

The Ultimate Guide to Single Customer View



Blue Group eBook

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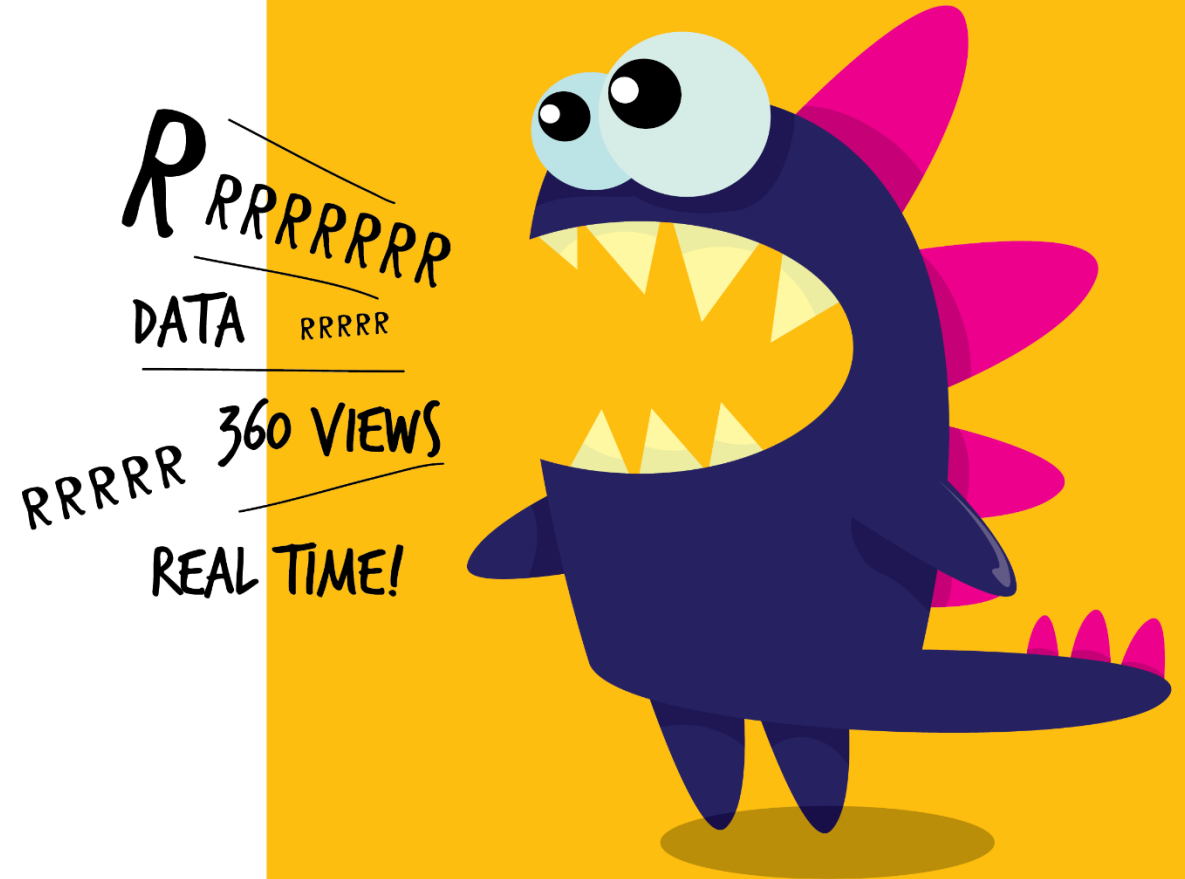
1. Introduction

When approaching the subject of a Single Customer View (SCV), you're going to encounter a wide range of views.

In 2016, Technology for Marketing asked its Board of Experts their thoughts on SCVs and the responses ranged from "mythical beast formed by hype" to "the holy grail for customer relationship management".

Clearly, there are many opinions – and more than a few misconceptions – about a Single Customer View. So it's understandable that businesses looking to optimise their marketing strategies have reservations about what an SCV can achieve – if they believe such a thing exists at all.

This eBook aims to provide you with all the information you need to take the necessary steps towards understanding and implementing "the holy grail" of an SCV, successfully, at your organisation.



2. What is a 'true' SCV?

Let's start by demystifying the belief that an SCV is a "mythical beast". It isn't – but it's not easy! Many have tried to achieve an SCV and failed, but many have succeeded and seen hugely positive returns as a result.

