

An aerial photograph of a busy pedestrian crossing with white zebra stripes on a dark asphalt surface. The scene is filled with people walking in various directions. Long shadows are cast across the pavement, suggesting a low sun position. Several semi-transparent colored circles (red, blue, orange) are overlaid on the image. The text 'FROM CUSTOMER INSIGHTS TO HUMAN UNDERSTANDING' is written in large, bold, yellow capital letters across the top left. Below it, the subtitle 'Why telcos need true personalization to survive' is written in white. In the bottom right corner, the logo 'INTENT HQ' is visible, with 'INTENT' in white and 'HQ' in a white box on a dark background.

FROM CUSTOMER INSIGHTS TO HUMAN UNDERSTANDING

Why telcos need true
personalization to survive



INTRODUCTION

Telcos are at an inflection point. For years, they've faced mounting pressure from better-funded, more innovative tech competitors, and seen return on investment, profits and market share slowly dwindle.

When the pandemic hit, that pressure increased again. Suddenly, telcos were at the center of our lives; for many, the only means to connect with the outside world. And while leading operators handled that admirably, the crisis threw the reality of changed customer expectations – and the need to accelerate digital transformation to address them – into stark relief.

In such a volatile economic environment, it's time to think critically about how telcos re-engage customers and reclaim the market. McKinsey lists 'approach to customer engagement' and 'ability to leverage data' as 2 of its 5 focus areas for telcos. Building strong personalization strategies satisfies both.

TRUE PERSONALIZATION IS A POWERFUL MARKETING TOOL

In marketing terms, personalization is

“the ability to speak directly to the consumer or shopper with the right message, at the right time, in the right medium.”

As a strategy, it's been steadily gaining traction for some time – the Association of National Advertisers even named personalization their 'Marketing Word of the Year' in 2019.

Personalization is important to cut through the noise in an increasingly crowded marketplace. **Customers are exposed to between 4,000 and 10,000 brand messages every day.** And their attention spans are short, at 8 seconds. Marketing that isn't relevant, targeted, and engaging isn't going to land.

That means going beyond superficial personalization – like 'hi [name]' in a mass email blast – to true personalization. True personalization adds human understanding to customer insights, digging deeper into who customers are, where they are and what they really care about to deliver tailored offers, recommendations and experiences.



It's worth doing well: **personalized marketing efforts are proven to increase ROI on marketing spend, strengthen customer loyalty and boost revenue by up to 15%.**

Most marketers already know this: **96% say that personalization helps them advance customer relationships.** But since only 22% of consumers are happy with the level of personalization they currently get, there's clearly still a long way for businesses to go.

