

A young woman with long, wavy brown hair is smiling broadly while looking at her smartphone. She is wearing a white sleeveless top. The background is a blurred outdoor setting with greenery and purple flowers. A vertical orange bar is on the left side of the image.

Reaching Retail Customers with **Individualized Insights**

A brief how-to guide

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- Volker Wiewer, Vice President International, Teradata



Using Individualized Insights to Power Marketing



Welcome to the Age of Disruption—

Defined by a steady influx of digital marketing where customers are bombarded daily with new, interruptive, catchy marketing.

This new age also means marketers can do better than “mass personalization.” They can use actionable information—individualized insights—collected via a data-driven marketing process.

With the explosion of big data from all corners of business, retail marketers are recognizing the inherent benefits of an integrated, centralized view of customer behavior and deep analysis of marketing performance. As marketers’ efforts focus more on driving sales through e-commerce and customer experience, businesses are realizing significant improvements with a data-driven approach. Marketers have seen response rates dramatically improve over previous campaigns, using the real-time messaging that data-driven marketing provides.

The need for this new age of marketing was born out of necessity. **Retail marketers are facing multiple business challenges that did not exist 10 or even 5 years ago.** For example, greater power

is placed in the hands of customers. Because there are so many options for online interaction—social channels, web sites, mobile, and email options that sidestep traditional marketing techniques—combined with traditional communication options, customers can more selectively choose when, where, and how they interact with your brand. Marketing campaigns that fail to provide value in multiple delivery channels or a relevant customer experience can lose out to competing messages.



In addition to this plethora of delivery options, customers are becoming increasingly savvy in their expectations of how marketers handle their data. They're saying, "I've shared my information with you, now prove that you know me." Years ago, mass personalization was innovative and fresh. Today it's standard fare for any marketing campaign. In fact, some experts feel that personalization is making consumers numb—**only 14% of consumers said they would read a message because it contained their name** (Economist, 2014).

To manage the customer journey, marketers need to evolve from traditional "waterfall" email and direct mail campaigns to calibrating and delivering planned campaigns, interactive messages and data-driven messages. And this is only possible with integrated marketing tools that coordinate communication to deliver relevant interactions with each individual customer when, where, what and how they want.

