

A Purple Square CX eBook

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A Brief Introduction to Successful Marketing Automation

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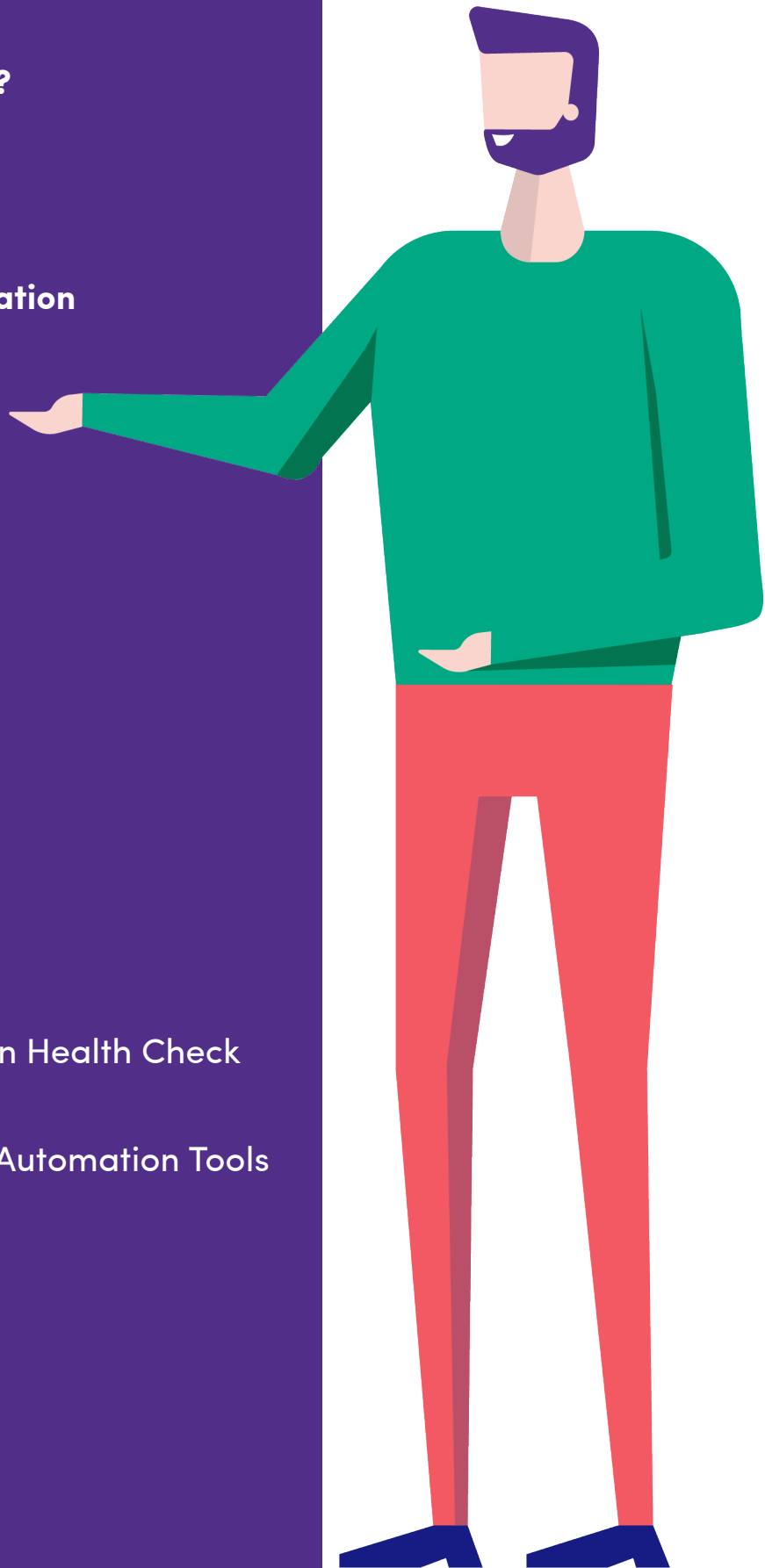
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Introduction

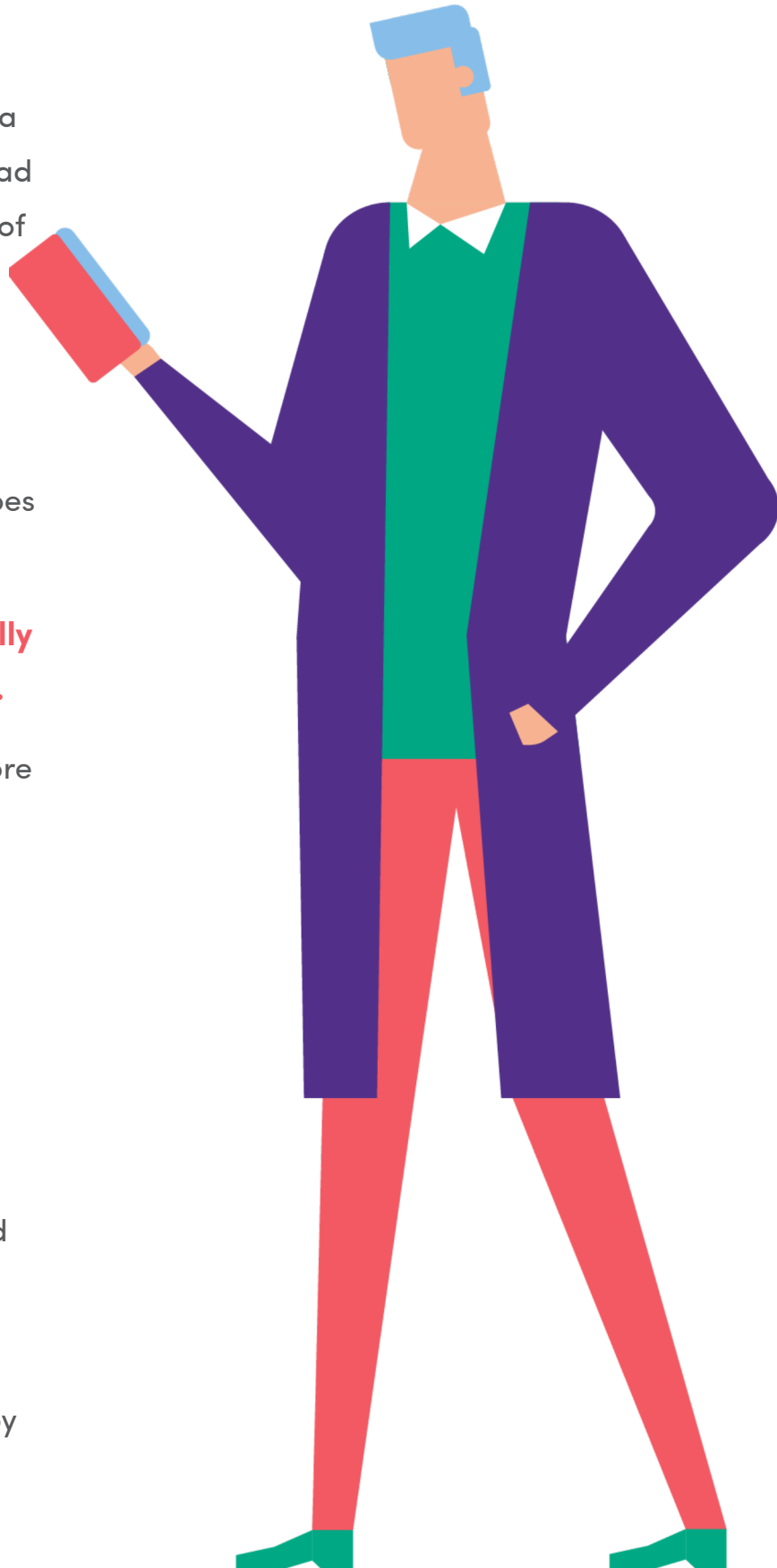
As someone who has started and grown a business from the ground up, I tend to read a lot of business “self-help” books, some of which offer good advice, a lot of them state the obvious (which we do need reminding of) and a small amount is leftfield. However, one over-riding message that I see time and again is, “does this help improve my margins?”.

Marketing Automation is fundamentally about being able to do more with less.

Marketing Automation lets you talk to more people, create greater engagement, respond faster, be more relevant, sell more, reduce costs, decrease customer churn, mitigate wasted spend, expand share of wallet.

Whether you are a for-profit or not-for-profit business, it is essential to maximise the potential of your spend and minimise the wastage.

Defining and deploying your marketing automation programme and solution is by no means an easy feat.



Organisations and the marketing teams within them evolve with the business, making incremental gains and deploying new capabilities over time.

Each of the sections in this eBook focusses on one of the key topics that we see in most successful marketing automation organisations, but they do not work in isolation. Taking a holistic approach and growing your capabilities across all areas, gradually and continually, will create a more sophisticated and robust experience than trying to work on one area at a time.

Getting this right however reaps huge rewards, by creating the organisation, defining the business processes, utilising the technology and data, these enable a marketing organisation to increase its marketing effectiveness.

I would love to hear your feedback, or hear more about what you're doing, so please do reach out to me.

Andy



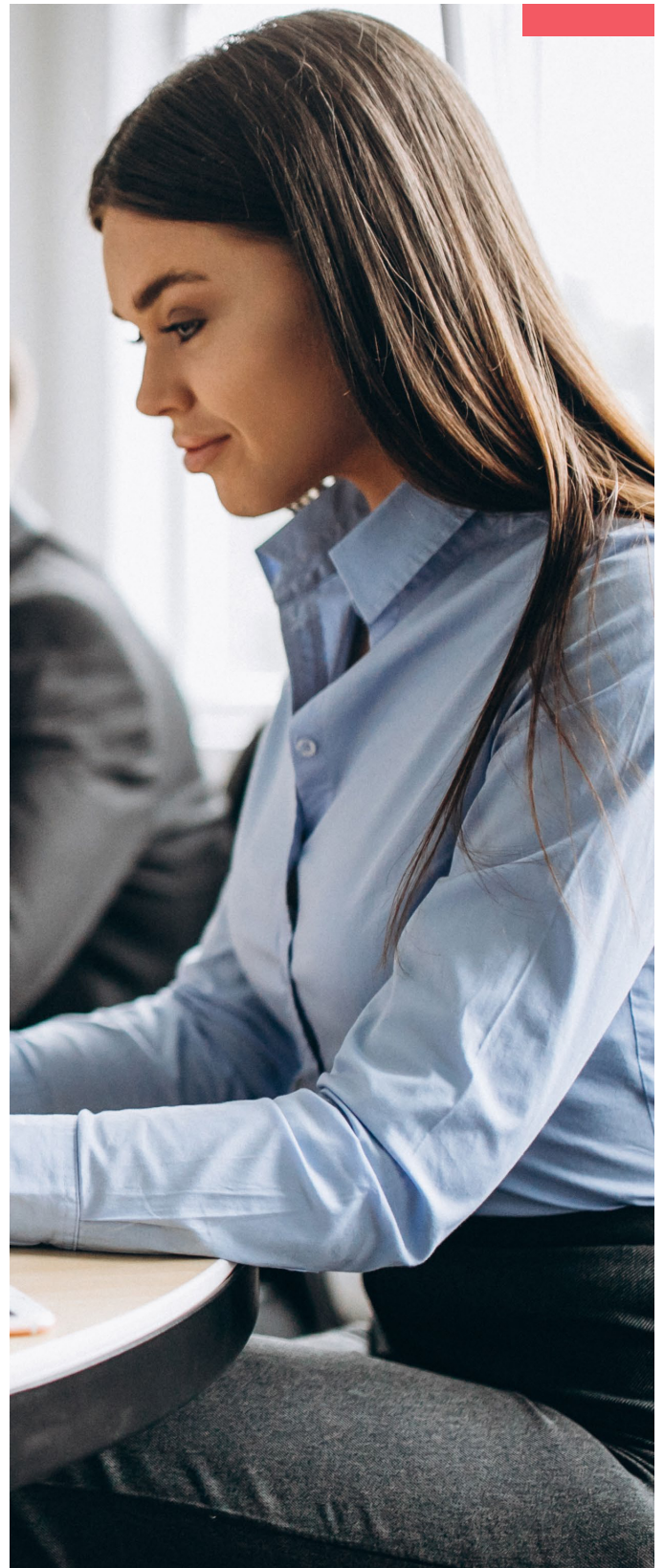
What is Marketing Automation?

Historically, the commonly used example for great customer experience, is that of the local shopkeeper. They really understand and know their regular customers. They know about their family, their likes, their interests, and favourite products. They put things aside for their customers, place special orders and remember when it is their birthday.

It is the kind of service that is pretty hard to beat, promoting loyalty, trust and the ever-coveted word of mouth marketing.

More than ever before businesses need to understand how customers engage with and view their brand, products, and services; across all the points at which they interact with them.

Whether this is a corporate website, product quality, environment and social policy, call centre teams, social media strategies or retail personnel, customers expect a consistent, meaningful, and relevant experience.



Everything you do has an impact on how customers perceive your business, positively and negatively and customers expect a brand to know immediately how they have engaged with them and vice versa. It is not quite the local shopkeeper scenario described above but it strives for the same goals and this is called **Customer Experience Management**.

