The Changing Marketing Landscape
The way marketers communicate with customers is being irrevocably altered. Technology advances have created a number of powerful new communication channels for marketers, but ineffective use or abuse of those channels has created a customer backlash. This backlash is rapidly manifesting itself in the form of reduced response rates, government privacy regulations and new technologies designed to impede marketing’s use of many channels. Customers are sending a clear signal about their privacy preferences and the way they want to be communicated with, but many marketers are not listening. To excel in this dynamic marketplace, marketers must understand the drivers behind the changing landscape. They must create new strategies to take advantage of the interaction opportunities customers do provide.

What's Behind The Privacy Movement?
There has always been some level of concern about how marketers use personal information. With the introduction of technology and the acceleration of information sharing that the Internet brought, many consumers have become skeptical about what’s “convenient” and what represents an invasion of privacy.

Still, whether they admit it consciously or not, most consumers understand that the convenience of receiving communications that meet their particular preferences or needs means relinquishing some anonymity. Consumers are willing to exchange personal information for products or services they value. Critical to this exchange is trust.

Trust is a fragile, yet extremely valuable commodity that must be nurtured. It must be continuously nurtured with existing customers and developed with new ones. The familiarity that, in the past, resulted from face-to-face interactions has been replaced today with distrust of face-to-faceless – an imbalance that has caused many consumers to recoil.

The sheer annoyance of repetitive and/or inappropriate promotions has become unbearable for many consumers, forcing them to seek ways to block unsolicited messages. The desire to keep unwanted messages from interrupting daily life doesn’t stop at email and spam. While the amount of paper mail may have declined, consumers are still subject to and fed up with phone call solicitations during dinner hours and on weekends. Silent for a long time about these incursions into their personal space, consumers are no longer willing to sit idly by. They are taking action by calling for stronger government regulation and new technologies to help them preserve their privacy.

Consumers Fight Back
Privacy Regulations: An Unambiguous Signal
Governments around the world have heard and responded to the rallying cry of their constituents on the subject of privacy. They’ve enacted or are promoting the enactment of regulations that will affect the way marketing is conducted and will impact the marketing industry for years. Constituents are encouraging their elected representatives to enact laws that do everything from protecting personal medical and financial information to turning off the phone calls, emails and faxes that are flooding their communication channels. The popularity of these measures is demonstrated by the unprecedented number of people who are joining state and national

The Rise of Right-Time Marketing
Marketers need to enact practices that ensure consumer trust by creating a fair exchange of value for personal information and access.

Dan Goldstein, Privacy Research and Consulting

Yuchun Lee, Unica Corp.

Dan Goldstein is the president and founder of Privacy Research and Consulting. An attorney and member of the State Bar of California, he founded Privacy Research and Consulting following four years with the Direct Marketing Association. Yuchun Lee is the co-founder and CEO of Unica Corp., the world leader in enterprise marketing management software solutions and is responsible for the company’s strategic direction and day-to-day business operations. He is an authority in applying technology to optimize and automate marketing processes.
By delivering the right offer or information where and when it’s needed, whether in real time or not, right-time marketing promises great value to customers and organizations alike.

Another Weapon Against Unsolicited Marketing: Technology
Many consumers today are also turning to technology for solutions that can help them stop, or at least limit, the flow of messages they receive. There are products and services on the market today that halt online pop-up advertisements, prevent the use of cookies meant to track Web site or page visits, block phone calls from unknown phone numbers, filter email messages from unwanted sources (blacklisting, whitelisting), and reduce common TV program advertising (TiVo, digital video recorder). The problem is that they are often indiscriminate, blocking legitimate or beneficial messages that warrant reaching a recipient.

Essentially this points to an important shift in the balance of power away from marketers and toward consumers, most of whom want to better control when, how and from whom they receive marketing offers. They also want control over the information marketers share, with whom it’s shared and for what purpose. The catch-22 is that while consumers don’t want to be bothered by irrelevant marketing offers through any channel, many also don’t want to give marketers the personal information that would allow the creation of targeted messages and offers.

Implications For Marketers
Companies trying to develop ongoing relationships with customers need to recognize that how they handle the new regulations and satisfy consumers’ desires for privacy and control can be a brand differentiator. By viewing privacy rules and preferences as an impetus for creating strategies that offer true value in exchange for customer information, marketers may actually reduce the “trust gap” between themselves and consumers, increasing their chances for business success.

Without such an approach and with more restrictive legislation looming, companies’ marketing efforts are sure to fail. Marketers need to enact practices that ensure consumer trust by creating a fair exchange of value for personal information and access. Without consumer buy-in, marketers will find it impossible to reach their targets with relevant offers.

The Rise Of Right-Time Marketing: Strategies For Success
With regulations and consumer behavior limiting the vehicles marketers have to acquire new customers, companies need to look at fresh ways to meet their goals. For a long time, the industry has talked about the nirvana of hitting the right target with the right message at the right time. But until the recent confluence of regulatory and consumer pressures, the right time for “right-time” marketing was often sometime in the future. With tight restrictions imminent on the collection, retention and use of customer data, the time for “right-time” is now.

