WHITE PAPER

THE BASICS OF PREDICTIVE MARKETING

How to Leverage Data for Effective Digital Campaigns
Predictive marketing is a data-driven process that helps marketers identify in-market buyers earlier in the buyer journey, improve engagement throughout the entire customer lifecycle, and increase conversion rates and revenue.

The process involves automated gathering of customer data, using data to build and refine predictive models, and responding with personalized messaging for each individual prospect.

Predictive marketing can be challenging and elusive. Marketers are unsure of where to begin and how to use analytics and other data assets.

### FOR MARKETERS, PREDICTIVE IS:

**ACCESSIBLE**
It is easier to use than before. No data scientists required.

**AFFORDABLE**
It fits within the existing marketing stack.

**TRANSITIONAL**
It is moving from transaction and traditional data to behavioral and dynamic data.

**ADVANTAGEOUS**
It offers marketers a competitive advantage.

**61% OF B2B MARKETERS ARE USING PREDICTIVE ANALYTICS**

**42% OF B2B MARKETERS HAVE DIFFICULTY ANALYZING DATA FROM ALL CUSTOMER INTERACTIONS**

**SOURCE:** RADIUS AND FORRESTER CONSULTING, “FROM INSIGHT TO ACTION: HOW PREDICTIVE ANALYTICS IMPROVES B2B MARKETING OUTCOMES,” SEPTEMBER 2015.

**SOURCE:** EXACTTARGET MARKETING CLOUD AND FORRESTER CONSULTING, “REFRESH YOUR APPROACH TO 1:1 MARKETING,” AUGUST 2014.
How Did We Arrive at Predictive?

Background check.

The concept of predictive marketing is not new, but what is new is the ability to leverage predictive intelligence to improve lead generation and inform individual, customer-level decisions about messaging, communication, and campaigns overall.

“The move to predictive changes how we think about delivering leads to sales.”

— KERRY CUNNINGHAM
RESEARCH DIRECTOR, SIRIUS DECISIONS

The advent of big data offers marketers more data than has ever been available, but humans alone cannot keep up with the proliferation of data. Nor are they able to manually prepare data, build models, deploy lead scores, or learn from the results in time to reach buyers at the earliest stages of their research.

THE DIGITAL UNIVERSE IS DOUBLING IN SIZE EVERY TWO YEARS.

By 2020, the digital universe will reach 44 zettabytes, or 44 trillion gigabytes... as many digital bits as there are stars in the universe.

Big Data vs. Useful Data

The volume of data available today is astonishing, but the point is less about the size of the available data, and more about how useful the data can be.

Not all data is useful. And less so when data inputs are taken by themselves. Data is best when mixed. To get meaningful insights, it’s necessary to analyze a broad mix of data sets.

Predictive intelligence is about looking at the larger universe of data and sources and applying models that allow you to better predict the most likely buyers.
OTHER FACTORS PROPELLING PREDICTIVE:

DEVICES / APPLICATIONS
With mobile, social, location-based messaging and the Internet of Things, we are now able to gather more intent data about customers. Devices and technologies are unlocking new data points about where potential customers search for new services and buy products.

CUSTOMER EXPECTATIONS
Consumers have been trained to expect companies to meet needs they didn’t know they had. Buyers carry these same expectations into their professional lives.


PLATFORMS
Predictive marketing applications can draw on a single, integrated CRM platform, which helps combine intent and company data into one location. This marriage of data makes it easier for marketers to merge data for better lead generation and lead scoring.

Marketers can leverage even more diverse data and crunch it all to optimize marketing focus and spend.

How Predictive Marketing Helps Marketers Succeed

Marketers must be more accountable, show ROI, and improve the bottom line.

PREDICTIVE MARKETING HELPS:

- **FIND NEW PROSPECTS**
  Identify characteristics of a good customer, then seek more of those customers.

- **LEAD SCORING**
  Estimate likelihood of taking a desired action.

- **SEGMENTATION**
  Focus on qualified leads, with the right message, to deliver more successful campaigns. Allows for budget focus, and moves resources to the best prospects.

- **NUTURE WITH PERSONALIZED MESSAGING**
  Recommend products and services most likely to appeal to the customer.

