15 Minute Guide to Data Onboarding
Contents

1 What is Data Onboarding?
4 Why should I make Data Onboarding a priority?
7 When will I see results? How do I measure success?
9 Where Should I Start? Where Should I Focus?
11 Who should be involved in a Data Onboarding program?
13 Conclusion
What is Data Onboarding?

Data Onboarding helps you unlock greater value from the marketing technology investments you’ve already made by putting customer data to work in more places.

Rapid innovation has created a wealth of new opportunities for marketers. Consumers can be reached in more ways and with greater efficiency than ever before. In addition, you now have unprecedented access to data that can be used to deliver highly relevant messages to consumers at key moments in the buying process.

Unfortunately, the downside of all this opportunity is complexity.

You use dozens of disparate applications and media platforms to reach consumers across a highly fragmented landscape of digital touch points and devices. Most marketers manage a dizzying array of technologies for search, display, video, social, mobile, websites, content, email, analytics, and more. New channels continue to emerge, such as the addressable TV capabilities offered by Comcast, Dish Network, and DirecTV. And marketing programs frequently involve the use of media platforms, such as Facebook, Google, and Twitter.

Each of these technologies creates a data silo, which often leads to siloed marketing activities, disjointed consumer experiences and missed revenue opportunities. Consider the diagram below created by Chiefmartec.com. Although nearly 1,000 technology vendors are represented, this is far from a complete representation of the market. And while consolidation is occurring in a few areas, the ongoing pace of innovation and fragmentation is far greater:
Data Onboarding radically simplifies this landscape by connecting your marketing applications at the data layer.

Data Onboarding is the process of connecting customer data to digital marketing applications and media platforms.

When your marketing infrastructure is connected, you can reach consumers with consistent messages across channels and devices. Instead of treating each technology investment as a solo performer, you can run integrated campaigns where all of your applications and media platforms work together as an ensemble.

You also gain a competitive edge by achieving the flexibility to deploy best-in-class technologies without the challenges associated with data silos.
Digital marketing applications are often difficult to integrate due to technical limitations as well as data privacy regulations and considerations. A Data Onboarding service addresses this challenge by operating as a universal translator between your customer data sources and digital marketing platforms.

Through the Data Onboarding process, audience segments from CRM systems, point-of-sale (POS) systems, and other customer databases are first anonymized and then activated for use across marketing applications and media platforms in a way that protects consumer privacy.

Upload. Customer data files are imported via a secure process.

Anonymization. Customer records are anonymized and personally identifiable information (PII) is removed.

Matching. Anonymized customer records are matched to online devices or anonymous digital IDs.

Distribution. Data segments are activated for use in marketing applications and media platforms.
Why should I make Data Onboarding a priority?

When data is connected across marketing applications, new marketing use cases become available, allowing you to run more efficient multi-channel marketing programs that tie back to real results. This is among the reasons that adoption of Data Onboarding has progressed so rapidly over the past few years.

Onboarding Enables Better Closed-Loop Measurement

Spending on digital advertising is expected to surpass $150 billion in 2015¹. Budgets continue to shift, in part, because digital marketing offers the promise of being easier to measure. However, only a small fraction of online ads can be easily tracked to purchases online.

More than 90 percent of U.S. sales take place “offline” in brick-and-mortar stores or over the phone². In the past, it has been virtually impossible to measure the impact online ads have on offline sales. Data Onboarding makes this analysis possible by connecting data from your purchasing systems to marketing applications responsible for online advertising and attribution. For example, you can determine whether individuals who made a purchase were exposed to ads on Facebook, Google, or other digital properties within 30 days of making a purchase.

²1% ↑
increase in offline sales driven by digital advertising³

³6%
of in-store retail sales influenced by digital devices⁴
Measurement of digital marketing has also been complicated by the massive consumer adoption of smartphones, tablets, and connected TV devices. A research study conducted by Google and Ipsos revealed that 67 percent digital consumers start shopping on one device and finish on another. Data Onboarding makes it possible to analyze purchase behavior across devices, creating new opportunities for campaign optimization.

**Onboarding Improves Targeting**

Your databases contain a wealth of valuable insights about your customers and prospects. Data Onboarding connects your CRM data to your marketing applications, so you can improve results through:

- **Look-alike Modeling** - reach more consumers who resemble your best customers.
- **CRM Retargeting** - increase lift by targeting current customers based on purchase history.
- **Ad Suppression** - improve efficiency by removing existing customers from your new customer acquisition campaigns.

