

# The Importance of Intelligent Interactions

Meeting the demands of the 'Always On' consumer



# The demands of the Always On consumer

Consumers are changing. Half of UK households now own 3 or more connected devices and smartphone penetration in January 2013 reached 60% in the UK, according to eDigitalResearch and the IMRG. The availability and adoption of technology means that there are a rapidly increasing number of consumers that are “Always On” and what’s more, they expect brands to be the same.

The Always On consumer is hyper-connected, digitally aware and hugely demanding. In their digitally connected lives they can text, tweet, email, check in, research and shop at any time and any place. They expect a seamless experience of the brands they choose to interact with and want thoughtful, meaningful and co-ordinated interactions across all channels.

The speed of adoption and the rise of the Always On consumer is also changing. The traditional bell curve model of adoption is quickly being replaced by a new “virus model,” such that once a new trend reaches a certain tipping point, the spread of penetration is inexorable.

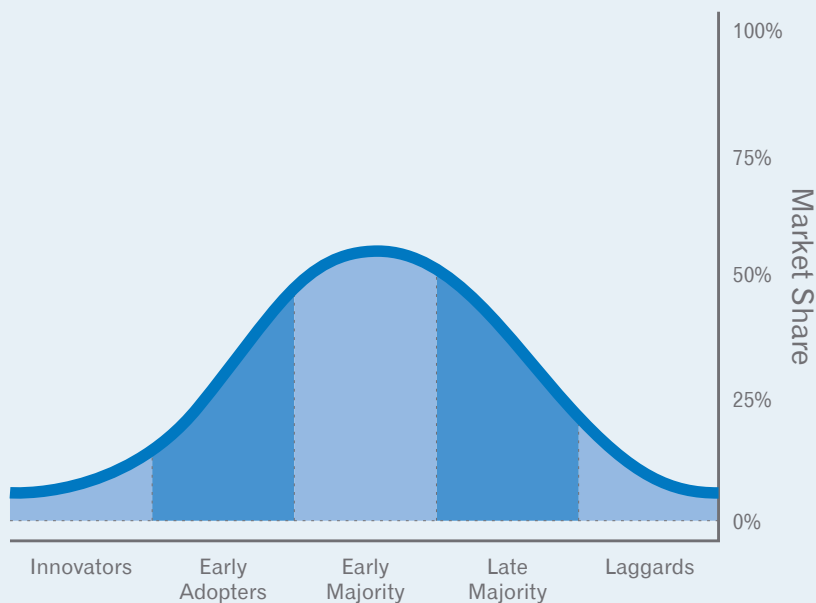
This is exactly what is happening with the Always On consumer. No longer simply the domain of the young and tech-savvy, Always On is a nationwide phenomenon that affects everyone.

Experian research into the Always On consumer highlighted four distinct types who are more digitally connected than ever before – Social Butterflies, Working Professionals, Gamers and Everything Tech. This research highlights how brands need to evolve their marketing strategies to engage consumers based on their platform choices and preferences.

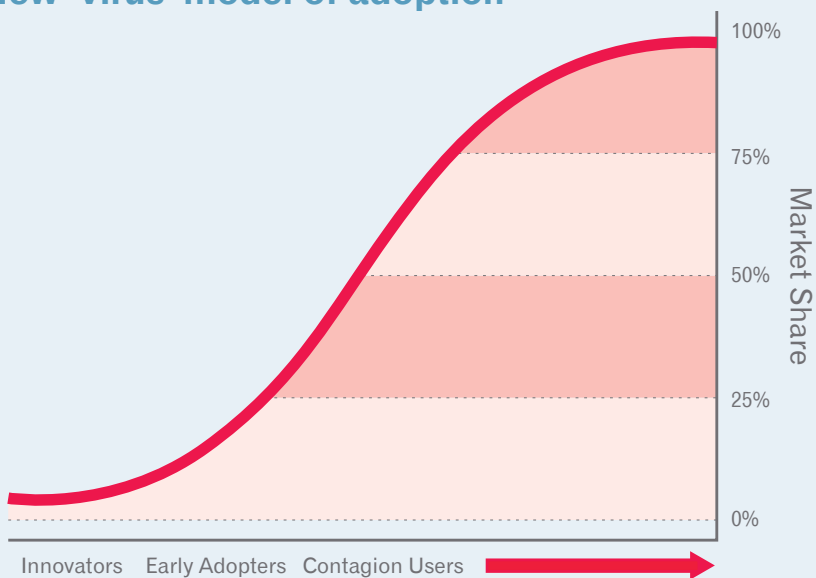
Importantly, it also highlights that while they may all be super-connected, Always On consumers are distinct and different and so need to be engaged on an individual basis. Silver surfers are shopping on their iPads in their millions for example, so it's not a case of simply appealing to a broad demographic, smarter

