TEALIUM

THE NEW ERA OF DYNAMIC MARKETING

5 Principles For Creating Meaningful
Customer Experiences Based on Data

Customer experience is the new battleground

… and marketing is on the frontlines. With more choices than ever, customers are demanding more out of the buying experience, regardless of whether it is B2B or a consumer purchase. Customer loyalty is something that is earned not an automatic given.

No industry is exempt. From financial services to retail and healthcare to travel, buyers are demanding easier, better, more personalized experiences. The bottom line: if you deliver a bad experience, customers can easily pick up and go somewhere else.

That's why companies need to take control of the customer experience. 86% of buyers are willing to pay for a great customer experience, according to PWC. But many marketers are losing control of those experiences as buyers increasingly direct their own journey. Whether it's looking for reviews and recommendations, doing research through search engines, comparison shopping, or even providing input to a call center, customer experiences are increasingly dynamic and across multiple channels.

The pandemic-driven lockdowns put digital transformation into overdrive and proved to organizations that a sound digital strategy is not optional anymore. More people are working from home and more events are virtual than ever; the odds that this becomes the norm, rather than the exception, is high.

So the timeline for transformation has been compressed from years to months. But even at a time when digital is the only option, companies need to still be thinking about the blending of the digital and physical experiences.

Data is the foundation for all of these experiences, and the key to crafting more relevant brand engagements.

The shift to digital is putting pressure on companies to gain more insights and improve efficiencies through their data. Through data, companies can optimize their marketing spend more quickly and predict opportunities with their customers. Working to overcome long-running marketing hurdles like developing a single view of the customer is being further complicated by the increased global data privacy standards and consumer preferences for brands they can trust.

Companies that have invested in their digital transformation to enable personalized, real-time customer experiences while maintaining customer's trust are winning the battle today and are prepared for tomorrow's.

How do organizations walk the line between agility and stability, between being data-driven and being driven mad by how much data there is?

That's why we're introducing the strategy known as Dynamic Marketing. Dynamic Marketing is a way to move from the blunt instruments of mass digital or disconnected, channel-based experiences to relevant and real-time experiences based on unified data. Dynamic Marketing is the belief that to innovate, you need to understand your customers through data, to be tuned in to their needs right now.

Dynamic Marketing is not a magic bullet, instead, it's a reflection of the way your buyers already engage with your brand.

For your customers, their experiences happen in multiple channels in real time. Website visits and phone calls and app usage happen simultaneously and dynamically; without a real-time, data-driven strategy, your customer's experience will be disjointed.

To achieve Dynamic Marketing, companies need the purpose-built customer data foundation that unifies the tech stack and orchestrates the customer experience from a single source of truth throughout the entire customer journey.

Stick around and learn more about the five key principles to transform your marketing organizations into a customer experience powerhouse.

Achieving Dynamic Marketing Means Being TUNED in to Customers

Trust

Unified

Now

Everywhere

Delight

Dynamic Marketing Principle #1: TRUST

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According to Gartner, processing a single data subject request (to comply with CCPA or GDPR) costs (on average) $1,406 per request, ultimately costing an average of $140k-$275k for every million consumer records on hand.

Dynamic Marketing Principle #1: TRUST

Buyers expect a trusted experience and their preferences to be upheld.

97% of consumers are somewhat or very concerned about protecting their data, according to our 2019 Consumer Data Privacy Report. Look at industry leaders like Apple and Google: they repositioned themselves as trustworthy by highlighting the ways their products and services help consumers take control of their data privacy without sacrificing great user experiences.

Consumers are already more than willing to tell us marketers how they want us to communicate with them, if marketers know how to listen. Thanks to

data privacy regulations like the EU's General Data Protection Regulation and the California Consumer Privacy Act and a rash of high-profile data breaches, consumers are taking control of the data they hand over to companies.

Privacy and contact preferences are what's known as zero-party data— the data that customers intentionally and proactively share with you to define their own experience with your brand. This is some of the most valuable data because it will help you make intelligent, data-driven choices about your customer experience.

Building trust requires you to have total control over customer data.

To do that, privacy needs to be a priority from the top down and across all teams that handle customer data. Legal, marketing, sales, IT, and analytics teams will each play a role in ensuring customer data is cared for.

