

# How a Data-Driven Approach Can Engage Customers and Boost Marketing Returns

Digitally savvy consumers know there's an abundance of choices when it comes to purchases. With high expectations, most will seek out appealing items with little regard to brand loyalty. Churn and attrition are at an all-time high.

The response for organizations sounds simple enough: Provide a consistently good, engaging customer experience, optimize it on a variety of devices and deliver it when customers want it. Why has it been so hard for organizations to do this?

The answer starts with the way companies operate on the back end. With multiple organizational silos, no online/offline data synthesis, rigid customer databases and other inflexible legacy systems, organizations only have a piecemeal view of the customer. It's hard to take advantage of all the existing corporate customer data that's available, much less the rich variety of external data. As a result, marketing efforts are fragmented. Communications are inconsistent and ineffective. And revenue growth is hindered.

## How SAS® Can Help: A Data-Driven, Customer-Focused Marketing Process

By taking a technological approach that synchronizes marketing processes with the customer journey across multiple channels, organizations can achieve great results - in terms of revenue, customer advocacy and loyalty. First, they need to get a panoramic view of each customer. Then they can understand and anticipate customer behavior; orchestrate the next best action across any channel; and accurately measure results to inform future actions.

With SAS, you can connect your marketing efforts with all the

relevant data from customer interactions as well as back-end operations. Then, through advanced customer and marketing analytics, you can deliver an integrated, omnichannel experience and truly compelling content. By responding to your customers on their terms - right content, right time, right device - you can keep them coming back for more and raise their value to your business.

## Step 1: Synchronize Marketing Processes Based on a Comprehensive Understanding of the Customer

When marketing departments, call centers, service operations and merchandisers operate independently based on their own distinct views of the customer, both customer engagement and marketing efforts suffer.

Consider a scenario where a customer's browsing history (showing his preferences or inferred interests) is in one database while offline point-of-sale data about the customer is in another database. If these databases are not connected, there's a good chance you will have less relevant interactions with that customer than what the customer expects. Or you may see the "echo effect," where you reach the customer through one channel but he responds through a different one - leaving you unsure how to attribute the response or plan your next offer.

Many organizations don't use their existing corporate data to the fullest extent. They overlook opportunities to enrich customer data with information from service records, operations or contact centers. Many also fail to use external data sufficiently, missing chances to broaden their understanding of the customer with data from social media, open data, third-party data, etc. In an ad sales scenario, these proprietary data sets can present a unique differentiator in the marketplace and enable you to create highly targeted campaigns for your advertisers.

SAS Customer Intelligence solutions provide a panoramic view of the customer by consolidating all first-, second- and third-party data. From digital data to CRM information and call center records, SAS captures, integrates and transforms disparate data sources, breaking down multiple customer data silos. Built-in data management capabilities ensure that you can use your data effectively to engage customers, and boost ad sales. Use SAS to:

- **Improve data quality where the data resides**, regardless of whether it's in a marketing or operational system. SAS profiles, standardizes, monitors and verifies data without moving it, which creates significantly faster, more secure processes. So you can speed up many marketing processes to run in real time and near-real time instead of weeks and months.
- **Access the data you need**, no matter where it's stored - from legacy systems to Hadoop. You can create data management rules once and reuse them, for a standard, repeatable method of improving and integrating data - without additional costs.
- **Be confident that your data is reliable** and ready to use for analytics, whether you're doing segmentation, content recommendations, next best offer, retention or lifetime value scores.
- **Create a panoramic view of the subscriber** that connects all touch points, contact history and online/offline interactions.

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## Step 2: Understand Customer Behavior and Fuel Content Engagement

Content is core to enticing and keeping consumers. You can attract the right customers by optimizing your content. But it's just as important to optimize the customer's overall experience. Using advanced techniques like text and predictive analytics, you can improve search engine optimization (SEO) for digital content, quickly categorizing content and text mining words, phrases and topics for customers.

Beyond SEO, you can profile and segment customers based on their historical behavior, profitability and lifetime value. Through a range of predictive analytic models, including affinity analysis, response modeling and churn analysis, you'll know whether it's a good move to combine digital and print subscriptions. You'll recognize which content merits a fee versus which content you can monetize without a paywall.