Data Onboarding also makes it possible to distribute the same audience segments to each of your targeting applications including tools offered by Facebook, Twitter and other publishers enabling you to increase lift by reaching the same consumers with consistent messages across search, display, video, mobile, email, direct mail, and more.

2x-3x ↑ lift from look-alike modeling reported by most agencies
Onboarding Drives Smarter 1-to-1 Marketing

The best results occur when consumers receive the right message through the right channel at the right time. Marketing applications that dynamically personalize ad creative and website experiences help you to increase conversion rates and deliver a better customer experience.

Through Data Onboarding, you can enable your 1-to-1 Marketing applications to use the same segments defined in your CRM database. And since Data Onboarding anonymizes and matches data to online devices, consumers in onboarded segments don’t have to login to your website to experience highly relevant offers and messages.

26% ↑ average increase in conversion rates when brands personalize offers and messages across channels

Onboarding Brings Flexibility to Your Technology Infrastructure

Marketers need integrated technologies to run multi-channel marketing programs and perform closed-loop analysis. Monolithic marketing “stacks” are slowly emerging, but they are filled with “check-the-box” features that lag behind best-in-class technologies. In addition, no single stack vendor comes close to addressing the full spectrum of marketing opportunities.

Data Onboarding makes data portable, providing the benefits of an integrated stack without the lock in. Marketers gain the competitive advantage that comes with an agile infrastructure where applications can be selected and replaced at will.
When will I see results?  
How do I measure success?

It’s common to see material benefits within three to six months of onboarding your data. Impact grows as you use data onboarding to improve measurement, targeting, and personalization across multiple campaigns.

Big Box Retailer Increases Store Conversions by 40 Percent

A national big box retailer was seeing declining performance from weekly print inserts placed in local newspapers. The business was heavily focused on brick-and-mortar store sales, and the retailer was skeptical that digital marketing could influence in-store purchases.

After onboarding sales data, the retailer discovered that online ads were far more effective at influencing in-store sales than they previously thought. They immediately shifted more budget to the digital marketing team. Through further investments in content personalization and look-alike modeling, the retailer experienced the following benefits:

- 40 percent increase in conversion rates for in-store purchases
- 35 percent reduction in customer cost-per-acquisition (CPA)
- 30 percent increase in return on ad spend

Partners included:

Large Bank Drives 150 Percent Increase in New Accounts

A large bank provider had relied on traditional direct marketing campaigns to reach customers and wanted to improve results by adding digital marketing. They worked with a data provider to perform look-alike modeling and built an audience of consumers who had similar attributes to their best customers.
Two-thirds of the modeled segment was onboarded, and one-third was held out as a control group. After running an online campaign to the onboarded segment, the bank saw a 150 percent increase in new account signups compared to the control group.

Partners included:  

Yogurt Brand Sees 26 Percent Lift in Retail Sales

A yogurt brand ran tests to compare the efficacy of targeting based on three categories, past purchases, demographic data and retargeting viewers of TV ads. To run the comparison, the company onboarded purchase data, demographic data, and retail sales data.

The tests revealed targeting based on purchase data performed best, with a sales lift of more than 26 percent.

Partners included:  

---
Where Should I Start? Where Should I Focus?

It’s important to select the Data Onboarding service provider that best fits your needs. Consider the following criteria in your evaluation:

- **Integrations** - how many applications can receive onboarded data?
- **Match rates** - what percentage of your data records can be matched to one or more devices?
- **Accuracy** - does the onboader offer exact matches at the individual consumer level, or are matches estimated via probability algorithms?
- **Speed** - how long does it take to onboard a data file?
- **Privacy** - how well does the onboader comply with self-regulatory privacy codes and best practices, provide consumers with notice and choice, and participate in self-regulatory associations?
- **Security** - how long will data files with personally identifiable information be stored by the onboader?

Once you’ve selected a Data Onboarding service provider, the most critical next step is to get data flowing. Most brands onboard their entire customer database file to give themselves maximum flexibility.

**Measure, Improve, Repeat**

Many brands choose offline sales measurement as the first application for onboarded data, since this provides immediate insights that can be used to optimize digital marketing budgets.

