



Integrated Marketing Data: Delivering On The Promise

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Internet-derived Data and the Integration of Permission Email & Direct Mail

Permission email marketing appeared on the landscape less than a decade ago amidst considerable hype and speculation over its ability to positively impact the direct marketing discipline. It was all but hailed as a panacea capable of addressing a host of direct marketing challenges. It was noted for its permission-based targeting capability, low cost, rapid deployment, infinite measurability and, of course, effectiveness at yielding superior response versus more conventional direct media such as postal mail or telemarketing.

Unfortunately, the permission email marketing industry grew too fast. Initially it seemed as though just about everyone was building an email prospecting list. Consumers quickly became overwhelmed with a glut of loosely-targeted email offers they supposedly opted-in to receive. As the limits of permission and privacy were stretched, email volumes skyrocketed. Not surprisingly, response rates declined and industry analysts quickly shifted their view of the medium's efficacy from acquisition to CRM.

In the face of declining revenues and an increasingly regulated climate of legislation, the industry's more established email list providers scrambled to redirect their businesses to attract eCRM and/or email house file management customers. The dot-com crash and economic slowdown of the early 2000s further challenged the industry by effectively eliminating a huge constituency for email prospecting just as it began to take off.

The initial limitations of the medium resulted from three critical factors:

1) Failure to collect meaningful information for targeting

Many permission email list owners and aggregators solicited permission to target consumers only via broad interest category selections such as travel, gardening or shopping. On any consistent basis, few collected supplemental demographic, life stage, buying behavior or, in the case of B-to-B lists, company "firmographics".

2) Lack of integration with off-line data

In the "land grab" to collect opt-in email addresses, few list owners required postal addresses or telephone numbers in their registration processes for fear this requirement would depress sign-up rates. Even fewer standardized or verified postal addresses when they did collect them.

3) Self-limiting definitions of permission and privacy

Many list owners' privacy practices limited their ability not only to effectively target acquisition campaigns, but also to monetize their data beyond mere use in prospecting lists. Email list owners were exactly that – just list owners – rather than marketing database owners leveraging an information warehouse for a variety of marketing applications beyond prospecting, such as data overlay, profiling, modeling, and market research -- all standard practices in the off-line world.

The Next Wave

The limitations of early email marketing have given rise to a new perspective that is spurring a revolutionary shift in direct marketing. This perspective recognizes permission email's value as one of many integrated channels in direct response and requires that email marketing suppliers organize around this understanding. This approach is driving the need for new data products that integrate demographics, life event information, buying behavior, and response history with email and postal addresses at the core, along with an increased demand for expert consultation in campaign design and execution.

Internet-derived consumer data and permission remain the nexus of this approach, however redefined. As a result, direct marketers have begun to benefit from an array of new and varied tools that ultimately improve the return on investment for their marketing dollars.

New Tools For A New Era

Now, more than ever, the real value of permission email marketing and Internet-derived data is being realized. Permission email is finally being integrated as a solution across a variety of direct marketing acquisition and customer retention initiatives. Companies such as Experian, Acxiom, and Abacus are building databases that offer marketers the sophisticated targeting of the offline world with the opt-in status, freshness, and recency of data collected directly from consumers on the Internet. The result is an incredibly powerful new suite of direct marketing tools that deliver superior performance and innovation.

- [Integrated opt-in email & postal lists](#)
Marketers can now reach the same individual for permission-based prospecting both online and offline, dramatically enhancing their ability to motivate consumers with a single integrated message across media and extending their marketing message and dollars.
- [Integrated tracking](#)
Program results can be read across media providing marketers with a new level of intelligence to drive decision-making.
- [Email address append](#)
The ability to overlay (i.e. append) email addresses to a marketer's customer file by matching a list owner's opt-in database of postal/email addresses to a marketer's customer file (usually based on traditional postal addresses) enables marketers to obtain a critical mass of

customer email addresses in a short period of time. The email address then becomes a valuable and necessary means of communicating special promotions, offering access to online customer service, reducing customer handling expenses, leveraging different distribution and purchase channels for different product lines, etc.

The append process can also be applied in reverse to overlay postal addresses to lists of email addresses.

- [Customized online data collection](#)
Surveys deployed via email or on websites allow marketers to customize data collection in real time, providing them with a highly proprietary resource for building custom lists online, conducting market research, or collecting more in-depth customer data.
- [Enhanced personalization and customization](#)
Armed with a more complete picture of their customers and prospects, marketers can provide greater relevancy by personalizing and customizing their marketing messages to different audience segments based on the unique profiles of each.
- [Analytics and data manipulation](#)
The marriage of Internet-derived data, email addresses and postal addresses allows for a whole new level of data manipulation that can assist marketers in the creation of new profiled and modeled data products. Ultimately, marketers will be able to leverage this capability to communicate to consumers through multiple marketing channels.

A Rapidly Changing Landscape

What should marketers do to capitalize on these changes? As direct marketing data suppliers appear, converge and disappear, it's important to conduct your own research and make judgments based on the facts. Here are the top 10 questions you should ask for getting the most from the supply-side of the business:

Top 10 Questions to Ask Direct Marketing Data Providers

1. Research list providers. Know who offers what. Ask about the source of the names on a file. Does the file include both email and postal addresses?
2. Ask about the address and data hygiene and verification practices (e.g. NCOA, ECOA) used and how often they are employed to keep the database current and clean.
3. Ask what the undeliverable rate of a list is, for both postal and especially email marketing. What is the average weekly (or monthly) unsubscribe rate and what was it the last time the list was mailed?
4. Ask how often individuals on the list are mailed, and ask for list usage statistics. Does the list owner have response metrics/history on the list? Have companies like yours mailed to the list before? If so, what kind of response rates did the list yield for them?

5. Inquire about the targeting capabilities and selects available, and ask how long it will take to obtain counts and quotes for the segments you're interested in.
6. Ask if the file is enhanced with data from other sources. If so, from what sources and with what kinds of information?
7. Ask about the depth and variety of data products offered. Does the provider offer any of the products mentioned earlier in this report (e.g. email address append, customized online data gathering, etc.)? How well defined and complete are these products? Have they been tested? With whom? Do they have any case studies for you to review?
8. Know the list owner's permission and email address gathering practices. Do they have privacy or data sharing policies that cover your intended use of information?
9. What kind of client service/back-end support do they provide? What program tracking and reporting capabilities do they offer?
10. Ask about the opportunities for testing prior to rollout. Do they limit the number of test cells you can deploy? Charge extra for testing?

Permission marketing has come along way in a very short time. Now that the hype has died down, we are starting to see its potential more clearly. That potential lays in integrating online and offline direct response media with other direct marketing applications, rather than relying on any one new media newcomer channel as a "silver bullet". It is incumbent upon marketers to use their resources wisely in order to develop programs that motivate and change audience behavior. To stay ahead, they must do their homework and keep a finger on the pulse of innovations and new capabilities.

One thing's for certain -- the integration of online with traditional direct response channels is renewing interest in direct marketing, raising the accountability bar, and making the promise of delivering results more real than ever before.

**To learn how to synchronize your integrated marketing efforts,
contact us at 561.964.7237 or info@synchronicitymarketing.com.**