

data

driving greater
marketing efficiency

To learn more, be sure to view this presentation in full:

<http://www.salmat.com.au/news-and-insights/retail-world-2010>



salmat

knowledge is power



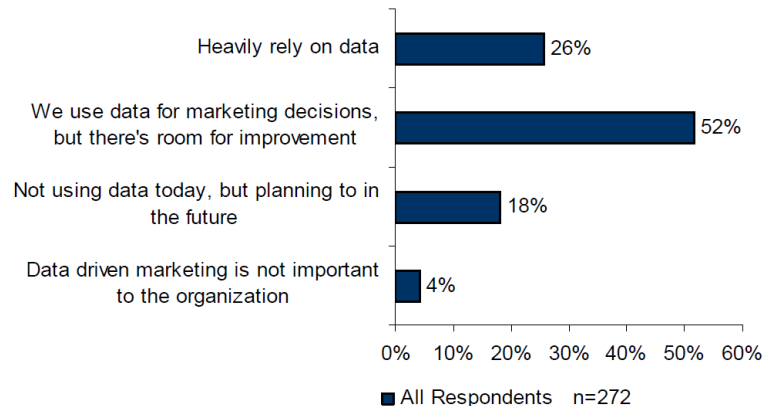
"[In business] there's no shortage of customer data, but there is a shortage of insight about how to grow and use customer data for better decisions"

- Mike Linton, Ex-CMO Best Buy and eBay

knowledge is power

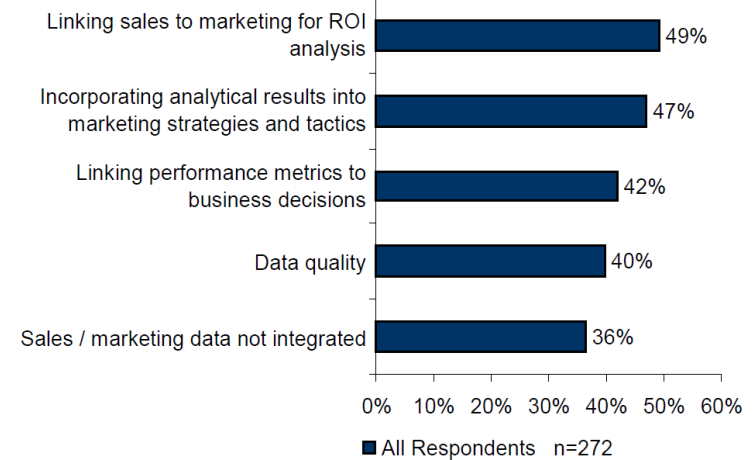


Figure 1: Current Use of Data in Marketing



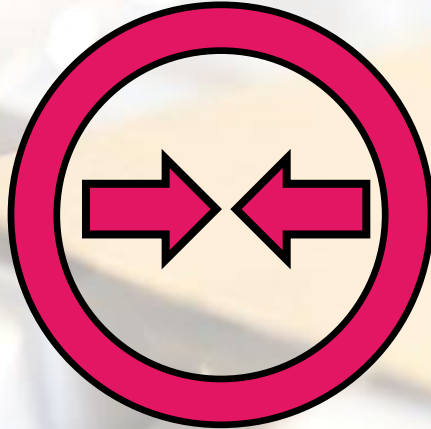
Source: Aberdeen Group, September 2009

Figure 2: Top Challenges with Data Driven Marketing



Source: Aberdeen Group, September 2009

selling the data



sell it inside

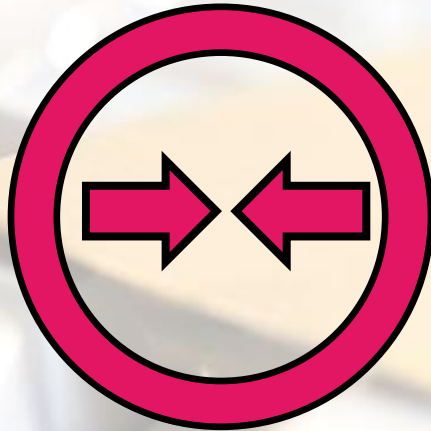


sell more outside

We treat everything else in our organisations as assets with measurable financial value: inventory, people, property, etc. But when was the last time you sat down and calculated a dollar value for your customer database?