- **REFINE PREDICTIVE MODELS**
  Use machine learning to improve leads and the customer experience.

*It’s possible to tap into the signals of the decision makers and predict with more than 85% accuracy who is going to buy, when they are going to buy, and what they are going to buy.*

— ALISON MURDOCK, VP MARKETING, 6SENSE
How Predictive Marketing Works

Most marketers are ready to integrate predictive, but they do not know what to do with the data.

HERE’S WHAT IS IMPORTANT:

QUALITY
Understand where the data comes from (sources). It’s essential to build a predictive model that is trustworthy over time.

DATA INPUTS
Integrate company data from marketing automation platforms (internal/first-party) and data from across the web (external/third-party), and offline data such as events and other above-the-line data (e.g. TV).

MODELING
Build and continually refine the predictive model, based on all data analyzed through predictive platforms.

Predictive intelligence is an ongoing process of model refinement based on experimentation and results.

—SEAN BEIERLY, MARKETING MANAGER, CISCO
What It Means Going Forward

The Tipping Point.

For B2B marketers, predictive is going to experience a tipping point as more accounts come to depend on granular, more reliable data about prospects, which they can use instantly to reach buyers earlier in the journey, on the right devices and applications, in an extremely personalized way.
Predictive Best Practices

BE REALISTIC
Predictive marketing has the power to augment your entire lead generation and follow-up processes. However, marketers need to start small when it comes to incorporating predictive with sales and marketing. For example, start with a small group of typical lead recipients to help reveal process flaws and establish benchmarks. This helps flesh out how leads are going to perform in the organization once predictive has more influence.

KEEP THE OLD WITH THE NEW
Predictive marketing is made up of many components. It can take a considerable amount of time for sales and marketing to fully understand how each process works. It is important that organizations keep the “old” protocol in place while introducing new programs incrementally.

PICK A CENTRAL PRODUCT OR SERVICE
In order to establish stronger signals and build an initial predictive model, marketers should start campaigns with a product or service that is central to the business and with an audience that is already familiar and engaged.

TEST PREDICTIVE
Marketers should consider building a test or pilot case to prove that the technology can work within the sales and marketing teams. Try entering deals earlier, so that sales can reach the customer earlier in their research.

THE HUMAN TOUCH
Nothing can take the place of human experience. Always consider the target audience and the goals you want to achieve, then input your own ideas. Predictive marketing is only as good as the data that goes into it. Pressing ‘play’ and sitting back won’t get the job done. Be active - and your predictive programs will best influence the ‘nuances of intent’ and improve results.
Want to discuss your unique needs?
Reach us at **dwamedia.com** or contact:

