

# Pointillist™



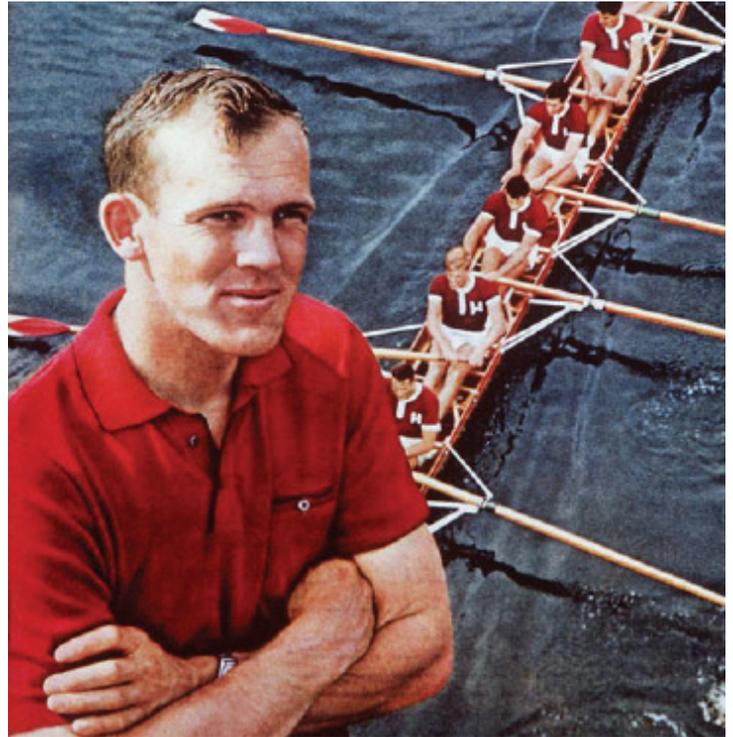
Right Audience, Right Message, Right Time ...

**EXCEPT NOW, IT WORKS**

# DIARRHEA & MEGAPHONES

Harry Parker, Harvard's late and legendary heavyweight crew coach, was known to prefer an old-fashioned megaphone while barking orders at his rowers out on the Charles River, instead of the more modern electronic bullhorns favored by most coaches today. The reason? He wanted to avoid diarrhea of the mouth—the all-too-easy temptation to say whatever popped into his head and barrage his oarsmen with a never-ending stream of words and commands, effortlessly amplified through technology.

The extra energy it took to breathe life into the words he mouthed into his megaphone, magnified through good old fashioned acoustics, made Parker choose them more carefully, purposefully, and successfully, to judge by the record books spanning his 50+ year long career (22 undefeated regular seasons). His considered approach honed over so many seasons gave him an intuitive sense of how best to connect with each particular individual, and pound for pound, squeeze the most yield out of them.



When an exasperated assistant coach walked into the Newell Boathouse complaining that no matter how many times he requested the same technique change to one of his charges, the rower just didn't get it, and that the guy was "just a bad rower." Parker calmly replied, "Have you tried a different approach?"

Parker's métier takes place in crew shells out on rivers, yet his winning strategies transcend his sport. Word choice matters. Quality and precision over quantity. Know what you're trying to accomplish, and align your communication with the desired outcome. Understand what motivates your audience so you can influence their behavior to drive business outcomes. To get results, remember to whom you're speaking, and tailor your message based on the experiences that resonate.

*Oh yeah, drive engagement and beat your revenue growth targets, too.*

CMOs, stop reading if you can already do this without a multimillion-dollar IT escapade.

If not, and you want to know what today's savvy marketers have in common with a boatload of rowers, then indulge us. Just like Harry Parker, you both struggle to increase YIELD. In crew, this means finding the optimal mix of power output as a function of poundage, with the ultimate goal of speed (crossing the finish line first.).

In the marketplace, YIELD holds a variety of meanings depending upon where in the funnel you are, however at its core, yield can be defined as attributable revenue divided by marketing cost. Like Coach Parker, marketers don't want to waste their energy and efforts (not to mention dollars) by targeting consumers with ill-timed or misguided messages that don't sink in, or worse, alienate the receiver.