marketing is about truly understanding the consumer. Regardless of age, gender or demographic, consumers are demanding more from brands and it's now an imperative for marketers to make sure their interactions with their consumers are intelligent, relevant and timely.

## Traditional bell curve of adoption



## New 'virus' model of adoption



# Intelligent Interactions. Every time.

With the demands of the Always On consumer becoming more difficult to satisfy, brands need the technology and the insight to be able to respond quicker to the needs of their customers. Intelligent interactions is about empowering brands to make smarter marketing decisions, and have the confidence to execute cross-channel campaigns through data-driven insight, rather than marketing intuition.

The acquisition, application and evaluation of data to understand consumers comes in many different forms. For example, most organisations don't realise the gold mine of insight that they are sitting on in their own data. The reality is that the average business only uses 5% of the data that they have available. For other businesses using internal data can only take them so far; what are their customers doing when they are not interacting directly with their brand?

The bar of expectation has been raised by the Always On consumer – brands who do not treat consumers as individuals and interact with them in a timely and relevant way risk damaging their relationship with those consumers. Of course this creates a new set of challenges for brands. Treating consumers as individuals means more work – a single creative to blast out to all consumers is no longer sufficient. Responding to the Always On consumer means more personalisation, more content, more approaches to messaging across a broader and diverse network of channels.

It's certainly not easy – but help is at hand. The purpose of this paper is to educate and illustrate how to approach the Always On consumer, though four key areas: Big Data, Consumer Insight, Targeting and Cross-channel Marketing.

**The Always On or hyper-connected consumer is demanding more from their experience whenever and however they choose to interact with brands. They want thoughtful, meaningful and co-ordinated interactions across multiple channels every time.**



# Big Data



**There is no shortage of data out there, ready to be collected, analysed and acted upon by brands. The social explosion in particular means that consumers are readily sharing information about themselves in unprecedented volumes.**

According to Google, 2 exabytes (two billion gigabytes) of data are being created every single day online. That's 5,000 times more data than every book in every library in Britain, or for a more digital example, 2 exabytes is the equivalent of 26 centuries of continuous HD video. By any measure, that's a vast amount of data.

The problem with having such huge volumes of data is that it can often be overwhelming – how can companies cut through the noise to find consumer insights that drive relevant, timely communications that resonate? The other concern is

linkage – how can brands take this array of disparate data sets and tie it back to the same consumer?

Many organisations operate across multiple channels, but relatively few can integrate all of their departments and channel functions with a consistent view of their consumers. A company might have five different contact points for one consumer through a work and home email address, a mobile number, a Twitter handle and in-store purchase history, but unless there is a link to unite these back to a single person, an individual can easily be treated as five different people.

At the heart of data linkage is a coherent and consistent Single Customer View (SCV). This is one unified database which brings together all of the identities of customers across multiple channels appended with additional data assets for the fullest and most complete picture of who the customer is.

