RETAIL & CONSUMER GOODS
EXECUTIVE CRM EXCHANGE

MODULE 2: LEVERAGING FIRST PARTY DATA AND ADDRESSABILITY AT SCALE IN AN OMNICHANNEL WORLD – CORE CONCEPTS
Addressability At Scale

Addressability at scale (AAS) is defined as the opportunity to create competitive advantage through the ability to deliver targeted, personalized experiences to consumers.

AAS is enabled through the application of data and analytics to the digital audience platform marketplace (search, display, paid social, mobile, email) that is now at massive scale.
Requires a framework - Connected CRM

The Connected CRM Framework (CCF)

Enterprise segmentation, which includes value and lifecycle dimensions, forms the foundation of CCF

Customer Strategy
- Portfolio Strategy
- Segment Strategy
- Program Strategy

These strategies are then translated into actionable media and channel plans that result in highly personalized, targeted experiences

Experience Delivery
- Media Planning
- Channel Planning
- Targeting & Personalization

Experience delivery performance is continuously attributed across media and channels which, in turn, drives optimized budget allocation

Financial Management
- Measurement & Attribution
- Budget Allocation

Financial management informs customer strategy and experience delivery decisions as a closed loop process

What data, processes, systems, tools and technology will be necessary?

What outcomes are we trying to create and how do we organize to enable them?
Focus areas for today

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Using Connected Decision Maps to refine customer insight and segmentation.

Increasing conversions through message and landing page optimization.

Driving new scale through cross-device addressable media.

Measuring cross-channel performance.

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Connected decision maps (CDM)

- **PERSONAL VALUES**
  - Personal Emotional Needs
deply rooted

- **PERSONAL CONSEQUENCES**
  - Personal Benefits
  of functional benefits

- **FUNCTIONAL CONSEQUENCES**
  - Perceived Benefits
  of attributes

- **ATTRIBUTES**
  - Attributes
  of a product or brand

Decision Chain:
- Good Parent
- Smart Consumer
- Car is Fuel Efficient
- 45 MPG
TIFFANY & CO

Female Self Purchasers in the Luxury Jewelry Space
I'm Looking To Make The Right Impression

I'm Looking For Exclusive Style

I'm Looking For The Right Experience

I Buy Jewelry That Reflects My Confidence And Strengthens My Personal Brand

I Buy Jewelry That Gets Me Noticed

I Buy Jewelry As An Investment

I Want To Be Focused

I Want To Be Elite

I Want To Celebrate Myself

I Am Goal Driven I Am Socially Driven I Am Self Driven

I am powerful I am admired I am fulfilled
I AM

POWERFUL

CONFIDENCE • ACHIEVEMENT

Bold and self-driven, she is an affluent achiever who is consistently pushing herself to accomplish new things and seeks to strengthen her place in the world.

“Projecting the right image helps me focus on and accomplish my goal”
“You can tell a lot about a person by the jewelry they wear”

I AM

ADMIRED

FASHION FORWARD • ADORED

Current and noticed, she is socially conscious and admired as fashionable. She sees Jewelry as a status symbol and seeks pieces with distinctive style from a recognizable premium brand.

WIN STRATEGY

In appealing to the segment, Tiffany needs to rely on the pillars of their premium brand, while also highlighting the more distinct and fashion forward aspects of the brand. Imagery must include lifestyle elements, showing women that are clearly being seen by others and exuding high self esteem.

The perception with her may be that Tiffany is for much younger women and girls, so elevating as a brand that’s exclusive to her current social circle is important.
I AM

ADMIRED

DESERVING · WORTH IT

She is fulfilled by celebrating her personal milestones and herself. As much gratified by the experience as she is by the piece, the premium and iconic brand and the associated brand experience is important.

“I work hard – I deserve to treat myself to nice things”
I am powerful

Exudes confidence

Product-focused

Variety of lines that maintain iconic integrity while opening door to edgier products; Tiffany T positioned as bold

Style selector tool

Occasion selector tool

Price positioning as premium

FB newsfeeds that focus on product

Video featuring multiple lines

Home page takeover with premium content

Image: Lifestyle shots, highly esteemed, being seen,

Product: Modern and distinct style aspects of Tiffany T positioned as the “piece to have” among peer group

Brand: Exclusivity

Newsletter sign up

Brand taste maker

Invite to private events

Lookbook

Blogger and social outreach

Fashion week themed and integrated campaigns

Image: Celebrating self, satisfied

Product: Tiffany T as the newest iconic lines; Tiffany T as a piece of art

Brand: Iconic and memorable experience; evolution of Tiffany as a brand but still a classic American brand

Tiffany T wish list

Invite to virtual or in store shopping experience

Brand alignment with lifestyle experience

Morning, day

Financial and news

High end fashion sites

Art and architectural

Night, late night

Fashion sites and blogs

Afternoon, evening

Travel, leisure, art

Mind & body, personal improvement,

Food and dining

INTEREST

ENGAGEMENT

APPLYING INSIGHTS ACROSS SEGMENTS
Using Segmentation as Common Currency

- Targeting decisions
- Brand positioning and repositioning
- Creative strategy
- Purchase experience (in store)
- eCommerce strategy
- Collection design and merchandising
- Media budget allocation

- Launching new collections
- Campaign strategy and planning
- Creative and messaging development
- Media planning
- Testing of creative, message, and cadence
- Site personalization and optimization
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Connecting Segments to Marketing

