

The Segment of One

Utilizing One-to-One Marketing to Enrich the Customer Experience

An NGDATA White Paper



Executive Summary

One-to-one marketing is a customer relationship management strategy that centers on personalized and relevant interactions with the individual customer. It's reminiscent of the mom-and-pop shops from years past, when small business owners knew customers' individual affinities and were better equipped to provide exceptional customer service. One-to-one marketing puts the customer first, which is the crux of any successful customer-centric strategy. Companies that adopt one-to-one marketing experience results that outperform static, segmented campaign-based marketing.

The challenge with one-to-one marketing, though, is that large companies and enterprises handle millions of customers and rarely deal with them face-to-face, thanks to social media and mobile devices. Consumers read and trust online reviews written by strangers, utilize self-service customer help and complete transactions online in seconds. Yet, customers have high expectations of the businesses that they deal with because, at some level, they believe that those businesses must have the ability to access their data and should be able to deliver a useful interaction with them.

In order to engage at the individual-level, marketers need to have the ability to analyze and determine actions based on all of the data available on the individual customer. This considers behavioral, contextual, rapidly-changing usage, service interaction, social and consumption information. Only then can you ensure the most targeted, accurate and timely interactions.

To master one-to-one marketing, you must bridge the gap between your customer data and marketing execution by having the right technology in place to provide actionable intelligence about each and every customer. In this white paper, we'll discuss one-to-one marketing and its elements, and how you can use it to enrich the customer experience.



It's All About the Segment of One

Traditional marketing endeavors involve segmentation - you create marketing programs by segmenting customers collectively, mainly through static information, such as age range, income, zip code, etc. But, do all the people in the same age range, income level and zip code have the same wants and needs? Do they have the same product affinities and communication preferences? Do they all want to interact with you about the same topic, at the same time and through the same channel?

Definitely not. For true customer centricity, you need to know your customers at the individual-level to have meaningful interactions with them, at any moment, through any channel.

Is static segmentation enough to understand customer needs?

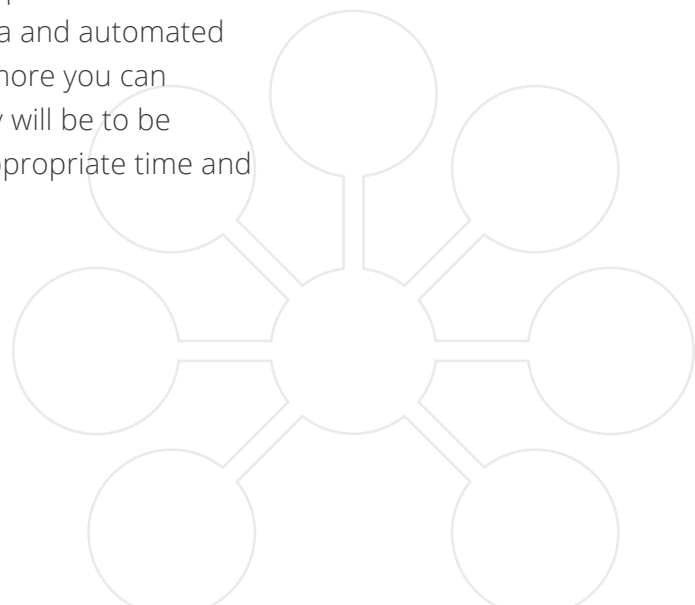


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We are all individuals, and we all interact individually with the companies with which we do business. You need ongoing access to customer data and automated processes to address each customer at the individual-level. The more you can understand the customer as an individual, the greater your ability will be to be relevant - knowing which messages and offers to deliver at the appropriate time and place to be the most meaningful.



The Benefits of One-to-One Marketing

When you connect on the individual customer-level, you can introduce these three powerful elements to your marketing programs:

Real-Time Engagement

In its infancy, being able to engage in real-time involved creating a marketing strategy focused on up-to-date events. Marketers made use of current trends and customer feedback, while working to connect consumers with products and services they could use. Real-time engagement grew in popularity with the rise of social media because it provided businesses with access to real-time information on target audiences; marketers could tap into that information and transform it into messages and offers that they thought the customer might like.

Now, thanks to next generation technology, you can have access to real-time information at the individual customer-level. Customer data from multiple sources gives you a more complete view of your customers so you can have to access behavioral intelligence and learn as much about them as possible – to address their every inquiry with the most relevant responses.