There are many perspectives on what a Single Customer View is (and isn't), one of the most common misconceptions being the notion that an SCV is either a piece of software or an off-the-shelf product.

The Single Customer View is not a product but is in fact a **process** that your data must follow to make it ready and suitable for marketing, analytics and insight.

Through the extraction, transformation and load process, the SCV should take all the data you hold about your customers on an automated journey of matching, cleansing and enhancement.




The Single Customer View sits at the heart of your marketing efforts, storing, processing and manipulating data from multiple sources.

It presents this data in a structured, clean database with a single record for each customer and with each record enhanced by linking other pieces of information, perhaps from 3rd party sources, to drive intelligence and insight.



The SCV can include details about premises, contact channel information, campaign contact history, transactions and every online and offline touchpoint the customer has had with your products or services.





2.1 What is the difference between a data warehouse and an SCV?

A Single Customer View is a database that aggregates data from different streams, which means it is easily confused with other data integration projects, such as a Data Warehouse.

However, while a Data Warehouse also collects high volumes of structured and unstructured data, it does not necessarily need to match to a customer and will not go through the necessary cleansing and enhancement process that is so key to the SCV.

The Data Warehouse could be as relevant to any department of an organisation as it is for marketing.

In fact, the relevance for marketing is often questionable when attempting to use data mining tools to quickly extract 'actionable' customer data from a Data Warehouse.

Marketers are highly iterative human beings and, to be successful, need to have the ability to ask many questions and interrogate their data in real-time.

Whereas a project to build a Single Customer View is for marketers, the Data Warehouse is normally an IT project.

Although both have obvious benefits, the benefit to the marketer of a Data Warehouse is actually very small. Why? Because the main goal for marketing is to have direct access to their data to enable decisions to be made quickly and to turn those decisions into marketing campaigns at speed.

Putting in requests to an IT department for a query, selection or piece of analysis from a Data Warehouse not only takes time but means an over-reliance on other departments to drive the success of the marketing team.



2.2 Data governance and preparation

The correct governance and preparation is vital for a Single Customer View and some of the data you collect may not be suitable for marketing purposes. When building a true SCV, the following will need considering:

Legality: For any piece of data, marketers will need to ask themselves the question “am I legally able to use this data?” For example, sensitive data such as credit card details require PCI compliance for storage of that data, and when trading internationally you need to be aware of laws across country borders, states and territories.

Trustworthiness: When compiling all your data sources, you’ll find that some will be more trustworthy than others. For example, an email a customer provides for a receipt or travel itinerary is far more likely to be correct than a hastily scribbled address on a feedback form handed out to weary plane passengers returning on a long-haul flight.

Decay: How long data stays relevant is another important factor. Addresses and contact numbers can go out of date, while job titles and names can change often. Enhancing an existing database with third party data to ensure time sensitive information is as up-to-date and trustworthy as possible.

Marketing ready: For data to be truly useful to marketing departments, it needs to offer perspective about people, rather than product codes, events or transactions. Do you want to use your data to tell stories or listen to what consumers have to say?

3. What are the benefits of an SCV?

Armed with the knowledge of what a Single Customer view is, it's then important to establish what an SCV can do.

The SCV is positioned central to your marketing solution and continually flows in new data from campaign results.

“ *The Single Customer View is fundamental and I don't know how you can run a business without one. With big data taking hold, the SCV is a must-have to allow traditional marketing best practice.* ”

Stacie Maxey, Director of database marketing
Domestic & General



The Single Customer View isn't the end result for marketers – it creates the rules and processing that drives what will become the end result.

An SCV is responsible for several functions:

1. To **extract, transform and load** data from various sources and prepare in a standardised format. For example, if your organisation collects transactional data in multiple currencies then it is the responsibility for the SCV to ensure a consistent currency can be viewed for comparing 'apples with apples'.
2. To **remove inaccuracies and cleanse the data** to provide you with the most trustworthy insights which, in turn, allow you to make the best and most well informed marketing decisions.



3. To **merge duplicate customer information** from different silos, centralising data from online and offline channels to provide a refined, comprehensive view of each customer.

4. To combine with marketing technologies to **easily visualise and analyse data at speed** to identify the perfect target audience.



