DMA advice:
Marketing intelligence
2017

Contents

Introduction

"Such is the plight of ad tech: it's how the Internet gets paid for, but everyone is broke." Twitter comment in reaction to the acquisition of Turn by Amobee in February 2017

In late January 2017 the marketer with the world's biggest budget, P&G's Marc Pritchard, gave a speech to the AIB in Florida. He effectively put adtech under review. He demanded greater transparency, measurability and reliability. He said the complex supply chain was, "murky at best, fraudulent at worst."

"We serve ads to consumers through a non-transparent media supply chain with spotty compliance to common standards, unreliable measurement, hidden rebates and new inventions like bot and methbot fraud."

We agree.

Marketing intelligence technologies and approaches can be transformative for businesses. But not if the benefits are hidden, the processes obscured and the value uncertain.

We have to be more robust.

Brands can gain an edge over their competitors using marketing intelligence approaches by using data to refine and target their advertising.

To give brands confidence, we need to be clear about the benefits, the risks, and the opportunities and not obfuscate. Brands getting into marketing intelligence approaches have to consider digital transformation as a first step. For those business born in the digital age this may not be difficult. For older businesses or those with a large and diverse data footprint this may be more difficult.

Digital transformation is perhaps beyond the scope of this piece, but preparing for marketing intelligence approaches, like programmatic, will mean businesses face considerable change. While display has been the traditional home of programmatic, this is a narrow view of the opportunity that marketing intelligence offers, particularly as AI and machine learning can stretch the possibilities of programmatic.

Rachel Aldighieri
DMA MD

The basics

At the moment programmatic and other marketing intelligence services are heavily skewed to acquisition campaigns. But it doesn't always have to be like this.

Acquisition is a good place to start, but before you do there is work you can begin now to prepare the ground for marketing intelligence work.

Below are some things to consider, each step represents an increase in complexity and sophistication. Making it down this list to personalisation will be an excellent grounding to marketing intelligence work and make your job much simpler.

Single customer view: You don't need to join all your data together in one place, but you do need a single view. Without this single view of your customers, personalisation and retention campaigns will be extremely difficult.

Automation: Automation is an important step. You know your marketing and what works for your products and services, and if you can automate some of this work then this will be an important and significant step. Ask: what can be automated, and what can be refined to bring in more interactions?

Personalisation: Making your marketing relevant. Start with single channels and then stretch to more channels. This can be challenging, and the balance between personalisation and spam can be tricky to refine.

Campaigns

For acquisition campaigns

- Messages need to be contextual

- Make sure you understand attribution models: where is engagement coming from?

- Know what you want to go after: audiences are important

- Ask yourself: are acquired customers really new?

- Think like the customer: what's in it for me?

- Set KPIs so 'success' can be clear

Case study –
The Economist, Proximity and UM winning the DMA Grand Prix in 2015 https://dma.org.uk/awards/winner/2015-grand-prix
and then the Programmatic Gold in 2016 https://vimeo.com/185618727

For service campaigns

- Think about the objectives of automation: what problem will this solve?

- Make things easy for the customer, for example to move away from telephony

- Hyperpersonalisation is not possible (yet): 80% right is good enough

- Be elegant with your data: don't be creepy with ads following customers around

For retention campaigns

- Your CRM system HAS to talk to your other systems

- Investment can be relatively heavy, but lifetime value will also be greater

- Won't work for all sectors: consider retaining customers for a shampoo against the radio stations

- Remind customers what else the brand offers

- Don't stereotype

The SCAMPS model

For any campaign you want to run, and indeed for any brand that wants to start running marketing intelligence campaigns, we have a handy mnemonic to address those pinch points on the way:

SCAMPS

- **S** - Silos
- **C** – Customer, creative
- **A** - Attribution
- **M** - Measurement
- **P** – Programmatic in isolation
- **S** – Segmentation

Many of these issues overlap of course, but if you focus on these areas you will address many of the problems you will be likely to come across.

Silos

Marketing intelligence approaches need, no – demand, joined-up thinking.

There are two main types of silos to contend with: data silos and organisational silos. Both can be a significant barrier. A first principle should be that teams have to talk to one another to get rid of a silo culture.

An example of a failure to do this could be that two teams are competing over the same keywords or audiences, so driving the price up for both and thus reducing ROI.

Considering the data itself, DMP systems will need to 'talk' to all available channels so everything you want to happen really does happen.

Some brands are cautious about changing their systems. Parminter @ AF: "For data cleaning and data quality, many systems are old. For new systems people are cautious."