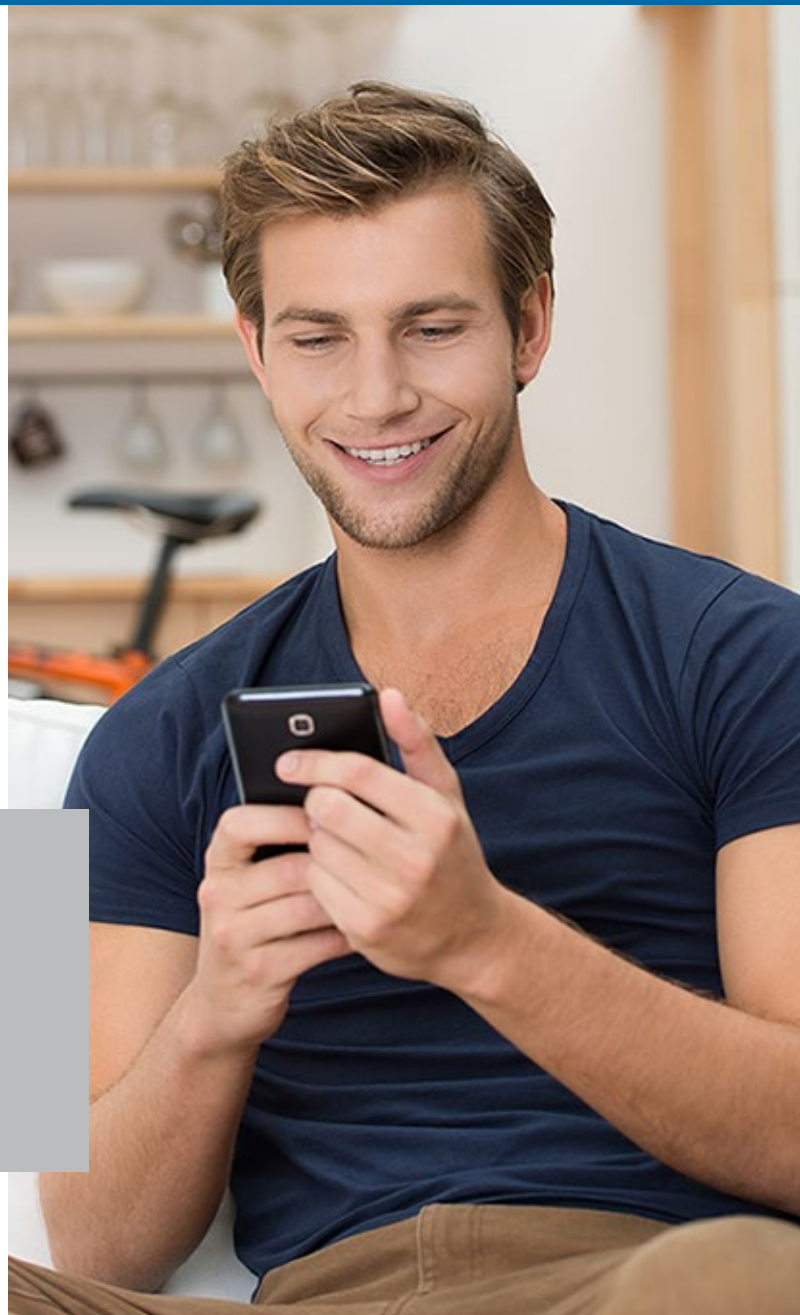
This brief how-to guide will provide concrete steps to help you begin engaging retail customers with individualized insights.

Personalization means tailoring communications to be friendlier, more personal than a mass marketing message, and more intriguing for the customer. However, marketers can do better. They can market to the segment of one, developing 1:1 communications—what we call individualized marketing.

Today, retail marketers can do much better. We can not only determine but also take action on individualized insights. We can understand our customers as individuals—**each have their own preferences and behaviors**—and we can provide meaningful experiences based on that knowledge.



of consumers said they would read a message because it contained their name.





Implementing Your Individual Marketing Strategy

Getting in the Right Mindset and Understanding the Possibilities

Individualization doesn't just mean greeting customers by name at the start of the email. It's about using the data shared from each customer as a way to keep them engaged at every stage of their shopping experience. Retailers have the means to talk to their customers as individuals and genuinely understand their buying habits; what brands they like to buy and where they like to shop. Not only does this allow for them to reach out to customers accurately, it also helps them to identify potential segments to approach.

The content of the communication should be personally relevant, valuable, and offer excellent usability, with clear and easy-to-understand language, easy navigation on landing pages, and an effectively functioning shopping engine.

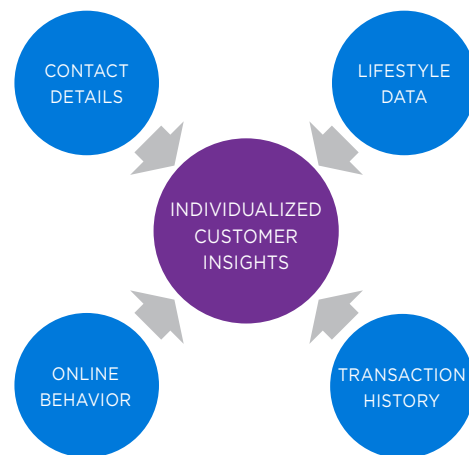
With today's advanced integrated marketing campaign solutions, creating individualized, relevant content to supplement for digital promotions can be straightforward and highly automated. Furthermore, adding content from blog posts, Web site articles, product details and prices from an online site helps to keep the communication fresh and relevant for its recipients.