To keep your marketing efforts fresh, you'll need to continually supply models with updated data as you interact with customers and prospects. For example, your models should include purchase transaction data, online data from website users, direct marketing

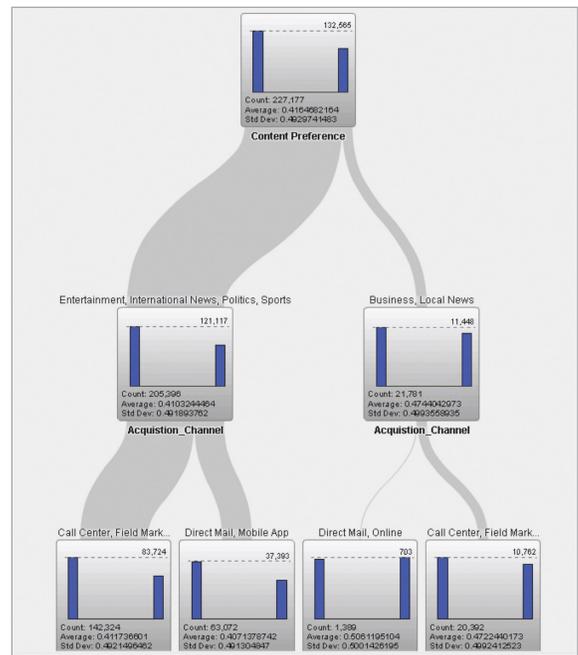


Figure 1: Decision tree to quickly identify variables that can best predict iPad® usage and high versus low user populations.

response data and more. Through advanced analytics, you can use these models to predict behavior and:

- **Identify how different customer segments are most likely to respond** to specific content, campaigns or marketing actions. Your approach will be based on analytically driven, granular segmentation of both known and unknown customers.
- **Reach the target population that's most likely to respond positively** to certain content, campaigns and other marketing activities. With predictive modeling, you can understand and predict the behavior of each targeted group.
- **Improve economic outcomes** using optimization to make the most of each individual customer communication. Take into account resource and budget constraints, contact policies, the likelihood of customers responding, and more.

### Step 3: Automate and Synchronize Customer Engagement Across Channels

Once you've determined which analytics approach is best, you'll need to automate your engagement activities with customers. SAS Marketing Automation helps you to quickly define target segments, prioritize selection rules, choose appropriate communication channels, schedule and execute campaigns, analyze results, and make adjustments to improve future campaign performance.

Use SAS to orchestrate data-driven marketing activities across all of your channels. So you'll be able to present customers with the best, most profitable offers to keep them engaged or to win them back

from competitors. Analyze - in real time - how people get to your site and what they do while there. Then present them with engaging content at precisely the right moment. Use SAS to:

- **Build an omnichannel marketing environment** so you can align outbound and inbound marketing tactics across all channels.
- **Develop event-triggered campaign tactics** to ensure timely, relevant marketing strategies.
- **Know the next best action** to take for each customer by incorporating analytics into your marketing execution efforts.
- **Track the effectiveness of all marketing activities** and monitor campaign results in real time.
- **Reduce your reliance on IT** for campaign creation and deployment with an easy-to-use interface.

With a complete view of the customer, a deep understanding of behavior and automated engagement efforts, you'll be able to make decisions that resonate for customers and invigorate your marketing efforts. For example, if you know a customer checks email every Friday, you'll send her an email on Friday - because you'll know that's the best way to reach her. You'll also be able to decipher between premium content versus content that should be free. You'll know what will hook your customers, whether they're using your services for the second time or the hundredth time.

Today's customers demand value and expect a consistent experience regardless of the channel or device they're using. SAS positions you to meet these ultra-high customer expectations at every touch point.