“DONE CORRECTLY, REAL-TIME PERSONALIZATION ENSURES THAT YOU ARE ALWAYS SERVING RELEVANT AND TIMELY CONTENT TO YOUR WEBSITE VISITORS, AND IT CAN MAKE YOUR WEBSITE VISITORS FEEL LIKE YOUR ENTIRE WEBSITE EXPERIENCE HAS BEEN CRAFTED SPECIFICALLY FOR THEM.”
- RICK WHITTINGTON,
BUSINESS2COMMUNITY



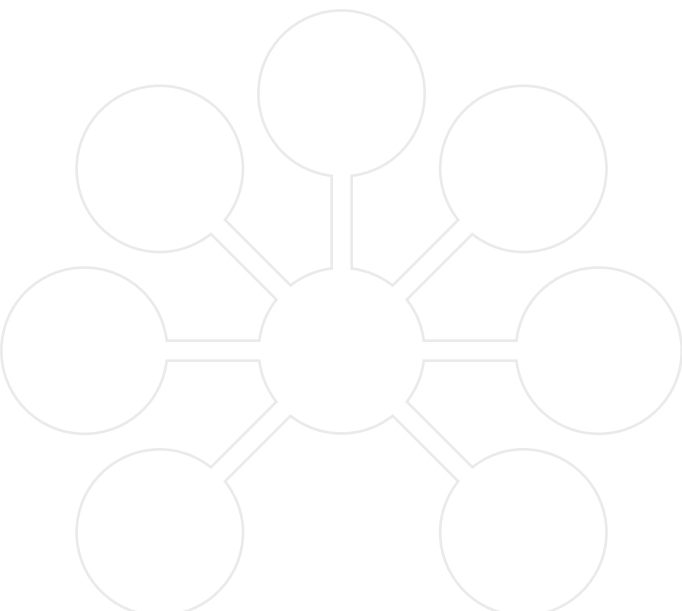
Interactive Engagement

Interactive engagement centers on individual customers' and prospects' actions. It involves responses that are triggered by customers' behaviors and preferences; for this reason, it's a major shift from traditional, campaign-based marketing efforts. Interactive engagement is a customer-centric strategy that involves reacting to customer actions, and striving to meet their expectations and demands.

Interactive engagement includes many types of initiatives. You can connect with customers via dynamic content, such as visual storytelling, personalized content, layered information and two-way interaction. No matter which type of interactive initiatives you implement, the goal is to make content engaging and relevant for customers.

There are substantial advantages to being interactive, especially now when customer expectations have grown enormously. You increase your chances of meeting customer needs because you are able to track their needs and learn from their behaviors, allowing you to more precisely respond to their actions. Interactive engagement reduces risk and increases sales because it's rooted in customer behaviors and desires. The personalization associated with interactive marketing results in more conversions and higher revenue.

"55% OF CONSUMERS PREFER TO HAVE ONGOING COMMUNICATIONS WITH COMPANIES THEY BUY FROM, AND 80% OF CONSUMERS FEEL MORE LOYAL TO COMPANIES WHEN THEY ARE INVITED TO PROVIDE FEEDBACK. SIMPLY PUT, INTERACTIVE MARKETING IS MORE EFFECTIVE BECAUSE IT INVOLVES REACTING TO WHAT THE CUSTOMER DOES AND MEETS THEIR EXPECTATIONS AND DEMANDS."
- MARKETING-SCHOOLS.ORG SURVEY



Channel Agnostic Engagement

Channel agnostic engagement has become key to marketing success as customers engage with companies in a variety of ways, including in a physical branch or store, online via websites and mobile apps, through voice and social media. The challenge for organizations is to make all of these interactions and experiences as seamless, consistent and effective as possible for customers.

You must employ omni-channel methods and strategies in order to be ready to meet your customers' needs – through whichever channel they choose to connect with you. They expect more personalized and relevant interactions with you no matter which one of the various channels and devices they use at the time. Being able to connect your relevant marketing messages and offers consistently through all channels is a must, as customers have unprecedented access to digital technologies and channels. Our uber-connected world has created mounds of customer data for your organization. If you use it correctly, you'll be able to key into customer affinities and behaviors to deliver relevant communications – regardless of the channel.

Employing the right technology solutions will allow you to better manage the data, understand customers, and exceed customers' expectations at each and every interaction, no matter which channel they use. Once you are able to engage with your customers via all channels, you can strive for opti-channel engagement by being able to pin-point the channel that's optimal for each point in the customer journey for each type of customer. Opti-channel is understanding which channels the customer prefers to engage in. Then, you can optimize your messages and offers to create a seamless and unified experience that matches your customers' needs across all channels throughout the journey.