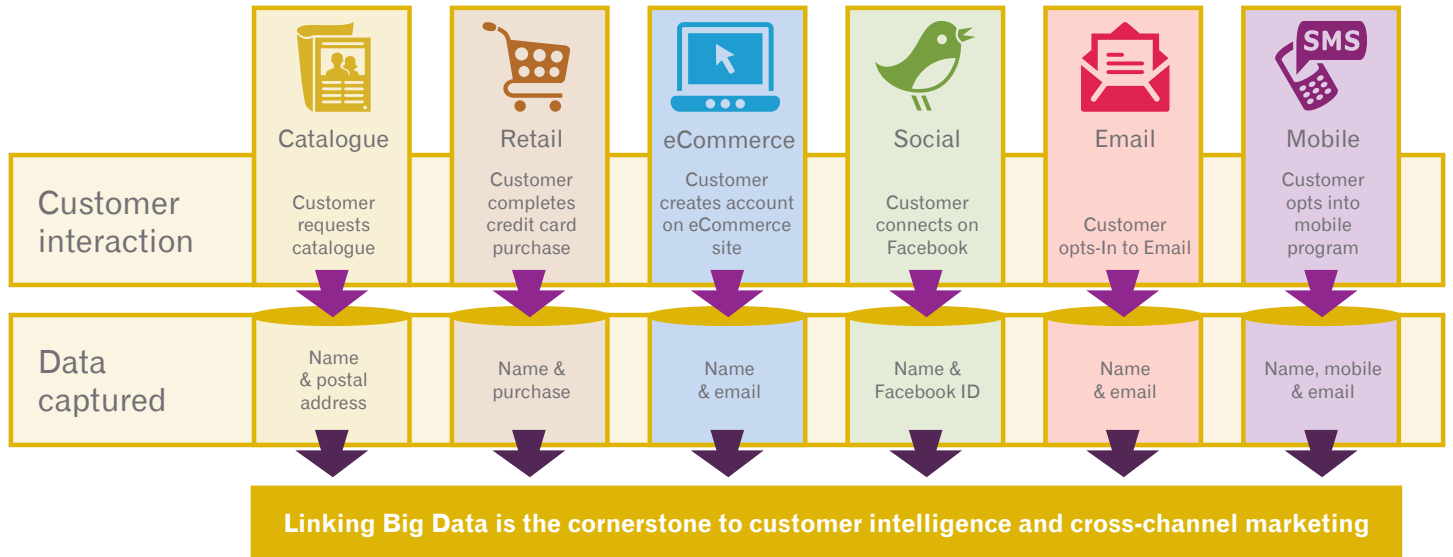
In some industries such as retail banking a Single Customer View is now a legal requirement, but for most a SCV increases understanding and knowledge of the consumer – What do they look like? How much are they worth to the business? How do they like to be marketed to?

One of the biggest benefits of a SCV is reduced wastage through eliminating duplicates in more costly channels, such as direct mail and call centres. In addition, with a complete 360 degree view of the customer, it's possible to enhance personalisation of services and experiences, creating additional relevance.

**2 exabytes of data are being created every single day online. That's equivalent to 26 centuries of continuous HD video.**

# Linking Big Data

The quantity of rich data that can be gathered across online and offline channels is vast. Linking that data requires key identifiers which can tie disparate data sets to a single individual. Email is one of the best identifiers online as most interactions use an email address as a login, but increasingly the market is diverging, which means capturing as many identifiers as accurately as possible is key to successful data linkage.



## Top tips for Big Data

- 1 Don't panic!**

With so much data available it's easy to be overwhelmed by the prospect of Big Data so it's important not to panic. With good cleansing tools and a Single Customer View brands can avoid wastage and increase the insight they hold on their customers.
- 2 Collect the right data**

Brands need to think carefully about what to collect and what data can be used effectively and legally for marketing communications. Once decided, organisations need to ensure the right systems are put in place to capture data more accurately. For example, a lot of the focus with website data capture is on high level metrics such as visits and page views, rather than tracking site usage and page optimisation.
- 3 Make the links**

Linkage is the most important consideration when thinking about Big Data. Creating a single source of truth about each consumer is paramount to enabling meaningful and accurate marketing interactions. Linking between multiple contact points gives businesses the best possible opportunity to build up a rich view of the consumer.



# Consumer Insight

Once data has been aggregated, cleansed, sorted and organised into a Single Customer View it's time to analyse and find consumer insight that will enhance the data and help to inform targeting and implementation.

Consumer insight is all about understanding customer behaviour and learning new information to add to the wealth of data being collected in the SCV. It's important to remember the human element of this process – brands need to treat consumers as people, not data points, investing in really getting to know their customers. Where do they like shopping? What newspapers do they read? How many kids do they have? Where do they want to go on holiday? By collecting this consumer insight marketers are investing in deeper, more involved relationships with their customers.

The thing about consumer insight is it can often be surprising, but that's kind of the point. The best consumer insights challenge marketers' preconceptions and force them to think in a new way.

Let's take online Christmas shopping as an example. In December 2012 the most searched for gift online in the UK were onesies. This might be surprising given the popularity of tech gadgets such as the Apple iPad and Amazon Kindle, nevertheless it was onesies that drove more search clicks to retail websites than any other product.

