



The Ultimate Guide to: Using CRM for data driven marketing success

An eGuide with practical steps to apply
data-driven marketing using CRM



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Everyone agrees data-driven marketing holds great promise for getting the most out of your CRM system. But [most articles](#) on it are overly broad: general principles, rather than practical actions.

This Ultimate Guide takes a different approach. It won't dazzle you with some vast landscape of opportunities just over the horizon (although they exist). Rather, it'll give you some practical and concrete steps you can take right now to instil a data-driven culture in your organisation. Not just at the strategic level - but among all the people tasked to deliver that strategy.



86%

of senior-level marketers agree that it's important to create a cohesive customer journey across all touchpoints and channels.

[The State of Marketing Leadership](#)

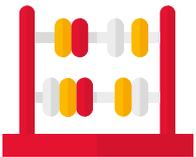
On the way you'll see how easy it can be to make data-driven marketing work for you. First, the art of deeper-diving...

1. Learn the art of looking deeper into data

Doubtless you already look at audience metrics like openings and clickthroughs after every campaign; they're the most accessible data from any CRM programme. But a good CRM system gathers far more data than these few numbers.

It will surprise you how much there is... and how many ideas it can generate.

So as a first step, get hold of the reports on your last 6-8 CRM campaigns. Don't worry about the content of those communications yet; this stage is about coming up with ideas you can apply to your next campaign.



Count your responses

Count up the total responses across all campaigns. Then look at each response in more detail. (You're looking only at actual responses here. Let's say you've got a sheaf of 50 responses from your last 7 campaigns, which reached out to 8,000 people. 50 is a manageable number to look at.)



Look deeper into the report

Note down some data you haven't used before, but which is available in most good CRM systems. Try to find the number of times someone opened before clicking, the time the email was sent out, the time the clickthrough arrived. Without much number-crunching, you're looking for what the responses have in common.

This the first step towards data-driven marketing: exploring areas of the campaign report most people don't look at.



Look across the data

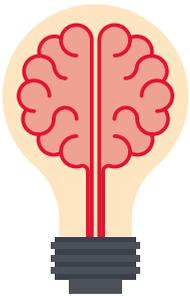
Were the responses evenly spread out over the day (or week) you sent your communication? Or did they cluster around an average - for example, most responses came in between 8 and 10am? If this is true for a single campaign, it's probably because you sent that campaign early morning or late at night. But if it holds across campaigns, you've made a simple discovery: your audience tends to be most responsive first thing in the morning.

Or try comparing opens to clickthroughs. Did each clickthrough “cost” more than six opens? You may think that means your offer didn’t grab people immediately - but take heart. They kept you in their Inbox, and looked at your email multiple times. Maybe they found your communication useful for a reason you don’t know yet.

Or did a lot of people open your email multiple times, but never take the next step? Bingo: everyone with five opens was right on the verge of clicking through. They deserve a personal message from the Sales head. (A bonus: any Sales Exec would love to see a list like that; supply it to him, and you’re fostering bonds between often-combative departments.)

Remember your discoveries!

Even these simple discoveries can boost response rates to your next campaign. They’re called derivative metrics, and they’re where real insights tend to come from. You find them by looking “across and around” the data, rather than taking it at face value. It’s a key skill of any data-driven marketing professional.



You can see how these derivative metrics can be useful, yet come from the simplest of numbers, using data you already have. And digging that bit deeper quickly becomes a habit. You’ll find yourself constantly coming up with new ones, new behaviours you can derive from simple bits of information captured in your campaign reports. Congratulations: you’ve got the right frame of mind for data-driven marketing.

2. Treat surrounding data as the main show

A sale isn’t made in an email. It’s made during the conversations beyond it, the interactions an interested prospect has with the sales team. If you’re following good CRM practice, every phone call and email is recorded in your CRM system. Meaning the entire blueprint of a successful sale is right there in one place!

Yet many marketers don’t extract much value from this goldmine. Why not?



Data without numbers is still important

Because it's harder to aggregate. It's not made up of numbers. Remember, the real definition of "Big Data" isn't size, but structure. Big Data is freeform and unstructured. It's the casual comments and phone messages, the notes in the margin, the random thoughts of a sales guy.

But what if you read through a random sample of first-contact customer emails... and discovered a third of them mentioned they'd had trouble finding product info at your website?



Quantitative outcomes can stem from qualitative data

What if that finding explained why your conversion rate dropped by two-thirds when you last refreshed your corporate site?

Once you've found it, you can fix it.



61%

of marketers believe they should be personalising customer experiences.

Real customer insight comes from analysing what wasn't neatly formatted in a feedback form or multiple choice survey

Surprise, surprise: once you know what to look for, many good CRM systems can quantify this unstructured data, with creative custom metrics. (Most CRM implementations let you create your own metrics with ease.)



The same comment, heard just a few times from different customers, can flag up a deeper business issue. So as your next task, look at your 50 responses and read a few message histories on your CRM system. The results might be startling.