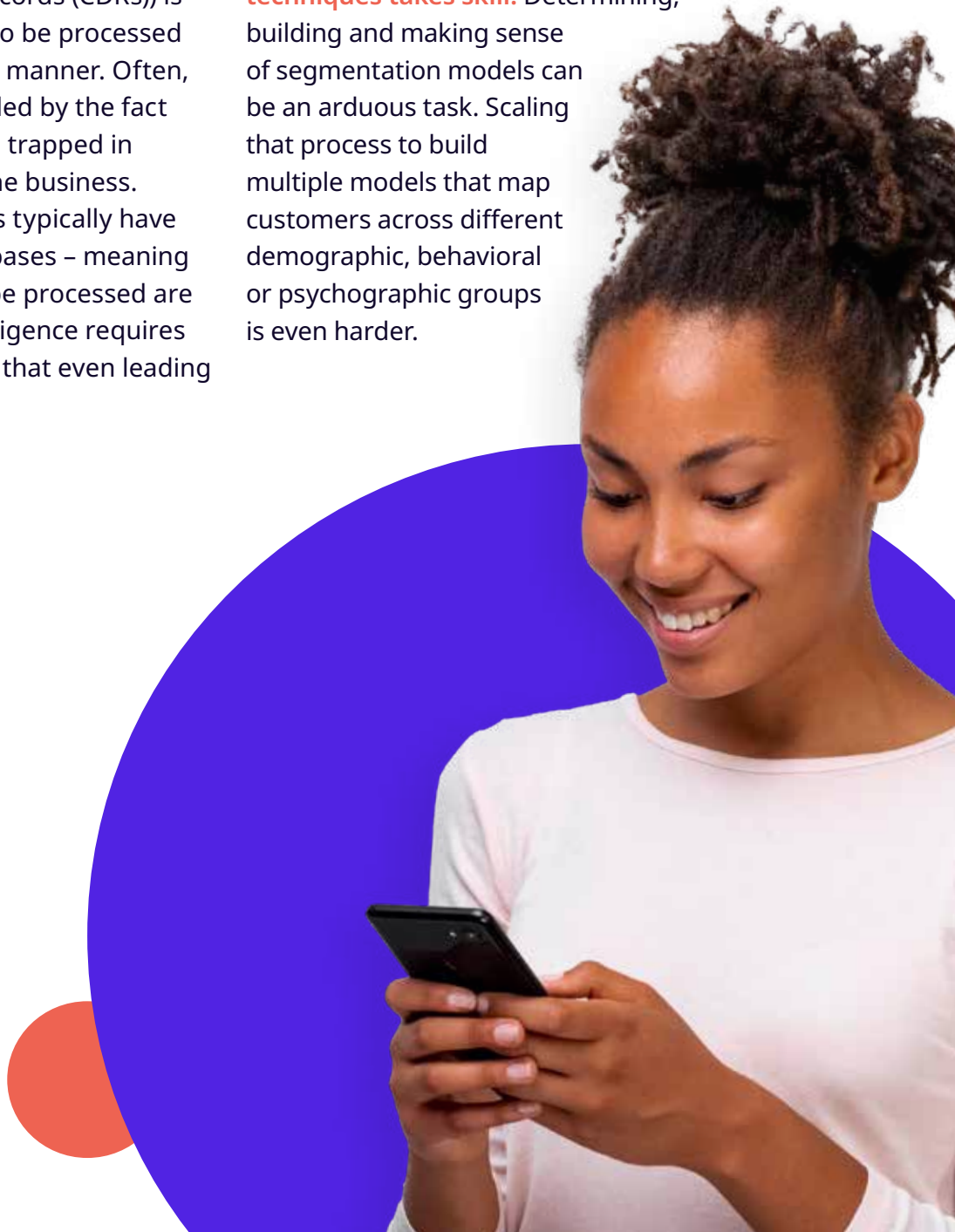
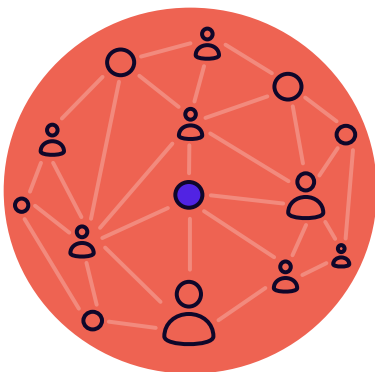


PERSONALIZATION REQUIRES HUMAN UNDERSTANDING - NOT JUST INSIGHTS

The simple fact is that true personalization is hard to do well. Turning insights into customer understanding at a human level requires a lot of data - data that's often difficult to surface, analyze and meaningfully action.

There are a number of challenges for telcos. The kind of behavioral data they have access to via their networks (like web browsing and Call Detail Records (CDRs)) is extremely sensitive. It has to be processed in a compliant, privacy-safe manner. Often, that challenge is compounded by the fact that the data itself is siloed, trapped in legacy tech stacks across the business. And there's a lot of it. Telcos typically have extremely large customer bases - meaning the data sets that need to be processed are mammoth. Extracting intelligence requires knowledge and technology that even leading telcos don't have.

Once data is surfaced, it can still be difficult for marketers to use. **Translating data into actionable strategies and personalization techniques takes skill.** Determining, building and making sense of segmentation models can be an arduous task. Scaling that process to build multiple models that map customers across different demographic, behavioral or psychographic groups is even harder.



VERIZON TAKES AN INNOVATIVE APPROACH TO PERSONALIZATION



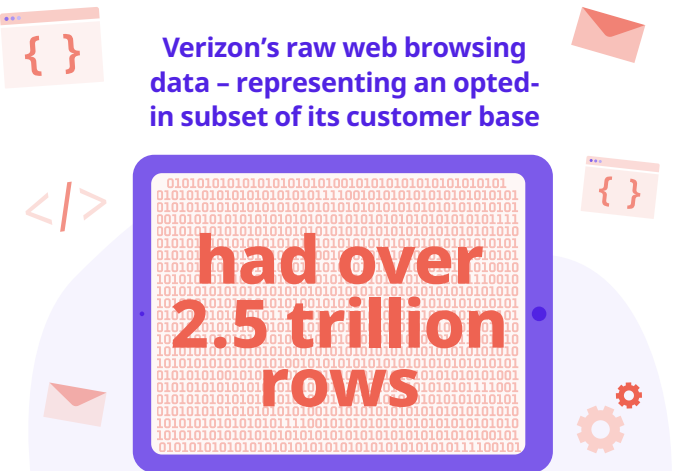
For telcos, operationalizing the collection, modeling, and deployment of customer data at scale is a significant undertaking. But with the market growing more competitive and margins under pressure, it's also a commercial imperative.