Since most companies are not able to measure the impact that digital marketing has on sales in stores or over the phone, digital teams are rarely given credit for this impact. Once this connection becomes clear, brands often increase their digital budgets.

With better insight, brands are also able to optimize how digital budgets are spent. A significant increase in ROI can be achieved by tuning spend to maximize sales instead of focusing on proxy metrics like cost-per-
thousand impressions (CPM) or cost-per-click (CPC). And with better insight into the lifetime value of different customer segments, brands can implement smarter strategies for bidding on ad inventory, rather than focusing on the same cost-per-acquisition (CPA) target for all segments.

Start Simple, Start Now

Many companies have thousands of attributes in their customer databases. A common temptation in the early stages of an onboarding program is to dive deep into the data and become overwhelmed with segmentation possibilities.

To avoid paralysis, it’s often best to start by augmenting existing email and direct mail campaigns. Give these campaigns additional lift by reaching the same consumers with a consistent message via online ads and a personalized website experience.

Know Your Data

When you start defining new campaigns from scratch using onboarded data, start with simple segments and narrow them over time. Focus where you have good data quality. Use data providers to enhance your data and fill critical information gaps where needed.

Once you’re clear on who you want to reach, take time to develop creative that communicates a specific, relevant message to your audience. It may be tempting to use pre-existing creative, but this rarely produces optimal results.

Focus Retargeting on Upper and Middle Funnel

When you retarget your customer database, you may not be dealing with a segment that is in an active purchase cycle, unless you are keying off a renewal date or overlaying high quality intent data.

Since most consumers in your onboarded segments will likely be at the top or middle of your funnel, good places to concentrate your efforts include:

- Brand awareness campaigns
- New customer acquisition campaigns targeting look-alikes who resemble your best customers
- Upsell campaigns targeting existing customers with related products and services
Who should be involved in a Data Onboarding program?

Data Onboarding primarily involves connecting applications and data, but it has a side benefit of improving communication and coordination across your marketing organization.

Take a Strategic Approach

Data Onboarding yields the greatest impact when it’s viewed as a standard part of every campaign you run. Choose a program owner that has a strategic perspective that looks across marketing channels. Commonly we see a Head of Marketing Strategy, Head of Marketing Technology, or VP of Digital Marketing in charge.

Connect the People

Most organizations have a database marketing and/or CRM team that typically focuses on email and direct mail campaigns. A separate team typically focuses on digital marketing, often organized by specific channels, such as display, search and social.

To run a successful Data Onboarding program, it’s important to connect these teams together. This may require creating a dialogue between areas of the marketing organization that have rarely coordinated in the past. Easy places to create alignment around quick wins include:

- **Measurement** - use customer data for insights before placing an emphasis on targeting
- **Ad Suppression** - use customer data to remove existing customers from ad campaigns focused on new customer acquisition
- **Look-alike Modeling** - use customer data to find new prospects that aren’t in the database
- **CRM Retargeting** - target ads to individuals who have opted out of email communications
Be sure to bring in your analytics team, which can help to align everyone through a common framework for measuring campaign results across channels. And if you work with an agency, ask them to help you design integrated campaigns that unify teams through a common focus on audiences instead of a siloed focus on channels.

Lastly, it's important to ensure all teams are aware of good data governance practices and privacy requirements. Connect your Data Onboarding service provider to your compliance and security teams to address any concerns.
Conclusion

Hundreds of brands use Data Onboarding to gain a competitive advantage. By connecting customer data to marketing applications and media platforms, Data Onboarding enables marketers to measure the impact of digital marketing and reach consumers with more relevant messages across today’s fragmented landscape of channels and devices.

For more information on case studies and best practices, please visit [www.LiveRamp.com](http://www.LiveRamp.com).

About LiveRamp

LiveRamp connects more than 200 digital marketing applications and media platforms. By onboarding customer data into the targeting, measurement, and personalization products developed by our partners, we help leading brands eliminate data silos and run more efficient marketing programs. LiveRamp is an Acxiom company.

---

2. US Department of Commerce, Quarterly Retail E-Commerce Sales, February 2014
3. comScore, Research Shows Online Advertising Lifts In-Store CPG Brand Sales, October 2011
5. Google, The New Multi-Screen World Study, August 2012
7. Econsultancy, Real-Time Marketing Report, February 2014