TRUE STORY: cold comfort

One pizza delivery firm with 300 outlets wondered why it was losing customers, since delivery drivers were reporting 100% on-time deliveries. When it analysed the content of customer comments texted to a hotline, it saw a correlation. When two words - “cold” and “late” - appeared in the same comment, that customer never purchased again. (“Cold” or “late” individually had only a minor effect.)

Investigating, it turned out drivers were punching deliveries as “delivered” when they left the shop, rather than at the customer’s door. Today, that pizza chain red-flags any message with both words in its content and instantly responds to the customer with a compensation offer.

3. Show your people how predictive analysis works

Let's say your brief look at customer comments gave you an idea for a custom report. With help from your CRM partner, you get a report on how many first response emails from customers included the word "website", preceded by a negative. (Didn't, couldn't, wasn't able). In other words, you're surveying how many people made a negative comment about your site.

You can reliably say that in your next campaign, response will be three times higher if you put explicit links to product information in the email.

The math of analysis doesn't have to be [complex](#).

This is predictive analytics: using unstructured data to make meaningful forecasts. And it's of huge interest to both marketing AND sales staff.

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Predictive analytics

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Not as complex as many think

But Predictive Analytics - the discipline of using data to see what's ahead - does just that. And it doesn't have to be complex. In the field's key book, [Predictive Analytics](#), author Eric Siegel says "A little prediction goes a long way."

Part of the problem is that the methods often have exotic-sounding names like linear programming, Gaussian distributions, and regression analysis. But look at what PA professionals actually do and you'll find their tools surprisingly basic, just as a tradesman's hammer or paintbrush is simple.



Many practitioners aren't PhDs!

Many of the methods Siegel and other experienced consultants (like London-based [Chris Worth](#)) use are the same you'll find in any statistics textbook. Regression analysis? Look at the chart it produces: you'll recognise it as a "scattergram" that shows where points of data cluster around certain values. A Gaussian distribution? Nothing more than the bell-shaped curve. While linear programming can happen in a single cell of a spreadsheet.



To understand PA, first realise it boils down to just one question: "Does X lead to Y?"

The tools matter, but the most important part of PA is the human factor: looking at the data with a critical eye.

Work out the X that leads to the Y

Think what you could do with the example above. 8,000 names in your 7 campaigns, 7,950 never going beyond opening. What if a simple nudge email - to all those who opened several times but never clicked - could deliver 100 fresh prospects to your sales team?



Reasonably accurate prediction doesn't have to be difficult. It can show your team what you expect, what targets are achievable, what's possible given the right data. And when people understand its value, it may drive greater co-operation between departments - because there's no reason to hoard data in silos, and every reason to keep it all in your CRM infrastructure where its value can be realised.

4. Look for metrics that personalise the customer experience

Personalisation has always been a key success factor in one-to-one marketing, going back to the first direct mails. But today, with customers expecting Marketers to know not just their names but their product preferences and tastes, it's not enough just to slot in Firstname and Lastname after the salutation; savvy marketers create whole blocks of custom content.



Birthday campaigns are used by only
19%
of marketers.
[2014 State of Marketing](#)



Again, you can bring “surrounding data” into your CRM system - this time from the social sphere. If they have a Twitter handle, make sure their Tweets show up in the customer record. Know what they’re commenting on media sites. Know their LinkedIn profiles and mine them for insights.

Social media lets you see customers as people



What’s the added value in discovering half your customers list “Arsenal” in their Interests while the other half lists “Chelsea”? Turning one paragraph of generic content into two, each delivered to half the audience, makes your communication breathtakingly personal and friendly.

That’s the fourth principle of data-driven marketing: you don’t have to be all business, all the time. In your CRM system you can record, aggregate, and report on trends that unite your customer base, then develop custom communications for each interest group.

Many customers share similar personas



There’s a further stage. Look for correlations among your best customers. Do those spending over £30k p/a with you tend to live in certain postcodes? Tend to buy similar houses, or drive the same type of car? Often, you’ll find apparently unrelated facts and figures unite your customers. Not with the old demographics of age and social class, but the psychographics of aspiration and personal taste.

Find the personal characteristics that unite them, and you’ve got a “customer persona” - a picture of your ideal customer. Create more content that appeals to that specific persona, and you’re gathering in more interest from your audience, even if you’re mailing a cold list.

5. And then plan your next campaign

Now, and only now, should you use your learnings to plan your next campaign.

Hopefully you've found a few derivative metrics that will make your results more meaningful. You've discovered some gems in customer comments that can inform the subject matter of your campaign. With basic predictive analytics, you know what response rate your campaign ought to get. And with strong personalisation leaning towards your ideal customer persona, engagement from the right prospects will increase.

That's true data-driven marketing: not just "finding things out", but applying them to the actions of marketing. And then doing it all again, with what you learn next time round.

Data-driven marketing gives you a place to stand. More insight into your customers, better decision support, smarter and more creative campaigns. And your CRM setup - the software you're used to - can help out at every turn.

Takeaways:

- Combining simple metrics can lead to more meaningful "derivative" ones
- Knowing your customer personally as well as professionally increases engagement
- Predictive Analytics is just the question "Does X lead to Y?"
- Unstructured and freeform data is a goldmine



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