

USADATA[®]
Your Data and Digital Partner

HOW TO
**ENRICH
YOUR
DATA**
TO WIN
AND GROW
CUSTOMERS



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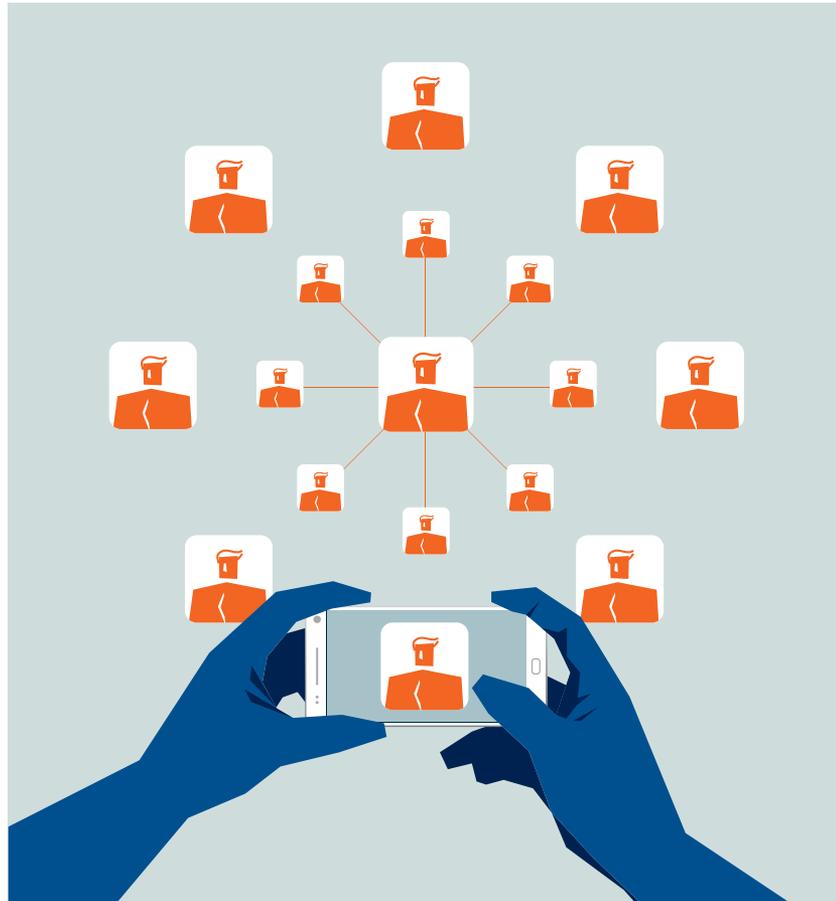
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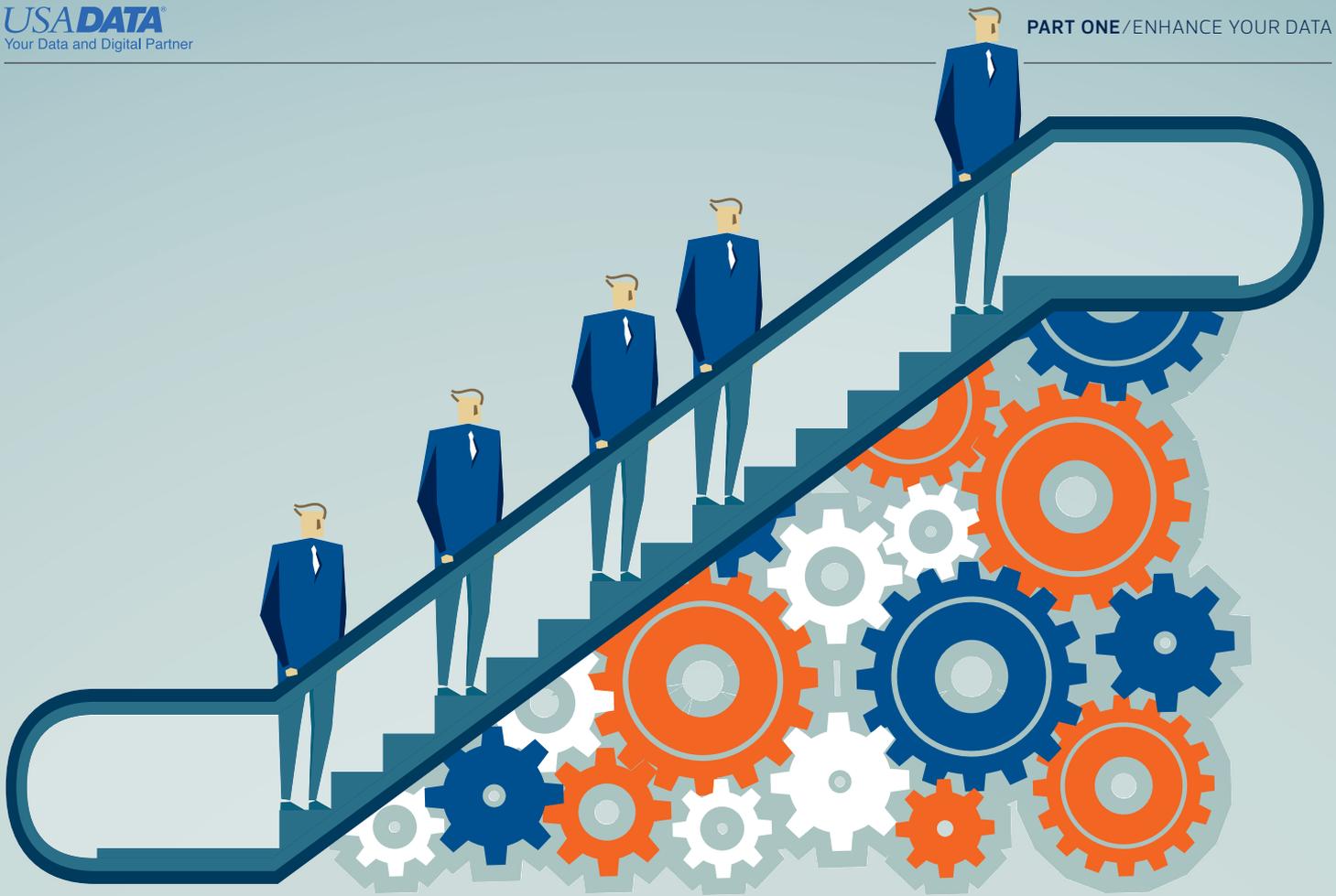
Data collection has become a more sophisticated practice. Marketers can now create complete customer portraits using thousands of individual data points, covering demographics, psychographics, behavioral data, and more. Basic contact information, like an email address, phone number, or past purchase history, is now no longer enough to execute truly targeted marketing campaigns.

