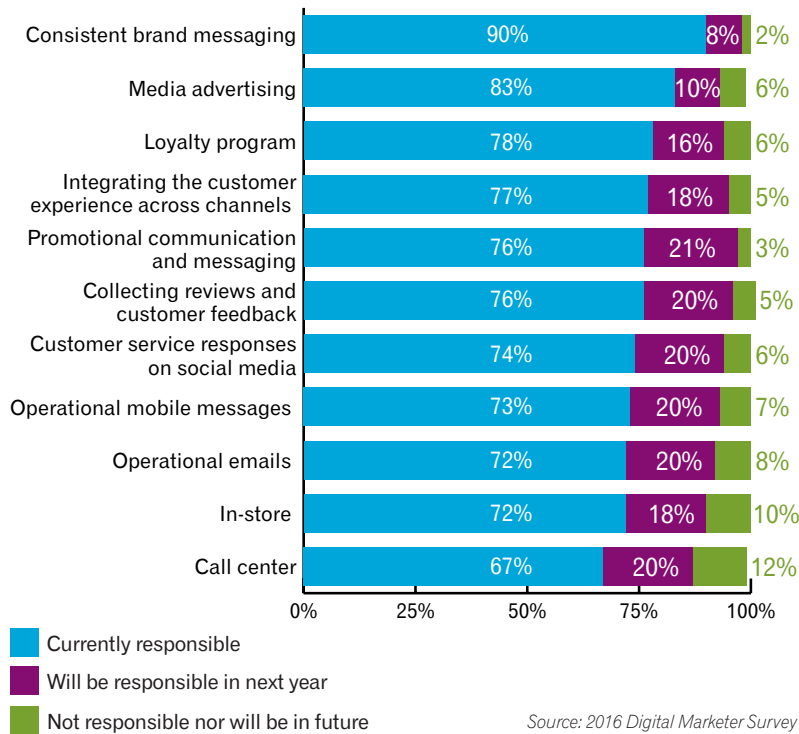
There are not as many midmarket marketing organizations currently responsible for integrating the customer experience across channels (58 percent). However, one-third plan to be taking on this responsibility in 2016, such that by the end of the year, 91 percent will manage this duty, nearly catching up to enterprise-level companies.
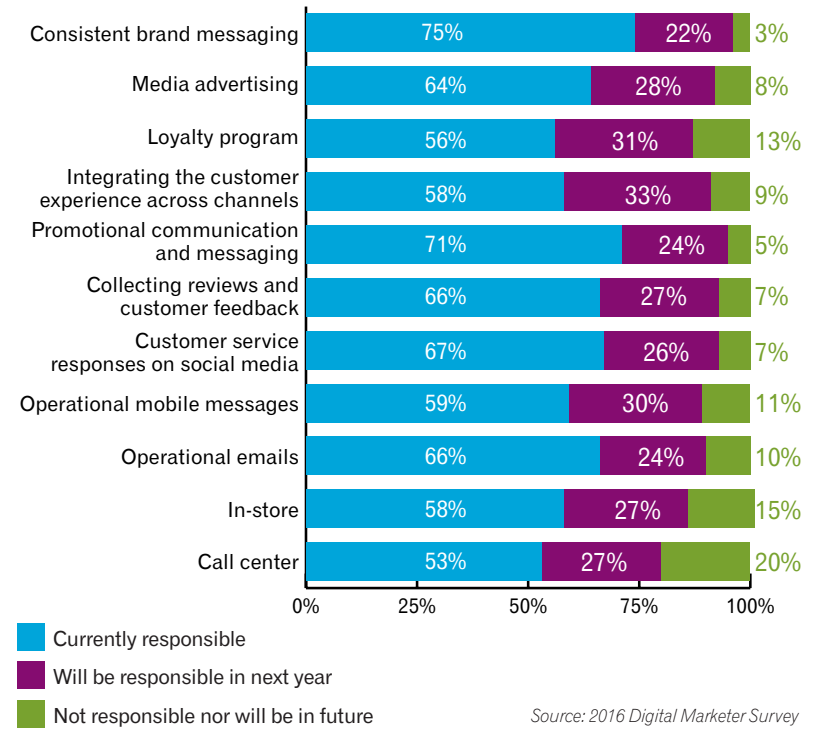
Operational mobile messages and loyalty programs tie for the second-highest growth potential (26 percent). The fact is, the addition of any cross-channel, cross-functional messages requires the ability to link customer information so you have a clear picture of your customer regardless of channel. If yours is one of the marketing departments undertaking these operational tasks in 2016, you need to arm yourself with powerful data and technology tools. It's no easy feat to accomplish on your own — especially under the pressure of customer expectations and market competition.

Marketing organization's shifting responsibility for the customer experience

Enterprise

Category	Currently responsible	Will be responsible in next year	Not responsible nor will be in future
Consistent brand messaging	90%	8%	2%
Media advertising	83%	10%	6%
Loyalty program	78%	16%	6%
Integrating the customer experience across channels	77%	18%	5%
Promotional communication and messaging	76%	21%	3%
Collecting reviews and customer feedback	76%	20%	5%
Customer service responses on social media	74%	20%	6%
Operational mobile messages	73%	20%	7%
Operational emails	72%	20%	8%
In-store	72%	18%	10%
Call center	67%	20%	12%

Legend:
- Currently responsible
- Will be responsible in next year
- Not responsible nor will be in future

Source: 2016 Digital Marketer Survey

Midmarket

Category	Currently responsible	Will be responsible in next year	Not responsible nor will be in future
Consistent brand messaging	75%	22%	3%
Media advertising	64%	28%	8%
Loyalty program	56%	31%	13%
Integrating the customer experience across channels	58%	33%	9%
Promotional communication and messaging	71%	24%	5%
Collecting reviews and customer feedback	66%	27%	7%
Customer service responses on social media	67%	26%	7%
Operational mobile messages	59%	30%	11%
Operational emails	66%	24%	10%
In-store	58%	27%	15%
Call center	53%	27%	20%

Legend:
- Currently responsible
- Will be responsible in next year
- Not responsible nor will be in future

Source: 2016 Digital Marketer Survey

Marketing's shift from pure promotion to customer experience

The Chief Data Officer is a marketer's new best friend

Courtney Cunnane, Vice President of Marketing

Experian Data Quality

Marketers have long sought to gain as much information as possible about the consumer. The more we know, the more likely it is that we'll be able to increase conversion and customer loyalty. However, data is not always easy for a marketer to access or manipulate, making insight difficult.

This is especially true when we consider the state of data management today. Most organizations suffer from a high degree of inaccurate data and segmented data sources. Most data management occurs within individual departments, many of which lack the technology and human resources to manipulate data for insight. It should come as no surprise that 83 percent of businesses believe data is a valuable organizational asset that is not being fully exploited, according to a recent Experian Data Quality study.

Marketers have certainly begun utilizing more sophisticated technology practices and analytical staff in the past few years, but they have only begun to scratch the surface of the insights that data can provide.

However, a new trend is emerging within many larger organizations that could improve a marketer's ability to mine data for insight: the advent of the Chief Data Officer (CDO), a new role that is seen as a trusted advisor and guardian of data within the business. In the organizations we work with frequently, the key reasons for needing a CDO are to manage risk during data-driven projects, curb increasing costs around poor data quality and assist with an increasingly regulatory environment.

(continued ...)

The Chief Data Officer is a marketer's new best friend

This new individual isn't alone. The CDO comes with a team of data specialists that often includes data analysts, data scientists and data warehouse specialists. The CDO often reports into the Chief Information Officer or Chief Executive Officer.

While this role is only seen today in a small number of businesses, adoption of this role is accelerating quickly. Gartner predicts that 50 percent of all companies in regulated industries will have a CDO by 2017, according to research conducted by Debra Logan, Vice President and Gartner Fellow.

Several years ago, the Chief Marketing Officer (CMO) had to adjust to working with the Chief Technology Officer when adding a host of new technologies. The CMO now needs to work with the CDO to gain better access to information and insight around data. This individual can help provide the marketer with easy access to data that is prepared for given marketing tasks.

With all of the struggles marketers have had finding quality, accessible data over the years, the advent of the CDO could bring about a new chapter in data intelligence. ■

WHAT ABOUT EMEA: MARKETING & ORGANISATION CHALLENGES

Divergent challenges

This year, the survey has highlighted that EMEA respondents (France, Germany and Spain) face slightly different challenges compared to other regions. Worldwide, the three most mentioned challenges are related to customer insight, contextualisation of messages and marketing analytics. In EMEA, respondents still focus on general business challenges (competition and trends); even though "knowing our customers' needs, wants and attitudes" is ranked as the third top challenge, (quoted by 14% of EMEA respondents).
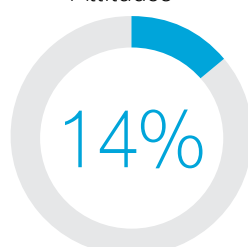
Top challenges for EMEA marketers

Increasing Visibility over Competitors

19%
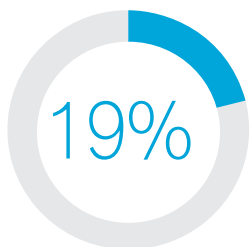
Staying ahead of Marketing Trends

17%
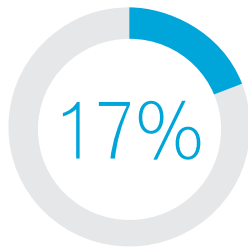
Knowing Customers' Needs, Wants and Attitudes

14%

Source: Experian Marketing Services, 2016 Digital Marketer Survey

> Customer experience, and thus, customer centricity has made its way into all our minds.

With knowing customers' needs being in the top three of challenges, it is not surprising to note that the top priorities for EMEA respondents are clearly focused on improving customer relationship management.

Indeed, **18%** of EMEA respondents declared that their first top priority for 2016 is "integrating technology to automate, orchestrate and manage cross-channel customer interactions".

The second priority is linked to the enhancement of customer knowledge (**15%**) and the third is "facilitating more alignment between the departments within the organisation to center the focus around the customer" (**14%**).

WHAT ABOUT EMEA: MARKETING & ORGANISATION CHALLENGES

Marketing team structure

Organisations aspire to become customer centric in order to maximise customer satisfaction.

Whilst this is the goal, reality is quite different. EMEA marketing team structures are much more organised around silos than when compared with other regions. Looking at figures from the survey, it is obvious that there is a big challenge here in terms of how companies structure themselves:

- 36.7% of respondents said their marketing team is broken out by channel;

- 40.7% said it was somewhat integrated;

- Only 22.7% said their marketing team is fully integrated.

36.7%	40.7%	22.7%

0%   20%   40%   60%   80%   100%

- Broken out by channel
- Somewhat integrated
- Fully integrated
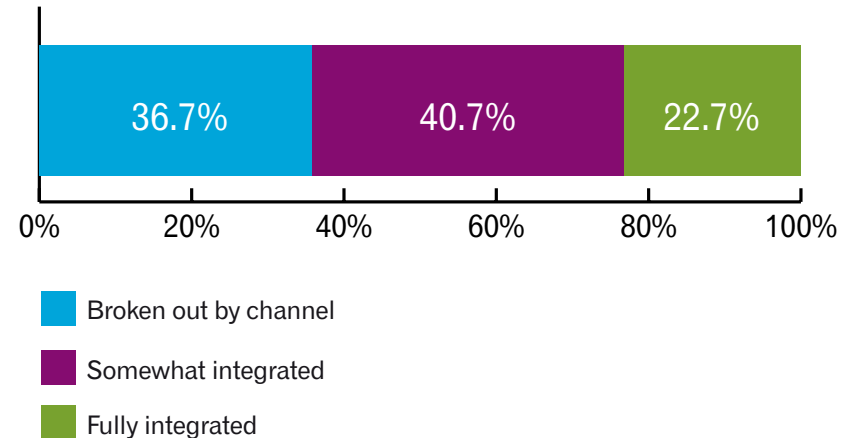
WHAT ABOUT EMEA: CUSTOMER EXPERIENCE RESPONSIBILITY

The non-alignment of marketing teams across multiple channels can lead to a disjointed customer experience. Responsibility for some elements of customer experience clearly lies with the Marketing Department today but how are organisations across EMEA looking to address the future ownership of the end to end customer experience? Who is or should be the team accountable for owning the customer experience irrespective of where, when or how a customer engages with the brand.

We asked our participants which aspect of the customer experience their marketing team is/will be/is not responsible for. Results clearly show that marketing teams are still focused on delivering consistent brand messaging (77%), promotional communication messaging (65%) and loyalty program management.

But they also plan a shift in the near future.

86%
of respondents think that marketing teams are or will become responsible for integrating the customer experience across all channels.

Some facets of the customer experience are still considered as being outside of the scope of the responsibilities of the marketing department; for example: call center operations (25% of respondents saying it is not into marketing scope), media (15%), operational SMS (15%) or in-store face-to-face (15%). ■

DATA QUALITY REDUCES WASTE

Whether your organization or marketing department is aligned or siloed, you need a single understanding of each customer if you hope to deliver intelligent interactions, every time.

84% of organizations see data as an integral part of forming a business strategy.[1]

As the saying goes, however, "garbage in, garbage out." Smart organizations make data-driven strategic decisions, but what happens if those decisions are based on poor quality data? Customers will not only have poor experiences with the brand, but waste from inappropriate business decisions could put the company out of business altogether.

Seventy-six percent of respondents in the Experian Data Quality study believe inaccurate data is undermining their ability to provide an excellent customer experience. Human error remains the leading source of inaccurate data. However, technology issues — either inaccuracies in current technology or a lack of the relevant technology — have increased year-over-year (YOY).
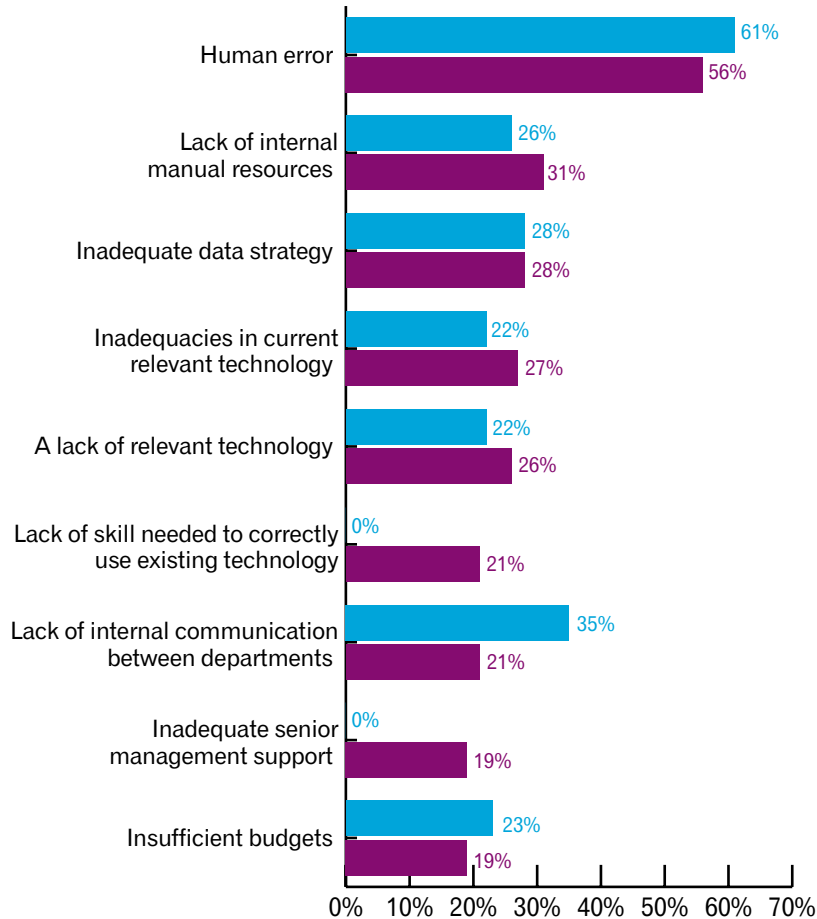
In total, the study found that 94 percent of companies have experienced internal challenges in improving their data quality. Most of these challenges are people-related. It is wise to fix these issues, as improved data quality brings tangible commercial benefits.

> On average, these organizations believe they could increase overall sales by 29 percent if all their data was fully accurate and to the highest quality.

