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### Event/trigger based campaigns

All campaign management solutions allow users to create ad hoc campaigns. This involves a user defining the customer/prospect that they want to contact, applying required suppressions, assigning campaign cells and extracting the contact list for the direct mail shop or call center. Most tools also provide a module to create event or trigger based campaigns. You need to determine if this type of functionality is required for your marketing communications.

Event/trigger based campaigns are similar to ad hoc campaigns with two key differences. The first is that the selection criteria for who will be included in the campaign are based on a "change" in the customer/prospects profile. This change is referred to as the event or trigger. The second difference is that the outbound communication is executed automatically (without any human intervention if possible) on a specified frequency. A common trigger based campaign is to check for new customers/prospects that have been added to your database (the event) and automatically send them a welcome e-mail message (automatic communication).

The key value of this type of campaign is that it allows you to react very quickly to marketing opportunities that surface within your customer base. Examples include recommending a new product or service when a customer's profile has changed or sending a retention message at the first sign a customer's loyalty is weakening.

### Data sources

In our last article, we reviewed the importance of the role that data plays in a campaign management solution. You need to be able to compile the data that is required to execute and measure your marketing campaigns. This includes full contact information, campaign selection

criteria such as purchase history and the data required for privacy, such as do not contact lists and suppression lists.

If you have all the required data for your customers/prospects in a single system, you're in good shape. The campaign management system you select needs to tie into that system and you need to let potential vendors know the makeup of that system. In cases where your data is not readily available or if you are implementing a sophisticated multi-channel solution that requires data from several systems, you have some

**There is a great deal of effort required to deploy a campaign management system within your marketing organization... Before proceeding, you need to understand the ability, availability, training requirements and internal costs for your internal IT staff to deploy the solution.**

decisions to make. The first option is to develop a customer/prospect database system internally that brings together the required data. To do this, you need to have the technical and business skill internally to develop the system yourself. The internal IT staff that supports the marketing department will likely indicate that it has the ability to develop such a system. This may be true from a technical perspective but most IT groups do not have the marketing experience to develop a system that meets the needs of the marketing department. If you are choosing this route, select a vendor that can support the data requirements of your industry and recommend database designs for your requirements.

The second option is for the campaign management system vendor to develop the database system. While most vendors

cannot do this work themselves, they have a number of value-added partners that can develop and install the system for you.

### Analytics

Some campaign management tools include analytical tools that can be used to drive your marketing efforts. This implies developing predictive models to identify customers most likely to respond to a cross-sell or up-sell offer as well as segmentation tools that allow you to group similar customers based on their purchase behaviour. You need to determine if this functionality is required before

selecting a tool.

One advantage to this kind of solution is that your analysis can leverage the detailed contact and response history maintained within the campaign management system. However, many organizations have internal analytical teams that are already using tools such as SAS or SPSS to meet their analytical needs. Analysts are trained in these systems and have invested in analytical processes and standard code. If you already have a separate analytical toolset in place, you need to ensure the campaign management tool you select can accept output from your analytical tool to embed model scores and segment assignments into the data.

### Reporting

The current array of campaign management offerings provides a wide

range of reporting functionality. This includes everything from sophisticated performance management, dashboard, and custom reporting solutions that can be used to develop rich business intelligence on your customer base and measure the impact of your marketing programs. Other tools offer very basic reporting to provide counts and campaign response rates in formats that are not presentation quality.

In the end, your reporting requirements from this tool equate to the level of sophistication of your user base, along with your current reporting capabilities. Our experience has shown that most marketing personnel are too busy to take the time to use a sophisticated reporting tool to identify marketing opportunities and view campaign results. In such cases, a simple reporting solution that allows power users to extract raw numbers that can be included in other formats such as PowerPoint, is what is actually needed.

### Level of support

There is a great deal of effort required to deploy a campaign management system within your marketing organization. Most solutions require a separate hardware installation that must tie into your internal IT infrastructure to deliver the solution to the users' desktops. Combine this with installing a sophisticated software package as well as integrating many data sources, and it can become quite a daunting task. Before proceeding, you need to understand the ability, availability, training requirements and internal costs for your internal IT staff to deploy the solution.

Most of the principal campaign system vendors can provide a network of system integrator partners that can help you with the installation. There will be a cost to do this, however, the system integrator will be able to perform the installation much more quickly than your own IT staff. Integrators have experience with the tool to help avoid common pitfalls and they can help train your own IT staff through

the process. Another consideration is the ongoing support required to manage the system moving forward – in particular the underlying data. Depending on the cleanliness and accessibility of your data, you may require a significant amount of work to compile the data needed to drive the system, especially within a solution based on external prospect data. If you do not have the staff available to manage this process, another option is to identify a campaign management vendor that provides a hosting solution. In this scenario, a third-party partner of the vendor can manage the system on your behalf, providing your staff access to the system through a Web interface.

