

A New Model for Marketing

An Interview with Mark Barounos, President, Global Sales & Marketing, and Director, Eagle:XM, Denver



Mark Barounos

How can marketers create an experience consumers will connect with? What media channels should my company be using to make this consumer connection?

EDITORS' NOTE *Mark Barounos joined Eagle:XM in November 2003 as chief marketing officer. Prior to joining Eagle:XM, Barounos was founder, president, and CEO of NetRatio. He was also a founding partner of Zinglet Solutions, Inc., a next-generation e-mail-marketing solution that enhances customer retention and relationship strategies.*

What are the main problems or issues facing marketers today?

Whenever I am asked this, I don't think of the situation today as one of problems or issues. I frame it in terms of making connections: How can marketers create an experience consumers will connect with? What media channels should my company be using to make this consumer connection? This is what, I believe, keeps marketers up at night, because when marketers are experiencing their own pain and sleeplessness, their CEOs are manic. There's an old industry joke about the CEO who asks his CMO what would happen if the marketing budget is reduced by 10 percent. When the CMO replies, "I don't know," the CEO says, "Okay, I'll take 20 percent."

That hoary old chestnut is now a bitter lament, because the marketer knows that cut will never be restored. The C-suite has historically viewed marketing as the last bastion of uncontrolled spending. With everything else pared, marketing shouldn't be spared, so goes the reasoning.

I came across a very interesting article in a trade publication not too long ago that addressed these challenges. In this article, a dozen senior branding or corporate communications executives of *Fortune* 500 consumer companies discussed some of their major concerns. One of those concerns, unsurprisingly, was reaching target consumers. One respondent was quoted as saying that his key challenge is "getting to the right targets with the right message in an environment where they are going to be influenced."

I couldn't say it any better myself. If I were a CMO of a *Fortune* 500 company, I would not only be losing sleep, but I

would have night sweats! The explosion of multi-channel media has created multiple point-solution providers, diseconomies of scale, and tremendous fragmentation and complexity for today's marketing organizations.

Just think of it. To start, there's print, toll-free telephone numbers, CDs and DVDs, events, e-mail, the Web, telephone, fax, out of home, text messaging, blogs, and direct mail. Then, there are filtering technologies that allow people to bypass messages, such as TiVo. Marketers are just beginning to wake up – that is, if they're getting any sleep to begin with – to what this means to them.

How have the new technologies affected marketers?

I think the question is not so much how the new technologies have affected marketers, but the potential they hold to inflict damage on the established order of the marketing and advertising business.

In June, Accenture published the results of a study in which it was found that one in 10 TV ads will be skipped by 2009. The digital video recorder [DVR] is the culprit. Currently, only 8 percent of American homes have DVRs. That number is expected to quintuple in four years. Extrapolate from that, and you can see why broadcasters have reason to fret. Increased ad-skipping and audience fragmentation, which can only accelerate in the years ahead, may cause a stampede of major advertisers from television to more targeted forms of media.

To their credit, broadcasters are picking up on this. Last year, CBS did its own survey and found that three quarters of viewers with DVRs fast forward through commercials. Lifetime, the cable network, did a similar survey earlier this year and found that almost all women – 99 percent – fast-forwarded past the ads. Yet, three quarters of them replied that they would stop to view ads that are entertaining or relevant to their own interests. So, if you are a marketer, you have to ask yourself: What does this mean? What do I do? How can I grab a consumer's attention? Once I manage that, how do I make that interac-

tion meaningful in terms of getting him or her to take action?

These are all good questions. How does a marketer answer them?

He or she should start by approaching the questions differently than they have been approached previously. A basic building block to understanding this is that you cannot sell the same product to two different people using the same “delivery system.” I’ll use that term for the moment because I think it is an evocative one.

The term that everyone likes to use is “disintermediation.” That’s pretty self-explanatory. The intermediary is being discarded. People are now able to receive information when and how they want. That’s really important. It’s not too clichéd to say that the world has changed, because the technological changes open up possibilities.

Specifically, what have these technological changes done to create these new possibilities?

That’s the crux of the whole matter. If you ask me, the proliferation of broadband is finally fulfilling the promise that had been heralded a few years ago.

