

blueconic



eBrief

Omni-Channel Acceleration in Retail

How to Turn Your First-Party Data
Into a Strategic Business Asset

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What Effective Omni-Channel Acceleration Entails

Omni-channel acceleration is happening across the retail industry. Traditional retailers with brick-and-mortar stores are bolstering their ecommerce efforts and creating new digital experiences. Meanwhile, digital natives that got their start in ecommerce are looking for [smarter ways to engage customers and drive growth](#).

The impact of COVID-19 on consumers' shopping behaviors and expectations has only exacerbated the need for digital transformation in retail. However, a number of macro factors were already disrupting the status quo well before the pandemic, including:

- Competitive pressure on traditional retailers from customer-centric digital natives
- New global consumer data privacy regulations, such as the GDPR and CCPA
- Third-party cookie deprecation due to tracking restrictions in Chrome and Safari

Combined with the impact of the pandemic, all three factors are resulting in a shift away from third-party data in favor of first-party data, the need for greater business agility, and the adoption of a [new, more intelligent customer engagement model](#).



Just 30% of retail marketers said they're effective at driving seamless, consistent omni-channel experiences for customers.¹

For retailers, this means executing on a strategic vision of omni-channel acceleration, which will fundamentally transform how their businesses understand and interact with customers.

More specifically, the outcome should be to:

- Reduce the gap between having consumer data and acting on it
- Get things done faster and in a more intuitive and/or automated way
- Make new program testing smarter, less risky, and more scalable
- Recognize and engage consumers across channels and touchpoints
- Offer new, more relevant and personalized customer experiences

In addition to rethinking legacy organizational structures as part of the strategic vision for the future, retailers are also [auditing their tech stacks and evaluating solutions](#) to meet their business needs.

¹: <https://www.bluecore.com/resources/forrester-deliver-customer-value/>

Modernizing Retail Tech Stacks for Activation

The modernization of retailers' tech stacks is leading to widespread adoption of customer data platforms (CDP) to enable omni-channel transformation. A CDP serves as the lynchpin to making the 'single customer view' (a.k.a. the consumer 360 view) accessible to business users in the customer experience, marketing, ecommerce, analytics, and digital product teams.

What these teams and their tools lack is access to first-party customer data that is both unified and actionable to effectively orchestrate individualized experiences across all customer touchpoints.

Attempts to repurpose data solutions designed for internal-facing parts of the business such as IT, operations, finance, or data science have proven ineffective for orchestrating customer experiences time and again.

As a consequence, the teams responsible for driving growth are at the mercy of internal (e.g., IT, the analytics team, legacy databases) and external (e.g., agencies, tech vendors) entities to dictate when, where, and how they can use data to orchestrate customer experiences.

Driving Growth from Cross-Functional Initiatives

While omni-channel acceleration is a strategic vision for many retailers today, there are typically several growth initiatives tied to that vision — including:

- Cross-Channel Customer Lifecycle Marketing
- Analytics & Data Science Democratization
- Digital Experiences That Foster Loyalty
- Audience Monetization

These growth initiatives are cross-functional by nature. In almost every case, there are multiple business teams involved in seeking new (or expanding existing) sources of revenue, data, and/or competitive advantages.

Cross-Channel Customer Lifecycle Marketing

Often, the benefits of an accessible single customer view that first come to mind are delivering personalized experiences and product recommendations or reducing ad waste with refined audience targeting and suppression efforts.

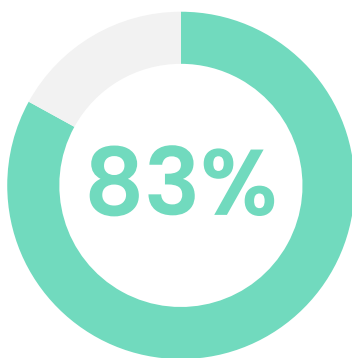
The business outcomes for both will most certainly improve with access to better data. However, there is an even greater growth opportunity to be realized when a single customer view is in the hands of business technology users. And that is true, end-to-end customer lifecycle marketing.

