

KNOW ME NOW, DIGITALLY

Data drives better customer
acquisition and retention



ttec™





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The facts

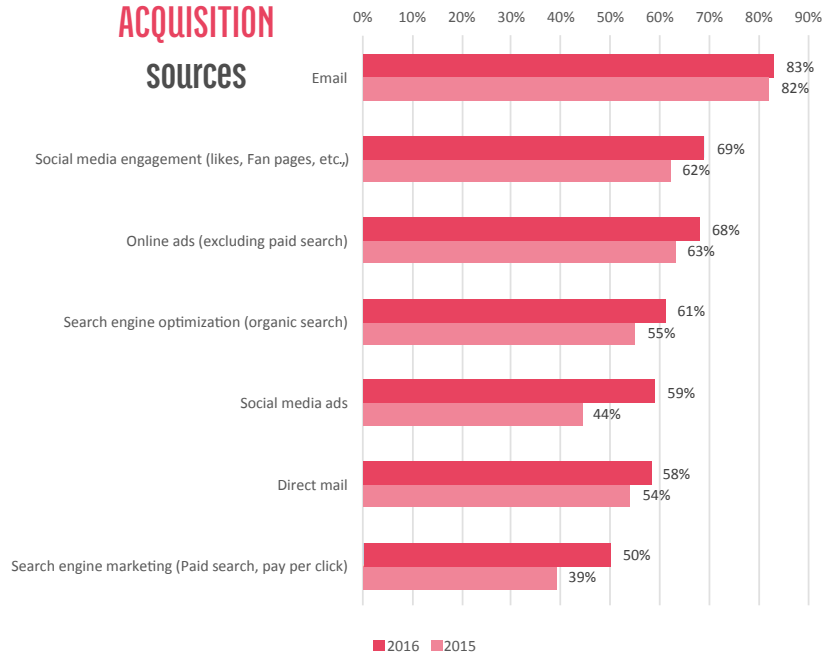


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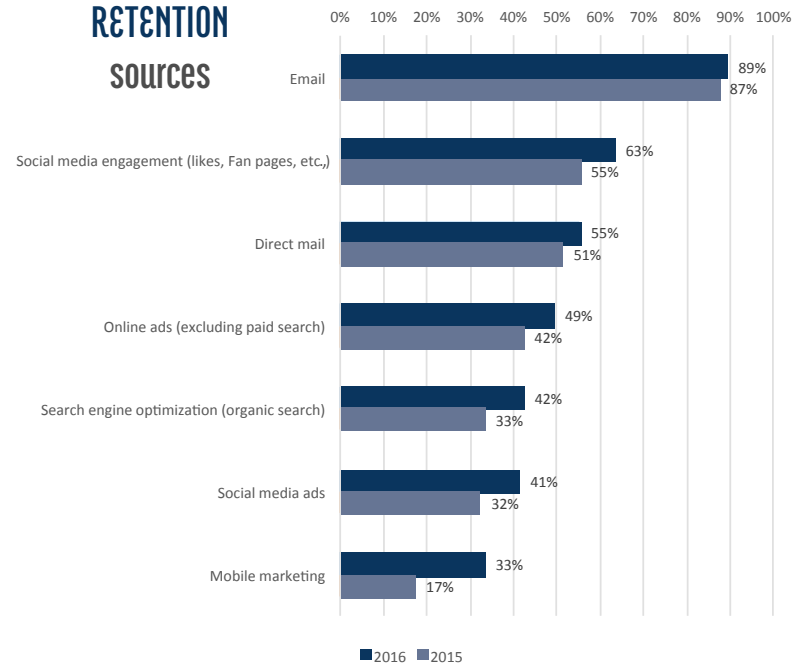
Digital drives outreach

Digital channels top the list of preferred channels for both acquisition and retention, and they continue to grow. Data-driven digital initiatives such as mobile marketing, social media ads, and search engine marketing are gaining ground for customer and prospect outreach.