Intuitively, the presumption would be that onesies is the kind of item that would appeal more to the female market than to male customers and yet further analysis showed that of all the searches the UK made for onesies over Christmas, searches including the word 'men' or 'mens' were more than twice as popular

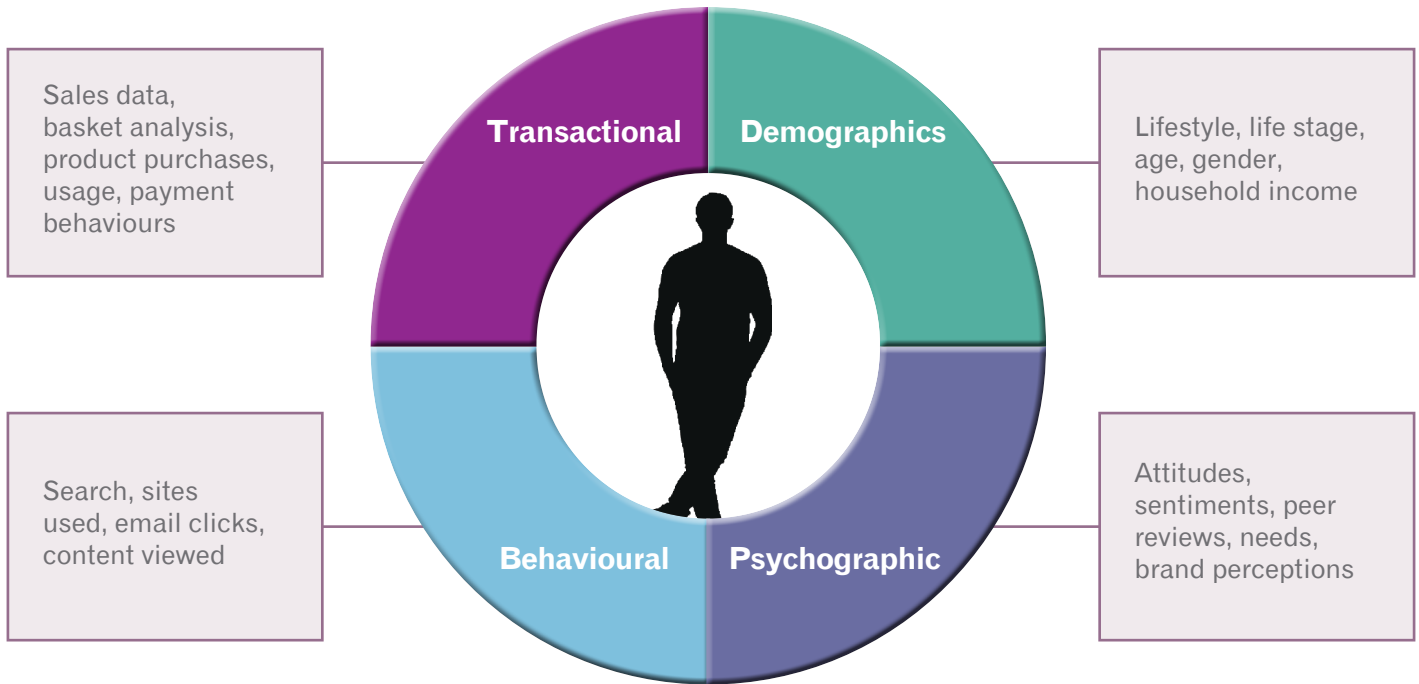
than searches including the word 'womens' or 'ladies'. In fact 12% of all onesie searches were for adult males. This kind of insight has huge implications for retailers selling this product. Not only can the data inform stock levels for sizes, and patterns (the most popular design was in fact the giraffe) but should also influence who these products are marketed to and how.

Of course, data is not always this counter-intuitive. Sometimes insight serves to confirm what has always been known about customers, but importantly, the element of guessing and gut feelings is removed. Consumer insight gives marketers the hard facts they need to make informed decisions to drive cross-channel strategies.



# Build a 360° view of the consumer across all channels

Consumer data across online and offline channels falls into four broad categories: Transactional, Demographics, Behavioural and Psychographic. Any one type of data is powerful in aiding marketers in understanding their customers but for a 360° view a blend of all four is required.



## Top tips for Consumer Insight

### 1 Implement customer segmentation

Segmentation is the process of dividing a consumer database into groups based on a single or multiple criteria. By grouping consumers into segments it's possible to improve campaign targeting and creates niche audiences to analyse for specific consumer insight that is highly relevant to those individuals.