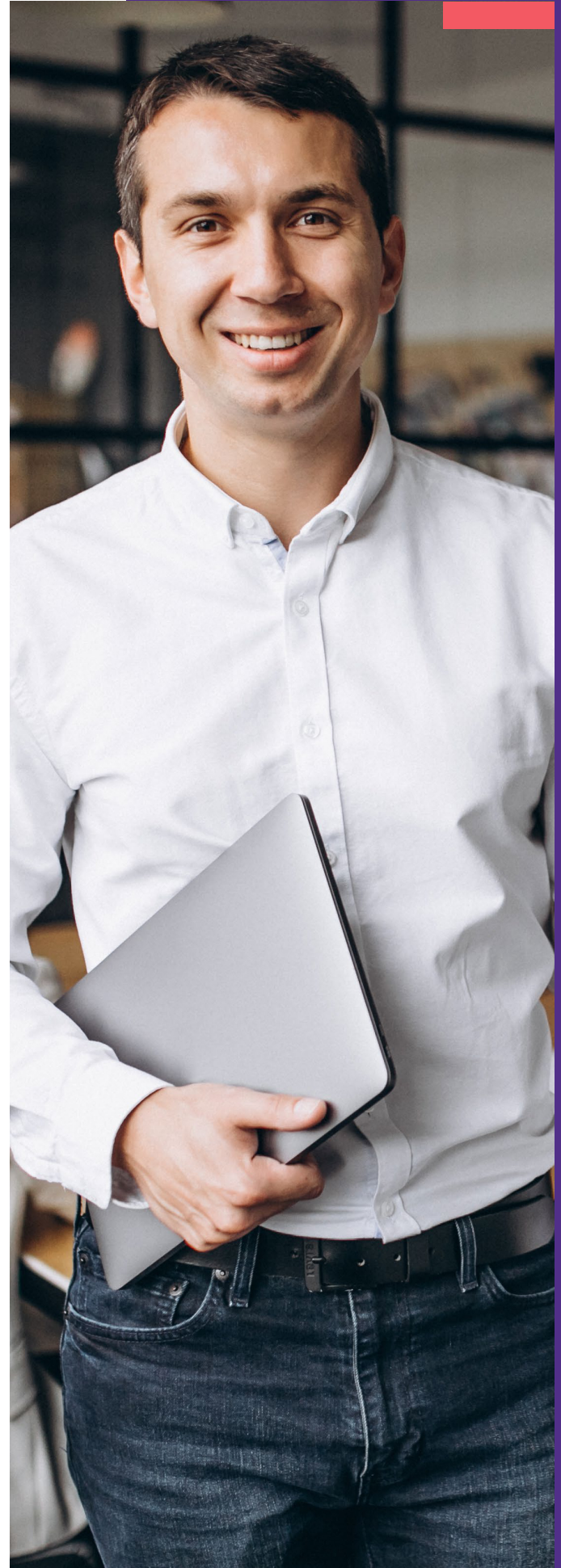
Great customer experience results in:

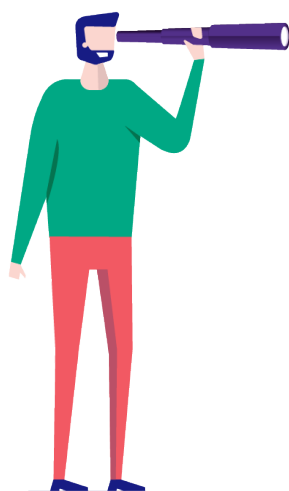
1. Increased loyalty
2. Higher lifetime values
3. Improved customer satisfaction
4. Enhanced reputation and positive reviews
5. Improved conversion to sale

Bad customer experience leads to:

1. Higher customer churn
2. Lower spend
3. Reduced customer satisfaction
4. Poor perception and negative reviews

Whilst Customer Experience is influenced by a wide range of factors, many of them are in the control of the marketer and how they engage with their customers. So how do you deliver the great experience of the local shopkeeper when you have thousands, if not millions of customers? The answer is by using **Marketing Automation**.





Gartner define Marketing Automation as:

...software that assists marketers with customer segmentation, customer data management and campaign management. It provides marketers with the ability to offer real-time, targeted, data-driven campaigns along with enhanced efficiency and productivity.

I disagree with this to a certain extent and would define it as:

...the process by which marketers deploy technology and build processes to provide relevant and compelling content and offers to their customers or groups of customers, at the right time, across every touchpoint, at scale.

Technology is the enabler, not the solution.

At its core, Marketing Automation allows you to develop a marketing strategy at an [almost] 1-to-1 scale, without creating a significant resource or planning overhead. With Marketing Automation you; use data from disparate sources; perform analytics to identify key data and generate scores; create multi-step marketing journeys and programs; execute strategy across different marketing channels; use content created for purpose and analyse how effective marketing activity has been.

Effectively, Marketing Automation empowers marketers to remember their customer's birthday's, their likes, interests, and favourite products. To be the thoughtful local shopkeeper, at whatever scale is required, whether you are marketing for a small regional bank in South Dakota, or a giant multi-national fashion company with a presence in 138 countries.



One aspect of direct and customer marketing that has changed significantly over the last twenty years has been the role of online marketing.

What we describe as “traditional” marketing channels, such as direct mail, telemarketing and even email, may seem old school to some, but are still actively used, and we’re seeing a growth of other online and digital touchpoints that provide marketers with new and innovative ways to talk to their target customers. This crashing together of online and offline, analogue, and digital, creates numerous additional challenges as well as attractive opportunities for brands. Consumers not only welcome a level of personalisation in a brand’s interactions with them, they expect it; therefore, it is essential to ensure messaging is delivered in a consistent manner, across every touchpoint available.

The automation component enables processes to run in the background, without the need to reinvent them every time you want to execute a communication. This enables marketers to invest their time, efforts, and money into refining them, making each campaign more effective than before, enhancing offers and propositions to drive additional revenue and loyalty.

Marketing Automation encompasses outbound and inbound communications and strategies to ensure a consistent Customer Experience, no matter how customers choose to engage.



Successful Marketing Automation initiatives deliver to four primary goals:



01 Time Savings:

By automating many of the standard, daily tasks, marketers can deliver more; more innovative strategies; more targeted communications; more analysis of campaign effectiveness, leading to better targeting and innovation etc.



02 Increased Customer Value:

By understanding when or what a customer might be looking to purchase, or by providing additional, complementary products and services at the right time, it is possible to increase overall customer value.



03 Cost Savings:

By reducing the time to service customers and targeting only those relevant to your activity, marketers can create an environment where costs savings occur routinely. We're a long way now from that weekend in 1987 when Heinz sent a piece of direct mail to every single household in the UK, every penny/cent of your marketing spend counts.



04 Extended Customer Loyalty:

Customers respond well to positive experiences and react quickly to poor experiences of which they can have a long memory. Marketing Automation, done well, provides a consistent, relevant, and engaging relationship for the customer, driving longer term loyalty.



At the heart of Marketing Automation is the Customer Contact Strategy, driven forward by marketing campaigns; they may be one-off, ad-hoc promotional campaigns or sophisticated multi-message customer journeys. They could be recurring, calendar driven, behaviour driven, event driven or customer life stage appropriate. Whatever the campaign, large or small, the same concepts apply. And the same overall steps must occur to see them move from planning and design, through to the build, test, execute and analyse stages.

Marketing Automation, done well, brings all these elements together into a well-oiled machine that removes the guesswork from marketing.

At the end of this eBook are two appendices.

The first is a “Marketing Automation Health Check”, it is intended to give you an indication of where your organisation is on its Marketing Automation journey. Share this with your colleagues to get a balanced view.

The second appendix is a high-level process flow for selecting Marketing Automation Technology and is intended to plant the seeds for your future technology decisions.

But first, the nuts and bolts of everything that makes Marketing Automation tick.

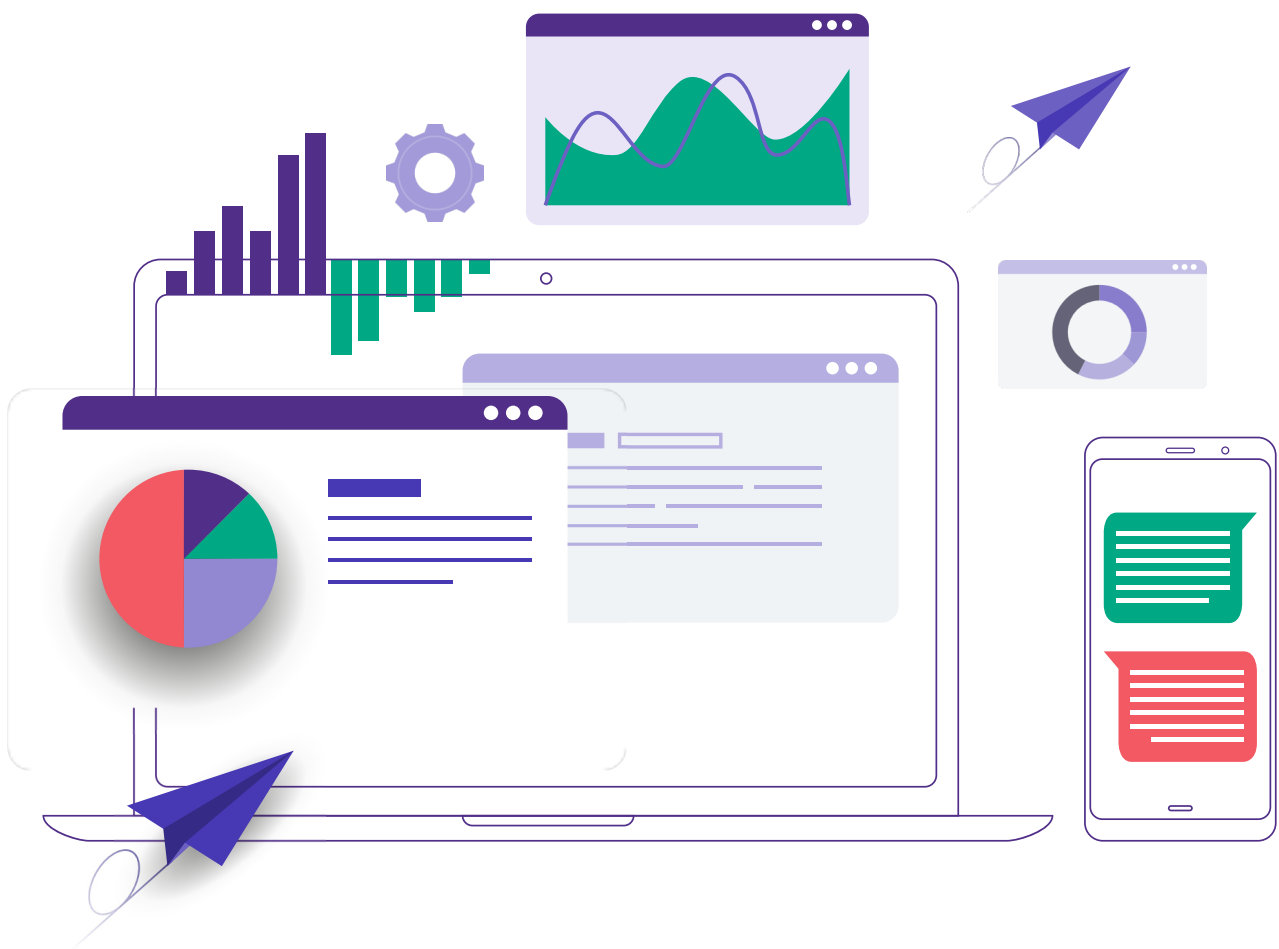


Marketing Data

Stage one of any Marketing Automation initiative is to establish what data you have, where it is held and how to access it. However, businesses, customers and systems are producing more data than has ever existed before, not all of it useful.

Twenty-five years ago, data-driven marketers were limited to the data captured in transactional systems, storing purchases and occasionally contact history of the direct mail or telephone calls made. Since then the availability of data and customer interactions has exploded with; email, SMS, push notifications, connected devices/IOT, web traffic, social platforms and more.

International Data Corporation (IDC) forecast that in 2020, we will produce 35 zettabytes of NEW data. In 2010 that number was estimated at 1.2 zettabytes. By 2025 this could increase to 175 zettabytes. (BTW a zettabyte is a 1 followed by 21 zeroes!)





A growing proportion of that data is about customers and their behaviour, much of it unstructured, most of it white noise, but within that are some incredibly useful nuggets that enable marketers to make decisions more effectively, if they can cut through the noise.

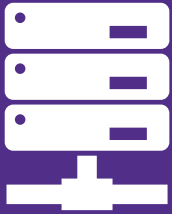
Marketing Automation data is typically categorised into two primary groups, the “Known Data” and the “Learned Data” (there is also a third category of “Unknown Data”, but that cannot help us right now).

Known Data consists of everything you already knew about the customer, such as what they have purchased, what you have sent them and some analytics data.

Learned Data consists of information you are learning about the customer as part of the immediate interaction. This could include transient data such as the location of the customer at a moment in time (or more precisely their mobile phone location if they have your app, for example) or data that might transition to become known data in the future, such as whether they have just hit “buy now”.

Types of Marketing Data

Whilst there are many more data sources available, the most frequently used by marketers are:



CRM Data:

The most common single source for any Marketing Automation platform is the data stored in a CRM (Customer Relationship Management) system. This is often a “single data truth”, but many times needs additional data to be added to provide a single, 360-degree view of a customer’s relationship with you.

Transactional Data:

This provides details of the customer’s previous purchase history with your company. Do they buy from some product categories often and never in others? Are they loyal to certain brands? Is there any cadence to their purchases you might be able to take advantage of? Transactional data provides this insight.



Permission & Preference Data:

Today, thanks to initiatives like the European Union’s GDPR legislation, consumers and customers have total control of how you engage with them. Building and maintaining a good relationship does require you to ensure they have the options to opt-out or express interest in certain types of content, or even channels of communication.

Geographic Data:

Where do your customers live? Are they close to your retail locations? What about your competitor locations? Where are they right now? Are they in your store or nearby? Geographic insights and location-based marketing aids marketers in providing relevant and timely marketing messages.





