



MAXIMIZE REVENUE

WITH DATA ENHANCEMENT
AND SEGMENTATION



How to use third-party data to expand your existing list and create 1-to-1 audiences

You've worked hard to build a quality in-house list through subscribers, transactions, and lead generation. Imagine if you had even more information about your customers. Enhancing your list with third-party data expands your ability to turn marketing into a revenue generator.

Thanks to new technologies and an unprecedented amount of data, marketers can precisely target specific customer personas and individuals across channels and devices. Savvy marketers who maximize available resources see the most success. They enjoy increased acquisitions, better retention, up-sells, cross-sells, and long-term loyalty. All this spells high campaign ROI and increased revenues over the long term.

Their secret? Know your audience and send messages that matter to them. This might sound like old school Marketing 101, but at Webbula we add transparency for today's digital world—the individual. Webbula enhances the data on your list so you know more, not only about your audience, but about each individual on your list, by adding additional data points. It works for email marketing and it works for ad targeting, too.

The best part? Segmentation—and the truckload of potential benefits it brings—is easier than you think. It's all pretty simple with help from third-party data.

In this whitepaper, we'll take a look at:

- How third party data enhances your marketing
- Quality vs. quantity: How to maintain reach as well as relevancy
- How to enhance and segment your list
- The benefits of segmentation
- Personalized email and ad targeting





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THE SITUATION:



Limited insights mean limited relevancy and revenue.

Marketers have more data at their disposal than ever before. As a result, customers increasingly expect messaging and offers that really matter to them—coupons for foods they like, offers from local retailers, and products that fit their income and lifestyle. Customers are also less tolerant of irrelevant offers, for example, offers for a product they just bought or something they're not at all interested in (think selling meat to a vegetarian). However, while most marketers do intend to increase relevancy and profitability, a

recent study by Winterberry Group indicates most marketers are having trouble moving the needle because they do not know how to use data effectively¹.

The Winterberry Group study also indicates 52% of marketers have achieved “average satisfaction” using their first party data for campaigns. This indicates first party data is an extremely reliable source of customer information, but it does not include all of the necessary data points to put relevant content in front of the right user at the right time on the right device. As an e-commerce retailer, you might be collecting information like name, email, address, and purchase data, but individual-based information like interests, behavior, demographic, financial, and automotive information might be vague or missing from your data set. While you might understand your purchasers, additional sales exists in expanding your current customer data set, and also increasing your understanding of prospects. Matching CRM data to unmodeled third-party data can solve your cross-device challenges in identifying the individual and creating new revenue streams.



+ THE SOLUTION:



You need data—third-party data

Even if you're sold on enhancing and segmenting, you might be thinking, "I don't know everything about my customers. How can I segment my customers if I don't have the data?" The good news is that you can get the data. But not just any data provider will do.

Through a process called data enhancement, you can fill in the holes in your house list. Webbula combines more than 100 sources—including publisher partners, transactional events, social media, surveys, and other data partnerships—to form a more complete picture of your audience. Once you have enhanced data, the additional data points can help you segment your list for precise targeting.

