

# A practical way to integrate digital analytics data into CRM

*Marketers require a cost effective, reliable, timely method  
for integrating digital analytics data into cross-channel  
marketing interaction optimization*



## Contents

- 2 A practical way to integrate digital analytics data into CRM
- 3 Technical and practical obstacles have stopped marketers from embracing digital interaction data
- 4 Process issues that are an impediment to marketing success
- 4 People issues stemming from typical organizational silos
- 5 There is a better way
- 7 Set your company up for great results
- 7 About IBM Enterprise Marketing Management
- 7 For more information

## A practical way to integrate digital analytics data into CRM

### Marketers require a cost-effective, reliable, timely method for integrating digital analytics data into cross-channel interaction optimization

Customers have overwhelmingly adopted digital channels when interacting with brands, whether to research and evaluate products, shop, self-serve their customer service needs or consider their options for switching to competitors. As a result, digital analytics and customer interaction profiles are an indispensable ingredient for customer marketers that are serious about data-driven, targeted marketing for increasing the relevancy of their cross-channel marketing communications. Marketers that don't know their customers' most recent digital behavior simply can't claim to know their customers at all.

Early adopters and resourceful enterprises know this and have been capitalizing on the opportunity:

- Leading businesses in considered purchases, e.g. B2B or automotive, are known to score and profile online leads in order to prioritize the most promising ones for lead management
- Leading financial services monitor online account usage events of newly won customers in order to trigger onboarding marketing communications, for example, to cater educational investment information to customers whose profile and behavior predicts likely interest
- Leading retailers monitor online product views and cart activity in order to trigger targeted cross-sell recommendations and retargeting offers
- Leading mobile carriers look for online behavior patterns that signal heightened risk for attrition and prioritize retention marketing offers in order to keep high-value customers

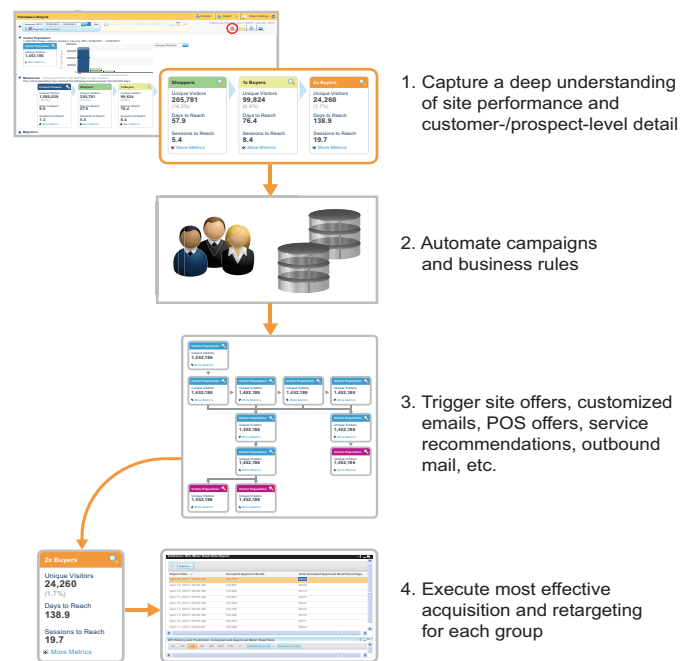


Figure 1. Marketers require an easy way to include digital customer profile data in their targeted marketing programs.

Additionally, with digital being one of the most important response channels through which customers respond to any marketing impulse, it would be misleading to neglect digital interactions in marketing attribution analysis and campaign ROI calculations. If digital isn't included in the interaction history that companies keep on marketing contacts and responses of their customers, then marketers are tapping in the dark half of the time, or missing half the dialog when trying to be interactive in their marketing execution.

### Technical and practical obstacles have stopped marketers from embracing digital interaction data

While leading businesses have been paving the way, too many customer relationship marketers still lack digital interaction data in their marketing data marts, and therefore cannot refine their targeted marketing efforts with the benefit of this current and highly predictive data. If the data is so valuable, then why aren't more marketers taking advantage of it to increase their response rates and revenues?