Demographic Data:

What do you know about the key lifestyle traits of your customers? This could include gender, age, life stage (marital and family status) and socio-economic factors such as lifestyle or wealth indicators.

Contact History & Response Data:

What have you sent to the customer, when and through which channels? How did they interact through opens, clicks, or shares? Did they respond positively or negatively?

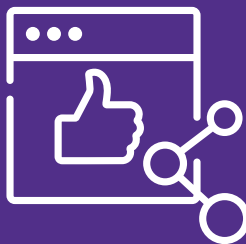


Psychographic Data:

This kind of data pertains to the attitudes, opinions, likes and dislikes of your customers. What do they value? What do they think of your business and its products? Typically gained through survey information, it can be built over time to create an insightful picture of who your customer is.

Digital & Web Behaviour Data:

How are customers interacting with your digital touch points? Which web pages do they visit? Do they experience challenges completing transactions? Do they click on certain banners and links and not others? What do they search for?



Social Media Data:

What do your customers say about your brand, product, and services? How do you react and respond to social media conversations? Do you know who your key influencers are, and do you regularly engage with them?

Predictive Analytics Data:

Can you identify the next most likely action a customer will take? Are they behaving similarly to other groups of customers? Can you identify the optimal time to communicate with them? Which product offers will work best for which customers, at which time?



Third Party Data:

Can you identify lookalike prospects to your better customers? Can some of the missing data above be filled by procuring additional compiled data from elsewhere? Often this data is boosted by leveraging uniquely available third-party data.

All these data sources mentioned above can be consolidated into a single data mart and made available to marketers or managed from their source. However, it is important to understand what and how to use them.



Key Points: Marketing Data

- ✔ Known Data: data we store and already use
- ✔ Learned Data: data we are finding out as part of our interaction
- ✔ Data Sources:
 - ✔ Transactional Data
 - ✔ Permission & Preference Data
 - ✔ Geographic Data
 - ✔ Demographic Data
 - ✔ Contact History & Response Data
 - ✔ Psychographic Data
 - ✔ Social Media Data
 - ✔ Predictive Analytics Data
 - ✔ Third Party Data

Predictive Analytics & Optimisation



If you can't measure it, you can't improve it

Peter Drucker

Organisations invest significant amounts of their revenue in marketing communications, so it is important to not only understand how effective that marketing automation is, but also to know that effort and resources are being spent in the right areas.

Analytics and reporting are used at multiple points during the Marketing Automation process to; identify potential targets and predict their likelihood to buy, optimise marketing activities, report on effectiveness, and improve selection activities. Here we are looking specifically at Predictive Analysis, which is a subject that deserves, and rightly has a significant amount of research, enough to fill 100 eBooks, so I will not go into lots of detail here, suffice to say if this area interests you, there are plenty of options to whet your appetite.



Predictive Analytics, within Marketing Automation, is a process in which an analytics team develops data, propensity scores and metrics to refine and filter targeting and selection to only include those with a higher likelihood to buy what is being promoted, whilst minimising costs. For example, using a score as a filter criterion for a particular product category means you not only stop spending money on people less likely to buy that product but also allow those customers to be targeted for alternative, more relevant activities.

The art for the marketer is identifying where to place that **Propensity Score** cut off,

it becomes a business decision, based on strategic requirements and financial information as to how lean your run will be. For example, assuming a score from 0 (very unlikely) to 1 (almost guaranteed), could removing 50% of your potential target audience for a promotion affect your campaign success by -1%? In isolation this could be a no-brainer, saving tens of thousands of marketing spend on a minimal return, but if the margin of the 1% sale is significantly higher than the cost of targeting everyone then a different decision may be made.

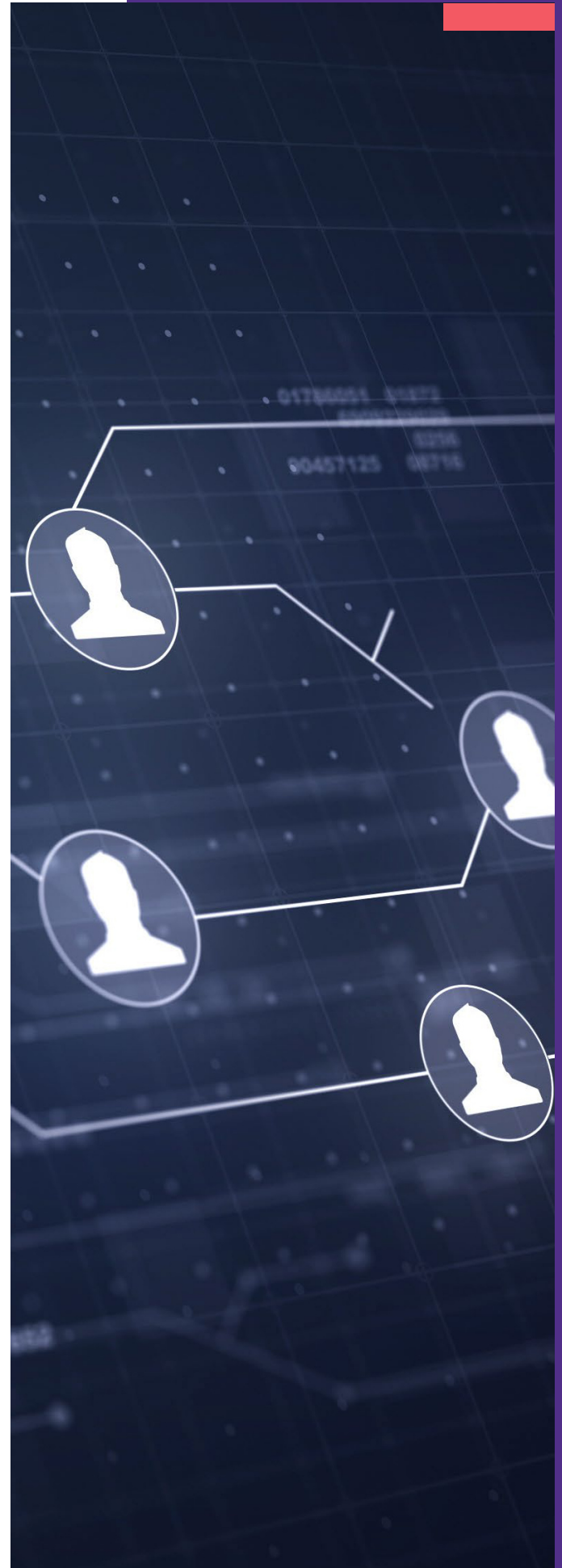


Predictive analytics also invest significant time and efforts into **Churn Analysis**, to identify those customers that are most at risk of leaving. This is particularly important for organisations that provide ongoing or subscription services, where the lost customer may be lost for an extended period. As a marketer it is essential to protect and incentivise the “high propensity to lapse” customers to stay, with rich offers and new contracts, bringing them back into the fold.

This leads us on to the second Marketing Analytics process, **Marketing Optimisation**. This is a mathematical approach for identifying the best combination of messages for each customer from among competing options, while complying with business objectives and constraints.

All with the goal of targeting the right customer, with the most attractive offer, at the optimal moment, using the most strategic, or receptive channel.

With ever increasing competition; consumers who expect relevant offers at the right time; new products or services requiring promotion; internal (and external) competition for share of customer wallet; and tightening budgets, marketers often find themselves struggling to reconcile the effect of each of these levers, requirements, or constraints across Marketing Automation planning.



Often priorities are determined depending on who shouts loudest or has the biggest budget, or what is subjectively perceived to be the next best offer without any quantifiable basis.

The situation is exacerbated by a growing number of customers touchpoints, more granular audience segments and more product and offer permutations. The temptation many organisations have given into is to send more messages to more customers in the hope of achieving the same or better marketing results, but this often has the opposite effect.

This is a challenge for companies that have many competing communications they want to send to the same or overlapping sets of customers, even more so if they have competing departments.



This situation raises several business questions:



01 With **fixed channel capacity**, what channels do you use to communicate with which customers and when? How do you avoid overloading customers with too many messages in a short space of time?

With **limited opportunities to communicate**, which offers do you give to which customers while managing contact fatigue? How can you choose the best campaign for a customer from among several that are overlapping?

02

03 Which customers get offer X when there are only a **limited number to distribute**? How do you achieve the maximum expected return on campaigns given finite resources?

Which **offers conflict** with each other? Which offers do you give only if another offer has already been presented? Can you avoid customer base cannibalisation by multiple campaigns run by different lines of the business?

04

05 How do you **allocate your money** across different campaigns, offers, or customers? Can you design and proactively manage your customer contact strategy, rather than just letting it happen?

How do you ensure customers who **elect to not receive** email are not contacted by email? What is the best way to enforce cross-campaign policies (opt-outs, snoozed contacts, self-exclusions etc)?

06

The end goal is to use the scored information generated in Predictive Analytics to maximise the overall effectiveness of all marketing communications, not just for an isolated campaign or communication.

Together Predictive Analytics and Marketing Optimisation are the powerful duo that present the right offer to the right customer, at the right time.



Key Points: Predictive Marketing Analytics

✔ Predictive Analytics

- ✔ Propensity Scoring
- ✔ Churn Analysis

✔ Marketing Optimisation

- ✔ Channel Capacity
- ✔ Contact Fatigue (over contacting)
- ✔ Offer Constraints
- ✔ Offer Conflicts
- ✔ Budget Constraints
- ✔ Channel and Customer Suppressions



Campaign Execution

Armed with the knowledge of available data, marketers can begin to plan and prepare for executing customer communications.

There are two primary strategies to consider, outbound and inbound.

Outbound Strategies are those activities used to proactively communicate with groups of customers or prospects at a time of your choosing. **Inbound Strategies** are those initiatives where the consumer controls the time at which they engage with a brand and enables you to react and respond to that interaction.

We cover Marketing Channel Touchpoints in Section 7, but for this section we'll focus on the approach to planning and methods of execution.

Typically, the first thing marketers do, after distilling customer insights and some blue-sky creative thinking, is to create a **Campaign Brief**. This document, or process, details who you want to talk to, when, and about what.



It should provide a detailed explanation of goals of the activity; a clear description of the type of customer or prospect that you want to contact (and associated exclusions); product and offer details; touchpoints and contact channels you want to use; creative guidelines; budget; timescales and much more.

It is important that you take a collaborative approach to Campaign Brief development and provide enough detail to explain to all of those involved in the delivery what the goals and objectives of the campaign will be. Using this information, the team should feedback and refine the criteria and requirements, until it has been completed to an initial state for development.

If you use external agencies to support, engage them in the process so that you can benefit from their experience and insights. A campaign brief not only aids collaboration but also acts as the single source of truth across the complete lifecycle of the campaign for everyone involved.

It is a guide during development, a reference during doubts and a key element of campaign quality control prior to final execution of the campaign. For this reason, it should always be up to date with latest requirements and specifications.



No two campaign briefs are the same; you must think about the different types of customers to contact, each of whom may need a slightly different contact strategy or set of offers to be associated with them. One may have a very simple set of logic, identifying a single group of people or accounts to communicate with, sending a single message. Another may have more sophisticated rules, breaking the customer base down into many groups, providing different treatments, communications and execution strategies based on the context in which that activity happened.

This is where Marketing Automation really comes to the fore. Using data, tools, and technology to manage the complexities of tens, if not hundreds of target groups for a communication and being able to create relevant offers and promotions, without creating an unmanageable business process to deliver it.



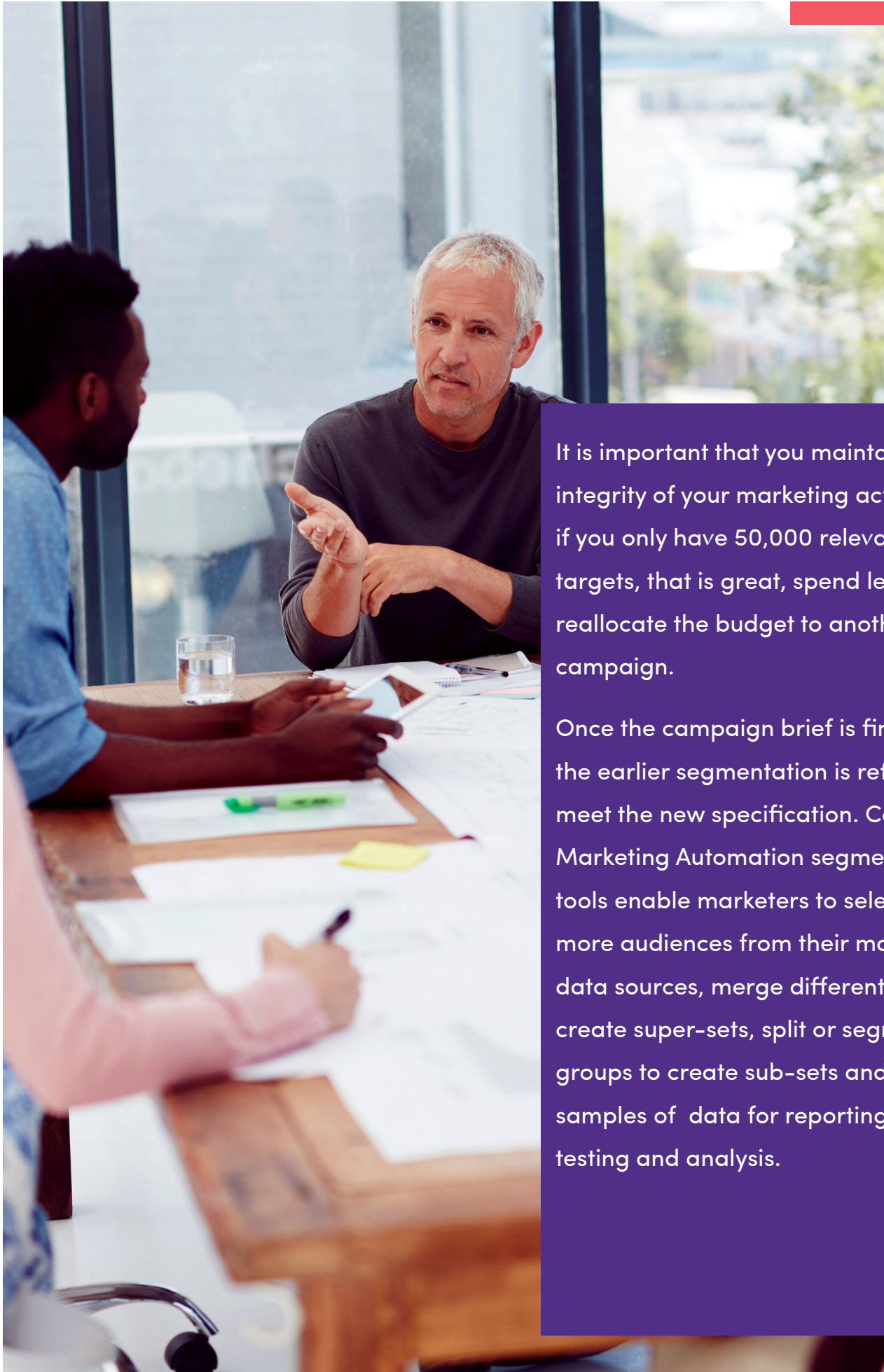


Outbound Strategy Execution

Using the campaign brief, a Marketing Automation specialist will build a **Segmentation Strategy** to identify and group the target audiences. This is typically performed using specialist Marketing Automation tools, to create an initial quick-count filter of the contactable base, to build an indicative view of those customers that fit within the scope of the campaign brief.