To really see where the future lies, marketers should look to Europe. The Europeans are so far ahead of the U.S. because the American wireless carriers have just recently begun to act together. This is a big issue for the U.S. carriers, because the wireless device has become the primary channel for people to receive content. When 30 percent of carriers’ revenues come from text messaging and with 30 billion messages being sent and received every year, we’re talking about an unbelievable amount of potential to reach new audiences and produce more revenue.

In addition to text messaging, the explosion of voice, video, and Internet capabilities have created a completely new media model for marketers – a “pull” model rather than the traditional “push” methodology. The ability for consumers to access, assemble, and distribute content through the Internet and their mobile devices is creating new peer-to-peer communities and new distribution models that marketers must begin to understand and position content to be pulled at will.

Aren’t people turned off by the barrage of messages that they get?

Not when the content is requested and accessible to them in the channel they prefer. If anything, the increasing sophistication of the consumer correlates directly with an increasing amount of time spent consuming. Currently, Americans spend about 10 hours per day with media of all kinds. That number is expected to increase to 11 hours by 2008.

The challenge is immense, but so is the opportunity. No longer does a marketer have to use the old adage about half the expenditures being wasted, but not knowing which half. The channel-driven market upends the general model of “pounding the creative message out into the marketplace and looking at reach frequency,” as direct marketer Howard Draft puts it. Now, wireless communications and direct mail yields enormous amounts of

demographic and anthropological data about each individual consumer that determines the message to be sent to that consumer.

How will marketers tackle this immense challenge in order to capitalize on the opportunity?

Marketers will need to redefine their delivery systems and their content to appeal to consumers in the pull model. This will include fundamentally different design principles to create interactions which will ultimately lead to transactions. For instance, instead of dealing with top-down design in a push system, marketers will need to accommodate emergent design models that can accommodate rapid change and provide instant feedback. This will inherently create a level of uncertainty and, rather than try to tighten controls as you might within a push delivery system, marketers will need to address immediate consumer needs by expanding opportunities for local consumers to use their creativity. Rather than seeking to constrain a range of resources, marketers will need to make them available to consumers to constantly expand and help them find the most relevant options. Instead of seeking to define the exact response desired, marketers will need to create models which will allow the consumer to network and create context for themselves, even when they are actually purchasing products and services. Pull models harness the consumers’ enthusiasm and interest to learn more about the product they associate with and the communities of people who also associate with this product.

Marketers can also learn a great deal of information about the consumer in a pull model. How consumers interact, engage, and explore what the product can do can uncover new product opportunities, new partnerships, new packaging, and most importantly, new messages that communities will find relevant. Rather than the push-design models, which are largely program based and often tightly scripted, the pull model will require marketers to create a more open-ended design with loosely coupled modules that allow for consumers to assemble the information they are seeking in the manner that fits them best. Modules might include bits of information that a consumer is seeking to design the product he or she is preparing to purchase. These modules of information might be delivered via e-mail and text messaging for one consumer, while another consumer might want to assemble this information with different content elements and have it delivered via direct mail and the Web.

What does all of this portend for the long-established, traditional channels and methods?

Traditional media channels are not going to simply evaporate, but I believe that traditional channels are about to evolve in a revolutionary manner. The 30-second ad has been on a deathwatch for years, and it’s still here. Some creative responses have been conceived, but they only achieve a partial solution. Most of America’s 264 billion marketing

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Being visionary is no longer optional; it is mandatory. Eagle:XM employs teams that imagine solutions.

dollars in 2004 were spent on television advertising. Fifty billion of that was spent on direct mail and only \$10 billion on Internet advertising. Those numbers are bound to jump even more than they did from 2003. Marketers in general, and advertising agencies in particular, will need to focus on long-term campaigns across many formats, rather than strictly television media.

Traditional channels as single point solutions, in my opinion, are going to begin converging with new channels to provide marketers with the tools they need – including speed of delivery, ability to tailor content on the fly, and instant feedback. You are already seeing evidence of the beginnings of the convergence with technologies, such as Web-based polling to drive the outcome of television content and text-messaging interaction coupled with print, outdoor, and packaging promotions. However, this is just the beginning.

