INTEGRATED CONSUMER INSIGHTS IN THE CONSUMER GOODS MARKET: A NEW APPROACH

GETTING RESULTS WITH A REAL-TIME, DATA-DRIVEN MARKETING SOLUTION FROM TERADATA

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It wasn't all that long ago that marketing consumer goods was a relatively simple task. Manufacturers and retailers created television, radio, or print advertisements, and they measured consumer response to those advertisements via sales figures. Through trial and error, and perhaps a market research study or two, they would adjust their advertising campaigns until they achieved the desired response.

That formula no longer works. Why? Because the journey from knowing about a product to buying that product has become vastly more complex. Instead of seeing an ad, going to the store, and buying a product, consumers are far more likely to first check out online reviews, poll their friends through social media, compare features among similar products, check prices, and search for coupons. Thanks to the proliferation of smartphones and other networked devices, this research is taking place at home, in the supermarket, in the fitting room, in the aisles, and even at the cash register.

"Connected shopping" is now the norm, and as a result, the consumer packaged goods (CPG) industry must rethink how to connect with consumers. Mass media campaigns are no longer enough; it has become critical to capture, analyze, and act on the millions of other interactions consumers have with your products and your brand.

Teradata® Integrated Consumer Insights (iCI) does just that. It is a comprehensive service that provides direct-to-consumer digital marketing. It pulls data from multiple sources, within and across brands, and analyzes it to determine the best way to interact with individual consumers. It then launches targeted offers designed to capture and convert consumers in whatever stage of the path to purchase they happen to be.

CHALLENGE OF UNDERSTANDING THE CONSUMER

To understand why it can be so difficult to successfully launch new products or acquire new customers, consider the following:

~ Consumers repeatedly buy the same 150 items to satisfy 85 percent of their needs.

~ Only 2 percent of shoppers account for 80 percent of the volume for a new product in its first year.

Except for that 2 percent of risk takers, consumers tend to buy what they know, unless they can get a good deal on something new or hear a convincing message at exactly the right time. The challenge for manufacturers and retailers is that consumers get those deals and hear those messages so often they tune them out.

Email campaigns, brand Web sites, text-message promotions, mobile applications, and social media permeate the CPG marketing landscape. That's in addition to mainstays such as coupons, packaging, shelf position, end caps, freestanding inserts, and television and print advertising.

Yet despite ever-increasing investments in digital marketing technology and efforts, companies are not seeing the expected increase in value and return. In fact, whether these targeted interactions succeed in driving consumers through the "trial, repeat purchase, and referral" cycle increasingly depends on the extent to which they are based on an integrated and accrued understanding of consumers and their shopping behavior. In an industry plagued by slow growth, private label competition, increased commodity costs, and a lack of innovation, businesses simply cannot afford to get this wrong.

TERADATA INTEGRATED CONSUMER INSIGHTS

Teradata iCI addresses all of these challenges by accessing and analyzing data from multiple sources, within and across brands, to better understand consumers. These insights then power one-to-one cross-channel dialogues with consumers. Such dialogues can break through a saturated marketing environment to capture consumer mindshare, spurring them to action and converting them into loyal shoppers and brand champions.

Integrated Consumer Insights is delivered as a managed service, leaving marketers and analytics professionals free to focus on what they do best rather than concerning themselves with technology considerations.

For the marketer, iCI offers the ability to execute permission-based direct digital marketing based on a consumer's entire interaction history within and across the brand portfolio. Getting the right message to the right person at the right time through the right channel becomes not only possible but also probable.

For the analytics and insights professional, Integrated Consumer Insights delivers a rich—and growing—source of identifiable consumer data to use for planning and budgeting, segmentation, marketing mix modeling, retail and shopper analytics, and research and development (R&D). That data is also readily integrated with point-of-sale data streams and other data sources.

Meanwhile, behind the scenes, the Teradata technologies and service professionals who deliver these iCIs are the same ones who deliver breakthrough marketing and analytics capabilities to some of the world's largest and most complex businesses. This makes Teradata an ideal partner in the quest for faster, more reliable, and more actionable iCI.

Teradata iCI works because it captures, cleanses, and loads consumer data into an integrated data warehouse. The solution offers industry-leading automated campaign management and enables operational and business reporting and analysis via Teradata and third-party business intelligence tools. Continuous best-in-class database and application management ensure top performance and optimized access.

DATA-DRIVEN MARKETING IMPERATIVES

When considering the costs and benefits of data-driven marketing solutions, keep in mind these three essential points:

~ Traditional consumer insights available to manufacturers is insufficient to compete and win—Panels, surveys, syndicated data, and one-time promotions do not provide visibility into the real-time consumption and referral behaviors of today's connected consumers. Integrated Consumer Insights delivers an accurate and complete picture of *current* consumer behavior that can facilitate data-driven marketing. With a clear understanding of its customers and potential customers, a major home improvement retailer is now able to meaningfully engage with more than 1 million people on social media and manage more than 500,000 unique Web visitors daily.

~ Brand meaning and value is now defined by connected consumers, not dictated by ad agencies, campaigns, and mass media—The most powerful and valued brands are those that establish scalable and personal connections with consumers based on accrued insights from all relevant data sources. Integrated Consumer Insights is scalable for millions of customers, dozens of brands, and thousands of channels. It has enabled a top manufacturer of household, health, and beauty products to create one-to-one relationships with consumers across multiple touch points, improve message relevancy and incentives to boost response rates, and eliminate internal and third-party duplicate efforts and costs.

~ Consumer marketing efforts yield millions of interactions over time, many of which never become part of manufacturer institutional knowledge—Manufacturers lack the technical capabilities to capture, integrate, and put to use iCI to affect individual consumer and shopper outcomes. Teradata iCI helps businesses filter out the noise to capture valuable, game-changing insights.

NEXT STEPS

Teradata iCI supports the use of *all* data to better understand consumer behavior. It creates insights that can be useful not only in marketing but also across the entire organization. These insights optimize consumer interactions within and across all touch points—Web, email, mobile, text messaging, and social media channels. Best of all, iCI is a managed service that provides these insights without placing new demands on marketing and analytics professionals.

To learn more, contact your Teradata representative or visit **www.teradata.com/industry-expertise/consumer-goods/**.

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