1 Experian Data Quality, The 2016 Data Management Benchmark Report,
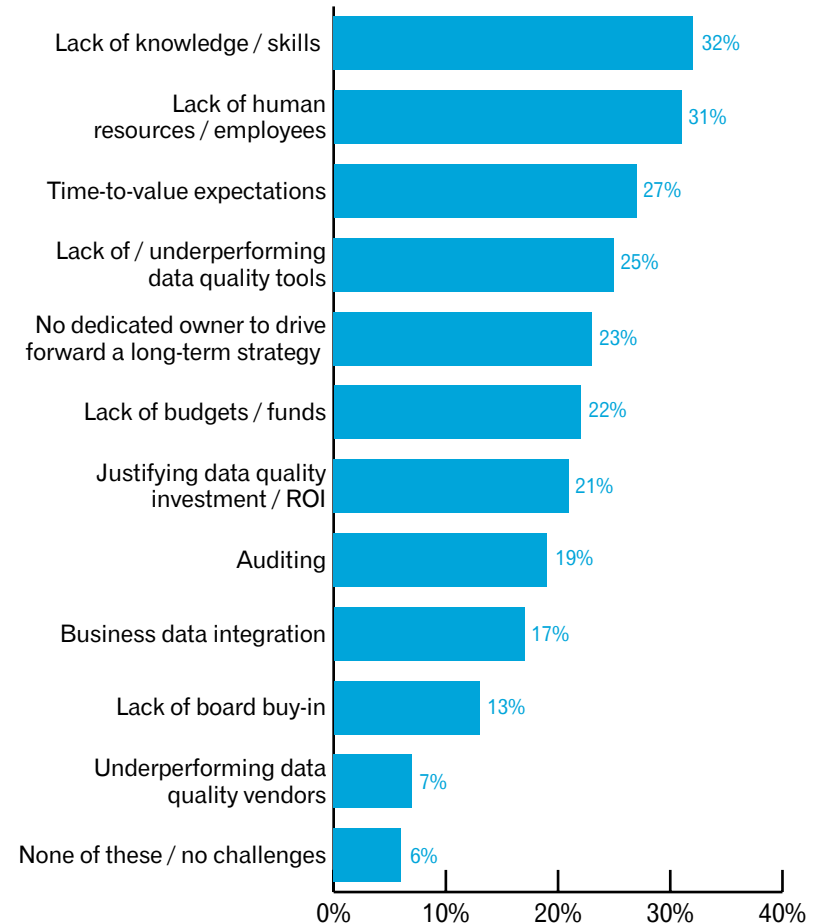http://www.experian.de/marketing-services/whitepaper/data-management-trend-report-2016.html

Most common causes of inaccurate data

Cause	2014	2015
Human error	61%	56%
Lack of internal manual resources	26%	31%
Inadequate data strategy	28%	28%
Inadequacies in current relevant technology	22%	27%
A lack of relevant technology	22%	26%
Lack of skill needed to correctly use existing technology	0%	21%
Lack of internal communication between departments	35%	21%
Inadequate senior management support	0%	19%
Insufficient budgets	23%	19%

■ 2014 ■ 2015

Source: Experian Data Quality

Challenges to improving data quality

Challenge	%
Lack of knowledge / skills	32%
Lack of human resources / employees	31%
Time-to-value expectations	27%
Lack of / underperforming data quality tools	25%
No dedicated owner to drive forward a long-term strategy	23%
Lack of budgets / funds	22%
Justifying data quality investment / ROI	21%
Auditing	19%
Business data integration	17%
Lack of board buy-in	13%
Underperforming data quality vendors	7%
None of these / no challenges	6%

Source: Experian Data Quality

Data quality reduces waste

A COMPLETE CUSTOMER VIEW, YOUR ULTIMATE GOAL

Media fragmentation presents a host of new opportunities for brands, but it also means that customers have an increasingly complicated path toward purchase. According to ABI research it's going to get even more complex; they predict that by 2020 there will be 40 billion connected devices in the world. That's a 167 percent increase in just five years.

Finding that single customer view is more critical than ever before. And you can't wait to get started – the mountain of data is only getting harder to scale. Reports show marketers are eagerly starting their ascent.

According to the Experian Data Quality study, 97% of organizations are looking to achieve a complete view of the customer.

The most common reason is to increase customer retention and loyalty, followed by the desire to increase revenue. Forty-two percent want to improve their strategic decision-making, placing it as the third most-popular reason for achieving a complete customer view.
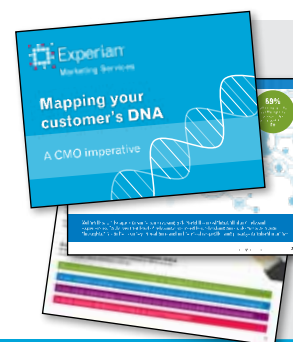
Almost all organizations seek a complete customer view, but attaining it means overcoming many hurdles. In the 2016 Digital Marketer survey, 81 percent of marketers reported having challenges achieving a single customer view.

This is down from 89 percent in 2015, which shows marketers are on the right trajectory but they still have an uphill climb ahead of them.

Reasons to achieve a complete view of the customer

Reason	Percent
Increase customer retention / loyalty	56%
Increase customer sales / revenue	52%
Improve strategic decision-making	42%
Improve customer experience (e.g. provide greater personalization)	35%
Reduce costs	28%
Legal requirements to understand customer base / provide customer analytics	25%
Predict / forecast future customer behavior	17%
Other	1%
None of the above / we are not looking to achieve a single view of the customer	3%

Source: Experian Data Quality

Do you know your customer?

To achieve real customer-centricity, marketers need to link fragmented data into a single understanding. Download our ebook for insights on mapping your customer's DNA.

Download now ▶

Accurate data means actionable insights

Spencer Kollas, Vice President, Global Deliverability

Experian Marketing Services

Incorrect data, especially an invalid or incorrect email address for a customer, has huge potential for lost revenue. For many organizations, email is the hub of the marketing strategy. An email address is the key data point that connects a customer's activities across multiple channels and devices.

Without an accurate email address, your chances of linking your customers' cross-channel behaviors are vastly slimmer, leaving you in the dark about both their behaviors and their preferences. That's why it's so important that organizations collect the right email address as early as possible in the customer lifecycle.

Here are three things to consider and three things to avoid when planning your email acquisition and data quality programs. Because in marketing, what you don't do is just as important as what you do.

Three things to consider:

1. If you have a brick-and-mortar store, collect email data at point of sale. This is one of the most common forms of email data collection. According to Experian Data Quality's 2016 Data Management Benchmark Report, human error is the leading cause of inaccurate data. To minimize this risk, use an email validation solution and make sure you get the right data from the beginning.

2. Determine the ROI of email validation technology. Depending on how large an organization is, implanting email validation technology in every store could be a huge undertaking. Therefore, it's important to determine the return on investment (ROI) of this sort of technology at the beginning of the process.

Try this quick exercise: Take a random sample of the data you're collecting at point-of-sale today without validation systems in place. See how many email addresses you could potentially save at the beginning. Let's say you determine that 10 percent of the email addresses you collect at the point of sale are incorrect — whether from "fat fingers,"

Accurate data means actionable insights

"dummy domains" or the like. Multiply that by the lifetime value of an email address for your organization.

That simple equation will tell you exactly how much revenue you could be losing in the long run. If your organization is willing and able to implement email validation and data quality technology on the front end, it will pay off in dividends on the back end.

3. Maintain the quality of your data. During regular intervals (depending on your sales cycle), make sure to ask your customers if you still have the right information. Provide opportunities for customers to update their current information and add more if necessary. You can do this through a request to update a preference center or directly through emails. This allows you the opportunity to continue providing them increasingly relevant content.

Three things to avoid:

1. Asking for data you're not going to use. Think creatively about what you are trying to achieve and ask for information that will allow you to create the experiences that are right for your customers. As long as you use their data in a way that they find beneficial — more relevant content or better offers, for example — customers are usually willing to provide more details. Then you can deliver the personalized, relevant messages they want to receive.

2. Asking for data you can get elsewhere. Third-party data providers, like Experian Marketing Services, can add specific data to your database in order to enhance your understanding of your customers.

You can also use website browsing behavior to drive email communications. Customers want you to personalize their communications without having to give you additional or repeat information. For example, did a customer like a product on your site? Send them an alert

if that product goes on sale. Did a customer leave something in their cart? Send a quick reminder so they can easily check out later.

3. Not analyzing the data you've collected. Analyzing the data you have allows you to take your overall marketing programs to the next level. It is important to understand what types of messages are relevant to your customers and how often they want to receive them. Use past data to discover common behaviors and opportunities. Are you able to tell, for example, how often a customer might go inactive or the reasons why? Can you determine the types of mailings that keep customers updated and active within your brand? Small changes can make your email marketing campaigns even more successful.
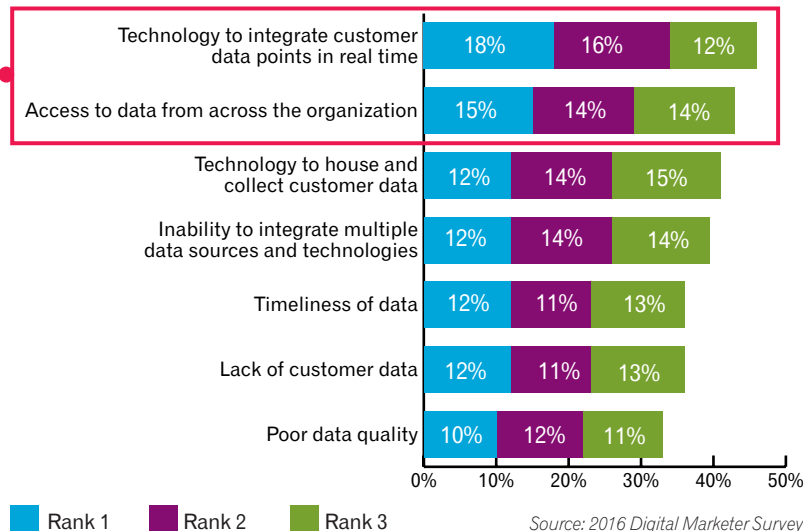
Take another look at the lost revenue you calculated. In reality, that number could be even higher when you consider that your analytics are derived from your data. Accurate data means actionable insights. The ability to engage customers in a more meaningful way is priceless. ■

LACK OF TECHNOLOGY RESTRAINS MARKETERS IN THEIR QUEST FOR A SINGLE CUSTOMER VIEW

The biggest challenge to creating a single customer view is acquiring the technology to integrate customer data points in real time.
This ranked number one for 18 percent and among the top three for 46 percent of marketers in our survey. The second-biggest challenge, having access to data from across the organization, ranked among the top three challenges for 43 percent of respondents.

These challenges go hand in hand.

Top challenges to creating a single-customer view

Challenge	Rank 1	Rank 2	Rank 3
Technology to integrate customer data points in real time	18%	16%	12%
Access to data from across the organization	15%	14%	14%
Technology to house and collect customer data	12%	14%	15%
Inability to integrate multiple data sources and technologies	12%	14%	14%
Timeliness of data	12%	11%	13%
Lack of customer data	12%	11%	13%
Poor data quality	10%	12%	11%

0%   10%   20%   30%   40%   50%

■ Rank 1   ■ Rank 2   ■ Rank 3

Source: 2016 Digital Marketer Survey

As we've seen, siloed data makes it impossible to understand your customers. Imagine this scenario:

A customer receives an email for a 24-hour flash sale that also includes an additional 10 percent offer during the flash sale if they download the brand's mobile app. The customer downloads the app and waits to receive the email for the additional 10 percent off. Unfortunately, the email with the additional 10 percent code arrives after the flash sale has ended.

It's clear that this is a poor customer experience and it stems from the lack of a single customer view. The brand made the customer do extra work — download the app — in exchange for the additional offer, but the brand's promise of additional savings was not realized. In addition, this is a massive waste for the brand in terms of time and effort and lost revenue from the flash sale that didn't reach its full potential because customers were waiting for an offer that never arrived.

Golfsmith

Single customer view informs growth strategy

Challenge

In 2012, Golfsmith merged with the Canadian brand Golf Town to form the largest golf specialty retailer in the world. This resulted in two disparate customer databases. The multichannel retailer struggled to fully understand cross-channel customer behavior, integrate customer preferences into its existing marketing programs and develop a strategy to intelligently build brand loyalty.

Solution

To fully understand their identified customer base, Golfsmith first had to link separate data sources. Through the Identity Manager of the Experian Marketing Suite, Golfsmith was able to create a persistent ID for each customer, matching data points from across online and offline data sources.

From there, Golfsmith had the foundation to answer important questions that directly impacted its marketing strategy, such as:

- Which customers shop across both brands?

- How many customers shop in multiple channels (online and offline)?

- How does shopping behavior and customer health differ across these segments and within product categories?

Results

By developing a single customer view across its disparate databases, Golfsmith discovered actionable insights about its customers' behavior. Specifically, the brand identified customers' typical shopping cadence over time and that customers purchasing in specific categories are more likely to remain loyal shoppers. Armed with this information, Golfsmith is focusing heavily on encouraging cross-category shopping to enhance customer loyalty and retention, targeting customers in multiple channels including email and direct mail.

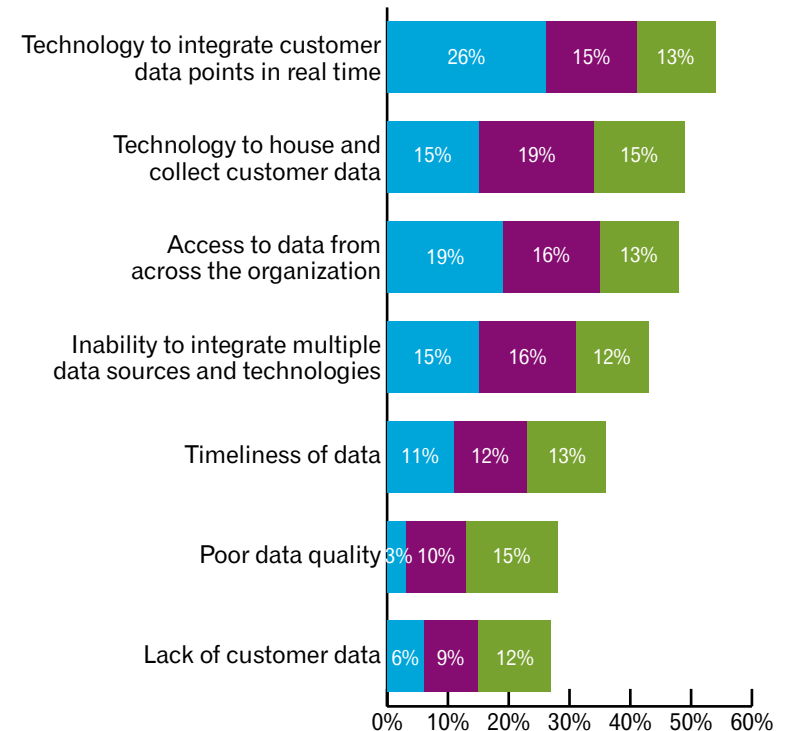# BRINGING A SINGLE CUSTOMER VIEW INTO FOCUS

The challenges around creating a single customer view understandingly vary by company size. As noted, smaller companies are likely to have fewer data sources and more organizational integration, whereas larger companies are more likely to have many data sources and siloed organizations.

It makes sense, then, that companies with an annual revenue of less than $25M are much more likely to say they do not have challenges creating a complete view of their customers (10 percent compared to 2 percent of enterprise level companies). Marketers in these smaller companies are also more likely to report a lack of customer data among their top challenges.

Enterprise-level companies with more than $1B in annual revenue, on the other hand, are much more likely to rank real time integration technology at the top of their list (26 percent ranked it number one and 54 percent ranked it among their top three). Having access to data from across the organization was second most likely to be ranked in the first position, tied with the inability to integrate multiple data sources and technologies when expanded to the top three challenges.

Therefore, marketers in enterprise-level companies — more siloed companies — are much more likely to see achieving a single customer view as a technology issue rather than solely a data issue.

## Top challenges of enterprise-level companies to creating a single-customer view

Challenge			
Technology to integrate customer data points in real time	26%	15%	13%
Technology to house and collect customer data	15%	19%	15%
Access to data from across the organization	19%	16%	13%
Inability to integrate multiple data sources and technologies	15%	16%	12%
Timeliness of data	11%	12%	13%
Poor data quality	3%	10%	15%
Lack of customer data	6%	9%	12%

0% 10% 20% 30% 40% 50% 60%

For enterprise-level companies, achieving a single customer view is a technology issue.

While it may be more difficult for those on channel-centric marketing teams to achieve a complete view of the customer, it is not impossible. Technology exists to put these challenges behind you and ease data alignment within the organization.

The right technology acts as a lens through which a single customer view can be achieved. It can also provide insight, via advanced analytics, that will bring your best customers into focus.
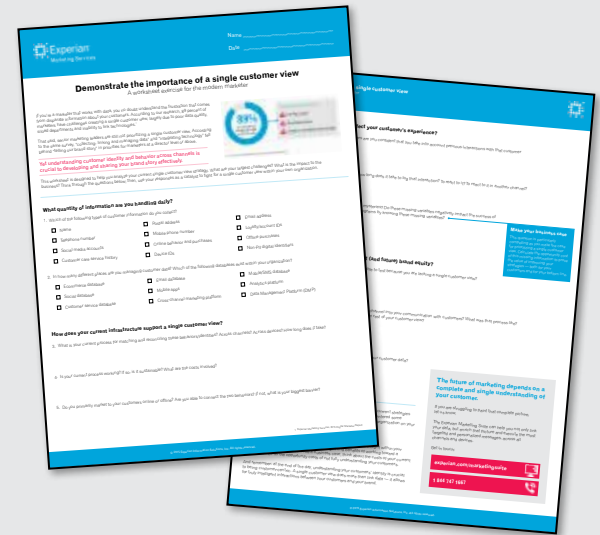
Need help convincing your boss to invest in a single customer view?

This worksheet will help you demonstrate its importance, taking into account your organization's unique challenges and business needs.

Download now ▶

Remove the disconnects causing a disjointed customer journey

Matt Tipperreiter, Product Strategy Director

Experian Marketing Services

The term "single customer view" gets used in many different ways and it can mean different things to different people. For our purposes, a single customer view is a person's identity — the core attributes that bring together marketing events such as each individual's behavior, contact data, preferences and motivations.

Managing identities isn't just an academic exercise. Every organization needs a strategy to understand who each individual customer is no matter when or how they are engaging with your brand. Doing so demonstrates that you have a firm grasp of your customer's potential needs and their value to your brand.

But how do you get started when there are a multitude of identifiers across numerous customer touch points?

Assess your current strategy

Identity data is constantly flowing into organizations. In many cases, there are specialized applications that manage this data such as CRM systems, marketing databases and other platforms for email, social media and so forth. The problem is, for most organizations, there isn't a seamless connection between each of these data sets.

First you need to uncover all of the places in which your organization is capturing customer identity data. From there, it's a

matter of pinpointing which processes are currently in place for connecting disparate pieces of data, then highlighting what is working and what is not.

Build identity profiles

To begin building identity profiles, start by using the first party data you capture from all of your customer touch points. This should give you a good foundation from which to begin. Increasingly, organizations are also relying on third-party data to help fill in the gaps of what is still unknown from using first-party data alone. The key is to make sure this is done in a privacy-compliant manner, using a trusted third-party data provider.

(continued ...)