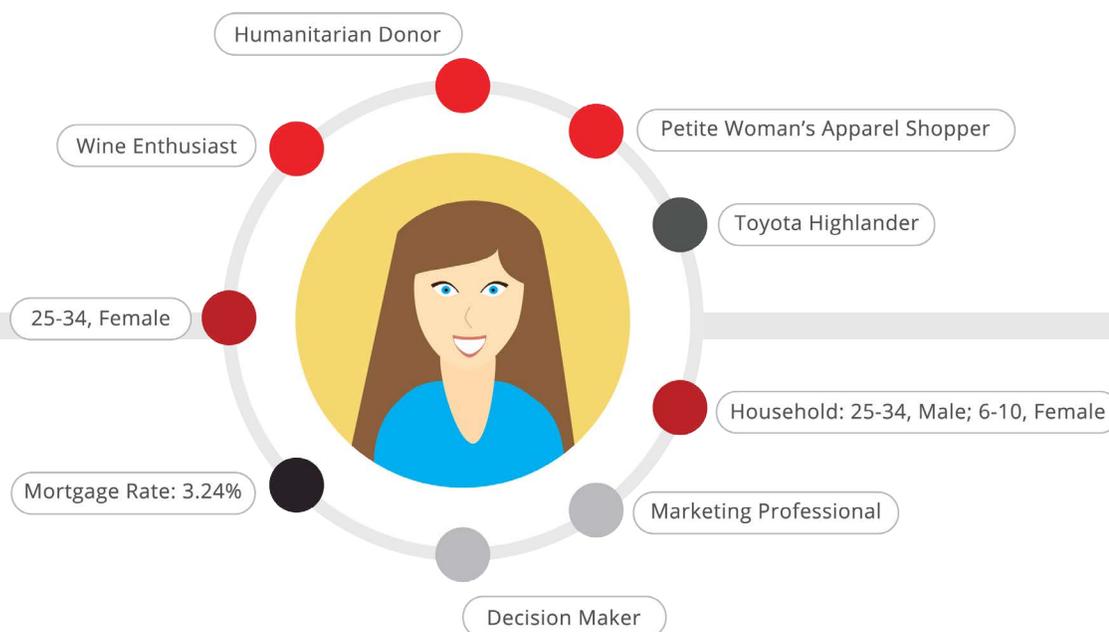




Specifically pinpointing your audience will yield better campaign results and drive your competitive advantage. Marketers indicate that the most successful campaigns came from the development of audience insights, and most specifically, actionable segments¹. So how do you enhance your audience to include insightful segments? If you sell audiology equipment, for example, imagine the potential increase in revenue if you reach out to only audiologists instead of all health care associates.

If you're a clothing retailer, imagine how much more effective your campaigns will be if you send separate offers not just for men vs. women, but specifically for tall men or plus-sized women. Also consider how you might upset your audience of plus-sized women if you market petite clothing to them. You can achieve this high level of personalization through data enhancement and segmentation.

Here's an example of segments available from Webbula:



Not All Data is Created Equal

The marketing landscape has evolved, and the quality of data varies widely by provider. Deterministic data is **not modeled** and is considered the most accurate way to attribute data to an individual. It often comes directly from the customer through online purchasing information and may include name, address, zip code, and phone number. Probabilistic data, in contrast, is **modeled** and contains an array data points to make a best guess.

For best results, choose a data provider that offers deterministic, self-reported data updated regularly. For an added level of quality, choose a provider that also offers fraud mitigation and cleansing processes to ensure your enriched data doesn't contain threats.

Data is only one piece of your marketing puzzle. You can expand your audience insights and segment your list, but without relevant content your efforts will go to waste. Optimize your campaign by first developing a strategy for reaching each audience segment. Then craft compelling content that is relevant to their needs.



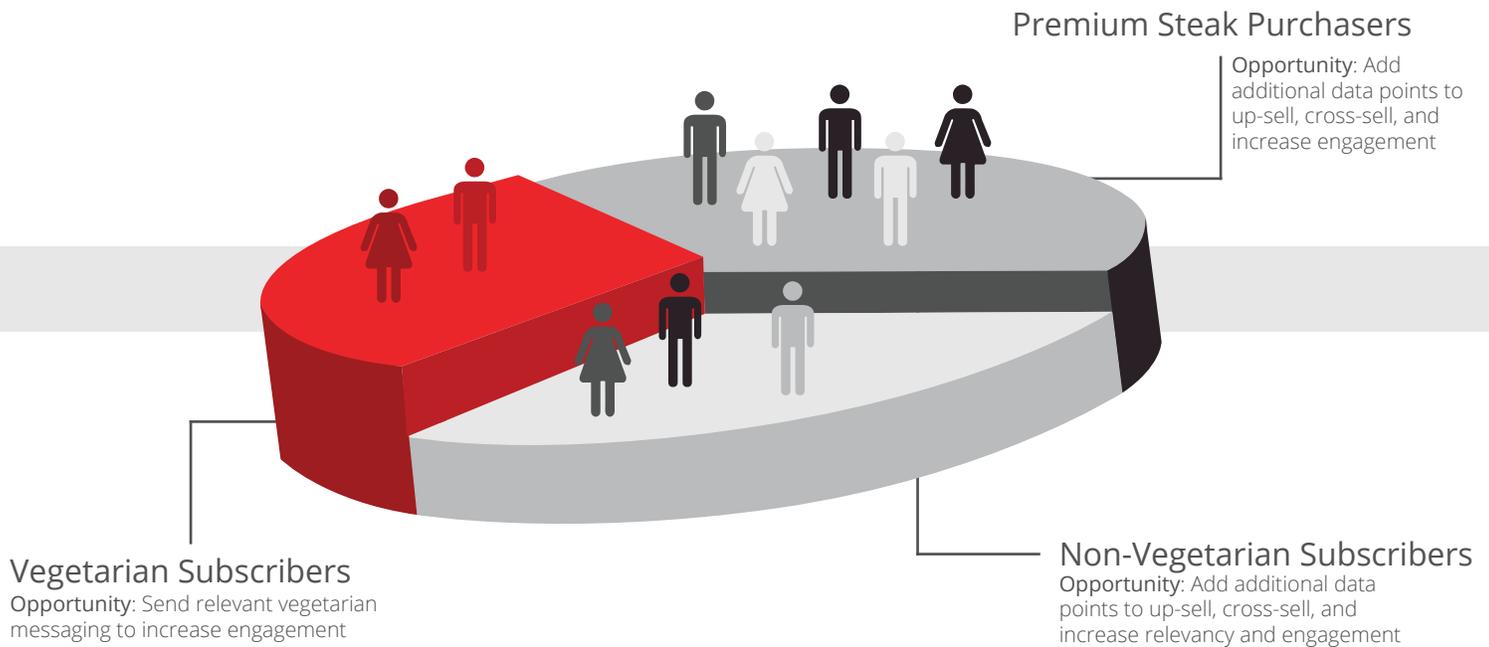
Quality or Quantity?