- Bob Bragdon Publisher of CSO Magazine

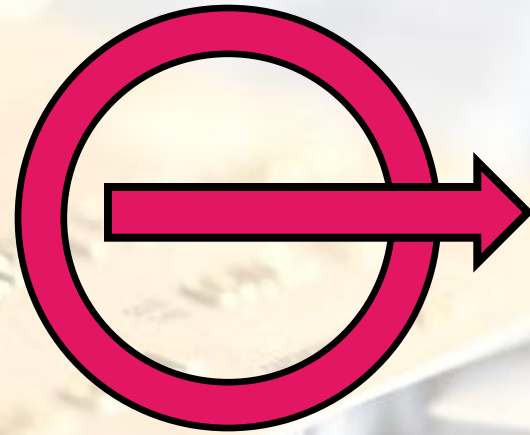
selling the data



sell it inside



- find and nurture sponsors
- identify the risks
- sell from the ground up



sell more outside



- acquire customers
- grow organic revenue
- customer profitability
- return on investment

retail data

ready... set...

adapt, evolve,
test, monitor

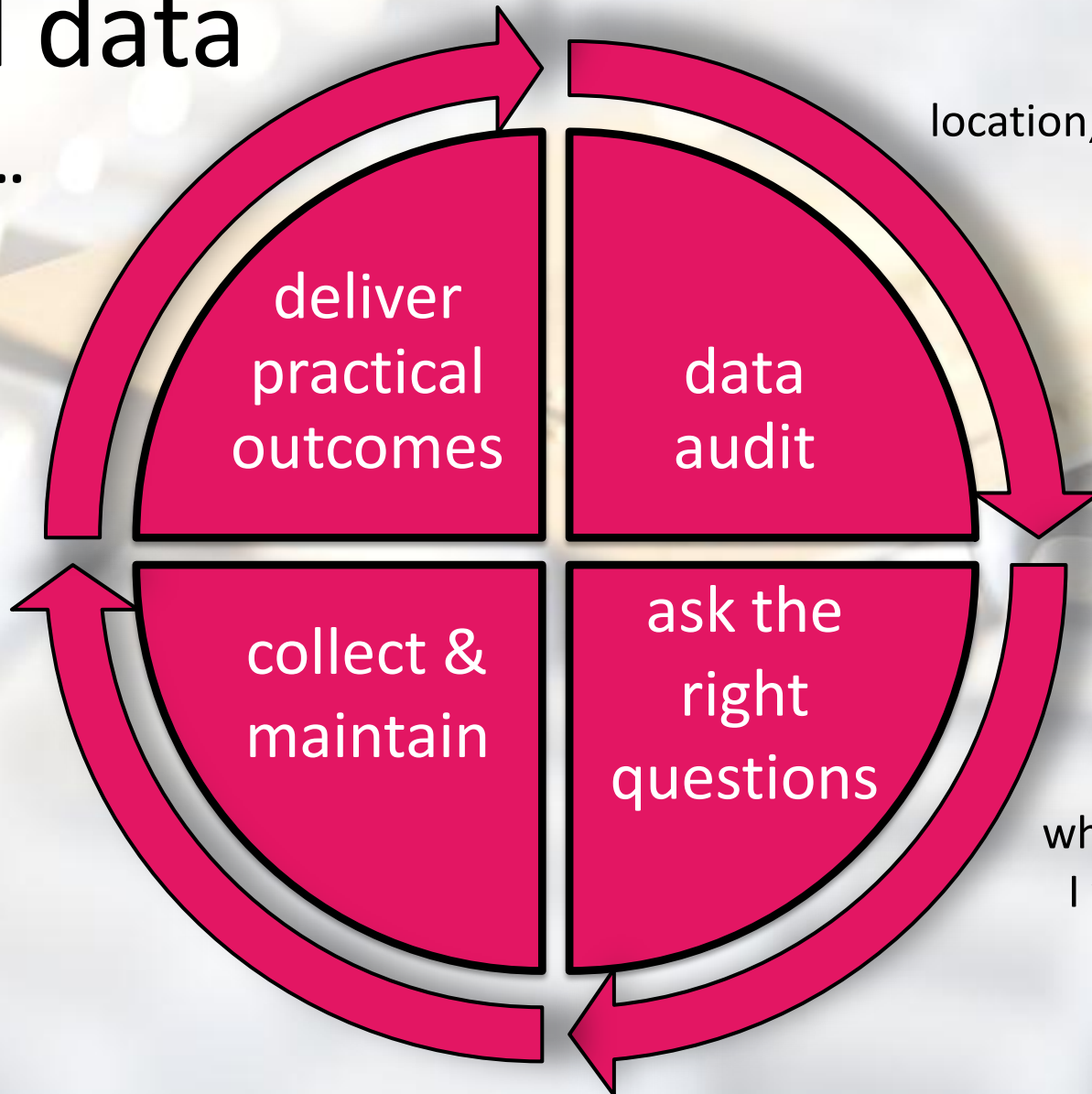
sources...

