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Can you really run all your European activity from your UK base? James Lawson looks at the options for list selection and the variation in data protection regimes across the European Union.

# Targeting Europe

**T**hose expanding into Europe have the opportunity to take a more consistent approach to their European targeting. Rather than buying and merging a number of lists, marketers can plan their activity using single classifications or databases that cover multiple territories. But can this really replace traditional country-by-country list building for direct marketing use?

## Many countries, one approach

The barriers to pan-European list building aren't hard to find: a complex and ever-changing set of data protection regimes and potentially horrendous fines for transgressors, as well as the cost of gathering and maintaining international data that may not generate enough income to be worth maintaining.

To provide a consistent framework for multinational planning, Experian was the first to build international classifications, with Global Mosaic first seen over a decade ago. Now Eurodirect and Acxiom are putting a lot of resources into developing their own multinational geodemographic classifications, namely Cameo International and Personix International. All three companies use a coarser "top-level" segmentation that links to the more detailed country-specific products, providing a single coherent way to plan, test and evaluate campaigns across a number of countries.

"Geodemographics is not affected by data protection changes," says Martin Bradbury, international client services director at EuroDirect, whose Cameo International classification relies mostly on census data at the lowest level of postcode geography. "You want to integrate different targeting methods and look at the whole potential of the market. It's harder and harder to find the volumes and quantities of data that you need. You've got to be aware that you can't just use mail."

Bradbury gives the example of a satellite broadband supplier that used Cameo International codes along with income to target different areas of Europe for its service. Because it was able to map out the target catchments on the MicroVision GIS, it could also consider which areas would have sufficiently good satellite reception. "The geographical element was very important for them," says Bradbury.

For direct marketing applications, a target group would be specified using classifications and perhaps other selection criteria, then Experian and EuroDirect will go to local suppliers to find the actual name and address data.

"We don't actually source prospect data, we can only point you towards a data supplier," says Stefan Elliot, international business development director at Experian Marketing Services. "We do have an interna-



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Kate Amos, product manager, FT Database.

tional team in-house but it's only for very large clients."

Acxiom is different in that it does own European lifestyle data and in fact uses it as one of the inputs to its country-specific versions of Personix. However, these currently only cover France, Germany, Netherlands, Poland, Portugal, Spain and the UK. Its International classification is used as a way of "translating" between these different flavours of Personix, employing a set of 120 customer types (based on combination of socio-economic, urbanicity, and lifestage variables) against which data from multiple countries can be compared.

"It means that you can use the learnings from one market in another, for example to work out potential," says Betty Doyle, head of European Data Sales for Acxiom. "You will often have to look at managed lists to get the maximum volumes, though Acxiom will have more data to offer than most."

But, unlike the UK, you can't just go straight from a list of segmentation codes – or even postcodes – to the people contained within them, and know that you are getting a close-to-exhaustive list of individuals or at least households. Many EU countries only have rudimentary postcoding systems, there are few equivalents of the Electoral Roll, and high volumes of business or consumer data can be hard to come by.

"We go to credible data partners like Bertelsman and Schober to make sure it's compliant. We match the codes to the data they have at individual level," says

Bradbury. "You can use other media like door-to-door to target where there might be gaps."

### International lists

While a high-level segmentation or geodemographic approach may be excellent for planning very large campaigns or multichannel work that also involve a variety of location-based activity such as doordrops or regional radio, most of those concentrating on direct mail will have to work in the traditional manner with selections from whatever groups of lists they can identify.

"The choice is what it's always been: pan-European or local," says Rosemary Smith, managing director of RSA Direct. "Geodemographics makes planning easier but if you are in mail order and want response names then you will have to go local. You can go to international publishers in the UK but you won't get the penetration of the marketplace you need for a volume consumer campaign. You have to go to the local list market."

When it comes to list buying itself, it's a similar story to the UK – except that you need to be far more careful. There are the compliance issues mentioned above to consider, while the task of finding out whether a local list owner or broker is selling good quality lists is more difficult if you are doing it over the phone from Basingstoke rather than from around the corner.

"Some of the markets aren't as developed as the UK so you need to check cleanliness, compliance and recency," says Elliot. "You have to put the checks in place."

### Data protection

**Because there are different interpretations of both the original 1995 Data Protection Directive and the 2000 Electronic Communications Directive in each country's legislation, much vigilance is required. Across the EU, there are differing definitions of what constitutes a customer, when opt-in is needed or how you should offer an opt-out. For example, in Germany, possibly the toughest regime, you cannot append a phone number for marketing purposes but you can do it for market research.**

Italy and Spain are two of the most problematic countries for data protection and also for data availability – generally the tougher the data protection regime, the less data there is available. Going to opt-in virtually wiped out the Italian list business overnight and a recent country-wide effort to solicit opt-in from consumers gathered only a few hundred thousand names out of the entire population. Most recently, the Italian government banned the use of the one of the few remaining list sources – the telephone directory. Most of the new Accession countries have gone for tougher legislation but, showing how fluid things are, Slovenia has recently changed to an opt-out regime from an opt-in one.