Identifying the help you need to implement and maintain a campaign management solution is key. You need to understand from the different vendors what is required to run their solution moving forward and determine the best way to meet these requirements.

The deployment of a campaign management tool within your marketing organization can significantly improve your campaign execution, provide campaign tracking, and help you respond more quickly to marketing opportunities. The key to selecting the right tool is to document your current process and future requirements and be prepared to weigh the importance of each requirement as the existing solutions may not provide everything you need. To ensure the deployment of the solution is successful, make sure your IT department can support both the installation and ongoing maintenance of the system. **DM**

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## Enabling a 360-degree view of your customer

Improve your MDM strategy to reduce costs, increase sales, promote marketing effectiveness *By Bernard Drost*

As companies across the board struggle with the impact the economic downturn has had on their bottom lines, some forward-thinking organizations are focusing on how to better define and manage customer data through Master Data Management (MDM). Decision makers at these companies know that even modest improvements to their MDM strategy can make a big difference in enhancing overall data quality. Improved data quality can then lead to increased business efficiency and sales and marketing effectiveness, lower customer management costs and ultimately, improve customer service and satisfaction. In fact, successfully defining and managing customer data is fundamental to the success of any program that relies on it – especially during an economic downturn, when organizations must do more with existing resources.

### Apples to oranges

There are a couple of significant challenges

that companies commonly confront when developing a plan for MDM. One is that various divisions within an organization have their own definitions of a customer and their own customer hierarchy, and each division requires different types of customer information.

Another challenge is that many organizations spend insufficient time distilling their data requirements before defining their customer data model, and then do not sufficiently cleanse existing data or prioritize ongoing data quality. This can lead to complex data models, increased costs, and eventually, customer dissatisfaction, decreased efficiency in sales, marketing, service, and IT.

### Assessing the situation

To address these costly situations and better utilize their customer data, companies need to develop an understanding of the customer data life cycle and how different parts of the organization use customer data. There

must be consensus across the organization as to how customer data will be modeled. The correct technology (as well as gaps between business needs and available technology) must be identified. Defining who owns, manages, and can modify customer data is also critical. Finally, a plan must be developed to ensure ongoing data quality.

Once this assessment has been completed, companies should adopt a phased approach to improving their customer data management and modeling, as well as enhancing the enabling technology. This will help simplify their customer data model, enhance their customer view via third-party data feeds, reduce IT costs, improve customer segmentation and sales efficiency, and maintain a single, complete view of every customer. As a result, users across different divisions will be talking about the same customer and can link all relevant company-wide activity correctly to this customer.

### Example

We recently worked with a global high-technology company that wanted to improve the quality and reliability of its customer data. This firm needed to increase the efficiency of its sales force during a hiring freeze, pro-actively track lucrative support contract renewals, increase levels of customer satisfaction and ultimately, maintain a single, 360-degree view of each customer. We realized that while the company's sales and service departments had different needs, the majority of their requirements overlapped and could be achieved by a single CRM system – provided that customer data was properly modeled

from the start. It also became clear that by spending time creating a more refined customer data model that minimized exceptions, the company could simplify many business practices, streamline the existing infrastructure and reduce long-term costs.

Using a phased approach, we were able to help this company identify how different business groups use customer data and then determine and build consensus around how customer data should be defined and owned – and who could

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Bernard Drost

# Variable Data Print: It's a numbers game

To maximize digital print's value and the potential for greater direct mail open rates, we must embrace media rich imagery but how do we manage all that data? *By Felix Gill*

**M**uch has been written about the increased response rates that can be gained from using sophisticated digital print marketing. While this is certainly true and the technology continues to advance at a blistering pace, digital marketers are still not fulfilling the amazing potential of personalization. Why? Because until they come to grips with digital print's inherent technology restrictions, marketers will continue opting for the safe bet of unimaginative direct mail marketing.

For example, if you wanted to create a print run of 250,000 nicely Photoshopped, unique flyers, you would be trying to process more data than the average digital press is designed to handle. But to maximize digital print's value, we must not shy away from media rich, striking imagery — even if we are scared of extended print runs. Instead, as strategic marketers, we must learn to *manage* this modern, "on demand" printing capability.