internal

social media,
email marketing,
customer feedback,
loyalty, e-commerce
research, point of sale...

external

mapping,
demographics,
segmentation profiling,
data analytics/modelling,



I have...

location, transactions,
email address

I need...

preferences,
behaviour,
triggers

the value...

what insights do
I want the data
to deliver?

audit

I want...

- personalisation
- behavioural targeting
- multi-channel strategy
- customer feedback
- re-marketing *etc...*

I have...

X

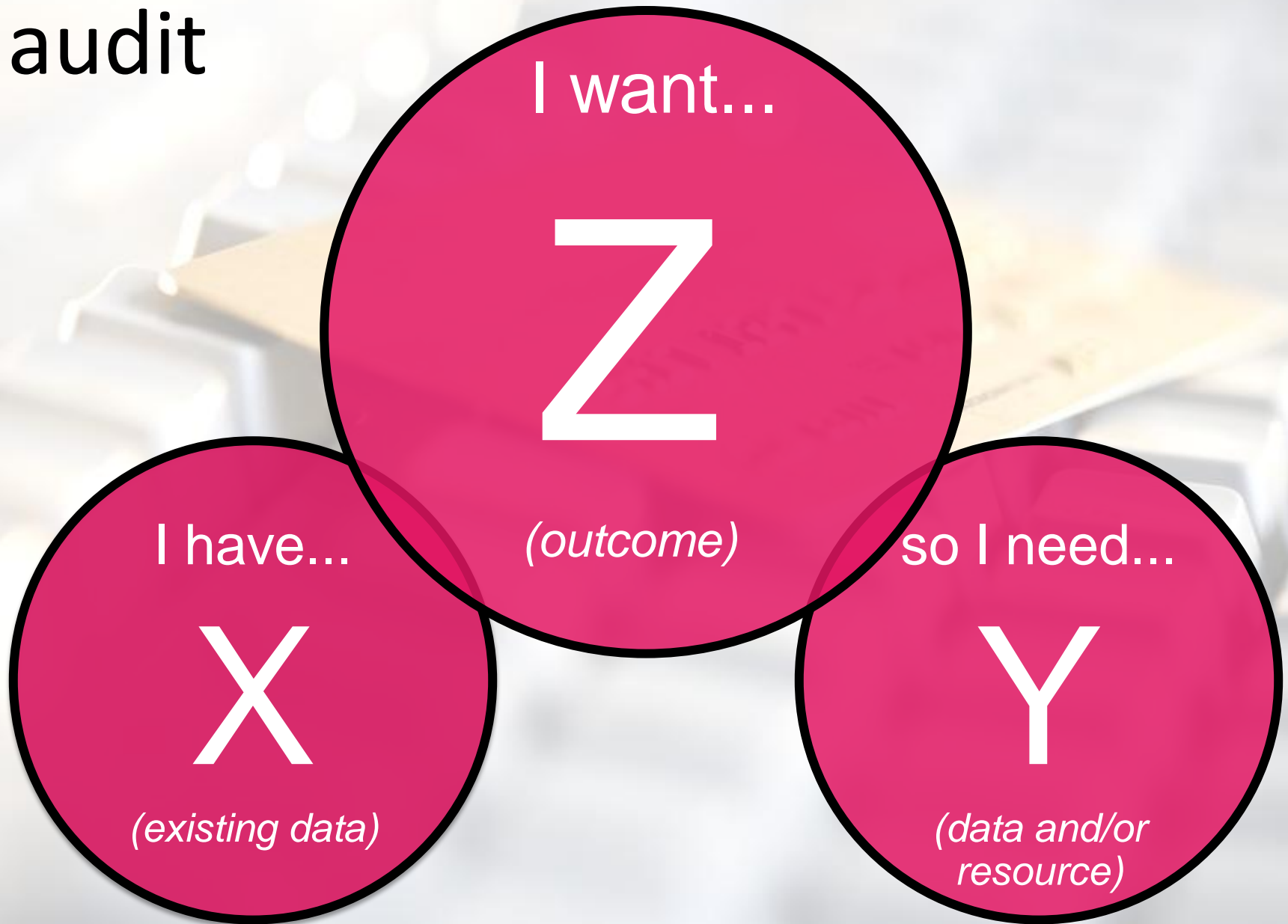
(existing data)

