

READY FOR RAIN OR COR SUN.

Implementing data-driven marketing is one of the best ways to ensure your business is agile and ready for anything.

For most businesses around the world, the pandemic was an unwelcome surprise, like a downpour on a hot summer day. Many were caught in the rain—and found themselves struggling to stay afloat. But others were better prepared, with umbrellas and buckets at the ready. And a handful of leaders had already built drainage and water catchment systems to make the best of a bad situation.

Adobe and Econsultancy interviewed more than 10,000 marketers, consultants, and practitioners to get a better idea of what, in less metaphorical terms, sets those leaders apart. We discovered one key attribute of leading organizations is their agility. When asked about their ability to act quickly on insights, 65% of executives from leading organizations rated themselves as 'strong' or 'very strong,' compared to just 22% of mainstream moderate performers and 5% of laggards.

Another key attribute of leaders is their ability to build and test experiments. More than 60% of marketers at leading organizations said their companies were 'strong' or 'very strong' at experimentation versus 22% of mainstream and 5% of laggards. And the final key characteristic was personalization, with 85% of marketers at leading firms saying they are 'effective' or 'highly effective' at using first-party data to personalize the customer experience. Only 66% of mainstream moderate performers and 22% of laggard organizations said the same.

Each of these three attributes—agility, experimentation, and personalization—requires a commitment to data-driven marketing. This means having a first-party data strategy in place, customer profiles that unite data from all stages of the customer journey, and the ability to draw meaningful insights from data, ideally in real-time. "The good news for Adobe customers is that our platforms have all the capabilities necessary to do all of this," explains Eric DeLone, Senior Digital Strategist with Adobe Customer Solutions.

This playbook will explain how Adobe customers can adopt the strategies and solutions they need to advance data-driven marketing in their organizations—and become the kind of company that can weather virtually any storm.

Ford listened when data told them customers were open to buying cars online.

Five years ago, we couldn't have predicted Covid, but we could see a need for a more omnichannel experience. We knew two-thirds of consumers would be open to buying a vehicle online, and so (we) focused on building out our ecommerce offering. When the pandemic hit, it became a central part of our plan, integral to how we kept selling."



Four tips for creating a first-party data strategy.

A solid first-party data strategy is a necessary foundation for any data-driven marketing program. However, many organizations still don't have one. For years, marketing teams have relied on data collected using third-party tracking cookies. Although Google has announced that they will phase out support for third-party tracking cookies in Chrome by early 2023, a significant share of companies have taken a wait-and-see approach to building alternative data strategies.

"We believe this is a mistake," explains DeLone. "You will first need to think carefully about how you are going to replace third-party data you are currently using for personalization and other objectives and then you will also need a well-thought-out plan for collecting it."

This section outlines four recommendations for successfully defining and establishing a first-party data strategy.

1. Take stock of your data and your Adobe solutions.

To build your first-party data strategy, you should start by taking inventory of data supplied by third-party cookies. Next, you'll want to look at how you're currently collecting first- and second-party data and determine how you'll fill in these gaps.

"Our customers can often use their existing Adobe platforms to help inventory first- and second-party data and collect it into customer data profiles. If they already have customer data profiles, they can often improve them—and address data gaps—by connecting new first- or second-party data sources," notes DeLone.

Marketers—still addicted to cookies

While most companies are exploring "cookieless" engagement strategies, they still rely on data from third-party tracking cookies for personalization at all stages of the shopping journey. According to research by Adobe and Advanis, here's where marketing is still using third-party cookies:

- Personalizing customer experiences (59%)
- Acquiring new customers (54%)
- Creating ad revenue (46%)
- Profile enrichment (40%)
- Customer loyalty (38%)
- · Attribution (28%)

Only 6% of marketers aren't using third-party cookies for any of these activities.



He adds that another consideration is how you will encourage customers to share more of their data. "Customers expect something of value in exchange for their data, such as a special offer or discount," he says. "You also have to assure customers that you are trustworthy and will safeguard their data and their privacy."

2. Prioritize quality over quantity.

However, the goal of your first-party data strategy should not be to gather as much data as possible. Instead, we suggest identifying the data that will be most useful to your campaign planners and sales teams, and - more importantly - data that is critical to the experience you're working to create for your end customers. "Don't collect data from 20 different sources just because you have 20 different sources," cautions DeLone. "That can add noise. Instead, you should assemble a carefully curated collection of data to support your digital objectives like targeted campaigns and outreach efforts."

3. Don't forget compliance.

Moreover, you will want to work with your compliance team to ensure that all the data you collect through your Adobe platforms is fully compliant with all applicable privacy regulations. "Adobe's data governance features allow for establishing and enforcing policies to ensure your first-party data strategy is grounded in the ethical stewardship of your customers' data," says DeLone. "If you're not sure how Adobe supports data governance, our support and consulting teams are ready to help."