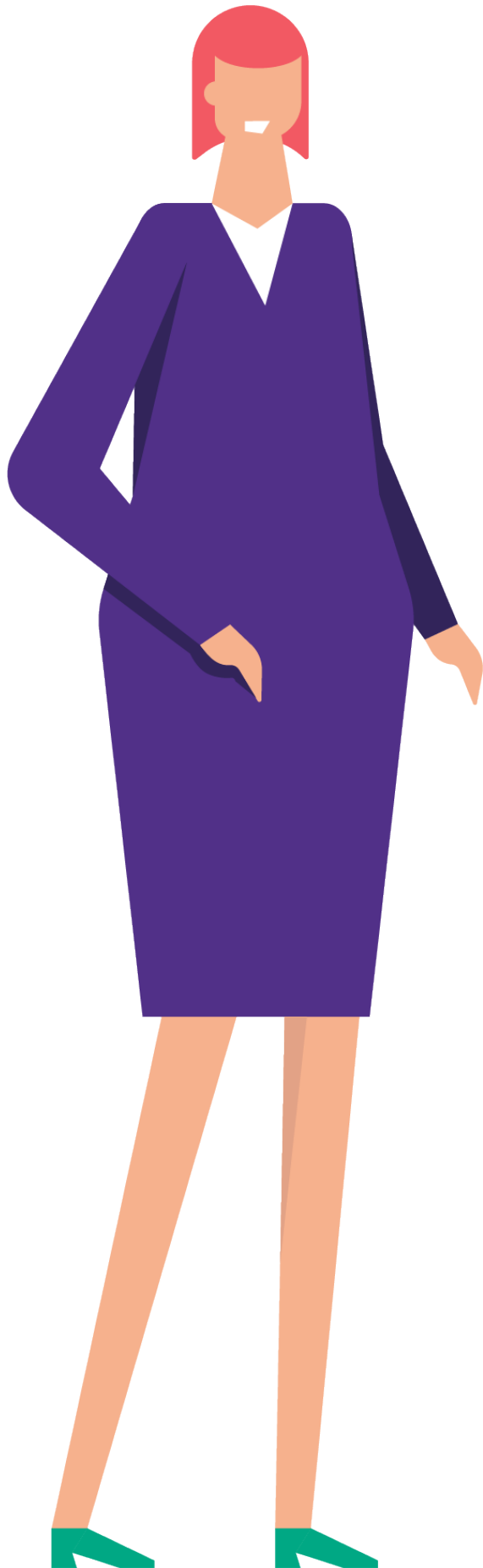
Often at this point the marketer needs to refine the brief, given they may have too many, or too few, target contacts, or the data might not support their specific needs fully, forcing a re-evaluation.

An important note: do not relax your targeting constraints to meet your budget or capacity goals at the cost of relevance or success. Just because you may have budget to contact 100,000 people, does not mean it is the right thing to do.



It is important that you maintain the integrity of your marketing activity – if you only have 50,000 relevant targets, that is great, spend less and reallocate the budget to another campaign.

Once the campaign brief is finalised, the earlier segmentation is refined to meet the new specification. Commonly Marketing Automation segmentation tools enable marketers to select one or more audiences from their marketing data sources, merge different groups to create super-sets, split or segment groups to create sub-sets and create samples of data for reporting, offer testing and analysis.



Inbound Strategy Execution

Inbound strategies use similar concepts, but you are no longer working with groups of target customers or prospects, but with a list of one. However, this does not change many of the approaches used to identify whether someone will be presented with your marketing messages.

You still use segmentation to identify whether someone is in or out of scope for receiving specific offers and promotions; and then use sampling to identify whether you want to test different offers; etc.

What can change is the data you use for an inbound strategy. For example, if an unknown person were to land on a banking web page and follow a search for “Home Loans”, it would make sense for the home page to present a different hero image to that person, versus someone who searched for “Credit Card”, versus someone we knew (thanks to our cookies) already had a home loan.

The “search referral” term is an additional piece of real-time, inbound, relevant data that helps you to change your segmentation strategy within in-bound marketing.

The term **Communications Strategy** is often used to describe the message, promotion, offer, or communication being sent to a customer.

It could be an offer or promotion (buy this and we’ll give you that), a service message (thanks for joining), an education piece (did you know the product can do this?) or something else.

The main task is to link specific information about the communication to the target list so that you can analyse and understand what works best (more on that later).

By providing and storing as much detail about the communication strategy and the specifics of any promotions, you can evaluate the success of your campaign later. (Section 9)



When the target contact list(s) have been finalised, they are then assigned to a communication (offer) strategy, which will assign creative content, a message, offers or promotion and an execution strategy, the channel touchpoints (Section 7) and marketing journey (Section 6) by which they are contacted.

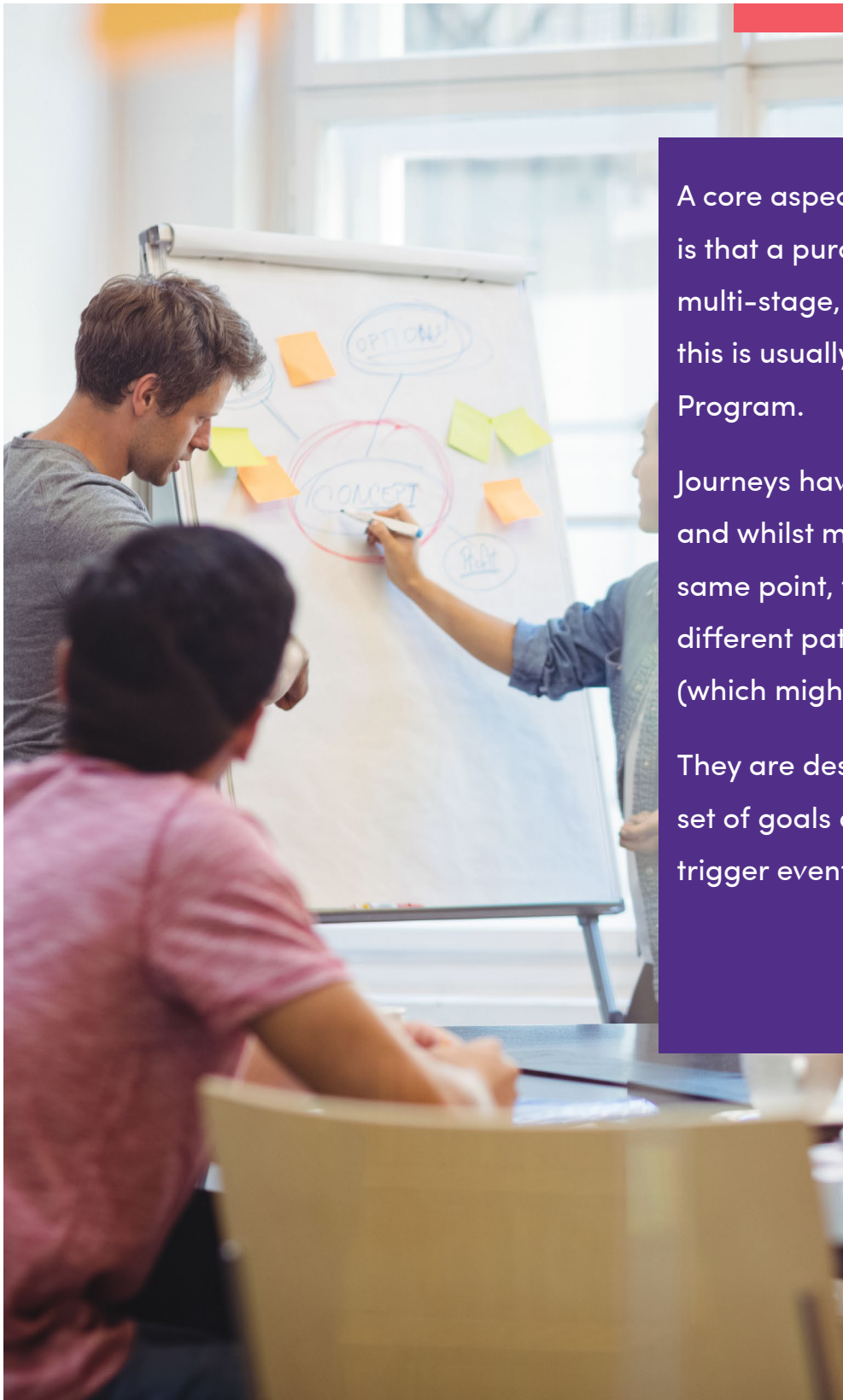


Key Points: Marketing Automation Execution Strategies

- ✓ Outbound Strategies
- ✓ Inbound Strategies
- ✓ Campaign Briefing
- ✓ Segmentation Strategy
- ✓ Communications (Offer) Strategy



Journeys



A core aspect of Marketing Automation is that a purchase activity is typically a multi-stage, multi-touch process and this is usually called a Journey or Program.

Journeys have a start, middle and end, and whilst most people will start at the same point, they will often then take different paths to reach the end goal (which might itself vary).

They are designed to achieve a specific set of goals or behaviours, based on a trigger event.

Common Journey examples include:



Acquisition Journeys:

Moving an individual from the point at which you first encountered them to placing their first order. This might start with an enquiry, registration, free download or browsing experience. The goal is to move that individual from being a prospect to a customer, having spent some of their hard-earned money on your products and services.

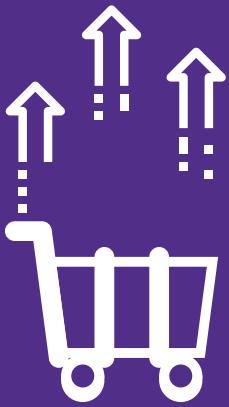
Welcome Journeys:

Taking someone from their first order to becoming a loyal customer and advocate. Success could take the form of a second order, recommending friends or simply a greater level of brand recognition. Through this type of activity, the aim is to create engaging content and reassure the customer that they did the right thing in purchasing with you. This is also the best time to educate the new customer about the products and services they have purchased.



Cross Sell Journeys:

Most organisations provide multiple products and services. The purpose of a Cross-Sell Journey is to educate our customers about products they do not already hold. These can be peripherally related (savings accounts to current account holders) or complement (such as product insurances or product extensions). Often cross-sell journeys will provide multiple product paths that a customer can follow and drive many different behaviours.



Up Sell Journeys:

Up-sell journeys focus on driving additional purchases of products in similar categories. You can see this regularly in retail where multi-buy promotions drive additional purchase of the same or similar products through “buy two get one free” type messaging.

Where your products or services are perishable or can be used up, up-sell journeys focus on buy-it-again messaging.

Retention Journeys:

Whilst there is some debate around the cost of acquiring customers being 5x the cost of retaining existing customers, it is still largely the case. Some argue it is higher, others less so, thanks to the prevalence of broad reach lower cost channels. Either way, others are trying to acquire your customers, so the purpose of a retention program is to manage and support those clients most at risk of leaving.

This process can vary wildly by customer. Comparing a less frequently transacted product, for example motor vehicles; in the UK many people replace their new cars after three years (about the time their first MOT – warranty of fitness – becomes due), others will replace after 12 months and others after a longer period.

The role of the retention journey is to trigger the instant you become aware that a customer is at risk of leaving. In this instance, for example if an existing customer has recently downloaded the latest brochure they could be qualified as researching or comparing and thus seen as a churn risk.





Winback Journeys:

Sometimes, despite all your best efforts, customers leave. The purpose of the winback journey is to find out why and put in place the appropriate activities to re-acquire them from your competitors. I recently unsubscribed from a magazine subscription service and as part of the exit process they asked why I was cancelling, cost being part of the factor. Within 24 hours I received a voucher entitling me to 12 months for the cost of 10; a rapid activity retained me for another 12 months and perhaps next year I will not cancel!