The evolution of data collection has been rapid, and it's only going to continue. Many brands are still just beginning to evaluate and improve their current databases. At this stage, brands are typically faced with two core issues: incomplete customer portraits, and outdated, or incorrect, records. Both elements can make it difficult for marketing teams to understand their customers, and make targeted decisions when creating campaigns.

In this eBook, we'll explore ways marketers can work with their data services partner to successfully identify and fill gaps in their data, better understand their audience, identify new prospective customers, improve deliverability rates, and make more informed budgeting decisions. We'll also look at how data-driven campaigns can be used to connect with audiences in more relevant and meaningful ways.



Illustrations by Getty



PART ONE: ENHANCE YOUR DATA FOR GREATER CUSTOMER INSIGHT

According to recent research from [Marketing Insider Group](#), 78 percent of U.S. internet users say interacting with personal content increases their purchase intent. The first step to creating personalized marketing campaigns is to ensure your customer data is complete, accurate, and up-to-date.

In this section, we'll dive into:

- ✓ How to use data to better understand your current customer base
- ✓ How to identify new market opportunities based on lookalike portraits
- ✓ How to add segmentation to create more targeted campaigns
- ✓ Identifying and consolidating incorrect or duplicate records in your system

UNDERSTANDING THE COMPONENTS OF YOUR CUSTOMERS

Your customers are more than just a name and an email address. They have hobbies, interests, goals, and aspirations. They may live in different parts of the world, with different cultures and backgrounds. Or they may be at a certain stage of their life, which can impact every important purchasing decision they make.