Remove the disconnects causing a disjointed customer journey

While it may be fairly easy to capture all of this data, it is much more challenging to maintain these profiles over time, as well as adapt to new and different kinds of data as they emerge. You will need to put mechanisms in place that can intelligently determine which pieces of data belong to which consumer and manage these identity profiles over the long-term.

Get organizational buy-in

Once you have defined your needs, it's time to get organizational buy-in. Of all of the steps needed to build a single customer view, this is perhaps the most daunting. Ultimately, you need to reach the key decision makers. But along the way, you must seek out others in order to gain support and momentum toward making any changes to the status quo.

Start by figuring out who owns the data and the systems that consume, use and store it.

These individuals may need to be engaged in decisions to make changes. Other points of contact include those who ultimately use the data. This includes marketing, analytics and even customer service teams, who can help isolate how the data is being used and point out any gaps that exist between the current and ideal state.

Define value

The next key activity is to define the value of a single customer view to your organization. Most organizations operate with a set of key performance indicators. There are several areas that may be relevant to your organization. Some examples include cost savings, revenue lift or brand experience.

Also, don't forget to build your business case for funding and determine next steps. Each organization will be different in this regard, though most companies require that new

investments go through a formal process. Knowing all of your stakeholders, as well as the value you define as part of this step, will be important when making your case.

Implement, test and expand

Finally, it's time to implement and test what's working and what's not. For example, after you launch an identity management solution, are your email programs improving because you now leverage offline and in-store behaviors? Is your website conversion improving because you are able to more carefully tailor content and messaging? And for the ultimate test, is actual customer feedback improving as a result?

Linking organizational data and gaining a single view of the customer transforms generic experiences into meaningful ones. It's what makes intelligent interactions no matter where you reach the customer. ◼

WHAT ABOUT EMEA: DATA DRIVEN MARKETING & DATA MANAGEMENT CHALLENGES

En route to creating the golden record?

The Golden Record is the most accurate, complete and unique data entity for an individual customer created from the federation of all data sources within an organisation's information ecosystem.

Without a complete and qualitative database, you cannot achieve an effective, optimised data driven marketing strategy. 43.3% of EMEA respondents said "Collecting, linking and managing data" is one of their three top priorities for the upcoming year.

Because of their cross-channel environment, companies are likely to collect far more data than before. However, they then struggle to consolidate all of these data points to create a single view of each individual customer combining data from across all channels. 60.6% of EMEA respondents consider "Linking customer data across channels and devices" being one of their top three marketing challenges.

According to the survey, companies are mainly lacking the right technologies to integrate customer data points in real-time or they are being hampered by organisational silos which prevents visibility of what data is being captured and stored across all parts of the organization.

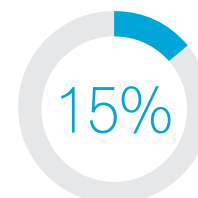## Biggest challenges to achieve a single customer view

Technology to integrate customer data points in real-time

17%
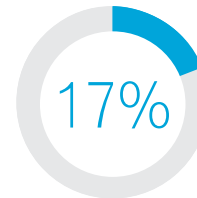
Access to data from across the organisation

15%

Timeliness of data

15%

Source: Experian Marketing Services, 2016 Digital Marketer Survey

Where companies are so concerned about their data management capabilities, it is predominately driven by their concern for the impact that a fragmented view of their customer data will have on the experience their customers receive when engaging with their brand. Increasingly, their main objective is to offer customers an extraordinary experience, customized to their expectations or needs.

Customer experience and personalization: data is the key

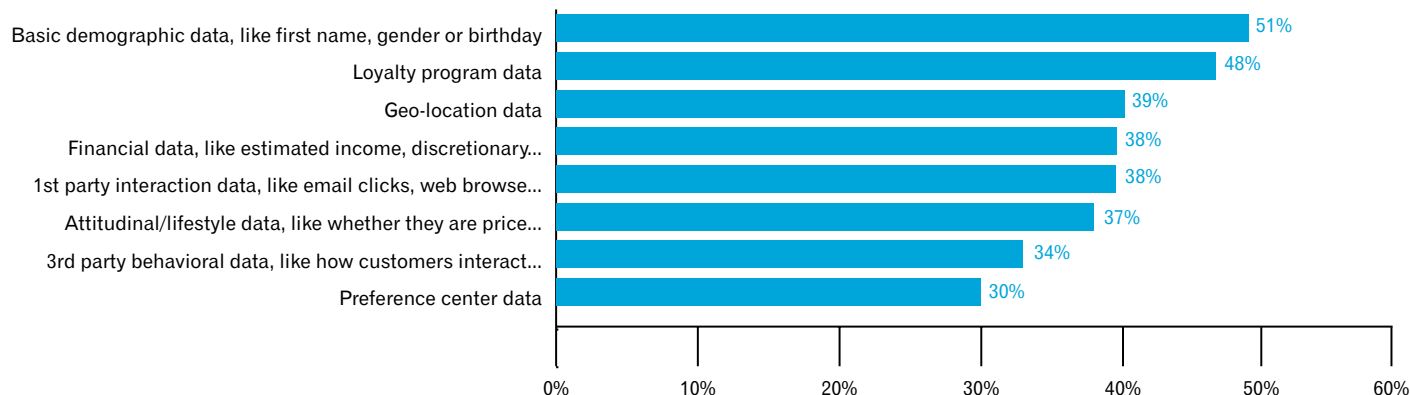**93%** of EMEA respondents say they already have personalised communications.

Developing a single customer view and the personalisation of content are interlinked topics. Figures from the survey illustrate this with 13.3% of respondents who identify "linking data for a single customer view" as being their biggest challenge related to the personalisation of content.

In order to send personalised messages, organisations can leverage various types of data such as basic demographic data (first name, gender or birthday date), loyalty program data, third party data or financial data.

Data type	Percentage
Basic demographic data, like first name, gender or birthday	51%
Loyalty program data	48%
Geo-location data	39%
Financial data, like estimated income, discretionary...	38%
1st party interaction data, like email clicks, web browse...	38%
Attitudinal/lifestyle data, like whether they are price...	37%
3rd party behavioral data, like how customers interact...	34%
Preference center data	30%

Use of this type of accurate, qualitative data can then better serve organisations looking to engage their customers at touchpoints right across the customer journey; for example: confirming order status, order tracking, ensuring online purchases are delivered to the right person; follow-up engagement to solicit feedback; future offers related to previous purchases.

At an EMEA level, 94% of companies declared they use paid advertising. To select the appropriate target through the right media they need to build segmented audiences. 55% of companies are building their audiences based on standard demographics, such as age, gender, or stated interest. Less than half of EMEA companies (45%) said they are matching their current subscriber lists to the addressable advertising space (at a one-to-one level). There is still a lot to be done for companies in terms of data management and customer insight in order to turn their data into actionable marketing insights.

THE ROLE OF ADVANCED ANALYTICS IN YOUR MARKETING STRATEGY

More than three-quarters of respondents in the previously cited Experian Data Quality study think inaccurate data is hurting their ability to deliver excellent customer experiences. The demand for data is only going to escalate. In fact, in the next five years, respondents believe data management will evolve to improve the overall customer experience (95 percent), to protect customer's security (93 percent) and to help inform decision-making through better real-time analytics (90 percent).

Already we're seeing that advanced analytics like real-time decisioning, predictive modeling and marketing attribution are a requirement for companies that want to compete for consumers' limited attention — and it's paying off. According to recent research from The Relevancy Group:

Marketers who make the investments in advanced marketing analytics generate more than two times the revenue of those that do not.

To learn more about this research, download the report, "Driving extraordinary email marketing results through omnichannel analytics."

Learn the impact advanced analytics can have on today's marketing campaigns

Download now ▶

When each interaction could be your last, the best time to put good analytics strategies into practice is today. Lay a foundation of good data management practices and the sky's the limit for the customer relationships you can build now and in the future.

REAL-TIME DECISIONING

Real-time marketing and decisioning is a trending topic in the marketing world, and for good reason. Customer expectation of immediacy means that when they are ready to act, they are not willing to wait. For marketers, this offers tremendous opportunity if they can respond in a contextually appropriate way with the information the customer needs, right at that moment.

The task seems daunting, but the reality is that many marketers already incorporate aspects of real-time marketing into their current programs. In the survey, 69 percent of respondents shared that they use automated, real-time decisioning as an active component of their current marketing programs. Well-known tactics like operational triggers (order confirmation emails, for example) use real-time data to populate the message and activate the send. But the possibilities for real-time data can go far beyond the simple triggered email if marketers can align their data and use advanced analytics to optimize decisioning and messaging.
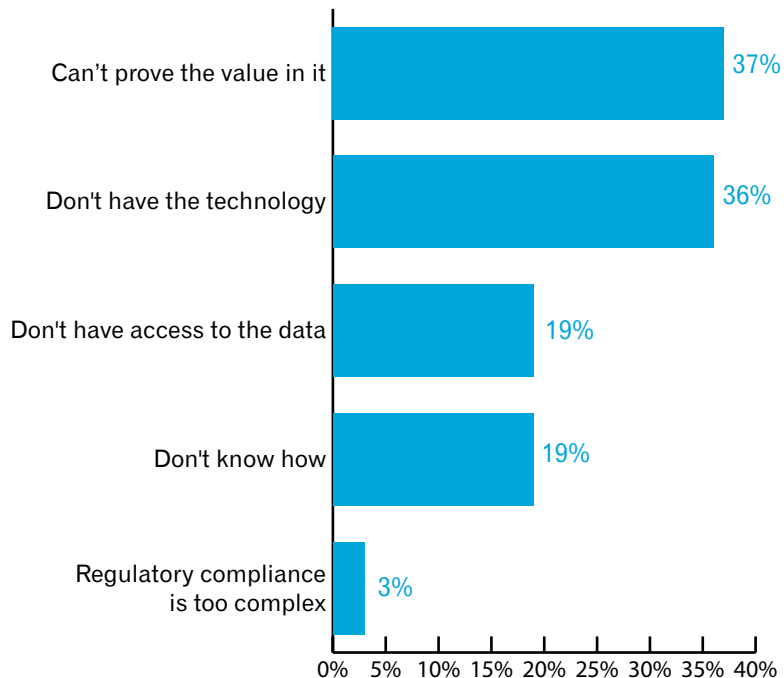
Is automated, real-time decisioning an active component of your current marketing campaigns?

69%
Yes

25%
No

6%
Don't know

Source: 2016 Digital Marketer Survey
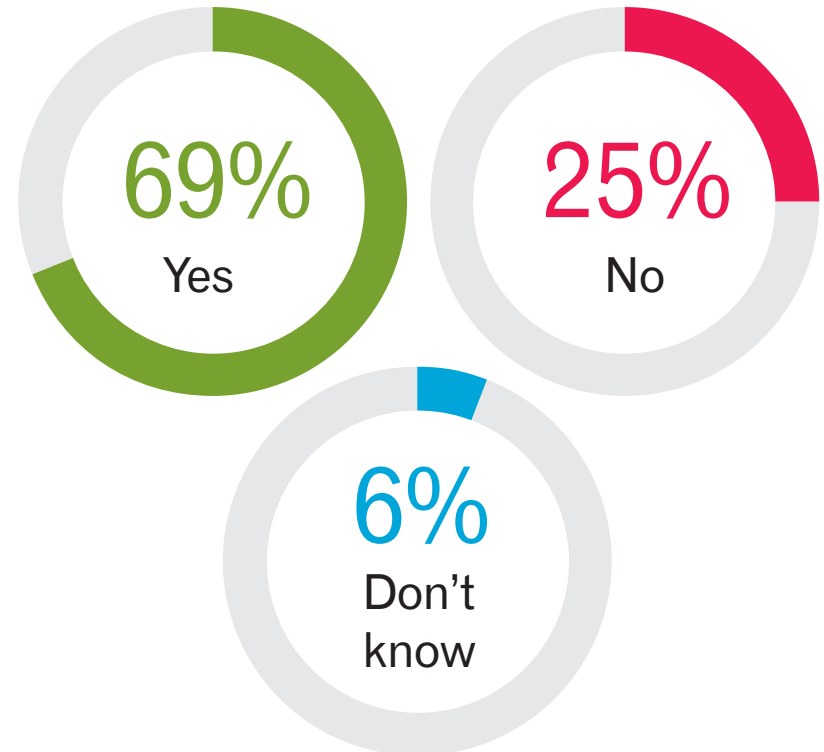
Real-time decisioning

Of the 25 percent of marketers who shared that real-time decisioning was not an active component of their current strategy, 37 percent said that this was due to being unable to prove the value in it, followed closely by lacking the necessary technology (36 percent). A distant third, 19 percent shared that they didn't have access to the right data.

Reasons for not using real-time decisioning

Reason	Percentage
Can't prove the value in it	37%
Don't have the technology	36%
Don't have access to the data	19%
Don't know how	19%
Regulatory compliance is too complex	3%

Source: 2016 Digital Marketer Survey

A lot of marketers don't realize that they might already have the technology needed to enable real-time decisioning. If you're on a flexible platform, you can go through the first two phases of real-time decisioning with the technology and programs you're already running today. Simply by running side-by-side tests on people who are engaged in relevant, real-time communications versus normal streams, you'll be able to prove the value of further investment in the more complex data sources.

David Evans
Senior Director of Solution Consulting
Experian Marketing Services

A crawl, walk, run approach to real-time decisioning

David Evans, Senior Director of Solution Consulting

Experian Marketing Services

When marketers think of real-time decisioning (RTD), they tend to think of cutting-edge programs like predictive analytics and advanced modeling. While these advanced concepts are certainly making headlines, most marketers have a long way to go before they can realistically implement these complex strategies.

The reality is that a lot of marketers aren't adequately addressing the basics when it comes to using their real-time data. In your current marketing programs, do you collect your data in real time? How deep is the data that you're collecting? And are you able to connect this data to your other first- and third-party data sets?

Real-time data and decisioning requires a crawl-walk-run approach. The key is to be realistic about the resources you have and your starting level of sophistication. Remember, real-time decisioning isn't just about being quick. It's about focusing the right response at the right speed based on the customer's needs.

Crawl: Collect and connect data in real time

Without real-time data, there is no real-time decisioning. Email data — not only clicks and opens but location, time of day and device type — is often the easiest type of data to collect. But stopping at email only gives you a sliver of an understanding about your customers' relationship with your brand. That's why it's imperative to marry your real-time email disposition data with other data sets, like web activity data, social data, offline data (including in-store, point of sale, kiosks and call center data) and mobile behavior.

Collecting and linking real-time data requires an infrastructure to house the data and help you link it to your initiatives. This is the beginning of real-time decisioning. I'm always amazed at how few people either don't collect data or don't house it in a place where it's actionable "at the edge" to the Marketing team.

(continued ...)

A crawl, walk, run approach to real-time decisioning

Walk: Design and test programs using that data

The second phase of real-time decisioning is simply using the data you collect to make decisions. It's a bit like a ping-pong game. When a customer serves you the ball, you need to come back immediately with the most appropriate response and be ready for their next move. To do that, you have to be prepared for all of their possible interactions and have the right responses ready to go. Understanding your customers allows you to map a response plan to any of their actions at any given time.

There are two ways in which you can use real-time data in this stage. The first is decisioning. What do you do when you see real-time data? What is your immediate response? The second is a bit more subtle, and it has to do with how real-time data can inform the communication itself. For example, if you see that a customer just responded to a specific product category in social media, how can you highlight that category in the content of your next

promotional or operational communication? By using real-time data, marketers can not only ensure that the timing or cadence of the communication is optimal, but also provide the most relevant content to that customer.

Run: Automate and predict using advanced data science

The next evolution of real-time decisioning is about predictive analytics, automation and data science; essentially making instant decisions based on many different variables. This strategy can be used to inform offer optimization, cadence or channel delivery, or to personalize inbound channels. Additionally, advanced RTD is only improved when more advanced data sources are included in your decisioning engine. All channel response data, purchase data, external data sets such as weather or Internet of Things (IoT) data streams all help paint a more accurate picture of a customer.

It is recommended that marketers approach advanced RTD with caution. Jumping directly to these niche, advanced tool sets without

first mastering the crawl and walk steps may backfire. You might be able to power a really unique, single-offer campaign with an advanced tool, but if the systems, architecture and partnerships aren't in place to form a sustainable strategy, you're winning the battle rather than winning the war.