3.1 Better Data = Better Marketing

Poor quality data contains numerous errors that can devastate the success of a marketing campaign. Inaccurate names, addresses and contact details, along with duplicate records and decayed information, will distort your view of a customer. This will make your campaigns less effective, less efficient and lead to displeasure from your customers. Nobody likes to receive irrelevant messages and mailings, least of all multiple times.

For example, can you tell if the dozen or so 'James Kelly' entries you have in your database are the same person? Are your customers still receiving emails addressed to 'FirstName'? Are you wasting unnecessary money posting the same promotions through a single letterbox?

As a Single Customer View provides an organisation with an accurate, fully formed record of their customers and prospects, this means trustworthy data to form the foundation of your 1-to-1 marketing efforts.

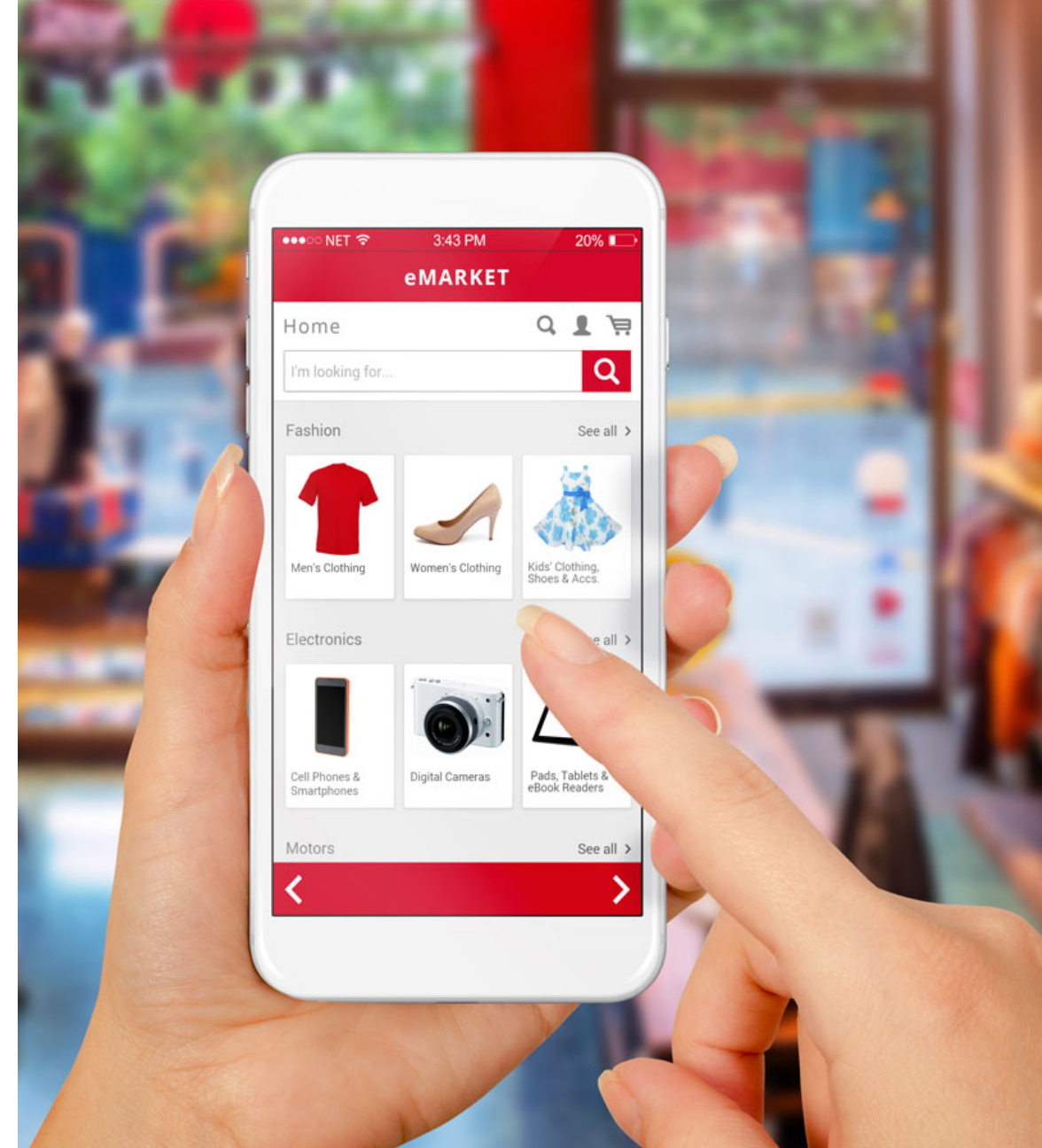
From this base, analytics tools will allow you to ask questions of your database in order to achieve your ultimate marketing goals:

Better segmentation of your customer base: Clustering groups through any combination of demographic, geographic, transactional and behavioural data will allow you to target the right customers with products and services that are more relevant to their needs and wants.

