



NAVISTONE®



**Leveraging Digital Browsing Behavior to Deliver
Agile, Individualized Next-Gen Marketing**

www.navistone.com



About NAVISTONE®

Navistone® is breaking new ground acquiring customers for our clients; adding the high response power of direct mail to the insights provided by the web browsing behavior that traditionally drives retargeting display ads. NaviStone® tracks the site behavior of anonymous browsers and matches them to accurate Postal names and addresses, in a privacy compliant way, allowing you to send highly personalized direct mail communications to new prospects who are “ready to buy.”

Consumers today provide companies with more data than ever before. But this information comes with an obligation that goes beyond traditional privacy concerns. Consumers expect companies to use that data to understand what they want and when they want it. Well managed web browsing data gives you the opportunity to reach an engaged audience that is almost entirely unique to your business, with a personalized message, at just the right time. You have a “first mover advantage” with these consumers. NaviStone® helps you take advantage of it, either via our turnkey postcard program or as a data feed to your existing direct mail campaigns.

We’re proud to call Cincinnati, Ohio our home with our headquarters located in Over-the-Rhine.

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Additional Resources

[*Transforming Data-Driven Marketing: How to Get Ready for the Digital to Print Revolution*](#)
[*The Future of Direct Mail Circulation: How to Evolve Your Planning Approach with Today's Buyers and Technology*](#)

[*Case Study: NaviStone® Helps Touch of Class Reach Out to Web Browsers via Direct Mail*](#)
[*Case Study: DHC USA Dramatically Boosts Reactivation Results with NaviStone®*](#)

[*Case Study: NaviStone® Opens Direct Mail Prospecting for Niche Marketer Bavarian Autosport*](#)

[*2 Guys and Some Data Podcast*](#)



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Introduction

In an age where marketers can track browsing behavior across websites, compile first-party and third-party transaction history and even measure consumers' social engagement with a brand, it's easy to get caught up in the excitement and possibilities of what data can do. But data comes in many shapes and sizes, and certain types of data are far more valuable than others. Next-gen marketers are realizing that the most important data in the marketplace is the data that signals a consumer's intent with your company before they're at the bottom of the purchase funnel.

Providing immediate, relevant responses to consumers browsing your website is quickly becoming one of the most effective ways to build customer loyalty. With a deep understanding of consumers' digital browsing behavior on your site, you will be able to identify your best prospects based on browsing behavior, implement a new "data contract" between your consumers and your organization, and individualize personally addressable mediums. How? You'll leverage intent signals to not only [deliver effective marketing for each moment](#) of the customer's journey, but provide the thoughtful, agile messaging consumers expect and deserve.



Going Beyond Personalization to Individualization

Today's customers are more sophisticated than ever. They know there are many options out there, and they prioritize the customer experience above everything else — including price, in most cases. People are willing to pay for a customer experience that fits their needs. Personalized marketing isn't just a nice touch; it's a requirement in this high-stakes era of customer-focused marketing when effective personalized messaging translates into higher response rates and better ROAS.

While personalized marketing is a reliable business strategy, it has to be something more than using the individual's name in the email subject line or on a postcard. Going beyond personalization isn't easy. In fact, it requires a top-down reimagining of the consumer. In other words, **customers are people** and not dollar signs. Your marketing efforts must move the individual along the path to purchase by creating messages, offers or recommendations that provide them with value they want or need in that moment.

Why does personalized marketing matter? It's about reaching consumers on their terms and building a lifelong relationship that turns customers into brand advocates. Technology enables consumers to find the information they want, quickly and easily. Above all else, consumers want to feel valued as individuals, and they want to be treated respectfully and compassionately by the companies with which they do business.

According to the 2016 Consumer Expectations Report, **the majority of customers** would rather utilize self-service options than interact with customer service — a true indicator of how many people have been let down by subpar customer support in the past. However, the study also shows that stellar customer service is an effective customer retention tool. Personalization in marketing acts as part of a comprehensive customer service strategy. Businesses that spent time with customers and explained their products to them on a personal level experienced a markedly higher customer satisfaction rate than those that did not. The message is clear — although people might not always want to deal with customer service, they're always happier when those interactions meet, and exceed, their expectations.

The Data Contract

Marketing has always run on data. It's what fuels marketing campaigns, and it's what tells businesses whether or not their efforts are working. Today there is more data than ever before, and that data can reveal extremely personal consumer information as well as behavioral tendencies. Data today isn't a one-way street. Consumers play a vital role in this exchange, and it's critical that both parties use data responsibly.