When planning a journey, it can be thought of as a tree of behaviours and actions. The base of the trunk being everyone that starts the journey together, then all growing outwards as they move along the major limbs (as response and behaviours change), towards smaller branches and eventually the twigs and leaves (small customer groups). Each split and change being due to a series of responses to actions and non-actions that drive additional communications or activities.

If you start at the beginning and let us assume a customer has placed their first order, you might email them with a thank you message, wait for two days and then send another email giving them additional information about the product they've purchased PLUS a complementary service they could buy. THEN, if they click the additional product link you might follow this up with additional information and a "buy now" button, while for those that don't click the link you could wait a few more days and send them something new, and so on. Journeys are often time limited; welcome journeys commonly only run for the first 28 days, or limited by behaviour, such as when the customer has placed an order.

With all of these different journeys happening all of the time, with all of your customers on different, and sometimes multiple tracks, the role of Marketing Automation is to ensure your business priorities are managed effectively and for the greater good of the business.



Key Points: Marketing Journeys

- **Multi-stage, Multi-touch process**
- **Common Examples**
 - ✓ Acquisition
 - ✓ Welcome
 - ✓ Cross Sell
 - ✓ Up Sell
 - ✓ Retention
 - ✓ Winback



Channels & Touchpoints



Over the last few decades, the number of marketing touchpoints or channels brands have with their customers has expanded significantly and a few have dropped off (has anyone sent a marketing fax recently?).

The phrase Omnichannel Marketing is widely used to describe the fact that your Marketing Automation strategy should consider the role of every customer touchpoint within scope of planning.

This is not a definitive list of marketing touchpoints, but the most used are:



Email:

Email marketing has, over the last 20 years become the go-to channel for most organisations. The relative low cost, and ability to create very sophisticated and personalised content means you can ensure you get the message across in the way you want. The challenge is, so is everyone else and inbox fatigue is a reality, meaning your email subject lines, and content must stand out from a very noisy crowd...

Direct Mail:

Reducing in use due to the comparatively high costs and environmental impact, Direct Mail is still widely used to reach individuals where high-quality printed collateral is key to the buying process. Where communications must be sent via mail for governance or regulatory reasons, marketing messages may be included in any white space, reducing overall cost.



Outbound Call Centre:

Outbound calling is an increasingly unpopular channel due to its cost and to a certain extent intrusiveness but does have a role to play in some industries. Typically used as service channel, the Call Centre representative has an opportunity to engage with a customer to discuss other products and services.

Inbound Call Centre:

Unlike outbound calling, inbound customer service centres are both an essential component in B2C serving, but also in the control of the consumer. By providing the inbound Call Centre representatives with the tools and offers to service the clients properly, they have a great opportunity to retain unhappy customers and grow the happy ones.



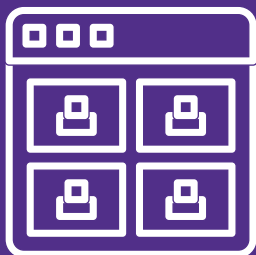


SMS:

SMS is one of the most immediately accessible and reactive channels if used carefully. It has the potential to be a 2-way communications platform that enables marketers to really engage with their customers. Regional and industry biases exist as to how positively SMS marketing is seen by the consumer.

App Push/Notification:

If your business has an app, you have a channel to talk to customers. Whether you use in-app messaging or notifications, the users of your app have already engaged sufficiently to be interested in your products and services. As with SMS, if used correctly, it has the potential to be a very engaging channel for the customer.



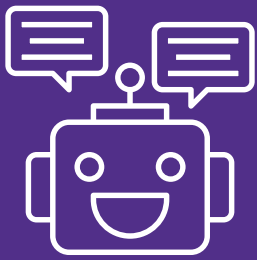
Website:

When organisations first started creating websites, it was to communicate information that would drive someone to contact them by another channel. Today's websites are an engaging, full-service platform. Creating personalised and relevant content for your customers and prospects is critical to maintaining a long-term relationship.

Video:

Video platforms, such as YouTube, are increasingly being used to create consumable, highly visual content. These platforms provide a channel for total customer engagement, education, and advertising and, if done well, drive followers, expanding your marketing reach.





Chat & Chatbots:

Chat and Chatbots are appearing more often on organisational websites. They provide an opportunity for brands to engage with customers on the website if they have questions about products and services. Chatbots can automate many of the basic enquiries, handing off to a human being at the appropriate time in the conversation.

Social Platforms:

Social media has become one of the most dominant areas for organisations marketing focus over the last 5-10 years. Not only do organisations use these platforms to drive brand awareness and website traffic, but the marketer can now use sophisticated social push tools to create relevant content for specific customer groups and “lookalikes”.



Instore/Branch:

Many industries still have a physical presence, whether it is a retail outlet or bank branch. Using instore personnel to serve offers and service messaging can lead to immediate results when someone is already in a buying mood. Kiosks and ATM's can act as authentication tools to serve loyal customers with offers relevant to them there and then.

Orchestrating marketing automation activities across all these channels is not easy, but the most successful marketing automation does just that.



Key Points: Marketing Channel Touchpoints

● Consider the role of these channels in your Marketing Automation strategy:

- ✓ Email
- ✓ Direct Mail
- ✓ Outbound Call Centre
- ✓ Inbound Call Centre
- ✓ SMS
- ✓ App Push/Notification
- ✓ Website
- ✓ Video
- ✓ Chat & Chatbots
- ✓ Social Platforms
- ✓ Instore/Branch



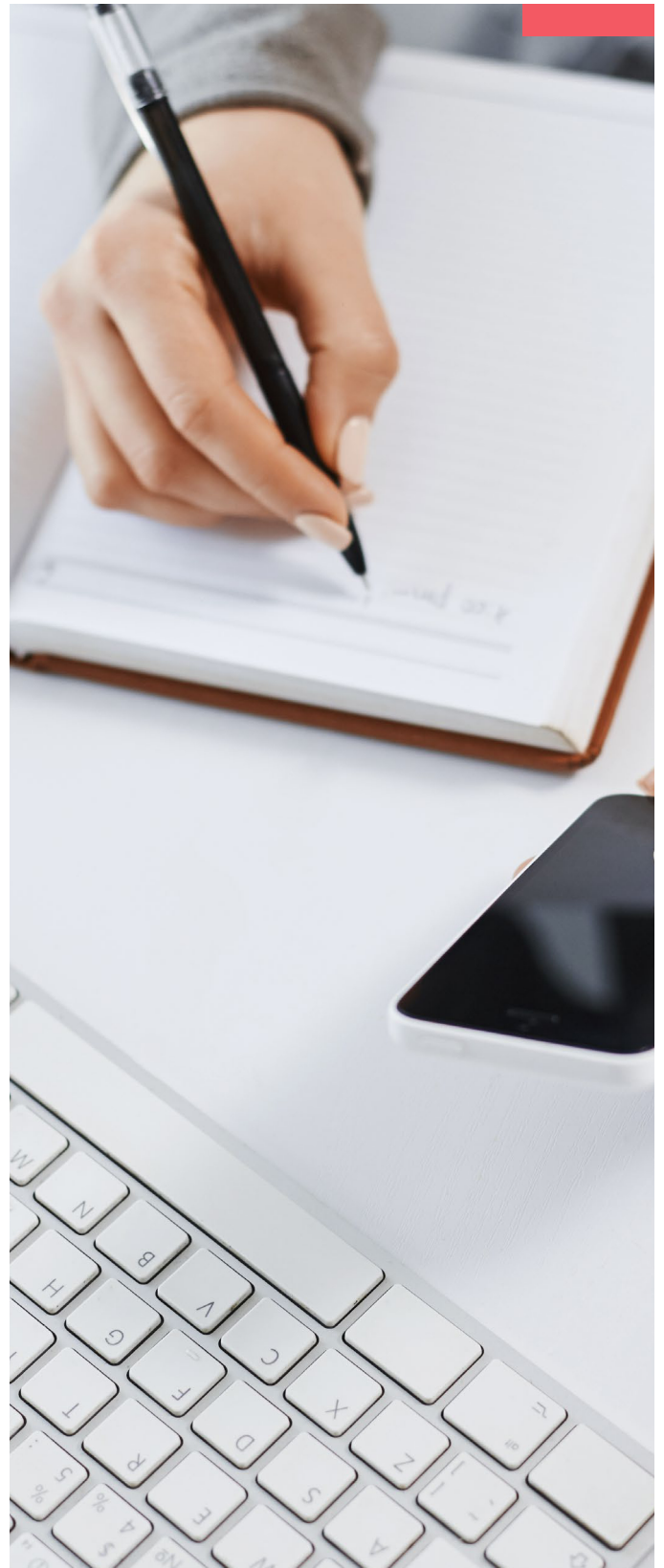
Content & Personalisation

Nothing disengages customers faster than seeing the same generic content time and again.

It is imperative to present interesting, engaging, and relevant content to customers at a time they are receptive. Factor in that you are talking to human beings across multiple touchpoints, consistency and personalisation are also vital.

Content Marketing is a topic of its own right, building strategies that draw customers and prospects to engage with your business. We will not go into any detail in this eBook on that topic but focus on the role of content within your Marketing Automation communications.

By now you have seen that in Marketing Automation you are creating groups of customers and contacts at different stages of their relationship with you and at different points in a buying process.



Marketing Content is much more than simply the creative assets used, it also includes the decisions you make to ensure that it is relevant both in terms of the customer and the message you are sharing.

When executing your Marketing Automation activities, incorporating the right content at the right time, to the right people enables you to create an almost bespoke experience for each individual customer.

Consumers view your content, or engage with your organisation through lots of mediums and your content needs to work across these.

As an example, have you ever received an email that was not optimised for mobile? That experience is both challenging to read and does not make it easy for you to fully engage. Ensuring that your content and execution works across all your touchpoints is essential.

Even with simple campaigns, creating the most simple single target output groups, should have at least some content **Personalisation**, and it should be validated.

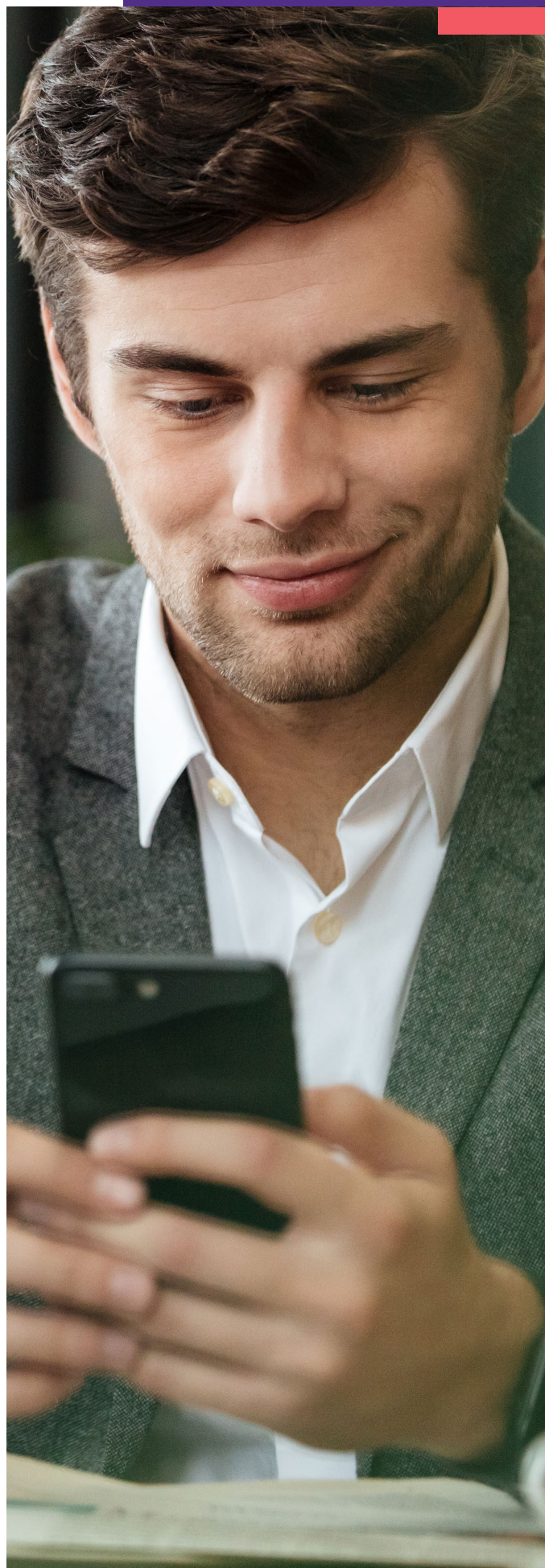


Have you ever received an email addressed to “Dear Valued Customer” or something similar? Worse still, is incorrect or badly personalised contents such as “Dear <<FirstName>>,”. I still today receive communications from a major UK brand addressed to “Dear A”, despite having checked their online portal which shows my full name.

Taking personalisation to the next level; images, text blocks and other content assets can be modified to meet the specific needs of your marketing activity. In Section 4, Marketing Automation Execution we discussed Inbound Marketing, using the example of “Search Referral” changing a banner image from “Home Loan” to “Credit Card”, it is important that as a marketer we understand that the correct banner image is assigned, or even whether a default banner is presented.

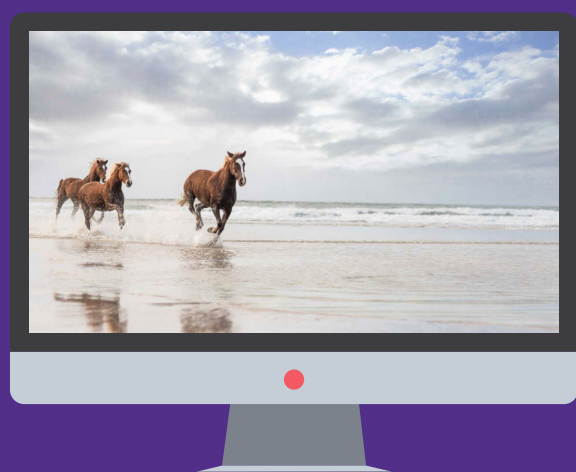
During the execution of your Marketing Automation activity, it’s important to consider that the different customer touchpoints discussed in Section 7 may also impact your creative design.

