

True one-to-one customer engagement has long been the goal of many marketers. Today, most companies are already taking advantage of customer data to make personalized marketing a reality.

It's important to note the clear distinction between **personalized** messages such as "Paul, welcome back!" and **individualized** marketing that delivers targeted offers based on individual behaviors, character traits and profiles. Fueled by robust data insights, individualized marketing is one of the most vital drivers of customer loyalty and profitability.

Engaging with customers on a one-to-one basis avoids the 'give away' caused by incenting everyone with the same reward and provides more meaningful value that is tailored to each customer.

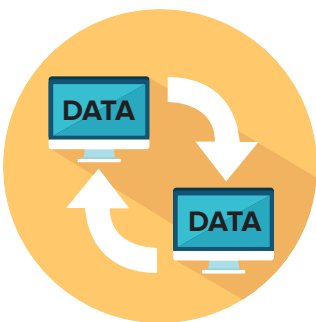
To start individualizing your marketing, here are three tips to becoming a world-class, one-to-one marketer.

Jump Aboard, or Be Left Behind

One-to-one marketing has been deemed the new standard for customer engagement, and for good reason. Marketers now have access to a diverse range of data sources from which to create the most mutually beneficial relationship with their customers. Delivering relevant offers replaces a transaction-only model with an engagement-driven model that strengthens over the lifecycle of the relationship. Companies that don't tap into these rich data sources and turn it into action will be left trailing behind those that do.

A One-to-One Solution: What it Takes to Succeed

Those looking to capitalize with a one-to-one marketing strategy need expertise in three areas: **Collecting and aggregating customer data, turning data into actionable intelligence, and in-market execution.**



Data Collection and Aggregation

Any good marketing solution has its foundation firmly rooted in customer data. Multiple data sources can be used to develop a complete picture of each customer, including historical activities and real-time interaction data. This data can be accessed through many sources, including in real-time via the web, mobile, point of sale, or existing data collection tools such as IBM Tealeaf, Coremetrics, Site Analytics or Google Analytics.



Turning Real-time Data into Action

While getting access to data is the first step, turning that data into actionable intelligence is critical. Being able to efficiently drill into the data, in real-time, to gain insight into each and every customer's interaction at an individual level is at the core of a one-to-one solution. This analysis is what will help determine how to deliver the right offer to the right customer, at the right time, in the right channel, with the right amount of incentive, in order to drive the most valuable behaviors. Using this approach, companies can identify where to focus their marketing budget in order to maximize their return on investment.



In-market Execution


To meet the needs of today’s empowered customer, messaging capabilities need to ensure a seamless real-time interaction within any given channel. Not all customers want to interact with your brand the same way – some will never open up a marketing email, some aren’t on social media, some prefer to only shop online while others will only visit you in store. Engaging with your customers in the moment with real-time interactions is critical. It is far more effective than trying to re-engage them after they have concluded their transaction (or interaction) with you.

It’s also important to remain agile. **Customers are not static beings — they change their preferences, their behaviors, their needs and wants constantly.** Not to mention the impact of external forces such as competitors’ actions and the emergence of substitute products or services. Companies must be ready to meet those challenges head-on, with a proactive, not reactive approach, allowing for nimble responses in an ever-evolving marketplace.

Individualized Incentives and True One-to-One Marketing


It’s important to identify the existing behavior gaps of your customers and evaluate the profitability potential of closing them. The illustration below depicts how to evaluate customer behavior gaps, when to present an offer, and how much incentive is required.

Evaluate customer behavior and use individualized incentives to drive profitable results




Outerwear Purchaser — Profile Attributes

- Shops Thermals
- Shops 4X Year
- Subscribes to Email
- Shops Accessories




- Shops Thermals
- Shops 4X Year
- Shops Accessories
- Subscribes to Email
- Shops Outerwear

No offer required to close the behavior gap



- Shops Thermals
- Shops Accessories
- Subscribes to Email
- Shops Outerwear
- Shops 4X Year

Small offer required to close the behavior gap



- Shops 4X Year
- Shops Accessories
- Shops Thermals
- Subscribes to Email
- Shops Outerwear

Large offer required to close the behavior gap

Marketing to each of your customers on a one-to-one basis with individualized incentives allows you to increase their lifetime value, deepen customer engagement and loyalty — all without wasting your marketing spend on customers who would have performed those behaviors anyway.

To learn more about individualized loyalty programs and how they can benefit your business, visit www.exchangesolutions.com today.

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