Just like a crew stroke, there are many moving parts to execute effective ad campaigns that optimize yield, and none of them are easy to nail. Marketing cost could include direct spend (e.g., advertisements purchased, emails sent, promotions offered, etc.) or indirect spend (time and effort of marketing staff, either internal or external).

### MARKETERS STRIVE TO MAXIMIZE YIELD AT ALL STAGES OF THE TRADITIONAL "FUNNEL"...

- **Top:** creating awareness among shoppers
- **Middle:** establishing engagement and relevance with potential buyers
- **Bottom:** converting leads to sales

### ...AS WELL MAXIMIZING THE LIFETIME VALUE (LTV) OF EXISTING CUSTOMERS BY

- Increasing purchase frequency
- Increasing average net purchase value
- Optimizing sales channel to maximize margin
- Avoiding churn and re-activating "lost" customers

## *How to optimize yield?*

For more than a decade, CMOs have been relying on the equivalent of electronic bullhorns to tackle this ratio: employing a volume-driven, technology-enhanced approach.

Like amped up, stats-crazed coaches, marketing minds restlessly pour over obscure charts and graphs; dream up new game plans; and then spew into the air ad campaigns for customers and prospects based on the latest silver-bullet metrics: NPS, CTR, CAC, MRR, LTV, or your own favorite TLA.



## **MORE MONEYBALL THAN HARRY PARKER STYLE.**

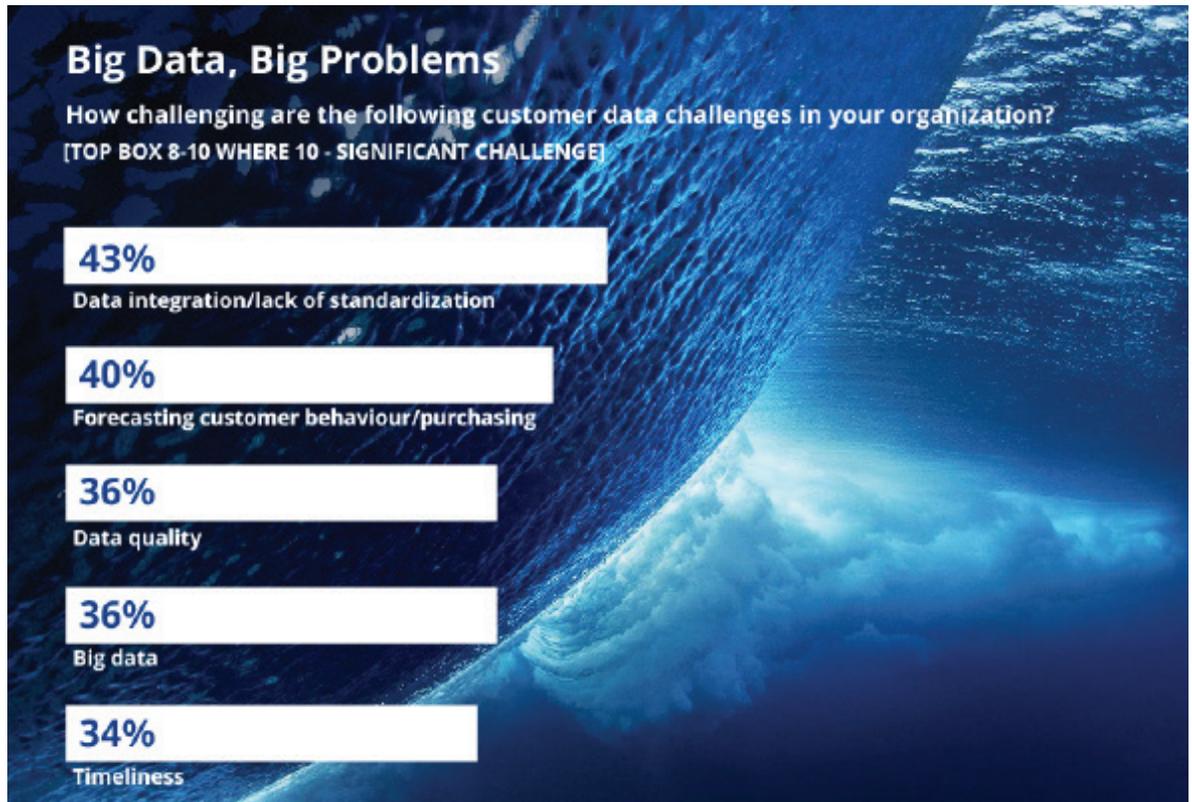
The marketer's obsession with data has been stupendous for professional number crunchers—customer analytics, business intelligence, and data mining are booming unicorn industries whose rapid growth shows no signs of abating (see Forbes chart, Big Data, Big Business).

