

# The Future of Customer Engagement

Rusty Warner, Vice President  
Product Marketing  
Alterian

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**Where Is Marketing Headed?  
How Do We Get There?  
Who Is Doing it Right?  
What Happens if You Get it Wrong?  
How Do You Measure Success?**

# Where Is Marketing Headed?

- Social Changes & Customer Demands are Driving Marketing
  - Requirements: Customer Understanding at an Individual Level
  - Goals: Right Customer, Right Message, Right Channel, Right Time
  - Risks: Fickle Nature of Brand Loyalty & Competitive Disruption
  - Trends: Customer Desire for Interaction & Collaboration

**Traditional Marketers  
must become  
Engagement Managers**



# Where Is Marketing Headed?

## Customer **Engagement** Management



# How Do We Get There?

- What We All Want To Do:
  - Derive Maximum Value from Customer Engagement
  - Deliver High-Velocity Campaigns using Data Driven Insight
  - Make Marketing Resources More Effective
  - Increase Response Rates and Drive Revenue Objectives
- How Do We Do It?
  - Build an Enterprise View of Customer Information
    - Merge Deep History with Current Behaviour
    - Single, Consistent View versus Single Database
  - Utilise Customer Intelligence Analytics
    - Data Exploration for Personalisation
    - Predictive Modelling for Scoring and Propensity
  - Leverage Best Practices and Apply Governance
  - Synchronise Efforts with Business Operations



# Who Is Doing It Right?

- Organisations who...
  - Value **Engagement** versus *Processes* or *Management*
  - Understand the Relationship between On-Line and Off-Line
  - Treat Customers Consistently across Channels
  - Measure the Business Impact of Marketing Activities
- Best Practices



# Customer Retention & Development

- **Challenges**

- Pressure on Marketing Budget Allocation
- Rising Customer Recruitment Costs
- Increasing Channel Complexity

- **Objectives**

- “Put the Customer First”
- Execute based on Customer Insight
- Achieve Significant ROI Improvements

- **Results**

- Reduced Direct Marketing Costs by 30%
- Doubled the Annual Number of Cross-Sell Customers
- Increased Average Product Holdings per Customer by 15%



**“Both marketing productivity and efficiency have increased. We look forward to creating further innovative customer insight programmes... and continuing to maximise ROI.”**

**- Head of Customer Knowledge & Planning**



# Customer Profiles and Preferences

- Challenges
  - “One Size Fits All” Direct Marketing
  - Limited Customer Analysis
  - Disparate Data Silos
- Objectives
  - Increase Customer Intelligence
  - Improve Relationship-Building
  - Support Operational Execution
- Results
  - Open-Rates Increased by 100%
  - Click-Throughs Increased by 50%
  - Average Revenue Increased by 400%



**“With the implementation of the database, Eurostar have been able to create targeted communications based on traveller behaviour and profiles. The results have been far beyond expectations.”**

*- Customer Database Manager*



# One-to-One Relationships

- **Challenges**

- Selling to Companies BUT Marketing to Individuals
- Millions of Contacts from Various Sources
- Limited Customer View via Indirect Channel

- **Objectives**

- Identify the Right Contacts for Campaigns
- Develop a Single Global View for Local Use
- Re-Activate Dormant Contacts

- **Results**

- Consolidated Database
  - 20M+ Marketing & 18M+ Support Contacts
  - 100M+ Dun & Bradstreet Companies
  - 25M+ Survey Responses
- Contact and Purchase History for Up-Sell and Cross-Sell
- Predictive Modelling for Propensity and Potential Value



**“Tremendous potential for gaining new insights has been unleashed...Today we can perform analysis tasks around 30 times quicker than before.”**

*- Global Database Marketing Manager*



# Email Integration



- Improve Customer Engagement for Loyalty Programme
- Treat Individuals as Unique Users for Email & Web
- 40% Increase in Click-Through Rates
- 540% Rise in Loyalty Point Redemption
- 30% Overall Return on Investment

- Emails with Dynamic Content for Individuals
- Complex Analytics for Massive Film Library
- Suggestions based on Selections, Similarities, etc.



# Web Integration

- Analytics on .com Site for Targeted Campaigns
- Loyalty Card Feeds from Every Machine Played
- Pan-European Communications and Promotions



*Ladbrokes*



- 5+ Million Web Visitors Daily
- “Related Item” Suggestions on 60+ Million Artefacts
- Accessibility for British Sign Language & Audio



# Social Media Integration



- Starbucks
  - Analyse Purchase Decisions
  - Understand Consumer Behaviour
  - Determine Impact of Bottled Drinks



- Mountain Dew
  - Support Launch of New Voltage Flavour
  - Increase Awareness and Drive Trials
  - Convince Web Influencers to Advertise



# What Happens If You Get It Wrong?

## Examples from Personal Experiences...

(Names Hidden to Protect the Guilty!!!)

### 1. When You Can't See the Forest for the Trees

- Marketing Not Aligned with Customer Demands
- Processes & Metrics Matter More than Customers

### 2. When You Rob Peter to Pay Paul

- Marketing Not Aligned across Business Units
- Customers Defect while You Figure Out Who They Are

### 3. When You're Your Own Worst Enemy

- Marketing Not Aligned with Operations
- Customers Engaged, but You Can't Service their Needs



# How Do You Measure Success?

- Define Agreed, Quantifiable Metrics
  - Reduction in Spend per Channel
  - Campaign Uplift for Open, Click-Through, etc.
  - Revenue Results Directly Impacted
- Apply Business Performance Benchmarks
  - Business Problem Solved
  - New Business Opportunity Realised
  - Tangible Advantage over Competitors
- Don't Forget Internal Goals and Objectives
  - Users Satisfied and Asking for Additional Functionality
  - Project Delivered on Time and on Budget
  - Created an Agent of Change within the Organisation



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**Rusty Warner, Vice President**  
**Product Marketing**  
**Alterian**  
**[rusty.warner@alterian.com](mailto:rusty.warner@alterian.com)**

# **Be Disruptive!**