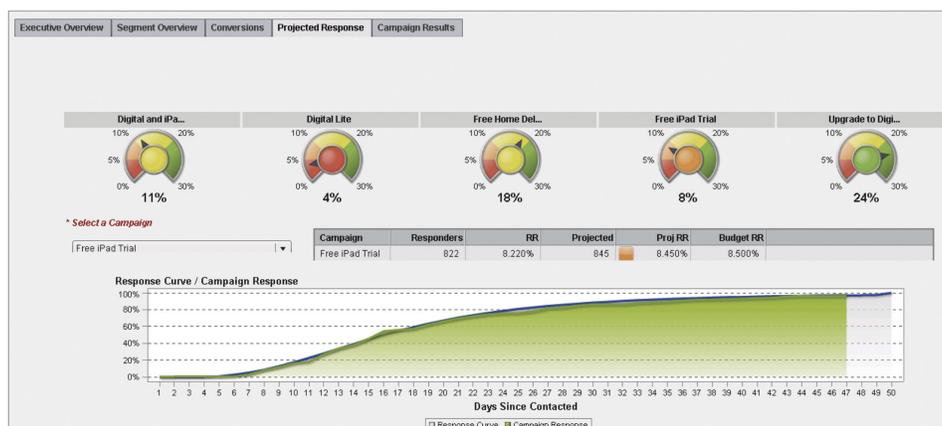


Figure 2: A marketing campaign response measurement dashboard.

## Step 4: Effectively Measure Campaign Performance and Attribution

It's hard to understate the importance of accurate, useful measurement. Combining SAS Reporting capabilities with SAS Visual Analytics – a visualization and exploration suite built to handle big data – it's easy to examine the effectiveness of your marketing campaigns and tactics based on your budget and success metrics. Use response attribution modeling to understand the customer's conversion path, and to know where to assign marketing credit. Then you can create future marketing mix optimization models, test/control strategies, predictive models and marketing campaigns.

With adaptive, agile marketing, you can test your offers and content quickly, on a small scale, and nurture continually richer customer interactions. Then get rapid feedback to show you when and how to modify the customer's experience to get the most impact. Plus, you'll have easy access to campaign reports and dashboards so you can track and manage campaigns across all of your channels.

## Where Can You Go From Here?

With a single view of each customer, and a detailed understanding of what you should say and promote to each customer, you'll have the keys to marketing success. Because responsive, agile marketing can show you ways to get an edge in the market. For example, innovating to deliver new content aimed at the needs of new customer segments. Developing more profitable marketing campaigns by focusing efforts on consumers who are most likely to engage with your content. Or identifying your most and least profitable customers, and avoiding markets that won't be profitable.

An analytically driven marketing program gives you the knowledge you need to nurture loyal customers who rely on quality content. When you deliver on those expectations, you can charge a premium for your high-value content. You'll boost customer value and increase profits at the same time.

## For More Information

Learn more about how analytics from SAS can fuel your marketing success: [sas.com/ci](http://sas.com/ci)

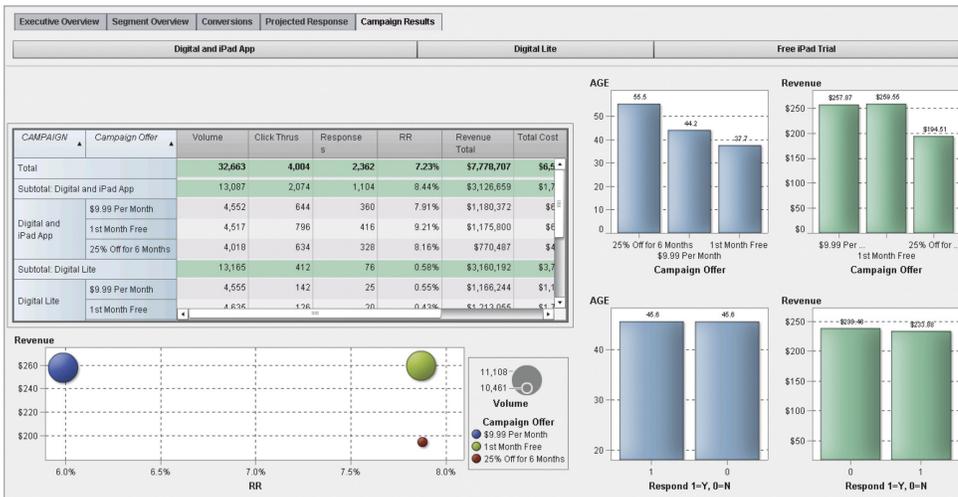


Figure 3: Campaign and offer performance reports are integrated with revenue metrics and demographic indicators.

To contact your local SAS office, please visit: [sas.com/offices](http://sas.com/offices)