

Data advice for the modern marketer

An Experian white paper



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Most marketers see data as a barrier or a burden and don't see the benefits it can bring. But data can help with some of the most common problems and concerns of marketing teams. You can turn data into a useful tool by using it positively and to your advantage. Read on below to find out how your anxieties can be eased with a few easy steps.

I don't have time to worry about the can of worms that is data

The data expert's answer...

You're not alone in thinking that sorting out data is like opening a can of worms! Recent research shows that only one per cent of marketers have complete trust in their data, so you're not alone.¹ Data stored in CRM systems is used across the whole business but no one wants to take responsibility for it, so it's often a job that gets ignored.

Understanding and getting to grips with your data is vital for effective marketing campaigns. If you ignore the problem, your response rates will suffer. Here are some tips and advice around why data is important and how you can start to tackle your data problems without it taking up valuable time.

“My job is to increase brand awareness and lead generation, not to sort out our database. I simply don't have time to churn through our CRM looking for problems that I don't have the resource or knowledge to fix. I've got targets to meet. Who should be taking responsibility?”

Get to grips with your data

Understanding your data and knowing where the problems lie is crucial before embarking on any data project. Get to know your data by asking yourself some questions – do you trust your data? How often is your data cleaned? Which contacts are in your marketing pool? Understanding your data and identifying the problems is the first step to putting together a data strategy.

Don't do it alone and don't try to do it all!

Data affects every part of the business, from finance and HR departments to marketing and sales. Secure buy-in from other parts of the business before taking on data projects. Education is vital to get everyone on board and explain what's in it for them. Making data quality an organisational wide strategy will reduce your workload and



put the topic on everyone's agenda. Taking on small, bite-size chunks is also key. Don't try and improve your whole database. Instead, focus on small chunks of data that lie in with your marketing objectives and target verticals for the year. Put together a data quality strategy with clear objectives, targets and goals which tie into your marketing plan.

Data doesn't need to be time consuming

Once you've decided which areas of your data to focus on, the project will seem far less daunting. With buy-in from other areas of the business it will also be less time consuming. Investing in data quality tools takes away manual data processes, saving you valuable time. Make this part of your data quality proposal and strategy and leave the hard work behind. Recent research suggests that three out of four businesses will spend the same or more on data quality initiatives this year. Make sure your organisation is one of them.

In hard times, why is the marketing budget always the first to go?

The data expert's answer...

This is a problem most marketers can sympathise with. So how do you ensure you get the budget you need? Ultimately, the business needs to recognise the value in your activities so that they see you are investing rather than spending. You need to be able to track your ROI on all activities, so you can justify spend to the board. But without good data and data processes in place, this can be a difficult task to undertake. All is not lost, there are a few areas you need to consider, so you can secure budget going forward.

Improve the effectiveness of your contact database

- The accuracy of contact data can dramatically affect the success of your activities. If you market to a clean, targeted pool of contacts then you can expect a better response rate and improved ROI, and less waste on returns. This also shows the board or those making decisions that you are spending wisely and have an awareness of how to make the most of what budget you have.
- Contact validation exercises can help bring your data up to scratch and can be carried out before specific campaigns. Make sure you place the focus on validating the information that is important for your communication methods. For example if you mostly engage with customers via email, then email addresses obviously need to be a top priority.

Be intelligent about your marketing

- Work closely with sales to identify target audiences so you can prioritise your marketing budget to focus on these areas for maximum ROI. Ensure your efforts in keeping data accurate, up to date and suppressed are spent on these target groups.
- Using additional data can also help build more effective campaigns. For example, if you're a B2B organisation, you might be interested in looking at SIC codes for employee numbers. For B2C, Mosaic codes can enhance your knowledge of your contacts' lifestyles. All this extra information goes a long way towards knowing your target audience better.

Track and measure everything

- Tracking and monitoring your results effectively means that you can prove the success of your marketing

campaigns. Results and clear ROI figures speak for themselves and therefore justifying spend and securing budget for future activities should be clear-cut.

