

3radical

MAXIMIZING THE VALUE OF CONSUMER DATA



Discussions around consumer data often focus on capture and generation - methods both overt and covert to build greater and grander data sets. However, [a recent Forrester study](#) confirmed what we already suspected - companies don't actually know what to do with all that data. According to the research, 81% of professionals surveyed felt that they needed to improve their ability to use and act on their consumer data. And worse, 40% noted that the customer insights they currently have are not meaningful or relevant.

The importance of utilizing data to improve the customer journey cannot be overstated. As a result, the key marketing focus and priorities are shifting towards generating actionable insights from their customer data, and here is why.

WHAT IS CUSTOMER DATA?

Before we look into the value and importance of consumer data, it's key to understand what it is and how it's captured.

Consumer data is essentially any data point that reflects a customer's activity, preference, or intentions. In the digital space, countless touchpoints can inform your overall view of a consumer, including:

Preferred communication and purchasing channels - which platforms are your customers visiting? When are they visiting them, and which are driving the highest purchasing rate?

Communication preferences: are they opted into email, text, or other communication channels? How do they prefer to communicate with you?

Campaign engagement: which campaigns are they engaging with? Which content is most relevant to them?

Behavioral, psychographic, and demographic data: how do their age and background inform their purchasing decisions?

This data can be captured and stored through a variety of systems. Customer Relationship Management (CRM) and Point of Sale (POS) systems such as Salesforce and Pipedrive are commonly used to gather customer data together and track purchasing patterns and behavior. Email platforms such as Mailchimp and SendGrid offer greater insight into customer responses to your marketing efforts.

Customer feedback and survey platforms, like Medallia and Survey Monkey, have a focus on primary research. With so many systems operating within organizations, one of the key challenges for marketers is preventing data silos and connecting the dots across systems.



STRUCTURED VS. UNSTRUCTURED DATA

When it comes to measuring the value of your customer data, there are two key types to keep in mind, each with its own pros and cons.

Structured or quantitative data reflects answers or actions that are chosen from a fixed set of predetermined fields or results. This could be the answers to a multiple-choice question within a survey or a review of the most visited pages on your website. Structured data has the advantage of being easier to ingest into your CRM system and often receives a higher engagement rate due to the ease of response. Both make it an attractive option for companies looking to extract quick and clear insights that drive impactful action.

The downside is that the consumer needs to adapt their often detailed and complex answers into simplified statements. For example, tracking the website pages that a customer visits will tell you what they may have been interested in but not where they are in the buying journey or why they left without purchasing. It's this lack of detailed information that presents the biggest drawback for structured data.

Unstructured, or qualitative data, reflects answers or actions that are not constrained by fixed responses - in other words, they are provided 'freestyle.' This could be the 'any other comments' section of your feedback form or the unfiltered questions received by your customer service teams. Unstructured data provides information in much greater detail and can reveal new and unsuspected opinions or perspectives.

Giving unlimited scope to feedback will often elicit a smaller but more impactful response. The key drawback of this style of data is that it is challenging to incorporate into analysis schemes without advanced analytic solutions.



THE VALUE OF CONSUMER DATA

Gathering consumer data and storing it so that it remains accessible is important, but only if you can actually use that data to provide the insights that create impactful marketing.

Providing customer insights...

Deep-diving into your customer demographics, behavior and preferences will give brands a greater understanding of who their customers are. Brands will learn what their customers are interested in, which of their needs they are looking to be met, and whether they are easily finding what they are looking for. On top of this, tools like 3radical's Voco will indicate customers' relationship with your brand, are they a loyal brand advocate or a casual consumer?

All this can be used to drive segmentation. A technique that aligns content with the most relevant section of your audience. Greater segmentation leads to greater personalization. Being able to provide consumers with recommendations and services that are tailored to their needs and interests will have an immeasurable impact on repeat purchase rates. This data can also be fed into predictive modeling frameworks that present greater opportunities to uncover patterns and make predictions based on historical consumer behavior.

...that lead to impactful marketing.

By achieving deeper consumer data analysis and greater audience segmentation, brands are able to produce more timely and relevant marketing materials. They can produce dynamic content with messaging targeted towards specific audience segments, based on demographics and their relationship with the brand. It can be used to recommend specific products or services to specific customers, depending on previous purchases or what others in their segment have gone on to buy.

Marketers can be more assured that the content and imagery that they choose will have greater impact and engagement. Perhaps most crucially, they'll know which channel is best to reach out to each member of their customer base.

Gaining valuable insights from consumer data, particularly unstructured data, can be time-consuming but will undoubtedly help brands achieve greater results.





GETTING THE FULL VALUE FROM YOUR CONSUMER DATA

Most companies know that they can get more from their consumer data. However, the value of reliable and valuable data, such as Earned Data, can only be truly realized if you have the cohesive systems set up to analyze it. Bringing together your customer insights under one unified global lens will allow brands to generate the impactful insights that will transform the customer experience. To find out more about the valuable possibilities of an effective data marketing strategy, get in touch.

ABOUT 3radical

3radical is a consumer data acquisition and audience engagement solutions provider. We help organizations listen to their consumers and adapt experiences accordingly by giving them the ability to earn consented data directly from their audience. Critically, this fosters humanized interactions through choice-driven journeys provided by 3radical's gamification software.

We use game science and comprehensive strategic services to shape and support the customer experience by creating a fair value exchange delivered directly to each recipient and optimized by data and real-time decisioning. Every progressive exchange results in consented, Earned Data provided by the consumer in a transparent, motivating, and mutually beneficial environment, enticing consumers to share and engage more. 3radical operates globally through North America, the U.K., and Asia Pac and services major brands across various industries.

Contact us to learn more, or book an informal chat about supporting your engagement strategy with targeted experiences to identified your best audience segments

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