

HOW TO USE A DATA MANAGEMENT PLATFORM

3 CONCRETE USE CASES

fnac

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SFR



eulerian.



Collecting heterogeneous data. Crossing, comparing and analyzing them. And ultimately, improving the response. This is a brief description of how a Data Management Platform (DMP) works. In order to carry out a successful implementation of such a solution, and for the company to meet – and overachieve – their objectives,

there are a number of recommendations one must follow: get the focus on the customer and on targeted profiles and agree on using different work methods. When a business decides to go down this route, the teams must learn to ignore current fads. But most importantly, and even before wondering about service providers and solutions, the key relies on considering how the customers will benefit from this new tool. This is what really matters – refocusing the marketing actions, ad purchases, emailing campaigns, and targeted offers adapting to customers' expectations in real time. The DMP is the perfect way to build a strong, quality connection with all of your customers. The power of the technological solution is obvious, but one will only be able to master and make the most of its potential by following a strict methodology – accepting regular reassessment, challenging the instincts, and relentlessly testing new strategies, new devices...

This white paper gathers some use cases that will certainly inspire the brands wondering how to enhance their extraordinary dataset. This way, and always from an operational point of view, it will be easy to understand the remarkable potential of a DMP.

Emmanuel Brunet
CEO at EULERIAN

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ADOPTING A DMP: A BUSINESS PROJECT

Website, smartphone app, mobile site... Customers decided long ago what businesses should focus on today – the omnichannel journey. The challenge is to be able to follow the user through no matter what channel they decided to use to interact with the brand. A DMP enables you to reconcile the collected data and to gather all the information around the user. For this purpose, the DMP brings closer the different ways to identify a customer, in order to provide a synthesized vision of their interactions, regardless of the channels or devices used. The DMP is capable of recognizing a customer by their ID (if they use an app), by their email address (if they are subscribed to a newsletter), or if they scan a QR-code from a magazine, for example. The Data Management Platform works as a reconciliation key. Thanks to a more precise and universal knowledge of the customer, it is possible to adapt the offers and propose a much more satisfying experience in order to improve the conversion rate.

DMP - three letters standing for Data Management Platform. Behind this acronym, a technological solution made for getting the most of your dataset. When there is a need to rationalize the data use, to understand better the customer journey in a cross-channel dimension, or to optimize the ROI of media campaigns, the solution undoubtedly lies in the implementation of a DMP within the structure of the company.

DMP: THE RECIPE FOR SUCCESS

The success of a DMP relies on the solution's capacity to collect the totality of the data in real time, in a precise way, and via the most reliable collection modes (first-party cookies, redirection tracking, etc.). The real-time data collection must be carried out in a completely secure way, no matter what devices are used. However, in spite of the importance of the data collection notion, it is not enough by itself! Once the data are centralized, they must be cross-checked in real time. From offline to CRM and PRM data, all the touch-points with the customers, regardless of their origin (third-party solutions or internal databases), must be treated and enriched. From this moment on, the DMP can demonstrate all its strength by proposing the creation and management of segments. Thanks to the DMP, users can study their audiences and easily define the segments relevant and useful for their business according to their marketing goals: acquisition, customer loyalty, awareness, reactivation... Once marketing teams are capable of mastering the transferred data, the possibilities become virtually endless: optimized programmatic targeting, databases updates, customization and adaptation of marketing messages, media management via their DCO partner, advertising pressure management...

SYNTHESIS AND ANALYSIS

In order to integrate a DMP in the company's information system successfully, it is recommended to determine the teamwork methodology in advance. Identify the needs of the different services involved in the project (marketing, communication, IT...), define the objectives together... The idea is to join forces, work hard and follow a method even before trying to compare the functionalities and the user-friendliness of the platform. Beyond creating and crossing audiences, other elements as important as these, such as data visualization, or the quality and intuitiveness of the interface in the definition of scenarios, must be taken into account. The DMP must propose a synthetic and analytical data overview, but beyond the tool itself, one of the things to look into is the service and the support provided by the provider of the solution, in particular in terms of security and confidentiality.

The expert opinion

For Emmanuel Brunet, CEO of EULERIAN since 2012, *"in order to choose a Data Management Platform, it is necessary to adopt an analytical and pragmatic logic, and to beware of suspicious trends"*. Before comparing several solutions, *"it is compulsory to carry out an internal audit of the most pertinent applications. A DMP is a technological solution which only makes sense when the teams define what they expect to be able to do with it before adopting it"*. Finally, taking into account the data sensitivity and strategic character, *"it is always necessary to wonder about the localization of the data. Are they hosted in national territory? In Europe? Are they subjected to the Patriot Act? Will providers be able to use the data for personal purposes? So many essential, and very often overlooked questions"*.





