



## Good Data Engenders Loyalty



Suzanne Richardson, Nectar's Head of Campaign Services, and her colleague Andrew Bridges, Data Quality & Supply Manager, describe the importance of data quality in managing Nectar's nationwide loyalty card scheme.

Data accuracy is fundamental to everything we do here at Nectar. The ability to understand consumer behaviour and direct highly-targeted communications to customers has become an important mainstay of B2C marketing over the past ten years. It is difficult to imagine trying to manage a nationwide loyalty scheme like Nectar without effective data suppression, in fact. So the question of whether or not to suppress needs to be answered with a resounding 'Yes!' in our opinion.

Long gone is the age of generic DM offers. In order to achieve the highest response rates and ROI possible, campaigns need to be personalised and driven by accurate, up-to-date data. There are over six million different coupon offer combinations accompanying Nectar's quarterly point statements, for example. The programme's sponsors and partners want to ensure at all times that their offers are reaching the most receptive customers and prospects possible. So to achieve this, we apply a suite of marketing models that determine, based on recent Nectar Card activity, which offers are most likely to be the best 'fit' for a particular cardholder. As you can gather, the words 'Dear Householder' just aren't in our vocabulary.

That some companies still run 'unsuppressed' marketing campaigns (ie. without updating name and address information and/or removing deceased records from their mailings), is disastrous from a brand management 'best practice' perspective – particularly as the use of suppression files remains essential to delivering commercially viable response rates. Nectar is in the loyalty business, and trust has to underpin the millions of mutually beneficial relationships between programme partners and consumers that we endeavour to cultivate daily. Trust that we're keeping personal information up-to-date, secure and accurate; trust that we're awarding points correctly; and trust that offers will be relevant and add value. This is important on all these fronts to maintain Nectar's brand image.



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As regards over-suppression, if marketers are using suppression files as part of a comprehensive and ongoing data management strategy, there is no risk of data loss involved. Over-suppression enters the equation only when marketers clean data on an occasional or ad-hoc basis. This ill-advised practice may be a carry-over from the early days when suppression was seen as an IT function by some marketers. The 'Leave it to the IT guys to sort out' approach is likewise a thing of the past. Today, we must keep all of our datasets as up-to-date as possible. Nectar licences commercially available suppression files such as The REaD Group's Gone Away Suppression file, GAS Reactive and The Bereavement Register through REaD Group to keep abreast of gone-aways as well as the deceased, alongside Royal Mail's NCOA to help us obtain forwarding addresses. This ensures that cardholders' Nectar experience is as seamless as possible.

The accuracy of all suppression data we apply is likewise incredibly important. To be targeted and tailored to the degree that our collectors and partners demand, Nectar needs verified data. Verified data trumps assumed data every time for us. This means that we don't solely rely on 'Return to Sender' mail when determining whether a customer has moved. Nectar's matching and testing routines are such that we cross-reference files against various data sources to determine its status. And if in doubt, we match and test again. 'Assume nothing', is our default mode when it comes to suppression. We only wish the estimated 30 per cent or so of UK direct mailers that aren't using suppression would do the same and thus help eliminate the term 'junk mail' once and for all.

**Suppression isn't a magic cure for recessionary woes, but if client retention and profit maximization are your goals, then it makes sense to use it as part of your data management strategy.**