Verizon, **the leading wireless telecom brand in the US, generates annual revenues in excess of \$100 billion and serves over 100 million customers.**

Verizon's position at the top of the market can be attributed to its commitment to innovation, especially with regard to customer acquisition, base management, and customer retention. Personalization has been critical to Verizon's continued success, and the company recently ramped up its efforts to understand and speak to customers at a more human level.

Weblogs are a treasure trove of customer data for telcos. They identify the domain that a browser or app is accessing from the device as well as the timestamp. With the right technology, that information can be analyzed for patterns that create a picture of a person's digital behavior, revealing their brand affinities, interests, lifestyle, and passions. Verizon recognized that extracting intelligence from its billions of weblogs would be a significant breakthrough in understanding customers at a human level and achieving true personalization.

But doing so would be a massive undertaking:



Verizon turned to Intent HQ to extract and make sense of its weblog data, testing the process in a campaign for a new range of eco-friendly accessories. Marketing these plant-based, recycled, and sustainably sourced chargers and cases would be a challenge for Verizon: the market for eco products was comparatively small, and consumers within it didn't associate the brand with eco-friendly product lines. Verizon therefore needed a strong personalization strategy to ensure its advertising campaign resonated and, more importantly, converted.

TRUE PERSONALIZATION DRIVES BETTER CAMPAIGN PERFORMANCE

Verizon used Intent HQ's insights platform to find the customers for whom their range of eco-accessories would be most relevant.

Intent HQ looked at weblog data to ascertain the behavior of 10.8 million Verizon opted-in customers. Then, they normalized that data to segment customers into understandable, human categories based on their brand affinity, interests and 'tribes' – bespoke, behavior-led segments, like coffee-lovers, or concert-goers.

Analyzing customers across these categories enabled Intent HQ to create 4 different

potential audiences for Verizon's eco-accessories campaign. Within each audience were layers of customer information, including hard data like demographic composition, as well as human insights about customers' genuine passions and motivators. This helped Intent HQ and Verizon refine the target audiences and choose one with which the campaign was predicted to have the highest chance of success.



ECO & SOCIALLY CONSCIOUS AUDIENCES - OPTIONS

Audience size

Benefits

1. Eco and social brand lovers

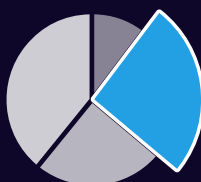
Customers interested in specific eco and social brands*



- Population showcasing true affinity towards eco socially conscious brands
- Aligns with a younger and female leaning population with higher affluence
- Higher ARPU (+2%) & LTV (+12%)

2. Charitable eco and social brand lovers

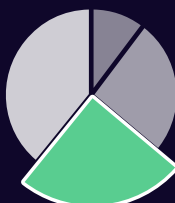
Customers interested in specific eco and social brands OR having charities interested



- Population showcasing true affinity towards eco socially conscious brands
- Aligns with a younger and female leaning population with higher affluence
- Additional audience
- Higher LTV (+7%)

3. Eco and social brand lovers with CSR interest

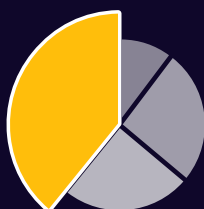
Customers interested in specific eco, social brands OR brands with a high Corporate Social Responsibility (CSR) agenda.



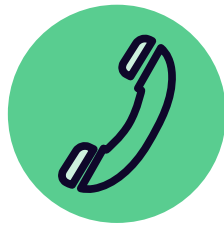
- Higher population size
- Aligns with a younger and female leaning population with higher affluence
- Higher ARPU (+2%) & LTV (+11%)

4. Charitable eco and social brand lovers with CSR interest

Customers interested in specific eco, social brands OR high CSR brands OR interested in Charities

