

Isolation versus integration

Making the move to cross-channel customer communications



If you are not working across channels, is your message getting through?

In many enterprises, marketing is a multichannel effort that includes a wide range of touch points. The touch points range from websites and email promotions to traditional print advertising, postal mail, and broadcast, and direct sales by phone and in-person sales teams. But too often, each channel works independently, accountable to its own objectives, unaware of the efforts and results made within other marketing channels. As a result, call centers speak to customers without knowing the offers the customers previously accepted or rejected. In addition, emails launch without reference to online promotions and websites present messages that disregard their visitors' previous contact history.

The result is a complicated mix of missed marketing opportunities

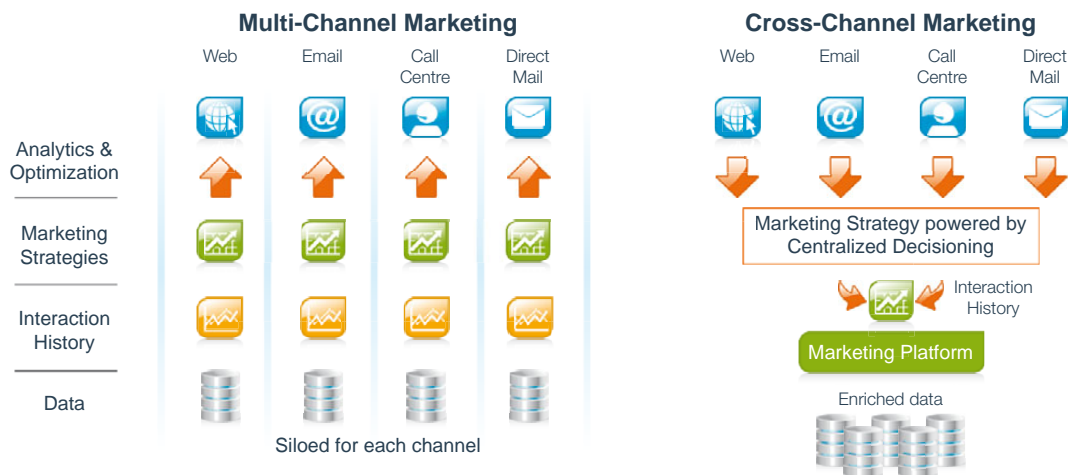
What is the alternative? A communications strategy that centrally coordinates customer communications into one integrated effort—insuring that channels are informed and engaging each customer or prospect in a cross-channel dialogue. Cross-channel marketing is a great opportunity to increase customer loyalty and can improve marketing ROI. Cross-channel marketing puts your marketing department in the center of all customer interactions and enables it to take the lead

on controlling interactions across channels. But how do you achieve it? How do you break down the channel-specific silos that typify marketing organizations today? The technology needed is available and it is Interactive Marketing.

Cross-channel marketing is no longer an ideal to strive for, but a practical reality you can achieve. However, technology is never the whole answer. Organizational readiness is another key factor, and often requires a step-wise approach. We lay out a five-step technology adoption path that takes you from the confusion of multichannel marketing to the clarity of true cross-channel customer communications.

Step 1: Identify a place to start

The first step is to identify a place to start and get the right marketing technology to help improve a focused aspect of your marketing approach, and serve as the foundation for later expansion. Most marketing organizations choose one or a few channels as their initial focus. For example, marketers focus on improving email or web personalization. With the help of marketing software, these first channels can achieve great stand-alone benefits from better targeting, increased efficiency, and lower costs. If technology for this first step is chosen wisely, later expansion becomes easier.



Step 2: Enrich your sources with comprehensive data

Once you ensure that the basics of a marketing solution are in place and automate the processes for one or a few marketing channels, your next move is to help improve the quality of the data used for targeting and personalization in the selected channels. With richer and complete data, your marketing technology is put to better use. For marketers using typical outbound marketing channels, such as email or direct mail, this

may require the addition of web behavioral data. This data, drawn from your own site, creates detailed profiles of customer web activity by including:

- Page visits or links followed
- Click-throughs from emails, banner ads, PPC campaigns, AdWords, and so on
- Online applications
- Incomplete conversion and cart abandonments
- Purchasing histories and more

For example, people who abandoned a shopping cart or dropped out of a multipage registration form can now be easily targeted with a remarketing email campaign to motivate them to complete their purchase or fill out the rest of the form.

Online marketers, particularly those marketing through websites, search engines, and online advertising campaigns, need to transfer the data from a customer data warehouse or CRM system into the online marketing system. This transfer helps create a more complete picture of the customer, which is then available based on online data.

Marketers can benefit from the addition of other data types, such as data regarding customer transactions taken from credit card purchases and phone calls. This data is used to identify patterns that indicate an important event, such as a major purchase or signs of attrition that can affect how you treat that customer in the channel of focus.

Step 3: Share customer information across channels

Centralizing and supplementing data is the prelude for the next large step. This step involves breaking channels out of their autonomous boxes and coordinating every channel's communications strategy with the others. Each channel needs to leverage a shared contact and response history, essentially a customer interaction history. With this leverage, the results of each channel's marketing efforts are cycled back and become part of the institutional memory of the marketing organization.

All channels need to understand the following about customer or prospect behavior:

- What offers has the organization presented across all channels?
- How many times were the offers made?
- How did customers or prospects respond to the offers?
- What were the results?

The technology foundation implemented during steps 1 and 2 help create this interaction history and share it across all channels.

Step 4: Centralize decisions and decide based on customer, not channel, needs

Sharing a customer interaction history across touchpoints is important, but still there may be channels competing for customer attention, rather than advancing the overall, cross-channel dialogue with the customer. Your goal is one dialogue, one relationship with the customer, regardless of channel. With centralized decisioning, choices are made based on what best advances your relationship with the customer, not by channel objectives such as number of click-throughs, number of opens, and call volume.

For example, imagine that one of a retailer's top customers predominantly buys in the store, but uses the website to research and occasionally buys online. Without centralized decisioning, the online business group can send the customer incentives to encourage more online spending. But, such incentives can lead to providing discounts on products the customer would otherwise purchase at full price in the store. While this improves online business results, it also reduces overall company profitability. With centralized decisioning, the marketing organization can create a customer-contact strategy that spans competing channels, encourages spending regardless of channel, and helps improve the customer's loyalty and lifetime value. Once the decision-making is centralized, the channels no longer operate in isolation. Instead, every marketing tactic builds upon the experience of previous efforts.

Step 5: Cross-channel optimization

With centralized data and decision-making in place, marketers are in a much better position to build customer relationships through dialogues. However, if cross-channel marketing strategies are driven only by marketers' intuition, the opportunity to optimize the lifetime value of each customer is still left on the table. But with the previous steps taken, marketers are in a good position to fully leverage analytics to gain new insight about customers and optimize customer contact strategies.

Using predictive and optimization algorithms, cross-channel marketers can fine-tune their tactics to find:

- The best timing for a message
- The most appropriate channel for any given customer
- The optimal offer for each customer that is selected among competing alternatives
- The most productive follow-up communications, triggered by the customer's response to the previous message

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Recognized as a leading integrator of enterprise systems for multiple industries, we help organizations with a wide variety of projects, analyzing real-time information and returning measurable value to stakeholders. In addition, we provide worldwide support for a variety of industry-partner content, services, and applications.

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