There is a long list of practical and technical challenges to blame, all of which have historically prevented many organizations from incorporating digital analytics and customer profile data into their multichannel marketing data marts and marketing programs. The obstacles present themselves in the categories of technical issues to solve through IT effort, challenging marketing processes and people divided in organizational silos.

### Technical obstacles that have led to large IT efforts

Many digital marketing teams lack the IT resources or desire to host digital analytics as a software solution in-house. Therefore, instead of having a locally stored digital analytics data mart that could be accessed by all marketers, many digital marketing teams prefer to use cloud-based digital analytics solutions where data is hosted remotely. As a result, data needs to be transferred in-house via data feeds for integration into marketing data marts before it can be used by customer relationship marketers.

### Data feeds require too much IT effort to manage

While it sounds easy at first, IT organizations have quickly learned that dealing with the typical data feeds provided by digital analytics vendors requires huge IT efforts for monitoring secure data transfers of dozens of daily data files, and ETL'ing (extracting, transforming, loading) the data files into the in-house database and the company's proprietary marketing data schema.

### Turning raw feed data into marketing-ready information requires huge IT efforts

Some web analytics solutions provide their customers with a low server call-level data feed which is almost identical to a raw web server log file. As a result, IT teams need to apply a huge number of enhancements to the data in order to transform it into something that marketing programs can benefit from. This includes, for example, extracting search keywords from referring URLs, transforming IP addresses into geo locations, sessionizing the server calls into visits and mapping them to cookies, mapping multiple cookies to registered customers, and identifying which sessions were triggered by direct visits versus specific marketing programs. The level of effort is akin to redeveloping a web analytics product from scratch in total redundancy of what digital analytics vendors already provide as part of their offering.

### Visitor and customer identification requires specialized algorithms

Most website visitors are anonymous. Eventually the most valuable visitors register and become known customers that can be mapped to offline customer records. But then the same customers may not log in every time they visit. They may delete their cookies or visit from a different PC, tablet or smart phone. As a result, it requires specialized algorithms to connect the data trail from a customer's first activities online while still anonymous, through their registration, and on to authenticated interactions via multiple devices. The connection is not efficiently accomplished via typical data warehouse queries, because the customer identifier keeps changing between anonymous versus cookieid versus authenticated interactions. Until this data trail problem is solved, the digital data will be useless to customer relationship marketers.

## Process issues that are an impediment to marketing success

The challenges for the marketing process are a direct result of the large number of technical obstacles that IT teams had to tackle with custom scripts, programming and ETL tools on behalf of marketers.

### Delays lead to stale data

As a result of the above technical steps, many companies state that two to seven days will go by before digital behavior events that take place on the online channels become available in their marketing data marts. By that time, the value of the data for marketing action has often decayed significantly. The customer may have already completed their purchase elsewhere or made up their mind to leave for the competition.

### Data feeds have proven unreliable

Customers of some web analytics vendors often lament that data feeds frequently do not arrive at the specified time of night, may not arrive at all on busy days, or may arrive but turn out to be empty.

### Too much or too little data

The beauty of digital marketing is that every click can be measured. Yet, as a result, raw digital analytics data can quickly reach billions of records per month and terabytes in storage for large enterprises. Customer marketers that explore the predictive power of digital customer profiles are faced with a tricky tradeoff, to either invest in a customer profile-level data mart that provides them with complete data locally, or to ask for data in small chunks to test it out. The first approach requires a significant IT effort, while the second approach leads to long delays of always going back to the digital analytics team and digital analytics vendor in order to download additional data.

## People issues stemming from typical organizational silos

In a perfect world, digital marketing and customer marketing would work together as one team. At most companies, this is unfortunately not reality yet.

### Web marketers don't prioritize customer marketers' requirements

Turning digital behavior data into predictive triggers for customer marketing requires specialized expertise. Additionally, flagging predictive business events sometimes requires customizing data collection tags towards that purpose. Yet, the priorities of digital marketing teams and customer relationship marketing teams are rarely aligned at companies due to organizational divides. As a result, customer marketers' need for help and assistance with digital insights is rarely at the top of the priority list of their digital marketing colleagues. Technical requirements for choosing the digital analytics solution that companies license also differ widely between digital and customer marketing teams. Often times the digital marketing team may settle on a toolset that fulfills their reporting needs but doesn't support the customer marketing team's need for individual-level, accurate and marketing-ready data.

