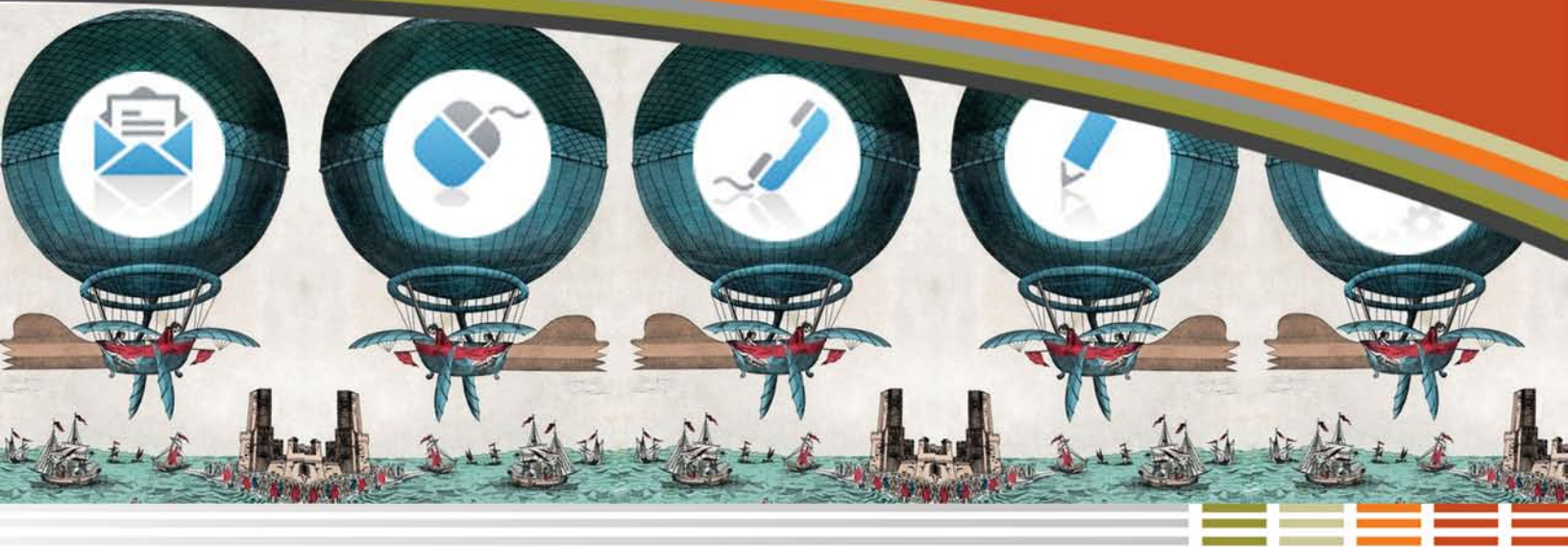


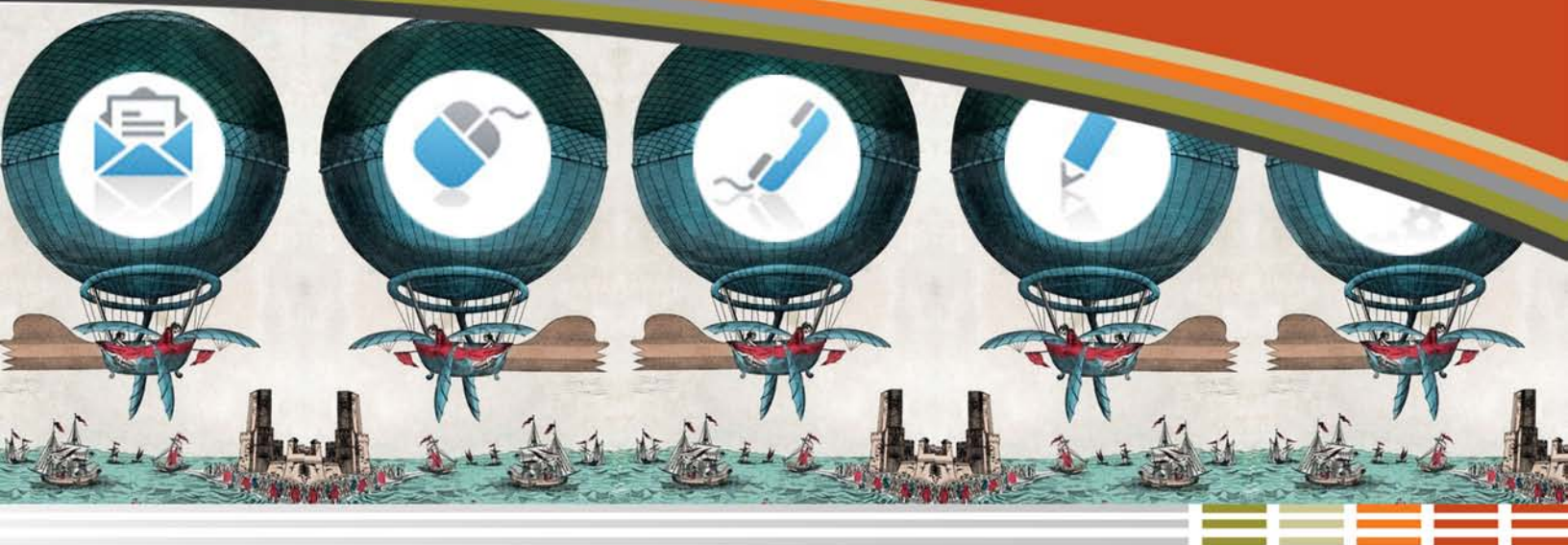
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# Trends, Implications and Solutions in Cross-Channel Marketing