### 2 Use insight to guide content strategy

One of the best ways of implementing consumer insight is to use it to guide the content that is served in marketing communications. Understanding the needs of the consumer is essential but if the content fails to resonate with those needs then the end result will still be poor. Customers are coming to expect personalised content in their interactions with brands. With the right data and technology in place, brands can start to automate a lot more of the personalisation and decision making in marketing communications, reducing scheduling and planning costs.

### 3 Get senior stakeholder buy-in

It's an imperative to get buy-in from senior stakeholders to set clear objectives on what consumer insight will be collected and how it will be implemented. Sometimes there will be an urge to reject the data, especially if it leads to an insight which goes against current convention. Businesses must be prepared to be agile in their approach and flexible enough to respond to new insight as consumer behaviours change. Those companies that remain set in their ways and fail to adapt risk being left behind by the competition.

# Targeting



After data has been aggregated and cleaned and then enhanced with consumer insight an organisation is ready to start targeting its prospects and existing customers.

In order for brands to deliver relevant communications they need to employ a targeting programme. Blasting out the same message to everyone simply won't cut it anymore.

The two major benefits of targeting are that it improves marketing effectiveness and reduces costs of campaigns.

Getting the right message to the right person at the right time is an overused mantra but this is precisely what targeting sets out to do. By sending a relevant and timely communication which resonates with the recipient, consumers are more likely to respond to actions which improves the effectiveness of the campaign.

But let's be clear – targeting alone does not simply mean the effectiveness of the campaign will increase. Let's say Fred is in the market to buy a new car and he happens to see Ad 1 as part of a broadcast campaign. Now let's say Fred is part of a targeted campaign and is chosen by his demographic attributes to receive Ad 2 (exactly the same advert).

Clearly in this example the fact that Fred has been targeted as part of the

second campaign has no bearing on the overall effectiveness.

This follows on to the second reason for targeting, which is to reduce costs. If the campaign is delivered to fewer people but the people that have been selected will achieve the same results as sending the advert to everyone then the cost per acquisition will reduce, removing wastage and bringing the overall cost down of the campaign.

## Advertisement 1

**A FIRST CLASS DRIVING MACHINE, GUARANTEED**

**ONLY AT YOUR LOCAL DEALER**

[Find yours](#)



## Advertisement 2

**A FIRST CLASS DRIVING MACHINE, GUARANTEED**

**ONLY AT YOUR LOCAL DEALER**

[Find yours](#)





Targeting is about more than proactive messaging to specific groups. It is also about knowing when not to send marketing communications. The suppression of marketing messages to the wrong consumers can be just as beneficial to a brand as the effective targeting of the right consumers.

For example, if Fred has just bought a new fridge then the last thing he wants to receive are targeted marketing messages about fridges, especially if some of them offer discounts on an item he's just bought. Not only would Fred get irritated at being marketed to for product he already owns, he is also likely to feel cheated if his purchase is not as good value as the offered deal.

This example also highlights the need to understand consumer journeys across channels. If the appliance provider doesn't have the capability to link Fred's online research for fridges with the in-store purchase then they will continue to send irrelevant and possibly damaging communications to a consumer who has already purchased.



## Top tips for Targeting

### 1 Test, learn, measure

Crucial to the success of all targeted campaigns is to continually test. Through testing the effectiveness of creative, tone of message and content for targeted audiences, key metrics can be benchmarked and campaigns tweaked to best serve the needs of the consumers. The more rigorous the testing, the more optimised a campaign can be, and with the right technology platform, campaigns can be changed in real-time to reflect how consumers are responding to different messages.

### 2 Target across channels

There are more channels that can be used for targeting consumers than most marketers realise and new more advanced targeting methods are becoming available all the time. Banner advertising for example has historically been limited in its targeting capabilities, with marketers hoping to reach their target audience by using ads on websites they hope their customers visit. With developments in web tracking and cookie data it's now possible to only serve banner ads to relevant consumers who meet certain demographic criteria, therefore reducing the number of impressions served and cost-per-click rates.

### 3 Have a common currency

In order for brands to be able to effectively target across multiple channels it's essential to have a consistent approach to identifying and describing consumers. What does a regular customer look like? In the email marketing department regular might be defined as someone who opens one email a month, whereas in social, a regular customer might be someone who retweets once a week. Clear definitions which work across channels with consistent definitions of consumers will help cross-channel targeting to become a reality but will also aid internal collaboration on campaigns.