“Data gives marketers an ability to better analyze who their customers are, so they’ll have a better sense of the overall portrait and makeup of those customers,” Jon Rapkin, General Manager, USADATA, said.

Traditional data collection methods can give your marketing team the basics.

“In general, we’ve found that a lot of businesses will have some basic contact information for individuals – the name and email address, maybe a phone number and a postal address. If the client made a purchase, they’ll know what products they’ve purchased. If they fill out a form to request something, they’ll know their interest in a certain area,” Rapkin said.

Collecting data internally is a great start. But methods like lead generation, and studying past purchase history, only show your marketing team basic demographics, along with how your customers interact with your brand directly. You may be missing



out on key external factors (online or offline) that contributed to the purchasing decision.

There are data points waiting to be discovered about your customers that may be difficult for your marketing team to collect in-house. Data service partners work to collect additional demographic, psychographic, and historical data across a wide variety of sources, to provide deeper meaning to your basic customer in-

formation, and, more importantly, fill in the gaps that may lead to misinformed decision-making based on lack of context.

More details about your customers help you see them as real people. It’s not just about who they are – it’s about understanding how they interact with your product or service, the concerns they may have, and why they ultimately choose to make a specific purchase. Understanding your audience on a deeper level will allow your marketing team to create campaigns that speak directly to customers in an authentic way. It will also help you segment customers with similar portraits, or “footprints,” to discover new audiences at scale.

“Understanding your audience on a deeper level will allow your marketing team to create campaigns that speak directly to customers in an authentic way”

IDENTIFYING NEW MARKET OPPORTUNITIES BASED ON LOOKALIKE PORTRAITS

With the wealth of data that exists, it can often be overwhelming for marketers to figure out exactly how to apply and organize this knowledge. Creating ideal personas isn't easy to begin with, and with more data to consider, the possibilities are seemingly endless.

Imagine the audience-building process as a series of customizable layers. Say, for example, you want to focus on marketing to customers in a certain location. That location "layer" is your base. Then, you can append a variety of different attributes. The attributes you select could be based on a certain campaign ([see segmentation section](#)), or for new prospect discovery. The combination of data points can

then be compared to your entire customer base through predictive modeling, to determine your ideal target market and likelihood of conversion.

"If a customer is in a certain footprint, we can look at a certain radius around their address and compare it to their regional footprint," Rapkin said. "And then we can determine for your customer base, as a whole, if a certain customer is 'x' percent more or less likely to fit this characteristic, versus the general population."

Once you've determined your ideal customer portrait, you can refine your messaging in a way that speaks directly to your new-found audience ([See page 8 for more on lead scoring](#)).

"Based on that information, we're then able to see for the universe of prospects that are not in their database; who is more likely to convert or become a customer of theirs; and then help that company reach them through any number of channels – whether it be mail, email, display, social media, or any combination of those channels," Rapkin said.

TERMS TO KNOW

DEMOGRAPHICS:

Statistical data that generally includes age, gender, household income, location, etc. This data helps marketers predict how a person will discover and perceive a product or service.

PSYCHOGRAPHICS:

Information based on psychological criteria, like aspirations, hobbies, and values. These factors help marketers understand why consumers choose to make purchasing decisions.

CONSUMER BUYING BEHAVIOR:

The study of a consumer's process, attitudes, and interactions when making a purchasing decision.

PREDICTIVE MODELING:

The process of using statistics to accurately predict outcomes. For marketers, predictive modeling can help identify qualified leads by testing different combinations of data points.



ADDING SEGMENTATION TO CREATE MORE TARGETED CAMPAIGNS

Data layers aren't just used to identify new audiences. They can also be used to segment existing audiences into more targeted subsets.

"If there's some type of special offer or promotion, it's easy to determine who the right people are to fit that," Rapkin said.

Let's go back to the location example. Say you're running a Black Friday promotion, and want to target customers in a certain area that typically shop through the holiday weekend. Your data services partner can help you

identify niche audiences you may want to directly address with more refined campaigns, based on:

- ✓ **Where they are in the customer journey**
- ✓ **Purchase and brand preferences**
- ✓ **Preferred channels for product discovery and purchasing (in-store, online, mobile, etc.)**
- ✓ **Where they are in their life (newly married, nearing retirement, etc.)**

"If you know someone has a certain interest level or are in a certain stage of their life, you may want to show them one image versus another image. You may want to serve them up 'Offer A' instead of 'Offer B,' Rapkin said. "You have the ability to be a lot more personal and relevant in your communication based on what you know about the individual or household."