## Your name here

Most people have received a personalized, overprinted letter drop through the mail with, "Dear Your Name," printed on it. While this is better than saying "Dear Occupant," it is an uninspired method of trying to catch your attention using personalization. For the Facebook and YouTube generation, we must try harder than that. Companies such as XMPie and Kodak's Darwin have created applications that allow personalized marketing to inject more "oomph" by providing impressive, eye-catching images: names drawn in the sand of some idyllic beach or painted in the clouds by the airstream of a private jet. These are the kinds of images that make someone pick up the envelope, look more closely at it and (dare we hope?) open it. In direct mail marketing, it just doesn't get any better than this. Overprinted, text



based personalization is fine and anyone who has tried being adventurous with this type of direct mail can attest to seeing improvement. Yet, the enormous potential posed by fully utilizing digital print is just too big to opt for the simpler choice.

## Message in a bottle

The thing is, modern digital presses process text in a different manner than that which they use for images: It is a simpler production process to overprint, "Dear Your Name," than a Photoshopped wine bottle that appears to have your name forged into the glass.

The easy route is often chosen because of the number crunching involved. Five

thousand unique envelopes utilizing sandy beach images ripped through Photoshop and then re-ripped on a digital press server is time-consuming to produce. If I need to image a sheet of paper in this way to the capability of a high digital production press such as the Kodak Nexpress, I would be looking at an 80 megabyte file. Printing both sides would lead to a 160 megabyte one. This is even before it becomes a press ready file. So just to keep up with the press, data must be fed at the rate of 200 gigabytes an hour. If we played around with our calculators, we would quickly see that a direct mail run of one million, unique, US letter-size flyers, would require a mammoth amount of number crunching.

Never mind that, the digital proofing cycle does not fit into the major mailers' production regimes. It is these markets that need to shift their thinking en masse to more imaginative personalization.

## Other considerations

There is an economic question related to personalized printing that, given what we now know about the plausibility of processing large volumes of data, could prove difficult to reconcile. Even if you owned half a dozen digital presses that could deal with the volumes—a comparative costly proposition compared to investing that capital in offset presses—you would still need to get the creative designs generated from a flawlessly compiled database and a radically different proofing cycle compared to that which is used when each print is identical. All of this takes time.

Much of the existing software in the marketplace operates as a plug-in to more mainstream applications such as Adobe Acrobat, InDesign and of course, Photoshop. This keeps the added value of the software company intact while piggy-backing years of tried and tested experience with industry standard design software. This model is a tough one to fit for major mailers. Imagine opening an 80 megabyte file in Photoshop, making a quick change, and then saving it with a unique name. Then, place this unique sandy beach image, for example, into Quark or InDesign and run it to the press, wait to process and repeat one million times. This is tricky stuff—not only to manage but to do without error and still deliver on time.

## Data management

To manage a campaign of striking, variable

images that are suitable for major mailer volumes requires a level of strategy and data crunching competence that is thin on the ground in traditional print circles. Designs, press time, and production cycles can be managed and streamlined to get greater benefit from what modern technology can offer. Personalized print campaigns still have many challenges to overcome so as to enter the mainstream successfully. I am sure that there are many cutting-edge print companies with highly developed solutions to mitigate a lot of issues that will arise.

Working closely with creative agencies to better establish and realize expectations can go a long way to making quality personalized imaging more mainstream. Renegotiating production schedules with major mailers who are set in their ways through many years of traditional bulk mailing, is probably the biggest sticking point in achieving these goals. None of these things are impossible — all are critical aspects of achieving the objectives for personalized direct mail. The digital world is first and foremost a numbers game that has slowed the development of any feasible benefit derived from modern imaging technology, as anyone who has waited to download a movie on a slow connection will tell you. To imagine that digital print can somehow work outside these physical parameters just doesn't add up. **DM**

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make changes to it. In addition, we worked with the company to cleanse its existing data and consolidate duplicate records, link all child records correctly, integrate

improved its account coordination at both the national and regional levels and has gained a more in-depth understanding of its customers. Because of its refined

Simply put, improving customer data modeling and effective MDM business processes enable a 360-degree view of customers. Reduced data management costs, increased sales and marketing effectiveness, superior sales forecast accuracy, and enhanced opportunities for cross- and up- selling are all beneficial byproducts. Companies will also find that this valuable effort provides a solid foundation upon which to support customer data-centric projects—both today, during difficult economic times—and tomorrow, when the economy rebounds. **DM**

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third-party customer data feeds and then train a new data quality group that was dedicated to distilling sales data into business intelligence.

Since implementing this new customer data model and the MDM business process changes, the company has

MDM strategy — and resulting improved data quality levels — the company is also able to more quickly identify and sell to decision makers, generate more accurate sales projections and rapidly solve customer problems to ensure high levels of customer satisfaction and loyalty.