

An Anchor Whitepaper

Title: People Based Marketing

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People Based Marketing – An Anchor Whitepaper

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Contents

People Based Marketing – An Anchor Whitepaper1

Executive Summary3

Introduction4

The Challenge5

Ingenuity5

Walled Gardens6

Current State6

Future State7

The Data7

Conclusion8

About the Author9

About Anchor9

Executive Summary

Look, out in the market...

It's one-to-one...

It's right place-right time-right audience...

It's the 360 degree view of the Customer...

No, It's People Based Marketing!



If that reminds you of the intro to Superman you are correct. If you haven't been hearing the term "People Based Marketing" a lot lately, you haven't been paying attention. "People Based Marketing," as current relevant vernacular, seems to have won the hearts and minds of the Marketing Cognoscenti. It is not dissimilar in spirit to its marketing strategy predecessors just a little more real with today's technology and data.

Introduction

So, what is People Based Marketing? People-based marketing is a strategic marketing discipline, which focuses on connecting brands' marketing campaigns directly with actual individuals, across all devices and channels. As opposed to all the anonymous means of marketing; shouting from the mountaintop, mailing to households or "current residents", making digital ad "impressions", winning email "eyeballs", or targeting web browsers, people-based marketing allows brands/advertisers to identify and respond to **individual customers** across all online and offline touchpoints, in real or near-real time, opening up endless opportunities to engage them in ways that are more meaningful to them and aligned to their current interests. Doing this successfully requires the right data, identity management capabilities and partners. Read on for more...



Peter Steiner's cartoon, as published in *The New Yorker*

The Challenge

Successful and long proven techniques for marketing through direct mail and email abound. Decades' long investment in individual targeting via name & address, email, data hygiene, statistical modeling, campaign management and CRM platforms, all leveraging Personally Identifiable Information (PII) have paid off handsomely for Brands/Marketers over time. The paradigm began shifting in the early 2000's as digital marketing began its coming of age. I happened to work at Abacus then, a hugely successful "co-op" database company primarily doing behaviorally targeted offline acquisition modeling at the time. Abacus was acquired by DoubleClick, valued at the promise of bringing this targeting capability online. Not so fast. If you were in the business back then you remember the severe consumer backlash about being identified online.

Anonymity was assumed inherent in the internet and all the protocols were designed to keep it that way. Anathema to Marketers! This debate raged all the way to Capitol Hill and our windbag politicians got yet another issue to fear monger and equivocate for "public safety" and another innovative industry to regulate and tax. In any case you knew, at this point, this issue would not be resolved quickly or efficiently.

All the digital marketing techniques that ensued were relegated to anonymous (essentially guesswork) methods of targeting advertising. Reaching an IP address with a display ad or targeting a browser via a cookie, was possible, you just couldn't be sure of the individual you were reaching. Nascent digital targeting across "networks" was enabled, similar to how television and publishing advertisers would target audiences based on programming demos. So the work arounds began and innovation would again rule the day.

Ingenuity

Early innovators like Dotomi (later to become ValueClick then Conversant) began using MD5# encryption to anonymously link offline PII and purchase behavior with the online browse data to personalize creative and media placement for digital ad targeting, in real time, at the user level. This was a leapfrog capability over the benchmark retargeting/remarketing form of ad targeting, of the day which would follow you around the web and pop up when you browsed another site. By personalizing every online impression, consumers enjoyed more meaningful advertisements and companies could realize higher returns and improved user engagement. When I first heard of Dotomi I thought it was a Japanese company lol. Dotomi actually stood for Direct One to One Marketing Inc. Alliance Data purchased Conversant (née Dotomi) for \$2.3BB in September 2014 appearing to make Acxiom's acquisition of LiveRamp for \$310MM 6 months earlier a real bargain! LiveRamp, similarly, allowed brand marketers to access and package offline customer data and use



it to inform their online marketing and advertising efforts. Simplistically, enabling corporate marketers to “onboard” their offline customer data into a variety of online marketing applications offered by over 80 partners. The brand’s offline customer data, combined with online interaction data and the targeting capabilities of these applications, enhanced the effectiveness of marketing and advertising efforts executed by corporate marketers. Both were obviously important milestone deals in the AdTech space and the valuations spoke to the importance of what would become known as People Based Marketing.

Walled Gardens

Shortly thereafter a handful of internet giants (Facebook, Google, and Twitter) began to open up their vast, people-based networks. It became possible to cut through the uncertainty and people-based marketing became something you could actually do....sort of. They are called “Walled Gardens” for a reason and as the name implies they are silos, the brand is disintermediated; you don’t own the data or clicks and the data you do get back is shallow. You get aggregated “reach” stats and perhaps some demographic and interest level data but not the rich data that can be connected to your other marketing efforts. These internet giants are big and there is plenty of success to be found in these silos because they are massive. So marketers only reach these people when they’re inside the walled gardens which makes attribution and ROI a challenge.