so I need...

Y

(data and/or resource)

audit



ask the right questions

declared
preferences

—
what customers
think

Vs.

exposed
preferences

—
what customers
do

customer research says:
me? no, i don't play
video games

data insight says:
customer purchases new
release Nintendo Wii titles

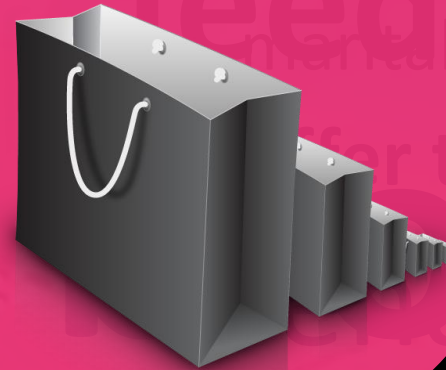
1Malcolm Gladwell - "blog.ted.com"

collect

Transaction



Stores



Contact Centre

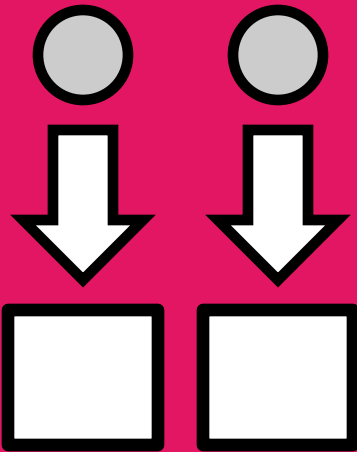


Marketing

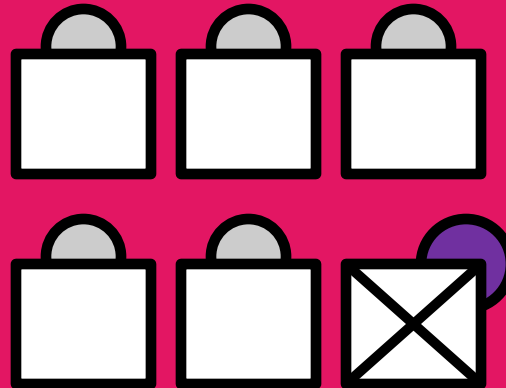


maintain

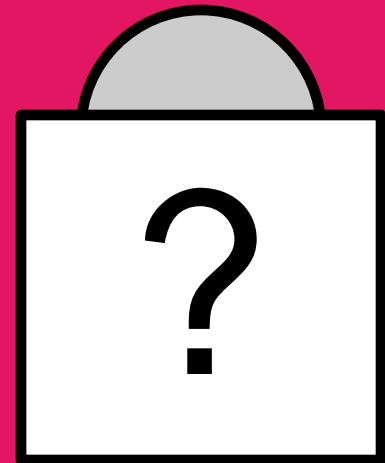
acquisition



cleansing



objectives



deliver practical outcomes

design campaigns
for data acquisition

personalise

test, test, test

listen to the data

use data to make
decisions

resource to
capitalise

data for marketing

customer knowledge

lots of
customer data

some
customer
data

basic
data

“Success will not be based on square footage and capital. It will be based on execution, differentiation, knowing your target customer and fighting for every one of them.”