These, of course, are only a few ways to consider segmentation. It's important for your marketing team to first define overall campaign goals to determine the best strategy to connect with your audience.



RECOGNIZING AND CONSOLIDATING DUPLICATE RECORDS

Internal data cleanup efforts are often started impulsively, when a stakeholder asks for a report or a mailing list that has obvious missing data or other hygiene problems. The stakeholder demands quick action, and a data triage effort begins. But haphazard data cleansing, or a lack thereof, can sometimes make matters worse.

Consider a common example: a company has multiple records for a customer named William. Some of the duplicates use the nickname “Bill;” others are associated with different addresses. The records will have different purchase and browsing backgrounds that can be difficult to knit together. Even some demographic details could be different, particularly if some entries carry an out-of-date mailing address.

Outdated records can cause deliverability problems, which can have a big impact on the ability of your marketing team to effectively reach audiences. If you’re dealing with direct mail, it can also impact your bottom line if you’re sending multiple letters to the same individual.

“If you’re sending out a lot of undeliverable email for instance, you put yourself in a position to be flagged by email service providers, or having the delivery of your emails suspended. If that happens, it’s very hard to unwind,” Rapkin said. “If you’re in a business that requires a lot of mass emailing, having undeliverable email is alarming.”

Internet backbone providers care about the perceived quality of your

email. Senders with high volumes of undeliverable mail or spam reports will find delivery slowed or rejected altogether.

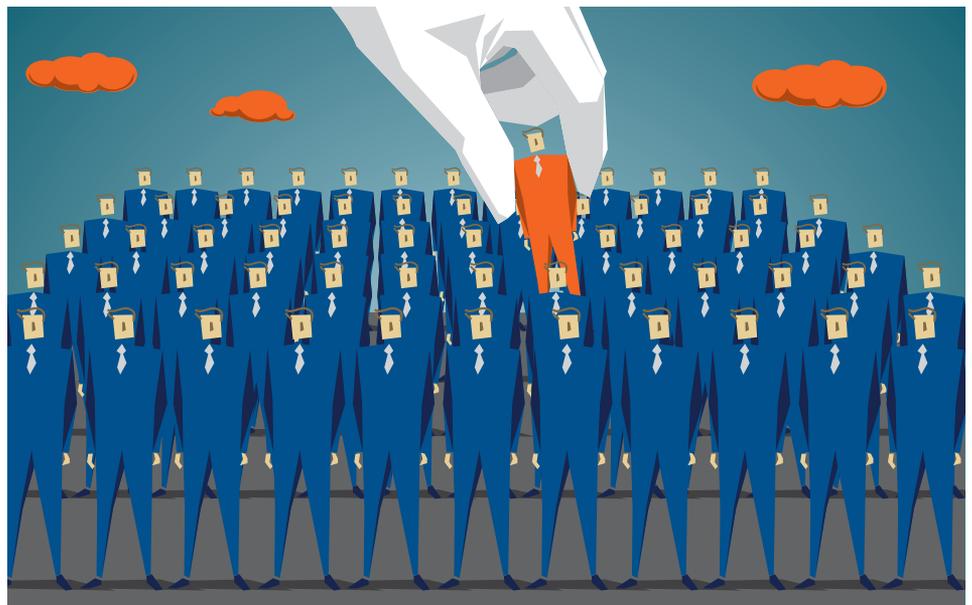
“If you have a high degree of emails bouncing, or for some reason a lot of people are marking your emails as spam, your sender reputation and deliverability rates will be impacted,” Rapkin continued. “And then Gmail, AOL, Hotmail – whoever the provider is – can shut you down entirely and

not deliver to those email addresses.”

If your campaigns call for real-time emails based on trigger events, like a flash sale at a brick-and-mortar location, prompt delivery is even more crucial because you want to alert the prospect to a new email when it’s most relevant.