Don't be intimidated by the overwhelming opportunities in real-time decisioning. You don't necessarily need to collect all possible data sources to get your feet wet. Take a look at the data you already collect and think about how you may be able to utilize it to create more relevant communication frameworks. If you already collect email data, bring in one or two more sources and use those data points to make decisions about how to react. No matter which data you use first, the process is the same: Find the data source, then design and test programs around that data source. As you do, find ways to automate and conduct more advanced programs around them. Then wash, rinse and repeat. ■

Real-time decisioning around the globe

Of the 69 percent around the globe who are already implementing some aspect of real-time decisioning in their cross-channel campaigns, which forms of data are they using most? According to our survey, online purchase data is the most popular data used to inform decisioning (49 percent), followed by website behavioral data (like browse or cart abandon) at 41 percent and social behavior at 40 percent. Among data sources that lie outside of channel-specific transactional or behavioral data, propensity modeling and external data like weather are both used by 31 percent of respondents.
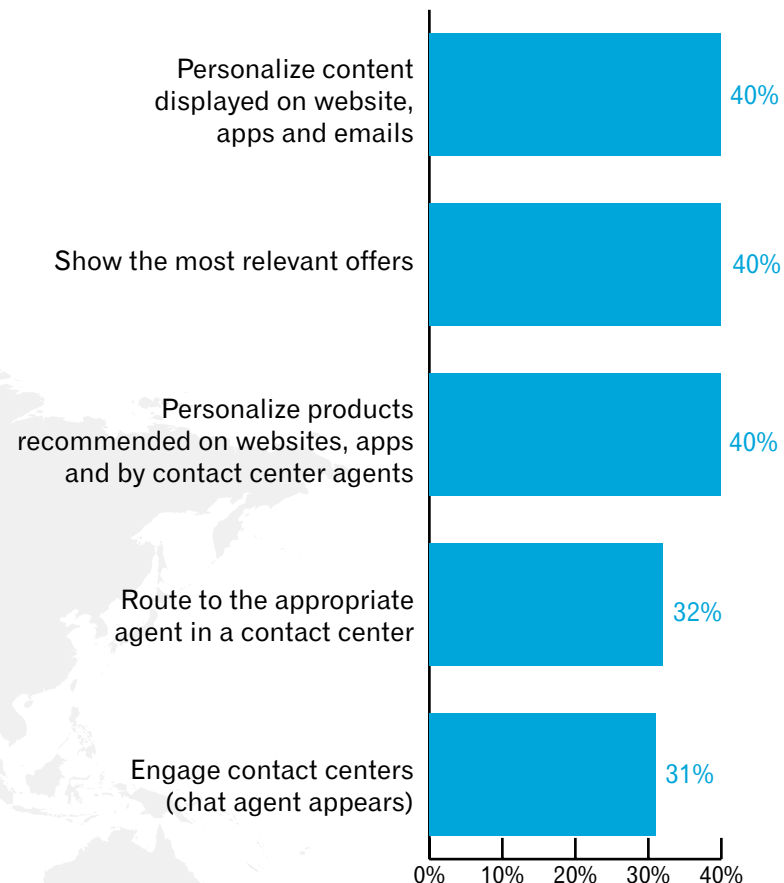
The opportunities for using real-time data are numerous, and they vary by type of business and goal. In our survey, we found multiple purposes with fairly equal citations. Real-time decisioning is most commonly used to "Personalize content displayed on website, apps and emails," "Show the most relevant offers" and "Personalize products recommended on websites, apps and by contact center agents."

Real-time data can also drive features such as device targeting, as demonstrated in this DIRECTV email powered by Liveclicker.

Respondents in North America and EMEA are least likely to have real-time decisioning as part of their campaigns — 45 percent and 34 percent, respectively, are not using it. Respondents in South America and Asia Pacific (APAC) are much more likely to use real-time decisioning. Online purchase data is most popular in APAC and online chat agent data is commonly used in South America to "Personalize products recommended on websites, apps, and by contact center agents" and "Personalize content displayed on website, apps and emails," respectively.

Most common uses for real-time decisioning

Use	Percentage
Personalize content displayed on website, apps and emails	40%
Show the most relevant offers	40%
Personalize products recommended on websites, apps and by contact center agents	40%
Route to the appropriate agent in a contact center	32%
Engage contact centers (chat agent appears)	31%

Source: 2016 Digital Marketer Survey

Real-time decisioning

Predictive analytics: A return to fundamentals?

Emad Georgy, Chief Technology Officer

Experian Marketing Services

These days, people are always looking for the latest buzzword. For a while it was big data, which introduced a level of scale and speed in terms of processing and making sense of data that no one had experienced before. Today's buzzword is predictive analytics, but many organizations don't know where to begin to make it a reality or to translate it into business value. They look to my team for guidance on what we're doing and best practices we can share.

Ironically, the spotlight on predictive analytics has actually emphasized the need for marketers to return to fundamentals. Brands know their customers the best, so predictive

analytics must essentially pass the smell test: Do these insights align with the intangibles you know about your customer? My best advice for creating a predictive strategy is not to aim for the next shiny object. Don't focus on the algorithms and the technology, but lay a solid foundation of questions you are trying to answer on which you can build a successful analytics program. Specifically:

> Set up your organization so that you have a clear understanding of your goals and what you want to accomplish

> Make sure you have clean enough data and the technology to make it actionable

> Forge the right partnerships to succeed

Set up your organization

Marketers are constantly trying to understand and improve customer experience. The problem is that marketing organizations are not structured in a way that allows them to effectively engage the channel-agnostic consumers of today. It's nearly impossible to deliver a cohesive experience when the email team is fighting with the social or mobile team for budgets.

Advanced analytics, like cross-channel attribution, can actually help to solve this problem. Proper attribution allows an organization to look at the customer journey

(continued ...)

Predictive analytics: A return to fundamentals?

regardless of channel and start to understand the best ways to engage customers, negating the basis for internal feuds.

Specify your goals

Before you write your first algorithm, however, you need to document what the organization is trying to accomplish and make sure the data is ready to produce actionable insights. Talk with relevant business users to identify the questions you're trying to answer: What don't you know about your customers? What challenges are you having? Where are you losing engagement? What do you wish you knew? These questions will become the foundation for your predictive analytics initiative.

Check your data

The exercise invariably leads to analysis of your data inventory, in which you're likely to see data quality issues arise. Executing advanced analytics programs requires data quality and identity management. No amount of predictive analytics and insights can replace what you know about your customer.

Attacking the flaws within the data is the first step. Aligning the data is next in line. But remember, customers are more than just a transaction. Your level of understanding needs to extend above and beyond their purchases. That means being able to marry transaction data with behavioral data, lifestyle data, campaign history and so on, to create a cohesive picture of your customer.

Finding the right technology and partners

When you have a platform that's a one-stop shop, like the Experian Marketing Suite, you can look at performance and levels of engagement across channels all on one screen. This gets teams on the same page, talking about the same customer experience.

With a clear layout, you can easily pinpoint organizational silos or areas where the customer experience is disjointed. If you focus on the goals set up front, it becomes hard to justify why those silos exist in the first place.

Predictive analytics is a buzzword for a reason, and it's one you can't ignore. According to our Digital Marketer survey, two-thirds of marketers plan to incorporate predictive modeling programs into their strategies this year. If you're part of the 33 percent who are not, be forewarned: you will be left behind.

As you build out your predictive strategy, don't just go hiring data scientists to chase the next big trend. Make sure you have a solid foundation and a clear understanding of what you are trying to achieve. From there, you can start to build really cool predictive analytics to intelligently engage your customers. ■

PREDICTIVE MODELING

Predictive analytics is a branch of advanced analytics which is used to predict unknown future events, behavior patterns and trends by extracting information from existing data and information. Predictive analytics uses many analytical techniques including data mining, statistics, modeling and machine learning to analyze existing data to make predictions about the future.

> Simply speaking, predictive analytics uses what's known to predict what's unknown.

Examples include predicting the likelihood of an individual to convert given exposure to an offer or marketing message. This can help marketers allocate marketing spend and determine what happens to return on investment (ROI) if spend changes across channels.
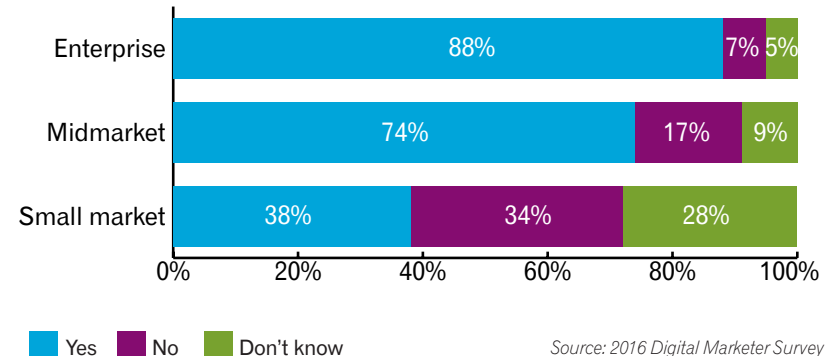
As reported, organizational roles and responsibilities are shifting. This is especially true in advanced analytics. Historically the IT group owned the data warehouse and the marketing team worked with them to execute and code queries. However, the lag time on resulting reports could be weeks.

This simply is not sustainable now. The need for in-moment marketing has caused much of the data responsibility to start to shift from IT to the marketer. You need the right tools in your hands to expose insights in an easily understandable and actionable way — and with ever-increasing speed.

66%
of marketers in our Digital Marketer survey plan to leverage historical campaign analytics for predictive modeling over the next year.

Larger companies are more likely to be building predictive modeling into 2016 strategies. For 88 percent of enterprise-level companies, the future is now. If you're among the 7 percent who are not developing a strategy that includes predictive analytics, beware: you will likely be left behind.

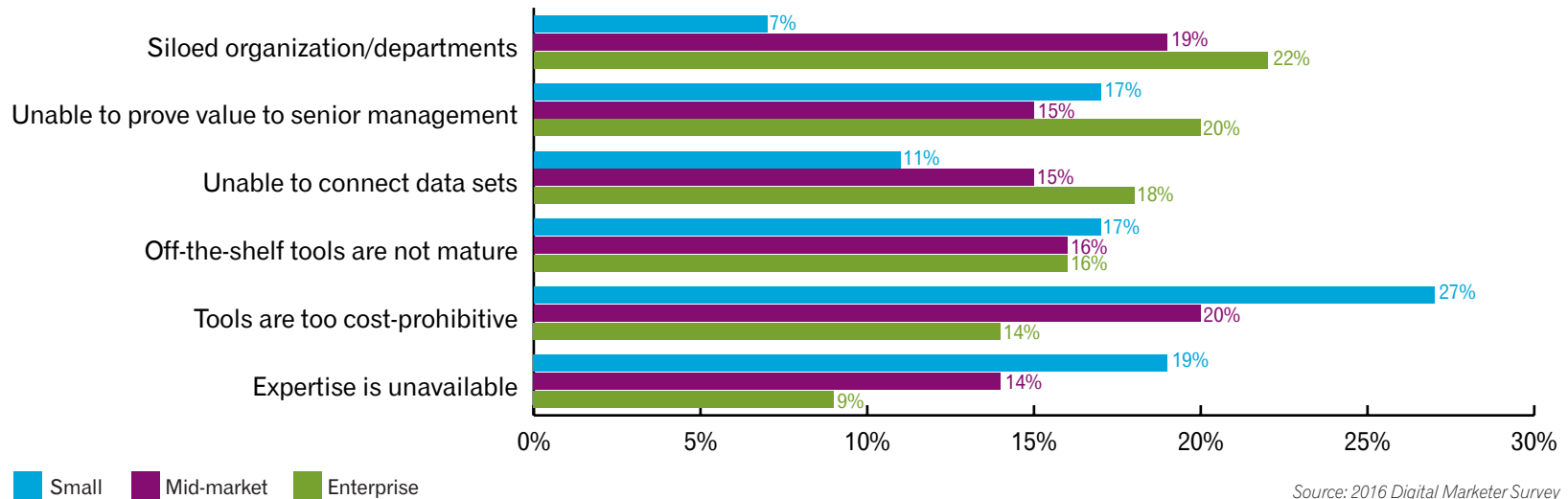## Marketers planning to leverage historical campaign analytics for predictive modeling over the next year, by company size

Company size	Yes	No	Don't know
Enterprise	88%	7%	5%
Midmarket	74%	17%	9%
Small market	38%	34%	28%

Yes No Don't know

Source: 2016 Digital Marketer Survey

Predictive modeling

This kind of advanced analytics is very resource intensive and not easy for companies to tackle on their own. For smaller firms, resources like cost and expertise are bigger challenges, while enterprise-level companies struggle with organizational silos, proving value to senior management and the inability to connect data sets. Midmarket companies are somewhere in the middle. They struggle with cost as well as siloed organizations.

Top challenge to leverage historical campaign analytics for predictive modeling, by size

	Small	Mid-market	Enterprise
Siloed organization/departments	7%	19%	22%
Unable to prove value to senior management	17%	15%	20%
Unable to connect data sets	11%	15%	18%
Off-the-shelf tools are not mature	17%	16%	16%
Tools are too cost-prohibitive	27%	20%	14%
Expertise is unavailable	19%	14%	9%

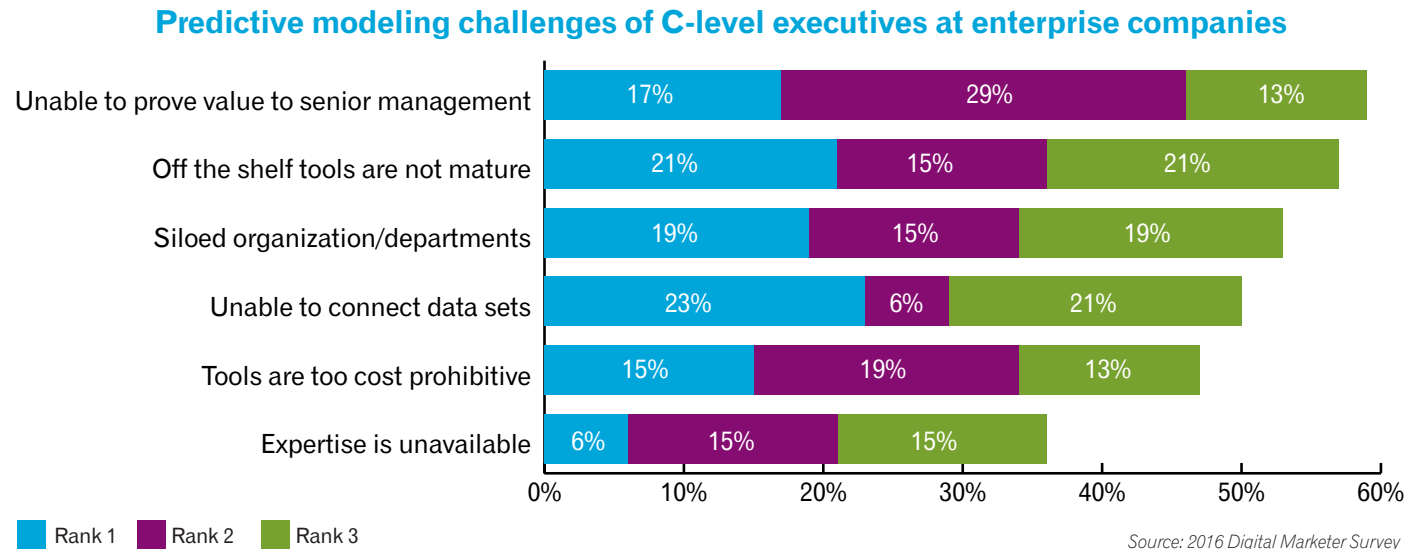*Source: 2016 Digital Marketer Survey*

A reoccurring theme of this research, we see organizational silos and disparate data cited as more significant problems as company size increases. Without that single customer view, predictive modeling, as with any advanced analytics, is nearly impossible to execute effectively.

The maturity level of off-the-shelf tools was a pretty consistent concern for marketers from all company sizes. "Generic analytics engines don't really work for marketers anymore," explains Emad Georgy , Chief Technology Officer at Experian Marketing Services. "Without a tremendous amount of customization, they act more like an analytics factory line where customers are just ones and zeros. The resulting insights are not based on individual customer needs and wants. They don't allow marketers to create targeted experiences."

Predictive modeling

Interestingly, when we look at predictive modeling challenges by job title, we see that C-level executives struggle most with proving value to senior management. Fifty-nine percent of C-level executives overall, and 58 percent of those at enterprise companies ranked this among their top three challenges to leveraging predictive analytics. At least half of enterprise executives also ranked the maturity of off the shelf tools, siloed organizations and the inability to connect data sets as big barriers.

Predictive modeling challenges of C-level executives at enterprise companies

Challenge	Rank 1	Rank 2	Rank 3
Unable to prove value to senior management	17%	29%	13%
Off the shelf tools are not mature	21%	15%	21%
Siloed organization/departments	19%	15%	19%
Unable to connect data sets	23%	6%	21%
Tools are too cost prohibitive	15%	19%	13%
Expertise is unavailable	6%	15%	15%

Source: 2016 Digital Marketer Survey

This suggests that leaders in enterprise companies are not able to convince their peers of the benefits to breaking down data silos and investing in the proper solution. This is dangerous because while the investment may be high, the cost of not investing in analytics is astronomical. The right analytics tool, combined with the right data and expertise, can unearth a wealth of insights that lead to a better understanding of your customer and, in turn, better customer experiences.

Customer loyalty has gone away. It's about the experience. Your competitors are developing toward a cohesive customer experience and they're going after your customers. You can't rest on your laurels.

Three top trends that will impact marketing analytics in 2016

Hairong Crigler, Vice President, Marketing Analytics
Experian Marketing Services

There are three main factors influencing what lies ahead for digital marketing analytics and how analytics play in the marketing and decision-making arena. First, enhancing the customer experience through automated marketing activities has advanced significantly. The progress in the past two years will only continue to have greater impact in 2016. Second, media usage is proliferating across a variety of formats. As a result, a lot more data is flowing into marketing organizations making "Big Data" even bigger. Third, digital and traditional marketing will integrate even further. Cross-channel marketing will be the standard going forward.

So how do these factors impact the future of marketing analytics? Here are what I foresee as the most important trends to watch in predictive marketing analytics:

1. Predictive analytics will go far beyond modeling

Right now, marketers are using historical data to predict what consumers will do next. But knowing what happens next is only the first stage. Predictive analytics has to go way beyond "next."

All of the data available to us now, or "Bigger Data," will allow us to look into the future, not just the past. Predictive analytics will not only look at what's happened in the past and use that information to predict what's going to happen next, it will see further into the future and forecast the next few steps.

In addition to using data and analytics to create an audience and increase customer value, we see some clients doing interesting things using their first-party data along with Experian data and analytics. For example, a consumer packaged goods client is using predictive modeling to project their customers' household expenditures on particular products.

(continued ...)

Three top trends that will impact marketing analytics in 2016

2. Prescriptive analytics will become the new normal

While predictive analytics provides us with insight, prescriptive analytics is all about decision making. It enables us to look at the data from the predictive analytics and go a step further into the future. It examines data or content to determine what decisions should be made and what steps need to be taken to achieve an intended goal. Prescriptive analytics tries to see what the effect of future decisions will be in order to adjust the decisions before they are actually made. Taking future outcomes into consideration vastly improves decision making. Prescriptive analytics provides the optimization process that helps you decide how to use the insights when making a decision and informs you regarding which is the best decision to make.