Top customer ACQUISITION sources



Top customer RETENTION sources





The Facts:

Getting to know customers is a challenge

While **72%** of CMOs in the U.S. project an increase in customer acquisition, only **56%** project an increase in customer retention.



CMOs reported an average increase of just **1.5%** in customer retention performance over the past **12** months, less than previous years.

Digital data holds the key

CMOs rated their companies an average of **3.2 out of 5** on their ability to develop and use customer insights.



Their effectiveness in integrating customer information across channels averaged only **3.4 on a 7**-point scale, the lowest score in five years.



The Facts:

Sales + marketing + technology = new way to gain and retain customers

To address the new customer journey, companies have to change the way sales, marketing and technology work together, with digital data at the center.

Sales

Only 25% of leads gathered should have ever reached sales (Gleanster)

#1 Priority of CSOs is to increase sales effectiveness (Accenture)

Marketing

79% of CMOs are not satisfied with sales conversion rates (CMO Council)

70% of a buyer's decision is made based on online information, well before engaging a sales person (SiriusDecisions)

93% of online experiences begin with a search engine (SearchEngineJournal)

73% of marketers believe they need much deeper customer data gathering and insights to effectively address the customer lifecycle (Forrester)

Technology

41% of marketers said a more robust IT marketing infrastructure is required to support the complexity and granularity of consumer data interactions (Forrester)

By 2017, the CMO will have a larger IT budget than the CIO (Gartner)



Data-driven customer acquisition



**Customer Acquisition:**

Digital data builds audiences

Thanks to data, even if you don't actually know who is visiting your site, you can know enough about them to build an audience of similar users. Companies are integrating lots of new data sources—even on anonymous website and mobile users—to create differentiated experiences with digital marketing.

Logged in

More than 63% of all U.S. searches are done using Google, followed by Microsoft (Bing) and Yahoo. Many of those users are logged into their accounts when they conduct searches. And don't forget that a large percentage of the 1.6 billion Facebook users also stay click on products and services found within the platform before clicking to external sites for more information. Their profile data adds detail to aggregate and individual data that can be leveraged for customer acquisition programs.

Anonymous users

Non-personally identifiable information and aggregate data about a user's location, demographics, devices, and behavior (keywords, clicks, time on sites, etc.) can be captured to get a better understanding of who's coming to your site and why, before they even get there.

Anonymous data sources used for customer acquisition:

- » Keyword searches
- » Site visits and behavior
- » Geolocation information
- » Demographics (age, location, gender, income level)
- » Device and browser version
- » Time on site, time of day, site visit patterns, pages visited per session



Customer Acquisition:

Match first- and third-party data

See potential customers more clearly by integrating what you know about customers with outside information. Third parties can create audiences for you, or you can mix and match info from multiple sources to create audiences on your own.

Current trend

CUSTOMER MATCH

A Google AdWords feature allows companies to match known customer email addresses to registered Google, YouTube, or Gmail users for stronger user identification. Similar programs exist with Microsoft and Yahoo.

Future trend

PHONE NUMBER MATCH

Facebook and other apps are collecting phone numbers and SMS information from users. Look out for this data source to grow as a unique identifier as mobile adoption increases.

Future trend

CROSS-DEVICE METRICS

The omnichannel nature of today's customers is extending to customer acquisition data. It's getting easier to create comprehensive user profiles based on data from multiple devices they may use.

Potential new audiences



People who have previously visited your site.



People who have abandoned a shopping cart on your site in the past.



Look-alike profiles based on your current customers using anonymous behavior data.



People who travel a specific path across multiple touchpoints and sites to reach a pre-defined area.



Customer Acquisition:

Create a holistic, end-to-end program

Working together, sales, marketing and IT can leverage insight at every point in the sales cycle to treat different prospects differently in the most efficient ways. Below is an example of how digital marketing, demand gen, automation tools, sales associates, customer strategy, and analytics all play a role in today's data-driven acquisition process.

