

Humanizing the Digital Experience

Protect your biggest asset through email personalization

insight

Whitney Hutchinson | December 2005



We've all been there... you get into the office each morning and open up your email only to find your inbox full of messages that are obviously not for you. There's the unmistakable spam: an email about Viagra; one about off-shore business opportunities; and one for cheap online degrees. So you delete them, and go about your day.

But what about all of those other messages in your in-box that are clearly misdirected? Maybe it's the email from your favorite electronics retailer offering discounts on big-screen TV's when you just bought one from them last month. Maybe it's the 5th message this week from that arts and crafts store whose email you never open; or, maybe it's the email from that health site that is addressed Dear John, when your name is actually Sue.

These last examples are just as disturbing as spam, if not more so, because these are companies with whom we have a relationship - companies we do business with time after time and have trusted and respected enough to give up our personal information to receive advertising.

So if you're that retailer, arts and crafts store or electronics site – please hear me when I say... your customers are your biggest asset. They are your life-blood, and they need you to care for them, respect them, and provide them constant value, relevance and timeliness. As marketers it's our job to make our customers feel loved, to continuously bring them back, and to evangelize our products and services. To that end, we must humanize the digital experience for our customers. If we don't, it's inevitable that one or more of our competitors will.

So how do you do it?

In three words.....data, data, data.

In order to truly personalize your email communications, it's important to collect relevant data from your customers. First, you need to think about the types of communications you may be sending your customers and what data may be necessary. Do not get tangled up in data-overload and never want to turn-off your customers by asking too much. Therefore, start with the most strategic information for your business and future communication plans.

There are 2 primary data sources:

1. Self Reported Data

This is data that a customer has given to you - maybe through email registration or catalog/direct mail purchases, etc... It could include things like, name, gender, address, and content preferences. It should be captured in your customer database either in-house or through your email service provider (ESP).

2. Behavioral Data

This is data you observe from a customer and consist of things like purchase history, site activity (i.e. shopping cart abandonment), lapsed purchase activity, or email open/click history. This data may be captured through multiple systems, including your internal customer database, ESP database, and/or web analytics or ad-serving partner.

Next you want to build communication plans that utilize this data to create more personalized and relevant email communications. Think about the types of communications that will resonate with your customers and send them relevant information. Work toward building strong long-term relationships. Here are some examples:

Targeted Communications		
<u>Data Type</u>	<u>Data Field</u>	<u>Message Example</u>
Self Reported	Address	Store Grand Openings/Regional Sales
Self Reported	Content Preference	Children's Apparel Specials
Self Reported	Gender	Travel Packages Geared Toward Men
Behavioral (Web Site Analytics)	Shopping Cart Abandoner	Special Incentives to Encourage Purchase Follow Through
Behavioral	Lapsed Email Openers	"We've Missed You" Message in the Subject Line, along with "Come Back" Incentive
Behavioral	Purchase History	Preferred Customer Messaging – "Thanks", "Special Benefits" etc.

Your communication plan should take advantage of all of the data you've collected and be based on the most current data available. Keep collecting customer data to be certain you're creating valid and actionable customer profiles.

Finally, think about those communications that just make customers feel good about their relationship with you. Be it an immediate "thank you for your business" email sent after a purchase, or a "Happy Holidays, and thanks for your business this year" message sent in the month of December, communications simply thanking customers for their business without trying to sell anything, can be great in driving customer loyalty.

Testing

Now that you have a base communication plan built, don't forget one of the golden rules of direct marketing... test, test, test. Build test plans to validate your customer communication theories. Make sure your personalization is working and that you're testing things like segmentation, messaging and frequency. Additionally, it's important to make sure the learnings you garner from each test are statistically valid and actionable. As you learn more about your customers through this testing strategy, make sure to tweak your communications and personalization to maximize ROI and customer satisfaction.

Rollout

Once you feel confident that you have a solid communication program under your belt, it's time to automate the program. The result will be additional cost savings for you and timeliness for your customers. Talk with your ESP about setting up automated trigger programs utilizing personalization and dynamic content to customize each and every message.

Conclusion

Of course, even when these messages are automated and the program seems to be running itself, it's still vital to track and analyze your email results, continue to test, and most importantly, make sure your staying on top of what your customers need, want and enjoy.

And never forget your customers – they are your hands down your most important asset – treat them well.

About the Author

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Whitney, an eCRM Strategist for Avenue A | Razorfish for over 5 years, is responsible for overall strategy and campaign planning for client's eCRM campaigns. She has over 10 years of marketing experience, primarily focused on direct marketing. Prior to joining Avenue A | Razorfish, Whitney managed the direct marketing efforts for Airborne Express, a Fortune 500 transportation company, where she was responsible for the small business customer communication as well as all direct marketing for the corporation. Whitney is a past board member of the Seattle Direct Marketing Association, and a graduate of the University of Washington.

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About Avenue A | Razorfish

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