Lifecycle marketing is the use of data and insights to identify priority customer segments, then executing cross-functional programs to [move those customers through their journeys](#) and drive better business outcomes.

Successful customer lifecycle marketing starts with transforming the underlying marketing operations and processes to make them more efficient. Before your marketing team can begin to design innovative programs for all customer lifecycle stages, you must first address operational challenges by:

- Eliminating steps in current processes to get to desired outcomes faster
- Enabling marketers to rely less on their IT team and external agencies
- Maintaining a state of timely and personalized customer interaction

[Read our blog post](#) to learn more about how you can overcome these operational challenges and elevate your customer lifecycle marketing efforts.



83% of consumers say they want their shopping experience to be personalized in some way by retailers they buy from.²

² <https://www.mckinsey.com/industries/retail/our-insights/future-of-retail-operations-winning-in-a-digital-era>

Customer spotlight

BOB'S DISCOUNT
FURNITURE

Bob's Discount Furniture puts BlueConic's pure-play customer data platform at the center of its marketing technology stack to drive smarter customer engagement.

Prior to implementing BlueConic, the marketing and ecommerce teams didn't have access to the transactional data stored in the company's IT-owned ERP. Additionally, they were heavily reliant on event-stream data that limited their view of customer behaviors to a 90-day window.

As a result, the retailer was missing an opportunity to activate its first-party data in ways that would deliver better customer experiences in every lifecycle stage.

Now, thanks to BlueConic, Bob's Discount Furniture is able to consolidate all its online and offline customer data as well as transactional data from its POS and ERP systems into unified customer profiles.

Because the data is persistently stored in these profiles, the ecommerce and marketing teams can now build multi-dimensional segments that support both short- and long-term lifecycle marketing strategies.

For example, the retailer can now execute upsell lifecycle marketing programs that enable it to engage an individual customer across channels and touchpoints with personalized messaging promoting a toddler bed based on the fact this customer bought a baby crib two years earlier.

Customer spotlight

Before implementing BlueConic, a leading faucet brand in North America relied on an external agency every time it wanted to pull customer data for a new Google or Facebook audience segment.

Each time, it would cost the business thousands of dollars. What's more, it would take several weeks for the segment to be delivered for marketing activation.

Because the end-to-end process of building and activating a segment would take so long and cost so much, the brand's marketing team defaulted to requesting broad segments that would likely reach a lot of customers but lacked granularity.

In short, the business was missing the opportunity to test and iterate on more sophisticated lifecycle marketing campaigns designed for a much more refined, multi-dimensional audience.

Now, a non-technical marketer can log into BlueConic and define a new segment in 30 seconds to immediately see how many customer profiles fit the criteria.

From there, they can immediately send that segment to Google and Facebook using BlueConic connections. For the first time, they can test new personalized ad experiences and micro-target at scale — and all without having to rely on an agency.

Analytics & Data Science Democratization

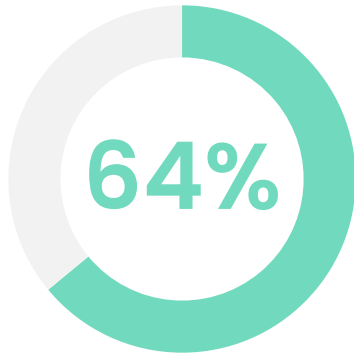
For many retailers, one of the most important growth initiatives is to democratize analytics and data science across the organization to both uncover meaningful customer insights and quickly act on those insights in new ways.

Analytics and data science democratization doesn't mean training marketers and other non-technical functions of the business to learn Python and build predictive models to act more like data scientists.

Rather, it means finding operational solutions that will help bridge the gap between the output of data science and analytics efforts and other non-technical parts of the business responsible for engaging customers and driving growth.

