What is Data- Driven Marketing?

> **"Data-driven marketing is the strategy of using customer information for optimal and targeted media buying and creative messaging. It is one of the most transformational changes in digital advertising that has ever occurred."**

We found this definition on a makethunder.com marketing blog and while it seems precise, it really doesn't give you the entire scope of what we have been labeling "data-driven marketing."

We can break down the definition into component pieces:

1. Using customer information
2. Drives optimal media and messaging
3. Data-driven marketing is transformational

Using customer information.

The process of gaining a more complete understanding of your customers is a process that is a unique combination of art and science. This "information" doesn't just appear; it is the end result of a process that:

- First identifies a goal/strategy for this marketing activity.
- Collects relevant customer data from internal and external sources.
- Data analytics to uncover new insights about your customers buying/banking preferences.
- Make sure these new insights support the business and marketing goals for your institution.

This process of data discovery is a balancing act between finding "interesting" facts about your customers and those unique insights that can help you drive improved growth and revenue.

Drives optimal media and messaging.

This part of the definition is huge; it is where the art and science of the process transform the insights you've gained into successful marketing campaigns.

There are "tools" that support this process and they help the marketing team to build campaigns that *promote the right product, to the right customer, with the right creative, at the right time, on the right device*.

These tools include; segmentation, customer profitability, predictive product/service behavior, and geo-mapping.

By having a clear idea of who your most desirable customers are you can begin to build strategies that focus on 1. keeping the ones you have and 2. finding new ones that look just like them. These strategies focus on the media preferences of specific segments and the messaging to match lifestyle characteristics to improve results.

Data-driven marketing also provides a platform to test and learn. This process is called "continuous improvement" and it offers your marketing department an opportunity to test various creatives, media, offers and pricing.

Data-driven marketing is transformational

We agree, customer data transforms a common "shot-gun" tactic into a targeted, needs based marketing approach. This transformation focuses more on the individual customer's journey and specific selling events. This evolution can also have an impact on the organization as well; causing it to structure functionally around the customer journey.