- You need to look at how you communicate with your customers. DM? Email? SMS? Ask yourself how these activities are performing. Know what works best, so you can plan future campaigns and continually improve your ROI.

Complying with data regulations is such a headache, I don't know where to start!

The data expert's answer...

In my experience there are two extreme views of data compliance. Some marketers take the head in the sand approach while others are kept awake at night worrying about it. Data compliance needn't be a headache as long as you know what you are looking for and have the correct processes in place.

There are specific regulations that affect different sectors and others that are relevant across the board such as the Data Protection Act (DPA). Let's take the DPA as an example. As professionals we sometimes forget that records in customer databases aren't simply numbers or data, they are our customers, people and consumers, like us. As highlighted by recent media coverage, consumer views of data have changed, especially in relation to how they want their personal information to be managed and protected. The rules are there to protect the individuals that you are marketing to. If you approach data with complacency then you make

“It's all over the marketing press; every e-bulletin I receive is full of tips to make the most of a decreased marketing budget. But why is my budget the first to go? Marketing is seen as a “nice to have” rather than the essential brand build, lead generating company resource it is in reality. As I told my FD, you don't know what you've got 'til enough of an argument to protect my budget.”

a negative impression on the individuals you are trying to reach, and you are likely to incur fines.

Here are the main DPA principles you should be aware of:

- You must ensure personal data is processed fairly and securely
- Any data held on customers must be accurate and up to date
- Organisations must only retain information as long as it is necessary in relation to the purposes for which it was originally collected
- Individuals have the right under the DPA to opt out of providing information for marketing purposes

Do they expect me to be able to change our strategy and plans overnight?

The data expert's answer...

I understand that changing direction now seems like a big challenge, but in the long term you will see value from this approach. As we all know, keeping the customers you have is more profitable than reaching out to new customers. And at this time, it's more critical than ever. Retention is all about having good customer insight and intelligence and putting this into action. Profiling your customers can have a positive influence on your marketing strategy. In fact, recent research shows that 78 per cent of marketers profile their data to identify top users. Below are some top tips which should help you on your way.

Identifying your valuable customers

- One of the first steps you need to take is defining what a valuable customer is. What makes up a valuable customer for one organisation can be different to another. It could be based on the revenue they bring to your business or perhaps their propensity for growth.
- To keep your customers happy, you need to have as much information as possible about who they are. You can build a more complete picture of your customers by appending profiling data such as lifestyle or company turnover information. This way you'll ultimately find out what they're worth to you so you can plan activities accordingly.

Love your profitable customers

- Once you've identified your worthwhile customers, focus on how you can keep them. Introducing a customer loyalty programme is a great part of a retention strategy.
- How confident are you that your customers are happy with your service? Carrying out a survey is the best way of knowing what's working and what's not working for your customers. Uncovering this type of information means that you can make changes within the business to improve this relationship and hold onto your valuable customers.

Treat your customers differently

- Once you have a tiered system in place for your customer database, you need to think about adapting types of activities depending on who you're talking to. Understanding your

customers better means you can target them with offers that are more relevant to their needs and interests. Your marketing should be reflected in your investment (in terms of time and money) in these activities too.

- Not only do you need to consider how marketing are communicating to your high value customers, but also whether they're receiving a relevant level of service across the business. One example of this is within a call centre where customers have been ranked gold, silver or bronze. Incoming calls from gold customers may be pushed to the front of the queue and answered first.

Summary

Your data is an asset which you should be utilising to make your life as a marketer easier. Take a few simple steps to fully understand the benefits your data can deliver, and you will wipe away any data-related anxieties you may have had. You need good data; but more importantly you need the accuracy of information that your data delivers to truly be effective. Being confident in your data is the key. With confidence flowing throughout your organisation you can make great decisions.

If you have any further questions about using your data, please contact dataadvice@qas.com. We are here to help.

“There are so many rules and regulations that we have to abide by. It used to be the case that compliance slipped under the radar and we carried on in “ignorant bliss”. Now it has more emphasis at board level. Even keeping up to speed is challenging and ticking all the compliance boxes is time consuming.”

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