This will lead to higher conversion rates, encourage retention and long-term revenue from existing customers and add increasingly useful additional data for future campaigns.

To make campaigns more personalised: If your database is filled with inaccuracies, it will severely undermine any effective attempts at personalisation and speaking to your customers as individuals.

Using a correct name will get your promotion off on the right foot, while linking the right customer to the correct transactional history allows for relevant recommendation messages and targeted advertising.



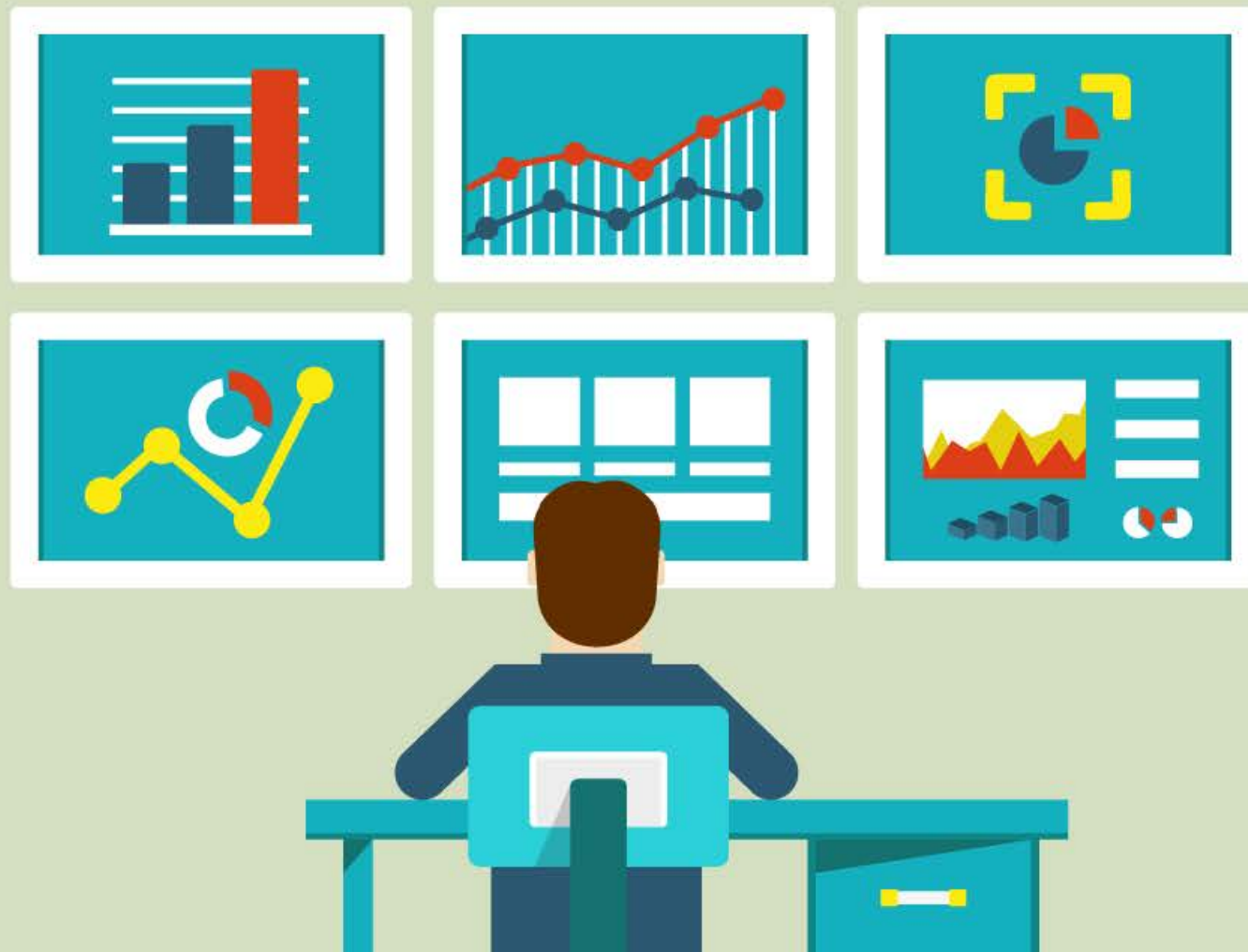
4. How do you measure the ROI of an SCV?

