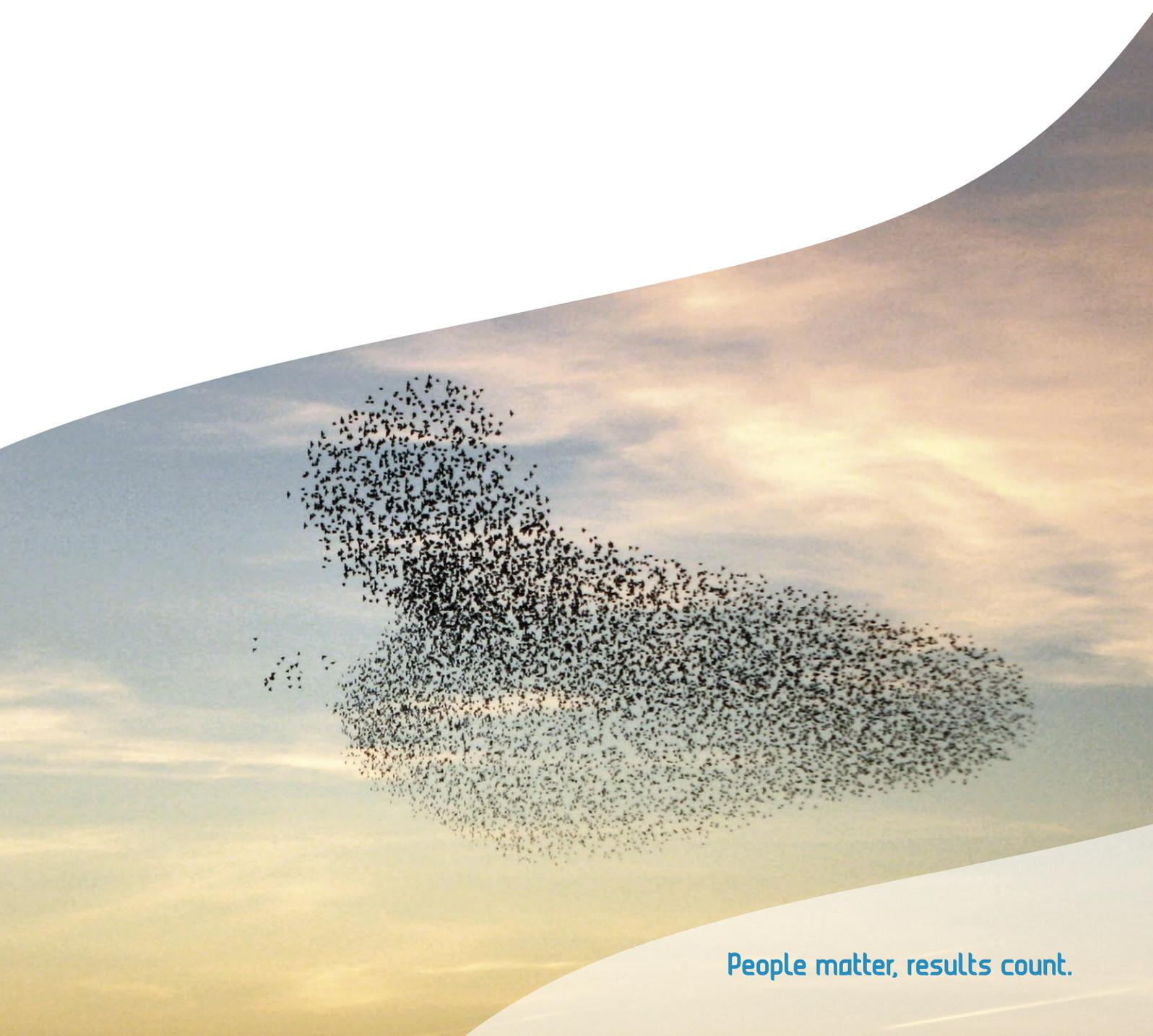


# Mastering Campaign Management

How MDM helps drive campaign  
management at the speed of thought



People matter, results count.

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# 1. Targeting in the here and now

**When is the best time to market to a customer?  
The day after they've been to your store, a week later or a month later?**

**The best campaign is one that impacts buying behavior as it is happening and does so at the individual level.**

The answer is, of course, that it depends on what you are trying to achieve. Few experts disagree, however, that one of the best times to market to a customer is when they are in your store, or even better to market to them when they are near your store in order to entice them inside.

What is the best campaign to use? One targeted at a specific segment, or one just aimed at the mass market to appeal as generally as possible? Again the answer is 'neither'. The best campaign is one targeted to encourage the specific individual to act.