# Cross-Channel Marketing

With data organised and collated, consumer insight applied and targeted messages prepared the final step is to implement cross-channel marketing campaigns.

So many of the current tools available focus on a single channel – whether that's email, mobile, catalogue or the web. The big challenge for marketers is that message delivery within channels almost always happens via disparate platforms, and, as a result, outreach to consumers is uncoordinated. This disconnect is confusing for consumers and expensive and cumbersome for brands.

Cross-channel marketing is something that has been talked about for years but in reality is still out of reach for many brands.

The emphasis on channels has led to marketing teams being siloed and focussing exclusively on their deliverable, be that email, social, search, banner advertising, billboards, direct marketing – the list goes on.

Most brands understand that they need to have a presence across multiple channels, but very few have the sophistication to link these consistently and get their channel experts to collaborate and execute effective cross-channel campaigns. These dynamics have brought brands to a crossroads because, quite simply, consumers have gotten way ahead of the systems used to communicate with them.

Marketers need to restore the balance between consumer expectations and what their brands can deliver. An Experian survey

conducted in April 2012 found that 84% of consumers would walk away from a company that doesn't link up, understand and respond to their engagements across channels. Nothing irritates consumers more than being offered products they have already refused or being contacted when they have specifically opted out of communications.

Cross-channel marketing is a necessary evolution of the marketing function which increasingly requires a single integrated platform than can combine consumer information from multiple channels and deliver targeted campaigns in real-time. This allows marketers to keep their customers happy, stay relevant, acquire new customers, retain their current base of clients and grow their business.



# Putting the consumer at the heart of cross-channel

Consumers don't see channels, they see brands, and so regardless of which channel they decide to interact with, the message has to be consistent to provide the seamless experience they expect.



## Top tips for Cross-Channel Marketing

### 1 Know where you are starting from

Not every organisation is ready to execute cross-channel marketing straight away. Being present and active in multiple channels is not the same as being truly cross-channel – linking and co-ordinating marketing campaigns across all channels. Before leaping into integrated campaigns, companies need to take stock of their current activities and assess their marketing sophistication.

### 2 Start small and work up

Taking cross-channel head-on is a mammoth task. Companies are better off starting with one channel and maximising the output from that before adding data from other channels. This will also ensure consistent and clean data. Once brands have worked up to truly integrated cross-channel marketing they can implement a smarter data strategy, resulting in cost savings to the business. However, the real strength of cross-channel is not just in saving money but in delivering a better consumer experience which helps to drive long term value, advocacy and brand loyalty.

### 3 Encourage collaboration

Cross-channel marketing is dependent on marketing teams collaborating together to work towards a common goal. Siloed divisions that don't talk to each other lead to disjointed campaigns, which will not maximise the power of integrated data and targeting. Disparate channel execution also tends to lead to mistakes, with consumers receiving irrelevant and sometimes contradictory messages. A single technology platform will help with consistency but without the willingness for departments to come together, the potential of cross-channel marketing will never be fully realised.

# Embracing the Always On consumer

The relationship between brands and consumers has very much swung in the consumers' favour. The Always On consumer demands control, they are connected, savvy, empowered and increasingly fickle. If they don't receive the service and experience they expect, they will move on somewhere else, and probably tell their friends to do so as well. Brands not only need to acknowledge the Always On consumer, they need to embrace them and build relationships with them.

A part of this embracement is in honouring consumer preferences in the channels they like to interact with. The consumer path to purchase isn't always predictable or preferred, but rather driven by convenience. This puts even more responsibility on the marketer to ensure that they interact with their consumers in meaningful ways as they move seamlessly in and out of channels.

It's not surprising that consumers don't think in channels, to them life is the channel. They will respond and react by whatever means is most appropriate to them at any given moment in their busy lives. Brands need to have the flexibility to accommodate the lives of their consumers so that they can become truly customer-centric.

In doing so, brands can come to understand the desires, needs, and motivations of the Always On consumer and act accordingly to give them what they want. This empowers the marketer to maximise every communication and minimise distractions, whilst creating meaningful experiences. This is what it means to deliver intelligent interactions. Every time.





