



CARDINALPATH

WHITEPAPER

Four steps to getting into your customer's head with the data you already have

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There is a treasure trove of data about your customers sitting in different silos within your organization – and some of it may even be sitting in silos within organizations that you contract with. How do you uncover these pockets of raw information, put them together and then surface the insights that can help you better understand your customers and prospects?

We'll help you navigate the often-challenging terrain in four fundamental steps that will allow you to dip your toe in the analytics pool, get some initial experiences and successes under your belt and then build on your new aptitude.

About this guide:

This Cardinal Path guide to surfacing insights from disparate customer data is designed to help organizations understand an orderly process for making their raw data accessible and actionable.

About Cardinal Path:

Cardinal Path is a premier digital data analytics firm that works with the world's most prominent organizations to create, implement and action advanced analytics. We help our clients unlock the value of their data, sharing all that we know and empowering people to make confident business decisions for sustainable growth.

STEP ONE: Find your data

Finding your data may be the single most important – and most contentious or politically charged – challenge for any organizational leader to undertake in a quest to begin a data analysis program.

Let's face it: knowledge is power and unless your organization has a rock-solid culture of transparency and collaboration, everyone who holds the keys to specific knowledge about customer activity will have anxiety about not only sharing that knowledge, but potentially giving it away.

Go through your organization's directory and quickly come up with a list of people who have special insights into the customer accounts?

Sales? Customer service? Tech support? The person who handles the social media accounts? The advertising agency or marketing people who manage the advertising? Is it also the shop that qualifies your mailings?

Who already does their job based on customer data? Maybe it's the research and development team, or the purchasing department.

Find these people, talk to them about how their relationship to the customer has the potential to change the way you do business. Now talk about ways in which information sharing can make a difference in your organization.

Sound too simplistic? Not at all. Once you start peeling back the layers, you'll start seeing customer touchpoints you'd never even considered before, making this initial exercise worth the time and effort you'll need to put into it to get it right.

In many organizations, the teams that are rich with customer interactions haven't been tapped to extend their experience and insight for enterprise-wide intelligence.

“What is our biggest challenge around? What's standing in the way of acquiring, growing and retaining more customers? Where are we doing things we want to scale, where could we be doing more — or where are we doing nothing at all because we simply can't right now?”

IN PRACTICE: Complex stakeholder environment

One of the most common reasons why organizations turn to Cardinal Path for help in uncovering their data sources is because the level of complexity involved in bringing all of the possible stakeholders to the table. To get such an effort off the ground is a project that requires an independent owner, for many of the reasons stated above.

One highly-recognized brand came to Cardinal Path with an analytics practice that, despite having been in place for several years, was managed in a fragmented, opaque and uncoordinated manner with responsibility and accountability split across several points both internally and externally.

Despite their many plans and assigned responsibilities, the management team could not obtain data needed for critical decision-making which resulted in lost opportunities for business improvement. They wanted to know what was wrong, what was missing and what improvements ought to be made.

Cardinal Path implemented a comprehensive program for governance and change management. An Online Analytics Maturity Analysis diagnostic methodology revealed specific points of organizational vulnerability and proposed solutions for improvement, defining roles and responsibilities of individuals involved managing the analytics practice and launching groups and processes to determine and improve process, decision-making, collaboration and transparency.

STEP TWO: Find your big question

Now that you have a good idea about how many different types of data sources are available organization-wide, it's time to think about what you want to learn from all the information at your disposal.

Sometimes an organization or leader goes into the process of finding specific data because they already know their big question like, "How many times do customers touch us through various communication channels before initiating a purchase session?"

Oftentimes, however, it's hard to know what kinds of questions you can look for answers to if you don't know what data you have. Once you have a good grasp of what sources of information you can reliably pull from – i.e. sales transactions, customer service inquiries, social interactions – then you can prioritize the information that will move you forward.

In discussion about how to come upon these big questions, Graeme Noseworthy, one of IBM's Big Data specialists once told the story of how email marketer Constant Contact came up with their big question: "What is the right time to send an email?"

Noseworthy shared that before embarking on their data analysis strategy, Constant Contact was able to gauge the performance of about 100,000 emails at a time. After they put their new technology and processes into place, they were able to see how 36 billion emails performed in near real-time.

"Constant Contact was able to tell their customers 'Here's the right time to send your email.' They created a currency of relevance they could pass down to their customers which created a higher customer retention rate, a higher performance rate on campaigns and created a win-win-win where they were able to delight their customers and get better ROI on their campaigns."

But coming up with that big idea is not only about "creating downstream value," Noseworthy said, "though it's a good place to start. You don't just sit down and rack your brains for that question, for 'What's our version of trying to learn the best time to send email?'