It's given quant jocks an ego trip to last 100 years--"Data Scientist: The Sexiest Job of the 21st Century," proclaimed the Harvard Business Review, in October 2012. And bestowed the geeks with surfer cred, too: "Think of big data as an epic wave gathering now, starting to crest. If you want to catch it, you need people who can surf," HBR advised.

## **BUT WHAT ABOUT YOU?**

If you're a marketer, yours is no day at the beach. You are neither sexy, nor surfing. In fact, you are at the bottom of the epic data wave, where water is crashing in on you on all sides. You thrash about in internal whitewater data that you can't decipher and act upon, and when you come up for air, the wave begets another wave, and your cries for help are only met with the cries of new vendors claiming to solve all of your data problems—with more inscrutable technology.

If someone strapped a GoPro to your head, the footage at the bottom of the wave might look like this:



Instead of enjoying a sweet ride, marketers are in a world of pain. Though your IT budget has doubtless now surpassed that of your CIO, in place of real-time acting and nimble campaigns, you suffer through a time-sucking technology-induced condition known as ETL. Its definition—the initials stand for Extract, Transform and Load—is as nasty as it sounds and leads to outcomes like following:

- A recent survey of more than 30 major programmatic buyers about their workflows for planning and optimizing spends found that **55%** said it takes too long to pull complex queries i.e. search for audiences by multiple dimensions (Metamarkets)
- **52%** said it was too difficult to explore the data for insights i.e. slicing/dicing/ applying filters (Metamarkets)
- Only **24%** of marketers say they consistently use data to develop actionable insights? (Economist Intelligence Unit)
- Only **25%** of marketers can answer the question, “What is marketing’s impact on the business?” (ITSMA/VEM).
- “**90%** of data is crap” (Karen Edelman, Ad Age)

If Harry Parker were still with us he'd think it's easier to drown in Big Data than in the Charles River. Clutching his trusty megaphone, he'd be suspicious of all of the advanced and sexy analytics tools, and immediately ask how they influence his favorite ratio: yield.

We don't know whether he'd express surprise or just dismay over recent IBM Global CMO Study findings showing that although 68% of marketers say there is more pressure to show ROI on spend, and 75% say it's their greatest concern, a full 56% consider themselves unprepared for ROI accountability. But we do know what he'd say:

*“Have you tried a different approach?”*

Being a purist, he'd likely go back to basics, reminding marketers of the old axiom: right audience, right message, right time. That is how you maximize yield.

*But how do data-driven marketers optimize  
Right Audience, Right Message, and Right Time?*

For coaches like Parker it means looking at rowers as more than the database of their heights, weights, and erg scores. It means knowing their stories: where they've been, where they're headed, and their pleasure and pain points along the way. It means knowing what they ate for breakfast and what dorm they live in, but also what their day looks like: what challenges they face, what frustrates them, and what motivates them.

Parker's uncanny ability to achieve Right Audience, Right Message, Right Time was based on 50+ years' worth of afternoons spent out on the water with his rowers every day, feeling the same snapping wind in his face, the same bobbing waves beneath his bow. As a result, his coaching was less about manipulating, and more about connecting with his charges in just the right way, conveying messages they appreciated, understood and responded to, in order to produce the greatest yield (speed and joy).