Individualization can be achieved through tailored subscription and landing pages, customized subscription processes, lead warming, and welcome messages. Recipients can be easily segmented to create highly relevant emails with automatically customized text and images.

Another powerful feature of a good solution is the ability to create individualized offers, discount coupons, or other vouchers that typically generate high open and click rates that convert into sales. Coupon codes can also be embedded as a barcode or QR code into a message. This allows customers to print the coupons or present them on a mobile phone in a retail store.



Once a message has been tested and delivered, feedback (à la data) then needs to be collated to support further individualization. Once again, an advanced, integrated solution will simplify this by automatically processing incoming data to keep the contact list clean and accurate. This enables customer data to be continuously enriched by integrating contact details, customer lifestyle data, online behavior and transaction history to develop individualized insights about each customer. Unlimited amounts of data can be stored and accessed quickly in the cloud, including entire product catalogs, purchase and browsing histories, and more.



“Having Teradata as our chosen supplier for the last few years has led to the development of a series of sophisticated email programs that deliver relevant and timely communications to our guests and prospects. The team at Teradata understands what we are trying to achieve through the email channel. We look forward to continuing this positive and developing working relationship.” – Digital Marketer, Teradata customer



How to: Developing a Solid Individualized Marketing Strategy for Retailers

10 Tips To Get You Started Down the Right Path

When it comes down to it, it's all about nurturing your leads until sale, assisting them through the sale, then following up with emotional messaging that connects them with your brand, and empowers them to make purchases in the future. Consider these steps to build out a solid digital strategy that will power your retail marketing.

① **Lead-warming program:** The first step is to respond immediately to customers signing up for newsletters or website sign-ups by sending them content they have requested or they will find useful. This message could also invite the customer to visit the other online channels, such as Facebook, Twitter, YouTube and the like.

② **Profile enrichment program:** Having begun a dialog with customers, it is then time to encourage them to share their interests and other profile data. This could be anything from location data or preferred interests like clothing to marriage status, income and more.



- ③ **Click behavior program:** Now you'll be able to analyze which links in emails are being clicked, and which are not. This can include analysis of clients, devices, day, time of day, and geolocation. The most clicked links are given prominence in future messages to steadily improve relevance.
- ④ **Search/browse behavior program:** By looking at which sections of your website are of most interest to each individual using integration of web analytic services, you'll optimize your site to feature only the most interesting content.
- ⑤ **Anniversary program:** This is an obvious but sometimes overlooked opportunity to keep the dialog with the customer running.
- ⑥ **Cancellation program:** A further opportunity for contact and to raise revenue is to follow up and try to re-activate customers who have abandoned a shopping cart before completion.
- ⑦ **Sales confirmation:** Post-sale is the perfect time to offer related products or services tailored to the customer based on their purchase, expressed interests, price range, etc.
- ⑧ **Delayed message:** This can be a simple "thank you" or include additional offers, perhaps a discounted addition to the product purchased.
- ⑨ **Bonus program:** The aim here is to encourage the customer to join the reward or loyalty program to improve the customer relationship and maintain communication with this customer.
- ⑩ **Satisfaction survey program:** This is another way to keep the dialog open after a purchase and to encourage feedback on the shopping experience. This may even act as a foundation for improvements to the portfolio, or sales and marketing processes.





Conclusion

The retail industry has experienced astounding changes over the last few decades, which have consistently aimed to deliver greater efficiency for the company and a better experience for the customer. By recognizing the value of using a data-driven marketing strategy that enables individualized insights, you're already on the right path. Retailers that implement well-planned, individualized integrated marketing campaigns can substantially boost their success rates, with new leads and improved sales providing a rapid return on their marketing investments.

The Teradata Integrated Marketing Cloud enables you to power your retail marketing. You gain the insights to know more about your marketing, the agility and tools to drive action, and manage your brand so that customers experience holistic, pleasurable experience every single time.

For more information on how Teradata Marketing Applications can power your retail marketing strategy, please visit marketing.teradata.com.

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