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# Trends, Implications and Solutions in Cross-Channel Marketing

Over the past 12 months we have seen a significant rise in interest in “engagement” marketing, in direct correlation with the rise in interest around Social Media Marketing. In continuous discussion with marketers and consumers, there are several trends that are worth discussion.

## Trend 1:

Most marketers are continuing a “blast” email strategy. Essentially, this involves doing the minimum amount of work to get the same email out on a daily or weekly basis to every registered email user in the database. With the recession and all of the economic issues surrounding the

rising cost of direct mail, marketers have significantly increased the use of the email channel. The marketers that I have spoken with do this with the knowledge that they would like to do something else, but instead continue this strategy because email is “free” and doing something else will be too much work. These same marketers readily admit that the effectiveness of those emails is continually decreasing, yet their email database is growing quickly enough to offset declining performance per email.

## Implication:

We are killing email as a marketing channel. Consumers rapidly disengage with our emails



knowing that each email is not tailored for them, nor speaks directly with them. This is particularly worrisome when you consider that the increased use of Social Media and Mobile among consumers is causing a decrease in the use of email as a communication mechanism. Friends are more likely to post status updates or use text messaging to alert each other to things they consider important

### **Solution:**

Analytically Driven Email. We spent years building powerful models to direct mail performance. Now that we have the capabilities to inexpensively communicate in an engaging way with our consumers, we throw those teachings away because email is “free.” By marrying off-the-shelf technologies, such as content management and an offer catalog, we can vary email content to engage our consumers based on their interests, channels, social site membership, transactions with us, and any modeling element that we can find value in using. Think of an email as a canvas upon which you can drop highly customized content blocks to drive consumer engagement. Now, how do you get those emails opened? Vary the subject line by

developing and targeting personas that occur naturally within your consumer base. If you engage by interest, you have a real chance at standing out in a crowded inbox..



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### **Trend 2:**

Marketers are adopting social media by creating Twitter accounts and Facebook fan pages, and then using those media for promotions such as couponing or specials. Again, this strategy is similar to the blast email strategy where every follower or fan receives the same promotion. Most marketers have no ability to measure the effectiveness of promotions in Social Media other than by follower or fan count, so they turn to Social Media Monitoring services such as those provided by Radian 6.

### **Implication:**

This use of Social Media will have the same effect as blast email. Consumers will not be excited

Similarly, if you are doing a coupon-based promotion on Twitter and Facebook, use different offers or coupon codes to track redemption by source.

about the daily promotion posted every day at 11:30a.m. It becomes advertising akin to traditional print advertising, only the medium is different. Do not accept the Sunday Circular mentality when advertising digitally. Also, most niche marketers do not generate sufficient attention in social media to make effective use of a listening service. A typical mid-market retailer might generate a few hundred mentions per month across blogs, micro-blogs, forums, comments, etc. These comments are typically positive or neutral in sentiment. Social Media Monitoring is better suited to large brands with avid audiences, such as Xbox, or brands that have a significant and ongoing dialogue with their consumer base, such as DirecTV or Comcast.

## Solution:

Use Social Media Best Practices Derived From Direct Mail. If your company has dived into Social Media through a Twitter account and Facebook Fan Page and you are using those media for promotional activities, here are a few best practices to improve your social media effectiveness:



1) When you do a promotion using Social Media, create and store campaign metadata about that promotion as you would in direct mail. Save the date, time, specific promotion and targeted audience (your followers or fans). Having done this, you can then start to analyze the effects of that promotion on store or web traffic.

2) When you make an offer in Social Media, ensure that the link in that offer actually goes to the offer! Sounds simple but we are amazed at how many times the link is to the home page of the specific branded web site and not the actual offer, forcing the visitor to either search for it or simply leave.