The best campaign will impact buying behavior as it is happening and does so at the individual level. This represents a two-fold challenge for your business, firstly how to identify a customer in real-time, and secondly how to pick the right campaign for that individual so it can be delivered to them in real-time. Your customers expect you to know them and expect you to react to them as individuals – your challenge is how to achieve that.

Capgemini and IBM™ have worked together to create a solution that enables you to deliver just this.

## 2. Identifying the individual, not the transaction

**At the heart of the challenge for retailers is how to identify a customer as an individual.**

Many successful retailers have already introduced loyalty programs to try and address this challenge, while others have found either the cost or its brand positioning haven't yet justified it. Even for those with loyalty programs there are often problems with customer engagement. For some retailers, the only route may be to target the mass-market with a general campaign but for most, identifying and knowing your customer is going to do nothing but improve your effectiveness. New technologies are making this identification easier, from the information available via social channels such as Facebook to the rise of mobile applications and Near Field Communications (NFC). Also, new information sources, both internal and external, help you construct a better view of how your customers behave. The opportunities to engage and interact with your customer as an individual have never been better.

If you already have a loyalty program the challenge you face is how to adapt your solution so identification is not solely based on the loyalty number, but enables multiple channel identifiers to be used and other information to be integrated around that individual to provide a holistic view of the customer. The challenge here is to separate identification from the loyalty program to enable it to grow, while delegating identification to a Master Data Management (MDM) solution to provide the cross referencing to other systems and external sources.

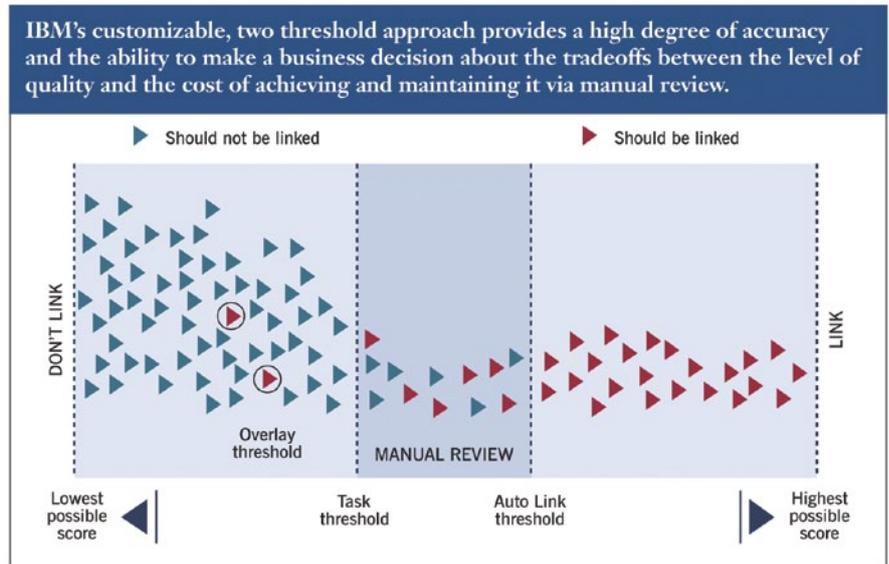
If you don't have a loyalty program then the first challenge is to agree as a business that you want to start engaging with customers as individuals, rather than simply viewing them through the lens of a single transaction. With that agreement reached, the next question is 'how?'

### **2.1 Identification is a fuzzy problem**

A loyalty number is a great piece of identification as long as a customer only creates one account and a household doesn't share the account. It's an individually specific piece of information, like a passport number or a mobile device, which directly links to the individual. Enabling this identification through multiple touch-points, such as mobile, kiosk or QCode is essential – flexibility is key.

This challenge applies whether you have a loyalty program or not. Ultimately, you need to be able to have a high degree of confidence that a customer is who you think they are. Putting in place such a solution requires three things, firstly a commitment from the business to capture key information from a customer, secondly a definition from the business of what is considered an acceptable match and thirdly a solution that allows this to be automated.

**Figure 1. Data matching acceptance criteria**



**A fundamental consideration when identifying individuals using data is making business change happen so that relevant customer information is captured, correctly recorded, and staff trained to engage with customers as individuals.**

Data matching, where you combine information from different data sources to check and enrich the data, is never an exact science. Depending on the channel and the information available, you will always have a likelihood of a match and it's important that those rules are specific to the channel or source system. For accurate matching to occur you need to define a set of criteria for accepting a match, and identify grey areas where additional information is required to properly identify an individual (figure 1.).