How does this work in real terms, and what does Eagle:XM do to put this all together for clients?

We pull information as people interact with these communications on a real-time basis. We capture information at consumer-interaction points and aggregate this data into a central platform to allow marketers to analyze the interactions. More importantly, the single platform allows for consumer interaction in multiple channels.

I'll explain how this works using the example of a travel company. Say there are golfers in a certain area that a client wishes to target. We can customize a direct mail piece by selecting from a predetermined text for a brochure, customized to a particular demographic and the particular location, and combine a "text-n-win" element that also registers the golfer for daily weather reports while he's at the resort, to be sure he gets in his round before it rains. We can upload a mailing list or acquire one. Then, based on the interaction, we can merge and purge the database, and attach it to additional customized marketing material to be delivered via mail, e-mail, or additional text messages.

That's just one example. We host a mix of channels that truly reflects how and when a particular demographic chooses to receive its communication. We know that 80 percent of 18- to 34-year-olds get their messages by wireless devices. We "assemble" our offerings, depending on the industry, to offer multiple channels to our clients. We can pull all the data into our databases, then analyze it. The competitive advantage we offer is not only that we can do all these things well, but that it's all under one roof.

What are other advantages to the client?

An agency would have to broker out many of these discrete elements, but it may not have the tools to create the multiple messaging mix. Eagle:XM is emphatically not a point-solution provider. We source it all in one stop, allowing the client to get a more robust solution with fewer headaches.

You can find the best viral marketer, the

best direct mailer, and the best ad agency, and all of them may deliver the best results, but you are still not maximizing your return on investment, because you are still only going to be capable of pushing messages through one channel at a time.

To illustrate, let's look at George Foreman. He sold all his grilling products just through direct advertising. It gave him his second career as an avuncular pitchman and made him wealthy beyond his earnings as a boxer. However, to continue his success, George must create content that will keep consumers engaged and interacting. The reasoning is classic: to define new products, and line extensions, and to generate additional revenue. It is less expensive to enhance the relationship with an existing customer than to cultivate a completely new one. Now, it is essential to utilize the multiple channel approach to ensure that people get the message and have the ability to interact, network, and pull messages on their own terms, in the channel they prefer. For example, a George Foreman grill owner might want to subscribe to messages for recipes via e-mail. She may want to receive them on her office e-mail, so that she can pick up the ingredients on the way home. And, within the e-mail might be a "text-n-save" offer to use for the grill seasoning that she can text-in and receive on her mobile phone to redeem while she's at the store. This is the model of the future: relevant content delivered on the fly, which provides value for the consumer.

How do you describe the Eagle:XM platform?

We call this the Marketing Resource Center [MRC]. It allows for this loop of remaining in touch with customers and getting their feedback, as I described previously.

By facilitating the automation and integration necessary for successful one-to-one marketing, the MRC provides an increased return on investment for each marketing dollar spent. The MRC allows marketers to run very robust campaigns from a centralized platform where their marketing assets (content, collateral, graphics, lists, etc.) reside, adding additional overhead to their departments. The MRC platform basically functions like an extension of the marketing team – the central warehouse and flexible distribution-platform team member.

What does the future hold for Eagle:XM? Are there offerings that you are preparing to roll out in the future?

Yes. Again, I look to Europe, where most television networks offer interactive capabilities. BSkyB is doing this particularly well. Viewers can decide on their own camera angles and advertising that they wish to receive. Soon, Eagle:XM and Active International will be offering a similar solution to clients.

Being visionary is no longer optional; it is mandatory. That's why I don't refer to my department as marketing or to myself as the chief marketing officer. Eagle:XM employs teams that imagine solutions, and I am the chief imaginer. ●

An Active Expansion

Eagle:XM soars to new heights by expanding globally with new strategic investor, Active International

This past summer, Eagle:XM extended its reach to create a global entity as it entered into an agreement with Active International, the leading global corporate trading company. The new investment allows Eagle:XM to tap into Active's client base of *Fortune* 500 companies and to expand its worldwide presence. The \$20-million deal was brokered entirely through trade credits from Active – an industry milestone.

"This is a win-win situation for our company and our clients," said Mark Barounos of Eagle:XM. "This gives us extensive new buying power through Active's major global media resources, the ability to cross-sell innovative programs to our clients and to gain access to Active's global clients."