Data protection considerations also apply to collecting data from your own customers and prospects. For example, processing Spanish personal data outside of Spain requires the explicit permission of the individual concerned so you have to think ahead when considering what you will ask when collecting it or you can end up with data that you simply can't use. If the data is to be processed here in the UK, you also have to be sure that it complies with British data protection legislation.

Obtaining a clear, preferably written, explanation of a list's source and how it was gathered is the safest option to make sure that your company is going to be using it legally. "We speak to suppliers to see where the list emanates from," says the FT's Amos. "We need to know that it has been collected in a reputable fashion. The fines in Europe are a lot higher than in the UK!"

European authorities are considerably more aggressive in enforcement than their UK counterparts, with fines can run into hundreds of thousands of euros. A final thought to consider: the Spanish Data Protection Commissioner's Office is funded solely on the fines that it levies.

There is a strong mail order tradition in France, so there are a lot of brokered files available there. Similarly, there is reasonable availability across Germany, Scandinavia and Benelux while lists are thin on the ground in Greece and Italy.

“Eastern Europe is growing fast,” says Smith. “But a lot of the accession countries have gone for opt-in which will stifle the market.”

B2b marketers are in a better position, with looser data protection laws and suppliers like D&B and EuroContactPool covering multiple European countries using a consistent set of variables. Again, this means you can take a customer profile from one country where you have a sizeable base and good understanding, then use it to select prospects in another market.

For example, Andrew Horbury, marketing programmes manager at Verisign, worked with EuroContactPool to clean up his European customer database. This was then profiled and the results used to estimate potential and select target prospects across Western Europe. “It’s all done on standard business demographics,” says Horbury. “If I can go to one place instead of ten to 15 vendors, I can get much more for my money and I can be smarter.”

However, using the pan-European NACE business code, this kind of targeting is extremely broad. Part of an international network of data owners, Kompass offers a contrasting method of central targeting. It has its own b2b taxonomy which allows precise selection across 70 countries in a single pool.

“If you want to target a certain group then you need to be as specific as you can,” says Nancy Shepherd, Kompass’s marketing manager. “You can waste a lot of time contacting a big selection of companies. You tend to get that when making selections from large pools using a broader SIC code. Our taxonomy goes across the UK and Europe – which is our strongest area – and you can use it to profile your own UK clients, and select target lists for Europe down to as few as 20 countries.”

As the company’s partners are regionally based, they will be up to speed on what is required for local compliance. “The interpretation of local directives for each country is very different and it’s very hard for external companies to comply,” says Shepherd. However, as Kompass holds in the region of 750,000 larger businesses for the whole of the EU, those searching for smaller companies will probably have to shop around to find extra volume.

Email is probably the most risky area. The data is certainly out there, for example, Schober is launching its brand new eMarketBase list of opt-in consumer email addresses this month. But once again, knowledge of what the latest laws says and knowing that your supplier is complying is essential. For example, unsolicited emailing to businesses in France is fine as long

### Link to more information

[www.dhl-globalmail.com](http://www.dhl-globalmail.com) – pick up a PDF of DHL’s guide to international mailing.

[www.dma.org.uk](http://www.dma.org.uk) – detailed country information for DMA members only.

[www.fedma.org](http://www.fedma.org) – FEDMA has a huge amount of information on European and global marketing.

[www.idmf.co.uk](http://www.idmf.co.uk) – contacts for European data and services suppliers.

as the reason for the email is related to the recipient.

“We occasionally do cold emailing in North America and the UK but not really at all in Europe,” says Kate Amos, product manager at FT Database. “If we did, we would set up a specific contract with the supplier to protect ourselves. There’s a much higher risk of unsolicited contact with email marketing and we have to protect our brand.”

And you still have to be careful with warm email. “The regulations in Spain and Italy are tighter,” says Amos. “We would make sure that we definitely had a recent product relationship with them, probably in the last 12 months.”

### Work together

So “find a trusted partner” seems to be the message. Whether that partner is in the UK or a mainland European country is irrelevant as long as it has strong links to people on the ground in the territories you are interested in. “We work with Outpost in The Netherlands,” says Amos, who runs all her European direct marketing from the UK. “They act as a broker for us, do the list buying, and manage the processing too.”

This is where working with a global agency like Brann will pay dividends, given its network of local offices. UK suppliers will often have formed links with brokers in other European countries during previous projects. In a recent development, RSA Direct has formed the Lists4Europe alliance that spans brokers in France, Germany and Italy.

Planning campaigns and sourcing data for use across Europe is not a trivial task. The largest companies targeting consumers can take advantage of international classifications and b2b marketers have good list availability in Western Europe, but the rest of us will have to do our research and find a reliable partner or two.

“The challenge is successful targeting,” says Amos. “When you go to cold lists, make sure you use the information you already have on customers, enquirers and lapsed to really hone that down. You’re trying to cover a vast area so stick to the basics and really get them right. You need strong links with people based in Europe who have insider knowledge and there’s a lot to be learned from your colleagues in local offices.” ■



You need to check cleanliness, compliance and recency carefully

Stefan Elliot, international business development director, Experian Marketing Services.