



It's What You Don't See That Matters...

Acxiom's **Mark Knight** discusses how offline data complements online behaviour to add a new dimension to your customer view.

Technology has given online marketers access to some sophisticated website tracking capabilities. Smart online marketers with the right tools can define and track an online conversion and calculate its exact worth to their business. They understand the costs of acquiring customers online, and how much effort is involved. These shrewd online marketers can recognise different user behaviour, and utilise this knowledge to segment their prospects and customers and place targeted offers in their path.

Welcome to the brave new world of behavioural targeting.

As a concept, behavioural targeting is ill-defined. The newly-formed U.S. Behavioural Targeting Standards Consortium (BTSC) is tasked with 'defining standards and definitions for' and 'clarifying the ambiguity associated with' behavioural targeting. As long as discourse around such online technologies is still new and the definitions unformulated, behavioural targeting will mean different things to different people.

In basic terms, behavioural targeting comprises defining and recognising specific actions, understanding the significance of these actions, and grouping people who display similar actions into segments. Once these segments have been recognised they can be targeted with relevant offers.

Consider a department store manager observing the behaviours and interactions of each of his patrons. He separates browsers from active purchasers, and those who aim for designer labels from those who head for bargain bins. He tracks increased sales activity generated by special offers, and logs stagnant product lines. He notes which

customers regularly return to specific departments and those seemingly without agenda.

Ultimately, he defines those characteristics that make certain shoppers 'ideal' customers and those of lesser value. A similar 'bird's eye view' of your online customers is fundamental to successful behavioural targeting.

"Every visitor enters your website with individual 'baggage'..."

Organisations currently approach behavioural targeting in different ways. Some recognise and track onsite users to target specific offers within the site. Others with access to ad networks and re-targeting technology recognise onsite behaviour, and target via banner ads within third party ad network sites. Search targeting can include presenting users with different content or offers, depending on which upstream search terms have been used to locate a site.

As no two consumers (or web users) are equal, grouping customers into meaningful segments carries a margin for error. Our store manager would not be wrong to categorise the wealthy woman who cannot resist a bargain with the student who has little disposable income when both display the behaviour of rummaging through the sale bin. He simply does not know that one stepped out of a limousine on the street outside while the other could barely afford bus fare. Would this knowledge not make him extend different offers to these customers to prompt a purchase?

Every visitor, whether a first time or prior user, enters your website with individual 'baggage' that includes intentions, requirements and disposable incomes. Taking a

limited view or snapshot of your customers' activities by analysing their online behaviour alone can be misleading. It is better to identify and understand the individual who leaves the digital footprints you track, placing them in the appropriate demographic context. You can then see the big picture; that the woman who goes straight to the bargain bin may also respond to a designer label offer when it is appropriately presented.

Gathering as much relevant data as possible enables you to make better marketing decisions. Every incidence of customer behaviour that contributes to your stock of information can be used to your advantage. Matching online registrations to offline purchases will bring more information into your analyses, better positioning you to examine the relationship between your customers' online and offline behaviour.

In the world of behavioural targeting, when every customer is unique, there is no out-of-the-box solution. While unarguably a challenge, you will have more chance of devising an accurate, effective strategy that both suits and benefits your business by utilising complementary offline data such as life stage and demographic information.

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