Eagle:XM's trade credits from Active International provide it with the ability to tap into a wealth of business-critical services that include international and national advertising, printing, travel, and freight.

Working with companies in more than 60 industries, many among the *Fortune* 500, Pearl River, N.Y.-based Active International employs more than 500 professionals in 17 offices in the U.S. and around the world. Its business model is based on acquiring companies' underperforming assets, including surplus inventory, real estate, and capital equipment. These assets are acquired at up to full wholesale or book value, in exchange for cash and/or trade credits used to offset operational costs.

Alan S. Elkin, Active's president and CEO, sees the investment in Eagle:XM as a way to provide his company with a new, full suite of powerful, one-to-one marketing technologies and services from Eagle:XM that complements Active's already strong roster of service offerings.

"Eagle:XM is the perfect strategic fit, as its cutting-edge direct marketing services and technologies allow Active's customers to dramatically expand their marketing campaigns literally through any medium or channel," he said. "This relationship represents a paradigm shift in the

way future strategic investments can be structured using trade credits as cash."

For the past 50 years, Eagle:XM has been providing one-on-one marketing solutions for industry leaders in the cable, financial, and real estate arenas. Eagle:XM's solutions use media across multiple marketing channels – direct, Internet, wireless, and more – to create a seamless, focused marketing plan created from a single source. By considering all appropriate channels early in the planning process, every piece of communication – from a simple text message to a direct mail piece or an interactive CD-ROM – works collectively to communicate a client's message to its stakeholders.

"Through our relationship with Active, Eagle:XM now has the opportunity to offer our services to countries around the world," said Barounos. "One of our main targets is the multibillion-dollar global youth market. With Active's being one of the largest global buyers of media – print, online, text, broadcast – we now have instant accessibility to this growing market for our clients."

In addition to allowing Eagle:XM to expand its client base and grow in international markets where Active has a presence, Barounos sees the deal as a major step in his company's continuing evolution. Founded as a printing company in 1956, Eagle grew to become a major direct marketer and, recently, changed its name from Eagle Direct to Eagle:XM; as XM stands for eXtended Media. The new name reflects the company's new emphasis on and expertise in extended media.

The company's Denver headquarters houses more than 110,000 square feet of production and office space, more than 100 full-time employees, over one terabyte of magnetic storage, and a complete range of strategic and manufacturing services.

"Eagle is celebrating its 50th birthday next year, and the next half-century holds even greater promise for us now," Barounos concludes. ●



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– Mark Barounos

Smart Marketing

How a Time Warner division made its marketing dollars more efficient

EDITORS' NOTE *This example of Eagle:XM's marketing services is based on a report by Steve Nelson at the Cable Channel, the video news source of the cable industry. To view the full report, please visit www.cablechannel.com/video.btm or www.eaglexm.com.*

In 2004, Time Warner Cable's Raleigh division became the beta site for Eagle:XM's Broadband Insights™, a datamart and marketing-software solution.

Time Warner Cable has provided cable service to much of the Raleigh/Durham/Fayetteville Triangle area for more than 30 years, serving approximately 440,000 customers in 16 counties. The Raleigh division is currently the top performing division in terms of revenue and cash flow within Time Warner Cable.

The division recently upgraded its cable system with fiber-optic technology, providing the foundation for digital cable, high-definition television, Road Runner high-speed Internet service, and video on demand. It added to its variety of offerings in January 2004, when it launched digital phone service.

For George Douglas, the division's vice president of marketing and sales, the continuous introduction of new services – including video on demand, high-speed Internet, high-definition TV, and most recently, VOIP telephony – has offered multiple opportunities, as well as challenges. The rapid pace of new product introductions and breadth of services requires a more sophisticated approach to marketing. But, as the division rolled out new services, Douglas was also mindful of maximizing its profitability.

"Over the years we've done a number of campaigns where we carefully selected target audiences that we were trying to reach," he said. "We were able to measure campaigns against each other and see how a certain group of

customers would respond to one versus the other."

That experience led him to believe that more was needed to ensure that he found the right program to track his customers once the service was installed. Eagle:XM provided the solution.