### Data feeds are an expensive budget item

With most vendors, data feeds at the individual website visitor and customer level require very significant additional fees, namely for purchasing a warehouse module first, and then additionally for the data feed itself.

Given typical organizational divides, the budget for digital analytics typically comes from the website team, whereas they may not always be interested in funding a warehouse module and data feeds for customer marketing out of their budget.

## There is a better way

With so many obstacles historically, is it any wonder that it has been mostly early adopters and the most resourceful companies that have embraced digital customer profiles for use in targeting their marketing programs? Thankfully, there is a much more practical, affordable and reliable way for customer relationship marketers to reach actionable digital data from within their marketing automation applications.

### Single vendor that provides both a digital analytics and a marketing interaction optimization solution

One of the reasons why customers choose Enterprise Marketing Management solutions from IBM is because they can work with a single vendor that can provide them with both a Digital Marketing and Analytics solution, as well as a cross-channel Marketing Interaction Optimization solution. Both solutions are best of breed, as they are ranked as leaders in their respective fields by independent industry analysts. Most importantly, IBM has integrated both solutions in a seamless way so that customers have a practical way of integrating digital customer profile data into CRM while avoiding the obstacles of the past.

### “Feedless” integration of digital target segments into CRM

Data feeds are no longer necessary for integrating digital customer profiles from IBM’s cloud-based Digital Analytics solution into IBM’s Marketing Interaction Optimization enterprise software solution. Instead, digital customer profiles and target segments can be visually defined in the Digital Analytics solution through the user interface. These segments can be published to the Marketing Interaction Optimization solution for use by customer relationship marketers with just a few clicks.

The Marketing Interaction Optimization solution presents customer relationship marketers with a list of published digital customer segments that they can draw on when designing their marketing campaigns. During marketing campaign execution, the latest data for each selected digital customer segment is automatically pulled from the cloud-based Digital Analytics solution via an API.

This approach eliminates the need for data feeds and the associated costs, efforts, risks, and delays. IT efforts for dealing with data feeds can be retired in favor of the productized data exchange between cloud and enterprise that is built into IBM’s products. Stale data is also avoided by drawing on the freshest information available about digital customers at the moment of marketing campaign execution. Daily marketing programs can be automated in a reliable, “lights-out” fashion.

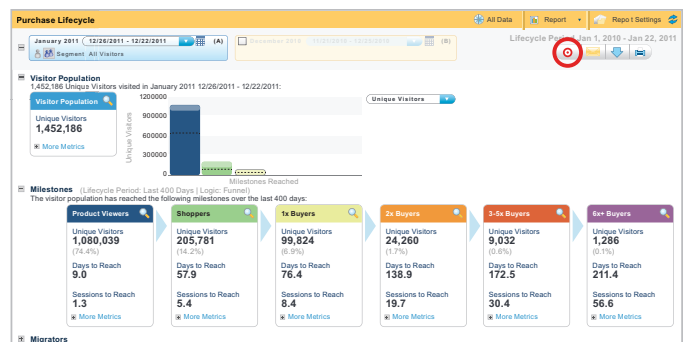


Figure 2. Select opportune digital customer profiles using Digital Analytics, for example, two times buyers, and publish for targeted marketing efforts in Marketing Interaction Optimization.

### **Role-based access for customer marketers to digital analytics**

Customer relationship marketers can gain their own access to the Digital Marketing & Analytics user interface for purposes of investigating online customer behavior, defining target segments and publishing segments to their Marketing Interaction Optimization environment. When customer marketers have new ideas or questions, they can simply go back on their own and add or modify their target segments without waiting in line for their web colleagues, IT or vendors.