“AN OPTI-CHANNEL APPROACH CAN GIVE YOU THE CHANCE TO REALLY RELATE WITH YOUR AUDIENCE. WHEN YOU REFINE YOUR MARKETING FOCUS, YOU HAVE MORE TIME TO LEARN ABOUT YOUR CUSTOMERS AND WHAT MAKES THEM TICK. THIS IN TURN LETS YOU BUILD A BETTER SENSE OF CUSTOMER FOCUS AND CREATE A TONE THAT STRATEGICALLY AND EFFECTIVELY CAPTURES YOUR AUDIENCE.”

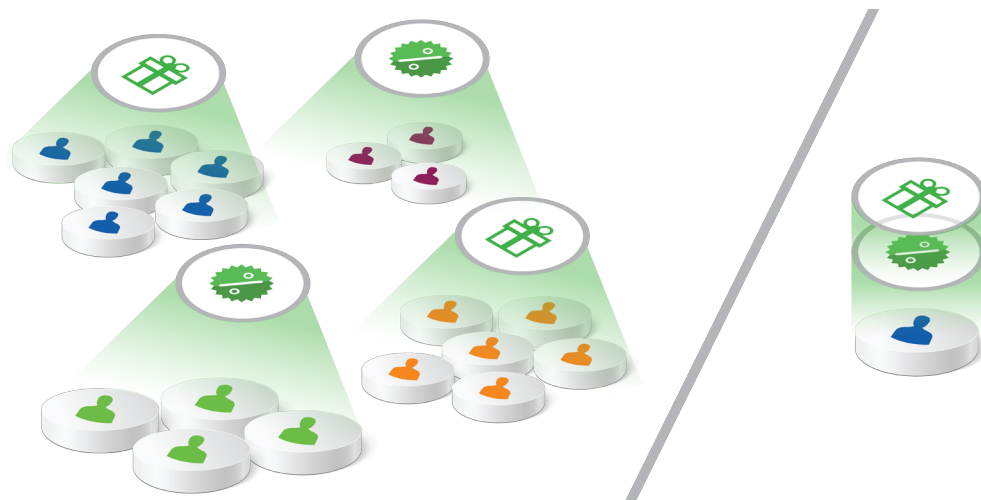
- BAILEY FOSTER, BONFIRE EFFECT



The Value of Your Customer Data

Today, companies collect, analyze and make use of customer data from more channels than ever before — using website history, mobile, social, location, and CRM — which, in theory, should make a company smarter about its customers. But, most companies still struggle to interact with customers in a truly customer-centric manner. This is because traditional marketing segments simply don't lend themselves to the personalized experience customers now expect.

If you're working with multiple segments on more generalized information, responses from this type of marketing program can't compare to the ROI of campaigns that let you connect with more individual, contextually relevant and timely programs. Connect when the customer is ready, not based on your marketing schedules.



**A segment of many vs. a segment of one*

Successful one-to-one marketing leads to the ability to anticipate future needs — looking at behavioral patterns, market trends and user experiences for proactive measures to secure a personalized, unique and memorable experience across multiple channels. This, in turn, enables the customer to feel understood and valued, and is likely to develop loyalty, which is a good basis for customer retention, upselling and cross-selling.