It's really about 'What do we want to do that we've never been able to do before?' And it's not just about running reports faster. If you find yourself doing things faster, or making slight improvements,

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great. But you should push yourselves to ask questions such as 'What is our biggest challenge around?' 'What's standing in the way of acquiring, growing and retaining more customers?' 'Where are we doing things we want to scale, where could we be doing more — or where are we doing nothing at all because we simply can't right now?'"

IN PRACTICE: Find your answer by finding your question

A private, for-profit higher-education organization, offering undergraduate and graduate degrees approached Cardinal Path for help in improving its digital marketing and analytics methods for acquiring new students. The university delivers instruction both through its 90+ nationwide campus locations and online, via a dedicated e-learning platform. It provides admissions and curriculum information to prospective students via its website, which offers a robust offering of static university information,

as well as offering on-line chats with school representatives, a virtual advisor module and a Spanish-language sub-domain. The university's social outreach is prominent on the site, with an easily accessible feed featuring content from four social networking sites as well as their school blog.

Though their disparate data sets required initial help with transparency and governance issues, once the customer acquisition roadmap was in place, they were able to transform

the overriding goal – to acquire more students – into the question: "What type of prospective student is most likely to enroll and stay enrolled in classes at this university?"

The university eventually found their answer and refocused their marketing and customer retention strategies on the targets most likely to be high lifetime value customers.

STEP THREE: Get your data in order

Once you understand what data you are currently collecting, where it lives and how you can access it, and you've developed the question your organization wants to answer, it's time to get your data in order.

Your data will need to be collated from the disparate sources both within your organization (sales, customer service, and outside the organization (from third-party service providers such as advertising agencies, direct mail qualifications shops, mass email service providers, etc.) and then analyzed in order to glean insights from the raw data.

Starting this phase of the journey can be unnecessarily nerve-racking as the first step can seem pretty difficult. While you need to be thinking about long term solutions and data strategy, your first step should allow for a quick win. Data management and governance strategy is very important, but you may find your organization discussing policy for 18 months before any data is actually integrated. In step one, when you were finding your data, you needed to build a rapport with the key business

stakeholders and now it's time to get close to the technical resources in the organization (data architects, DBA's, and even quants) – the people who can make data integration happen. While determining the best enterprise fit for data solutions such as cloud infrastructure to local datamarts, have a small proof-of-concept data project working on the side. It will serve as the first analysis application and will answer 80% of data requirement questions that your IT team will need to build the final solution.

It's important to include as many data streams from distinct customer touchpoints (such as social, website activity, online chat session initiations) but don't make the mistake of throwing in everything and the kitchen sink.

Your data inputs should closely reflect and support the question you are trying to answer. Don't, for instance, throw in extensive data about past customer purchases if the question you are looking to answer is: "How often do our customers forward our flash sale emails to previously uncaptured email addresses?"

“Your data inputs should closely reflect and support the question you are trying to answer.”

Similarly, if you want to know whether your 3x+ purchasers prefer to buy at a certain time of the day or night (so you can time your outreach for best effect), there's no need to include data on what type of payment method they used to check out their purchases.

Data processing takes time, expertise and many other resources. A sure way to make insight-delivering queries worth your team's time is to try to limit your data elements to get the biggest, smartest, bang for your buck.

IN PRACTICE: Thousands of data sources

A news and entertainment media organization that produces and distributes radio, online and mobile content through over 900 independent affiliates across the country, approached Cardinal Path to help make sense of click-stream, video, audio and social data aggregated across its own website and its member stations' sites, which operated on diverse technology platforms.

The thousands of data sources and varied individual technology platforms significantly complicated the task of solution deployments and standardizing the resulting data, plus

the independent business nature of the contributing data sources resulted in erratic data reporting practices and often resulted in incomplete data.

Cardinal Path developed and implemented a simple, highly customized and cost-effective umbrella solution to meet the needs of the media organization's entire network, providing central control and rolled-up visibility for the parent station and local access and autonomy for its affiliate stations and media properties.

The technical solution – in concert with suggestions for improving

objectives, governance, scope, improvement process methodology and data integration – created uniformity across electronic properties and made it possible for the media organization to understand its visitors and content consumption across its entire network. Data accuracy was improved through a standard data model, and the breadth of data was expanded by integrating various streams of web data and for the first time, consistent campaign measurement enabled real ROI measurement.

STEP FOUR: Put insights into practice, analyze results and plan the next iteration

Though it should go without saying, once actionable insights are in hand, your organization must have a plan for testing out theories, gaining feedback, re-evaluating and then either taking your initial question to the next logical step or investigating related or altogether new business questions.