Customers are increasingly wary of their privacy on the Internet, and with good reason. However, one thing that's proven is that people will share their data with businesses as long as there's something of value for them in this exchange. That something, increasingly, is an individualized customer experience.



Consider the case of Amazon, a company that uses visitor data to optimize the consumer experience in a variety of ways. As a direct result of the consumer data gathered by Amazon, the company can provide a series of suggestions, information about previous orders and automated emails based around the unique website activity of each customer. The end result? **63 million Americans** spend \$99 a year just to get free two-day shipping from Amazon. What's more, Amazon has continued to reinvest in the customer experience, increasing the reach of its streaming video and same-day shipping services.

Most companies lack the reach of Amazon, but all companies have the ability to turn data into valuable insights and service to its audience. And all companies should go out of their way to do so.

Individualization vs. Personalization

In light of the data revolution in marketing, many marketers have taken to using individualized marketing and personalized marketing as interchangeable terms. However, they do not mean the same thing. In fact, personalization and individualization are quite different.

Personalization in marketing has been in vogue for some time. For instance, an email that begins with the customer's first name is widely considered to be personalized. However, attached to that bit of personalization is the same message that's being delivered to many people. Although the message is addressed directly to a specific individual, it's actually being sent to many people who match the same demographic profile or status as other customers of that business. Though it may seem personal, the customer is one of many to receive this particular message.

On the other hand, individualization is exactly what it sounds like. It's a marketing communication created for the individual in the moment they need it, and there is no other identical instance of that communication out there. The email Amazon sends a customer after an item has been viewed on their website is an example of individualized marketing. But individualization goes even deeper than the message communicated; the medium of the message and even the time it arrives



are all part of an individualized marketing plan. Many companies are well-versed in personalized marketing, but it's this concept of individualization that will be required operating procedure in the years to come.

The good news is that it doesn't take a complete overhaul of your systems to start individualizing your marketing. As long as you're tracking the consumers who visit your website, you already have the tools you need to make individualized pitches to them. However, true individualization happens in real time, and it requires a real understanding of what your audience wants now. In other words, relying on historical or demographic data isn't sufficient for individualized marketing.

To really tap into the pulse of your customer base, though, you need a way to identify the visitors on your website and tie the data derived from those visitors into actionable insights. To do that in a meaningful way, you need to discover the identities of the anonymous browsers on your website.



The Path from Anonymous to Known

When you consider the difference between personalization and individualization, you can see the weaknesses in the former. Personalization relies on market segmentation, which is useful in some ways, but doesn't help you react with the necessary speed and precision when a unique individual considers making a purchase. Fortunately, that's exactly what individualized marketing is designed to accomplish. Instead of relying on pre-established segments, you can more accurately gauge your audience by taking note of those people who have interacted with your company recently. It's those people who deserve your focus, and it's your job to give it to them.

Your Known Audience

At its most basic level, you can divide your website traffic into two distinct groups — the visitors you know and the visitors who are anonymous. We'll start with your known audience, because it's easier to track and categorize this group.

Your known audience can be broken down into four sub-groups:

- **Buyers:** Approximately **2 to 5 percent of first-time visitors to your site will be buyers**. These are people who know exactly what they want and are ready to make a purchase right away.
- **Self-Identifiers:** People who raise their hands by signing up for your email lists or a website account during a particular visit are considered self-identifiers, because they clearly demonstrate their interest in engaging with your brand. This group comprises another **2 to 5 percent of your website audience, and because they've shown you what they're interested in**, they're ripe for individualized targeting.
- **Cross-Visit Identification:** When someone visits your site, a cookie is automatically placed in their browser cache. This cookie allows you to track previously identified buyers and self-identifiers on future visits even if they aren't logged into a site account. However, the cookie is only good on the device used on the initial visit, and it's gone once that individual clears their browser history. **Cookie-based users comprise yet another 2 to 5 percent of your website viewers.**

- **Bulk Email Seeding:** Programs like Adobe Marketing Cloud enable you to identify the sources of your Web traffic, as well as the locations of those visitors and the times they visited your site. Using data analytics allows you to tie emails to the identities of your visitors, and it lets you see which viewers respond to your emails and landing page-based calls to action. They can also correlate clicks on an email to an identity, which helps you identify visitors across devices. This pervasive way of consumer tracking is **good for 5 to 10 percent of your site visitors.**

Establishing identities for these known visitors and gauging their website activity is helpful in many ways. You can retarget these customers with banner ads, email ads, sponsored social media posts and direct mail based on their current interests and website behavior. You can also further group these customers into key segments – for instance you could segment based on category viewed or on selected responses in an unfinished form – so you can begin to implement individualized marketing campaigns for which you possess demographic information.