Nowadays, most marketers who are using data and analytics to drive decisions are focusing simply on predictive analytics. To me, the prescriptive piece is the most important one for marketers. With better education and consulting, marketers will see the importance of prescriptive analysis. With predictive analytics getting more and more sophisticated, marketers will become more comfortable using prescriptive analytics to make decisions. This will definitely will step up and become the new normal.

3. Data visualization will facilitate interactive data storytelling

Technology advancements will make data visualization a lot more accessible. It will become increasingly important to use visualization to tell a data story. On a more sophisticated level, it enables a visualization of the customer journey so we can actually see the insights. The technology will make data visualization more accessible and it will be easier to achieve the result we are looking to find.

This is a really exciting time to be in marketing analytics. ■

ENHANCING CUSTOMER ENGAGEMENT THROUGHOUT THE CUSTOMER LIFECYCLE

Here's where the rubber hits the road. As we've discussed, marketers are taking on more responsibility for customer engagement throughout the customer lifecycle — beyond traditional marketing activities. With data and technology positioned with the customer as the central focus in a way that drives organizational change, marketers are able to realize the sought-after goal of cross-channel marketing.

We define cross-channel as a marketing program that is integrated or coordinated across two or more channels. It means the data coming in from the integrated channels is actionable in each channel. This experience is different than a multichannel program, which is simply a campaign that uses consistent messages in each channel.

A cross-channel strategy is driven by insights derived from advanced analytics and respects the customer by meeting her where she is — not where a brand expects her to be.

THE TRADITIONAL CUSTOMER JOURNEY IS DEAD; LONG LIVE THE CUSTOMER JOURNEY FRAMEWORK

There's a lot of talk about the customer journey and knowing the path to purchase. However, the traditional customer journey, based on aggregate trends among groups of customers, is too rigid to consider each customer's individual decisions. It's forced, and customers can feel it. We have to stretch beyond that limiting structure and create a scalable customer journey framework.

Imagine the customer journey framework as a "choose your own adventure" novel. Each reader takes a different path through the novel, just as each customer takes a different path toward engagement. A framework allows you to develop a unique path for each customer, which is flexible based on the exact steps she has taken up to a decision point. It's the optimal way to deliver the relevance that customers want — when they want it.

Our "Moving beyond the customer journey" ebook explores this idea and can help you create decision steps that account for the information that is most important to your brand and your customer's decision to interact with you.

Define what a scalable customer journey framework looks like for your brand

Download now ▶

PERSONALIZATION, THE QUINTESSENTIAL ASPECT OF DELIVERING RELEVANCE

Personalization represents a great chance to create interesting and relevant interactions with the people you are trying to reach. Ninety-three percent of marketers in the 2016 Digital Marketer survey are personalizing communications to some degree. As expected, basic demographic data like first name, gender or birthday is the most popular.

Surprisingly, fewer than half of respondents overall use first-party interaction data like email clicks, web browse behavior or past purchases to personalize their communications. Retail and ecommerce marketers recognize the value in this kind of data and are 38 percent more likely than all other industries to personalize using first-party interaction data. They also over index for using loyalty program data (36 percent) and preference center data (10 percent).

Overall, the more sophisticated data points like attitudinal or lifestyle data and third-party behavioral data are less likely to be used. Agency and marketing services and automotive marketers over index for using third party data points for personalization.

While it makes sense that financial services marketers over index for using financial data (15 percent more likely than other industries), agencies and marketing services marketers are the most likely to use financial data; they are 24 percent more likely than other industries to respond that they use financial data.

Consumer electronics were 34 percent more likely to respond that they used geo-location data than all other industries combined.

Data points used to personalize communications

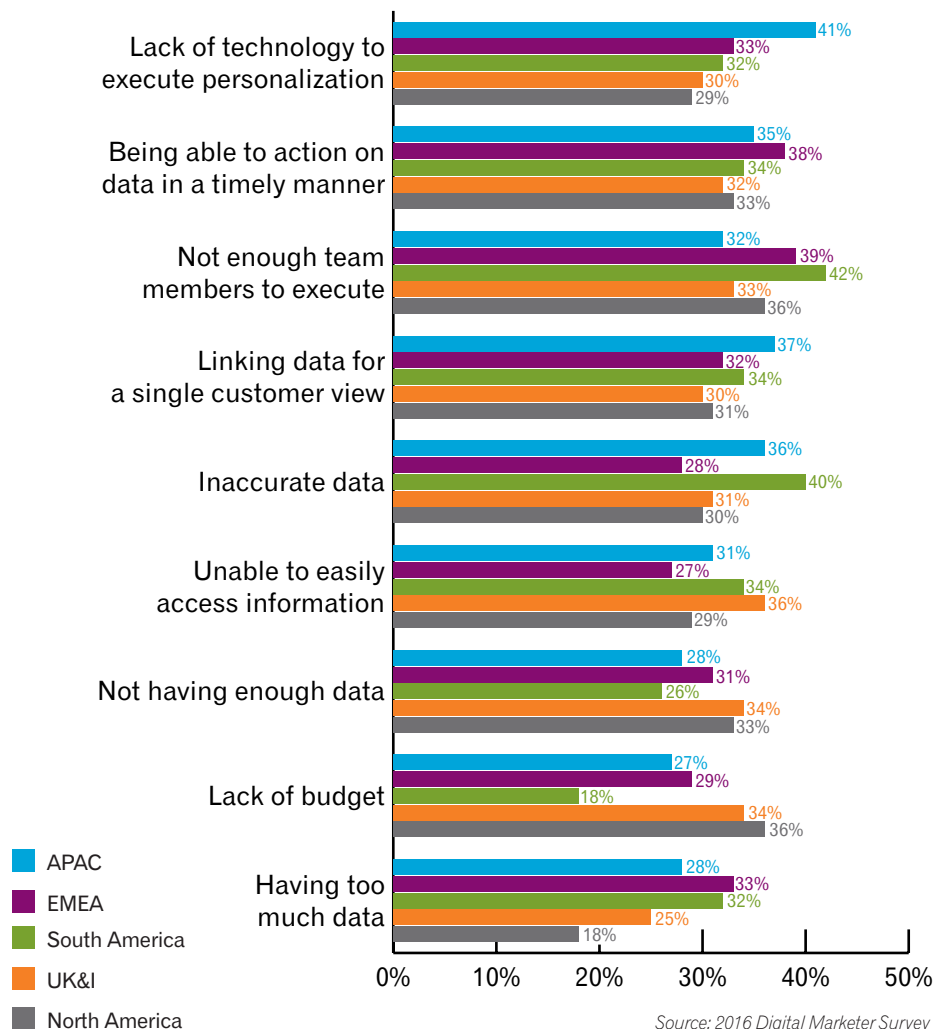| Data point	Percentage
Basic demographic data, like first name, gender or birthday	53%
Financial data, like estimated income, discretionary spend estimates, net worth estimates	46%
1st party interaction data, like email clicks, web browse behavior or past purchases	45%
Loyalty program data	44%
Attitudinal/lifestyle data, like whether they are price sensitive or impulse buyers	41%
Geo-location data	41%
3rd party behavioral data, like how customers interact with other brands	38%
Preference center data	33%
We do not personalize our communications	5%
Don't know	2%

Source: 2016 Digital Marketer Survey

Getting personalization wrong can have disastrous results not only on an individual campaign but also on that person's perception of your brand. Brands that employ first, second and third-party data in conjunction, and do so responsibly, will reap the rewards.

However, resources to execute — be they technology, personnel or data resources — are holding marketers back. The lack of technology to execute personalization is the leading challenge, especially in APAC, where 41 percent of marketers rank this among their top three.

Actioning on the data in a timely manner and not having enough team members tie for second overall. For marketers in EMEA and South America, personnel stands out as the top challenge (ranked among top three by 39 percent and 42 percent of marketers, respectively). Inaccurate data also plagues the South American marketers in our survey; 40 percent ranked it top three, making it their second biggest challenge.

On the other end of the spectrum, South American marketers are not lacking in budget; only 18 percent ranked that as a top challenge. And you are less likely to hear North American marketers say they have too much data; only 18 percent ranked that as a top challenge.

Personalization challenges by region

Lack of technology to execute personalization
- APAC: 41%
- EMEA: 33%
- South America: 32%
- UK&I: 30%
- North America: 29%

Being able to action on data in a timely manner
- APAC: 35%
- EMEA: 38%
- South America: 34%
- UK&I: 32%
- North America: 33%

Not enough team members to execute
- APAC: 32%
- EMEA: 39%
- South America: 42%
- UK&I: 33%
- North America: 36%

Linking data for a single customer view
- APAC: 37%
- EMEA: 32%
- South America: 34%
- UK&I: 30%
- North America: 31%

Inaccurate data
- APAC: 36%
- EMEA: 28%
- South America: 40%
- UK&I: 31%
- North America: 30%

Unable to easily access information
- APAC: 31%
- EMEA: 27%
- South America: 34%
- UK&I: 36%
- North America: 29%

Not having enough data
- APAC: 28%
- EMEA: 31%
- South America: 26%
- UK&I: 34%
- North America: 33%

Lack of budget
- APAC: 27%
- EMEA: 29%
- South America: 18%
- UK&I: 34%
- North America: 36%

Having too much data
- APAC: 28%
- EMEA: 33%
- South America: 32%
- UK&I: 25%
- North America: 18%

Legend:
- APAC
- EMEA
- South America
- UK&I
- North America

Source: 2016 Digital Marketer Survey

Personalization, the quintessential aspect of delivering relevance

Enriching data for segmentation and personalization

Christine Frohlich, Product Management Director

Experian Marketing Services

Enriching your first-party data with third-party data to enable intelligent segmentation and personalization isn't a new concept. It's been a core marketing practice for several years. By overlaying third-party data such as demographics, behaviors and purchase history, marketers are able to gain a deeper understanding of their consumers' characteristics and preferences.

This enhanced view of their customers enables them to fine-tune their marketing messages, promotions and product mix to capture their attention. Data enhancement also provides marketers with the insight they need to target prospects who look like their very best customers based on like behaviors, demographics, etc. However, like all aspects of marketing, technology and the expansion of digital media has amplified the opportunities marketers have to achieve that elusive one-to-one relationship with customers.

It's time for marketers to take third-party data seriously. Nothing is more important than your first-party customer data, but it only represents a portion of your customer's life. Third-party data gives you insight into what your customers are doing when they aren't interacting with your brand, such as life events they are experiencing, as well as where they are spending their dollars when it's not with you.

"Smart data" is not only about knowing what data is important, but also knowing how to use it. This means you either need to become a data expert and learn how to sift through the available third-party data options, or work with a company that has the expertise and can help you reach your goals.

Enriching data for segmentation and personalization

In that sense, data education is a key factor in overcoming the challenges associated with smart data. Organizations need to know what data they have internally, what they can access from third parties and how they can use it in a compliant manner. Additionally, marketers must achieve a basic understanding of analytics. As a result, data and analytics education is important for ensuring that the compliance, legal and marketing teams are all comfortable with the intended use of first- and third-party data assets.

Here are some steps for ensuring your organization is operating in a modern framework around data enhancement for segmentation and personalization:

Know what you have

Audit your first-party data. If you have data residing in disparate parts of your business, employ tactics to create a single customer view.

Start by asking yourself these questions:

- Where is the data derived?

- What are the allowed uses of the data?

- How can the data help the company better understand our customers?

Fill in the gaps

Once you know what data you have internally, it will probably become evident that you do not know everything about your customers. Can you develop a strong customer profile with the data you have? Does your first-party data answer the business questions you need to know for

segmentation and personalization? For example, if you want to better optimize your spend by channel, do you know in which channels your customers are most receptive to marketing messages? If not, you'll need to work with third parties that can fill in the gaps and enhance your single customer view with data points such as demographics, channel preferences and wallet share to enable segmentation and personalization.

Not all data is created equal

Whether you're buying demographic data or digital behavioral data, marketers should assess third-party data on three key factors:

- Ensure you are working with a reputable, consumer-privacy compliant data provider. Ask how they procure the data and what

(continued ...)

Enriching data for segmentation and personalization

measures they take to ensure consumers are given notice and choice about the use of their personal information for marketing purposes.

- It's not always about who has the most data. Instead, consider the completeness and consistency of the data. You want to know the quality and reliability across the entire database and have full transparency on potential regional or demographic biases.

- Do the hard work of evaluating the data. In your evolution from data-driven to insight-driven marketing, data performance should be your differentiator in evaluating alternatives. Whether you measure data performance on model dispersion or another method — simply make sure you do it.

Foster an insight-driven marketing mindset

Use customer insights to drive marketing campaigns and deliver relevant and engaging personalized content. Allow the data to tell the story and generate your content in line with that story. Create a collaborative environment between your marketing and data teams. Don't get handicapped by organizational silos. Band together to create a unified voice and customer-centric programs.
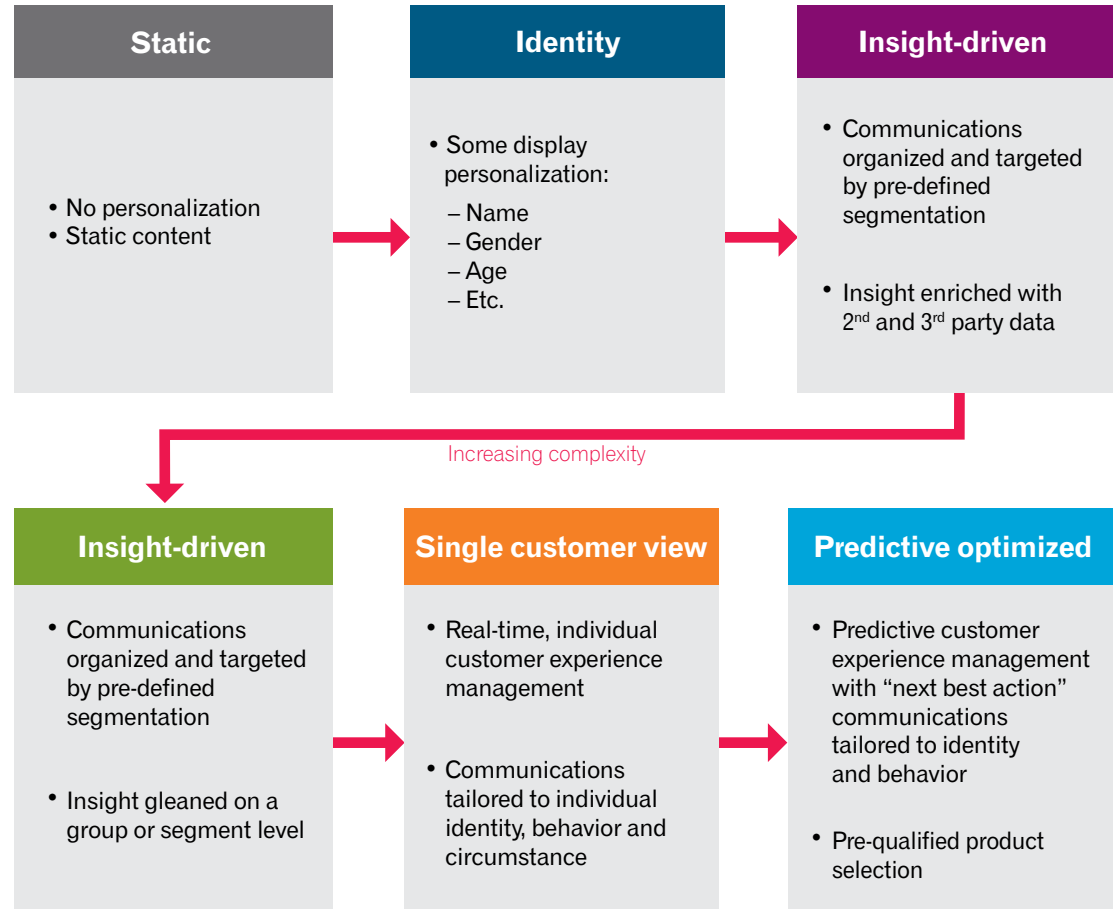
Align your technology

Executing personalized marketing campaigns requires technology. It touches nearly every aspect of campaign design from data enhancement to analytics, and of course media channel delivery. Many times, technology limitations drive our data and marketing design. Instead, technology infrastructure should be driven by data and business objectives. As an industry, we need to realize that more than just data and marketing need to be aligned. Technology must be aligned as well.

In order to evolve from a data-driven to an insight-driven approach, relevant behavioral data and the technology and analytics that make sense of that data are a requirement. ■

THE PERSONALIZATION SPECTRUM

You're probably targeting customer segments, using name personalization in subject lines and building dynamic content blocks on your website — or at least you're aware of those techniques. But what about real-time individual customer experience management and pre-qualified product selection? Personalization, like most marketing disciplines, is continuously evolving both creatively and technically. The result is a wide range of practices, from the simple and familiar to the more complex and seemingly daunting.

Don't be fazed. We've created a personalization spectrum so you can easily see the various levels and determine what kind of personalization is best for each type of communication you send.

Static	Identity	Insight-driven

• No personalization
• Static content
	• Some display personalization:
	  – Name
	  – Gender
	  – Age
	  – Etc.
		• Communications organized and targeted by pre-defined segmentation
		
		• Insight enriched with 2nd and 3rd party data

Increasing complexity

Insight-driven	Single customer view	Predictive optimized
• Communications organized and targeted by pre-defined segmentation • Insight gleaned on a group or segment level	• Real-time, individual customer experience management • Communications tailored to individual identity, behavior and circumstance	• Predictive customer experience management with "next best action" communications tailored to identity and behavior • Pre-qualified product selection

Stage 1: Static

The first stage in our personalization spectrum is actually the absence of personalization. Even the most sophisticated marketer may conduct static campaigns, but this doesn't necessarily mean a lack of consideration. Campaign-level analysis can provide insights that are subsequently fed back into the campaign optimization loop. Monitoring campaign performance in response to variable changes (for example, a change in the day of week on which a campaign is sent) shows an appreciation for the customer's experience. But in treating an audience as a whole, it's not considered personalization.

