

Get your data working for you:

by Simon Breed,
Twenty

10 steps to increasing the relevance and returns from your marketing

For some time now, industry commentators internationally have been touting 'relevance marketing' as the next frontier.

They refer to marketing that is personally relevant to the recipient. Put another way, it's about talking to the right people, at the right time,

through the right channel about products that are of interest.

Sound familiar?

The returns and competitive advantage for those that get this right can be incredible. Tesco (UK) started getting relevant to its customers over a decade ago using data from its Clubcard loyalty programme. These days the information they capture and derive provides customer insights most could only dream of. But it's the rigor with which they apply this knowledge that makes them a standout business.

So how do we apply fresh data and move towards a level of relevance in the way we market to our customers? What are the keys to success? This is a huge topic, so for expediency, here's our starter for 10:

1) Know your customers individually

It is very difficult to realise the potential of your customers without knowing who they are. If you don't have a single customer view and can't afford a CRM system, find a workaround. A campaign management tool will deliver a cost effective solution, can be implemented quickly and will provide some benefits of a full CRM capability – even more so if you can integrate it with your call centre.

2) Invest in keeping your contact records current

Data decays at an incredible rate if it is not maintained. The cost of old, out of date contact information can be significant, both in terms of wastage and in lost opportunities. To avoid this:

- Ask people to confirm the address data you hold for them is accurate whenever possible
- Capture and flag 'goneaways'
- At least annually, update your database with the Home Movers file from NZ Post
- Don't be guilty of mailing the dead! Exclude names included on the Name Removal Register from the Marketing Association.

3) Define what customer information you need and structure a plan to get it

For most companies, there will be certain 'critical' data, access to which would dramatically improve your business results. Work out what information you want, what you currently hold, then define a plan to fill the gaps.

4) Act on customer preferences

Ask customers what channels they prefer you to use to contact them and respect those preferences. Be specific. An insurance company asking if it's OK to send marketing offers by email will get a swift opt-out. The same company asking if you would like to receive a competitive quote for your car insurance just before it is due for renewal will get a more considered response.

5) Segment your customers and build strategies to achieve the best result for each segment

Identify the groups of customers that share similar characteristics, then define objectives and key initiatives for each segment.

6) Apply data smarts to give the best insights possible

Which customers are profitable now? Which ones have the best future potential? Which are more likely to lapse? Invariably the 80/20 rule applies, so apply modelling techniques to identify the twenty percent that will give you the best returns.

7) Get timely!

Timeliness is one of the most important factors in relevance. Don't talk to me about car finance when I've just bought a car! Dig deep. Look for triggers and events in a customer lifecycle to use to increase the value and deepen the relationship.

8) Tailor your marketing messages

Relevance is personal. As such, you must tailor marketing messages, channels, offers and tactics to best suit the individuals you are targeting.

9) Veto communications that are not of value to the recipient

Nothing should go to a customer if it does not provide a direct value to that customer. Before you communicate, ask yourself if the customer will see a value in what you are sending them.

10) Align marketing spend to the customer opportunity

Resources are finite, so be sure to align your marketing spend to the customer opportunity. Apply marketing budget and manage cost-to-serve with a clear view of the potential returns for the business. What is truly inspiring about committing to relevance is the long-term nature of the results. Improved returns are achieved through better meeting the needs of your customers more often. You'll also see softer measures such as customer satisfaction, brand preference and referral rates all lift in line with profits.

In summary, invest in your customer data to improve the relevance in your marketing. After all, in doing so you are truly investing in your customers and the future of your business.

bio

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