Best Practices for Activating BIG DATA

Using Kenshoo
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You’ve read the Kenshoo Guide to Big Data to understand the rise of data-driven analytics and how Big Data is changing the face of marketing. Now, get the insider tips on how to utilize Kenshoo’s advanced technology driven by machine learning and predictive modeling to harness the power of Big Data across the following four key areas of your marketing plans:

- Forecasting
- Targeting
- Optimization
- Attribution

Accurate Forecasting and Planning through Kenshoo Halogen™

Precise forecasting is critical for understanding how various marketing activities will contribute to a program’s goals. Kenshoo Halogen is a predictive media engine that provides you with unprecedented insight and visibility into the future performance of digital marketing campaigns in order to meet your goals and objectives. Today, the two core components of Kenshoo Halogen are Halogen Foresee and Halogen Inform.

Halogen Foresee sheds lights on the challenges of forecasting and budgeting. The functionality allows you to view accurate forecasts and scenario plans for ad campaigns, automate spend execution to reach specific goals, uncover opportunities, react to market changes, and ultimately, win additional budget.
Halogen Foresee can help you answer key questions about the potential of your marketing programs, such as:

- How much more return can be produced with extra budget?
- How much revenue can be generated at different levels of spend?
- How much potential will a portfolio have over the next month or quarter?

In the initial introduction with 90+ marketing plans, Kenshoo Halogen Inform increased client sales revenue by 53% while increasing digital marketing investments by 36%. Marketers also cited significant reduction of man-hours spent on budget analysis and pacing, in some cases as much as 20%.

Halogen Inform helps you plan for the impact of external or internal events – such as promotions or seasonality or offline events like mailings or commercials – on campaign activity and market demand. Halogen Inform is not a rule set in the system; it’s a way to actually talk to the technology so it can modify how it behaves, custom to your business and market. By integrating with both Kenshoo Portfolio Optimizer and Halogen Foresee, Halogen Inform proactively optimizes bid strategies and budget forecasts based on market information.

Halogen Inform can also be utilized to “bookmark” certain events/time periods for reference when looking back at the data, making performance analysis more streamlined and efficient.

By harnessing cross-channel synergies, marketers are able to more intelligently identify and manage audiences, efficiently reaching those who are most likely to convert. Channel data should not be viewed in silos, and at Kenshoo, we believe there is tremendous value at the intersection of search + social.
Advanced Audience Management Solutions

Kenshoo enables you to leverage your search and shopping campaign performance data in a variety of ways across Facebook to bid more effectively and discover the most valuable customers. Here are some examples in action:

**The Facebook Exchange (FBX)**

FBX is an effective way to execute retargeting and generate significant incremental conversions from consumers who have already visited your brand's website. This approach becomes even more powerful by layering on additional consumer information. By taking into account paid search and Google Shopping campaign data, Kenshoo enables you to segment and retarget your audience through FBX based on traffic delivered through these media and optimize bids based on performance data (such as CPC, CVR, and ROI).

**Kenshoo Demand-Driven Campaigns™ (DDC)**

Through Demand-Driven Campaigns, you can automatically turn your top performing products into Facebook ads. By leveraging performance data (ROI, conversion rate, and click volume) to find the best performing products in search in combination with Facebook's sophisticated audience targeting capabilities (Custom and Lookalike Audiences and Partner Categories), DDC enables you to extend your reach into new, valuable audiences on Facebook with ads for products that are most likely to perform.
**Kenshoo Intent-Driven Audiences™ (IDA)**

IDA is a turn-key solution that automatically creates and updates Facebook Custom Audiences based on the intent people demonstrate through their search engine activity. This means you can now target people on Facebook who are known to be currently “in-market” for specific products, brands and services, and use the information collected via search activity to target or exclude users on Facebook campaigns.

In addition, Kenshoo Intent-Driven Audiences can be used in conjunction with Facebook's existing targeting options such as Custom Audiences and Lookalikes. For example, with IDA you can easily create an audience of consumers who click on your paid search campaigns, automatically aggregating the users into Custom Audiences based on the campaign structure and the keywords of the ads that were clicked. Then these audiences can be expanded with Lookalikes to achieve more reach, scale, and customers.

Kenshoo also supports a host of other sophisticated audience targeting options, as outlined below.

**Google Remarketing Lists for Search Ads (RLSA)**

Kenshoo's support for Google Remarketing Lists for Search Ads (RLSA) enables you to automatically optimize search bids when retargeting cohorts of consumers based on actions taken on your brand's website.

**Display Retargeting**

Through a partnership with Criteo, Kenshoo enables you to acquire visitors through paid search and convert lost prospects with display retargeting, helping you understand how search and retargeting work together to boost conversions.

**Data Management Platform Integrations**

Kenshoo has integrated with several leading Data Management Platforms (DMPs), including BlueKai, X+1, Turn and Aggregate Knowledge/Neustar, so you can leverage search campaign structures and keyword performance to create and segment audiences from data managed by the DMP, allowing for extended targeting across other marketing channels, such as display and email.
**Hyper-local Targeting**

Target an audience within a narrowly-defined distance from your business location. Use Kenshoo Local’s unique mapping tool to set an exact radius, down to the city level. This hyper-local targeting allows you to reach your desired audience, maintain relevancy, and better control your campaigns so you don’t waste impressions.