Working with third parties allows companies to pull current and historical information from an array of databases and assign several unique IDs to individuals in your database – an individual record, a household record, and an address record. Marketers can use these codes to append records in their database to make sure they are complete. Then, they can take all the information collected through the unique IDs, and consolidate into one complete, and accurate, customer portrait.

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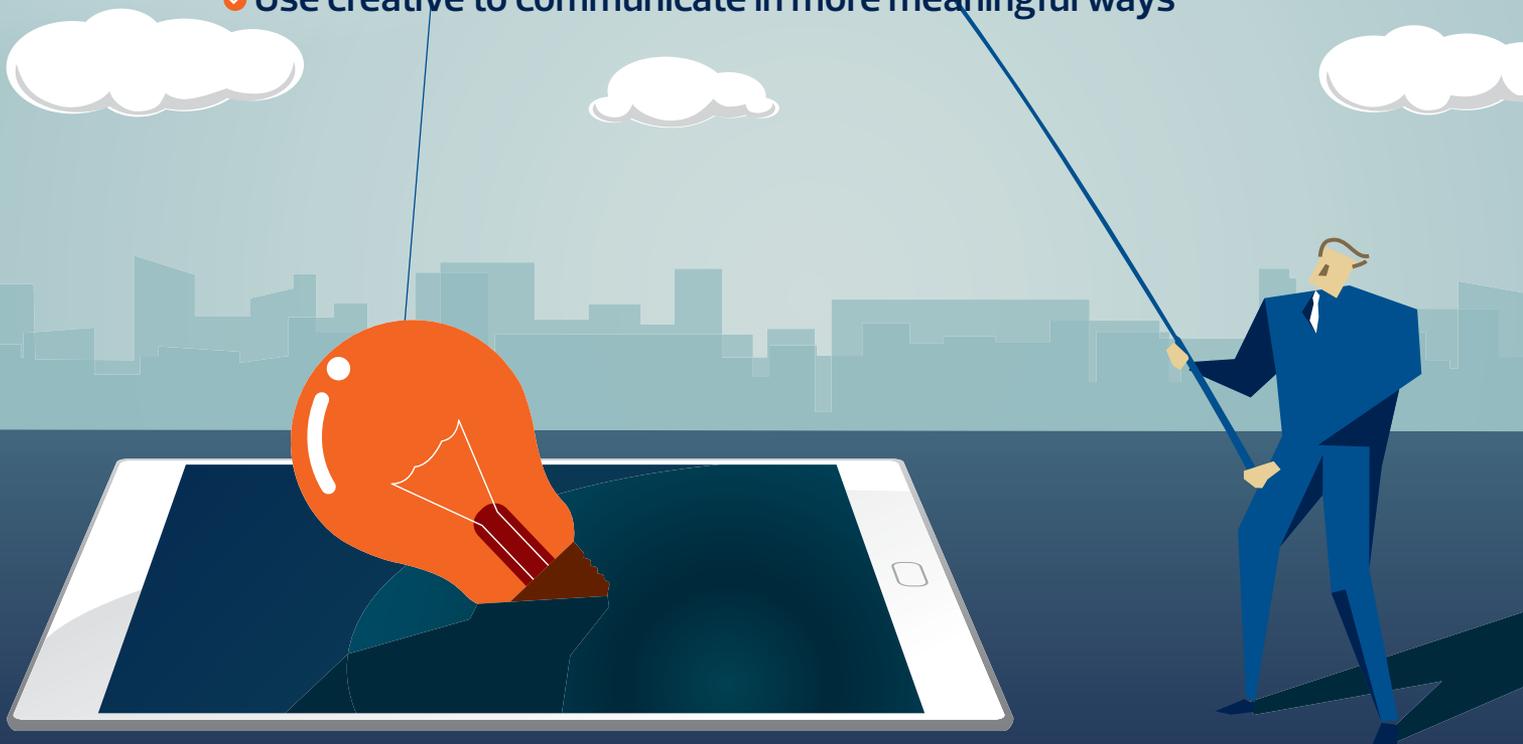
LEARN MORE IN OUR EBOOK: [“THE EVOLUTION OF EMAIL: MARKETING IN A DATA-DRIVEN WORLD”](#)

PART TWO: MARKETING WITH GREATER PRECISION

The gaps and overlaps in your customer database are mismatched seams in your marketing strategy. Mastering channel mix, offers, and creative media, are all essential to staying competitive. A comprehensive data overhaul can deliver lasting improvements in the quality and effectiveness of both customer acquisition and retention campaigns. Precise data drives carefully targeted messages, and in turn, drives responses.