3) Ensure everything is track-able by source. For example, if you are going to advertise a mobile promotion on Facebook, Twitter, your branded web site and in store promotions, ensure you use different sign-up messages to track the source of the consumer. Similarly, if you are doing a coupon-based promotion on Twitter and Facebook, use different offers or coupon codes to track redemption by source.



### Trend 3:

Those who are doing targeted direct mail are seeing year over year improvements in results because mail box clutter has been significantly diminished. In fact, many niche catalogers are seeing surprisingly high performance results because the pendulum swung too far the other way. Many direct marketers have reduced catalog prospecting to zero as well, due to expense.

### Implication:

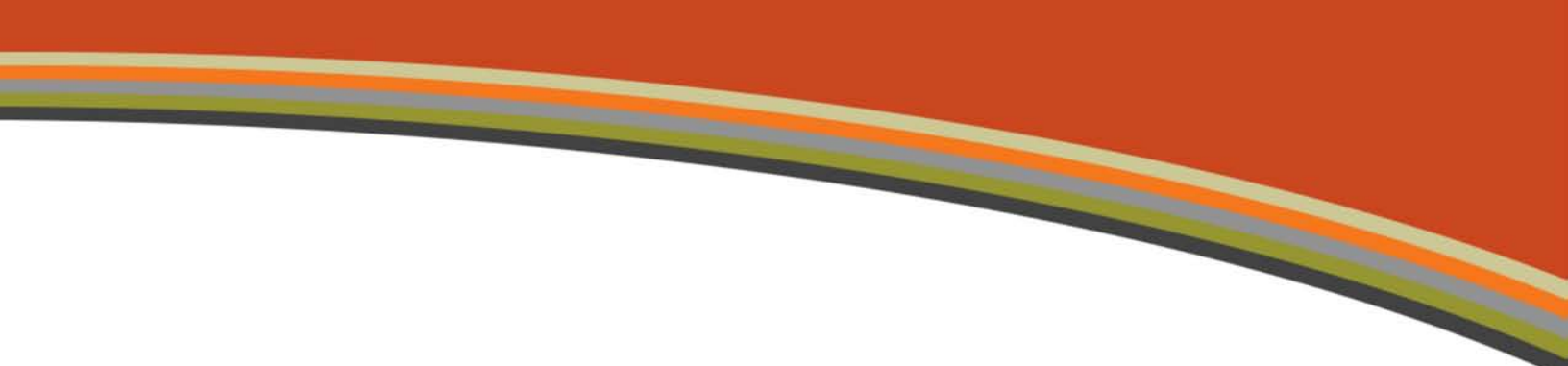
The implication of the reduction in direct marketing as a viable prospecting tool is potentially quite large. We have directional evidence that new customers coming in from online sources have significantly less potential for lifetime value than those who are traditionally sourced from direct mail. This may just be a sign of the times because consumer loyalty may be down when any offer made by a company can be quickly price shopped in real time. In conclusion, direct mail still has a place in the marketing mix.

### Solution:

Cross-Channel Contact Strategies. Develop a plan to vary contact cadence by consumer. To do this effectively, you need to tightly integrate email promotion history and web behavior into your analytic environment. You need to know those who don't open 99% of your emails versus those who open 25%, and for those who clicked through, where did they go and did they convert? What is the right mix of direct mail, email and social? Techniques such as simulation and scenario analysis are effective in guiding contact strategy development. And, if you can track promotions down to margin generated, you have a great start in designing effective contact strategies.



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Finally, don't ignore the blogosphere, which is potentially the most powerful and effective marketing partner for you. If you are a niche brand, you can get significant social buzz by mobilizing this powerful force. Simply, Bloggers want traffic and content, and will work with your brand if you provide that. Consider promotions to those bloggers that allow them to not only receive something of value for writing about your brand, but also can attract significant traffic through your promotion. Many niche bloggers have aggregated together to create a more powerful site with huge amounts of traffic. One such site is FoodBuzz, which has over 4 million posts from over 18,000 blogs. If your company has anything to do with the purchase, preparation and consumption of food, you need to be there.

The times certainly are certainly changing and changing rapidly. It is a fact that our consumers will always be ahead of us, always trying new things to enhance their lives. We have a chance to engage them digitally, but we must be smart about it and we must continually evolve. Investments in marketing technology must be made with one requirement firmly in sight: we don't know what we need, but when we know we need it, we need it now.





# PLURIS

## About Pluris

At Pluris, we enable marketers to optimize the value of each consumer engagement – anywhere and as it happens - resulting in higher conversion on sales, marketing, and service interactions. We help marketers to better understand consumers, generate key insights from their behavior, and engage them in the most effective way across traditional and interactive messaging channels.

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