**Informed Real-time Bidding and Optimization**

In the era of Big Data, algorithmic optimization makes it possible to perform the depth and frequency of computations required to effectively meet bid optimization goals. Given all the variables at play, it is near impossible for a human to achieve what technology can, and do so at scale.

Kenshoo Portfolio Optimizer™ (KPO), Kenshoo’s proprietary solution for portfolio bid optimization, runs predictive models and automatically clusters keywords across multiple attributes to maximize campaign results. KPO leverages advanced algorithms to compile historical data and build hundreds of thousands of statistical models. This allows you to gain unmatched insights into the impact of each bid change upon your entire keyword portfolio. By focusing on marginal RO—the value derived from the next unit of spend invested in a portfolio—the KPO algorithm considers the opportunity cost of each keyword and takes holistic action.

If you have low keyword data volume, Kenshoo offers a solution to remove the barrier to model-based optimization with Kenshoo ActiveCluster for keyword model policies. ActiveCluster Technology groups keywords with similarities across multiple attributes in order to make informed predictions. The statistical significance of the keyword clusters is re-evaluated daily to ensure the policy’s performance is optimal.
Kenshoo also has the ability to ingest a variety of offline data that can be used to influence campaigns optimization.

By partnering with leading call tracking providers such as CallSource, Century Interactive, Ifbyphone, Invoca, Jet Interactive, Marchex, Mongoose Metrics, and TelMetrics, Kenshoo facilitates the tracking of phone calls and then applies proprietary algorithms to match calls to keywords with Kenshoo’s Call Conversion Optimization (CCO). CCO allows you to provision phone numbers, associate them to specific ads, automatically retrieve nightly call reports, and optimize campaigns based on the keywords that generate the most profitable phone calls.

Going one step further, an integration with onmichannel promotions platform RevTrax enables marketers to connect the dots between online-to-offline conversions. By understanding which keywords drove in-store transactions, Kenshoo’s bid policies can apply this knowledge to garner more coupon redemptions.

Consumer searches and clicks on ad.

Consumer is taken to Retailer website and views an offer. RevTrax generates unique bar code with embedded keyword ID.

Consumer redeems offer in-store at POS.

Kenshoo receives keyword level conversion data and applies to bid policy to drive more coupon redemptions.

Retailer sends redemption data to RevTrax to match keywords to in-store transactions.
Dynamic Multi-touch Attribution

Purchase decisions typically aren’t made in a single instant, but over the course of various stages and interactions with a brand or product. With the amount of activity that can be tracked and analyzed, an entire customer life cycle can be evaluated and each touch point along the path can be assigned credit.

Kenshoo offers several standard multi-touch attribution (MTA) models and comprehensive path-to-conversion reporting so you can gain insights at each stop on the customer journey, right up through conversion. For instance, you may find that some of your Facebook ads are not leading to an immediate conversion, but are playing a key role as an introducer or influencer. The Kenshoo study, Quantifying the Impact of Multi-touch Attribution, found that you rely on a single-point model of Last Click, you could be undervaluing Facebook by up to 30%.

Facebook Valued as Much as 30% Higher by Marketers Using Attribution Models other than Last Ad

% Incremental Value Compared to Last Ad

- Prefer Last: 12%
- U-Shaped: 15%
- Divide Equally: 16%
- Prefer First: 20%
- First Only: 30%

Moving beyond last click, the Attribution Simulator Report allows you to explore the attribution policies outside of what you’re currently using to determine which policy is most optimal. This report enables you to drill down into an analysis of channel and dimension performance to uncover opportunities to expand reach and optimize your keywords and campaigns.
Your attribution can become even more powerful and accurate with Kenshoo’s dynamic attribution modeling, known as Kenshoo SmartPath™. SmartPath provides an understanding of the actual contribution of every consumer interaction. By taking into account factors like causality, synergy, and customer loyalty, Kenshoo SmartPath assesses the role of each ad (and organic touch point) in the conversion funnel and redistributes the attribution weight accordingly. Then, by connecting SmartPath to your bidding, you can improve campaign performance with automatic budgets and bids adjustments based on the actual value of each ad placement across channels.

According to a survey conducted by Circle Research, 91% of marketing professionals recognize that failure to put Big Data at the center of business strategy will put their organizations at a competitive disadvantage. Big Data has the potential to truly transform digital marketing, and marketers are beginning to see this through technology advancements that are enabling more intelligent forecasting, targeting, optimization, and attribution.

Kenshoo provides the advanced technology and flexible integrations needed to activate Big Data to meet your marketing objectives. With solutions for accurate forecasting and planning, advanced audience management, informed real-time bidding and optimization, and dynamic multi-touch attribution, Kenshoo is poised to help you leverage the power of Big Data.

Contact us today to learn how you can start activating Big Data through Kenshoo to maximize your digital program!