USE NO.1 CROSS-SELLING DEVELOPMENT



GHADI HOBEIKA,
DIGITAL MARKETING
DIRECTOR AT

fnac

The principle of cross-selling consists in increasing the average cart of customers by suggesting to them at the right time additional, complementary products likely to meet a need. The goal is the growth of sales turnover, and a better control of the customer acquisition costs.

To sell more often means to sell better. For example, in the high-tech equipment market where the profit margins remain limited, it is the volume which creates the value. By offering a customer an additional product working as an accessory to one they already bought, whether online or in physical stores, the prospect of additional sales increases! However, it is still necessary that the product proposed to the customer is also adapted according to their interests and needs as a client. For that, the method consists in calculating a “*desire score*” for each customer. The equation for this calculation will involve the browsing information and the purchase history of the customer. These reconciled data will feed a recommendation engine in real time. This engine is connected to real-time bidding (RTB) platforms or to the CMS of the website.

HOW TO TAKE ADVANTAGE OF CRM DATA

Ghadi Hobeika, Digital Marketing Director at Fnac – and in charge of the implementation of the DMP Eulerian in the company – started from a simple fact: “*The Fnac.com site generates, thanks to its traffic, gigantic volumes of digital data. Fnac has a genuine culture of CRM data, particularly as a result of our Loyalty program. For us, what was missing was to make the most of this amount of information.*” By implementing a DMP, Fnac could answer two major strategic questions. On the one hand, carrying out more efficient media campaigns. Optimizing budgets significantly, and on the other hand, for the teams working on the e-commerce site, benefitting from a rise of the conversion rate via scenarios boosting the cross-selling. The communication was adapted

to attract and encourage users to discover new products interesting for them. This was carried out using “*customer*” data, and data from the last purchases and product sheet consultations. “*For the implementation to be successful, we built up a team whose mission was initially to determine the scope of the project and to brainstorm the different scenarios that would be relevant to test*”, says Hobeika. Fnac has large volumes of data to incorporate to the DMP. Nonetheless, the primary difficulty was to establish the uses the company could make of these data. “*The tool is extremely powerful, and we realized that we had not dedicated enough time to determine our needs in advance*”. In this way, the teams gathered together to reconsider the uses we could benefit from given the identified profiles.

PRIORITIZING ACTIONS

Deployed between March and July 2016, the DMP actually swung into action at the end of July. “*We are integrating functionalities gradually*”, says Ghadi Hobeika. Before a widespread deployment, the teams carried out some targeted measurements, and the first results came very quickly: “*Everyone is very enthusiastic. We have now a new system to work together and the initial results in terms of conversion are slight but very promising*”. Cross-sell or up-sell, for the moment the performance indicators observed give encouraging signs! But that’s not all – the implementation of the DMP also contributed to bringing the different services together. “*The discussions among the CRM, media and website teams are now richer, and the way to work is more detailed. As for the media team, they do not analyze the average performances of the campaigns anymore. Therefore, it is easier for us to better segment the profiles and, as a result, to better choose our responses!*”

RATIONALIZING INVESTMENTS

Ghadi Hobeika soon realized the only way he could get the teams on board for the DMP project would be by setting reasonable goals. And it worked! Among the first use cases, thanks to the DMP Fnac was able to make more precise 'search' bids for certain product categories. "Our approach was based on the idea that it was worth investing in the customers that we knew better. Through the DMP, we set up a campaign on certain high-tech categories with the idea to match as many cookies as possible to expand the scope of our campaigns", indicates the Digital Marketing Director. The assessment of this first campaign is rather positive: "Thanks to the DMP, we understood that our bids were going to be certainly higher, but in a way more targeted and coherent with the profiles of our customers. Both the conversion rate and the ROI increased", concludes Ghadi Hobeika.

The expert opinion

Emmanuel Brunet says: "When implementing a DMP, the teams must adopt the same approach as in a laboratory – in order to obtain relevant results, it is necessary to test the hypothesis and the use cases. Contrary to popular misconceptions, it is not the amount but the diversity of the collected data and of their origin what really counts." After adding the different data flows or streams, the next step consists of evaluating the performance and deploying the different scenarios. "The DMP will only show all its power if the teams demonstrate that they can combine intellectual agility with a pragmatic and simple approach", says Brunet.