The best way to accomplish this is by:

- Eliminating external costs, manual steps, and/or redundant technologies to make the end-to-end process more efficient
- Enriching data in web analytics, journey analytics, and business intelligence tools
- Enabling teams to act on the output of customer analytics tools in a way that allows them to iterate more quickly as well as test and learn in a non-cost-prohibitive manner
- Empowering business technology users without robust analytics or data science skills to use these capabilities in a scalable, streamlined way
- Utilizing segmentation as a form of insight by coupling multiple attributes such as age, previous purchases, interests, and location with what customers are doing right now



64% of retailers are improving online CX to adapt to consumers' growing preference for ecommerce shopping.³

Many retailers have started down the path of analytics and data science democratization by rethinking where analytics sits within the company.

For example, many have transitioned away from a distributed model in which analytics professionals sit within the marketing team or other lines of business but do not work cross-functionally across the organization.

Instead, retailers are now adopting a centralized approach to analytics, or even a hybrid model in which there is a centralized analytics team, but also specialists within various departments that roll up to the centralized team.

The retailers that have adopted a more centralized analytics approach – and embraced modern technology like a CDP to achieve a single customer view – are typically more successful in bridging the customer data gap.

[Read our blog post](#) to discover the types of customer analytics tools retailers leverage to democratize analytics and data science across the business.

³ <https://ip.warc.com/marketers-toolkit-2021-download.html>

Customer spotlight



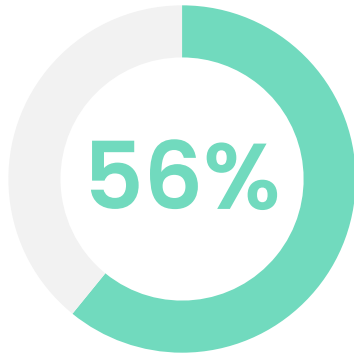
VF Corp. and its iconic family of lifestyle brands, including The North Face, Vans, and Timberland, sells their products via ecommerce and brick-and-mortar store locations, resulting in a diverse set of customer data across channels and brands. As such, the company adopted BlueConic as its CDP in support of its digital transformation. More specifically, VF Corp. chose BlueConic for the platform's ability to align with its strategic consumer centricity objectives and enable activation of data in marketing.

Ownership and implementation of BlueConic across individual brand teams is led by a centralized analytics team. This team is using BlueConic to enable use cases related to the company's digital consumer roadmap — starting with a focus on consumer data quality, but also to better understand who their consumers are and how they prefer to be contacted and engaged with while also respecting their data privacy.

It was critical to VF Corp. that its CDP not only offer multi-dimensional segmentation and advanced analytics capabilities, but that it also addressed its data privacy needs.

“ From a [CDP] vendor selection perspective, it was a combination things ... how modern the technology stack is, advanced analytics capabilities, ease of use, as well as company culture. These, at a high level, are things that we took into consideration when selecting a CDP vendor, and specifically the reason why we went with BlueConic.”

— Reem Seghairoun, VP, Global Digital Consumer 360 & Advanced Analytics



56% of ecommerce marketers are allocating more spend to secure better customer data and analytics tools.⁴

Not all retailers have the resources to build a centralized analytics team that supports the whole business and serves as the owner of a solution like a CDP.

For many retailers, it's largely left to marketers to analyze data and come up with their own consumer insights to be activated in their omni-channel efforts.

In these instances, analytics and data science democratization means enabling business technology users in marketing, commerce, and customer service to do more with the data on their own.

Whether a retailer is looking to democratize analytics and data science through a centralized analytics team or it's looking to enable business users to start leveraging predictive modeling and analytics without the help of a robust data science team, both share two common objectives:

1. Reduce the distance between the output of analytics and data science efforts and the business users responsible for activating on insights.
2. Create a closed loop to bring data back from activation end points and into the hands of analysts and data scientists and/or analytics tools.