### 2.2 Identification is an operational problem

A fundamental consideration when identifying individuals using data is making business change happen so that relevant customer information is captured, correctly recorded, and staff trained to engage with customers as individuals. After all, there is no point making a corporate switch if the front-line isn't able to deliver. By making these changes it is possible to start targeting the individual in real-time and ensures that you are properly identifying customers and meeting their needs and expectations.

### 2.3 Owning your locations

The next challenge is that of location. Knowing where your customer is currently standing is critical to engaging with them. If they are in the store then you are already close to making the sale, giving you the opportunity to influence what is bought, to cross-sell or to up-sell. While inside a store, you need to know two things: first, their actual location (postal address and latitude/longitude) and second, their influence range. This the distance from a store which a customer can be persuaded into by employing a targeted campaign offer. Owning locations means also owning their virtual equivalents on FourSquare and Facebook so that an active 'check-in' can be separated from a nearby event.

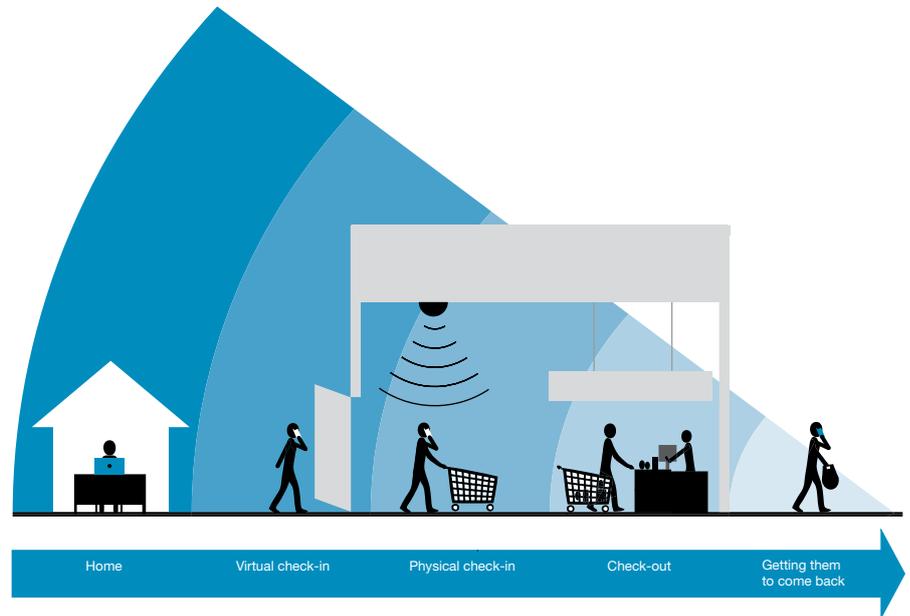
### 3. Social media: reacting to individuals, not clouds

**Social media is an opportunity for companies to reach existing and potential customers in new ways.**

For those of you who have been on Twitter, you may have had the experience of making a comment such as 'I don't see the attraction of an iPad' and, a few minutes later, receiving a series of tweets from '@fwerbf193' saying 'hey free iPads at <http://scam.com/scam>'. Or you've made a complaint about customer service at a firm and received a tweet saying 'sorry about that' but nothing actually specific to you or your problem. The challenge here is that most social media solutions are aimed at the cloud – a virtual gathering of unmanaged and uncontrolled information where the best you can hope for is the sort of mass-market conversations usually linked with 'direct' marketing. The worst is that you make a bad situation worse by trying to placate a customer without knowing who they are.

By engaging with customers as individuals and capturing their social channel identifiers during registrations, or via targeted on-boarding campaigns such as via 'Facebook for a coupon', it becomes possible to clearly separate the individual from the mass-market. Linking this with your physical store location, you can now effectively market to individuals based on what they are doing and where they are doing it – at this exact moment – rather than relying on their previous transaction history to predict their next move.

**Figure 2. Location-specific messaging**



**Automated campaign management gives you the ability to send scannable offer codes to customers in the form of barcodes or similar approaches, which can be automatically registered at the till.**

### **3.1 Agreeing on the campaign structure**

Once you've identified customers as individuals and mastered their locations in the virtual and physical world, the key question becomes: How do I best leverage this information to drive more revenue and greater profitability? To do this you need to think about a campaign in six key parts:

- Traditional channels – email, post
- Influence
- Proximity
- Store entry – social, mobile or online
- Store entry - physical
- Check-out

At this stage, there are two options available. The first, to deliver specific campaigns to each different channel and the second, to provide a consistent campaign that engages the user and tracks them across the campaign's lifecycle. These two elements are not mutually exclusive. Based on the behavior of a specific individual, you may decide to target them using a single channel, or deliver the same content across every channel. The central point, however, is that by being able to identify the person as an individual, you can target them in the way that will most effectively maximize their revenue potential.