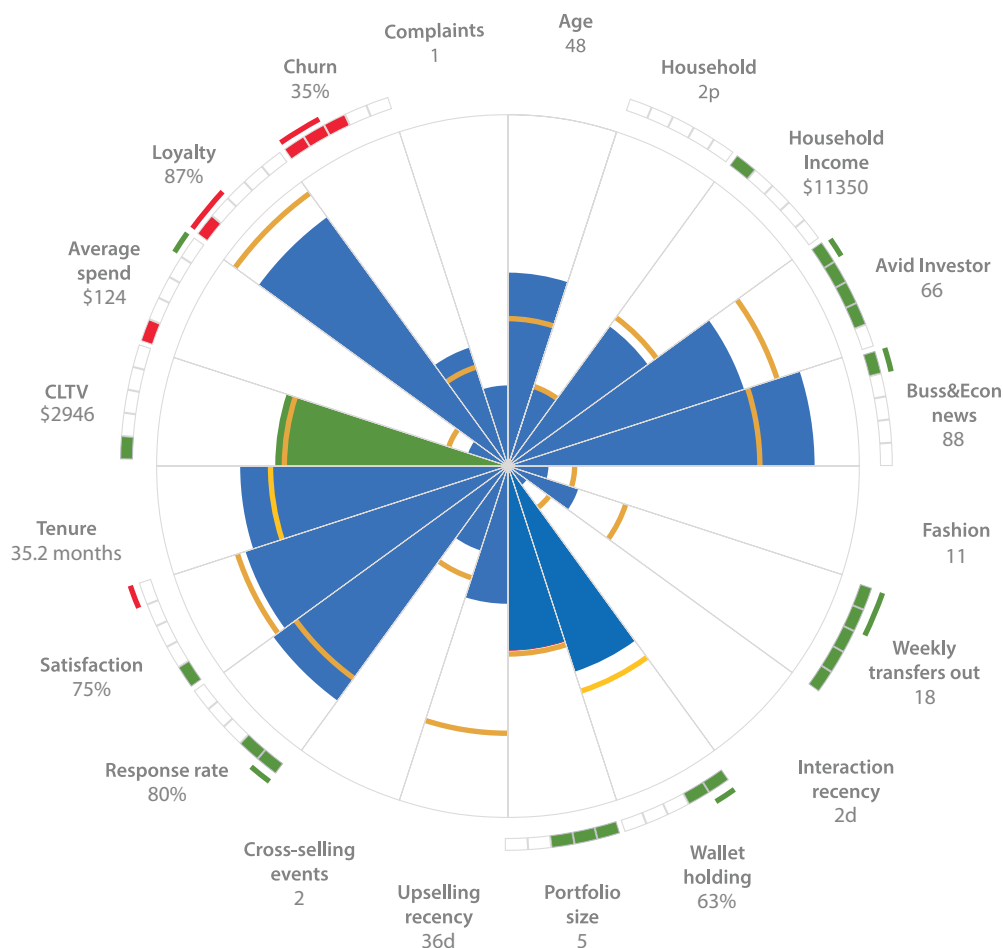
To achieve this, you must go beyond placing customers in aggregate categories and, instead, get to know them at the individual-level, based on preferences derived from all available data sources. Go further than the days of hunting and re-hunting in pools of raw interaction data, and get beyond batch processing or broad, static segmentation exercises — companies need to have access to thousands of relevant attributes for immediate action. You achieve greater results when you work with more detailed and dynamic information on individuals, rather than treating people as members of broad segments at a single point in time.

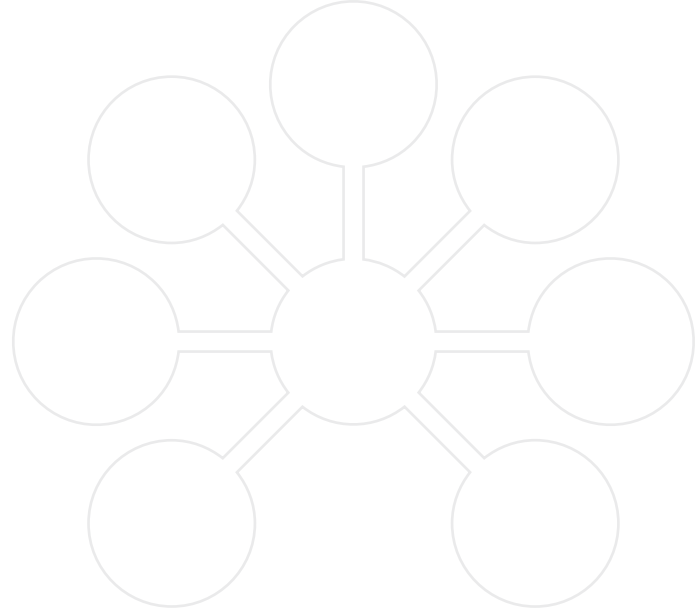
Power One-to-One Marketing with Lily Enterprise™

NGDATA's Lily Enterprise is a robust solution that powers one-to-one marketing by giving you the individualized customer intelligence needed to become completely customer-centric. It aggregates all customer data from every available source, no matter where it resides or in what form, and becomes more intelligent as more data sources are added over time.

Lily's Living Customer DNA turns all of your data into key attributes, or metrics, which represent detailed information about each and every customer. All of the metrics are calculated in real-time, and Lily maintains historical values at all times to easily see trends. Lily's metrics include contributed, calculated and predicted customer-level scores based on behaviors, preferences, context, affinities, opportunities, value and more. The Living Customer DNA profile is continuously being updated so you have consistently optimized insights without needing to spend time duplicating data integration, collection or preparation efforts.