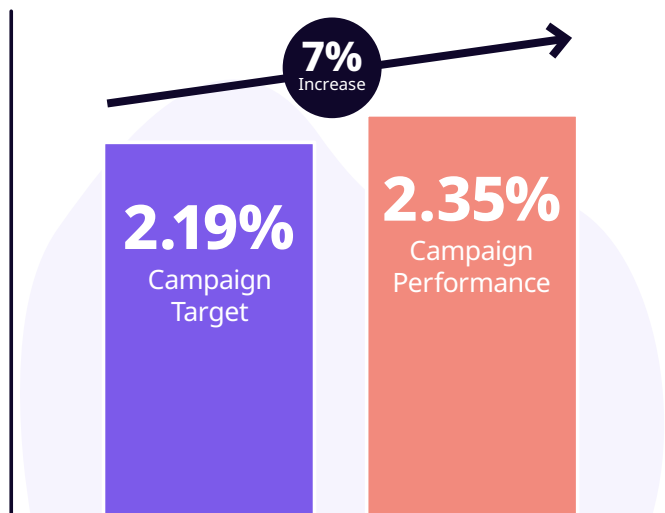


- Highest population size
- Aligns with a younger and female leaning population with higher affluence
- Higher LTV (+8%)



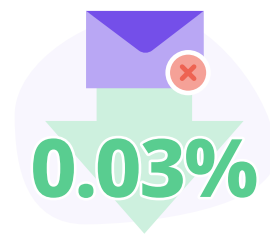
Intent HQ also built out a separate Non-Eco audience - based on behavioral insights for customers who would have the least interest in an eco-accessories campaign - in order to benchmark the uplift driven by customers who have a distinct interest in Eco vs. those that are just interested in accessories in general. Both Eco and Non-Eco audiences were measured against randomly selected groups.

The results speak for themselves. With Intent HQ's support, Verizon was able to turn customer insights into human understanding, and drive tangible improvements to campaign performance: **the 2.35% take rate represented a 7% lift on Verizon's aspirational target of 2.19%.**



verizon

Outcomes were better not only for Verizon but for its customers, too. Unsubscribe rates **dropped from 0.12% on average to 0.03%**,



showing the impact that more targeted, personalized experiences can have on customer satisfaction and engagement.

By mining behavioral data from weblogs using Intent HQ, Verizon created a truly personalized email campaign that was significantly more relevant and effective than previous efforts. Equally valuable, the process of working with Intent HQ gave Verizon a proven, repeatable methodology. With more confidence in its data, Verizon can now roll out the same approach to more projects across the business and expect to see similar gains.

It's a huge step forward for Verizon, and for telcos in general. Large and usually encumbered by legacy technology, telcos can struggle to incorporate new and innovative data into campaigns at all or to drive the incremental gains that are critical in such a saturated and competitive market. Verizon's success proves what's possible with true personalization.



TELCOS THAT ACHIEVE TRUE PERSONALIZATION WILL WIN THE MARKET

Telcos that can leverage data to build human understanding of customers and enrich personalization efforts – and then repeat the process at scale – will rise above the pack in the coming years.

Telcos now have access to a huge amount of data across their business, and customers both expect and want them to use it.

81% of consumers are willing to share personal information in exchange for personalization. It's no longer a nice-to-have: telcos need to prioritize data-driven personalization to survive. Those that do will gain better insights and drive better customer outcomes – ultimately growing revenue and cutting churn.

Leveraging customer data is complex, technical and has serious privacy implications. To surmount those challenges, get past the

kind of superficial personalization that turns customers off and create truly personalized experiences, there are two things marketers need:

- The first is more human insights – a privacy-first understanding of the real meaning behind consumer data.
- The second is 1-to-1 activation – an automated way of operationalizing the process at massive scale.



INTENT HQ ENABLES TRUE PERSONALIZATION AT SCALE

AI-first platforms like Intent HQ can help. Intent HQ lets telcos leverage AI to create meaning from customer data, and operationalize Machine Learning to activate insights on-demand and at scale. By activating customer weblog information held within Network Data, Intent HQ enables telcos to generate unique and relevant insights from data that, due to its size and sensitivity, has never previously been accessed at scale.

Intent HQ's intelligent platform helps telcos battle through cross-functional complexities to access data, generate rich customer insights from it and activate them across marketing and customer experience initiatives. That combination of insights plus activation means telcos can rise above inadequate, superficial personalization and achieve mass relevance. The process not only improves performance at the individual campaign level, but gives telcos a significant competitive advantage in a shrinking and saturated market.

With a systematic approach to automating customer outcomes at scale, telcos can build loyalty, grow revenue and boost retention.





WANT TO SEE
WHAT INTENT HQ
CAN DO FOR YOUR
BUSINESS?

INTENT^{HQ}

Email us at tellmemore@intenthq.com,
or visit www.intenthq.com

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