Specific plans for tying insights and testing results to clear business objectives that are measured by

structured Key Performance Indicators (KPIs) designed to quantify success or failure become key in this step.

Less-than-thrilling as “continuous process improvement” might sound to the creative marketing types who champion and execute organizations’ initial forays into data analysis, it is the bedrock for all your subsequent successes with a data analysis program designed to understand the customer.

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IN PRACTICE: A foundation of analytics governance

A world leader in the design, manufacturing, distribution, and marketing of motorized recreational vehicles and powersports engines approached Cardinal Path when it found itself in an ecosystem with too much data and too many measuring tools that varied from brand to brand and across the enterprise, creating a loss of trust and confidence in the decision-making to optimize both traditional and digital marketing investments.

Not enough marketing time and resources were being dedicated to mining for knowledge or taking action on insights in order to meet an objective of reaching a 20 percent increase in marketing investment effectiveness. To begin the journey toward becoming an efficient data-driven organization that could meet specific performance goals, the company contracted Cardinal Path to launch a pilot program focusing in on one product in one market.

Though this recreational vehicles company was plagued by a siloed organizational culture, varied philosophies about analytics practices and differing ideas about which metrics and KPIs should be reported – and, notably, had experienced

a failure with previous partners in similar projects that had yielded poor instrumentation, reporting and insight leading to untrustworthy data – they took the approach of implementing rigorous standards for planning, testing and implementation with an eye toward scaling up across the organization as results flowed in.

Cardinal Path helped this recreational vehicle company build a solid foundation of analytics governance within the company and with external partners to ensure data was clean and reliable, and put the right tools in place to ensure gains in productivity and the ability to solve problems together.

Cardinal Path:

- Defined instrumentation guidelines and governance structure related to all aspects of qualitative and quantitative measurement for the new marketing partner ecosystem
- Developed Tableau dashboards integrating multiple sources of data encompassing all aspects of their customer lifecycle
- Provided coaching and knowledge transfer to internal and external stakeholders

As a result, this recreational vehicle company and its partners are benefiting from clearer governance; they are optimizing their marketing campaigns against clearly defined and agreed-upon KPIs. They benefit from smarter and more agile instrumentation and are now using an integrated, stable platform to provide greater understanding of the end-to-end consumer journey. Lastly, quick delivery of value and incremental improvements allow this company to learn and develop standards and best practices replicable across their many diverse brands.

Conclusion:

Becoming a data-driven organization is an iterative process that can be done with existing resources by gathering key organizational stakeholders, information owners, process champions and end users to develop a system for collecting, querying, analyzing data and putting insights into action.

Often the key of getting started is taking simple first steps. Smaller initial efforts that show value will lead to more organizational buy-in and support for a larger project mandate. Getting an analytics plan that answers the critical questions is a huge achievement because it will keep the organization focused and disciplined to deliver on the customer insights,

That process, however, can be significantly accelerated by collaborating with trusted partners who have the technical and organizational expertise to enable organization-wide transformation in an orderly, efficient manner designed to empower an organization to eventually drive the process on their own. Get to your goal faster by avoiding the common mistakes related to taking on too much, too soon.

Putting your strategic analytics to use is an investment that will pay dividends for your business and for the professional opportunities of those involved.

Early realizations from analytic efforts are often extremely eye-opening. These discoveries raise the profile of VPs, Directors, and Managers across the organization. These are the projects that can make a career. Everyone wants to be attached to the businesses decision that decreased costs by 15% while increasing profits by 40%.

The next layer of business innovation will require more investment and careful orchestration but the payoffs can be even more gratifying. You may uncover a new customer target or market that was not apparent before. Or better yet, transform decades-old business practices into powerful new strategies backed by data you can count on.

Why organizations must act now:

- Competitive advantage
- Risk being left behind by leaders who use data already
- Cost savings in marketing investment
- Availability of trusted partners who can either guide or do the heavy lifting of bringing a data strategy to life for an organization

There's a virtual ton of data in every organization. The opportunity is yours to bring it to light and put it to work for you.

We'll show you how.

Let Cardinal Path help you get the most out of your existing data by establishing an analytics program that will enable you to unlock the value of your data and get you moving towards increased analytics maturity.

Contact us today:

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Cardinal Path is a premier digital data analytics firm that works with the world's most prominent organizations to create, implement and action advanced analytics. Known for its industry leadership with tools such as the Online Analytics Maturity Model, a framework for assessing enterprise-wide analytics maturity, Cardinal Path comprises dedicated teams of award-winning analysts, statisticians, academics, developers, and many of the top minds in the digital marketing space. We help our clients unlock the value of their data, sharing all that we know and empowering people to make confident business decisions for sustainable growth.