Database Services Market Trends

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How is direct marketing evolving and what are the enabling technologies that will allow marketers to differentiate their messages? Ned McMullen, Vice President of Sales & Marketing, Equifax Database Services shares his insight on the five key drivers that should be the basis for all direct marketing strategy for the next three years.

1. **Consumer relationships and the shift to the "participation" model**
Marketers used to be in a "push" mode — a one-way dialog that was sent to the target audience with the hope of connecting and stimulating interest. Over the last decade it evolved to "permission-based marketing" which was still one-way but was influenced by the stated preferences of the target audience. Now we’re in the "participation" era and we’re never going back. In essence, control is usurped by the target audience and features Web 2.0 technologies that try to engage the consumer in the promotional conversation. Customer data becomes socialized and the target audience is in control of the channel, content, and frequency of the message. It’s all about the marketers’ influencing the message—not controlling it.

2. **Direct marketing fundamentals will continue to matter**
Despite the marketers’ loss of control it’s still all about testing, learning, and refining the communication process. Don’t forget the principles that have worked for decades but... *now it’s time to deploy them in some new, creative ways.*

3. **The explosion of relevant data presents greater rewards — and opportunities**
Andreas Weigend, Amazon.com former chief scientist recently said it best, "In 2009, more data will be generated by individuals than in the entire history of mankind through 2008." There are clearly many new sources of structured and unstructured data including transaction data, loyalty program data, interactions with all customer touch points, and vital preference data. If marketers don’t take advantage of all the new sources of data then they are simply missing the boat and your competitors will eat your lunch.

4. **Reality check: The proliferation of channels is fueling the "participation" mode**
According to the independent research report, "The Intelligent Approach to Customer Intelligence," Forrester Research, Inc., October 2009, "Consumers expect a consistent experience with a company even as they go back and forth across channels, with varying degrees of identification or anonymity and with increasing levels of consumer-initiated contact."

Marketers that rely solely on email, for example, because of its low cost distribution run the risk of missing and/or alienating a broad slice of their intended audience. Message streams must be integrated and make sense across all channels and the audience will dictate the desired medium.

5. **Demographic fragmentation is the new norm — marketers need to be ready for it**
Households are growing more complex and much more varied. Minorities are the new majority and the nation’s geographic population distribution is shifting: 85% of U.S. population growth occurred in the South and West.* This makes rules-based data hygiene much more critical and it drives tremendous changes to existing segmentation strategies. *Source: AdAge.com, 2010 America: What the 2010 Census means for marketing and advertising.*
What does this mean for Equifax Database Services clients?

*These trends are a reality now.* Our ongoing pragmatic solutions help clients thrive in an evolving marketplace. We continue our successful approach of providing clients with an enhanced, 360° view of their customers and prospects.

Our key focus areas working with clients will continue to be:

- Defining who the target audience really is.
  - What house-holding rules make the most sense?
  - How can the target audience interact with the client’s brand?
  - How we can enhance personal profiles?
  - What portion of your customer’s share of wallet do you have vs. your competition? (To strengthen segmentation)
- Understanding the life stages of the target audience and the household composition to deliver personalized, triggered messages at the right time via the right channel. Then, it’s all about making it easy for those who are social influencers to relay the marketing message to a broader target audience segment.
- Delivering consultative services and technologies to our clients which enable and measure social media marketing success.
- Making it easier for our clients to get increased utilization of our industry leading offering of data assets for the vital modeling and segmentation work that must be done to ensure that the message is properly personalized.

We know that marketers who embrace the evolution and adopt innovative strategies to capitalize on them will be winners in their markets.

Learn more about [Our Approach](mailto:Our%20Approach) and [Our Solutions](mailto:Our%20Solutions) or contact us at: 1-800-660-5125 or [dbs.sales@equifax.com](mailto:dbs.sales@equifax.com)

More:

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