Current State

Most Brands have decades invested in marketing databases and customer relationship management (CRM) systems and own a plethora of offline data. Online data has also been amassed through an ever growing number of digital channels and toolsets, and brands as “advertisers” now have more first-party data than ever. They have the ability to “onboard” their offline data to the online environment, match it with a “publisher’s” digital data, recognizing and reaching customers wherever they are across web and mobile. The converse is also possible, “off-boarding” pure digital targets, “de-anonymizing” them and matching to “long tail” offline consumer profiles. Those who do this in real time, leverage and reap the benefit of the most precious of customer data, live-intent signals, to connect with customers at the precise moment they are in market for their products or services. This takes the guesswork out of targeting, eliminates wasted ad spend and, ultimately, increases conversions. We see this identity grid/identity management practice as foremost in importance.



Future State

We, as marketers, have always strived to deliver relevant marketing to the end user target as accurately as possible. In early advertising we would “stand atop the mountain” and shout our message hoping everyone would hear. We improved slightly by putting ads in particular publications and campaigns based on their demographic audience or through segmentation or modeling hoping the right people would see the ads. Today, at the intersection of marketing and advertising technology campaigns can be targeted with extreme precision. The technology is available and the data is ubiquitous.

For marketers today success comes down to people based targeting and measurement. Marketers will be held to much higher standards and must shift away from simple metrics like clicks. Ad spend is continuing its exodus from traditional, to digital and mobile channels. Marketers must continue to develop and hone their skill sets to meet the needs and expectations of their customers. The ability to know whether you’re actually reaching the person you intend to target is crucial to the success of a campaign and to optimize ad spend.

People Based Marketing enables marketers to move beyond anonymous cookies and third-party data, to reach real people in a true 1:1 manner, by leveraging all available data to its maximum potential. As a result, marketers can get to know the person behind the browser or mobile ad ID, and better anticipate and deliver on their needs at every point in the cycle.

In addition to a known customer’s or registered user’s data...customers’ location can be known and targeted via mobile geo location and beacons, lifestyle and interest information can be known from browsing behavior and page views, and this data can be combined with name, address, geographic, demographic, psycho graphic and behaviorally targeted data to make for much more meaningful customer interactions.

The Data

- Email - is at the core of the more than 4 Billion connections The email address is the most essential, deterministic identifier available
- Wireless numbers - In 2018, mobile will account for more than 70 percent of all digital marketing spend, leaving desktop behind
- Mobile Ad ID’s - Marketers must evolve beyond cookies to reach consumers on mobile. If they don’t, they’ll be left behind by those that do



- Digital Data – There are many companies leveraging digital browse and cart data, de-anonymizing and integrating to the grid
- Addressable TV is becoming a reality
- Best Name and land address
- Take “AIM” with Anchor Identity Management

Conclusion

In this environment Marketers can and should aim a little higher in our opinion. People based marketing, fueled with a robust identity management solution, will enable marketers to resolve multiple identities across devices, channels, browsers, silos, into one complete and accurate record, in a safe and privacy-compliant manner. Identity Management helps you tame the chaos of marketing data and build an integrated grid across all touchpoints. You will know who you are targeting, wherever they are, and you will reap all the success that brings. Actually reaching the people you are targeting is a big deal!

If you need help please don't hesitate to contact us.

After all, even Superman no longer works alone. He's part of the Justice League when the job is too big for just one hero!



About the Author

Thomas E. Smith serves as VP Enterprise Solutions at Anchor Computer, a leader in the database marketing and management industry. Anchor Computer specializes in providing marketing professionals with innovative, intelligent and cost effective solutions designed to turn marketing data into actionable, profitable strategies.

Smith previously led a 100+ person Epsilon-Ryan Partnership business unit, growing the relationship marketing and data-management group services which included e-commerce, database marketing and analytics. Smith managed client relationships with many well-known omni channel brands. Smith's experience also includes Merkle/CognitveDATA specializing in data accuracy, management and analytics.

Smith focuses on strategic client development utilizing a variety of integrated, multi-channel, data-driven solutions to a diverse range of industries and organizations, including; direct marketing, advertising, retail, finance, healthcare, telecom, insurance, transportation, education, public sector, non-profit, and associations.

About Anchor

Anchor's experience in database marketing and data management services makes us the right partner, since 1969. We have enjoyed progressive growth driven by principles of excellence, integrity, continuous improvement, and unrelenting attention to our client's requirements and satisfaction. We have remained innovative and at the leading edge of computer creating better decision-making tools to help our clients create success.

Since 1974, Anchor Computer, Inc. has been providing direct response computer processing services. In 1995, Anchor Database Services was created to provide relational database marketing services and has built over 150 client databases. In 2000, we added a Phone Data Strategies business unit to provide comprehensive telephone data solutions. Key sectors include catalog-retail, financial services, insurance, consumer package goods, not-for-profit and political.

As a Marketing Services Provider (MSP), Anchor Computer provides marketers with a variety of processing solutions designed to enhance data and support marketing decisions, such as:

- Identity Management
- Database Hosting and Maintenance
- Phone Services
- Email services
- Data Hygiene; NCOA^{Link™} and PCOA
- Merge/Purge
- Data enhancement and modeling

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