Head of programmatic marketing at Mindshare Ruth Zohrer says, "Our Danish team worked on a case study with Ford: the unified data from different channels to deliver a better experience for the end customer. The need for this aggregation of multiple data points into a single interface is one of the reasons we've launched '[m]Platform' across all of GroupM. Additionally, there is lots of value in 2nd party data; this data from media owners is so important and most brands are only scratching the surface."

Another problem can be that the data itself is silo-ed. Eleanor Marshall, audience manager at Global Radio says, "There is a problem of technical integration – having a universal [customer] ID, but then you have to integrate with their ID which can be 'black box'-y and you don't know what's going on necessarily."

Ruth agrees. Good marketing intelligence means, "A lot of connectivity has to come into play. You will need a lot more technical talent and fine-tuning the system takes time but there is a payback when done well."

It could be that this is the first step in digital transformation. "You can't do it in one go," she says. "You have to have proof points along the way. You need learning frameworks, and build complexity as you go along."

Without joined-up data, Allergan's work with Rocketfuel would be extremely difficult. They simplified their approach by putting much of the hard work in before the campaign began, by focusing on six segments developed from extensive research to promote its facial filler product, supplemented with behavioural triggers to analyse the likelihood to buy https://dma.org.uk/awards/winner/2015-silver-best-use-of-programmatic

Customer/creative

The best data work will not work as well as it can without great creative insights that will speak to your customers or potential customers.

- Define what you want to achieve

- Use the relevant data

- Make sure your creative matches your data segment: if you know your customers use Android phones, then don't use iPhone-specific creative

- Education – give people a reason why they should come to you. What's in it for me?

- Data-driven creative is the key to a holistic customer journey

Eleanor Marshall says you need to talk to the customer at the right time, but understand what this means. Working on programmatic audio, "What mindset will the recipient be in? Do they listen on the way to work and take an action later? Weather is another factor, as is travel data that's contextual is important.

"We need to get to a point where we're able to understand more about customer intent at the time - the type of second party data that could offer incredible value to brands," she says.

One problem could be serving existing customers ads and then find they are not eligible for the offer. This can happen with financial services companies where introductory offers are not available to existing customers, although they may still receive the ad.

This links back to silos. The CRM system may have been developed in the 2000s or even 1990s and not talk to the ad serving system.

Also really think about your customer and be careful not to stereotype. Ruth Zohrer says, "The auto industry is rife with stereotyping. The idea is that Women don't buy cars and are not interested in technology, etc. Briefs always start with man 25-55, etc." which clearly needs to be challenged. "We are fortunate to work with brands who want to challenge those stereotypes."

Explore what else your brand offers beyond the core proposition. Eleanor Marshall says that, "Acquisition often comes from invectives or a competition. We don't offer much beyond what we already offer. It's all on the site. But what we are strong at is social and having a conversation with the audience," which can then prompt clicks and a trail for the CRM.

Lacoste's work with numberly relied heavily on the testing and refining of creative to make it work on different channels and in different environments https://dma.org.uk/awards/winner/2016-bronze-best-use-of-programmatic

Attribution

Attribution, or understanding how your marketing has worked and knowing how much your efforts have had a specific effect remains a problem at the heart of marketing.

The eternal challenge with all marketing, including automation, is knowing what's working.

One approach is to understand the right attribution model for your brand, which would not necessarily be data-driven attribution.

- Don't just look at CPA (Cost Per Action) as it might not be right and might not have all the information you need
- Do look at your user – where's the engagement coming from?
- Develop a minute-to-minute site view, not weekly monitoring
- Your data analytics person will really need to understand what they're doing
- 'Non simple' customer journeys are where the interesting work needs to happen. Anything beyond a simple call to action-to-sale model is much more difficult to plan and measure

Cookies remain an excellent way of tracking information, but Cookies have expiration dates and are unreliable when trying to use purely as a means of targeting.

Ruth Zohrer says, "this is why things are moving to DMPs and unique identifiers. We should be pushing for more permanent ways to identify consumers, but this can be challenging – particularly with upcoming privacy restrictions. Most marketers still use cookies. Data onboarding is also imperfect: with every new system you lose fidelity. We want to move away from walled gardens where barriers to data transfer create fragmentation to an environment with greater data fluidity that also takes into account people's privacy."

Better identifiers are needed or a process where a cookie feeds into a bigger picture to understand who customers are, and match with different sites or sources.

Parminter @ AF says, "For a lot of clients, even advanced ones, ghost IDs are a problem. If you buy online you are given an ID by the brand. If you buy outside that, you may have opened several IDs and the customer won't know about benefits of consolidating them. There needs to be massive investment to change the system."