Glenn Murphy, CEO GAP Clothing

data for marketing

customer knowledge

marketing efficiency

lots of
customer data

some
customer
data

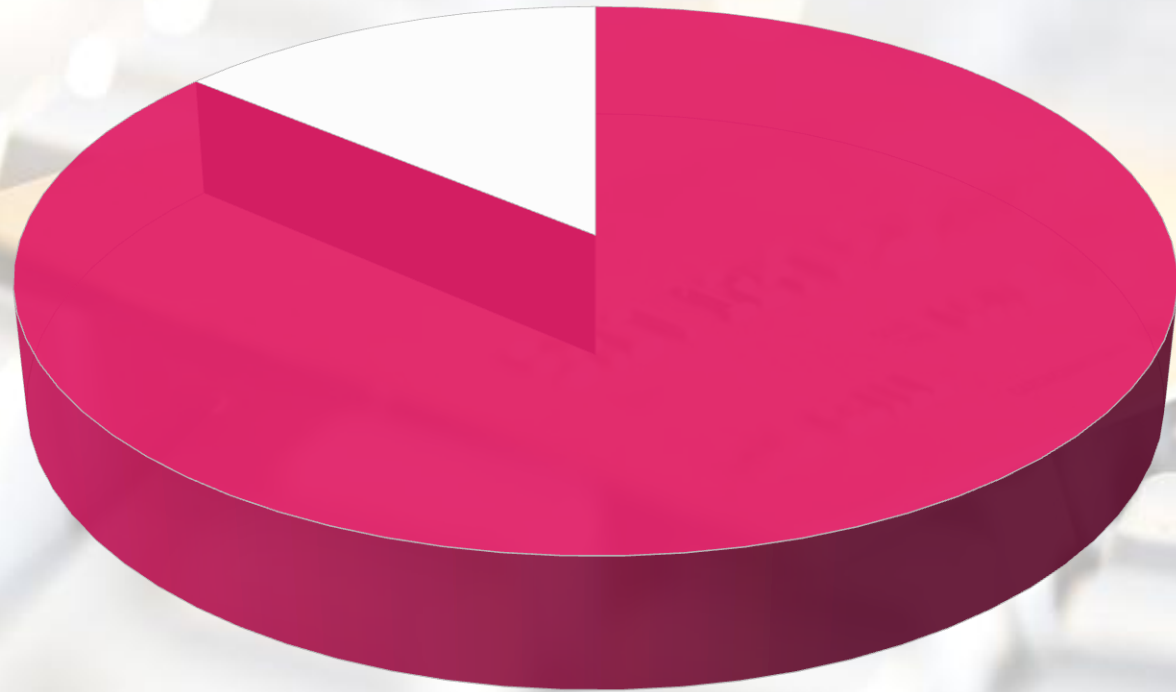
basic
data

1:1

1:few

1:many

why bother



**86% of consumers use multiple channels
to search for and purchase products**

Source: ACRS Consumer Trends Report 2010

why bother

multi-channel consumers
demonstrate greater loyalty

Source: ACRS Consumer Trends Report 2010

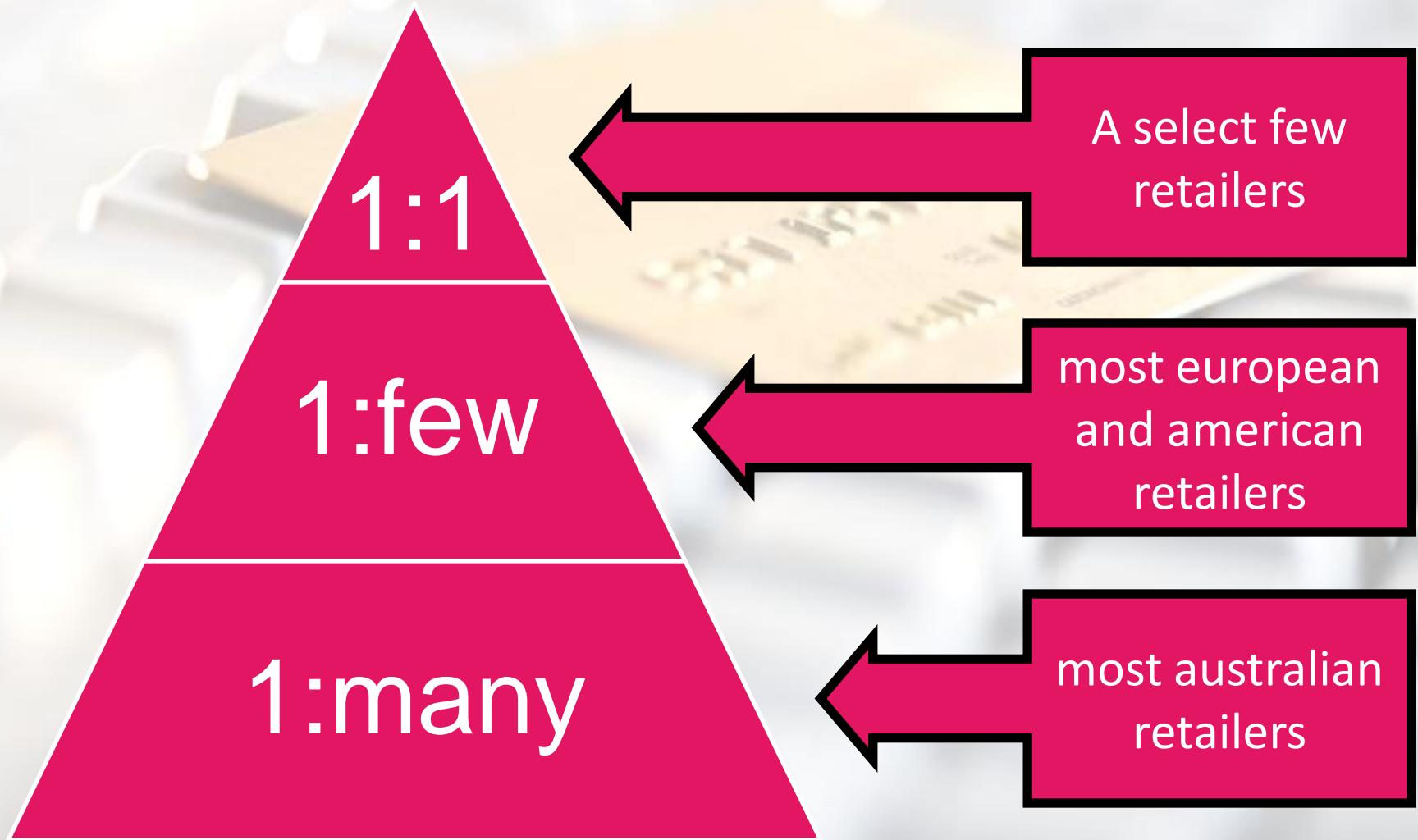
multi-channel consumers generate
25 to 50% more profit

Source: ACRS Consumer Trends Report 2010

multi-channel consumers spend
up to 10 times more

Source: ACRS Consumer Trends Report 2010

the landscape





nick adams

director, direct marketing

Westpac Banking Corporation



the challenge

deliver a multi-channel marketing campaign that engages customers with their local branch

the data



- ∞ 4.4 million customer addresses
- ∞ 1,800 atm locations
- ∞ 685 branch locations
- ∞ millions of account transaction records

the data



- ↔ geo-coding and census data
- ↔ advanced demographic segmentation
- ↔ natural boundary data
- ↔ visualisation tools

the data



- geo-code **1,800** atm's and **685** branches
- geo-code **4.4 million** customers
- tag **every customer** against a branch
- tag **every atm** against a branch
- tag **all outdoor** media against a branch

the campaign

- ↔ refined trade areas
685 branches + 1,800 atm's
- ↔ true personalised communications
4.4 million customers
- ↔ full cross-channel integration
traditional and new media channels

the personalisation

- ∞ 600+ targeted creative variations
- ∞ 3 million letterbox flyers into 300 individually segmented branch catchments
- ∞ 900,000 direct mail recipients
- ∞ 300 bank managers details loaded into SEM campaign
- ∞ retargeted display banners based on geographical search terms
- ∞ 105 outdoor media creative variations

the execution

personalised...

- postcards
- unaddressed mail
- branch posters
- outdoor media
- atm screens
- atm receipts
- direct mail



the results

- ↻ refined focus with new branch trade areas
- ↻ an integrated cross channel campaign
- ↻ higher penetration and engagement with all customers via personalised interactions
- ↻ deeper level of connection between customers and local branches/branch managers

the math

existing

X

customer and branch data

new

Y

segmentation, geo-coding & mapping

outcome

Z

efficient, engaging and targeted communication strategy

westpac

nick adams

nickadams@westpac.com.au

salmat

ian jones

ian.jones@salmat.com.au