The Meta Group advises companies to respond to the effects of privacy regulation and anti-spam technology by “increasing their efforts to engage customers and prospects when they are most receptive to receiving messages – when they contact the company for information or make requests for products or services.” Elizabeth Roche, vice president of technology research services at the META Group, continues, “Companies will not suddenly cease telemarketing or emailing existing customers and individuals who have opted in to email lists. However, during the next three years, customer- and context-specific inbound marketing communications will assume an increasing importance in the marketing toolkit, enhancing (and in some cases replacing) unsolicited or non-personalized mass outbound communications.”

What Is Right-Time Marketing?
While not always instantaneous or immediate, right-time marketing is about delivering the best marketing at the right time. By delivering the right offer or information where and when it’s needed, whether in real time or not, right-time marketing promises great value to customers and organizations alike.

Companies practicing right-time marketing recognize the importance of moving away from “interrupt-driven” practices to customer-driven marketing. These companies are reaching customers when they are most receptive to information – such as when the customers contact them or when they are delivering email order confirmations or account status updates. These latter two forms of email are the most valued and read, according to a 2003 survey conducted by Nielsen/NetRatings and Quris. Underlying right-time
marketing are analytic and predictive capabilities that determine the optimal interaction strategies, automation and incorporation of repeatable best-practice processes. Right-time marketing demands integrated real-time reporting so marketers can analyze results and rapidly refine their approach.

For enterprises that have implemented right-time marketing practices, the results are encouraging. According to Gartner Research Note, “How Will Marketing Evolve to Realize Its Potential?”, highly targeted marketing communications, triggered by analysis and identification of customer-life events and interactions between individuals and the enterprise, typically have response rates that are four to ten times higher than those of conventional direct marketing efforts.

**Right-Time Marketing: Technology As An Enabler**

Right-time marketing is a part of a customer centric business transformation. This transformation requires not only business process changes, but also the technologies to support those changes. Right-time marketing technology enables marketers to understand how and when to optimally react to a customer behavior or event, such as a new order or an information request, with the right action to stimulate cross-sell and upsell opportunities. It can automate the process of contacting customers and prospects to share information and make “just right” offers. Most importantly, it can help companies integrate privacy compliance regulations to reduce business risk, while at the same time meeting customer preferences for how personal information should be used.

A flexible and scalable technology framework is critical to facilitating right-time marketing, especially in today’s regulatory climate. An open architecture allows organizations to add or remove data sources dynamically at any point in time as the environment because customer needs or privacy requirements change. A scalable architecture is important because right-time marketing by definition must support increasing campaign volumes and complexity.

As marketers refine targeting based on customer understanding, the results are more frequently executed campaigns directed at smaller audiences. These “campaigns of one,” or personalized interactions with the customer, often occur in real or near-real time.

Right-time solutions also need the ability to centralize the creation, management and execution of business logic, allowing marketers to create configurable rules and business logic once and deploy them across multiple touch points. EMM technologies provide these capabilities. This makes it easy for marketers to update interaction logic and respond to customer trends, competitive issues, market conditions or changing government regulations without having to rely on IT. Moreover, such solutions offer marketers the ability to build, view and execute comprehensive marketing strategies that treat each customer holistically across channels and operational modes.

Finally, as with traditional direct marketing, right-time solutions should provide built-in testing, reporting and analysis features. Right-time marketing is not static. It is a constant process of adapting to customer preferences and actions. Effective testing and analysis tools allow marketers to understand and react quickly to customer shifts.

**An Opportunity, Not An Impediment**

Consumers are sending a clear message about how marketing should be done. Some will choose to look at this message as a constraint, while others will embrace it as an opportunity to embark on an

As marketers refine targeting based on customer understanding, the results are more frequently executed campaigns directed at smaller audiences. These “campaigns of one,” or personalized interactions with the customer, often occur in real or near-real time.

customer centric transformation. Right-time marketers will leverage the interaction opportunities customers give them. Outbound marketing will be highly targeted and permission-based, resulting in much higher response rates. Inbound channels will become upsell, cross-sell and retention-enhancing opportunities. Marketing will become a seamless part of the customer experience, and it will be perceived as a valued service – not an intrusive annoyance.

With right-time marketing, companies will be poised to take greater advantage of existing customer relationships, which if managed correctly will enable a virtual “protected channel” through which marketers can communicate with customers without being affected by the new privacy laws and the hands-off-my-information attitude. By implementing EMM-based, cross-channel management systems to coordinate and drive programs and campaigns, companies can establish effective right-time marketing strategies that will help them excel even in tightly regulated marketing environments.

All marketers, but especially direct marketers who rely on mass outbound communications as their primary means of acquiring new customers, must be prepared to move to right-time marketing. They need to develop effective means of engaging customers when they are most receptive. Right-time marketing is the most effective way of meeting this challenge. Right-time marketing creates new avenues for revenue generation and success and is the best way to rise to the challenges posed by regulation and new consumer trends.