Stage 2: Identity

In seeking to treat customers as individuals — as opposed to homogenous groups with identical needs — the most basic step a marketer can take is to address them as such. This stage can include many quick wins to enhance currently static campaigns. What's more, these seemingly trivial details really do make a difference. In Q4 2015, emails with personalized subject lines had 32 percent higher unique open rates versus industry benchmarks. Other identity variables can include gender, location and age. Each of these can help you use relevant language or make basic content selection decisions.

Each quarter we do an in-depth analysis of email marketing trends, and feature a notable email topic.

Get the stats in the Q4 2015 Email Benchmark Report:

Download now ▶

Stage 3: Insight driven

Using insight to design customer segments based on characteristics such as engagement status, propensity to purchase or membership tier takes a personalization strategy to the next level. Though often fairly broad, segments allow you to move away from generic messages and communicate with specific groups in meaningfully different ways. Knowing the commonly held interests or needs of a segment drives more relevant dynamic content or creative. Relevancy is not an end in itself, though. The objective is to use these relevant communications to increase efficiency, engagement and, in many cases, revenue.
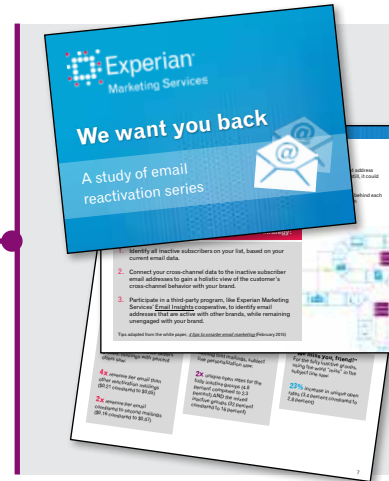
Reactivation programs are a good example of using segmentation to increase efficiency, engagement and revenue.

Learn more in our study of email reactivation series.

Download now ▶

Stage 4: Enriched insight

An enriched insight approach is broadly the same as the previous stage, in that communications are refined based on segment preferences gleaned from analysis and insight. The crucial difference is that an enriched insight approach adds further granularity by increasing the number of variables by which a group or segment can be defined.

This highlights one of the limitations of an insight-driven approach: access to data. You may have a limited number of fields per record available and will therefore be forced to base your segment preferences on fewer variables than you might like. Enriching insight with second or third-party data helps to work around this limitation by enhancing a record with additional fields. This enables you to develop more accurate views of your segment as well as their preferences, needs and interests.

The personalization spectrum

Stage 5: Single customer view

An effective single customer view provides real-time, individual customer experience management across channels. Where insight-driven and enriched-insight personalization base communications on segment or group preferences, a single customer view enables you to tailor communications to an individual identity, behavior and circumstance.

For real-time email, this involves using information about a specific customer and data from that customer's device to present highly targeted, contextual content. There is an important distinction to be made here between real-time email and dynamic content: the latter is created using fixed data that cannot be updated once a campaign is deployed, whereas the former is crucially more fluid, taking into account circumstances local to the opener such as geo-location, local weather and device language settings.

Live maps are a great opportunity to interact with customers in a personalized, real-time way. In this example, the brand used Movable Ink technology to generate a map of the user's unique location, placing it prominently within the email creative. This can be particularly effective when paired with a compelling offer, such as encouraging a customer to visit your local store (sign posted on the map) to redeem the offer.
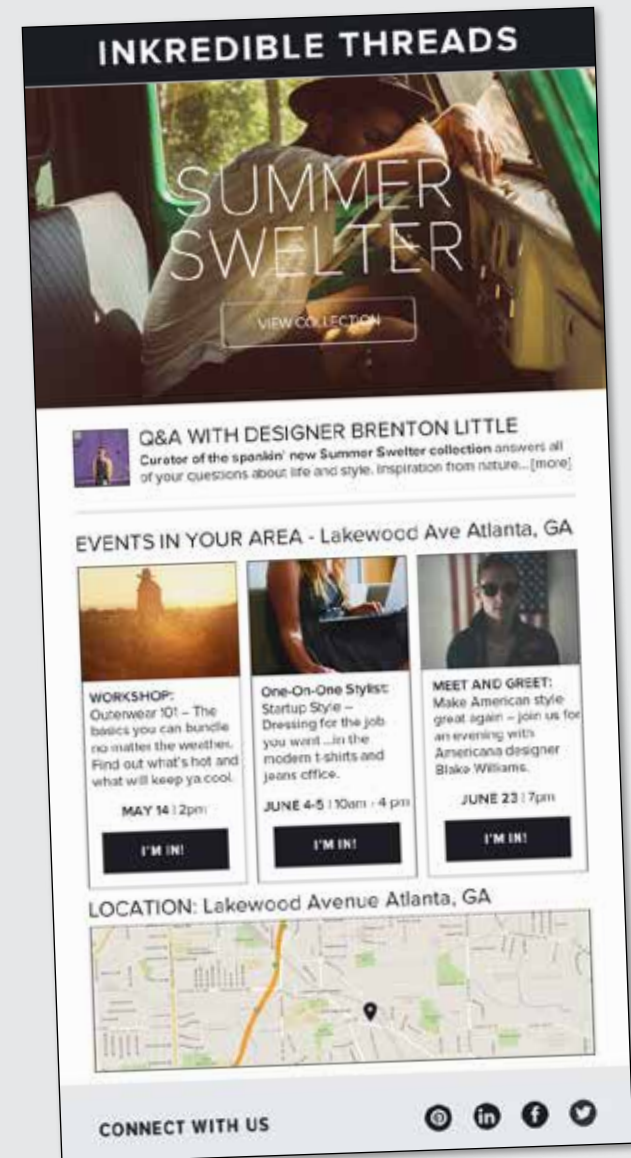
Stage 6: Predictive optimized

Predictive optimized marketing is at the more advanced end of the personalization spectrum. It takes the single customer view approach a step further by using personal data to anticipate the customer's future needs. Predictive scenarios — or "next best actions" — can be calculated using variables such as past purchases and browse, click and cart activity, with the end goal of enhancing your communications with highly targeted offers.

Offering products that are pre-qualified to a specific individual is a good example of predictive optimized marketing. Pre-qualified product selection can help increase both engagement and conversion by removing some customer legwork. This type of predictive model is particularly relevant in relation to more complex transactions that are subject to approval — think financial products such as loans and mortgages, or big-ticket items that may require financing.

At the core of any decision on personalization is the need to keep the customer first. Is your personalization strategy adding value? Do you have the right data assets and technology to execute effectively? As you can see, the more sophisticated techniques require a fuller understanding of who your customers are, a robust set of actionable data and the technology to seamlessly bring it all to the customer to build better relationships.

Client spotlight

Personalization helps retailer achieve a
158 percent increase in click rate

🚧 Challenge

A global, upscale multichannel retailer noticed that the exciting deals it offered via email weren't achieving the response it expected. Its ongoing, promotional emails seemed to be buried in subscribers' inboxes. The brand needed a way to speak more relevantly to its customers, moving beyond standard first name personalization, to really stand out in the inbox.

💡 Solution

To increase relevance, the retailer set up multiple personalized subject lines that dynamically adjusted based on the subscriber's web browsing and cross-channel purchase behavior. The creative within the email remained the same, but the subject lines called out product categories of specific interest to each user.

Subject lines included:

> Get it N-O-W! Save 'til 12am ...

> Get it N-O-W! Save on decor 'til 12am ...

> Get it N-O-W! Save on pillows 'til 12am ...

> Get it N-O-W! Save on rugs + curtains 'til 12am ...

> Get it N-O-W! Save on lighting 'til 12am ...

📈 Results

By simply using subscriber behavior data to personalize the subject line, the brand saw incredible lift in both open and click rates.

⬆ **22%**
increase in open rate
comparing generic and
dynamic versions

- -

⬆ **158%**
increase in click rate
comparing generic and
dynamic versions

Beyond the first name

Ashley Lockridge, Associate Director,
Cross-Channel Marketing, Strategic Services

Experian Marketing Services

Customers are granting us access to more information about themselves than ever before, and when they enter into a relationship with your brand, they expect you to use their data for good. It's 2016; basic personalization is no longer a surprise nor a delight. Consumers expect to be greeted by first name and to receive a special gift on their birthday. Without these standard aspects of personalization, it becomes clear that they are simply part of the masses.

Marketers, there is even more we can do. It's time to deliver hyper-personalized experiences that speak to more than just demographics or first name, but also to the many actions that your customer takes each day. Here are four opportunities to consider for 2016:

Personalization of offers based on purchase + browse

Brands are beginning to see huge lifts by segmenting offers based on past transactions combined with recent website browsing behavior. This takes browsing behavior one step beyond the one-off remarketing campaign, tying this information to current sales and promotions being delivered to the user. For example, rather than telling a user that there is a 20 percent off sale site-wide, try personalizing the deal to reflect the categories browsed and purchased, i.e., "Get 20 percent off summer dresses and the entire site!"

Send time optimization

You can personalize more than just content. Use behavior data to personalize the time at which the message is delivered, based on when each subscriber has the highest propensity to open. This concept is even

(continued ...)

Beyond the first name

more effective when you belong to a consortium like Experian's Email Insights, which can tell you not only when each user interacts with your brand, but when they interact with other brands in their inboxes as well.

Recognition across devices

By using statistical device identification in tandem with recognizing, connecting and resolving other identification data, marketers can now understand consumer behavior across devices and environments. Use this information to personalize the experience in more channels than just email. Retarget users that have abandoned the site with a text message or push notification. Engage users in email by displaying the products browsed in your app. These methods continue the conversation and brand messaging regardless of device.

Changes in the media mix at a one-to-one level

Response attribution for cross-channel campaigns is instrumental in understanding the ideal media mix per user. For example, if you find that direct mail drives a higher engagement rate for customer A, while television is more effective for customer B, you can adjust your contact strategy for each to ensure you're reaching them in the environments in which they're most likely to respond while continuing to drive cost-effective visibility and repeat messaging across channels.

Personalization, even in something as simple as the subject line, can drive real business results. Imagine the results when you achieve a unique experience for each customer. This is the way of the future — 2016 will be the year that marketers expand their strategy to optimize content, timing and channel for each user. ■

Pushing the envelope with kinetic email

David Kepets, Creative Director
Experian Marketing Services

Now is the time to push the envelope with email. Marketers have been apprehensive to test new ideas with email marketing but are intrigued by the possibilities kinetic email brings to the table.

So what is kinetic email? It's the ability to include interactive and dynamic actions in email that are executed within the code via HTML and CSS. Interactive is the key word here.

At times "interactive" can be interpreted in a couple of ways:

1. Multiple taps or clicks: the user interacting with the content

2. Movement: items moving within the email

The expectation with kinetic email is for the user to spend more time engaging with different areas of the email. These new enhancements go beyond the one tap and actually simulate a web experience with multiple taps all within the email.

We're not going to see adoption of these new enhancements overnight. The reason is twofold. First, the average user isn't aware of and doesn't expect emails to have this kind of functionality. Email historically has been a one click or one tap environment. Even with mobile, which has changed how and where consumers engage with email, the fact is that the average time a consumer spends with any given email is getting shorter and shorter.

Second, as with any emerging trend, there is a transitional period that involves making the consumer aware of the new level of

Pushing the envelope with kinetic email

engagement they can expect within their inboxes. For example, Gmail has been fairly consistent in testing new approaches to how we digest and manage our inbox. Over time we've seen several enhancements become the standard while others simply come and go.

We're seeing new CSS enhancements crop up all the time. For example, we're testing scenarios that allow the consumer to play several classic games right in their inbox. We're also paying close attention to engagement levels for different types of kinetic approaches: Do users realize they can actually play the games? Do they understand that they have multiple chances to tap in the email before leaving the inbox?

In the future, these new approaches could be transformed into promotion opportunities, such as playing a game for 20 seconds to reveal an offer or potentially simplifying the purchase process by taking those steps in the inbox versus online.

What marketers need to do is be smart about execution. When kicking off your kinetic email tests, remember to be strategic with the technology and make it actionable. Think of these new enhancements as tools to produce positive end user experiences. Take baby steps to infuse kinetic elements and don't overdo it. The entire email doesn't need to be completely interactive. Think about what is going to get a consumer to take action and get to the next level. That way you are not straining your creative and technical

resources to create extensive kinetic emails that the consumer will open but never really understand.

Focus on your main goal. Is it to drive the user to your site? If so, too many taps or clicks may not be the right approach.

Advancements in mobile and social continue to push and pull at how consumers interact. There is a constant battle for a consumer's attention and email is part of that. Kinetic is just one way to keep the user engaged in the inbox. We're all excited to have these new tools and to be pushing the inbox even further. ■

CROSS-CHANNEL MARKETING IS THE WAY OF LIFE FOR ENTERPRISE AND MIDMARKET COMPANIES

In today's world, a single channel program doesn't cut it. Customers engage in multiple channels, sometimes at the same time. And they aren't likely to go searching for brand communications, so brands must meet customers where they are. Being there is not enough, however. Consumers don't just want to see a clever TV spot or be offered the lowest price — they want to be appreciated, heard and entertained.

29%
of marketing teams overall and 59 percent at enterprise companies are still operating in channel-based silos

These teams are failing to coordinate their messages and strategies across promotional channels and devices. This means inconsistent experiences across channels and possibly the loss of an engaged customer — as well as the loss of their current and future business.

Marketers can no longer treat each channel as an island. Silos must be smashed so cohesive strategies can be implemented to create a unified experience no matter how the customer wants to engage.

After all, no customer wakes up in the morning and says, "Today, I feel like shopping via email."

THE GOOD NEWS: COMPANIES GET IT.

Do you plan to run cross-channel campaigns this year?

96% Enterprise
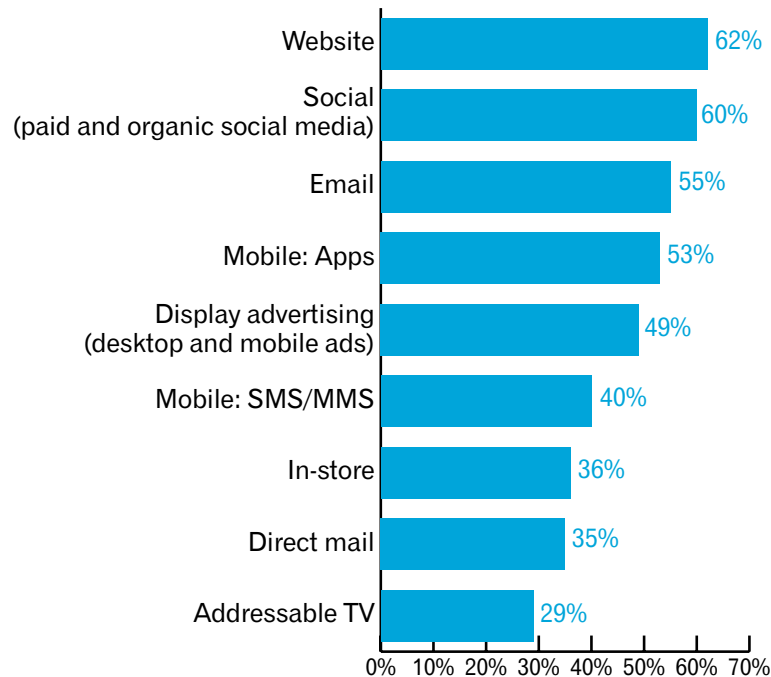
90% Midmarket

64% Small market

■ Yes ■ No
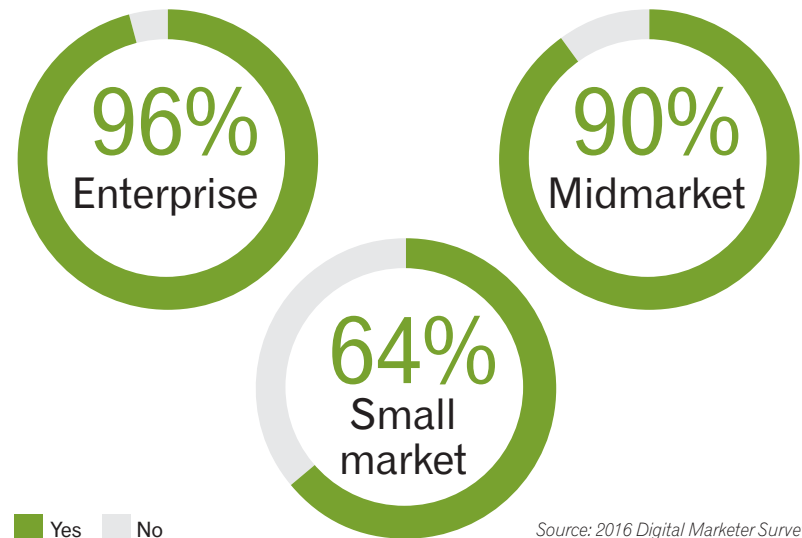
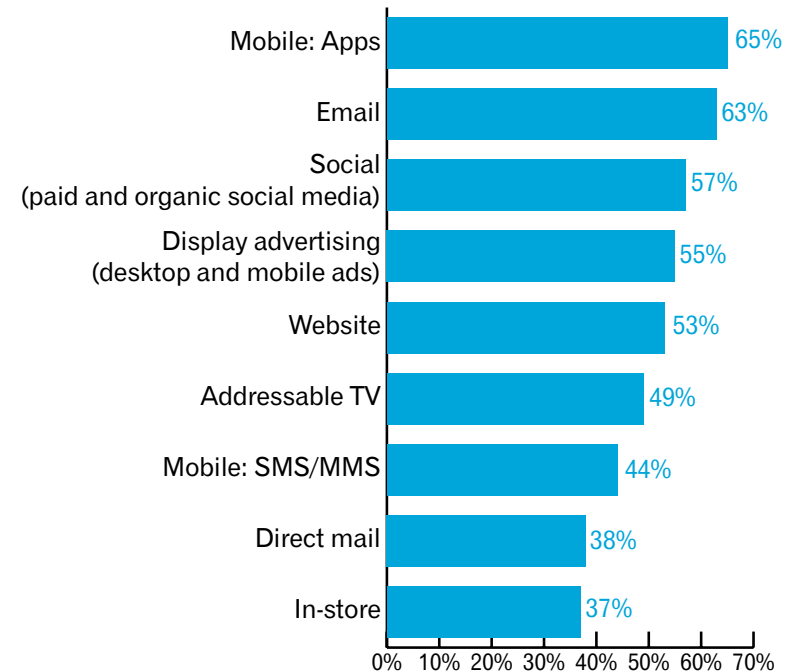*Source: 2016 Digital Marketer Survey*

Overall, the website is the most likely channel to be integrated into these cross-channel programs (62 percent), followed by social (60 percent) and email (55 percent). When looking at responses of marketers in enterprise companies, mobile apps jumps to the top of the list (65 percent) and email moves into second (63 percent). The dark horse, addressable TV, leaps from 29 percent overall to 49 percent.