"One of the areas that has become important to us is not only to target the customers, but also to be able to track them over time," he said. "As we track our customers, we track where we have non-pays and lower value segments to which we try to avoid marketing. We have a database that allows us to do all of this. That gives us a tremendous advantage."

Denise Dobyms, the division's senior manager of database marketing, had another challenge with which to contend. She found that customer retention was higher for those who subscribed to the "triple-play" package of cable, high-speed Internet, and digital phone service, as opposed to those who only subscribed to one or two of those services. With the number of products being offered, Dobyms realized that it took more thought to put together a campaign.

"We've become more aggressive in our targeting – who we're going to go after and how we're going to use those targets to maximize the benefits for our division," she said. "We've been looking at different segmenting schemes and doing different combinations of segmenting schemes to find the right customers."

Recently, the division mounted an upgrade campaign for which it received three times the normal response. To achieve this result, the division matched the type of service more closely to the preferences of the individual customer by using multiple segmentation schemes, one of which was provided by Eagle:XM's Broadband Insights.

"One customer called and asked, 'How do you know what I watch?'" said Dobyms. "It was exactly the right kind of programming for her. We felt that that was a successful use of segmenting and targeting."

Last fall, the division looked at digital video recorder [DVR] retention because it

knew that, though the DVR was a profitable product, they really wanted to understand how bundling services with DVR would help to acquire and retain profitable customers. With Eagle:XM's Broadband Insights, Dobyms was able to compare three groups of customers: those who had digital TV and DVR, those who had digital TV only, and those who already had digital TV and added DVR service. She found that DVR subscription helped customer retention greatly, but also provided a great tool for customer acquisition and upgrading.

"When we looked at those customers who have DVRs, we find that there is a longer subscription life among those customers. We're able to track them very carefully with our database," said Douglas. "Smart marketing is a big contributor to our success, and database marketing is key."

Dobyms concurred with that assessment. "Understanding our customers' behavior is a good predictor of what they might be doing in the future," she added. "There is so much more that the cable industry can do with database marketing."

"We'll be marketing more strategically than we have in the past, since the technology is enabling that. As the business gets more complex and competitive, these things are more important than ever before."

The results were not only satisfying to Time Warner, but also to Eagle:XM.

"Raleigh is a shining example of some of the best practices in adapting to a scientific, information-based approach to marketing that has made a difference in their performance," offered Joel Susel, senior vice president of Eagle:XM. "This is all about empowering people in a way that gives them access to the information that makes them more effective."

Susel likes to think of it as taking marketing dollars and making them more efficient. "It really is smart marketing," he said. "It's the right combination of products with the right kind of offer to the right kind of group."

Time Warner agrees, as the solutions helped improve the bottom line. ●

Leveraging IT to Increase Marketing Results

An Interview with Shell Watt,
Director of Information Technology, Eagle:XM, Denver



Shell Watt

EDITORS' NOTE Shell Watt joined Eagle:XM in 1993 as a software developer, developing unique solutions in the area of database marketing and marketing fulfillment. Since being promoted to his current position in early 2000, Watt has helped to change the focus of Eagle:XM from one of database marketing and printing to that of a full-service e-commerce solution provider.

Before joining Eagle:XM, Watt was a programmer with Courthouse Records Incorporated, where he worked on database systems to provide tax-assessor information in a database format to accommodate queries.

What are the biggest issues facing IT directors in this new world of multi-channel marketing?

As the consumer base matures, the old methodologies and technologies don't reach consumers the way they once did. That's not to say that they don't have merit; they do. It's just that newer channels such as RSS [really simple syndication], SMS [short message service], and weblogs provide today's consumer with the ability to receive information on their own time and through their preferred method.

IT directors have to ask themselves the best way to translate marketing objectives into feasible systems that will yield the data necessary to turn available knowledge

into actionable intelligence. We believe the key is to pursue an integrated messaging that allows the marketer access to the data necessary to plan, implement, and track a campaign using multiple channels.

What are some of the challenges of putting this idea into action?