In this section, we'll dive into ways you can use customer data to:

- ✔ Effectively score leads and choose new prospects
- ✔ Score leads and select more targeted audiences
- ✔ Use creative to communicate in more meaningful ways



SCORING AND CHOOSING NEW PROSPECTS



As we learned in Part One, building a clean database is just the first step. Applying past performance metrics and lookalike modeling to score your leads is essential to high-performance marketing today.

Lead scoring helps you focus your marketing time, energy, and money, where it's needed most. That's particularly relevant to marketers with lengthy, complex, and non-linear customer funnels. You may already know the best tools to help convert a likely buyer into a confirmed sale, but have trouble identifying more than the most obvious likely buyers.

Leads should be scored on their propensity and likelihood to convert, both in general and for specific campaigns. Existing customers can similarly be

“ Accurate lead scoring lets you target your most powerful, premium-priced messages at prospects more likely to convert ”

modeled on their interest in future campaigns and their likelihood to churn.

Overlaying data to a customer file can help determine the key characteristics that drive response or conversion. If it's a customer campaign, you can score those most likely to purchase a product or service. Or, if it's a prospect campaign, you can score the universe of available prospects who look like those customers.

For example, to stand out in a very crowded digital media market, physi-

cal shipments and dimensional (larger than envelope-sized) mailers are a solid way to get real attention. Multiple editions of the Direct Marketing Association's Response Rate Report **show** dimensional mailers consistently earn the highest response rates. They are, however, among the most expensive CPM in the industry. Accurate lead scoring lets you target your most powerful, premium-priced messages at prospects more likely to convert.



ENSURING THE RIGHT MESSAGE GETS TO THE RIGHT AUDIENCE

Scoring is essential not only to conversion rates, but to the cost and deliverability of your messages. In the old, one-way media world, platforms were largely indifferent to how advertisements and marketing messages were received. But in the fully-connected, omnidirectional media market, reception and impact matter.

Social media networks care about user experience, because irrelevant or unwelcome messages can drive users to another site or app with a couple of taps. The social platforms are keeping score on their own, measuring how likely your viewers are to convert, and how often they ask to hide your content, or block you entirely. That leads to being charged higher rates to reach your most desirable customers, potentially reducing your reach.

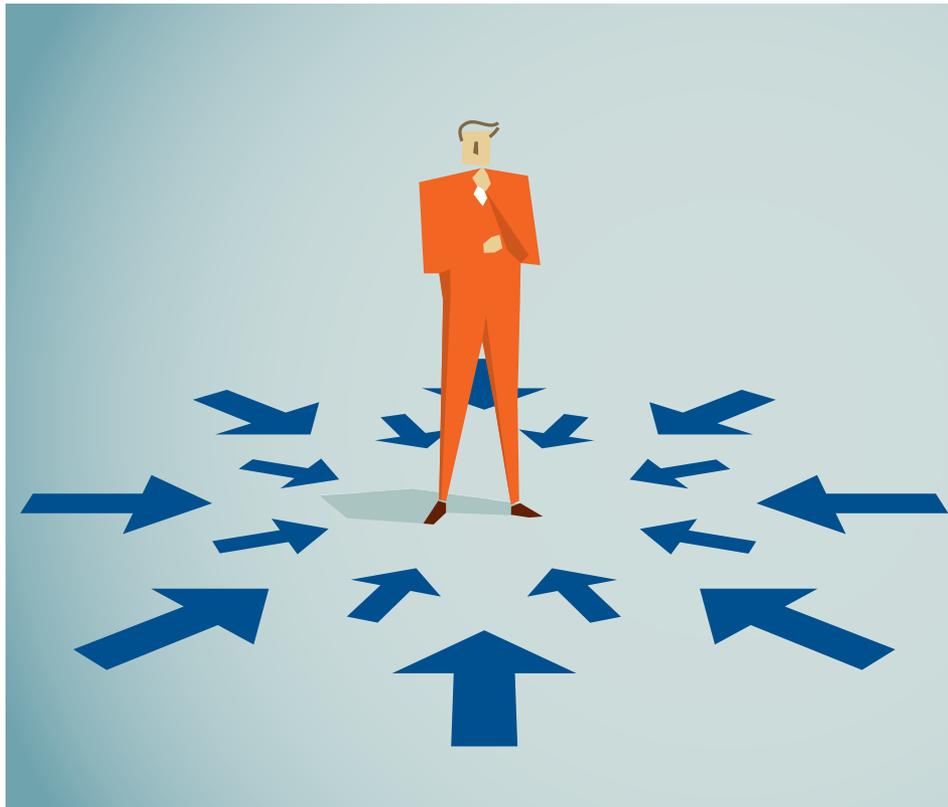
FOR AN IN-DEPTH LOOK AT LEAD SCORING, CHECK OUT OUR WEBCAST [“THE CHANGING FACE OF LEAD GEN.”](#)

