



## Perfecting the Right Next Offer





For some time, there has been a lot of talk about customer-centric marketing and a lot of wishful thinking that your own organization can be magically transformed into a company that demonstrates that you know your customers as friends. This transformed company continually proves that it values the customer's time and attention, and is consistently committed to communicating offers that are relevant only to a particular customer's needs. Wouldn't it be great to share the knowledge across the organization that a customer just got married, bought a home, had a baby, or is getting a child ready for college?

In reality, most organizations are still operating with their customer histories strewn across product lines, and independent marketing efforts are still communicating in a highly segmented fashion built around products or sales channels. What is known in one product line is often not known in the others and might not even be a factor when creating the next customer offer. In fact, these same marketing engines, busily pushing their messages out and all vying for the same customer's attention, are most likely competing with each other for mindshare.

Push messaging has, for the most part, lost its appeal, and campaign effectiveness has notably dwindled. In desperation, heavy discounting has often become the stopgap measure to continue to drive sales.

Business-as-usual marketing does not resonate well with the big changes in the consumer landscape. The power has shifted from the seller barking benefits in the marketplace to one where informed buyers rule with easily acquired information in terms of product reviews and ratings, brand reviews, and competitive pricing while the thought of a purchase or a change in buying habits just begins to take form.

The sellers who are still stuck in the marketing era of bygone days can actually find themselves spending time and money creating a negative customer impression if their marketing communications are perceived as insensitive to the overall historical buyer-seller experience. Lack of an understanding of the total relationship,, unwittingly squirreled away in various parts of the organization, has simply become unacceptable in the eyes of the consumer and signals that a company is out of touch with the times.



## **Transforming from Being About Us to Being About the Customer**

Moving from an organization obsessed with telling the customer about their company and products to one that thoughtfully engages only with information that is likely to be of interest takes executive focus and commitment to change. There are four stages to transforming an organization from a traditional marketing communicator to a customer-centric communicator.

### ***Stage I: Committing to a Philosophical and Cultural Shift***

A change becomes reality only when executive management makes a conscious effort to strategically recalibrate the company's approach to interacting with the customer. The mandate must be driven down from the top. When a senior executive, such as a Chief Customer Officer, Chief Relationship Officer, or Chief Customer Experience Officer, is dedicated to leading the new communication promise, the organization is more likely to take note of the commitment to the message and buy in to change.

### ***Stage II: Centralizing the 360° View of Customer Information***

The next step involves gathering customer histories from across the organization and implementing a system that can serve as the brain trust for all the history about any one customer. This system needs to capture all campaign offers and responses across all product lines and sales channels for each customer.

This centralized repository services all the lines of business going forward and reveals how many touches each customer is receiving from the organization as a whole.

### ***Stage III: Enabling Intelligent Outreach***

The third stage of the marketing focus transformation involves positioning the organization to be able to develop personalized communications that represent the "right next offer" (whether it is by email, direct mail, or telephone) and requires the ability to identify customer profiles by groups and then batch the offers accordingly.

The wealth of information that must be culled to understand the match between customer and offer is too unwieldy to be done manually. If marketing analysts spend all their time trying to analyze the audience and the impact of campaign tactics, then they don't have enough time to develop an informed view on how best to shape an offer for a customer.



By enabling intelligent outreach through automation, you can identify, measure, and determine the trend of what is and what is not compelling customers to act.

The organization's newfound, consistent, knowledgeable voice helps increase your footprint with that customer, allowing you to gain a greater share of mind, share of wallet, share of telecom spend, and so forth. As a result, deeper footprints make change more cumbersome and discourage customers from exploring other scenarios when your competitors come calling with attractive offers.

#### ***Stage IV: Enabling Intelligent Dialog***

The final stage of transformation involves being able to provide the “right next offer at any point in time,” whether the customer is engaged at the point of sale, on the web or with the call center. The offer develops based on the context of the interaction and everything else that is known about the customer, giving it the best chance of success. This ability to make an intelligent marketing offer at the point of any interaction marks the transition to an engaging, charming conversationalist, creating a strong bond that is not easily broken or replaced.

#### **Perfecting the Right Next Offer**

To support organizations in making the transformation from a product- and channel-focused organization to one focused on the customer, Pinpoint Systems has applied their expertise in the customer-centric space to create the Marketing System of Record solution.

This solution, powered by the efficiency of the IBM Enterprise Marketing Management platform, addresses both Stage II and Stage III in the transformation process described previously. The Marketing System of Record solution allows analysts to assemble and view data—and measure campaign performance—from a customer-centric point of view.

Marketers are not only given the right data, but they are also given the data in a customer-centric format.

The solution's single data repository stores all campaign information, across all channels and product lines, including which customers were contacted (when, with which offer, and through which channel) as well as how each customer responded, the



revenue generated from each offer, and how their relationship profile changed as a result of the marketing activity.

The tracking features of the solution allow analysts to complete these tasks:

- Attribute customer actions to specific campaigns and target cells.
- Use campaign and response history for audience selection and segmentation.
- Compute standard campaign performance metrics.
- Automatically report those metrics, as well as emerging sales trends, to product managers and other stakeholders.

The solution assembles data automatically, across product lines and sales channels, and presents it in a customer-centric format—drastically reducing the amount of time analysts spend viewing and collating data from disparate repositories. The solution includes functionality to record the distinct terms of each sales offer, which enables performance analysis of specific campaigns, and in turn gives marketers the ability to fine-tune offer variations and decide how they can most effectively be assigned to specific customers and households.

The Marketing System of Record solution automates the computation of customer revenue associated with each offer. This functionality can also be extended to automatically determine future offers for each customer. By applying revenue metrics to each offer, the system determines historical effectiveness of previous offers and then automatically selects and extends future offers for each customer based on those most likely to get a positive response. When these processes run continuously, they can improve overall marketing effectiveness on an ongoing basis.

This customer focus can enhance customer loyalty and retention, increase sales revenues, support cross selling, and allow for more effective allocation of marketing resources. Companies that realize the benefits of this transformation gain a competitive advantage over those using less-adaptable, product-focused marketing strategies.

**For more information on how to perfect your offers contact:**

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## About Pinpoint Systems

Pinpoint Systems Corporation specializes in implementing and optimizing enterprise marketing solutions. We offer a unique approach that links marketing processes and technology systems, including campaign management, marketing resource management, single-view-of-the-customer, interactive and multi-channel marketing, and marketing performance measurement solutions.



## About IBM

IBM leads the market for marketing technology solutions, recently recognized by leading industry analysts Gartner and Forrester for its leadership in Integrated Marketing Management, Multi-Channel Campaign Management, Marketing Resource Management, Web Analytics, and Cross-channel Campaign Management.

To learn more about Enterprise Marketing Management, please contact your IBM marketing representative or IBM Business Partner, or visit the following website:

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

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