Creating a Single Customer View to merge data that is likely spread across several departmental and cloud silos (including point-of-sale systems, e-commerce, email service providers and more) is a significant undertaking. So, justifying the ROI of a Single Customer View is important.

In addition to some of the more obvious advantages (mentioned earlier) the ROI can be justified with other benefits, such as:

Better targeting your most profitable customers: With the ability to pinpoint specific customer segments, an SCV can highlight the customers that are the most valuable to you. Concentrating your marketing efforts on this group is not only a more efficient way to optimise marketing budgets, you'll develop a greater understanding of cross- and up-sell opportunities too.





Fewer costly mistakes: By consolidating data from multiple silos, you decrease the likelihood of making errors that can affect your budget – and your reputation.

Sending duplicate irrelevant messages leads to dissatisfied and disinterested customers, while your marketing tactics will suffer with poor engagement.

Happier, loyal customers: Customers who view your brand as better suited to their needs are more likely to encourage further communications from you, sign up to loyalty schemes and view your organisation positively.

Customers with high regard for your brand are more likely to buy and return to purchase again.

Better attribute sales to marketing campaigns: Through the blending of online and offline data you can better attribute sales to marketing efforts to prove ROI.

The SCV creates a complete memory of every single customer to improve your attribution models and always understand where customers are in their journey.

To comply with data use laws: In 2016, the Information Commissioner's Office (ICO) revealed the guidelines for the General Data Protection Regulation (GDPR), a new set of laws for the collecting, sharing and storing of personal data.

These will come into force in mid-2018 and could have a considerable impact on any data-driven organisation...



Key to the new GDPR guidelines are rules relating to:

- Correcting inaccurate records you may have shared with third parties
- Consumer rights to access the information you hold about them
- Your legal basis for processing personal data
- Consent to collect, retain and use personal data
- Procedures for detecting, reporting and investigating a personal data breach

While applicable to countries within the European Union, any business that hopes to trade with EU countries (and collect data from EU citizens) will still need to conform to these data protection laws.

An SCV that contains cleansed, legal, accurate information is a great step towards being complicit and mitigating some of the risk of breaching these new regulations.

And when the maximum fine has been set at either €20million or up to 4% of an organisation's global turnover (whichever is the biggest), the ROI is hugely impacted by the implicit risk of not having an SCV.



Arriving in 2018

5. Key considerations before building a Single Customer View

How do I get hold of the data sources?

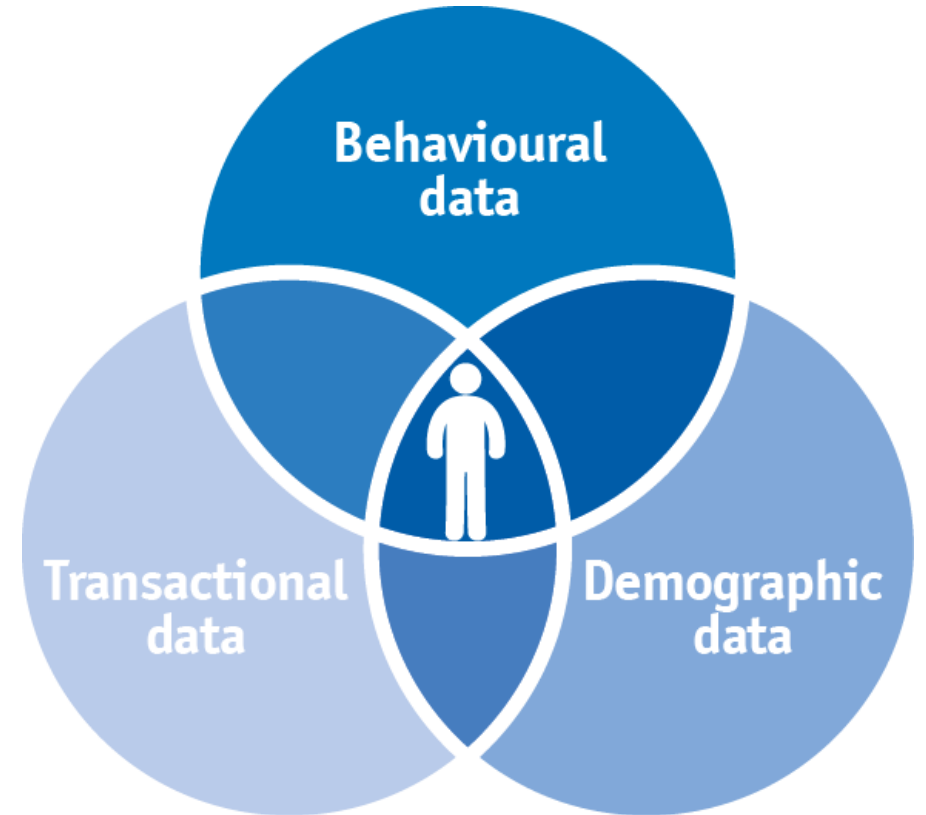
As different teams and third parties own it, getting hold of the source data is a challenge that will require company-wide coordination.