CMOs, this is what your job can look like, too, in far less than half a century. You won't have all of the information in your head like Parker, or spend your afternoons out on a river, but in marketing speak, at your fingertips, using an intuitive, story-based software platform, you CAN identify, visualize, track, understand, target and delight specific customers based on their own behaviors, experiences, and emotions.

Using segmentation based on a customer's journey—a series of specified behaviors and events—built with agile software that lets you build complex queries on years' worth of data, visually, in a matter of minutes, you can create memorable marketing actions that drive business outcomes. The process will be less about guessing which interactions lead to people buying things, and more about genuinely connecting with them and maximizing yield (profits and joy).

### Behavioral Segmentation Augments Right Audience, Right Message, Right Time

**Right Audience:** more specific audience definition by augmenting existing demographic segments with behavioral segmentation (i.e., select a group of customers/prospects using a specific sequence of events in time across any channel)

**Right Message:** A/B test your content by measuring the effects of marketing tactics using metrics derived from specific customer journeys

**Right Time:** trigger your marketing communications by understanding the sequence of events in specific customer journeys

*For the CMO who has deployed this solution,  
here's what this process might look like:*

On the fly, you or your analysts can build a segment containing all of your customers who have shared the same journey, for example: visiting a mobile website, making a purchase with their loyalty card, listing Screaming Caramel Monster Crunch as their favorite coffee drink/rock band/ice cream flavor, Tweeting about their purchase within 24 hours; but not registering for email updates. Then you can send customers in this micro-segment compelling Twitter messages testing various copy, measure the results in terms of revenue and audience engagement, and choose the winner.

Martin Scorsese couldn't have done it better.

Now, overlay this behavioral segment definition with the existing demographics, recency/frequency, or other tags in your CRM, and you're ready to craft your campaign for this particular group of loyal, social engagers. Chances are, it will be more timely, more relevant, and more bullet-proof than previous less nuanced methods of segmentation—all of the people within a certain age bracket, or 10-mile radius, say.

# SCORES FOR A DAY

It should also be more fun—more like a day in the life of a Hollywood producer than that of a mad data scientist (and not at all like thrashing at the bottom of a wave). Because the software is as easy to use as dragging and dropping different icons, each of which represents a different plot point in the story, marketers can literally connect the dots and, like Coach Parker, more quickly and easily try out different approaches until they strike upon the ultimate

*Right Audience, Right Message, and Right Time.*



**It's called story-based analytics.  
It's patent-pending and it's waiting for you.**

Below are some marketing challenges  
Pointillist early adopters are putting to the test:

A MARKETER IN A :	WHO WANTS TO ...	BUT CAN'T ...
Retail athletic brand	Increase "off-season" sales to drive higher annual revenue	Identify shoppers within a household in order to target ads and promotions more accurately
Convenience food franchise	Increase repeat purchase frequency (same day and days per week)	Identify shoppers within a household in order to target ads and promotions more accurately
Online fashion retailer	Adjust email coupon value to match LTV of customers based on purchase frequency and average purchase amount net of returns	Integrate and analyze data from disparate systems quickly enough to deliver coupons in a timely manner
Telecoms provider	Build a churn prediction model that integrates contact center, social media, and online activity to identify at-risk accounts	Integrate data sources and identify actors with high confidence to take action
Financial services firm	Identify and promote best practices in account management among independent brokers	Aggregate owned and syndicated data consistently in order to create "optimal" customer journeys
Lifestyle brand	Integrate the online and offline shopping experience to increase owned store sales (vs. channel partners) and increase average number of items per purchase	Connect mobile, web, social, and POS systems to create accurately, timely reporting packages

To learn more about powerful behavioral segmentation enabled by Pointillist, check out our story: [www.pointillist.com](http://www.pointillist.com)

# ABOUT US



Pointillist was founded with a single obsession: helping companies optimize their customers' cross-channel experiences. The Pointillist™ Customer Intelligence Platform was designed from the ground up to analyze mountains of raw data effectively and enable marketers to pinpoint opportunities, define segments, and drive coordinated communication strategies efficiently across teams, channels, and tools.