# Where do I start?

If you've just finished reading this paper we hope that we've given you some food for thought. However, you might still feel a little overwhelmed. Fortunately, we're here to help.

## Take the Smarter Marketing Assessment

A good first port of call is to get an honest evaluation of how sophisticated your marketing strategy currently is and where you can start to make improvements. To benchmark your organisation's current performance we've created a short assessment which asks multiple choice questions in the five key areas of smarter marketing to measure your level of marketing sophistication. If you are unsure whether you are ready to invest in a Single Customer View or optimising for a cross-channel campaign, this assessment is for you.

**To take the assessment visit [www.experian.co.uk/assessment](http://www.experian.co.uk/assessment)**

## Get your data in order

If you're operating with multiple databases and CRM systems and are struggling for that single source of truth about your customers then a Single Customer View is something you should be considering. We are now witnessing the confluence of accurate data availability, technology solutions and expertise that prove that big data is the prize of the information age, not its penalty.

**Read more in our whitepaper [From Concept to Reality: Achieving the Single Customer View](#).**

## Understand your customers

You might already have a clean and well organised database which is a fantastic foundation to build on, but now you want to find out more about your clients and prospects. What are consumers most interested in now? What do they like doing when they are not browsing your website? How many kids do they have? What kind of brands do they like and aspire to buy? If you want to truly understand the needs of the Always On consumer we can answer these questions and many more through our insight. A good starting point is with the demographic data held in Experian Mosaic UK which benchmarks the population on any one of 500 data variables.

**For more information visit [www.experian.co.uk/mosaic](http://www.experian.co.uk/mosaic)**

## Optimise to become truly cross-channel

If your marketing campaigns are interacting with consumers across multiple channels but your operations are isolated and disjointed then you need to think about how to incorporate your marketing communications into a single integrated technology. The Experian Cross-Channel Marketing Platform integrates consumer information that comes in from multiple channels into a single view whilst giving marketers the ability to understand how consumers interact in different channels — and what their preferences are.

**For more information visit [www.experian.co.uk/cross-channel](http://www.experian.co.uk/cross-channel)**

## Reach out to the Always On consumer

We've described in this paper the rise of the Always On consumer and the importance of being able to respond and interact with them intelligently. If the Always On consumer is your customer and you want to find out more about them then you can look at our research which goes into detail about the four distinct types of hyper-connected consumers: Social Butterflies, Working Professionals, Gamers and Everything Tech. This research highlights how brands need to evolve their marketing strategies to engage consumers based on their platform choices and preferences.

**Read more at [www.experian.co.uk/alwayson](http://www.experian.co.uk/alwayson)**

## Find out more

Experian has over 30 years' experience as a dedicated data provider helping brands to understand consumers. To find out more about how Experian can help you realise cross-channel marketing or for any other data queries please contact us using the details below:

0845 234 0391

[marketing.services@experian.com](mailto:marketing.services@experian.com)

[www.experian.co.uk/marketingservices](http://www.experian.co.uk/marketingservices)

**Unless explicitly stated otherwise all data and statistics contained within this document is derived from Experian Insight and is accurate as of September 2013.**

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## About Experian Marketing Services

Experian Marketing Services delivers best-in-breed customer data and insight, digital-marketing technologies and data management services into multiple regions around the globe. By helping marketers more effectively target and engage their best customers with meaningful communications across both traditional and digital media, Experian Marketing Services enables organisations to encourage brand advocacy while creating measurable return on marketing investment.

For more information, visit [www.experian.co.uk/marketingservices](http://www.experian.co.uk/marketingservices)

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## About Experian

Experian is the leading global information services company, providing data and analytical tools to clients around the world. The Group helps businesses to manage credit risk, prevent fraud, target marketing offers and automate decision making. Experian also helps individuals to check their credit report and credit score, and protect against identity theft.

Experian plc is listed on the London Stock Exchange (EXPN) and is a constituent of the FTSE 100 index. Total revenue for the year ended 31 March 2012 was US\$4.5 billion. Experian employs approximately 17,000 people in 44 countries and has its corporate headquarters in Dublin, Ireland, with operational headquarters in Nottingham, UK; California, US; and São Paulo, Brazil.

For more information, visit [www.experianplc.com](http://www.experianplc.com)



80 Victoria Street  
Cardinal Place  
London  
SW1E 5JL  
[www.experian.co.uk/markingservices](http://www.experian.co.uk/markingservices)



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