⁴ <https://www.catalystdigital.com/original-research-the-state-of-ecommerce-2021/>

Customer spotlight

An apparel-and-accessories retailer with ecommerce and brick-and-mortar locations uses BlueConic to unify its first-party data and activate it in its omni-channel strategy.

Unlike other retailers with a robust and centralized analytics team, this retailer's marketing team has limited in-house analytics resources and skills.

So, the marketing team members use BlueConic to build their own multi-dimensional segments based on a combination of loyalty data, POS data, online behavioral data, and customer scores calculated by CLV and RFM models available in the platform.

Since implementing BlueConic, the retailer is able to understand who its highest-value customers are based on recency, frequency, and monetary (RFM) value, then use this information to optimize ad targeting. They suppress ads to shoppers in the lowest RFM quartile while targeting lookalike audiences that reflect its top-three quartiles.

The marketing team has also gained new operational efficiencies because it no longer has to spend time manually uploading lists to Google and Facebook for ad targeting. BlueConic syncs segments in real time.

The team is even able to build and distribute customer insights dashboards to in-store associates. Because the underlying data is already unified in BlueConic, these dashboards are updated and sent to associates weekly — and with minimal effort. Individual store associates not only use those insights to engage their high-value customers, but also optimize product inventory based on their preferences.

Digital Experiences That Foster Loyalty

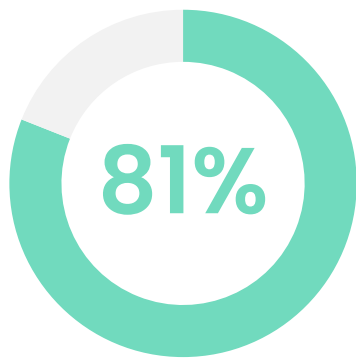
One of retail's hottest growth initiatives right now is building compelling digital products and experiences that foster loyalty among customers.

In fact, many retailers are adding Chief Digital Officers (CDO) or Chief Experience Officers (CXO) to their C-suite to lead end-to-end customer experience initiatives. Often, these roles not only oversee a company's overarching digital transformation, but also the various omni-channel efforts that come from it.

For example, furniture retailers are using augmented reality (AR) to create virtual experiences on their websites so customers can see how a couch, coffee table, or bookcase might look in their own living room.

Others are rethinking their brick-and-mortar locations. Rather than only thinking of stores as environments for customer transactions, they are now being redesigned to become experiential environments.

Consumers who shop in these stores are likely to find them filled with the latest tech in digital screens, mobile associates, and POS units — all in an effort to create a mutually beneficial experience for the customer and business.



81% of retailers are prioritizing personalization amid the pandemic, while 55% prioritized it before COVID-19.⁵

⁵ <https://landing.iadvize.com/us/report/cx2020>

The big question on every CDO's mind today is, "How do I improve customer loyalty through exceptional customer experience?" But before a CDO can tackle this broader question and embark on designing new AR and in-store experiences, they must first address their core operational challenges.

This starts with asking other key questions. Notably, how can the business:

- Power data to and collection from digital customer experiences?
- Build experiences on top of first-party data no competitor can replicate?
- Use high-quality data to improve the relevance of interactions at scale?
- Drive dynamic, highly personalized interactions across channels?

America's Test Kitchen (ATK) is a popular multimedia company that produces TV shows, magazines, podcasts, cookbooks, and online classes for home cooks of all ages across its well-known family of brands. Additionally, it sells products and merchandise through its ecommerce site, ATK Shop.

When ATK first implemented BlueConic several years ago, its primary use case was to unify more than 10 years worth of historical data into robust customer profiles to improve its customer analytics efforts. Once the data was unified, ATK used BlueConic's segmentation and analytics capabilities to discover how different audiences interact with its brands.