COMMUNICATING WITH GREATER RELEVANCY

The better you understand a customer or prospect, the better you can tailor a compelling offer that meets their needs and satisfies their interests. **Research from Accenture** shows around 75 percent of consumers say they are more likely to purchase from companies that recognize them by name, or makes recommendations based on purchase history.

“It’s those little subtleties that marketers are really after. It’s trying to connect with a person, whether it be through the addition of an offer, an image, or subject line,” Rapkin said. “Having that data helps you be more relevant with the person you’re communicating with, and hopefully, it makes it easier to generate a conversion.”

Disorganization matters even in the smallest detail, because marketing is a science of small details. Spending weeks to cook up the right creative, the perfect subject line, and the best possible call to action can land with a dull clang if you can’t get the customer’s name right. Or, you could be left behind if the subject line betrays a fundamental lack of understanding of the customer’s needs, like invoking “family” to someone who lives alone.



YOU CAN USE YOUR DATA TO CREATE MORE PERSONALIZED CAMPAIGNS IN SEVERAL WAYS:

USING PSYCHOGRAPHICS FOR A MORE PERSONAL TOUCH

As we covered earlier, different audiences may be more responsive to different images or media, depending on their interests. For example, if you know a certain section of your audience has a specific hobby (like traveling, for example) you can use those insights to create a campaign inspired by adventure.

USING DEMOGRAPHICS AND HISTORICAL DATA FOR LOCALIZED OFFERS

Targeting audiences based on geographical data can help promote in-store traffic with offers or coupons that drive audiences to a certain location. Layering data points, like past purchase history, can help create different campaigns that revolve around holidays, spending patterns, or specific pieces of merchandise.

Historical data can also strengthen retention and remarketing efforts. If your marketing team can pinpoint exactly when a customer will be in the market for a certain product, you can send them offers when it’s most relevant.

CHOOSING THE RIGHT CHANNELS FOR DELIVERY

Understanding user habits can help create a more seamless cross-channel customer journey. Mobile users have different needs than those who prefer to be contacted through email or direct mail. Understanding how and where your audience wants to hear from you can help your team make better budgeting decisions when determining what channels to invest in for certain campaigns.