With Lily, you can quickly and accurately understand your customers, and connect this valuable information through your favorite marketing execution platforms to engage with the timely, relevant, contextually-aware, personalized experiences that your customers expect.

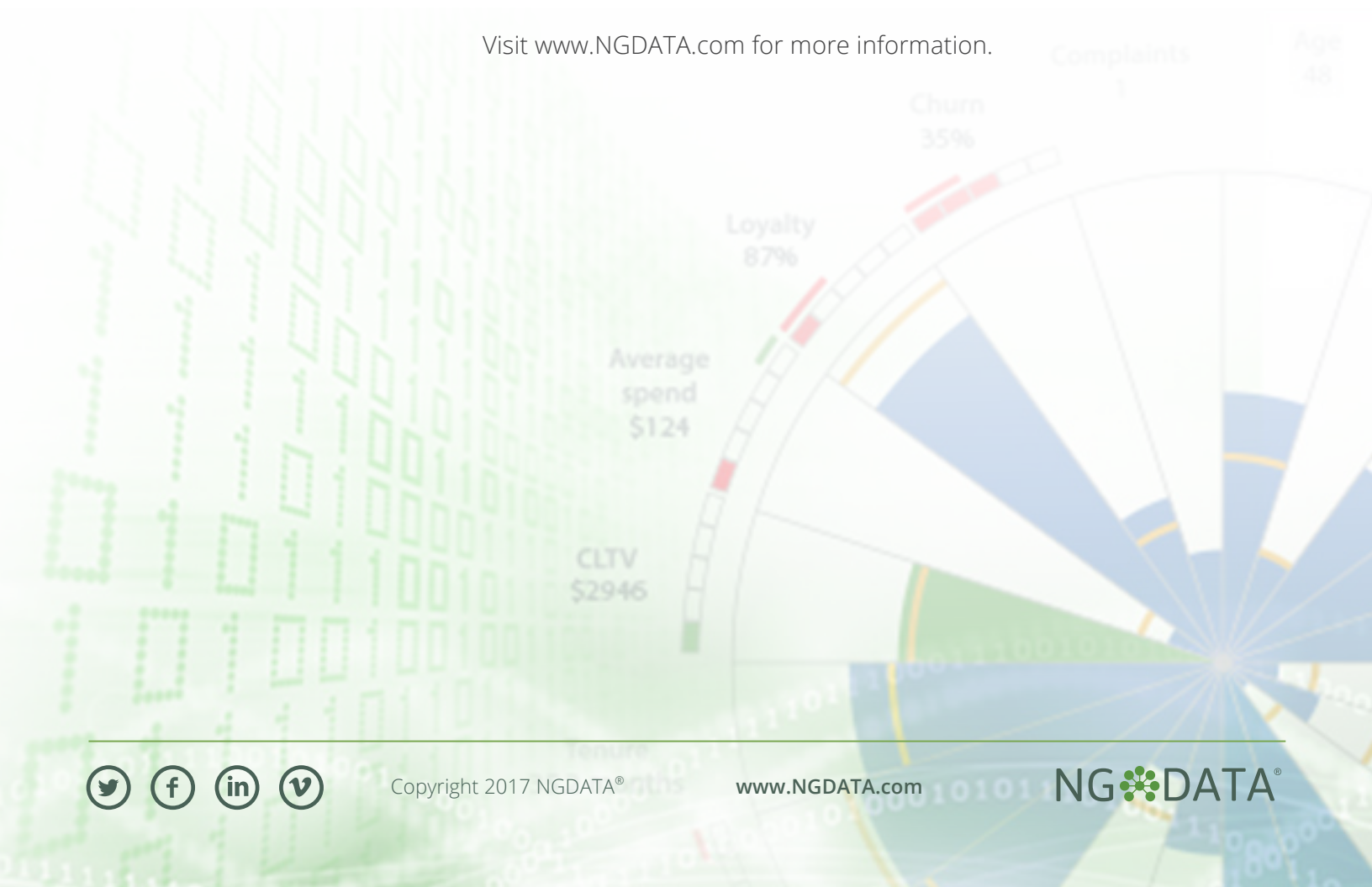




NGDATA®

NGDATA helps data-rich companies automate and optimize omni-channel customer interactions. Our technology solution, Lily Enterprise™, captures data across all channels and provides enterprises with real-time insights to power superior customer experiences.

Visit www.NGDATA.com for more information.



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