



All I want for

Santa has proved to be a marketing genius—he knows each one of his loyal followers and delivers accordingly.

Joanne Douglas discusses how digital innovations can give Father Christmas a run for his money in the consumer engagement stakes.

discovering the fun of maintaining the Santa tradition for my son, I must confess that I still get immensely excited when I'm about to unwrap a gift that someone has chosen just for me.

If one thing has truly answered the call for personal engagement it is digital technology.

Today's customers have very high expectations of service, and quite rightly so. Technology enables us to identify our customers, regardless of the channel in which they appear, and to pull together all available information to construct a detailed and precise picture of their preferences and behaviours. From that point on, the onus is on us to acknowledge every interaction, and to learn from that information to ensure our customer relationships continue to develop and evolve in a mutually positive way.

Each transaction provides another insight—that's another request on the Christmas list so when the time comes to wrap your presents you can be confident those gifts will be well received. If we know the things that are the most likely to interest each customer moving forward, we need not waste our resources or our targets' valuable time.

If you have you ever unwrapped a present to reveal something so blatantly unsuitable that your smile freezes on your face while you struggle to understand what the giver could possibly have been thinking, you know how widely some targeting can miss the mark. When this happens with friends and family you will give them another chance, but in business the market is not so forgiving. You might hide that hideous vase you received last year in the back of a dark cupboard or donate it to the Salvos, but as a consumer you expect to be approached with relevant communications that are tailored specifically for you.

The mantra of Santa


Santa was someone who always managed to get it right. In fact I think he is something of a marketing genius. His brand is practically global and has gone from strength to strength across centuries without ever falling out of fashion or losing market share. Given the size of his audience and the consistently high standard of personalised service he must provide, he is a master of direct customer engagement and giving people what they want. No matter how many children are talking to Santa it seems that he is always watching and listening.

Messages to Santa appear across a number of different channels. They may come by letter, word of mouth in Santa's grottos globally and even by email or Twitter. Thanks to the magic of Christmas (or an incredibly powerful CRM system) those messages usually reach their intended recipient so the right gifts appear under the tree.

Unfortunately, as marketers we do not often get such valuable information handed to us. We need to look at transaction history and interactions, observing both what our customers do and do not do to find the insight we require, and to identify those customers who have the potential to provide the greatest returns. The ability to recognise our high value customers is the first step in providing a better brand experience for each individual.

That personal touch

We are not so unreasonable as customers that we do not understand that anyone can make mistakes. When you have developed a long-standing, personal loyalty to a brand you may be slower to abandon them due to disappointment over a single error. Having trust in a brand is like having a bank account that is drawn from each time something misses the mark. One or two inappropriate communications may still leave a healthy



He [Santa Claus] is a master of direct customer engagement.

When I was a kid, there was nothing more exciting than Christmas. First, there were those seemingly endless days of anticipation, waiting to see if Santa would bring me all the things I asked for. After leaving him a beer and fruit cake, plus a few carrots outside for the reindeer, on Christmas Eve my sister and I would go to bed extra early, wondering how on earth we would ever be able to wait until morning. Then it was out of bed just after daybreak, eyeing those colourfully wrapped presents under the tree and jumping out of my skin until I got my hands on the ones that were meant especially for me.

The winter weather and the idea of Christmas in July got me thinking that, now I'm a bigger kid, things haven't changed all that much. Though I am also

Christmas is...

balance, but repeated failure to engage, particularly when mistakes have already been pointed out, will quickly send relationships into overdraft.

When a consistent lack of personalised, co-ordinated marketing engagement finds our patience finite we think nothing of complaining to those in our social circle about poor customer service. Word spreads quickly in the digital age, and we take each other's recommendations or condemnations to heart. This is the kind of marketing that takes on a life of its own, irrespective of brand awareness and above the line advertising spend, all of which can be viewed through a very cynical eye if your *personal* experience has been flawed.

In some ways it is ironic that all our advances in technology have brought us back to where we began—customers crying out for one-on-one engagement. Retail banks that were quick to move to automation found that they could reduce costs and inefficiencies in the short term, but in the long term customer relationships were damaged. In an effort to reengage with their customers they have extended opening hours and established branches in shopping centres that operate on weekends.

Direct and digital

If one thing has truly answered the call for personal engagement it is digital technology. When the innovation of television brought the means to reach the masses with a single message, an increase in sales could suddenly be generated via the device of a single TV commercial, but even those days are fading away. With the advent of addressable advertising making it possible to use a customer's television set to target specific ads according to his behaviour and interests, wastage in above the line spend is reduced.

Digital platforms and social media capabilities, while perhaps appearing daunting to some marketers more accustomed to 'traditional' communication channels, serve only to advance the cause of direct marketing. The two fit hand in glove



—the same marketing principles apply. It's still about targeting, relevance and engaging customers how, when and where they want to be engaged. Be respectful of the medium by all means, but the sooner we understand that digital should be embraced as another powerful and immediate direct marketing channel, the sooner we can optimise customer value and improve the brand experience within that touch point.

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The immediacy and intrinsic measurability of digital engagement appeals to those who struggle to see the return on investment in mass marketing techniques. Provided you have sufficient data and the means by which to analyse and interpret it, you will have the insight you require to create and execute personalised marketing strategies. And if you are fortunate enough to find your brand at the centre of one of those self-perpetuating social media conversations—cast in a favourable light, of course—that's positive marketing no money can buy.

Call me old fashioned, but part of me regrets that Santa, our consummate relationship marketer, is slowly being swept up in the digital revolution. There are many instances where direct mail still has a place, and there is something special about seeing an envelope with 'St Nicholas, Santa's Village, North Pole' scrawled in a childish hand. I would still far rather take my son up to sit on Santa's knee at our local shopping centre with his precious letter clutched in his fist, than see him post his Christmas list on Twitter.

@Santa, pls brng me a bike, a puppy & train set. I've been :) all year.

Actually, I have a sneaking suspicion my son may ask for a real live dinosaur of his very own this Christmas. A mastermind of marketing Santa may be, but this does present a slight supply problem... which goes to show nobody is infallible when a target audience has unrealistic expectations. Still, by gathering behavioural insight leading up to December, I'm sure Santa and I can work it out and deliver the next best thing. 🗨️

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