The DMP fnac in numbers

10+

People involved in the set-up

200+

DMP Segments created

40+

Use cases prioritized

+20%

profit increase on the first use cases





USE NO.2 MEDIA CAMPAIGN OPTIMIZATION



MATTHIEU RUVAULT,
HEAD OF DIGITAL
MARKETING SOLUTIONS
& SMART DATA AT



The mass marketing is dead... long live the custom experience! The promise of a DMP is none other than to contribute to achieving more coherent communication strategies. When used correctly, the solution contributes to addressing messages adapted to customers' needs and expectations. The goal of any business is to be present in the right place, at the right time, for the right people... This is what a DMP is made for!

Among the range of missions which a DMP is likely to accomplish, there is one responding to the challenges of any company in terms of ROI – media purchase optimization. Any step of the marketing and/or communication plans of a business should have as an ultimate goal the return on investment. The DMP, via segmentation, enables companies to reach a very strong granularity which will benefit their media purchase policy. At a time when programmatic platforms and purchase automatization have become the standard, it is no longer possible to follow one's gut instincts nor rely on intuition. Only facts and data are capable of orienting the

teams to make better bids on certain keywords adapted to their brand strategy. All the same, as customers journeys become more and more unclear, the solutions of collection, analysis, and cross-device attribution must enable the reconciliation of all the data concerning one user, regardless the device used (computer, tablet, telephone - web & native app).

VOYAGES-SNCF.COM REINFORCES THE TARGETING

It is with all this in mind that Voyages-sncf.com launched a project to deploy a DMP. This is the official site of the French railways (SNCF) for online sales of rail travel throughout France and Europe. *“We were convinced that the data would enable us to manage our acquisition campaigns or our internal campaigns in an efficient way. We already used our data for personalization and targeting purposes, but we wanted to go further”*, explains Matthieu Ruault, Head of Digital Marketing Solutions & Smart Data at Voyages-sncf.com. To complete the project successfully, Matthieu Ruault remained pragmatic. *“We focused primarily on simplicity”*, he explains. *“We already collected behavioral data via our site and our app, synchronizing them later with the CRM database and the DMP.”*» One of the main criteria for selecting a DMP was its ease and agility of implementation. >

➤ The DMP Eulerian, fully operational from June 1st, 2016 on, is intended to create targeted audiences in order to improve the effectiveness of display campaigns and advertising campaigns. *"It is still too early to make a proper assessment from our first experiments, but the first indicators are encouraging and we are actively thinking about future uses"*, explains Mathieu Ruault. Among the paths considered, the possibility of creating a "common theme": *"Thanks to the DMP, we can isolate certain profiles and ensure a permanent contact with this audience beyond display campaigns. The idea is to pass promotional offers and to increase the purchases of the identified profiles"*, says Ruault. Many subjects are still in the spotlight, such as SEM campaigns optimization, website personalization, emailing campaigns improvement... But a lot of the success of this project depends on the methodology applied to manage its deployment.

A TEST-AND-LEARN APPROACH

Given his pragmatic and efficient nature, Matthieu Ruault remains cautious. While leading the project, first he pondered how to federate everyone's energy by removing the borders between services, working together proactively to master the tool, and many other essential preconditions. *"We follow a method. One person undertakes the task consisting of creating segments via the DMP, and the rest of the team explores two options - display and internal advertising control."* For the Data Management Platform to be implemented smoothly, Voyages-sncf.com adopted a test-and-learn approach. *"One must not make the mistake of seeking too complex or ambitious goals. In this kind of project, the teams must always answer to certain objectives and demonstrate the ROI that was the expected in every step of the way"*, concludes Matthieu Ruault.

The expert opinion

"The DMP is a new term, but not a revolution. It is just an additional feature to the digital system allowing advertisers to centralize their data and make the most of the dataset within different ecosystems - media, on-site, BI..." For Emmanuel Brunet, the key to success and benefit from the full potential of the solution is *"to test a maximum number of use cases, to use the DMP in varied but quite precise contexts. Like this, one will be able to gradually validate the relevance and varied benefits of the suite in a pragmatic way. Once the solution is implemented, the knowledge of the customer will gradually increase, the CRM actions can be reconsidered and refined, and the messages can be personalized."*



USE NO.3 FIGHTING CHURN RATE



AMINE CHRAÏBI,
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Banks, insurance companies, telecommunications... numerous and varied business sectors face a common problem: the churn rate! The companies must find effective solutions to fight the loss of users or customers.

All the difficulty lies in the capacity to understand what moves a customer to stop using the services of a brand. As a result of being disappointed with the offer or with the quality of the services, the churn rate requires the early detection of the reasons causing it to be able to respond accordingly and as soon as possible. However, one must be careful with their anti-churn commercial response. These are often poorly perceived by the customer, who might be surprised by an attractive promotional offer suggested a little too late. By using a DMP one can detect very early and weak signs of a possible loss of a customer. Once the profile is detected, it will still be necessary to give it a score - always by using the DMP - in order to provide the most effective response to hold the customer.