You have certain fixed costs when you develop an email campaign—design, copywriting, your ESP, and more. You might think it's a good idea to maximize ROI by sending to a large list, maybe your entire database. After all, it doesn't really cost more to send a few thousand extra emails, right? Not so fast.

Imagine you sell food products and you craft a campaign to promote your line of premium steaks. If you send to your entire database, you're probably marketing meat to vegetarians. You might think the worst case scenario is that some of your emails get deleted. Maybe you even pick up a few extra sales to meat eaters along the way. But there's a problem with this "quantity over quality" mentality.

Those vegetarians (or whichever uninterested party received your email) might be annoyed or downright angry to see your message in their inbox. Because an average of 64% of subscribers unsubscribe from campaigns because of irrelevant messaging², it's essential to target the right audience with the most relevant messaging to avoid this. You'll lose your ability to connect with these individuals, and you could lose them as customers forever. This sounds bad, but it's not the worst case scenario.

Your angry vegetarians could flag your messages as spam. If that happens enough, you could land on blacklists and lose your ability to send email entirely. (See our [Cost of Poor Deliverability](#) Brief to learn more about the true cost of blacklisting). At the same time, you'll lose all the sales you could have had with a more appropriate offer for this audience.



Selling meat only to people who have purchased meat in the past would avoid the angry vegetarian scenario altogether, but avoiding certain segments costs you many opportunities to cross-sell, upsell, and engage with other customer segments and prospects. If your vegetarians instead received an offer for fresh produce, chances are you would see a boost in opens, clicks, and sales for these people. You would also keep more of your entire database of customers happy by showing that you know them well and care to serve their individual needs.

This simple fictional example shows that quantity doesn't equal results—relevancy does. Match your message to a specific audience segment that's most likely to care, and you could see a boost in revenues even with a smaller list. That's the power of email segmentation.



How Can I Enhance and Segment My List?

Creating smaller, specific lists from your larger database allows you to market more effectively. First let's discuss how you can segment your list:

Customer service: As a best practice, you might refrain from sending a promotional email to a contact who has an unresolved complaint. You might also consider a discount offer as a goodwill gesture once the complaint is resolved.

Sign-up date: The date a user signs up is useful for sending welcome emails and limited-time offers to build loyalty. You might also consider a campaign to older contacts to encourage them to come back, or perhaps to determine if you should remove them from your list for hygiene purposes.

Subscriber activity: Target messaging based on opens, clicks, or other behaviors.

List Filtering: Filter by job title, zip code, household income, industry, annual revenues, etc.



Purchase history: By developing offers based on a customers' purchase history, you can provide a highly personalized shopping experience with items they are most likely to buy. The other side of this is knowing what not to promote to particular audience segments. You can avoid marketing an item a customer has already purchased and instead up-sell or cross-sell to boost revenues.



The possibilities for targeting and segmenting audiences are endless, but if you want to create a 1-to-1 strategy, additional data points are necessary. Third-party deterministic data is the most accurate way of adding additional insights.

Here are just a few potential scenarios:



Demographics

Your website receives a lot of traffic from a certain geographic location, you could segment your list to target an email campaign based on the particular zip code producing the traffic. Take it one step further and include household income parameters based on the cost of your product. From there you can target by age, gender, or number of people in the home.



Interest Group

Segmenting based on interest yields some of the highest open and click rates. Third-party data can help you target cat and dog owners with separate messaging. If you sell sporting goods, you can precisely target golfers vs. soccer players, hikers vs. hunters. Once you establish an interest group, you can further refine your list using demographic information.



Automotive

You can enhance and segment your list of car owners by make, model, and year to target your specific area of expertise. You can also use this information to include relevant images and content. For example, you can send an email with an image of a '57 Chevy or a '76 Dodge depending on what the recipient actually owns.



