

BETTER TOGETHER: DYNAMIC CONTENT CREATION & BEHAVIORAL TARGETING

BY JASON CARMEL AND JUHA MERTANEN

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Online optimization has become a standard practice for any company with a serious online presence. In addition to improving the content, site layout and user journey with A/B and Multivariate Testing, companies increasingly use Behavioral Targeting for delivering the most relevant content at the right time to visitors, based on characteristics and behaviors that they learn about them. For example, this could include demographic information, ethnographic information, or browsing behavior. As businesses become more proficient with targeting, and see the potential ROI, they also realize that the number of assets required to run a successful targeting program can grow exponentially. Each targeting initiative often requires multiple pieces of content. Even with the benefits that targeting provides, the burden this places on a traditional production group can be paralyzing. The question becomes – how do you create content and messages that are personalized enough for efficient targeting, while still keeping the cost of targeting low enough to deliver good ROI?

Traditionally, the marketer has been left with two options:

1. Make the targeting slightly more generic, so that it requires fewer assets.
2. Maintain the specificity of the targeted content, but publish the content in only a few selected sections of the site.

While both approaches limit the number of content pieces to create, they also both limit the amount of personalization, and therefore the potential ROI from the resulting tests.

A Potential Solution - Dynamic Content Management

The advent of Dynamic Content Management technology may provide a third alternative which would require neither limiting the breadth of targeting across the site nor the depth of targeting for multiple, specific segments. Dynamic Content Management is the evolution of near real-time, automated content creation, management and delivery solutions, such as Adobe Scene7. As discussed by Petrus Lindqvist in our sister agency Deliver's blog (blog.deliveroffshoring.com), these solutions have the potential to streamline workflows significantly and increase the productivity of digital production teams.

The implications of Dynamic Content Management for behavioral targeting programs are profound. Based on various attributes, marketers can now, in theory, create thousands of deeply personalized content pieces at a minimal cost. This makes it feasible to design targeted experiences with details

that historically would never have been worth the cost with a traditional production group altering and cutting assets manually.

To give you an example -- let's say a telecom operator launches a seasonal campaign promoting phone accessories on its homepage. There are 40 devices total. Hypothetically, adding a targeting element for a consumer's gender and device owned would be expected to increase the conversion rate. However, this initiative requires the creation of 80 (2 genders x 40 devices) different campaign assets. Manually creating that many assets for a single campaign is neither realistic nor cost effective, even with an aggressive performance lift. If, using Dynamic Content Management technology, those 80 assets could be created in hours rather than weeks, then the return could more than justify the expense.

A Manageable Way to Get Local

Another way Dynamic Content Management can assist with targeting efforts is with a local-focused program. As more and more consumers use mobile and map apps to conduct business on the Web, smart marketers are exploring the transition from a global brand presence to a more fragmented, and much more targeted, presence by store location. For example, Walmart just announced a partnership with Facebook called My Local Walmart, where each of its 3,500 stores will get a specific Facebook Page, highlighting locally specific offers, events, and new products. Without dynamic content creation and the ability to target consumers based on location, the sheer volume of assets needed to support the roll-out and maintenance of something

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ABOUT THE AUTHORS

Jason Carmel is the Director of Marketing Sciences at ZAAZ. With 10+ years of digital analytics and targeting experience, Jason manages a team of 50 digital analytics experts responsible for data collection, analysis and site-side optimization for clients such as Ford, Microsoft and Nokia. He has a JD from the Washington College of Law at the American University, and speaks and blogs frequently on behavioral targeting, digital marketing, and privacy.

Juha Mertanen is a Senior Optimization Manager with the ZAAZ Marketing Science group. With years of experience in consumer electronics and ICT industries, he has been deeply involved with running and managing online testing and targeting programs across the globe. Juha is based in Helsinki, and has a M.Sc. from Helsinki University of Technology.

ZAAZ is a digital agency based in Seattle and part of the WPP/Wunderman network.

with that magnitude would, for most companies, be prohibitively expensive, and practically impossible to organize. With access to dynamic content technology, however, asset creation becomes infinitely scalable and reusable, and is still manageable for the brand.

A Grain of Salt

While the possibilities for faster and cheaper targeting programs are much more achievable with a dynamic content management solution, it isn't necessarily a panacea. Even with a substantially more efficient content creation and adjustment process, figuring out which pieces of content are best suited for which audiences is not trivial and implies some serious planning and segment analysis up front. Furthermore, some targeting tools require defining distinct business rules for each variant served – when the level of personalization increases, the complexity of the targeting and business rules also quickly increases. This isn't to say that the targeting isn't worth the time, but should instead stand as a reminder that there is some investment [both up-front and ongoing] to make sure that the program starts and remains as effective as possible.

It's also important to remember that most dynamic content management tools are purposefully set up to limit the parameters of how the creative can change – automated templates presuppose a pretty firm limit on how wacky any given variant can be. Consequently, any targeting that involves substantial architectural changes to the site or user flows, or relative large brand deviation, may need to occur outside the context of the dynamic content process.

In Summary

As described above, dynamic content creation and management solutions can significantly increase the ROI from Behavioral Targeting activities by decreasing the content variant costs, increasing the set up cycle time, and making more personalized and localized targeting feasible.

The combined value potential of targeting and dynamic content management tools depends heavily on how well they work together- here, a company like Adobe may have a competitive advantage, with their integration of targeting (Test&Target) and dynamic content management (Scene7) solutions. We recommend marketers look at their content management and optimization tools and processes in conjunction to see where they can leverage efficiencies. This is the best way to ensure that creative and content decisions are reaching the most relevant audiences.