Planned channel integrations of cross-channel marketers

Channel	%
Website	62%
Social (paid and organic social media)	60%
Email	55%
Mobile: Apps	53%
Display advertising (desktop and mobile ads)	49%
Mobile: SMS/MMS	40%
In-store	36%
Direct mail	35%
Addressable TV	29%

Source: 2016 Digital Marketer Survey

Planned channel integrations of enterprise-level cross-channel marketers

Channel	%
Mobile: Apps	65%
Email	63%
Social (paid and organic social media)	57%
Display advertising (desktop and mobile ads)	55%
Website	53%
Addressable TV	49%
Mobile: SMS/MMS	44%
Direct mail	38%
In-store	37%

Source: 2016 Digital Marketer Survey

Cross-channel marketing is a way of life for enterprise and midmarket companies

Uncover hidden opportunities within your email subscriber base

Scott Paprocki, Director of Global Product Management

Experian Marketing Services

As marketers continue to examine the effectiveness of new channels and devices to incorporate into their marketing mix, email remains a key ingredient. Whether being used as a personal identifier across channels or as a tried and true channel for delivering marketing messages, marketers will continue to see benefits from maintaining an email marketing program, even beyond the inbox.

Maintenance is essential to keeping that email marketing program moving and hinges on managing the overlap between sender reputation, large inactive lists and driving return on investment (ROI). In order

to effectively manage reputation scores, marketers end up creating large inactive files, even though this leads to leaving money on the table. To begin addressing the challenge, start with understanding your email subscriber list and you'll uncover hidden opportunities to ignite engagement.

Gain a comprehensive view of your subscribers

Understanding your best customers is the key to developing your ideal buyer personas when you're trying to grow your email database. However, because marketers are often incentivized on how quickly they can

grow their email database, this can result in opting in various customer personas that don't all have the same purchase cycle or email usage behaviors and could even fall outside your target market.

The key to identifying the person behind the email address is linking it to your CRM data, then enhancing the profiles with third-party data. Are some of your customers new parents? Have they recently moved? What buying characteristics and categories makes them likely to purchase? These are the types of questions that can be answered by enhancing with third-party data. The answers will give marketers a more

(continued ...)

Uncover hidden opportunities within your email subscriber base

complete view of the person behind the email address. Those insights then create opportunities further down the funnel.

Identifying segments for re-engagement

When determining whether or not to keep some inactive subscribers on your email file, keep in mind that seemingly underperforming emails may be inspiring actions across channels. For one online and brick and mortar retailer, an email re-engagement campaign drove 3.6 times more in-store purchases than it did direct online conversions. This level of insight is crucial; it's why linking your own data will help you know which individuals to keep on your list.

What about the inactive subscribers that don't appear to be engaged with you through other channels? To capture these customers, you need to extend your data-driven approach to create the right re-engagement strategies.

Here are three options for confidently identifying "inactive" subscribers that are most likely to re-engage with your brand.

1. Use your current email data and include all recently added inactive email addresses.

2. Leverage data enrichment (i.e., name and address associated to an email address) or pinning solutions that can help connect your cross-channel interactions with your inactive subscriber base, as described above.

3. Use a third-party program, such as Experian's Email Insights, to identify email addresses that are active with other brands, but appear inactive with your brand.

By using all three practices of linkage, data enrichment and activity within a global consortium, marketers can target as much as 40 percent of their inactive subscriber file.

Optimize your messaging

By identifying both your target customers and those most likely to re-engage via email, you've put yourself in the position where you can focus on your content. Now you can be more relevant and timely with your communications. Ask yourself, "What content might resonate with the

(continued ...)

Uncover hidden opportunities within your email subscriber base

identified re-engagement target segment?" Furthermore, just as third-party programs can provide predictive modeling for active subscribers, they can also predict the best time of day to send your email communications.

However you decide to recapture your customer through email, it's important to employ email best practices when doing so. Test your creative and subject lines and always ask your customers for feedback. Combine these practices with creative offers based on what you now know about the people behind the email addresses, and you will achieve the best results.

Target your buyer personas across channels

Keep in mind that email can inspire cross-channel activity from some of your best customers. Sometimes it might even be more relevant to target a customer via different channels to maximize your overall ROI. There are a number of cross-channel activation services that allow you to reach your inactive subscribers via display, mobile, social and even addressable television. ■

In the hot seat: 5 musings on mobile

An interview with Justin Orgel

We interviewed Justin Orgel, Director of Strategic Services at Experian Marketing Services, to hear his take on the mobile landscape and the year ahead.

Q. **What excites you most about the mobile space?**

JO | I, like almost everyone else, spend a psychotic amount of time on my phone. When brands do mobile right, they have the opportunity to actually become a part of my daily routine. That's such an exciting opportunity for marketers to engage at a level that is so much deeper than simply transactional.

For example, Yahoo has created an ecosystem of apps and content that is based on daily habits, and it's the first thing their customers look at when they wake up. They can check sports, the weather, their email and Yahoo Finance, all from their mobile phone. Their content provides actual value, and as a result, builds a much stronger relationship with the brand.

The most exciting thing about mobile is that it's nowhere near maturity and has many applications that have yet to be developed. From a marketer's perspective, there is so much room for new and different customer experiences that are not intrusive, but actually add value and complement the full brand relationship.

Q. **How can marketers walk that line between personal and intrusive?**

JO | It's a really interesting topic right now. I think each brand has a different definition, because every brand has a different relationship with its customers. The key is to listen to your customers and test ideas systematically.

That said, there are a few tactics that are generally "best practices." A big one is creating a preference center where the customers can decide on the types of messages they want to see and opt out at

In the hot seat: 5 musings on mobile

any time. Giving customers control over how they engage is ultimately the best way to ensure that you're respecting their individual wishes.

Another recommendation I often offer to clients is to be very upfront and transparent about what you plan to send, how often, in what channels and what the value is. When customers subscribe to your text message program, or enable push notifications in your app, be clear about how often you plan to engage and the added value these messages will bring to their experience.

Finally, make sure that the messages you're sending are relevant! Take advantage of technology and machine learning that can understand what interests your customers and send contextual push notifications at times that make the most sense for them.

Q. **What's the most common mistake you see clients make when they build a mobile program?**

JO | Definitely the most common mistake I see with mobile programs is not connecting the mobile ecosystem with other marketing efforts. For example, I'm working with a retailer who has a mobile app, but they're not currently connecting that data into their email channel. Because they don't have a holistic view of what the consumer is doing, they're not able to message appropriately and target her with better offers. Really, this is a big challenge because of the many systems marketers are using to drive their various channel campaigns, but as we've seen with a lot of our clients, being able to bring that data together can have a significant impact on customer relationships as well as revenue.

Q. **What is your advice for marketers who are trying to get into the mobile space?**

JO | My biggest piece of advice is that you have to assess what your audience will be responsive to. Walk in their shoes to get into the mindset of your customer and try to understand: What's the value or purpose of marketing on mobile? For some brands, apps make perfect sense. But for other brands (and I see this often with retailers), they are simply replicating the catalog experience or their website in app form. If there is no added benefit from the web experience, it's going to be very hard to convince customers to download and interact with your app.

For marketers who want to start slow with mobile, I often suggest starting with a text message campaign. Use SMS promotions to capture email addresses or

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In the hot seat:
5 musings on mobile

begin building a mobile subscription list. Text message programs require much less development and investment than apps, and for operational messages especially, they can be highly effective. They can also help you gauge interest and value, and ultimately make the business case for expanding your mobile strategy.

Q. **Any other predictions for 2016?**

JO | I think this is the year that retailers will really start to use mobile as a way to bridge the gap between online and in-store data. The app experience is going to become a lot more robust, and along with that, mobile payments and beacon technology will become more regular. Data from these emerging technologies will help marketers tie in-store behavior to the rest of their
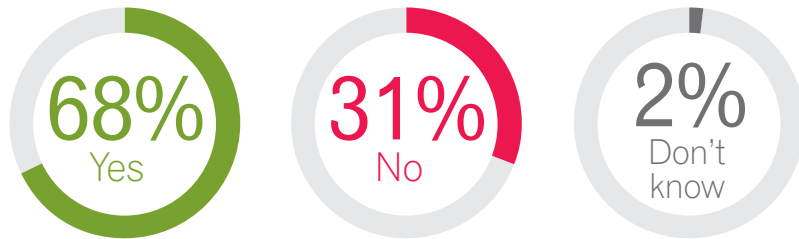
marketing efforts. For example, if location data shows that a customer comes into a physical store but doesn't purchase anything, marketers could target them with a reminder email the same way they do for online shopping.

In general, I think that 2016 will still be a bit of a struggle as marketers try to figure out the best way to engage in the mobile space. But the biggest opportunities will come when brands can create an infrastructure that facilitates the exchange and marriage of all data to create segments and messaging that make sense in many different channels. ■

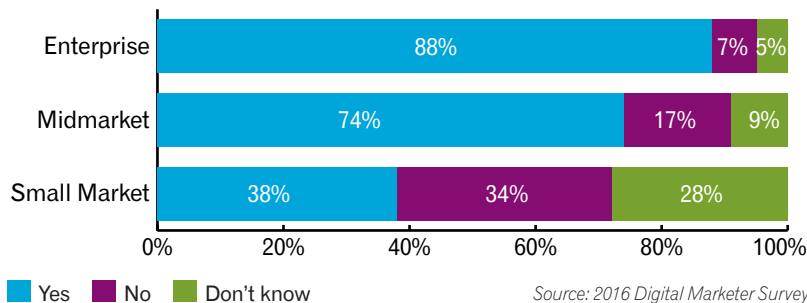# ENTERPRISE MARKETERS ARE MOVING TO MOBILE FIRST

68%
of marketers in our survey report that they run mobile campaigns.

Not surprisingly, respondents' most common mobile programs are promotional in nature. For example, outbound campaigns like offers via text message (39 percent) and inbound campaigns like having a customer text in to request a coupon (38 percent), are the most popular programs.
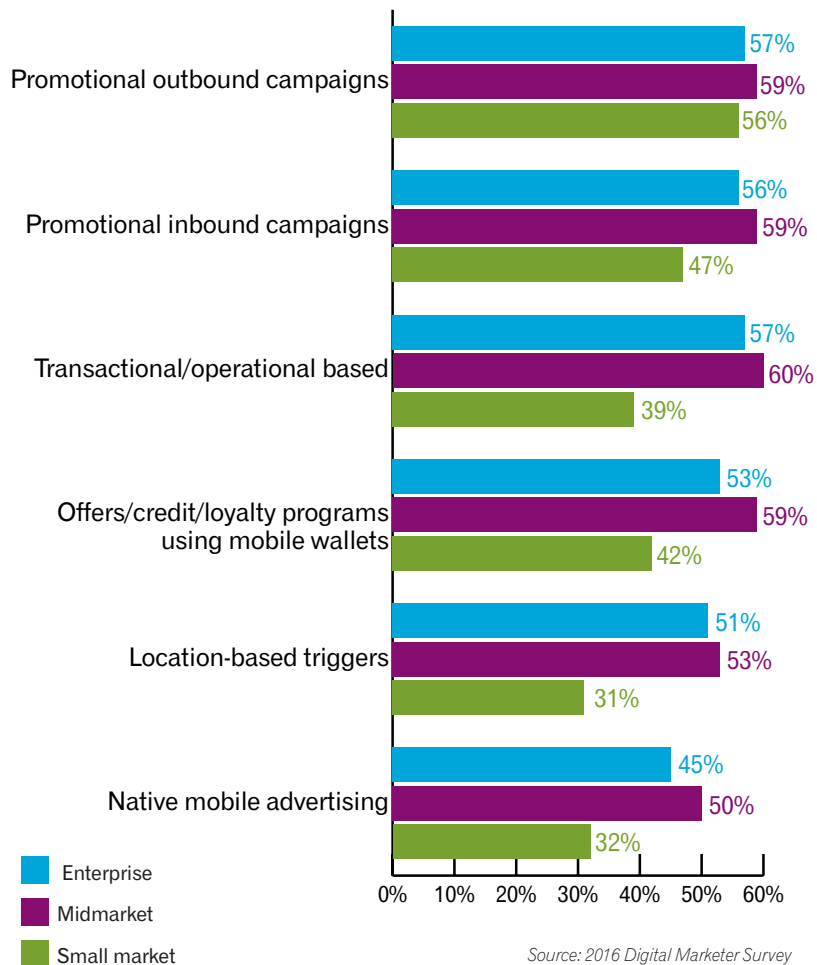
Do you run mobile campaigns?

68% Yes

31% No

2% Don't know

Source: 2016 Digital Marketer Survey

Planned mobile programs

Program	Percentage
Promotional outbound campaigns	39%
Promotional inbound campaigns	38%
Transactional/operational based	37%
Offers/credit/loyalty programs using mobile wallets	37%
Location-based triggers	33%
Native mobile advertising	31%

Source: 2016 Digital Marketer Survey

Do you run mobile campaigns, by company size

Company size	Yes	No	Don't know
Enterprise	88%	7%	5%
Midmarket	74%	17%	9%
Small Market	38%	34%	28%

- Yes
- No
- Don't know

Source: 2016 Digital Marketer Survey

Planned mobile programs by company size

Promotional outbound campaigns
- Enterprise: 57%
- Midmarket: 59%
- Small market: 56%

Promotional inbound campaigns
- Enterprise: 56%
- Midmarket: 59%
- Small market: 47%

Transactional/operational based
- Enterprise: 57%
- Midmarket: 60%
- Small market: 39%

Offers/credit/loyalty programs using mobile wallets
- Enterprise: 53%
- Midmarket: 59%
- Small market: 42%

Location-based triggers
- Enterprise: 51%
- Midmarket: 53%
- Small market: 31%

Native mobile advertising
- Enterprise: 45%
- Midmarket: 50%
- Small market: 32%

Legend:
- Enterprise
- Midmarket
- Small market

Source: 2016 Digital Marketer Survey

There is a persistent trend that mobile users visit or research products on their mobile devices, but convert on desktops or laptops. However, a Business Insider BI Intelligence report predicts that by 2020, mobile will account for 45 percent of ecommerce — as mobile web and app platforms improve and as mobile Millennials start to earn more. That's more than three times what's expected for 2016; BI Intelligence predicts mobile commerce will hit 20.6 percent of overall e-commerce, or $79 billion.

Enterprise marketers are moving to mobile first

INDUSTRY DIFFERENCES IN MOBILE INTEGRATION

Marketers in the agency and marketing services industry are most likely to integrate mobile into their cross-channel marketing programs. Mobile app is a top channel these marketers plan to integrate into their cross-channel campaigns, second only to the website. Marketers in media and entertainment are the second-most likely to run mobile campaigns, but are the most likely to prioritize mobile app integration. It ties with social as their most-integrated channel.

Integrated channels by industry

	Agency and marketing services	Automotive	Consumer electronics	Consumer products	Financial services	Media and entertainment	Pharmaceuticals and healthcare	Retail and eCommerce	Travel and hospitality	Overall
Website	72%	82%	67%	77%	57%	47%	55%	73%	62%	62%
Social	68%	73%	71%	66%	56%	55%	43%	78%	58%	60%
Email	60%	64%	60%	62%	62%	51%	45%	61%	50%	55%
Mobile: Apps	**69%**	**64%**	**62%**	**64%**	**58%**	**55%**	**34%**	**63%**	**50%**	**53%**
Display advertising	56%	55%	58%	56%	53%	49%	45%	55%	50%	49%
Mobile: SMS/MMS	**49%**	**55%**	**37%**	**47%**	**41%**	**43%**	**26%**	**53%**	**44%**	**40%**
In-store	41%	64%	58%	53%	39%	25%	28%	49%	27%	36%
Direct mail	34%	64%	31%	42%	39%	31%	38%	36%	27%	35%
Addressable TV	47%	36%	31%	34%	32%	36%	28%	28%	27%	29%

Industry differences in mobile integration

Marketers in the financial services industry are highly likely to be planning mobile app integrations. Behind email, a mobile app is the channel most likely to be integrated into the cross-channel programs of financial services marketers. Many financial services companies use mobile apps for banking and enabling quick access to account information. SMS/MMS is much lower on their list of planned integrations, however.

> It might be that promotional marketing messages via mobile is not the right approach for financial services companies, due to privacy or other concerns. We see financial services clients asking about service-related tasks, like transferring money or depositing a check. Incorporating these into the mobile app experience can help financial services companies deliver better experiences and run leaner, more efficient in-branch operations.