B2B

If your product is mining equipment for oil extraction, you can find customers in this niche market whose credit rating and revenues suggest they are qualified buyers. If you sell carpeting, you can target area businesses by location and square footage to identify projects with high revenue potential.



Political

Data on a voter's political party, donation propensities, religion, education, and household demographics can increase the relevancy of political messaging and the success of a campaign. A complete set of data not only empowers candidates to win elections; it helps them make informed political decisions for ballots, bills, propositions, and special interest groups down the road.



Financial

Data on home value, purchase price, date purchased, and interest rate can help decide what to promote and when. For example, if a homeowner currently pays a high interest rate, a bank might promote refinancing. If the home was purchased many years ago at a lower rate, the bank might instead promote a home equity loan.

The Automotive Industry Leader Put Webbula to the Test

The largest automotive industry data provider conducted an append test with leading suppliers. They analyzed how many emails could be enhanced and verified the quality of the appended information.

Webbula scored 97.48% for the number of emails appended that were verified as deliverable.

Webbula ranked #1 against 6 other vendors.

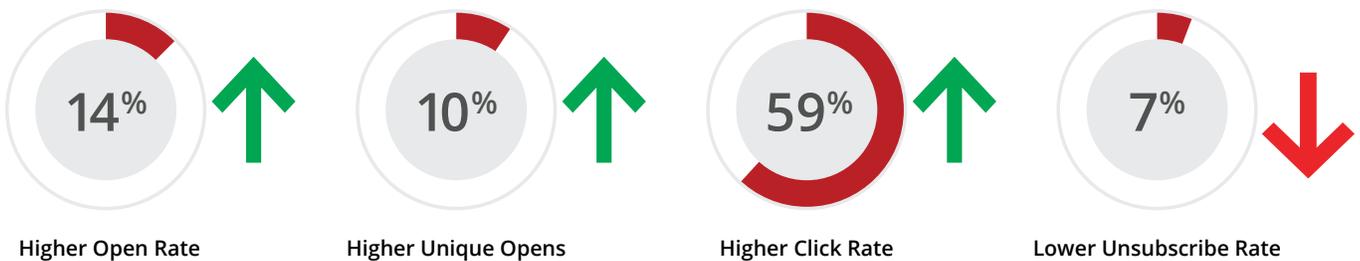


The Benefits of Segmentation



By now you probably have a sense of how data and segmentation can give you insights to help you drive sales, minimize negative responses to your campaigns, and foster positive sentiment toward your company. But just how much can your company benefit?

Email service provider MailChimp looked at over 9 million emails across 11,000 campaigns and uncovered some pretty compelling data to support segmentation. Compared to non-segmented campaigns, email segmentation resulted in:



Additionally, segmented campaigns saw a lower bounce rate and fewer abuse reports than non-segmented campaigns. These results suggest that narrowing your focus and targeting specific segments will improve your campaign results.



Email: The Universal Key Identifier

As an added benefit, solid email data and segmentation can inform highly personalized ad targeting. Webbula sees email as the universal key identifier for individuals. Since almost everyone has one or more email addresses, email can be used as an identifier to identify individuals. It can be used to not only identify individuals offline, but online as well. Even further, Webbula makes it possible to match email lists to social media users through Social Media Authentication.

Better data means better campaigns. Data enhancement and segmentation aren't just good ideas. They are standard best practices for driving revenues and ensuring customer satisfaction. That means better results, ROI, and revenues...and fewer unsubscribes, bounces, and angry vegetarians.



]webbula[To The Rescue!



Webbula aggregates data from over 110 different sources to enhance your list. Our sources include publisher partners, transactional events, social media, surveys, government records, attendee registers, annual reports, and more. We offer premium not-modeled, authoritative, self-reported data to help you increase relevancy and optimize your campaigns. To ensure your data doesn't contain spam traps or other threats, we use our CloudHygiene technology for fraud mitigation and list hygiene.

Better Email Campaigns: Webbula's Data Enhancement can fill in the holes in your email list to enable precise segmentation and targeting.

Better Ad Performance: Webbula's Ad Targeting services can pinpoint an audience for better display and mobile ad campaigns.

Give Us a Shout



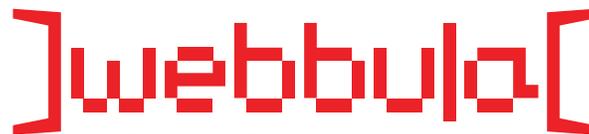
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THE MOST COMPREHENSIVE
DATA QUALITY SOLUTION

Footnotes:

1. iAB & Winterberry Group, Data as Competitive Advantage White Paper
2. Epsilon, Inside the Inbox: Trends for the Multichannel Marketer