THE BIG DEAL

Understanding how to collect and break big data into small yet powerful solutions can yield huge profits

There's a myth floating around that big data comes from a deep, dark ocean filled with obscure digital customer information that can only be caught by expensive programmers. No small- to medium-sized business can dive into a concept with such volume, velocity, variety, and variability!

"That's a fish story," says James Heckman, ECi software solutions senior online marketing manager, a business management and e-commerce software publisher serving small and medium-sized businesses. "Truth is, smaller companies have big data right in front of them, and they're probably using it. They just don't see it as big data." To further reassure independent resellers, he adds, "What's big about big data is how you use it to produce big results."

Heckman offers a simple illustration as to how big data works. "My barbershop knows I get a trim every four weeks; they know the date I last had a trim; and they have my email address. That's only three pieces of data stored in their software system. Now watch what they do with that data. The barbershop runs a weekly report and collects the customers due for a trim next week. Everyone on that segmented list gets an email reminder that says, 'You're about due for a haircut. Click here to schedule an appointment.' That's using their digital database for big results."

To create an equally power-packed digital

➕ FOUR IMPORTANT BIG DATA CATEGORIES

It helps to have a customer relationship management (CRM) software system that stores information related to customer interactions. This data falls into four categories:

01

FINANCIAL FOOTPRINT: This is a customer's transactional history, including what's bought, how often, and what the customer spends annually with your company.

02

PROFESSIONAL INFORMATION: It's imperative that each customer's contact information be up-to-date, including name, title, phone numbers (desk and cell), and addresses (email and postal). In addition, this data includes the number of years with current employer; job description; communication preferences; and the customer's birthday, which can trigger an extra touch point and also identify this customer's generation, from Baby Boomer to Millennial.

03

ONLINE BEHAVIORS: This is how a customer interacts with you via the Internet, from website visits, actions, and purchases to how often they read your emails, click through to your website, and make a purchase that's featured in the email.

04

OFFLINE BEHAVIORS: While more customers order online, print pieces can drive customers to your website, so you want to know which category-specific flyers and mini-catalogs are being read and driving customers to your site. This also includes concerns, ongoing needs, and new solutions discussed when a salesperson or customer service call takes place.

database and responsive digital marketing campaigns, it helps to have a customer relationship management (CRM) software system that stores information related to customer interactions. The data, says Vince Phelan, United's director, trade marketing, falls into four categories: financial footprint, professional information, online behaviors, and offline behaviors (see sidebar at left).

"When you merge all four categories, you get a 360-degree view of the customer and what communications will be relevant to this customer," Phelan says.

Capturing the data

Every process that touches the customer represents an opportunity to capture valuable data. To be meaningful, however, this data must be consolidated into one easy-to-access integrated repository, such as a CRM, so everyone in your company is working with the same information and no one is dealing with time-consuming, error-prone manual data analyses, spreadsheets, and files stored in a salesperson's car trunk.

Here are a few ways to build your digital customer database.

INVOICES: Beyond monetary value, these gems deliver buying behaviors. For example, toner is bought every other month and always online.

WEBSITE ANALYTICS: Your third-party provider can deliver reports as to what customers do and don't do at your website. Customers that only click through to your site after receiving a promotional email are telling you their hot button.

PHONE CONTACT: Have your customer service team ask every customer caller a few questions beyond contact verification, such as job description, years with the company, or whatever data will place this customer in an explicit segment that goes beyond "product purchaser."

WEBSITE POPUP SURVEYS: Entice online customers to provide data with brief online questionnaires. To sweeten the deal, customers who complete the survey are entered into a drawing for a prize.

ASK!: United's new survey and research value-added service helps independent resellers

EVERY PROCESS THAT TOUCHES THE CUSTOMER REPRESENTS AN OPPORTUNITY TO CAPTURE VALUABLE DATA.

certainly more cost-efficient than printing and mailing 500 mini-catalogs."

To dig deeper into your accounts and develop additional contacts, you have to improve your digital performance—and that means collecting and slicing big data into small, manageable, targetable segments. "If your entire organization is a conduit for gathering, delivering, and analyzing this data, you'll know which levers to pull and when to change directions with your digital presence," Phelan says. O|L

> **KNOW YOUR CUSTOMERS!** Stay in touch with changing customer preferences with customized feedback instruments using United's ASK! research and survey service. Learn more at Solutions Central.

➕ EVERYONE ON BOARD

Occasionally a salesperson may balk at entering customer data into the customer CRM and giving all departments access to their information. "You have to demonstrate how this procedure benefits them," says Vince Phelan, United's director, trade marketing.

For example, Phelan suggests, someone may run a report and spot a pattern. Perhaps accounting firms respond in droves to January promotional emails for paper and toner as they gear up for tax season. This information can only help the sales team. In another scenario, maybe the marketing team ran a digital campaign for executive desk chairs and your website analytics report showed that 50 customers clicked through to the website but purchased nothing. This is more valuable information for the sales team.

"Salespeople could be walking past wheelbarrows of money on a daily basis because they're out there selling and not seeing the clues for new opportunities," says Phelan. "That's why it's so important to have every employee involved in turning customer data into a deeper understanding."

capture individualized and detailed information about customers' shopping and buying behavior.

ONSITE DELIVERIES: "Your drivers are an incredible data source because they're onsite," Phelan says. "They may hear that your biggest account restructured their marketing department and hired five people. This information isn't on any purchase order."

Kevin McGirl, co-founder of sales-i, a sales development solution integrating business, sales, and customer intelligence, explains that much of this data is in your invoices. Understanding a customer's previous actions is the best predictor for their future behavior. "When you add psychographic data, such as attitudes—for example, are they eco-warriors—you now know who the customer is, what they bought previously, and what their preferences are. Now slice and dice the data into customer segments so you can send appropriate, timely messages to each segment," McGirl says.

Effective data use

McGirl is talking about business intelligence (BI), another trending term that many small to mid-size companies may see as beyond their capabilities. However, a new generation of easy-to-use, mobile-friendly BI solutions means every company can now benefit from the tools and methods necessary to analyze data and make relevant, timely, and personalized digital marketing choices.

"BI is about opening your search tool in CRM and segmenting. Look for people who fit a certain criteria or pattern," explains David Grant, advisory consultant with MBS Dev, Inc., a company that provides ERP and ecommerce capabilities in the industrial space. "Maybe it's everyone with sales of a certain dollar amount in paper but not in toner, or all customers whose sales dropped within a specific time frame. Your CRM breaks it down to a report that you can react to," says Grant.

Even so, Grant stresses, a report is static. That's where the human element comes in. "Meet with your sales team and talk about a product classification that's dropping in sales or accounts with gaps in product category purchases. Determine which customer segments you want to go after and decide how to best entice these segments to increase their purchases around a particular product category. An email campaign is the most common action. It's a lot easier to send 500 emails than to make 500 phone calls, and it's