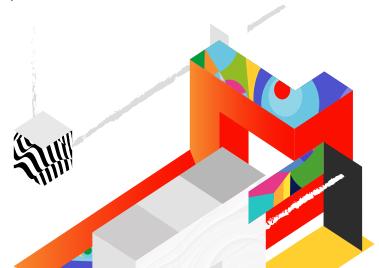
"The problem is, everything that we have done over the last 10-15 years has been based on cookies. It's the technology that everybody knows. That's what we have done. That's what we are good at. And then suddenly, we have been asked, hey, how do we do this without cookies."

4. Create unified customer data profiles.

Unified customer data profiles combine all the online and offline data your organization has associated with each individual customer into a single profile. They are an essential foundation for your first-party data strategy and may include geographic, demographic, and behavior data. With customer data profiles, you can quickly segment customers by running a single analysis rather than having to collect data from disparate systems and then conduct your analysis.

"Adobe Experience Platform includes the Real-Time Customer Data Platform," notes DeLone. "It allows you to connect data from both internal and external sources that reflect both online and offline behavior to get a complete picture of each customer's interactions with your brand. To achieve the right message at the right time to the right person, these profiles should generally be updated in real-time where possible."

With real-time customer data profiles, you can understand moment by moment what customers need. Plus, you can make them available to everyone in your organization and help eliminate silos. This means all your teams will know about customers' interactions with other teams. For example, the customer service team will know about customer interactions in physical stores. And marketers will see customers' latest interactions with sales. "This allows everyone to recognize customers where they are in their journey and avoid sending conflicting messages," says DeLone.



Why you need a customer identifier

One of the challenges often associated with creating the unified data profiles you need for a first-party data strategy is that customer data may be scattered across multiple systems and silos. To connect all this disparate information, you need a customer identifier.

"The customer identifier is a unique value that allows you to recognize your customers across all your data sources," explains DeLone. "Without it, no software will be able to help you tie customer data together into profiles."

Potential values for identifiers are:

- Customer ID
- Email address
- Phone number

DeLone adds that Adobe
Experience Platform Identity
Service can bridge customer
identities across devices and
systems using a customer
identifier. It can also let you
generate identity graphs that map
relationships between different
identity namespaces, allowing
you to visualize and better
understand what customer
identities are stitched together,
and how.



ServiceNow has big plans to deliver connected, consumer-like experiences to its business buyers in real-time. They are taking advantage of Adobe's Real-Time CDP to get a more complete view of each customer by bringing together disparate data sets into unified customer profiles. As a result, ServiceNow will be able to contextually interpret this information in milliseconds and deliver compelling experiences immediately.

"As today's work is driven by a digital-first mindset, there's an added urgency for a compelling experience at each step in a customer's journey," said Susie Emmerling, vice president of marketing operations at ServiceNow. "Adobe Experience Platform will help empower our team to understand our customers better, ultimately resulting in more personalized and valuable engagements—a powerful tool for any brand looking to succeed today."

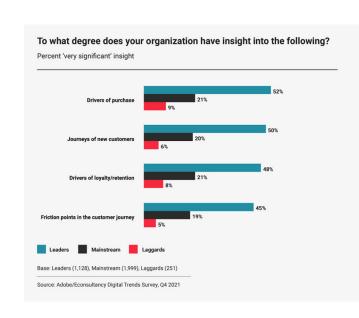
Read the full story.



Three steps to gaining insights from data

If you're collecting the right data and connecting it to customer profiles, you're already in a great place. Your next big objective is to start analyzing this data and mining it for customer insights. According to research from Adobe and Econsultancy, the ability to glean valuable intelligence from data is a hallmark of leading organizations. Marketers from leading organizations say they have insights into purchase drivers (52%), customer journeys (50%), loyalty drivers (48%), and friction points in the customer journey (45%).

However, gaining insights from your data is sometimes easier said than done. "Getting accurate and actionable insights from your data is a little



more complicated than simply making your data available to analytic platforms, such as Customer Journey Analytics," reports DeLone. "You'll need to make sure your data is clean and relatively free from errors and that you're capturing data from the right channels. Only when that's done is it time to add artificial intelligence, machine learning, and other advanced analytic techniques into the mix."

Ideally, most or all of your most critical insights should be available from a single dashboard. Otherwise, teams can find themselves managing multiple systems and multiple data connections, making it costly and time-consuming to get the analytics they need.

This section outlines three steps to get you on the road to gaining insights from your customer data.

Step 1: Validate and enhance data quality.

Your insights are only as good as your data. Poor quality data can make your insights less relevant and valuable. Having a data hygiene program that includes regular data reviews and cleansings is an essential part of any data analysis function.

"Your data hygiene program should evolve over time and expand to include new data sources," notes DeLone. "We always remind our clients that it's an ongoing process—you will never be finished. We recommend they establish regular review cycles for assessing the state of customer data used to drive marketing experiences and looking ahead towards technology roadmap changes that could affect how data is gathered, formatted, or delivered."