A senior marketer from a large travel provider says, "When we want to reengage with our customers, CRM is our main channel. The challenge is to find the right cookies. How do you find the users again? Google and Facebook offer these services."

Alex Timlin, VP of client success at Emarsys says they use, "First party with defined user ID which is a phone number or email. If they are at some point known, then it's possible to target. It's difficult if they are unknown. We also look at first, second and third party data.

A provider of programmatic services said they, "Have universal IDs where we remove all PII which makes it become our ID and then match to second or third party data, working cross device."

Eleanor Marshall says, "For a long time programmatic was more difficult than direct. There was no cohesion and drop-off and lack of transparency on both sides. This has changed now. You want to be confident about what you are buying and selling. It's no longer a problem."

The Economist and UM London managed their Millennial-focused campaign through Facebook to refine and target those who liked similar products such as The BBC or The Guardian. Their work targeted Millennials in EMEA, and Latin and North America, https://dma.org.uk/awards/winner/2016-gold-best-use-of-programmatic

Measurement

Without any idea of how your campaigns perform, you just don't know what you are doing.
Marketing intelligence approached are iterative and may take a little while to refine and perfect.

- It's a good idea to have an ideal cost per action (CPA), but a lot of research needs to go in beforehand to establish what your ideal CPA is. Work out what the lowest CPA you are happy with is, and then work your way back up

- You need to have a thorough understanding of your customer's lifetime value

- Data management and relevance is very important

- Look at your KPIs – establish clear success factors and be focused in your approach. More data is not necessarily good. Get to know the RIGHT data and do the RIGHT thing with it. Don't try and do too many things and hope it works for the best

Eleanor Marshall explained that for audio ads, "Measurement is in a different space because of the gap between listening and action, mixed with TV and outdoor," making measurement somewhat difficult.

Ruth Zohrer said that for their client Volvo, "We tracked actions through the car buying process: from field interviews to online conversations in social media, and then took these questions into the programmatic world to prove or disprove our hypotheses. The outcomes from that research piece with Volvo resulted in a very different lens on its customers as a result. These innovative, integrated approaches take a brave brand."

The Economist's work with Proximity and UM not only beat its targets, but also measured thousands of interactions which could be used to refine campaigns and produce new insights
https://dma.org.uk/awards/winner/2015-gold-best-use-of-programmatic

Programmatic in isolation

Marketing intelligence approaches can work extremely well, but they work far better in conjunction with other media.

A senior provider of programmatic services says, "Brands need a holistic view. It's not just about programmatic display or audio."

Eleanor Marshall says, "People focus on the right cookies, but should think about what approach will appeal the most, for example looking at moods and shopper behaviour. So, not getting too focused on cookies, but how do I speak to customers?"

Ovo's work with Periscopix used programmatic as one part of a wider campaign to draw customers from the 'Big 6' energy suppliers to it, primarily using programmatic and search in tandem https://dma.org.uk/awards/winner/2015-bronze-best-use-of-programmatic

Segmentation and retargeting

Splitting your database into smaller sections with specific interests is a good idea, but businesses often over-segment their data.

If the objective is to send the right message to the right people at the right time then a smart algorithm can help to do this. A smart analyst can help interpret data and choose the right data to analyse. Too much segmentation can be detrimental.

A major agency that deals in programmatic services says, "In our work with a multinational beauty manufacturer, they wanted to understand different profiles, simple targeting moving to more complex targeting. This is where we start building a bigger holistic picture."

Mehul Rajgor, digital marketing specialist at The Economist says, "There are 30m users we could get to subscribe to us in the US. We've labelled them 'globally curious'. How do we identify those users? We could use surveys etc, but without being intrusive. We use Facebook, which is simple to use. Everything is third party – all acquisition."

Eleanor Marshall says, "One consideration is what ads to target, but a secondary factor is the 'need state' of the listener. Are they attentive, annoyed, or even able to take an action (normally people will look up or take an action later in the date)."

Ruth Zohrer says, "You need to understand how your segment relates to people, the brand and the context, and that can be complex. You need the right assets, a good data strategy, and then excellent operational muscle to be able to execute against that.

"There is huge misinformation about programmatic being easy to do. The main focus has been on driving efficiencies through a rather narrow application of it. And sure – that's simple. Using programmatic as an intelligence gathering mechanism requires rigour, skills and iteration, which isn't as simple and still demands people albeit with different (and in some cases, more specialised) skillsets." she says.

Watchfinder's work with Merkle | Periscopix shows the importance of segmentation, using third party data and sophisticated profiling, to hone in on those who showed the propensity to buy https://dma.org.uk/awards/winner/2016-silver-best-use-of-programmatic

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