CONCLUSION

LEARN HOW

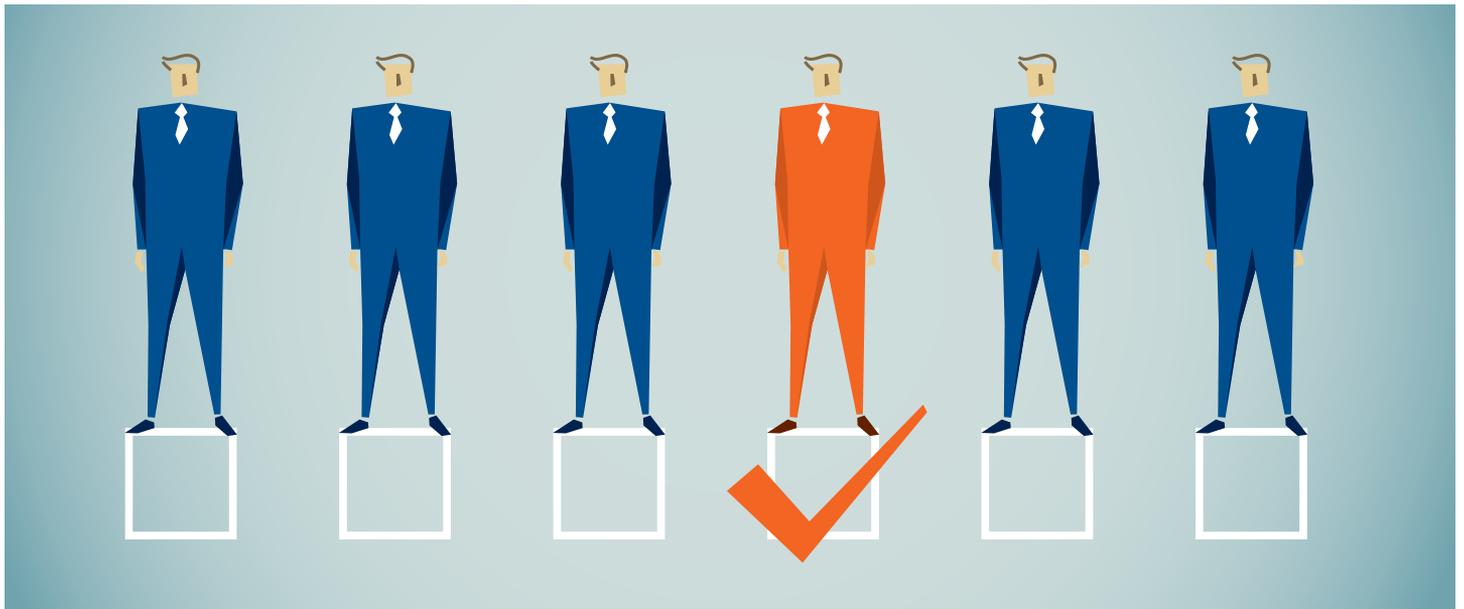
USADATA can help you identify and fill gaps in your customer database so you can utilize segmentation to improve the relevancy and performance of your campaigns

Using organic means to build understanding through clickstream insights, product search, browsing history, and survey responses is an excellent way to enhance your database and engage your customers. But it's difficult to obtain rich insights from customers rapidly, or at scale.

Qualified data services partners, like USADATA, can help your team fill in those gaps with a simple data connection. Consumer data experts have insights ranging from demographic information and real estate ownership, to hobbies and interests, that can be overlaid with customers already in your database.

The value of new insights doesn't stop at boosting conversion rates for a single campaign. The more you know about your customers, how they relate to your company, and the other products and services they rely on, the better you can tailor your future offerings.





CHECKLIST: ARE YOU MAKING THE MOST OUT OF YOUR DATA?

Based on what you've learned from this eBook, take some time to evaluate how you maintain, enrich, and empower your customer database:

PART ONE: ENHANCING DATA FOR GREATER CUSTOMER INSIGHT

- Does my data collection go beyond basic contact information?
- Do I look at the demographic, psychographic, purchase history and historical data of my customers?
- What data do I need to better understand my customers and what would be helpful for segmentation?
- How well does my team segment audiences? Do we send tailored messages, or blanket communications?
- Do I have duplicate records or incorrect customer information in my database?

PART TWO: MARKETING TO CUSTOMERS AND PROSPECTS WITH GREATER PRECISION

- Are duplicate or incorrect records impacting my email deliverability rate?
- Does my company get too much "return to sender" mail from direct mail campaigns?
- Does my team have the ability to score leads on a campaign level?
- Can I use my existing data to choose my best prospects?
- Do I use insights about my customers to deliver more personalized messaging, creative, and offers?

FULL SERVICE EMAIL MARKETING TO REACH YOUR BEST PROSPECTS

We work with several of the nation's leading brands and can connect your business with its best prospects through our privacy-safe Email Marketing service.

Our expert Digital Team manages campaigns from start to finish including:

Audience Analysis & Targeting ✓

Creative & Landing Page Optimization ✓

A/B Campaign Testing & Refinement ✓

Campaign Deployment ✓

Campaign Reporting, Analysis & ROI Attribution ✓