

Interview

Making Marketing Measurable

An Interview with John A. Meyer,
Chief Executive Officer and President, Acxiom Corporation



John A. Meyer

EDITORS' NOTE Prior to assuming his current post in 2008, John Meyer served as President of the Alcatel-Lucent Services Group. Before that, he spent nearly 20 years at Electronic Data Systems Corporation (EDS), where he held several high-profile positions, including President of the Europe, Middle East, and Africa regions and head of the Financial Industry business. Meyer holds a master of business administration degree in quantitative methods from the University of Missouri and a bachelor of science degree in management from Pennsylvania State University. He served as a flight commander in the U.S. Air Force from 1979 to 1983, achieving the rank of captain.

COMPANY BRIEF Founded in 1969 and headquartered in Little Rock, Arkansas, Acxiom Corporation (www.acxiom.com) is a global marketing services and technology company that provides the information, products, and services to ensure their clients maximize their marketing investment. As consumer behaviors and attitudes are in constant flux, Acxiom solves clients' most intractable business and marketing challenges through enriched insight and innovative customer engagement. Acxiom is a developer of some of the largest and most sophisticated business intelligence and marketing databases in the world, enabling clients to analyze their customer base, improve customer acquisition and retention, grow the value of customer relationships, reduce risk and protect against fraud, and manage large volumes of data, among other activities.

How has Acxiom's business evolved?

Three years ago, this company still had roots around direct mail. We manage massive databases that are the repository of our clients' interactions with their prospects and customers across mail, e-mail, text, social and other communication channels. That is the core of what we do.

If our clients want to run a mail campaign, we'll do the technical work on the database, identify the potential prospects, and send it to whatever fulfillment shop they want to send it to. If they want to run an e-mail or text campaign, we can do fulfillment and distribution through the electronic channels.

No single perspective into consumer behavior is the answer – neither online activity nor purchase behavior. We're showing our clients how to marry their own data with our multidimensional insight to help them target their marketing to their most valuable relationships while reducing investment in less desirable options.

How has the market come back for Acxiom following the downturn?

It's still coming back. We provide marketing services, and for a lot of enterprises with which we work, marketing is viewed as a discretionary expenditure because, in many cases, they had no way of determining what they were getting from it. The difference with Acxiom is that we make marketing measurable; we can prove a ROI.

A branded marketing campaign may spend \$100 million on TV and the measurement will come from some surrogate, like a Q&A panel. We'll do a \$50-million campaign sent to targeted people who have characteristics similar to your customers and we'll be able to show the return from it.

So ours is a very different type of marketing than the world is used to.

How is the ability to target audiences evolving?

It used to be that you could reach 80 percent of the audience by doing a TV commercial on three networks. Now, with all the TV channels, social networks, and smart phones, in addition to other consumer touch points such as in-store experiences and call centers, we look at the world as a multi-channel environment. Therefore, it becomes critically important that you protect your message and your brand consistently across all those consumer touch points. You can only do that by making each one of those touch points addressable, meaning that you "know" an individual consumer – for instance, the e-mail address and the characteristics associated with that e-mail address.

In television now, we've already run three or four pilots where you can target advertisements to different households based on their buying characteristics, and the demographic and behavioral information that has been collected before the program is viewed.

So we're seeing an evolution where direct marketing and branded advertising are coming together, because you can tailor a message to an individual and household, and besides just being able to measure it, you can also enhance the effectiveness of it.

How critical is China as a market for Acxiom's growth?

We've been in China for 10 years, but we've been in Asia-Pacific a little longer than that and the business is growing 40 percent per year.

The majority of our marketing business there is done through the mobile phone. Very few people there have PCs and the mail system, although it's effective, just doesn't have the same coverage as in parts of the Western world. But everyone has a mobile phone.

Young people today all over the world are mobile and want to deal with instant messaging, text messaging, or MMS messaging; they don't sit in front of a PC unless it's for gaming or social applications. The act of buying products is done electronically and more of that is being done on mobile appliances.

We are piloting scenarios where a TV commercial will offer further information and the viewer will be able to request that by hitting the "OK" button on his remote control.

What are you focused on in the coming years to make sure the growth continues?

The first piece is continuing to evolve as channels evolve. Consumers will receive information through multiple communication channels and you want your message to be delivered on a consistent basis across all those channels.

The other is the globalization of business. Assuming your product is consistent across country borders, your marketing ought to be consistent across country borders. It might be a different message, but the process should be consistent and measurable.

For instance, Germany and Japan are technically oriented, whereas Latin countries are more emotionally engaged. Your company can take advantage of the consistency of those interactions. ●