From there, the marketing and ecommerce teams could act on these insights by designing personalized upsell and cross-sell marketing programs and experiences that weren't possible before. For example, it could update ATK Shop pricing in real time, depending on which personalized email offer a customer receives and clicks on to arrive at a particular product page.

Because BlueConic puts ATK's unified profile data in proximity to activation channels (e.g., email, web, mobile, ecommerce), it enables the marketing and ecommerce teams to automate programs while optimizing for business outcomes.

Now, ATK is using BlueConic to power new digital experiences during the holidays that are intended to drive customer loyalty. Not only is BlueConic capturing the data from these customer interactions and storing it in unified profiles so it can be activated across channels, but ATK is also using BlueConic's personalization capabilities to deliver these experiences across its brand websites and ATK Shop.

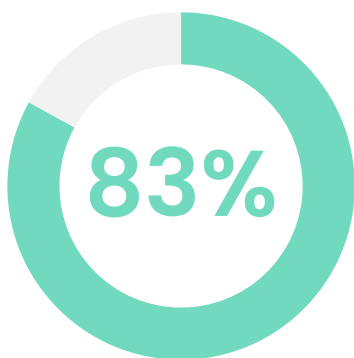
Audience Monetization

Of all the growth initiatives retailers are focused on today, audience monetization is probably the most ambitious. Nevertheless, more and more retailers are to capitalize on the high demand for their customer data.

These initiatives are taking shape in a couple ways. Some retailers are offering new data products and services to partners and manufacturers that sell products in their stores. Others are launching advertising products and media networks for brands that want to target their unique shopper audience.

Here are some of the most prominent examples of retail companies that have embraced audience monetization (besides Amazon, of course):

- [Target](#) brands its own in-house media network called Roundel
- [Walmart](#) Media Group rebrands its advertising arm to Walmart Connect
- [Kroger](#) offers advertising platform called Kroger Precision Marketing
- [Walgreens](#) introduces its new Walgreens Advertising Group (WAG)
- [CVS](#) launches its own ad network called CVS Media Exchange (CMX)



83% of companies that trust the accuracy and completeness of their first-party customer data are able to monetize it.⁶

⁶ <https://www.capgemini.com/us-en/research/the-data-powered-enterprise/>

Advertisers are looking for new ways to reach their target audiences, as Facebook and Google's walled gardens continue to rise and third-party cookies crumble. Because retailers are rich in customer data from a built-in shopper audience, many see the changing climate as an opportunity to develop new revenue streams. But as with all growth initiatives, the first step is tackling the operational challenges and asking how the company can:

- Combat the rapid decline of third-party cookies
- Create highly refined segments to be sold at a premium to advertisers
- Develop a second-party data exchange among trusted partners
- Ensure consumer privacy and consent are core to all programs

[Read our blog post](#) to find out how retailers and companies across other industries are monetizing their first-party audience data.

Enabling Transformational Growth with BlueConic

Turning first-party data into a strategic business asset is the future of retail. Our CDP has become an essential technology solution for retailers seeking to drive operational efficiency and power their growth initiatives with data.

BlueConic does this by:

- **Prioritizing the proximity of data to consumer-facing engagement:** Unlike legacy databases such as CRM and data lakes that are typically designed for purposes outside consumer engagement, our CDP centralizes data into unified profiles and makes it readily accessible for real-time, cross-channel activation.
- **Reducing the time and effort between data insight and action:** Take your consumer analytics efforts to the next level when you apply machine learning capabilities offered in our customer data platform to unified first-party data that is connected to your company's entire data and technology ecosystem.
- **Increasing business agility and resilience:** Business priorities and economic conditions change regularly. BlueConic provides you with a solution that can flex to your unique data needs, enabling teams across your entire organization to quickly adapt to sudden changes and take advantage of new opportunities.

blueconic

Liberate your data

Learn how to transform your relationships with consumers and unleash business growth with our customer data platform.

[Request demo](#)



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