Viewing an email on a desktop or mobile device may require different variations of the same image.

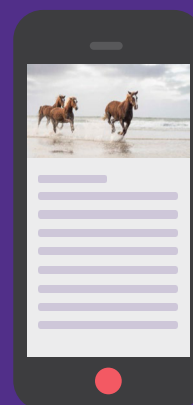
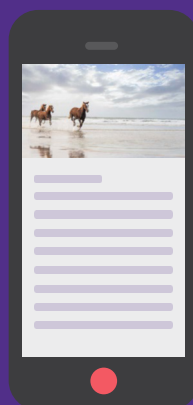


Focal points may need to move, content may not quite work when reduced in size to suit a mobile device or scaled up to meet the needs of a desktop, and artistic blank space may take over the image.

Understanding how your content may be viewed across all the different touchpoints is essential to a campaign's success. Look at the below images for an example.



Which works best? (it is purely an opinion)



It also means that you need to ensure a marketing asset exists before publishing. The only thing worse than boring content is broken content.

An organisation will have many hundreds, if not many thousands, of content pieces in use at any time; think about grocery retailers with their thousands of products that could be on offer at any time, it's not practical to store these in a network file share and be able to access the information quickly and easily. Typically, this content is stored in a Content Management System (CMS), which holds all your organisations approved creative and content assets in the various formats required for your customer touchpoints.

Each asset is tagged and indexed to enable rapid searching. Selecting which assets to use, and when, is often the responsibility of the Marketing Automation execution specialist.

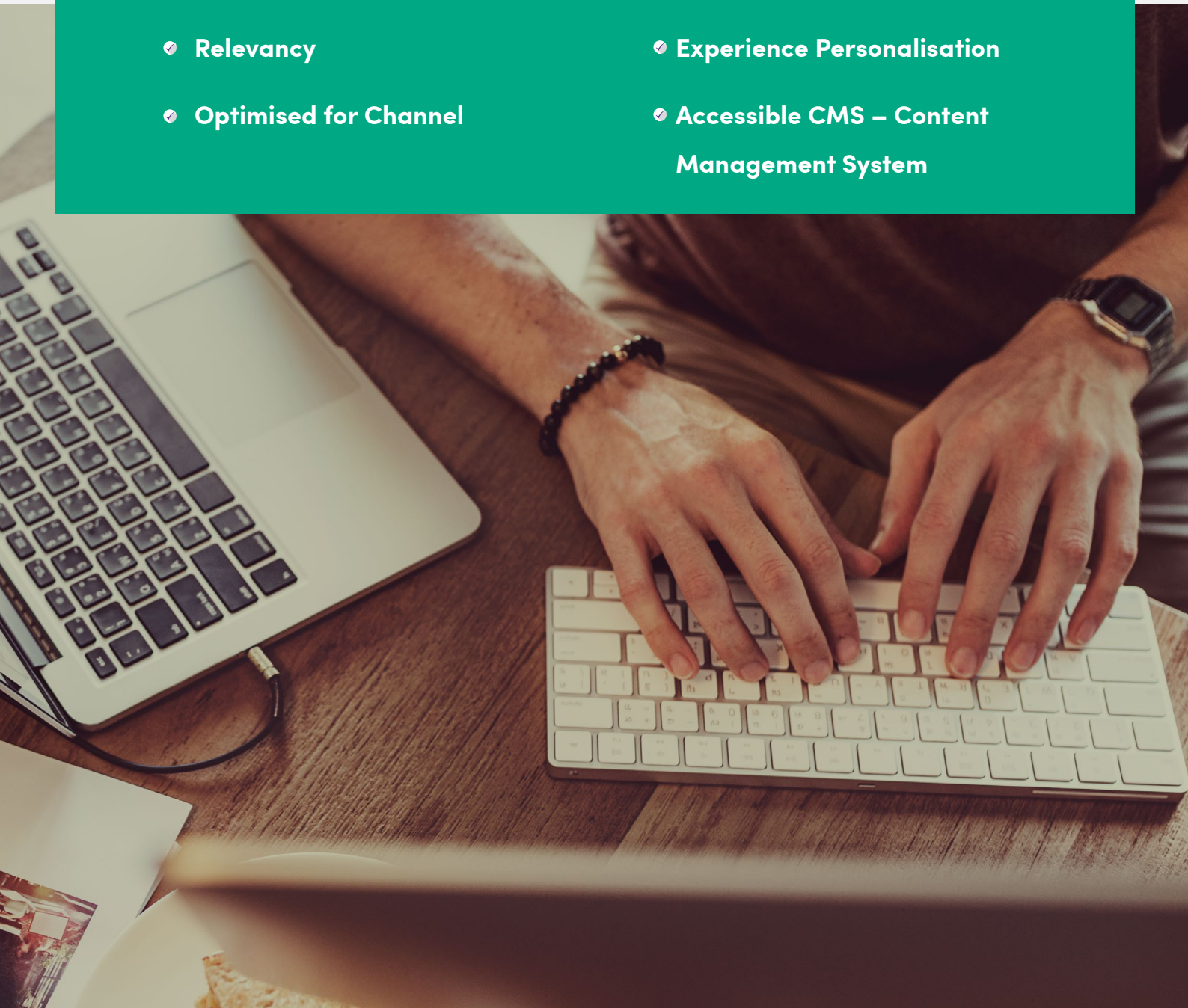
Integrating your CMS with your Marketing Automation platform enables you to link the creative assets to your communications. This enables you to understand what content works, how it is used and whether it is effective.

Content, and personalisation, is more than just making sure images and text look right in your contact channel and reflect your business brand values. Your content must take people on a journey to purchase, repeating the same message time and again will put consumers off. It is imperative that you surface new content to the customer at the right time in the conversation.



Key Points: Content

- ✓ Creative
- ✓ Personalised
- ✓ Relevancy
- ✓ Experience Personalisation
- ✓ Optimised for Channel
- ✓ Accessible CMS – Content Management System



Post Campaign Analytics

Once the highly targeted and optimised customer communications have been sent, it is time to develop **Post Campaign Analysis** to see how successful your activities have been.

I will state up front however that no attribution of a transaction to a specific on campaign can be 100% accurate. There are so many other influencing factors that you cannot “guarantee” a behaviour was driven exclusively by a communication; Did they also see a bought media ad? Have they received multiple communications from your business? Does their friend have one? Things that are peripheral or out of our control also have some part to play.

What you are looking for is whether your Marketing Automation activities are changing behaviours compared to other people in your target audience.

Marketing analytics are designed to drive or understand certain activities, but it's important to understand that different types of behaviour are important to measure; in email marketing, open and click rates continue to be a measure;



in financial services, applications are one level of response and acceptance is another; in retail, basket value versus specific product may be important. Understanding these types of potential response enables you to build a better picture of your customer and make better decisions.

A defined “**response**” to a campaign is also a subjective term. For one person a response is a purchase, for another it is an enquiry, for someone else it could be completing a web form, for a fourth it is an unsubscribe (I didn’t say all responses had to be positive).

All of these are different types of response, and all are valid, it is important to identify and track the different events that your marketing automation drives, so that you can repeat or change as appropriate.

Responses tend to fall into one of two categories, direct or inferred. **Direct responses** are those that can be linked to a specific communication or event, such as an email click, or a personalised coupon redemption which is unique to that event.





Inferred responses are those that look like the activity you were hoping someone would take, such as buying the product we have just promoted to them. In the latter example, you talked to the buyer about “Product X”, and they have purchased “Product X”, surely that’s a direct response! Not unless it is ONLY available to those people you have promoted it to, if anyone can buy the product and the buyer doesn’t need to redeem a code/perform a very specific action that gives you specific campaign information, it’s inferred, and for most organisations this is the normal type of response...

What we need to understand is whether our campaign worked. Did our journeys, offers and targeting result in incremental spend that wouldn’t have happened otherwise?

To achieve this, it is important to create and manage [statistically] significant customer groups that you can evaluate against your target audience. These are created during the campaign segmentation (Section 5). These are often called hold-out or **control groups** and enable you to assume that any uplift in response rates are likely to be associated with the campaign.

Whilst it is less common, you may even have groups of customers that, for a period, will receive no proactive marketing from you at all, these are known as fallow groups. These groups enable you to analyse your activities across the entirety of the marketing business, taking all marketing activity out of the mix. In our example, the fallow group could make up 1% or 1,000 additional customers in your campaign. This group places 30 product orders, which gives you an organic rate of 3% for the business, for the product you are selling.

Many campaigns are ongoing or repeated on a regular basis. The analytics that are pulled together should be used to drive incremental gains. What could you do to drive your incremental rate up to 1.2%, for example? This is where you can start using Champion/Challenger or A/B Testing to try new subject lines, messages, or products on your target audience, but always with the measurement and analysis in place to test the effects.

It is now possible to understand the effects of your Marketing Automation, versus doing nothing at all.

Having completed your campaign, it is important to feed this insight and learning back into the top of the funnel, use it to guide future Predictive Analytics, segmentation strategies and optimisation.



Key Points: Post Campaign Analysis

- ✔ **Has our campaign been an effective spend?**
- ✔ **Positive response (examples)**
 - ✔ Click
 - ✔ Purchase
 - ✔ Enquiry
- ✔ **Negative Response (examples)**
 - ✔ Complaint
 - ✔ Unsubscribe
- ✔ **Direct or Inferred Response**
- ✔ **Control Groups (and Fallow Groups)**
- ✔ **A/B or Champion v Challenger Testing**

Building the Team

Underpinning every successful Marketing Automation organisation, is a strong and focussed team, designed and built, around the business and marketing processes outlined in the previous sections.

The roles below in your business may be full-time, part-time, or multi-person, but it is important to understand the accountabilities as well as responsibilities have to sit somewhere within your organisation. Your marketing automation journey will succeed, not because of technology you deploy, but the people and support you put in place to facilitate that success.

Your **Marketing Operations Leader** pulls together all the threads of your marketing activity, co-ordinating people, business, and functional requirements for marketing programs. This role should sit within your marketing leadership team to ensure that your marketing communications execution and strategy falls alongside and is heard by the wider marketing business.



From the outset, full engagement of your **Marketing Data Specialists**, both within your marketing function and within your IT and Information teams is imperative to understand what data is available, where it can be found and how you can access it. This is not a one-off project role, used during the time of deploying new technology, but an ongoing activity. New data sources become available on a regular basis, its value to marketing should be evaluated by your team and appropriate plans put in place to deliver it to you. This function understands not only the availability of data, but also, its quality and suitability for purpose.

Once you are developing and building your Marketing Automation execution activities, your **Campaign Managers & Developers** come to the fore.

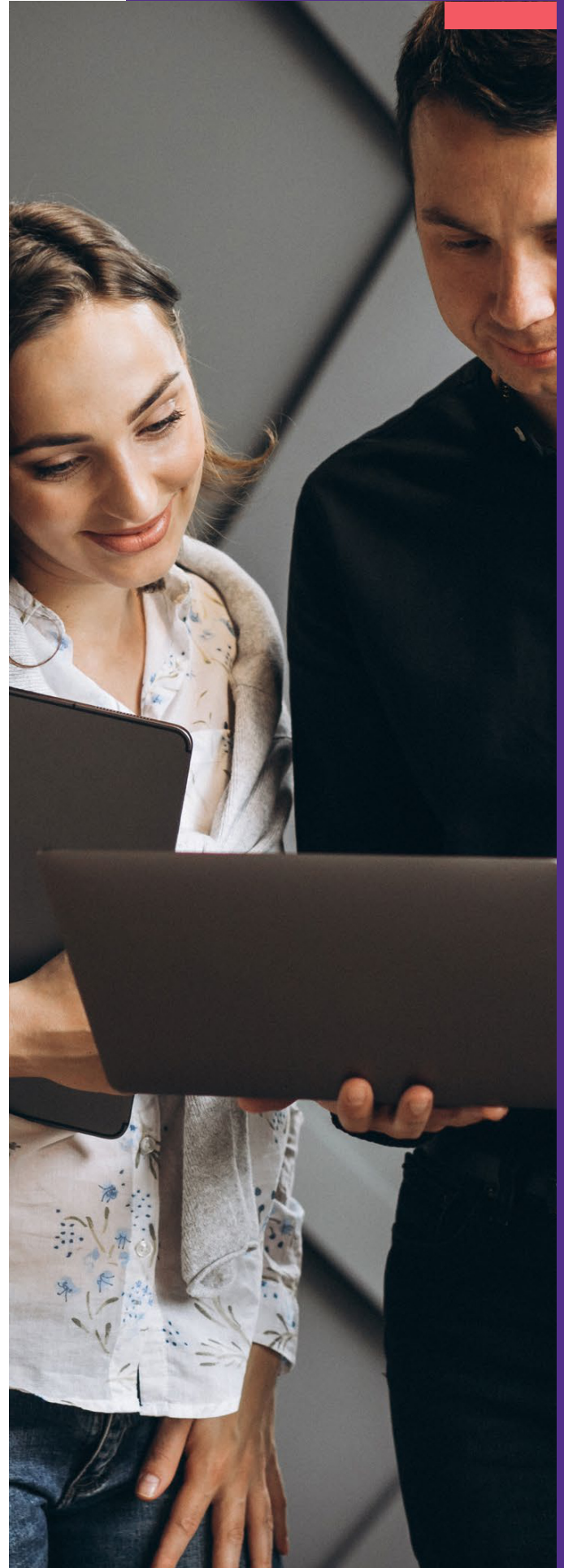
These roles are highly specialised, bringing together communication, marketing, data, and technology skills into a single role.