AN ADAPTED WAY TO RETAIN CUSTOMERS

Among the business sectors most impacted by this churn-rate problematic, the phone market is a perfect example. Particularly competitive and in constant change, this market faces a major issue linked to customer retention. Amine Chraïbi, Head of Digital Acquisition, Digital Management & Direct Sales at SFR, shares his thoughts: *"Our ambition consisted in fighting the churn by adopting a cross-channel logic. We had already used a DMP to optimize our media purchases, and using it to try and retain customers seemed the most logical and natural next step."* To contact the customer in a targeted way, in order to fight their reasons for a possible dissatisfaction or disloyalty, *"we considered that it was essential to make use of our data. Thus we defined a precise but flexible list with our specific needs, given the fact that our data sources are large and shape-shifting. It was necessary that the DMP was capable of interfacing with the*

solutions provided by other actors". Beyond interoperability, it was essential to define certain protocols. *"The DMP plays a key role. The CRM data is used for scoring, which is essential to make sure we activate the right channel at the right time!"*, says Amine Chraïbi.



FURTHER THAN THE ANTI-CHURN

Give the serious problem that churn rate represents for businesses, especially the ones in the phone market, SFR decided to act quickly and integrate the DMP for anti-churn purposes. As a complementary solution, SFR developed two approaches. The first approach consists of buying segments specifically. *“Giving cross-sell and customer relationship the importance they deserve, we position ourselves in the search and display areas and we provide a tailored offer to each segment. This process enables us to reach an excellent profitability of our media purchases”*, indicates Amine Chraïbi. But he goes further and brings up the second approach of the company: *“Even in our strategy of acquisition of new customers (which is done in a conducive environment, such as in classified ad websites),*

we use the DMP to optimize our purchase by personalizing the messages according to the audience (new customer/former customer) and thus avoiding any frustration or disappointment.” The first results collected by the company since the integration of the DMP are quite convincing and there are many lessons already learned: *“The process requires us to reconsider our practices, to define segments, to carry out the activation, to define the offers... Many of these actions are done now collectively, and in spite of the project being initially in charge of the site traffic department, many departments are now involved, and we all work together to improve the profitability of the DMP.”*, shares Amine Chraïbi.

The expert opinion

While setting a strategy to properly fight the increasing churn rate, it is vital to be able to detect the first weak signs. *“By associating the data related to the searches on the site, and measuring the interactions and the touchpoints with a hotline, it is possible to identify the user profiles likely to cancel their subscription”*, indicates Emmanuel Brunet. *“The greatest strength of companies such as SFR is their data culture. The knowledge of their customers enables them to respond to a precise marketing goal in a very targeted way.”*

CONCLUSION

Beyond the three use cases described in this white paper, a DMP is likely to meet many other strategic needs, for example:

TO ANTICIPATE SALES/TO OPTIMIZE THE STOCK

By putting together data from several sources (purchase histories, navigations histories, online search histories), it is possible to anticipate the volumes necessary to supply the physical stores.

TO DEPLOY REACTIVATION CAMPAIGNS

The process involving customer acquisition is long, complex and expensive. With a DMP, it is possible to identify and segment different customer profiles who have not bought for a given period of time and to define scenarios to encourage them to buy again. It is possible, for instance, to contact customers identified as premium in the CRM database, who opened a newsletter but didn't click on the call-to-action button.

TO CARRY OUT A PRECISE GEOGRAPHICAL TARGETING ON CUSTOMERS WITH ZIP CODE

As everyone knows, geographical targeting via an IP address is relatively imperfect or, to say the least, too imprecise. With a DMP, it is possible to make use of the customer's zip code (essential for shipping, for example), and geolocalize their place of residence with precision. The idea is to use this information to contextualize campaigns.

KEY POINTS



1

Before comparing the functionalities, user-friendliness, or prices of the different DMPs, the team must think about the reasons to deploy it and the expected uses.



2

It is important to list the internal and external data sources that could be gathered and exploited within the DMP: quality is more important than quantity.

3



Once the segments are identified, it is necessary to define scenarios with as many interaction points with the audience as one would like to test.



4

Test and learn: the true state of mind for anyone involved in a DMP project. Working with targeted audience samples will truly test scenarios that might eventually be applied to the entire segment.



5

Detection/reaction: Defining a list of weak signs and analyzing users' behavior will help companies to anticipate their customers' needs and to personalize their ad campaigns to respond accordingly.



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