
The Consumer Is Not a Moron, She's An Individual

How To Get Started On Individualized Marketing

October 2014



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Introduction

Shouldn't all marketing be relevant? Brands have access to more data than ever, especially in digital, so there is increasing potential to create more personalized experiences. But consumers are savvy and do not want to feel stalked by advertising. Brands now need to demonstrate value to the consumer at every single touchpoint. In this Viewpoint, we will review the opportunities and obstacles for personalized marketing and present a way forward.

What is Individualized Marketing?

The details of a consumer's life converge online. The professional, the parent, the homeowner, the fitness devotee, the sports enthusiast, the volunteer, the Google searcher, the Facebook friend, the desktop user, the smartphone user, the tablet user — this all describes the same person. This data can, and should, enable brands to deliver more relevant advertising.

Individualized marketing is personalizing content in order to enhance the relationship between the brand and consumer. This is accomplished by delivering specific messages and offers based on the individual's digital behavior, predictions about needs and interests, and the current step in the buyer's journey. The goal is to reach the right consumer with the right message in the right place at the right time.

Industry Innovation

Facebook recently announced services that leverage user IDs to target, measure and track users across both desktop and mobile devices through Atlas, its ad serving and measurement platform. For example, a brand using Atlas might now be able to understand that a customer purchased a product on a desktop computer but first saw an ad for it on a mobile device. Facebook already tracked users this way across its own service, but Atlas now extends the functionality and benefit to sites, platforms and mobile apps outside of Facebook.

Yahoo, Twitter and Amazon also leverage their customer IDs across multiple devices and environments, although the ad serving capabilities are only for media purchased within their own platforms and services. Yahoo recently purchased Flurry¹, a mobile measurement and analytics company, and is likely to begin offering cross-channel, individualized tracking services.

¹ <http://finance.yahoo.com/news/yahoo-acquire-flurry-strengthen-mobile-203800723.html>

Google has been slowly launching cross-channel tracking and measurement functions. After releasing cross-device measurement through Google Analytics in 2013², they have yet to fully integrate it into the DoubleClick Digital Marketing suite for targeting and attribution, although this is likely not far away.

Challenges

So why isn't everyone deploying individualized marketing? If technology can help connect the likes and interests with the behaviors of the target audience demographic, there should be no stopping anyone from offering relevant advertising. However, there are obstacles that prevent truly personalized marketing.

Privacy

Consumers are less willing to share personal information because they don't want to be "stalked" by ads and emails. They want to know their information is safe. Brands are concerned with customer trust, especially in light of publicized security breaches. It is possible to take advantage of rich consumer data and gain the benefits of micro-targeting while still protecting the individual's privacy, but the topic still needs to be addressed.

Fragmentation

A company's structure across people and platforms can create a fragmented view of its consumers. Departments, agencies and technology need to connect all of the information captured in order to fully understand who consumers are and effectively communicate with them.

The ability to target and track users across devices creates another challenge. Since desktops primarily use cookies and mobile devices do not, the capability to target the same consumers was and continues to be limited. In addition, it can be difficult to track consumer activity between mobile apps and mobile web. As previously mentioned, companies with large user bases across both desktop and mobile devices (e.g. Facebook, Yahoo, Amazon, Google, Twitter) have recognized the opportunity and started to successfully address targeting and measurement.

Scalability

Tracking, getting insights from the massive amount of data and delivering a specific message through the right channel at the right time across millions of individuals is not easy. The multiple steps each user takes could create thousands, if not millions, of custom segments, tactics and complexities. Marketers need to determine if the cost of the technology and individual messaging is worth the investment.

² <https://econsultancy.com/blog/62754-cross-device-measurement-in-google-analytics-will-turn-mobile-marketing-on-its-head#.lv7zvsnuke1510>

What You Can Do Now

"I am sure everyone wants to be treated as a special individual. Pretending you are writing to one person helps you better connect with your readers."

- David Ogilvy

Despite the challenges, a majority of brands already have access to the technology to start an individual engagement strategy. Follow these tips to get started.

1. *Look at your existing customer data.*

Many advertisers already collect numerous data points on their clients including CRM, site visitation, mobile application use, registration and historical purchase data. All of these touchpoints can be leveraged to target users off and on-site for personalized ads, content and offers. To note, all data collection needs to follow local privacy and advertising targeting laws (See Neo@Ogilvy Viewpoints on Privacy Bill Of Rights – February 2012).

2. *Identify partner capabilities.*

Many advertising technology partners are developing or have developed tools for personalized targeting and tracking, and as previously mentioned, many are acquiring companies with those solutions. For example, many tag and data management platforms already include tools to capture CRM, cookies and mobile device IDs that can be used for cross-channel targeting and measurement. As seen by Atlas and Google services, this is now true of ad servers, buying platforms and analytics tools.

3. *Identify opportunities for partner connectivity.*

While companies like Facebook and Google continue to combine their solutions into single platform offerings, they typically move slowly due to the sensitivity around user privacy. If your current tech solutions don't provide all features for individualized marketing strategies, there are numerous possibilities to combine targeting, measurement and tracking by combining two or more technology partners for custom solutions. For example, Neo@Ogilvy has successfully combined a mobile targeting partner, a data platform and a mobile buying platform to personalize mobile ad messages and measure their effectiveness on desktop activity and sales.

4. *Understand each channel.*

Each channel has unique characteristics. This is especially true of social channels as users engage differently on mobile and desktop devices. A successful individualized marketing strategy not only requires understanding user interaction within the channel but also the function of your site, app or content within that channel. For example, purchases that require a multi-step process are best suited for desktop or tablet environments, while mobile ads and apps are better for quickly accessible information such as a store location or phone number.

5. *Determine measurement goals and requirements.*

It is important to identify which technology will serve as the measurement of final results. If a brand's ad server, such as Atlas, doesn't have solutions for cross-channel tracking, it is possible to map data from the ad server or site analytics tools with those of targeting and tracking systems. While this has a lower user match rate, it is still a good indicator of performance, which can then be used for better audience segmentation and optimization. It is equally important to understand value of each media channel and set appropriate goals for each media vehicle. For example, users might purchase less on mobile phones, but might have a higher sale rate than those that only use desktop devices.

6. *Be helpful, not creepy.*

Individualized marketing is intended to deliver the most relevant experience for a brand's consumers, and to influence them to engage, learn and make a purchase. However, even with the most direct targeting, continually pushing products and services to users across all channels with high frequency will not be successful. The strategy of individualized marketing is to help consumers find what they're looking for and make a purchase by using data you already know about them.

7. *Test, Test, Test.*

David Ogilvy said, "Never stop testing, and your advertising will never stop improving." As new technologies emerge and various approaches are tested, it is important to understand the path to purchase. Using both media and on-site analytics will help to craft and improve the consumer's journey.

The Future

Similar to Facebook, closed ecosystems (or Walled Gardens, as we like to call them) accelerate the ability to perform individual marketing across channels. This week, Forrester released their first report on Enterprise Marketing Software Suites. These are often revered to as Marketing Clouds. This will be a hotly contested space and to no surprise, Adobe and Salesforce have emerged as the early leaders.

As technology continues to advance and we as marketers have greater insight into our consumers' lives, the opportunities to connect with them will be improve.

We will keep you informed on how to best establish and refine an individualized marketing strategy as we expect this area to continue to evolve.

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Published by Neo@Ogilvy

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