The Campaign Managers receive, develop, and interpret briefs to deliver to the wider organisations' customer marketing strategy. It is their responsibility to ensure your brief makes sense, meets your compliance and regulatory requirements, and has the data to support it. It is this team that invests most time in the technology to create effective and compelling journeys that drive customer engagement. At Purple Square, we refer to these people as "Martecheters", join our [group](#) on LinkedIn.



Depending on your organisation, you may have multiple customer communications touchpoints. Understanding how these touchpoints work, how they fit within your marketing ecosystem and how to get the best from them is the role of your **Channel Specialists**. These individuals are familiar with your Mobile App capabilities, your website's personalisation scope and any other marketing touchpoints. They don't necessarily sit within the marketing function, but they certainly work closely with many of the other roles described.

Whilst email is "simply" another customer touchpoint, because it is now the most prevalent outbound marketing channel for most organisations, it is worth calling out the role of the **Email Specialist**. This function understands how to optimise and design emails to maximise open and click rates; they design and build content that works on desktop and mobile; they understand the differences in rendering between Gmail and Microsoft Outlook; and last but certainly not least, they understand how to build, manage, and maintain your organisations brand and email IP reputations.





Every organisation that wants to send high volumes of email, credibly and consistently, must have an Email Specialist in support of their activities, either on the payroll or a trusted partner.

The role of **Web Analyst** has evolved hugely over the last 5-10 years. Moving from simple reporting of which pages people visit and which links they click, through to the user paths and experience they face upon each visit.

The Web Analyst now has to master tools that not only answer the question “What do people do on your site?” but also; “Why they are doing it?”, “How long are they doing it for?”, “What struggles did they have?”, “Why did they drop off before they completed a purchase?”, “What paths did they follow?”, “Which led to a conversion?” and many more.

The Web Analyst often speaks a different language to many of their marketing colleagues but is critical to the success of your company website as a marketing channel.

Marketing optimisation, scoring and post-campaign analysis is the domain of your **Marketing Analysts**. This role is adept with multiple analytics techniques to forecast and understand the most appropriate targets, offers and channels for your campaigns. Due to the statistical and analytical requirement this is commonly fulfilled by a highly specialised resource.

The thing you send is what the customer receives, may seem like an obvious statement but it's a member of your marketing teams accountability to ensure that your content is not only compelling and interesting, but also meets brand guidelines and regulations.

This is where your **Content Specialists** come to the fore, they are the curator of your content, ensuring it is always fresh, relevant, and compliant, across all channels and customer touchpoints.

As a product of having data, applications, and users, you need to introduce the concept of **Application Management & Support Specialists**.



Whilst software vendors will always provide technical support in case of product defects, and your business will normally have IT specialists to ensure hardware and infrastructure is operating effectively, bringing the two together can often be the weak link. Power users and solution architects work together to ensure that not only are the systems lights on and blinking, but also that the solution continues to meet ever evolving business needs in changing marketplaces.

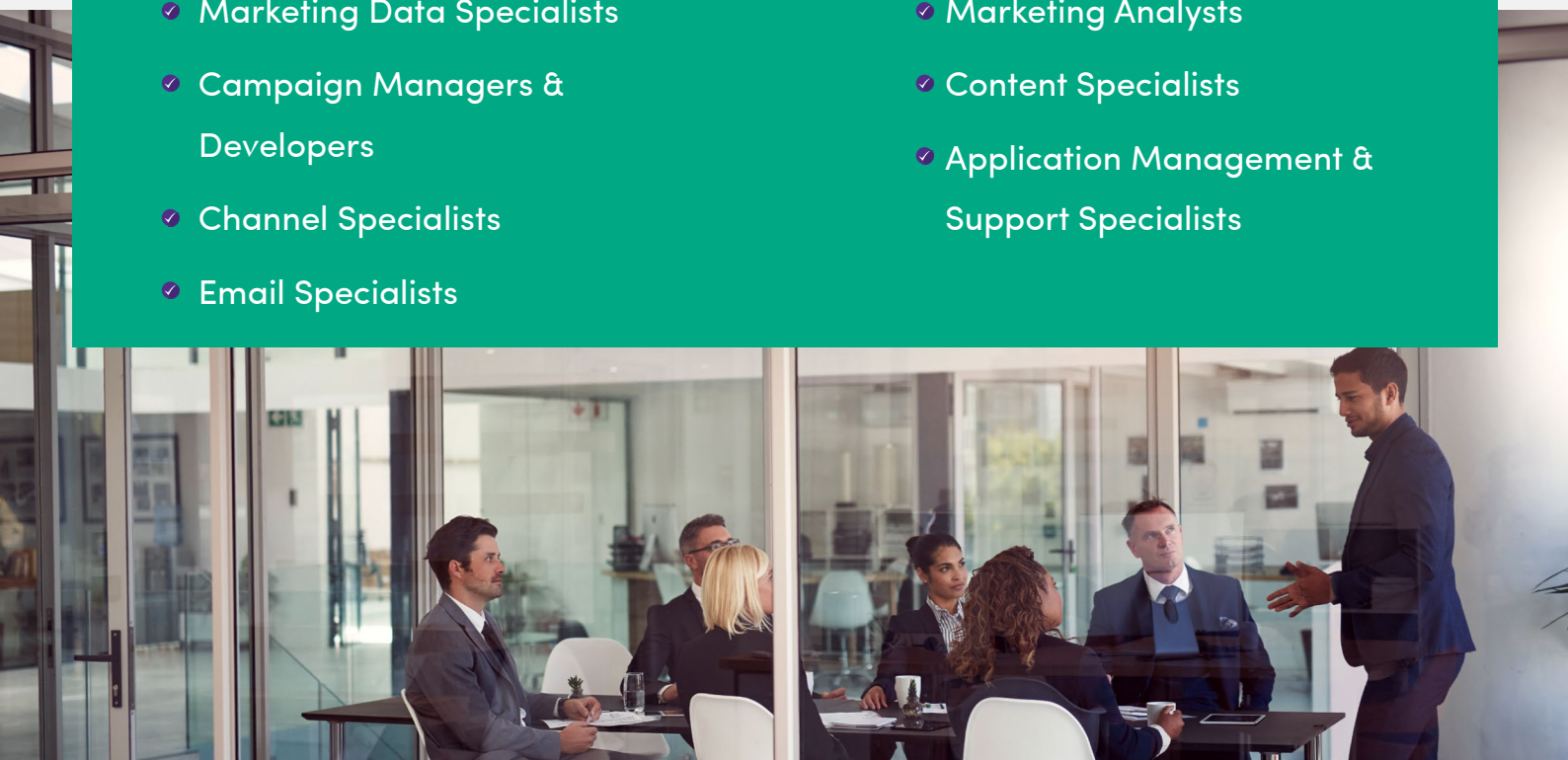
I mentioned at the start of this section that some of these roles can be fulfilled by one person or multiple people. Whatever you decide, it is essential that the people are committed to their roles, they get it, they want it and they have the capacity for it. I have seen major brand organisations Marketing Automation initiatives fail because the team in place did not fully understand or have the right skills to make use of the capabilities they had in front of them.



Key Points: Building the Team

❖ Do you have defined and accountable roles for:

- ✓ Marketing Operations Leader
- ✓ Marketing Data Specialists
- ✓ Campaign Managers & Developers
- ✓ Channel Specialists
- ✓ Email Specialists
- ✓ Web Analysts
- ✓ Marketing Analysts
- ✓ Content Specialists
- ✓ Application Management & Support Specialists

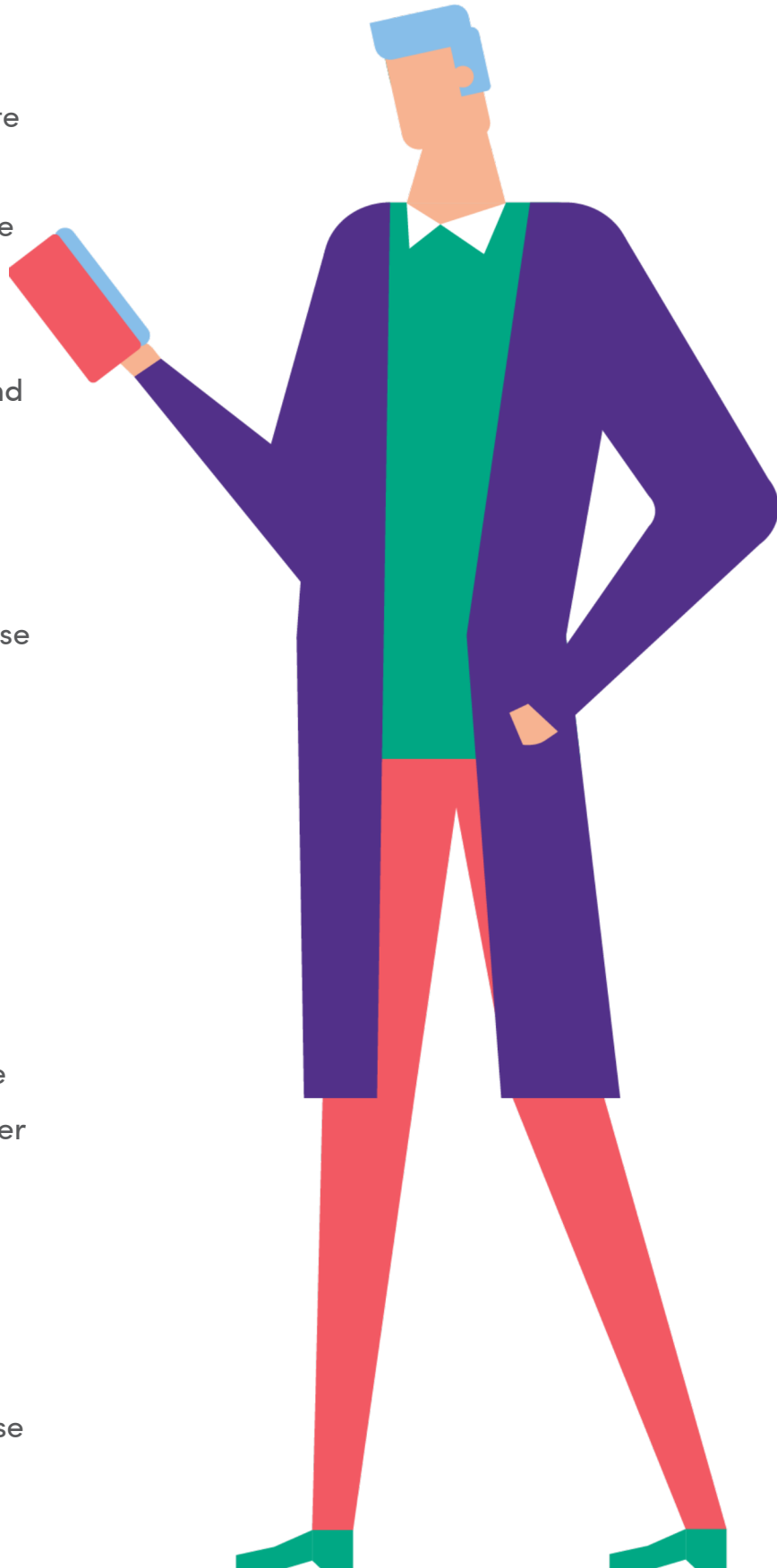


Summary

This was never intended to be the ultimate – definitive-authoritative-guide to Marketing Automation. Every one of these subjects deserve more focus, and many others deserve to be included. For example, the role of machine learning and artificial intelligence or the effects and influence of social media. These will likely appear in a future edition.

However, by investing time in each of these fundamentals, you are maximising the potential of your success. By putting in place the data, the selection, execution and delivery processes, your post campaign analysis and most importantly the support, training and enablement of your team, you can give yourself a truly comprehensive capability that will ensure you are doing everything you can to deliver your business objectives.

My over-riding recommendation is to **never consider things done**; we have seen too many Marketing Automation projects struggle in the long-term because the investment ended on project go-live.





This is just the start of your journey.

The most successful businesses are consistently looking for improvement across each touchpoint, process and strategy to deliver small incremental gains. Making major strategic investments only when it is necessary because the current mechanisms cannot meet marketing goals. In the next section we have a short health check assessment, just 20 questions

that will give you an indication of where you see yourself on the Marketing Automation journey.


The final section focusses on the high-level steps for selecting technology to support your business.

I would love to hear your feedback and comments (please be gentle), and if there is anything I or the Purple Square team can do to help you, please reach out to us at info@purplesquareconsulting.com.

Andy

Appendix 1:

Marketing Automation Health Check



Complete the following questions to gain an understanding of where your organisation is on its journey to Marketing Automation success.

Ask your colleagues to do the same and compare your answers; somewhere in the middle lies the truth.

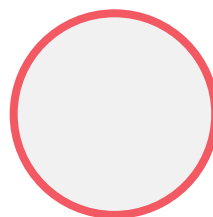
Rate your response for each question from **1** to **5**. Where **1** is the lowest (not at all) and **5** is the highest (nearly perfect).