The biggest barrier to entry with a client company is that an overburdened IT department cannot meet the demands placed on it. IT departments, by nature, are primarily focused on operations and finance. They are not considered to be an arm of marketing. Accordingly, they are not used that way. That means that the marketer may have an in-house trove of data with which he can bolster the bottom line, but has no means to obtain it, analyze it, or exploit it. That type of situation presents both IT managers and marketers with tremendous challenges and untapped opportunities.

How can these challenges be met?

You can relieve your IT people simply by taking this added burden which is not a high IT priority and managing it through a single source. Our IT department works directly with our clients' IT departments to create data feeds which allow access to only the relevant data necessary for marketing planning. Relevant data and a single source are the keys. It simply would not be practical for IT to manage outside data feeds with dozens of different marketing vendors. However, by centralizing marketing interaction data, we can create a highly intelligent tool that allows companies to define, segment, act upon, and refine their marketing plans to help meet their business objectives.

We work closely with each client to define what relevant data is required. We access it, refine it, target it, and segment it. Then, before we implement, the data feeds capture the customer interaction to put it into a format that is understandable for the marketer to see the results.

There's an additional advantage to this: It creates a synergy between IT and marketing. IT does not have to build anything or manage anything. IT can concentrate on its core functions and trust that their data is secure. And marketing can

finally access the data needed to plan, implement, and track every campaign.

Once you have mounted that challenge, a new one presumably arises: What channels are the best with which to contact consumers?

I can't and I won't say that any one channel is qualitatively better than the

Relevant data and a single source are the keys.

other. As I have said, many existing technologies and methodologies are just as effective as they always were in reaching certain demographics. Marketers today need that mix of multiple channels to reach the maximum number of targets. That's why you need a multiple channel approach. No one channel will get you the highest probability of response. That's why Eagle:XM prides itself on being media neutral.

What is the end result?

By bridging the gap between marketing and IT, Eagle:XM allows both teams to get the job done in a better, more efficient manner, and with greater impact on their business. Implementing a program in a single-source platform does the work of a multiplicity of vendors. Working with the in-house marketers and outside agency, we ensure maximum efficiency and return on investment. You cannot ask for anything more than that. ●

Profitability Through Innovative Database Marketing

An Interview with David E. Born,
Vice President, Database Marketing and Analysis, Eagle:XM, Denver



David E. Born

EDITORS' NOTE David Born heads Eagle:XM's database marketing services, including database development, marketing applications, tracking systems, analysis/modeling, and reporting software. Born joined Eagle:XM in 1992 from United Artist Cable. Before that, he served as manager of US West's research and statistics group, where he tracked customer satisfaction and attitudes, and assessed demand for various telephony products. Previously, he was involved in the development and introduction of several new cable industry products.

What is the most important thing for database marketers and managers to know?

The new consumer is being empowered by technology to filter advertising noise. More and more, consumers are using technology to manage, if not avoid, advertising messages. Rather than push messages to the consumer, marketers are going to have to learn how to invoke consumers to pull messages from the company or brand. For database marketers, it means we need to better understand the context of the interaction with the consumer, rather than rely on demographics and lifestyle charac-

teristics. Also, because consumers want to control how they interact with companies, we need to factor channel preferences into our interaction models.

What implications does this have for marketers?

Converging channel interactions are becoming an important part of the purchasing experience for the new consumer. How consumers shop and how they buy has almost as much to do with defining their relationship with a brand as does the product itself. In order to migrate from a push model to a pull model, marketers are going to have to engage the consumer by providing meaningful interaction experiences and by connecting the consumer with communities that the consumer values. Whoever understands that best will succeed.

What is Eagle:XM doing to win that race to understand that migrant, as you put it?

We already possess the advantage of being able to see how people connect the pieces. We take database marketing and manage the aspects from beginning to end in a continuous loop. Many industries still view marketing one silo at a time – by monitoring only one or a few interaction points to capture the information they use to make marketing decisions. In cases such as this, Eagle:XM can add value by providing a unified profile of consumers and how they interact leading to that transaction.

How does Eagle:XM differentiate itself in such a competitive space?