Culture is one aspect of the equation. Technology will play an important role as well as marketers learn to listen to consumers' privacy concerns. To unlock the power of all your customer data in real time, your

consent data needs to be automated and unified with that data at the same time.

One way to achieve this technologically is by combining a Consent Management Platform with a Customer Data Platform so you can collect consent preferences in the moment in one channel, correlate it to that customer's profile, and distribute the consent preferences across your other tools and channels.

Dynamic Marketing Principle #2: UNIFIED

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According to the BRP Consumer Study, **87%** of buyers are interested in a personalized and consistent experience across all channels. Companies with extremely strong omnichannel customer engagement see a 9.5% year-over-year increase in annual revenue, compared to 3.4% for weak omnichannel companies, according to Aberdeen Group.

Dynamic Marketing Principle #2:
UNIFIED

Buyers require a relevant experience, which depends on unified customer data.

When you have unified customer data, the customer experiences your brand as a cohesive group. When data isn't unified, it becomes painfully obvious. Whether it's ads promoting goods the customer already purchased or emails being sent after customers opted out of that communication method, customers know when your teams aren't working in concert because it leads to bad customer experiences.

Unified customer data is not just a matter of technology. Data unity starts with alignment at the executive level. As the CMO, you're responsible for the customer experience, but so much of what makes up the customer experience takes place outside of your control. That's why you need to be on the same page with the other teams that are shaping the rest of the customer journey, like your sales and customer support teams.

Unifying the teams, technologies, and processes responsible for your customer's data does more than support great customer experiences.

Achieving customer data unity makes building trust with your customers simpler because there is no data silo left uncovered. Unified data requires good governance, which in turn fuels your ability to provide customers with the level of data privacy they expect.

To achieve a unified data approach and fuel the best customer experience, you need a holistic view of customer data. We refer to this as a customer data supply chain: the collection of tools and

strategies that handle customer data standardization and collection, vendor integration and optimization, omnichannel profile enrichment, campaign action triggers, and data management for business intelligence teams. When you know you collect, standardize, enrich, activate, and govern all of your customer data, you're naturally going to end up delivering more relevant customer experiences.

Dynamic Marketing Principle #3: NOW

"**Real-time capabilities may just seem nice-to-have,** but they can mean the difference between life and death. When Covid-19 started to spread, companies had to react on the fly to make changes for the safety of their customers.

For one travel company, this meant their marketing team, without IT help, was able to create and engage audiences of travelers headed to COVID-19 hot spots in under one day. Executing an original campaign with accuracy on the fly required having a real-time data foundation in place long before.

Dynamic Marketing Principle #3: NOW

Buyers expect experiences to be in the moment and accurate; you need real-time data collection and delivery.

Trust and unity are a great foundation for marketing excellence; what starts to set industry leaders apart is their ability to provide experiences in real time. For your customers, the ability to work in real time conveys the next level of sophistication and care for the customer experience. It's why Amazon kept pushing beyond 2-day shipping to same day shipping and then 2-hour shipping.

Real-time CX delights customers who have been trained to expect instant gratification; from binge-watching entire seasons to instant pots, now is king.

Real-time customer experiences require the entire data process— from collection, standardization, enrichment, transformation, and activation— to happen in milliseconds. Waiting around for weeks, hours or even minutes puts you at a competitive disadvantage. And the biggest competitor you face is yourself when you drop the ball at the moment of engagement. As more of our lives move to digital experiences, your brand risks becoming less sticky. Customers will move on to the next option — *unless you can adjust in the moment.*

There's a measure of freedom you'll have as a marketer if your customer engagement is dictated by the needs of the customer, not by the time limitations of your data processing. Even if your current ideal engagement window for abandoned cart campaigns is two hours, maybe in the future a five minute delay leads to higher conversions. Building a real-time data foundation now means you can futureproof your strategies and be more agile without overhauling your data strategy first.