- | | |
|--|-----------|
| 1 Do you have a comprehensive understanding of your customer? Including their interests, demographics and lifestage | 1 2 3 4 5 |
| 2 Do you know where all your offline marketing data resides? Do you have access to it? | 1 2 3 4 5 |
| 3 Do you actively use the data from your online interactions? Do you know who abandons baskets and who transacts? | 1 2 3 4 5 |
| 4 Do you perform any statistical and analytical techniques to score your customers propensity to buy/respond? | 1 2 3 4 5 |
| 5 Do you perform analytical marketing optimisation across campaigns, offers and channels? | 1 2 3 4 5 |
| 6 Do you have a clear and documented marketing execution process, including briefing, selection QC and response tracking? | 1 2 3 4 5 |
| 7 Are your inbound and outbound marketing touchpoints working together for a consistent customer marketing experience? | 1 2 3 4 5 |
| 8 Do you have defined multi-stage, multi-touch journeys which run regularly with minimal user intervention (excluding offer updates)? | 1 2 3 4 5 |
| 9 Do you have visibility of your targeted marketing activities across all your customer touchpoints? (Do you know what they all are?) | 1 2 3 4 5 |
| 10 Is your CMS integrated with your Marketing Automation platform? Are you able to find relevant and approved content easily? | 1 2 3 4 5 |
| 11 Do you have robust validation of content across customer devices and email platforms? | 1 2 3 4 5 |
| 12 Do you store detailed promotional and offer information against your communication history, so that you know what you sent and to whom? | 1 2 3 4 5 |
| 13 Do you perform A/B testing or Champion v Challenger testing when releasing new offers? | 1 2 3 4 5 |
| 14 Do you have standardised reporting of campaign effectiveness, available to (almost) all your campaigns? | 1 2 3 4 5 |
| 15 Do you consistently make use of and analyse Control Groups (and Fallow Groups) to assess your marketing success? | 1 2 3 4 5 |
| 16 Do you take a customer, or product/service centric approach to your Marketing Automation strategy? | 1 2 3 4 5 |
| 17 Do you have the technology platform in place that meets all your must have business requirements? | 1 2 3 4 5 |
| 18 Do you have a thorough onboarding program for new starters, to ensure they fully understand the capabilities of the platform? | 1 2 3 4 5 |
| 19 Have you revisited your marketing business requirements since your current technology implementation? | 1 2 3 4 5 |
| 20 Do you have a 3 to 5 year rolling marketing vision for the future? Is it shared and understood by your wider organisation? | 1 2 3 4 5 |

Count

1	2	3	4	5
x1	x2	x3	x4	x5

TOTAL



If you have scored more than 80, well done, your organisation is leading the way in the Marketing Automation world. Incremental gains will still make a difference.

If you have scored less than 80, contact us at Purple Square to see how we can assist you to maximise your Marketing Automation potential.



Appendix 2:

Selecting Marketing Automation Tools



The process for selecting a Marketing Automation technology is no different to any other investment. Technology alone is not a magic bullet to delivering success, you need to ensure it meets your business processes in the long term.

We would always recommend engaging a specialist to support you through your selection and deployment process.

01 Understand your requirements: Before commencing any major initiative, you should complete a requirements gathering exercise. With something as critical as a Marketing Automation platform, it is essential that you bring together the core parts of your business to identify your broader business needs. Lean on marketing, sales, service, and product management.

Consider your inbound and outbound customer touchpoints and data.

Do you have any operational or business constraints that you need to consider?

How do your existing marketing processes work? Will they be replaced, incorporated or untouched?

What does/could your marketing strategy for 3 years' time look like?

Identify potential vendors: And there are hundreds, as the ChiefMartec [supergraphic](#) demonstrates. Some will cover specific niche requirements; others will be broader. It is not realistic to assess each one, but you can prioritise based on your core requirements.

02

03 Understand your requirements: (Not a typo) Inevitably researching vendors will result in new functionalities being identified, gaining a broad understanding of their products and services enables you to discover other potential “could have” type requirements.

Shortlist your vendor(s): Whilst it is possible that single vendor will meet all your requirements, experience has shown that typically a hybrid solution of technologies will meet most clients core needs. Understanding how these can potentially operate together and where the overlaps occur, try to determine how much functionality will be used from each.

04

05 Understand your requirements: (Déjà vu!) Any solution must meet your business requirements first and foremost. Yes, you will have to compromise in certain areas, but it is essential that your “must have” requirements are delivered. If your solution does not meet your minimum business requirements, then it will be a struggle to meet your business case.

Shortlist your vendor(s): As mentioned above, it is possible that single vendor will meet all your requirements, but experience has shown that typically a hybrid solution of technologies will meet most client requirements. This might be to manage your marketing data, perform your segmentation or deliver specific channels.

06

07 Deploy: Big bang rarely works; taking an iterative approach to deploying new technologies, business processes and ways of working tends to lead to an improved understanding of the business needs and therefore adoption by the wider organisation. Deliver quick wins to build momentum and maintain it with ongoing cycles of delivery.

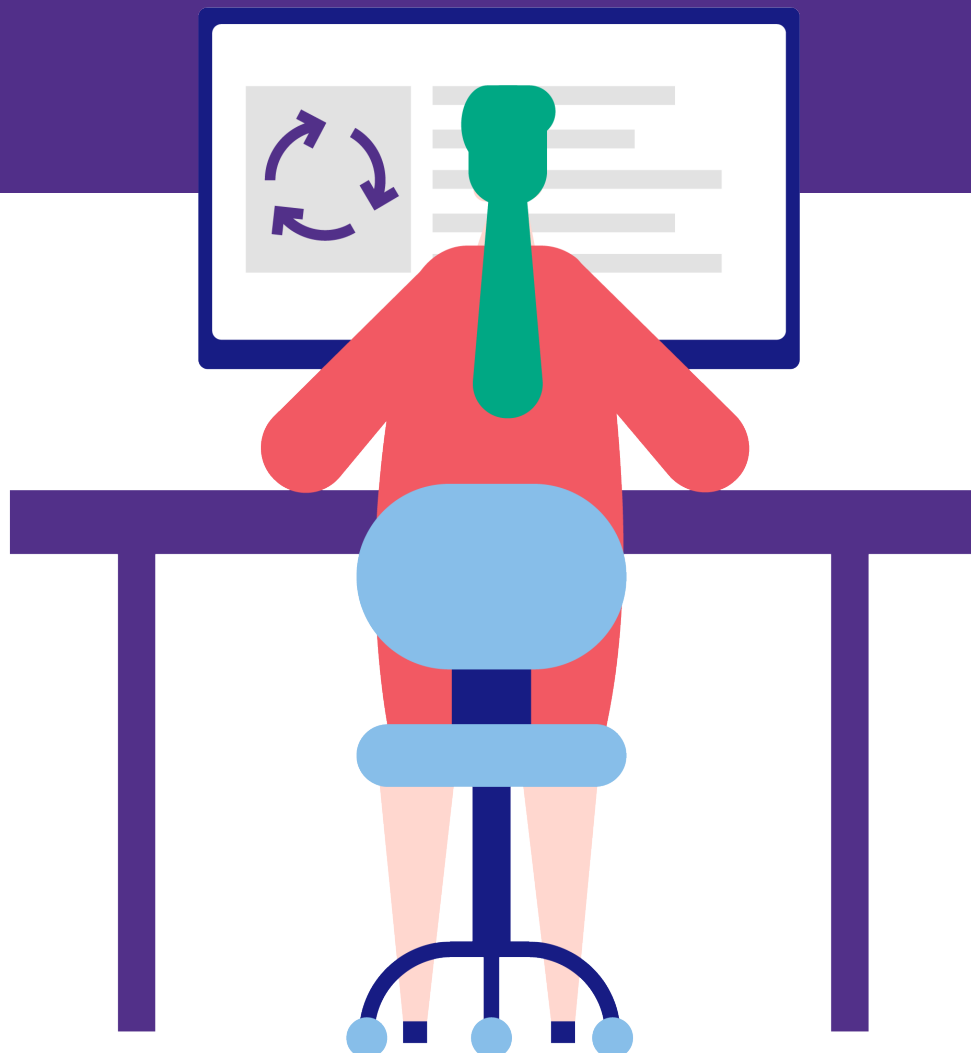
Educate & Evolve: Once you are live, the Marketing Automation journey is just about to start. Educating the team to understand how to get the best from your platform is critical and is an ongoing task, particularly for new starters. It is important not to fall into the trap of repeating what you have always done before. Where does the incremental value come from? One of the biggest challenges we have seen people face is the business change required to really get the best from your marketing automation. Putting the customer at the centre of your communications strategy could potentially be at odds with product centric operations. Understanding these risks will enable you to keep up with an ever changing marketplace, and beat out your competitors for share of wallet.

08

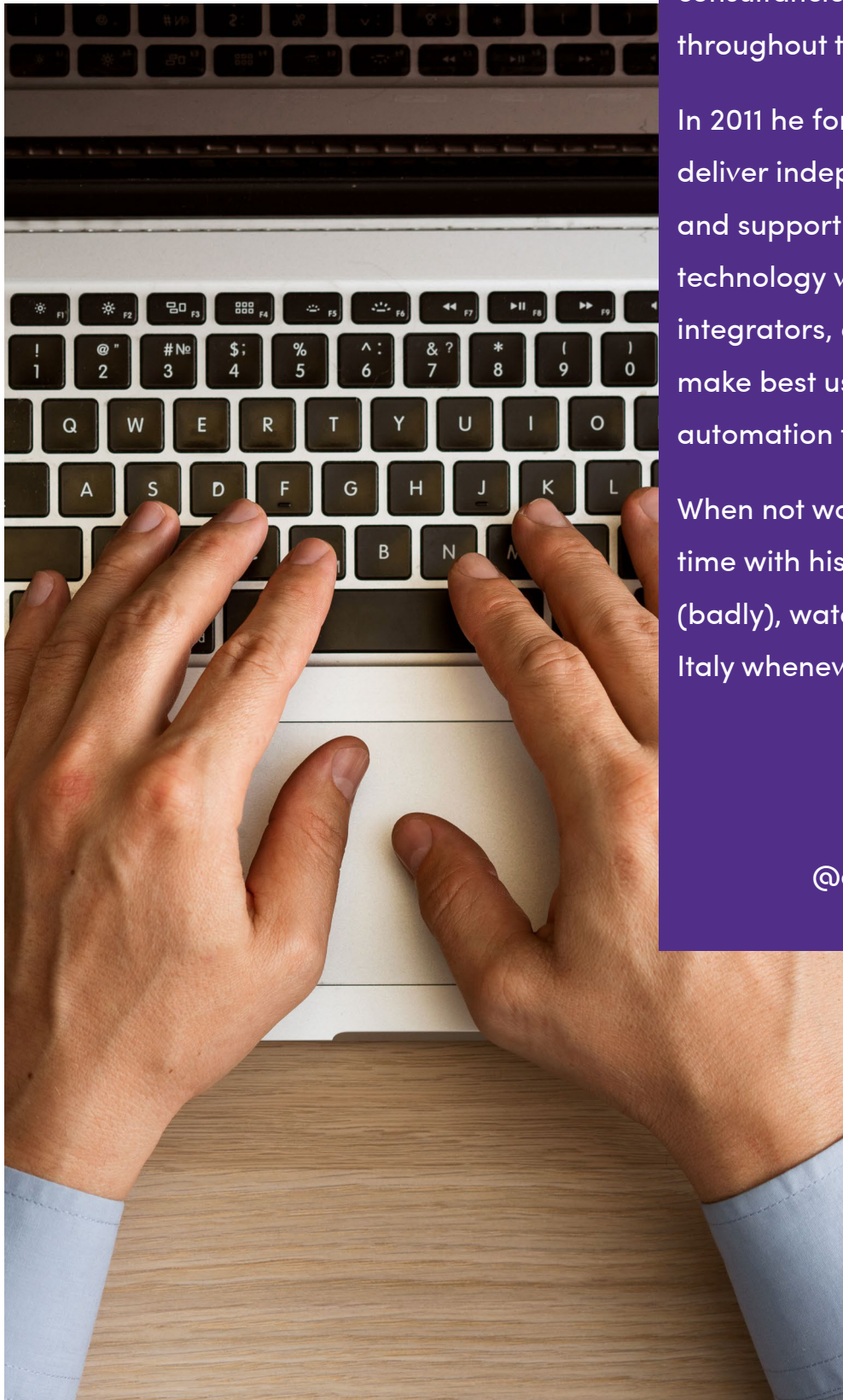
09 Understand your requirements: (are you starting to notice a trend?) As your business continues along the Marketing Automation journey, you become more sophisticated and so your requirements evolve. Typically we would recommend an annual review of your requirements kicking off 24 months from your go-live date. As well as putting in place the programs and processes that will deliver that goal, reviews should be planned on a quarterly basis to ensure you are always moving forwards.

Revise & Enhance: It is important not to think that your marketing automation technology activity finishes. You should always be looking for the incremental gains and benefits for your business. These can take the form of delivering more activity at the same time, delivering the same activities faster and/or achieving better results.

10



About the Author



Andrew has been delivering Marketing Automation solutions for over 25 years, working for software vendors, specialist consultancies and large enterprises throughout that time.

In 2011 he formed Purple Square to deliver independent advice, services, and support to enable clients, technology vendors, systems integrators, and business partners to make best use of their marketing automation technology.

When not working he spends most of his time with his family, playing golf (badly), watching rugby and visiting Italy whenever he can!



@andrewaddison

With special thanks to Janet Snedden at CustomerKIND for her invaluable input.



About Purple Square CX



Purple Square CX helps the world's biggest brands maximise their Marketing Automation potential. We understand what it takes to deliver successful marketing technology programmes and maximise the return on investment. We do this by creating industry leading processes within your organisation; working collaboratively with your internal and external teams to effectively operationalise and optimise your Marketing Automation strategy. Ultimately, we look to build and maintain a long term, mutually beneficial partnership to deliver your strategic marketing initiatives.



www.purplesquarecx.com