Once IT has ascertained the existence of different data sources, it will typically take up to four weeks for the IT department to provide the required data feeds.

What essential data should I use?






It's important to be realistic about the volume of data fed into the SCV database and how much will be relevant to the customer journey. Trying to include every piece of customer data, including social media and website data, has the potential for problems.

You should also consider whether or not real-time data is going to add enough value to justify the challenge associated with building and maintaining real-time feeds from key operational systems to the SCV.





Some essential data sources to include in your SCV:

-  **Customer name and address** – including identifiable details, such as email or mobile phone number. Think about the uniqueness (or not) of every field – some families or couples share email addresses, for example.
-  **Transactional data** – For spotting trends and patterns in purchasing history, cross-sell and up-sell success.
-  **Communication history** – closing the loop with customer response to communications, including email click through, open times or SMS response, to inform future campaigns.
-  **Geodemographic** – age bands, affluence and lifestyle information adds richness to the customer data and improves the quality of segmentation.
-  **Suppression information** – opt-in and opt-out lists (for example, the Mailing Preference Service and bereavement register.)



5.1 How do I get the business to commit?

A Single Customer View will also require input from sales, finance and operations as well as marketing, and these departments will have different requirements.

Although these requirements will add complexity to the SCV build, the sharing of cross department data to achieve a holistic view is vital for accurate matching, enhancement and suppression of data.

Understanding the database from the perspective of each business department is essential, so make it clear upfront both in terms of the ownership and purpose of an SCV.

An SCV project could require an entire Marketing Transformation of data, technology, people, processes and business culture. [Click here](#) for more about undertaking a Marketing Transformation.

5.2 Do I want a fixed price or agile development?

Fixed price, fixed timeline projects offer reassurance to organisations that like to agree to everything upfront.

However, the process of delving through customer data is often a voyage of discovery that opens up unexpected opportunities – an agile development model allows the SCV developer to respond far more flexibly.

In practice, the reality is that organisations actually want the best of both worlds – fixed price, fixed timeline, but with the flexibility to adapt.





5.3 I work in the B2B market – who is my ‘customer’?

Unlike the consumer market, where it is comparably straightforward to define a customer, the same cannot always be said in the Business-to-Business market.

For example, is a customer the business or an individual within the business? Or is it the finance director that signs off the order?

Establishing your main point of contact and their job title (or multiple points of contact) is critical before embarking on the SCV development.