### **Complete cross-channel interaction history**

To make sure customer relationship marketers have a complete cross-channel interaction history of their customers' marketing contacts and responses including digital channels, IBM's Digital Analytics and Marketing Interaction Optimization solutions feature a seamless integration of digital interaction data with traditional marketing channel interaction data into the cross-channel interaction history data mart. The complete cross-channel history helps in understanding how your customers are responding across channels and serves as the foundation for more accurate marketing response attribution, which is built into IBM's Attribution Modeler product capability.

### **Action-ready digital customer profile level data**

Both digital behavior segments and interaction histories are at the level of marketing-ready information that is enriched within IBM's Digital Analytics solutions for action readiness. Marketers do not have to reinvent the wheel and ask their IT team to recreate a web analytics solution in-house in order to get to action ready-data.

### **Built-in identification of customers whether anonymous, cookied or authenticated**

IBM's Digital Analytics and Marketing Interaction Optimization solutions can automatically unify the data trail of prospects' initial anonymous interactions with their subsequent registration and interactions via multiple devices using multiple cookies. Marketers do not have to invest in programming their own algorithms in order to solve the complex data challenge of customer identification.

### **Practical to get started with**

Customer relationship marketers that aren't yet using IBM's Digital Marketing & Analytics solution can choose from practical ways to get started. Their website and other digital properties can be instrumented with data collection tags much more quickly than previously possible thanks to IBM's Digital Data Exchange Tag Manager. Following a rapid initial implementation, marketers can deploy tag details through an intuitive user interface instead of requiring IT efforts. Companies can also use third-party tag management solutions if they already license one. Customers of IBM Websphere Commerce additionally benefit from prebuilt data collection facilities that can simply be dropped in to start collecting digital analytics data.

### **A marketing partner by your side**

Maybe most importantly, IBM's productized integration between Digital Analytics and Marketing Interaction Optimization is fully supported by a world-class customer service and professional services organization. With IBM's Enterprise Marketing Management group, marketers have a partner by their side that specializes in turning their passion for marketing into better results with technology and analytics solutions. The days when customer relationship marketers were on their own to explore digital data like pioneers in the Wild West are over. The time of industrial strength digital customer relationship marketing is here.



## Set your company up for great results

Leading marketers have already proven the targeting power that is available to them by integrating digital customer profiles into CRM. For example:

- A European IBM customer in retail achieved 271 percent higher sales-per-send ratio in their retargeting email marketing efforts.
- A US-based IBM telco customer gained 15 percent additional lift with their retention marketing program that had been running for many years already.
- An IBM customer in B2B achieved 44 percent open rate and 25 percent click-through rate on their lead management email.

## About IBM Enterprise Marketing Management

The IBM Enterprise Marketing Management (EMM) Suite is an end-to-end, integrated set of capabilities designed exclusively for the needs of marketing organizations. Integrating and streamlining all aspects of online and offline marketing, IBM's EMM Suite empowers organizations and individuals to turn their passion for marketing into valuable customer relationships and more profitable, timely and measurable business outcomes. The IBM EMM Suite helps marketers understand customer wants and needs and leverage that understanding to engage buyers in highly relevant,

interactive dialogs across digital, social and traditional marketing channels. IBM EMM provides robust web and customer analytics, event detection, campaign management, real-time interaction management and recommendations, lead management, digital marketing optimization, email marketing, targeted advertising, search engine marketing and marketing resource management capabilities. Over 2,500 organizations around the world use IBM EMM solutions to help manage the pressures of increasing marketing complexity while delivering improved revenue and measurable results.

IBM's time-tested and comprehensive offerings are giving companies such as E\*TRADE, ING, Orvis, PETCO, United Airlines, Telefonica | Vivo and wehkamp.nl the power and flexibility required to provide their customers and prospects with what they expect today: a more consistent and relevant brand experience across all channels.

The views and opinions expressed are that of the author and do not necessarily reflect the views and opinions of IBM.

## For more information

To learn more about IBM's Digital Marketing & Analytics and IBM's Marketing Interaction Optimization solutions please contact your IBM marketing representative or IBM Business Partner, or visit the following website:

[ibm.com/software/marketing-solutions](http://ibm.com/software/marketing-solutions)



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