Step 2: Make sure your data covers the entire customer journey.

Once you've determined how you will keep your data clean and valid, the next step is to assess the data sources you're collecting and ensure they're representing all the critical channels and touchpoints BJ's Wholesale Club uses Adobe Experience Platform to deliver more value with personalized and data-driven marketing.

In the last year, BJ's Wholesale Club, a leading membership warehouse club in the Eastern US, has acquired new members at record levels, many of which skew younger and are more digitally engaged. They're using Adobe Experience Platform to collect experience data from these members, better understand how they buy, and test new services and messages across all their channels.

"We've made transformational progress as a company in the last year and we're building on that momentum by making strategic investments to provide the most value and convenience to our members," said Paul Cichocki, executive vice president, chief commercial officer, BJ's Wholesale Club. "By partnering with Adobe, we're elevating our membership and marketing to deliver one, cohesive member journey across all touchpoints and better showcase the value of a BJ's membership. With Adobe Experience Platform, we'll meet our members where they are and with content and offers that are relevant to them."

Learn more.

that make up your journey. "Understanding the entire customer journey is critical to analyzing friction on the path to purchase and identifying new opportunities," says DeLone. "Without data that covers the entire customer journey, your ability to do this can be severely curtailed."

Step 3: Ensure insights are automatic and instantly actionable.

The final step to obtaining insights from your data is to apply automation. The right automation can help you uncover hidden customer needs as well as predict what customers will need at any given point in their journey. Automated insights can also be instantly fed to personalization engines to activate individualized experiences.

"Many Adobe platforms have artificial intelligence and machine learning capabilities built-in (i.e. Adobe Sensei or Customer.AI), and they can be used easily by business users as well as data scientists," explains DeLone. "Also, all Adobe solutions are built around open APIs, so they can share insights in real-time with other Adobe and third-party applications."

Data-driven insights in action

The pandemic heightened the need for Adobe customers to analyze their data in order to inform their marketing choices. "We've seen healthcare-related ecommerce companies segment customers on their website according to whether they're looking for COVID-19-related information or researching products," explains DeLone. "They might suppress certain ads and elevate COVID-19-related resources for the former and push personalized offers to the latter."

Similarly, Adobe's retail customers have analyzed shoppers' behavior to determine which kinds of

Five data-driven marketing don'ts

Adobe Consulting Services has helped thousands of businesses successfully implement data-driven marketing. Based on our experiences, these are five of the most common ways businesses get in their own way when they get started with data-driven marketing:

- 1. Only thinking about digital channels. For a complete picture of the customer journey, you need to gather data from both online and offline channels.
- 2. Not addressing organizational silos. For a successful project, you'll need data from every part of your organization that touches the customer journey.
- 3. Not forming a cross-functional team to define your requirements for data and analysis. Insights from customer data are likely to have implications for everyone responsible for the customer journey. That's why we recommend defining the scope of your data and analysis in partnership with the other customer experience-focused teams.

delivery and pickup options they are most likely to be interested in. Depending on shoppers' behavioral signals, they might be offered curbside pickup, third-party delivery, or another fulfillment method. "Predictive analysis can also help retailers determine what kinds of support shoppers might need during curbside pickup and other omnichannel fulfillment processes," notes DeLone. "For example, certain customers might receive a reminder to leave for their pickup appointment or directions to the store."

Generally speaking, we find that Adobe Experience Platform and Customer Journey Analytics are some of our most helpful solutions for analyzing customer experiences and generating insights. "If you're using Adobe Analytics as your main data analysis platform," observes DeLone, "you simply can't see how customers interact with all your channels. Adding Experience Platform and Customer Journey Analytics to your environment will fill that gap."

- 4. Assuming a visualization tool is all you need to analyze the customer journey. Visualization tools are not designed to map complex customer journeys or provide insights in real-time. You will need a strong data foundation to build your customer journey before you can reap the benefits of visualizing insights.
- 5. Not preparing for cookieless future. If your organization is still in wait-and-see mode, you risk being unable to fully understand and personalize customer journeys while competitors with first-party data strategies are ramping up.



Take the next step.

Organizations with data-driven marketing capabilities will be better positioned to weather the next storm, whatever it is. Today, roughly 50% of leading organizations have significant insights into the journeys of new customers compared to 20% of mainstream firms and 6% of laggards. As an Adobe customer, you're probably at least part of the way there.

"Most if not all of the capabilities you need to run an enterprise-class data-driven marketing program may be built into your existing Adobe solutions," explains DeLone. "Adobe's expert teams can help you unlock those capabilities and getting the right foundation in place. This includes unifying your customer profiles, expanding your first party data strategy in order to deliver personalized customer experiences, and setting up your reporting for real-time, actionable insights."

Meet with Adobe Professional Services today.

Sources

2022 Adobe Digital Trends report, February 2022.

"Introducing the Future of Marketing Research Series: U.S. Highlights," Adobe blog, October 4, 2021.