Casey Chang
Mobile Marketing Manager
Experian Marketing Services

Pharmaceuticals and healthcare marketers are least likely to run mobile campaigns. "[This] seems like a missed opportunity for these brands. The personalized nature of the industry marries well with that of the mobile channel," says Chang. "Texting or a mobile app could be an opportunity to provide optimal customer service experiences. Having to log onto a website and sift through a lot of information can be tedious. However, an app that shows doctors nearby or enables customers to easily submit a claim, or even a text reminder about an appointment, would make for perfect personalized mobile experiences." This highlights the opportunity to make sure mobile, as a part of the customer experience, is not just about marketing but operational and service-related tactics as well.

Industry differences in mobile integration

Client spotlight

American Eagle Outfitters drives in-store sales with a mobile-first shopping experience

Challenge

American Eagle Outfitters (AEO), a leading clothing and accessories retailer, knew that its core demographic of customers (15-25-year-olds) increasingly look for convenience and "get it now" options in their shopping experience. With this insight, AEO wanted to develop a mobile-enabled, cross-channel shopping experience that encouraged app users and website shoppers to stop by a physical store.

Solution

American Eagle Outfitters developed a program called **Reserve, Try and Buy** that allows customers to browse for a product on their app or website, and then reserve it to try it on at their nearest store. Essentially, this program offers a mobile-first option for customers who want greater control over their shopping experience.

Once a customer makes a reservation, the Experian Marketing Suite ingests real-time inventory updates from the store's inventory management system and deploys transactional messages via both email and SMS to alert customers incrementally as the order moves through its different stages. The Suite also takes into account message preference data to dictate not only the content, but also the cadence of each triggered message.
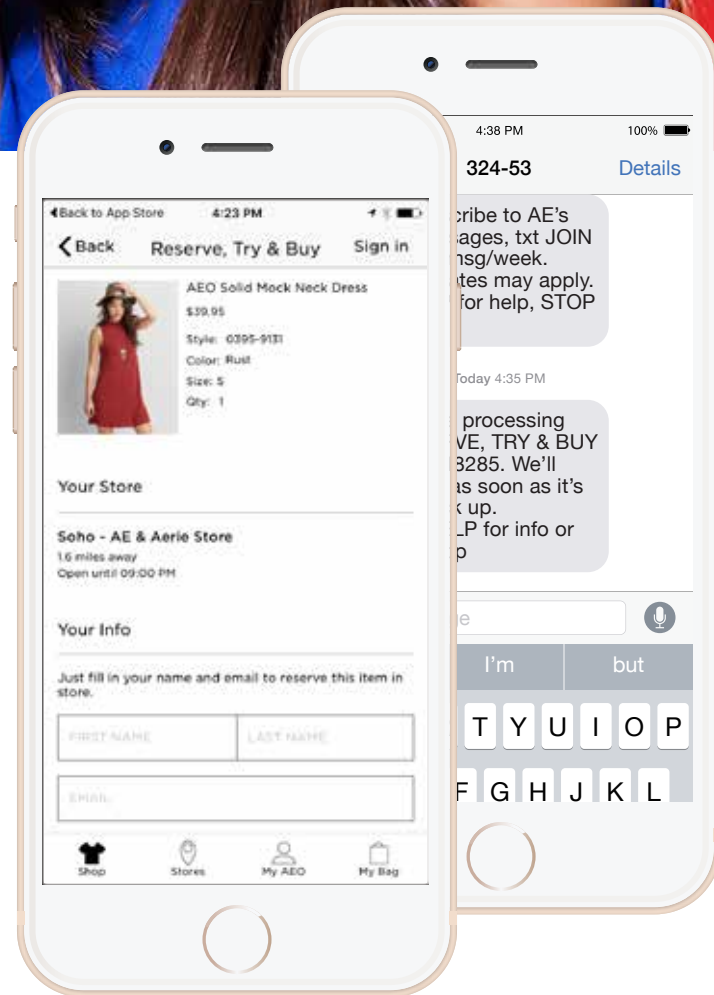
(continued ...)

Client spotlight

American Eagle Outfitters drives in-store sales with a mobile-first shopping experience

📈 Results

Reserve, Try and Buy customers purchase two times more units in store than the number of units they initially reserve. This attached upsell is driving direct revenue for the brand, especially if those customers would have not set foot in the store otherwise.

Additionally, previous customer analysis showed that AEO's multichannel shoppers spend more than double the amount of single channel shoppers. This program promotes that multichannel behavior, ideally converting more customers into multichannel shoppers for the brand and giving customers the flexibility to shop exactly how they want to. In an era when customers want to be in control of the brand relationship, this campaign illustrates exactly how beneficial that sort of customer-centric marketing can be, for both customer and brand.

Reserve, Try and Buy customers purchase 2x more units

in store (on average) than the number of units they reserved on the app or website.

MOBILE APPS AND IN-APP MESSAGING

By now, marketers have no doubt about mobile's impact on the customer experience. As we saw on page 77, of those who run cross-channel campaigns, the mobile app is the fourth most likely channel marketers plan to integrate into marketing programs; for enterprise marketers it is number one.

> Overall, mobile apps are 32 percent more likely to be a part of an integrated marketing plan than SMS/MMS and 9 percent more likely than display ads (including mobile ads).

According to The 2016 App Marketing Guide from Localytics, time in-app increased by 11 percent in 2015, average launches and session lengths increased and retention rates also increased in the U.S. There is risk in creating apps, however, because only so many are actually used regularly. The guide reports that 58 percent of app users go inactive within the first 30 days. The more engaged someone is during the early days after download, the less likely they are to churn. Additionally, app engagement is higher among push-enabled users and apps with in-app messaging experiences.

This highlights the need to have a strong engagement strategy in place from the moment a consumer downloads your app. In-app messaging is the top mobile initiative marketers in our survey plan
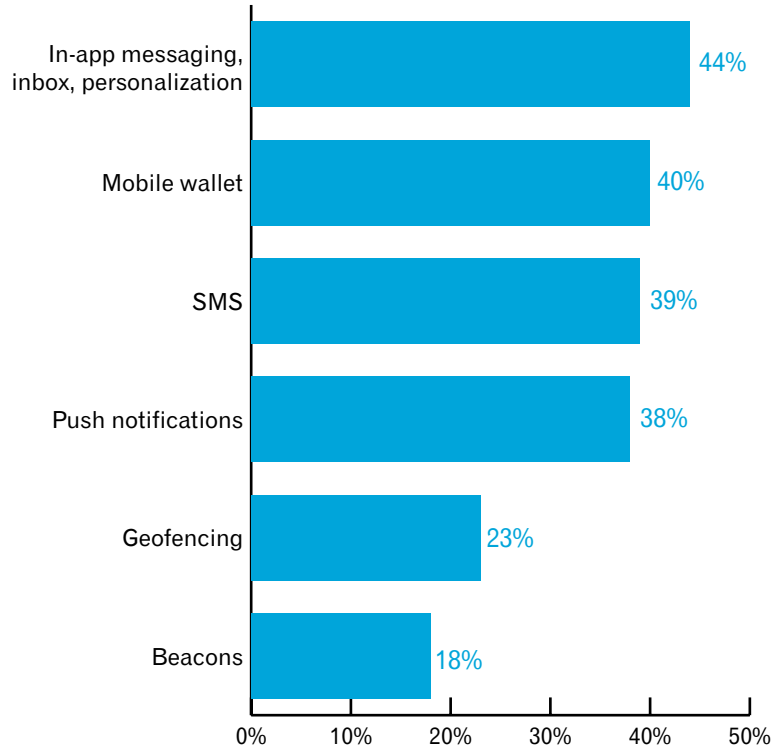
to focus on this year (44 percent). Push notifications are fourth on the list (38 percent). But 53 percent of marketers say they integrate mobile apps in their cross-channel campaigns, which highlights a clear gap, as these should go hand-in-hand.

In a market where apps fail so often, you need a push and in-app strategy to swing things in your favor.

In-app messaging with the Experian Marketing Suite provides the opportunity to engage app users with context-aware mobile app messaging. This enables customer engagement via apps ranging from push notifications for deals and discounts to personalized app content based on user preferences and learned behavior. Advanced mobile analytics report on any range of app user behavior like last product viewed, time in app, items in cart and more, allowing brands to intelligently reward loyal mobile customers with special offers in any channel.

Mobile initiatives of focus

Initiative	Percentage
In-app messaging, inbox, personalization	44%
Mobile wallet	40%
SMS	39%
Push notifications	38%
Geofencing	23%
Beacons	18%

Source: 2016 Digital Marketer Survey

Integrated programs ensure in-app messages feel like a natural enhancement to the customer experience — not just another channel for marketing messages.

2 Designing your cross-channel playbook: Email and mobile;
  http://www.experian.de/marketing-services/whitepaper/cross-channel-playbook.html

This integration is paramount, as subscribers acquired from inbound campaigns that gather both customer phone numbers and emails complete transactions at 3.9 times the rate of email-only subscribers.[2]

Want actionable tips to integrate your email and mobile programs?

Download our ebook: *Designing your cross-channel playbook: Email and mobile*

Download now ▶

While beacons are lowest on the list of mobile initiatives on which marketers plan to focus (18 percent), they are a key way to integrate mobile experiences with physical stores. Location-based app features mean marketers can trigger any range of messages based on a user's proximity to an in-store beacon. Applications generally involve promotional push messages, but beaconing can also be tied to email, web, social, SMS/MMS and in-app campaigns. They can also be used simply to gather data on customers as they move through retail locations for the purposes of understanding customer journeys in-store or enriching customer records.

With the Experian Marketing Suite, you can identify and link the disparate data of your best customers across all mobile touch points — from devices like smartphones and tablets to platforms like browsers and mobile apps. That means you have a comprehensive, single customer view to support customized and relevant mobile campaigns.

Developing a mobile app? Don't forget about SMS

Casey Chang, Mobile Marketing Manager, Strategic Services Experian Marketing Services

Marketers are fascinated by mobile, and for good reason. It's increasingly the device of choice for consumers. SMS and MMS messages, push notifications and the app inbox all offer marketers the ability to communicate directly with customers in a way that is immediate and friendly. Yet there seems to be an interest gap between developing mobile apps and building other mobile initiatives. In this year's Digital Marketer Survey, 53 percent of respondents indicated that they plan to integrate a mobile app into their marketing program in 2016, compared with only 40 percent for other mobile programs like SMS or MMS.

Without a doubt, well-designed apps can be incredibly useful for building the brand relationship. Good apps focus on improving the customer experience by making their lives easier — by tailoring the content to their personal experience or lessening the number of steps it takes for them to perform an action. In service-based industries, apps can alleviate the need for in-store or in-branch services, helping companies become more lean and efficient. For example, consumer bank apps have redesigned the experience of depositing a check or transferring money between accounts, allowing them to cater

to their customers' needs faster and more efficiently than ever possible through a physical teller.

That said, mobile apps are also time- and resource-intensive to develop, especially if they are well designed. Other mobile initiatives, like SMS and MMS text messaging programs or mobile wallet, require less investment to create and maintain. Additionally, imagine if every marketer who shared a plan to build an app actually followed through. That would mean a lot of competition for customers' limited phone space.

Developing a mobile app? Don't forget about SMS

This is why I find the interest gap fascinating. Mobile apps are useful, but they should be part of a cohesive mobile strategy, supported with other mobile programs like SMS and MMS messaging. These programs are less costly and can serve as an effective alternative for communicating with customers who have push notifications disabled, are inactive users, don't have compatible phones or simply haven't downloaded your app.

This is especially important for brands that use the mobile space to communicate service-related or operational messages, such as shipping and delivery notifications, fraud alerts or travel delay notices that require immediacy. These kinds of messages are time-sensitive and valuable.

Customers who don't have your app will benefit from their receipt if you offer it to them via another channel.

Of course, it's important to remember that not every business fits usage of SMS and MMS or app programs. Consider the needs and preferences of your unique customers to determine the need to develop a mobile program. After all, mobile experiences that are not well thought through may be more damaging than beneficial. According to a Google study of smartphone users, 66 percent of consumers will take negative action if a mobile site or app doesn't satisfy their needs, such as being less likely to return to the site or app (40 percent) or purchase products from the company in the future (28 percent).[3]

Ultimately, if you're investing in a mobile app experience, don't forget about the power of a complimentary text message strategy. Mobile app marketing and text messages can go hand in hand. Develop an SMS experience that proves the value of your brand in the mobile space. Once you do, your customers and prospects will be more likely to believe in the value of your full app experience. ■

3 Think with Google, How to Beat Consumer Tune-Out with Useful Mobile Content,
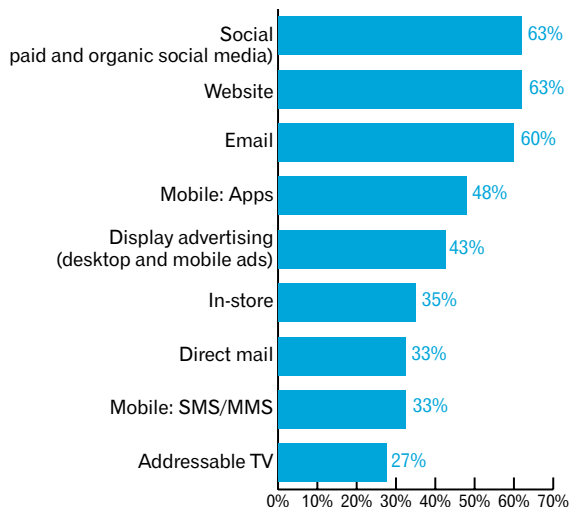 https://www.thinkwithgoogle.com/articles/how-to-beat-consumer-tune-out-with-useful-content.html

WHAT ABOUT EMEA: CROSS-CHANNEL MARKETING AMBITIONS

Cross-channel ambitions in EMEA

It is no longer a secret that companies are using a wider variety of marketing channels today, offline as well as online. 85.3% of EMEA respondents said they plan to execute cross-channel campaigns in 2016.
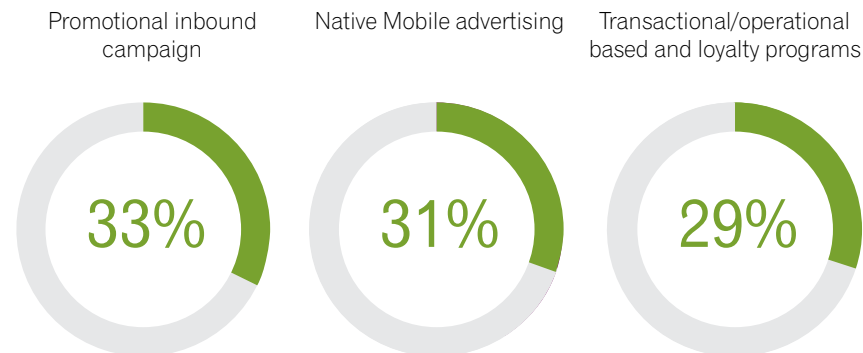
EMEA respondents plan to integrate several channels in their cross-channel campaigns. The three most used channels will be social (organic and paid), websites and email.

Channel	%
Social (paid and organic social media)	63%
Website	63%
Email	60%
Mobile: Apps	48%
Display advertising (desktop and mobile ads)	43%
In-store	35%
Direct mail	33%
Mobile: SMS/MMS	33%
Addressable TV	27%

How will mobile fit in their marketing plans?

Even if mobile does not appear in the top three channels, it seems to be an increasingly important asset for marketers. Almost half of EMEA respondents plan to integrate mobile apps into their cross-channel programs, and a third of them will integrate both SMS and MMS.

Principal mobile programs planned by EMEA marketers

Promotional inbound campaign	Native Mobile advertising	Transactional/operational based and loyalty programs
33%	31%	29%

WHAT ABOUT EMEA: CROSS-CHANNEL MARKETING AMBITIONS

Mobile is a very important tool for marketers for customer relationship management. Mobile offers a more personal and intimate channel that can be used for both transactional communications and promotional offers.
Among the mobile-related initiatives, EMEA respondents still have a preference for SMS (41%), in app messaging (37%) and push notifications (27%).

Is real-time decisioning a reality?

While most of the respondents said they plan to run cross-channel marketing campaigns in 2016 (80%+), it is interesting to note that only 62% are using real-time decisioning in their current marketing campaigns.

34% of respondents are not using real-time decisioning in their current marketing campaigns.

When used by marketers, real-time decisioning can help to personalise the content displayed (33%), showing the most relevant offers (32%) or the route to the most appropriate agent in a contact centre (31%).

Integration of real-time decisioning in marketing campaigns is clearly an under-developed area for EMEA marketers creating a great opportunity for them to consider how adoption of capabilities around this approach can help to improve customer experience.

Demand for this practice should grow when the data driven marketing approach becomes more widely adopted. Indeed, for efficient real-time decisioning, companies must adopt methods to consolidate broader data-sets and develop an irreproachable strategy to address data quality needs.

Currently, companies who have a real-time decisioning strategy in place primarily rely on web browsing data (43%), social media data (33%) or in app browsing data (31%). If in the future organisations want to enhance their strategy, then they will need to consider how they can enrich their databases. This can be achieved through analysis of broader data-sets such as in-store data, online chat agent data, profiling data, or even propensity modeling.

WHERE DO YOU GO FROM HERE?

Let data be your North Star in the quest to develop the perfect relationship with your customers: a mutually beneficial experience that allows your customers to engage in the ways they want and allows you to achieve the goals your organization sets out to accomplish.

Like any pioneer, you need the right tools. For marketing excellence, those tools are data and technology. But data and technology aren't solutions in and of themselves. The strategy behind the tools is what makes or breaks a marketing program, and creating a winning strategy comes from working with leading industry experts.

Expert guides can lead you through this expedition. They can help you mine the data to unearth precious insights and understand the best ways to put them into practice. Armed with that intelligence, you can turn your customers into loyal brand advocates by creating exceptional interactions, every time.

Looking for an expert guide to help you through your marketing journey?

Contact us:

experian.de   **+49 211 220 424 0**

DATA. TECHNOLOGY. SERVICE.

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Intelligent interactions.

Every time.