### NORTH AMERICA

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<th>Name</th>
<th>Title</th>
<th>Email</th>
<th>Phone</th>
<th>Address</th>
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</thead>
<tbody>
<tr>
<td>JAMES MILLER</td>
<td>SVP, Business Development</td>
<td><a href="mailto:JamesM@dwamedia.com">JamesM@dwamedia.com</a></td>
<td>+1 415 229 0902</td>
<td>1160 Battery Street West, Suite 400</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td>San Francisco, CA 94111</td>
</tr>
<tr>
<td>BRIAN JONES</td>
<td>VP, Innovation &amp; Intent Marketing</td>
<td><a href="mailto:BrianJ@dwamedia.com">BrianJ@dwamedia.com</a></td>
<td>+1 415 229 0911</td>
<td>1160 Battery Street West, Suite 400</td>
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<tr>
<td></td>
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<td></td>
<td>San Francisco, CA 94111</td>
</tr>
<tr>
<td>CHRIS Leger</td>
<td>Group Account Director</td>
<td><a href="mailto:ChrisL@dwamedia.com">ChrisL@dwamedia.com</a></td>
<td>+1 617 536 0222</td>
<td>45 Newbury Street, Suite 406</td>
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<tbody>
<tr>
<td>STEVE JONES</td>
<td>President, International</td>
<td><a href="mailto:SteveJ@dwamedia.com">SteveJ@dwamedia.com</a></td>
<td>+44 20 7833 3222</td>
<td>16 Kirby Street</td>
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<td></td>
<td></td>
<td></td>
<td></td>
<td>London, EC1N 8TS</td>
</tr>
<tr>
<td>GUY PHILLIPS</td>
<td>VP, Business Development, EMEA</td>
<td><a href="mailto:GuyP@dwamedia.com">GuyP@dwamedia.com</a></td>
<td>+44 20 7833 3222</td>
<td>16 Kirby Street</td>
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<tr>
<td></td>
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<td>London, EC1N 8TS</td>
</tr>
<tr>
<td>THOMAS BIEDERMANN</td>
<td>Managing Director, DACH</td>
<td><a href="mailto:ThomasB@dwamedia.com">ThomasB@dwamedia.com</a></td>
<td>+49 89 215550330</td>
<td>Pienzenauerstr. 52</td>
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<th>Title</th>
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<tbody>
<tr>
<td>KIARAN GEEN</td>
<td>Group Managing Director</td>
<td><a href="mailto:KiaranG@dwamedia.com">KiaranG@dwamedia.com</a></td>
<td>+61 (0) 2 9922 3130</td>
<td>4th Floor, 194 Miller Street</td>
</tr>
<tr>
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<td></td>
<td></td>
<td>North Sydney, New South Wales, 2060</td>
</tr>
<tr>
<td>ARYEH STERNBERG</td>
<td>Head of Intent Marketing, ANZ</td>
<td><a href="mailto:AryehS@dwamedia.com">AryehS@dwamedia.com</a></td>
<td>+61 (0) 2 9922 3130</td>
<td>4th Floor, 194 Miller Street</td>
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<tr>
<td>PIPPA BERLOCHER</td>
<td>Managing Director, Singapore</td>
<td><a href="mailto:PippaB@dwamedia.com">PippaB@dwamedia.com</a></td>
<td>+65 6220 1640</td>
<td>155B/157B Telok Ayer Street</td>
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<td></td>
<td>3rd Floor, 068611</td>
</tr>
<tr>
<td>EMMA SARRIA-SOLIS</td>
<td>Business Development Director, Asia</td>
<td><a href="mailto:EmmaS@dwamedia.com">EmmaS@dwamedia.com</a></td>
<td>+65 6220 1640</td>
<td>155B/157B Telok Ayer Street</td>
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<td></td>
<td>3rd Floor, 068611</td>
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<tr>
<td>ABHAY KULKARNI</td>
<td>Business Director, Bangalore</td>
<td><a href="mailto:AbhayK@dwamedia.com">AbhayK@dwamedia.com</a></td>
<td>+91 80 6765 4135</td>
<td>Millenia Towers, Office 104</td>
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<td>No. 1 &amp; 2 Murphy Road</td>
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<td></td>
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<td></td>
<td></td>
<td>Level 1, Tower B, Ulsoor</td>
</tr>
<tr>
<td>MICHAEL ANG</td>
<td>Business Director, Greater China</td>
<td><a href="mailto:MichaelA@dwamedia.com">MichaelA@dwamedia.com</a></td>
<td>+86 10 8523 3355</td>
<td>Level 15, NCI Tower</td>
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<td></td>
<td>12A Jianshuomenwai Avenue</td>
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ABOUT DWA

DWA is a global media and marketing agency for technology companies. With its feet in media and its head in data and analytics, DWA has a fascination with the art and science of engaging people. That’s why you’ll find us at the intersection where media, technology and strategic marketing meet. Operating from eight offices around the globe covering North America, EMEA and Asia Pacific, DWA offers a range of programs such as programmatic media, marketing automation, account-based marketing and content marketing consulting — all for over 150 of the world’s best technology companies, including Cisco, Dell, Salesforce and more.

To learn more about DWA, visit www.dwamedia.com.

ABOUT THE AUTHORS

BEN BARENHOLTZ is the Senior Director of Global Marketing at DWA. He is based in San Francisco. His email is Benb@dwamedia.com.

BRIAN JONES is the VP of Innovation & Intent Marketing, North America at DWA. He is also based in San Francisco. His email is Brianj@dwamedia.com.

ARYEH STERNBERG is the VP of Intent Marketing, ANZ at DWA. He is based in Sydney. His email is AryehS@dwamedia.com.