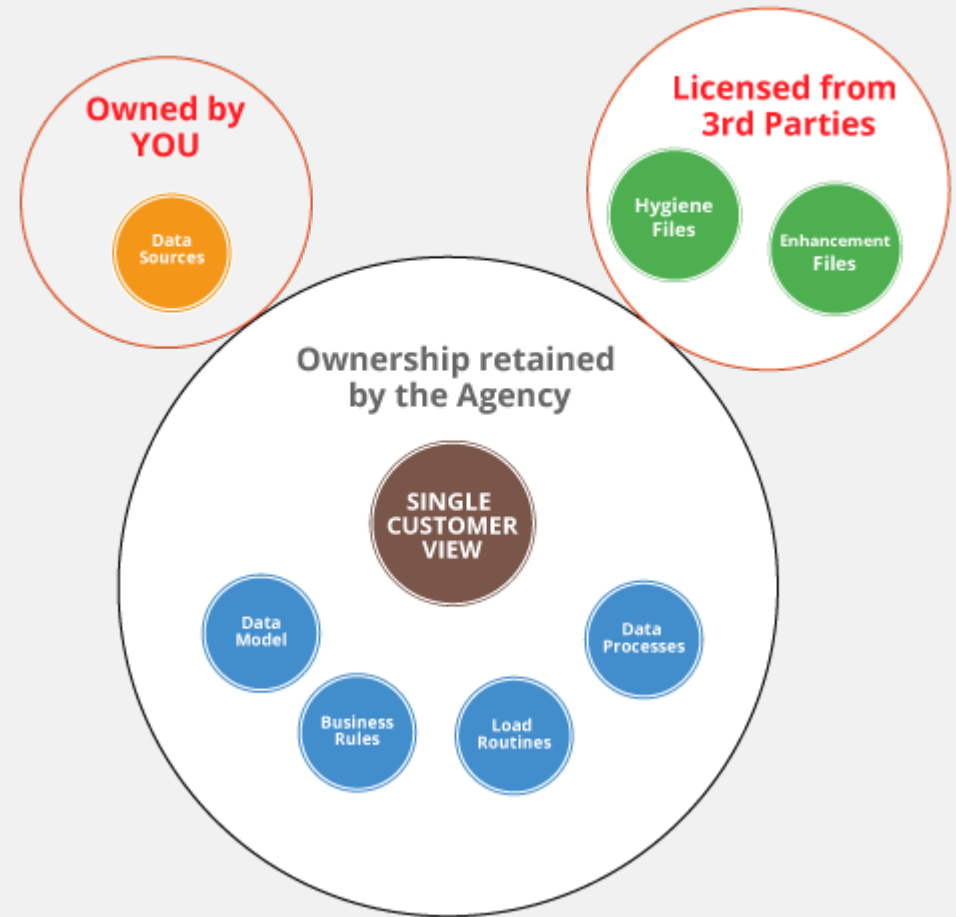
You need to be able to connect contacts to a company record and then roll up that company record to a parent company, link multi-nationals and then maintain a database that is certain to decay in data quality by 40% every 12 months.

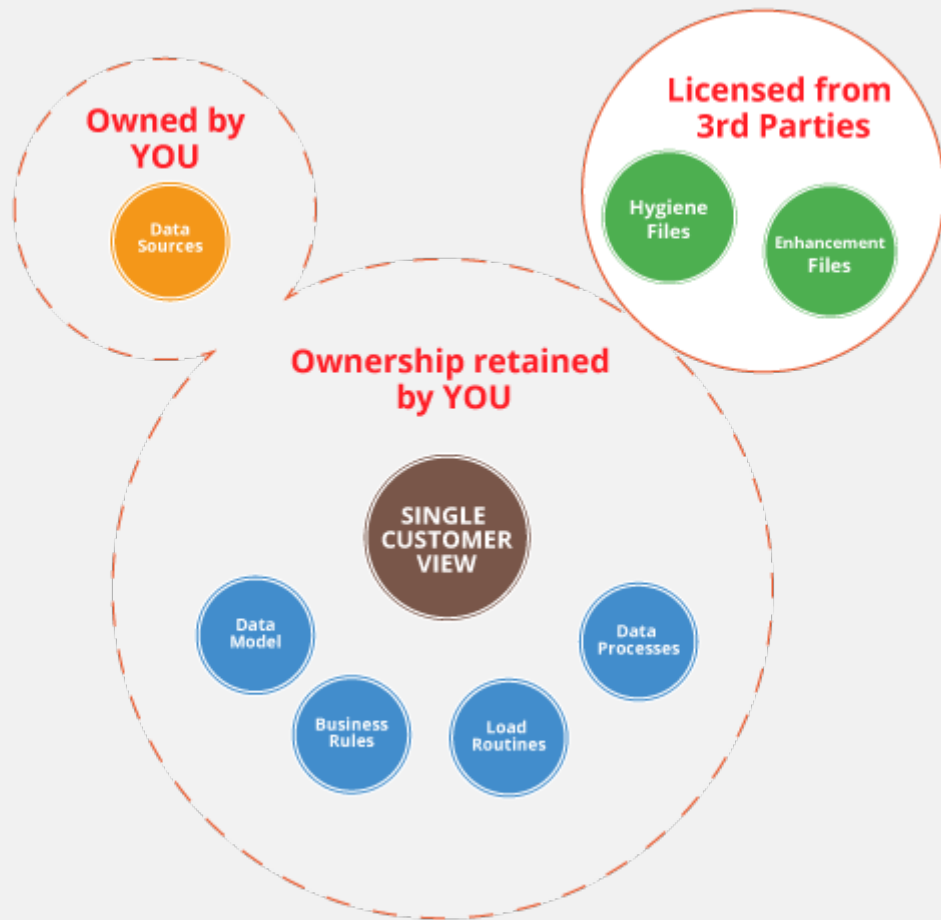
6. What are you buying when you invest in a Single Customer View?