However, while these methods allow you to track a portion of your Web traffic with minimal cost and effort, the fact remains that you'll only capture 11 to 25 percent of your website visitors using these tactics. This means that for every customer you're able to track, there are as many as nine visitors you can't identify.

Your Anonymous Audience

The remaining 80 to 90 percent of your website audience that you're currently unable to identify is unknown to you, which is an obvious disadvantage. The good news is that these individuals have sought you out, and they're likely to respond favorably to individualized marketing efforts.

Of course, that requires you to match a name and contact information to each anonymous digital face you see checking out your site — something that's easier said than done. But this is one instance in which going the extra mile [can really pay off](#) for your business. These anonymous consumers are showing intent by seeking out your website. The best way to entice these individuals back for future visits — and future purchases — is to identify them and provide them with the individualized marketing that will keep them coming back for more.

As many as **10 percent of your anonymous visitors may be listed as active targets in your CRM software**, but they may appear anonymous for various reasons; they could be visiting your site from a different device, or they may have cleared their cookies, or they could be visiting your website for the first time, even if they've already made an in-store purchase. Data networks and data analytics companies can help you optimize your anonymous browser data set against your CRM software's customer list to connect those browsers who may at first appear as unknown but who have previously been identified by your business.

Alas, even if you have success matching some of your anonymous traffic with your CRM database, you'll still have 70 to 80 percent of your visitors left unidentified. How can you find the identities of this remaining population?

- **IP Addresses:** Data analysis software tracks the IP addresses of each visitor. If you notice the same IP address frequently in your analytics software, it's a strong sign that this individual is ready to buy. Because business customers use static IP addresses while most consumers have dynamic IP addresses, this is primarily a B2B tactic.
- **Cookie Based Data Networks:** The use of cookies within data networks can provide a wealth of information. Placing both a first-party cookie and a third-party cookie on a visitor's device allows you to see if that user also visits another site within your data network. If they do, you'll be able to identify the user as a result of that third-party cookie, potentially revealing an email address — and sometimes even more information like a postal address. For example, Potpourri Group, Inc. owns Nature's Jewelry, North Style, Serengeti, Pyramid Collection, Catalog



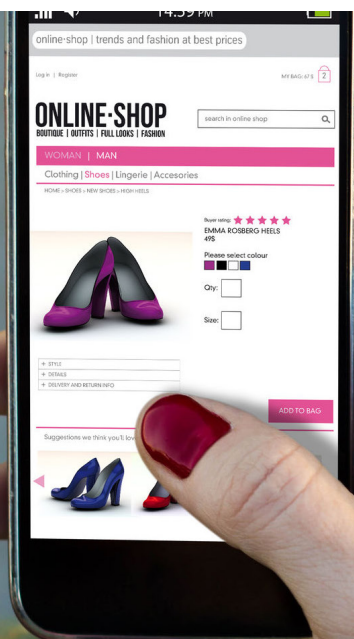
Favorites, Expressions, The Stitchery, Potpourri Gifts, and other mail order companies. When a person visits Stitchery.com, a first-party cookie and a third-party cookie are dropped onto the browser's device. The first-party cookie information is viewed only by Stitchery.com, but the third-party cookie information is shared with the parent company PotpourriGroup.com. If the same browser then visits NaturesJewelry.com but doesn't self-identify, PotpourriGroup.com can match the first-party cookie from Stitchery.com and the first-party cookie from NaturesJewelry.com through the third-party cookie, which allows them to match the same browser to both websites.

Through these various methods of identifying known and anonymous website browsers, you can potentially identify up to another 50 to 70 percent of all your website traffic, which gives you a large pool of interested consumers to engage with.