Moving to a real-time marketing approach will mean relying on automation to **deliver at speed and scale.**

Today, there are real-time Customer Data Platforms that can do this work for you. Prioritizing a real-time CDP as part of your marketing tech stack is a power move for the rest of your tech stack investment. With real-time customer insights sent out from the CDP to the rest of your customer experience touchpoints, each one of those tools gets a boost. Your real-time and automated data foundation gives your marketing team the flexibility to execute and iterate on the fly.

Dynamic Marketing Principle #4: EVERYWHERE

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Businesses that adopt omni-channel strategies achieve 91% greater year-over-year customer retention rates compared to businesses that don't, according to a survey conducted by Aspect Software.

Dynamic Marketing Principle #4: EVERYWHERE

**Buyers require a relevant and consistent experience across channels.**

According to Marketing Week, customers today use an average of six different touchpoints to interact with brands. Whether or not you have an omni-channel approach to marketing and CX, your customers are engaging like you do because the options are there. You need to be able to execute consistent experiences and messaging across them all.

Being everywhere is a fine balance to strike, though: following consumers across social media and in their inbox can come across as creepy. That's why you need to build trust with your customers that you're using their data towards ends that benefit them. And then you need a unified and real-time data foundation to put that messaging to work where it matters for your individual customers.

That's why personalization should include more than just tailored content; being everywhere means using discretion to deliver the right message at the right time in the right channel to the right person. That's a lot to get right; to do so, you need your valuable customer data insights connected to all of your channels. What does this look like in practice? By bringing

together offline and online data together in a Customer Data Platform, you can create more intelligent actions across all of your customer touchpoints. For example, you can tie your web data into your call center data through a single profile. That way, your call center agents know in real time what their web experience was before needing to call in. This can reduce the need for excessive questioning and increase call speed and volume— making everyone happier.

Another aspect to consider is the value of zero-party data— the data customers give to your company in exchange for a better experience or enhanced benefits. Customers will tell you how they want to be contacted and where; if you're listening, you can tie this data to their customer profiles to show how much you care about what they want from your brand. That's how you turn omni-channel into a strategy that builds trust and loyalty in your customers.
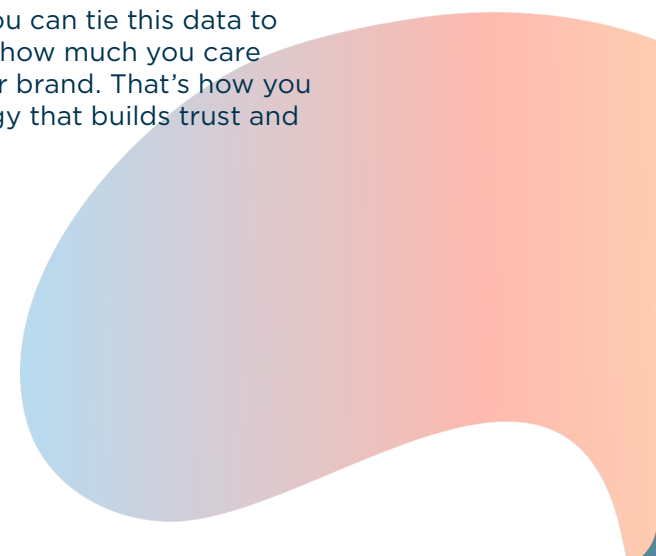
Dynamic Marketing Principle #5: DELIGHT

"**By 2020, 85%** of customer interactions will be handled without a human, according to Gartner. Machine learning capabilities will help marketers predict the moments that matter to customers through data.

Dynamic Marketing Principle #5:
DELIGHT

Buyers expect businesses to know them; you need to be able to predict optimal experiences.

In our digital age, that means putting data to good use to turn what we know about customers into the experiences they will want. The ultimate goal of delighting your customers is to create the illusion of effortlessness, to replicate that feeling that the person you're doing business with knows your needs before you do. Customers have learned to expect a certain level of frustration and friction; delighting them means removing those barriers and exceeding expectations.

To do so, marketers need to be able to predict the moments that matter with machine learning. With your trusted, unified, real-time, omni-channel data foundation in place, machine learning insights are the logical next step to improve your marketing initiatives. However,

machine learning can seem improbable for marketers. When over three-quarters of ML projects stall before deployment, it can seem like a far-off dream to achieve.

