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## HOW TO GET MORE OUT OF YOUR DATA

Who's the best target? If you're not fully leveraging customer information, you may never know

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DO YOU REALLY know who your best customer is? You'd be surprised how many marketers find this question difficult to answer. It's often because the answer is buried in structured and unstructured data and requires specialized tools, talents and techniques to uncover.

Who's better: a customer who buys infrequently but at high volume or a customer who buys frequently at mid-volume, speaks positively about the brand across his social network and has high future potential because his purchases are spread across multiple competitors?

The latter customer is obviously the one you want to be targeting, if not more frequently than the former, certainly differently. However, your data may not be revealing these crucial insights.

So what's the remedy? First,

recognize that defining best customers requires delving into several dimensions of data. You most likely have behavioral information regarding how much your customer purchases, how often and with what diversity. But you may be missing two other key metrics: soft behavior and competitive behavior.

Often referred to as engagement behaviors, soft behaviors relate to time (vs. money) spent engaging in activities that indicate affinity with the brand. Do your customers talk about your brand on social networks, on blogs or in product reviews? In what ways, to what size networks and with what sentiments? Soft behaviors transcend the monetary side of the relationship yet are incredibly influential both in predicting customer value and affecting buying behaviors of others.

The other key metric you may

be missing is competitive behavior. Best customers, when asked, will honestly tell you how much time and money they spend with competitors and why. Use polls, surveys and ongoing dialogue to capture self-reported competitive behaviors. Then create an index of how much a customer could be worth over his lifetime by earning his share of wallet from the competition. That index can influence customer investment over time and be used as a target/message/offer filter in data-driven communications. You also must have on hand demographics, which you should overlay with behavioral data. When combined, they best predict future behavior and future customers who look like they have "best" potential.

Finally, attitudinal data are critical. Typically the hardest to capture and often overlooked, attitudinal data answer the burning questions of why they buy and how they buy. These insights must be captured relentlessly over time through digital communications and often mined, via content analysis, from unstructured data (e-mails, blogs, surveys, call-center recordings). Attitudinal insight has become so critical that firms are increasingly willing to give away margin in exchange for it, because without it, it's nearly impossible to develop relevant content and offers. Capturing and leveraging these data is going to become the key competitive advan-

tage for leading-edge brands.

While each one of these dimensions can stand alone and offer valuable insight, brands that are truly innovative combine these dimensions to arrive at the "insight intersection."

At that intersection, your brand should develop a scoring index that ranks the insights within the dimensions based on their salience to your business and customer strategies. That index becomes not only a tool to help you determine the most efficient place to invest your acquisition and retention dollars but also an ongoing barometer of change to your best customer's value (see sidebar).

As marketing continues to blend science and art, a seemingly simple question like defining a "best" customer becomes truly complex. While the answer may remain elusive and ever changing, that is the first question future successful brands will have to ask.

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### Are your data maxed out?

How do you know you are leveraging your data to the best of their ability? If you're doing it correctly, you should be able to:

- Leverage multiple insights to define best customers, even when faced with missing, incomplete or questionable data in one or more dimensions.

- Develop a continuing data-capture hierarchy based on capturing the most critical, most actionable data to achieve your business and marketing objectives.

- Define, segment and score customers based on current and potential value—value that transcends the purely monetary and also factors soft behaviors and attitudes that indirectly affect the bottom line.

- Deploy a communication design of "escalating relevancy" that resonates more and more deeply with your best customer as the insight intersection expands.

- Inform customer service, product development and other enterprise-wide efforts based on a process of "iterative learning."