Get to know the customer.

Optimize online media spend to drive digital demand generation to the right prospects

Create relevant interactions.

Online persona development begins the personalization process

Intelligent routing matches customers to expert sales resources

Contextual messaging guides interactions for associates based on persona

Prioritize outreach.

Predicted conversion rate prioritizes leads based on readiness to buy

Feedback loop analyzes all data and drives continued media optimization based on results



Customer Acquisition:

Make a move

Start from within.

What data does your company currently have available in company CRM, ERP, and other systems? Who owns it, and how can it be leveraged? Also, look to site analytics to identify what's working and what ideal audience you want to build. Look for outliers in (positive or negative) to determine where to prioritize or where to ramp down.

Build campaigns that maximize the most valuable audiences.

Invest most in attracting users who will drive the best value. Consider offering appropriate incentives or discounts, and personalize as much as possible so that visitors know you're treating them differently. Use segmentation models, personalization, and other strategic initiatives to develop the right kind of messaging for the most effective outreach.

Measure and monitor.

The real-time nature of digital acquisition strategies means you have the flexibility to change things quickly if they're not working. Build on what works, abandon what doesn't, and share results with the entire organization to build momentum.

Put yourself in your customers' shoes.

Prospects are just customers you haven't met yet. Keep a customer-focused approach to all outreach, based on their needs first, rather than the sale.



Customer Acquisition:

Telecommunications provider

A leading telecommunications company in Mexico realized that there were gaps in its digital capabilities. It wanted to leverage the growing demand for digital services in Mexico into consistent sales volume.

The team conducted a digital media assessment to help identify and eliminate inefficient marketing campaigns and shift investments into its best-performing segments.

We then implemented Revana AQ360, which enables sales associates to see which landing page users visit, keywords they search, and the city where they're located. With this information, sales teams can create specific sales strategies for each customer profile, and use deeper insights to have more relevant and meaningful conversations with customers and prospects. This information was integrated with online customer journey tracking tools to leverage insight for relevant and contextual customer outreach.

Results

66% Increase in qualified sales leads



Decreased spend by utilizing better targeting methods

38% Increase in install rate



Decreased AHT in both voice and chat by focusing coaching on sales and transfer calls

18% Increase in overall sales by increasing pre-sale conversion rates





Customer Acquisition:

Electronics manufacturer

An electronics manufacturer wanted to focus its attention on B2B customers who would buy its parts in bulk, not engineers who would visit the site for research and not typically buy.

We utilized Google Analytics to help identify particular age groups which could indicate the “engineer” segment, who showed much lower conversion rates, engagement, and revenue in relation to the amount of investment. We found that those in the 18-24 age group fit this description. We therefore reduced or eliminated paid search keyword bids to this age group, so that we could allocate more money for media buys targeted to buyers and brokers, and increase the overall conversion rate.

Results



Increase

in overall
conversion rate
across Google buys



**\$30-\$45K
reduction**

in inefficient,
ineffective
media buying





Data-driven customer retention



Customer Retention:

Untapped data universe

It takes much more effort to acquire a customer than keep one, yet investment in retention still lags behind acquisition.