1. Uncover Consumer Motivations
   - Primary Research
     • Market Study
     • Laddering Interviews
     • Survey of 4,000+ consumers
   - Matching
     • Name/Add
     • EM/phone

2. Link to Addressable Media
   - Analysis & Profiling
     • Clustering and mapping
     • Profiling with survey data
     • Profiling with 1st and 3rd party data

3. Execute in Media and Channel
   - Customer Strategy
     • Media Plan
     • Channel Plan
The DMP as the bridge

The DMP (Data Management Platform) serves as that bridge and enables:

1. Translation of “people” records into cookies
2. Overlay of 3rd party data to create segments and predictive models
3. Create addressable tests and campaigns
4. Real-time interactions
5. Reporting, Insights and Optimization
Comcast Addressable Back to School program

Leverage precise filtering to target Users attending various Universities

Expose relevant users to Comcast ad

When an exposed College Student visits the site, the Google Remarketing Tag fires; segmenting the customer into the appropriate Remarketing List

Leverage University Segment Remarketing List for Search

For example, this could be, “User needs internet for College.”
Remarketing list is leveraged when users are searching for an internet provider. For example, do they need to activate an account when returning to college?

If yes, bid, show specified creative. If no, no bid.
Audience Targeting - Media

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Message and creative optimization expertise
Heat map

One second or more

1/20 of a second
A disciplined creative philosophy based on

3 Irrefutable Truths of Direct Marketing

1. If it’s not measurable, it’s not meaningful
2. A clear communication beats a “clever” concept every time
3. Creative quality is objective, not subjective
Message Clarity

Testing proves that a communication delivered clearly beats a “clever” concept on response and conversion.
Scientific approach

Techniques that create message clarity are universal and almost entirely tactical:

200+ Rules

Testing has led us to rules that drive higher response rates
The rules of message clarity

### Channel-agnostic copy principles

<table>
<thead>
<tr>
<th>Rule</th>
<th>Description</th>
</tr>
</thead>
</table>
| 31   | Use examples judiciously — while they can serve to illustrate, they also can serve to limit.  
**Example:** Use “You can use the money any way you want” versus “You can use the money to pay off bills or make home improvements”  
| 32   | Read the terms and conditions to become an expert on every facet of the product.  
| 33   | Replace a long headline with a short one and an eyebrow or subhead.  
| 34   | Be succinct and eliminate every unnecessary word.  
| 35   | Don’t use the word “offer” unless required to do so in the legal copy. It signals you’re being “solid” and provides an opportunity to stop reading.  
| 36   | Reduce “required cognitive commitment” — if your message requires consumers to think too hard about your product, you’ll lose them.  

### Digital

<table>
<thead>
<tr>
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</tr>
</thead>
</table>
| 168  | Use no more than four frames.  
It keeps message simple and focused.  
| 169  | Don’t use animation to tell a story — it dilutes message clarity.  

### Email – Body

<table>
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| 156  | Test copy-light, more graphic billboard format.  
| 157  | Include pre-header text that summarizes offer and includes link in case images are turned off.  
| 158  | Keep copy as succinct as possible and avoid long paragraphs — statistics show you have one second to gain reader engagement.  
| 159  | Code buttons so that text appears with images off.  
| 160  | Always use responsive design for emails, if possible – it’s proven to increase response rates.  

**“Billboard” emails perform well in certain situations and offer an ideal platform to either highlight a “news” shot of the product or infuse emotion to support the core message.”**
Response Dial

Drive Immediate Response

Low Response
Simply How and Why Message

Complex Brand Message
High Response

Build Brand Equity Over Time
Email Before:

Created by in-house agency – control two years running
Our **POV:**

Fails the “preview pane test” – first 300 by 300 pixels
Our POV:
Not designed for images off

50%+
of users have images turned off

How the majority of prospects saw the control email
Our POV:

So most people see...
Email: Virgin America Case Study

Also:

• Needs multiple, prominent CTAs – buttons can’t be too big
• Needs multiple CTA links
• “Single Selfish Benefit” not clear
• Gradient makes body copy hard to read and adds to size and download time
Email: Virgin America Case Study

Email After:
Our work

Rule # 154
Design for the preview pane

Rule # 159
Assume images off
Email: Virgin America Case Study

Email After:

Our work

Rule # 154

Design for the preview pane

Rule # 159

Assume images off
Email: Virgin America Case Study

Email After:
Our work

187% in Application Conversion

Rule # 1
Lead with the “Single Selfish Benefit”

Rule # 4
Avoid extreme typography

Rule # 6
Use directive language
Measurement and Attribution

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Campaign Analytics

- Media Effectiveness
- Creative Testing
- Brand Study
- Verification
- Tech Stack

* Illustrative example of partners
Financial Management Framework

**Measurement Strategy**
- Metric Playbook  |  Evolution Roadmap

**Measurement And Attribution (Past)**
- Top down  |  Bottom up

**Budget Allocation And Forecasting (Future)**
- Forecasting  |  Scenario Planning  |  Constrained Optimization

**Validation**
- Validation plan  |  Normative Database
Discussion Questions

Do you have a segmentation approach that you use across programs as a unifying currency? If no, why not?

What are you doing to connect those segments to media and channel execution?

Are you doing any work to connect your CRM data to digital media and channel? What is the barrier if not? Are you creating multiple executions?

What kind of analytics roadmap do you have in place?