Achieving a true Single Customer View can be an expensive project, and while most understand that an SCV investment will deliver an accurate database, few realise that ownership of the complex algorithms, rules and data processes to create it often stop the moment a contract ends.

If a decision is made to move to another data partner later down the line, in most cases you will be handed back all your data in all its pre-cleansed state and with no ownership of the data structure or schema – *placing you back at square one*.

As shown in the illustration your business, typically, owns the raw data sources. Although that will never change, every routine, algorithm, model and process that transforms your data into the Single Customer View are often owned by the agency. Any third party data sources that are licensed and blended to your data, using the load and matching routines, are also at risk.





When obtaining sign-off from your company for an SCV development, you'll need to determine who owns the IP in order to be sure of the risk involved in the purchase.

Failure to secure the IP up-front could drastically undermine the overall value of both the SCV and the business.

A far more desirable option to de-risk the SCV investment is a model where the IP ownership is handed over to you. This means that, if problems arise during the contract (such as technical issues, changes in corporate policy or funding constraints), there's no fear that the entire investment could be wasted.

A good, clean and marketable database is now a very positive asset for any business and with the IP in hand, as demonstrated in the illustration to the left, a company has a tangible business asset in the SCV and the flexibility to make the best decision about the next stage in data evolution once the contract comes to an end.

7. Conclusion

Marketing has evolved considerably over the last few decades but the mission has remained the same: to build better relationships with customers and encourage them to spend more with you. With these customers now spread across the globe, interacting 24/7 on a wide variety of devices, a Single Customer View is critical to identify, understand and communicate with them.

Building an SCV can be costly, and cause consternation for organisations with entrenched legacy systems, but with so many businesses becoming increasingly data-driven, taking control of that data, analysing it and putting it to good use has become a necessity.

As we have found time-and-again, the investment in an SCV is quickly justified, highlighting your most profitable customers, new revenue and cost saving opportunities. Is an SCV a mythical beast? No, it has already been proven as a solution for more efficient, effective and targeted marketing.

UBM

Global events and media company UBM EMEA built a Single Customer View that updated daily to support the company's data insight and marketing activity.

UBM's SCV pulls in multiple data feeds from its internal systems and from suppliers. This includes events registration data, newsletter signups, ticket buyers, conference delegates, magazine subscribers and the sales database.

Whereas in the past, segmenting customers was limited, costly and time-consuming, UBM's Single Customer View allows its marketers to easily create customer selections and automate its email communications to send relevant, targeted messages to event registrants.

“The SCV database has provided us with the chance to get to know our own data and put us in a position where we understand what we need for the future.”

Head of Data at UBM EMEA

Case Study



Liverpool Victoria

Liverpool Victoria (LV=) is one of the UK's largest insurance companies. The organisation needed an SCV to clean and consolidate its customer data to ensure greater accuracy for renewal dates, product holdings, suppressions and communication history.

The combination of an SCV and marketing analytics tools enabled LV= to improve its targeting and segmentation capabilities. The company reported campaign response rates improving by 39% and campaign volumes increasing by 15%.

“With the Single Customer View and analysis tools we’re able to concentrate on observation and strategy rather than fighting fires and spending time manually fixing known issues.”

Stacie Maxey, Analytics Manager at LV=



Case Study



Want to talk about a Single Customer View?



Email us at
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Find out more on
our [website](#)



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