Automated campaign management also gives you the ability to send scannable offer codes to customers in the form of barcodes or similar approaches, which can be automatically registered at the till.

### **3.2 Social campaigns – individual influence**

By treating customers as individuals we can learn much more about how they influence others. Central to the concept of real-time campaign management is the creation of individualized offers. So, while the offer might be '10% off', the scanned barcode or QCode should be identifiable to the individual that it was given to. Depending on the offer, this gives you two abilities, the first is to ensure that it is not shared, so individual specific offers can be created without being available for general circulation, and the second, encourages sharing to maximize footfall.

Deciding between the two approaches is a matter of policy rather than technology. Simply put, at the check-out the offer code is checked against the individual and the Point of Sale (POS) is notified whether the offer is valid for that person or not. Individually restricted offers can help prevent voucher fraud hitting sales margins. The second case is, however, potentially more interesting. If someone comes into a store with a voucher that was given to another individual then you can identify an influential relationship. This information is extremely valuable as it helps you pinpoint individuals whose importance to your business is not measured simply by the number of transactions they make, but by their ability to influence others. Measuring this influence is much more than simply identifying someone with friends or followers – it can prove that an offer sent to one person resulted in multiple sales from multiple people.

This influence route can also be used to increase the quality of information on people by encouraging them to self-identify as a group, for instance to enable exclusive access to the store out of hours for the whole group.

### **3.3 Bringing people into the store**

The first set of campaigns, traditional and proximity, are aimed at bringing people into your store, either physically or virtually. These offers aim to persuade customers into making purchasing decisions. The difference between them is that, with traditional offers, you require customers to commit to travel to your store, while in proximity-based offers you already know that they are nearby. Proximity-based offers, therefore, should be linked with changing a behavior in a relatively small way to make them enter your store. While a good traditional offer may give a 10% discount (proximity offers can also do this), it is possible for a proximity offer to be based solely around interests e.g. "We've just finished laying out the new season deliveries, come and get something fresh and new." This ability to engage a customer can be the difference between converting and missing footfall opportunities.

**At the checkout, engagement is possible at the individual level rather than the mass market ‘fries with that’ approach to up-sell that many retailers employ.**

### **3.4 Targeting for the current purchase**

In order to successfully convert opportunity into footfall there needs to be an investment in understanding how individualized social marketing works and what type of information is acceptable or effective for your company when using specific channels.

- How will you encourage customers to register and check-in?
- What types of campaigns will increase footfall for your customers?
- What types of campaigns will turn footfall into increased basket size?

These campaigns can also alert staff to a customer’s requirements, so targeted assistance can be given. By targeting at an individual level you help to build a greater brand engagement and customer loyalty. The objective at this stage is ensuring a sale and then maximizing the size of the basket that the customer takes to the till.

### **3.5 Maximizing basket size**

The final opportunity to target your customer is at the check-out. This is the final opportunity for sales staff to up-sell or increase basket size by identifying whether the customer has failed to buy an item they normally buy, or if there is a linked sales item that they could be interested in. Again, the engagement is possible at the individual level rather than the mass market ‘fries with that’ approach to up-sell that many retailers employ.

### **3.6 Ensuring they come back**

Following the sale, the receipt that is handed to the customer is a platform to initiate a new sales cycle in the future. Companies often include a loyalty statement on this receipt and occasionally will include some form of offer or voucher. This should not only be standard practice but form part of the engagement lifecycle for the customer, recording their transactions and identifying the best individual-level offer for their history, current basket and location.

## 4. Delivering the solution

**Making the change to identifying individual customers via social and physical channels, and enabling this information to be shared and targeted in real-time, is a large shift for most retailers to make.**

Fortunately, Capgemini and IBM Software have worked together to create a solution that helps companies achieve exactly this. Using IBM's InfoSphere MDM and Unica Campaign Management to provide the basic building blocks, Capgemini has added social integration to create a unified solution, which provides the infrastructure to meet the challenge of identifying the customer as an individual.

In helping retailers to adopt this solution, Capgemini and IBM are pulling on the experience of many of the world's most recognized retailers and decades of experience in helping retailers recognize and exploit new markets and approaches. The solution works alongside an existing loyalty program or provides companies without such an infrastructure with a first-stage customer repository that can be expanded into a fully-fledged loyalty program. Capgemini's ability to offer the solution as either a stand-alone, Software-as-a-Service or full BPO Campaign Management solution means that, no matter what your technical or operational challenge, you can rapidly start delivering results.





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