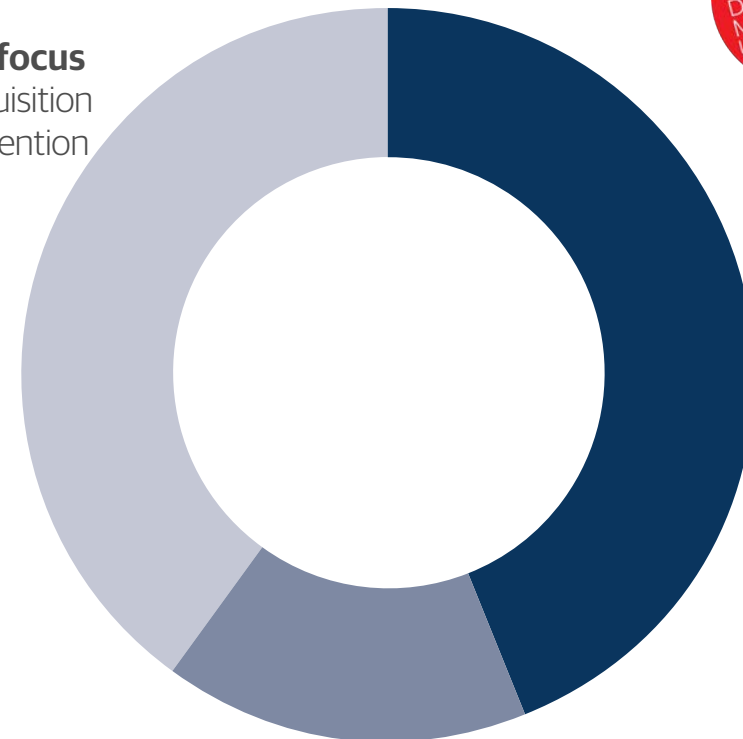
60-70%

The probability of selling to an existing customer

5-20%

The probability of selling to a new customer

40%
Equal focus on acquisition and retention



44%
More focused on **acquisition**

16%
More focused on **retention**



**Customer Retention:**

Four steps to personalization

The data benefits of customer acquisition can be applied more easily to the retention space, since these customers already have a relationship with you. Customers know that, and expect **personalized**, proactive interactions from you. They expect you to treat them like humans, not order numbers.

Step 1

ASSEMBLE A MARKETING UNIVERSE DATASET

Aggregate, integrate, and leverage as much information as you can about individual customers. Use all the sources at your disposal -- your own data repositories, external databases, and from customers directly via feedback and social media insight. Gather insight on a consumer's attributes, attitudes, and actions.

Step 3

DESIGN TAILORED VALUE PROPOSITIONS

Knowing your target audience represents 60% of your sales and marketing success. Aligning the right offer with the right target accounts for the next 30%. The remaining 10% of success is ascribed to the form and creativity of your message, so don't forget to mix art with science.

Step 2

PRIORITIZE RETENTION ACTIVITIES

Create a pyramid of most valuable and growable customers, with non-buyers at the bottom and your core group (the 20 percent that drive 80 percent of your sales) at the top.

Recent advances in data, analysis, and technology can take you to a higher level and allow you to actually assess each individual's likelihood to purchase from you and estimate the size of his or her spend.

Step 4

AUTOMATE AS MUCH AS POSSIBLE

This is where good intention can end up as poor execution. Not turning keen, new insights into repeatable action is frequently the most egregious error firms make.

Embed your analytic engines (models, algorithms, and decision rules) into end-to-end processes that orchestrate best actions all along the customer journey. Tap into the latest tools and specially designed APIs to make personalized decisions at scale.



Customer Retention:

Four steps to personalization, continued

While all of this data and technology may sound costly, the greater sales and marketing efficiencies can more than offset the expenses.



What's new

So what? Firms build datasets all the time. However, new forms of data are helping us understand consumers more completely.

Leading companies combine channel interaction data to their repositories, including voice recordings and chat transcripts, which can be very revealing about a consumer's engagement with a company. This insight shows how they **feel** about their relationship, and can help predict behavior critical to their lifetime value.



Customer Retention:

Telecom provider

With new entrants in the telecommunications market disrupting the status quo, one telecom incumbent faced a sharp increase in customer churn rates, resulting in eroding market share and revenues.

We helped the company analyze the reasons for churn and validated its churn hypothesis with data analysis and surveys. Using this insight, we developed and implemented a churn prediction analytics model with a very high accuracy that periodically updates the risk scores for more accurate and timely retention actions. We then created a pool of retention offers for different churn reasons and customer behavior for higher relevancy and retention performance.

Results

15% Increase in renewal rates within 12 months

50% drop in customer churn

Reactive retention

3X save rates





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