Consumer Intent: The Key to Individualized Marketing

Knowing who your customers are is a great step towards increasing your marketing effectiveness, but it's only part of the equation. The real key to success is identifying the particular signs of consumer intent — the true understanding of why an individual visits your website at a given point in time. It's not only about someone ready to buy; it's just as important to understand the mindset of someone simply gathering information for a future purchase or for a need-to-know moment. It's only when you fully grasp these consumer behaviors that you can provide the individualized marketing that helps consumers and gets results.



Signaling Intent

Given the power of individualized marketing, it's no surprise that these signs of intent are **more powerful than the basic demographic information** and past purchase history that many companies use to segment their audiences. In fact, companies that restrict themselves to demographic segmentation miss out on more than 70 percent of mobile shoppers who have displayed intent. A business that's able to analyze intent and act immediately will not only attract most of those consumers, but they'll be able to convert those individuals into long-term, loyal brand advocates. While it's fine to use demographics for some aspects of your marketing, they can't be your only weapon.

Since individualized marketing relies heavily on your understanding of consumer intent, you must be very receptive to the signs exhibited by your customer base. Although intent signals can vary from business to business, here are some of the factors you should look for as you gauge consumer intent:

- Items placed in a consumer's cart
- Forms started but not completed
- Frequency/times of visits
- Visits across multiple devices (i.e. first mobile, then desktop)
- Pages visited
- Use of on-site search bar

Capturing Intent Behaviors

Developing a comprehensive model of the modern customer that exhibits intent behaviors starts by **constructing the typical path** taken by your consumers as they move from interested parties to active customers. The biggest challenge in doing this is that the modern-day buyer's journey is extremely fragmented, full of interactions in a variety of mediums. Additionally, digital communications are handled across multiple devices, making it even harder to grasp what your average customer experiences. However, given that consumers expect a fully personalized experience that takes into account their every interaction with your brand, it's imperative you find a way to compile all of this data and create an understandable path to purchase from which you can base your individualized marketing strategies.

There are **three main types of data** that you'll use as you capture intent behaviors of your customers:

- **Stated (structured) data:** Anything that is self-reported by customers or is part of an internal process, such as a CRM system or customer database.

- **Derived (analyzed) data:** Customer data that's received and interpreted as a part of your company's analytics efforts.
- **Inferred (unstructured) data:** Website traffic, social media engagement or any other consumer activity that doesn't fit into the stated or derived categories.

Given the fragmented state of modern consumers and the many ways in which people can reach out to a company, it's clear that all three types of data must be considered when constructing this path to purchase. Every avenue must be considered in order to truly understand what the customer thinks and feels at every step of the buyer's journey. This is the only way to ensure that individualized marketing will accomplish its intended goal.

Fulfilling Your Data Contract

Consumers are increasingly willing to provide organizations with personal data in order to guarantee an enhanced experience every time they interact with the company. If you fail to uphold your end of



the data contract, you run the risk of consumers being less willing to exchange data for experiential benefits in the future, or worse, abandoning your brand for someone who uses their data in a more effective way.

One way to ensure that you keep up your end of the data contract is by clustering your audiences based on why they make purchases. Matching consumer activity and intent data with your model of the buyer's journey should give you a good idea of where each of your prospective customers is on their path to purchase. Because you're segmenting based on intent rather than demographics, you'll know exactly what each group of people needs in order to move forward. This is the true value of clustering — combining intent data and cross-device tracking with the demographic information and the past purchase history you already have. When you employ these methods, you

can provide a truly individualized marketing message that's unique to each customer and where they are on their journey.

This level of individualization also lends itself nicely to creating an emotional connection with your customers. The in-depth knowledge of your customers you'll acquire throughout this next-gen marketing approach will enable [you to assess the unspoken needs and wants](#) of your audience. You'll be able to anticipate their needs and wants so you'll have marketing messages ready for them at the exact moment they need it. It's these next-level insights that will make people feel like they're understood by your company, which makes them that much more likely to be long-term customers and to refer you to others.





Conclusion

In today's data-driven marketing space, personally addressable mediums such as bulk emails, direct mail and digital display largely rely on purchase history to customize tactics. But next-gen marketing is here; no longer can you afford to rely on past data and your pool of known customers to inform your marketing. You must be able to identify unknown prospects, and you must pick up on contextual clues as website visitors reveal what they are interested in today. Then, leverage that information to trigger the individualized marketing that consumers deserve and expect. That's how you build loyalty. That's how you evolve. That's how you grow your business.



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www.navistone.com



1308 Race Street Cincinnati, OH 45202



(844) 677 - 3667