Eagle:XM possesses a rare combination of resources that offer advantages to the client. We have the ability to overlay a company's transactional consumer data with third-party intelligence and then the response data from multiple media channels. This helps us to refine what we know about their demographics, lifestyle characteristics, interactions, and channel preferences. By combining traditional research, transactional data, response data, and

interactions we are able to get a more complete picture – often revealing behavioral nuances that cannot be identified with third-party or transactional data alone. From that, we can rank each individual customer file in terms of things like purchasing probabilities, cross-sell opportunities, loyalty patterns, and lifetime value metrics.

What are some of the methods you use?

We use many of the same multivariate statistical techniques as many others do in the market. However, we differ by using those techniques on a more complete set of data, including transactional, third-party syndicated, and tracking information, making for a closed loop system. While other competitors and companies use similar statistical methods, they are often applied on relatively limited data or, due to organizational silos, applied to just one piece of the planning and implementation process.

One method is recency, frequency, monetary analysis [RFM]. RFM is exactly what it says it is, looking at how recent your last transaction was, how frequent your transactions are, and how much you spend in each transaction. Another way of looking at it is calling it "customer value analysis" – analyzing how valuable each customer is, based on these three metrics.

It's very important to understand your customer base. You must have that link in demographics and media preferences.

We also build and maintain marketing datamarts across multichannel platforms. We capture relevant data from multiple source points within a company and then standardize, segment, and identify trends that will help marketers to shape their campaigns and investments to yield higher returns. We combine and refine that data with our proprietary software, Marketing Insights.

How does Eagle:XM put this all together?

In our quiver of tools, we have proprietary data mining, campaign tracking, and software built to handle the beginning to

end: planning through implementation to tracking. Our people are the brains behind the tools. We have highly skilled experts in the fields of data, information technology, software, and statistical analysis. While many companies may possess access to the data that can help them, they may not have the ability or understanding of how to refine that data into actionable intelligence from a marketing standpoint. Typically, companies focus their IT resources on operational and financial matters. It's almost as if marketing is incidental to operations. We are a marketing company first, and we focus our experts on the job of smart marketing.

How do you make the data intelligence accessible to marketers?

It depends on the needs of our clients. For some, the primary need is access to information like campaign results and who is buying what. For these clients, we provide our proprietary desktop software solution, Marketing Insights.

Other clients may ask us to engineer a solution to their existing IT infrastructure, so that they can do more with their data. For instance, customer interactions and transactions are captured in a database that then allows us to build triggers based on events in a customer's life, which might be a series of interactions leading to a transaction. The triggers initiate timely, relevant communications with our client's customers. Predictive models can also be baked into the business rules and architecture of the system. We call this solution "automated marketing." The results can be quite dramatic compared

to targeting communications with other methods. Certainly, the ability to react in a timely manner to specific consumer interactions would be nearly impossible for companies to try to staff and manage in-house. Our solution provides the infrastructure, technology, and the thinking that allows this not only to take place, but to take place using multiple channels. Our cross-disciplined team knows how to translate interactions or responses into additional messages that are relevant to consumers.

What options does Eagle offer clients?

Eagle:XM offers a complete end-to-end solution. That is, we can do everything from campaign planning to campaign tracking. Possessing that capability allows us to customize a program for every client, since not everyone wants or needs everything we have to offer. Clients have the ability to buy one or a combination of services. Some clients, for example, prefer only campaign implementation, as opposed to combining the data mining and tracking with the implementation of a total campaign.

Data remains the core part of the Eagle:XM solution. By beginning with data, we are able to help our clients to specifically target consumers who are most likely to respond, which is ultimately more cost efficient and more relevant to the consumer receiving the message. And our solution finishes with response and interaction data, to provide a clear picture of your total campaign return on investment. ●

We are a marketing company first and we focus our experts on the job of smart marketing.

MAKING DATA MARKETING ACTIONABLE

Transaction Data	Customer Profile Profile Geographic Trade Area RFM Analysis
Third Party Information	Adding Intelligence Syndicated Data Purchase Behavior Ethnographics & Cultural Anthropology Demographics Lifestyle Indicators HH Segmentation
Segmentation	Segmentation Define Consumer Segments Communication Strategy Influences Product Strategy Defines Offers and/or Bundles
Tracking	Interaction and Transaction Identify Consumer Interactions Tie to Transactions, Retention, Cross-sell and Upgrades Defines Timing of Touchpoints

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