But when you embed machine learning capabilities into upstream customer data technology like a Customer Data Platform, you're solving one of the biggest barriers to machine learning already: the availability of clean data. With an ML-powered CDP, you can enable your whole tech stack with predictive insights. You can anticipate when a customer will make a purchase and take action to increase revenue, or identify prospects who won't purchase and suppress them from advertising to save costs.

Dynamic Marketing Principle #5:
DELIGHT

With machine learning on board, marketers have the power to deliver predictive experiences at speed and scale.

It will make personalization, which has long been a goal for marketers, not only possible, but it will make it profitable. Gartner estimates that 80% of marketers that have invested in personalization will abandon it by 2025, naming lack of ROI and data management challenges as key barriers.

But with the Dynamic Marketing framework laid out here, demonstrating ROI and overcoming data management challenges are more than just possible by 2025 — companies are doing it today.

Companies are using machine learning to delight customers in new ways. One way is using machine learning to predict which customers have a high likelihood to purchase and offering a discount on items they have an affinity for to increase conversions. And for customers who are struggling with the website, predictive insights can trigger proactive customer service for people who are more likely to call into the customer service center.

Machine learning will transform the way marketers work in the years to come. As part of the Dynamic Marketing approach, it will help you delight your buyers in new ways— with less effort— as you predict the moments that matter to them.

Putting Dynamic Marketing into Play: 6 Data Management Practices Every CMO Should Empower.

As a CMO, you'll need to empower your teams to be data-driven creators. There are six fundamental practices that you as a marketing organization need to strive towards mastering.

01

Collect

Your team needs to be able to collect all of the data behind the customer experience. This includes your client-side collection (through Tag Management Systems) and server-side collection (APIs); sources can include your website, in-store point-of-sale systems, Customer Record Management systems, call center, in-store, mobile and app data. These data points will help you create a comprehensive single view of the customer and will fuel all of your customer-centric marketing initiatives.

02

Standardize and Govern

No matter how much data you collect, if it isn't governed it isn't usable. In fact, you won't need all of the data you collect, but knowing what data you need and when will make you a more agile organization. That's why every company needs to have its own business rules to uniformly define the disparate data sources. Many tech vendors provide their own ways to standardize data, but relying on third-party data definitions means your company has less control over your customer data.

03

Transform and Enrich

A single piece of data on its own does not provide a complete picture of the customer; in the transform and enrich stage, all of the data you've collected is brought together and aligned with a technology that can create individual customer profiles, like a Customer Data Platform. This single source of truth for the customer's experience with your brand is what sets the stage for creating the moments that matter to them.

04

Integrate

Marketers have a lot of tools to use to craft the customer experience—from Email Service Providers to Facebook. To get the most out of your customer data insights, you need to be able to integrate them with your customer experience tools from a single source of truth. The more you integrate your martech stack, the better your customer data feedback loop will be as you constantly enrich the customer profile with more data and insights.

05

Activate

Activating data in real-time, in the right channel, with the right message takes a solid data foundation to make it happen. Delivering an omni-channel approach from a single source of truth—like a Customer Data Platform— makes it easier for your different marketing teams to work from the same playbook. It creates consistency and efficiencies, saving your teams time and money.

06

Predict

By layering predictive insights with machine learning capabilities into your customer data foundation, you're enabling the rest of the tech stack with a single source of intelligence. With predictive models driving your customer experiences, you'll be able to be more strategic about the experiences you create for customers. You'll deliver experiences that are more likely to matter to them— and that's a win for everyone.

We Connect Data So You Can Connect With Your Customers

Tag Management • API Hub • Customer Data Platform and Machine Learning • Data Management

Tealium connects customer data– spanning web, mobile, offline, and IoT devices— so brands can connect with their customers. Tealium's turnkey integration ecosystem supports over 1,200 client-side and server-side vendors and technologies, empowering brands to create a unified, real-time customer data infrastructure. The Tealium Customer Data Hub encompasses tag management, an API hub, a customer data platform with machine learning, and data management solutions that make customer data more valuable, actionable, and secure. More than 1,000 businesses worldwide trust Tealium to power their customer data strategies.

For more information, visit www.tealium.com.