

CDP In Action: Use Cases

Reduce Costs & Drive Results Across the Customer Lifecycle

Inside You'll Learn How To:

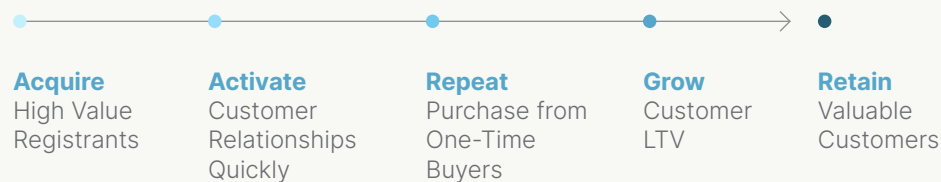
- Acquire High Value Customers At Lower Cost
- Activate Customer Relationships Early
- Turn One-time Buyers Into Repeat Customers
- Grow Customer LTV
- Retain Valuable Customers

Introduction

Consumers share an enormous amount of information every time they interact with a brand, regardless of the channel and whether they are simply browsing or are actually buying. In return, they expect personalized, relevant experiences, which many companies struggle to deliver across all customer touch points.

ActionIQ helps brands by giving marketers the ability to iteratively explore and ideate on true data-driven segmentation and campaign execution strategies. By leveraging 100% of their customer data, marketers can orchestrate campaigns, across all channels, immediately test and measure effectiveness, and optimize on-the-fly.

Stages of Customer Lifecycle



It's critical that brands be able to provide consistent, relevant messages to their customers at every stage of the customer lifecycle journey - from Acquisition to Retention. The data that customers themselves provide can help brands enrich their customer relationships at every stage of the journey.

Table of Contents

4	Acquire High Value Customers At Lower Cost
5	Strategic Suppressions Applied To All Paid Media Campaigns In Real-time
6	Acquiring High Value Customers Through Better Use Of First-Party Data
7	Activate Customer Relationships Early
8	Understand Anonymous Behavior To Accelerate Conversion
9	Identify The Best Way To Convert After Email Signup
10	Turn One-time Buyers Into Repeat Customers
11	Identify The Next Best Product To Offer After The Initial Purchase
12	Grow Customer LTV
13	Leverage Digital Interaction Data To Increase Conversion
14	Identify The Best Audience For Product Cross-Sell
15	Differentiate Communications By Price Sensitivity To Preserve Engagement
16	Increase Loyalty Membership And Manage Tiers
17	Retain Valuable Customers
18	Promote Consistent Purchasing Cycle
19	Predict Churn And Target High-risk Customers



Acquire High Value Customers At Lower Cost

How do you ensure that you acquire new customers for whom your brand is relevant? When you understand your best customers and their traits, you can target prospects who share these same traits and create messages and offers that are likely to resonate.

Use Case: Acquire High Value Customers At Lower Cost

Strategic Suppressions Applied To All Paid Media Campaigns In Real-time

CHALLENGE

The client had no efficient way to automate suppressions in real time, across all paid media channels, and across all campaigns, wasting impressions and money on existing customers or low value targets.

AIQ APPROACH

- Ingest campaign and conversion data across all channels.
- Allow the marketer to easily define and create audiences along any dimension of interest (i.e., conversion or low value).
- Export them to acquisition channels for automated suppressions from specific campaigns.

RESULTS

-50%

Decrease in 30-day CPA



Decreased brand
over-saturation and dilution

Use Case: Acquire High Value Customers At Lower Cost

Acquiring High Value Customers Through Better Use Of First-Party Data

CHALLENGE

The client's inability to identify high value customers was exacerbated by its registration wall - a lot of free accounts created just to browse the site, with no intention of making a purchase. Acquisition dollars were being spent inefficiently, without insight into potential customers for whom offers are relevant and with a higher likelihood of becoming a high value customer and brand loyalist.

AIQ APPROACH

- Build look-alikes (LAL) for Facebook acquisition, targeting off of tightly segmented high value seeds instead of the entire customer file.
- Use LAL approach on existing customer data to identify demographic/acquisition channel characteristics of high value customers compared to the rest of the portfolio and use these insights in acquisition strategies.

RESULTS

+13%

Increase in new customer cohorts AOV



Conversion of **high quality prospects** from insight-tailored creative



Activate Customer Relationship Early

For many brands, acquisition may only be a “sign-up” process. Consider the impact of converting these new acquisitions into active customers with campaigns that leverage the data gathered in the acquisition phase to quickly capitalize on interest—before it fades—with attractive insight-driven offers.

Use Case: Activate Customer Relationship Early

Understand Anonymous Behavior To Accelerate Conversion

CHALLENGE

The majority of new traffic driven to the client's site from acquisition sources does not convert and information on behaviors of anonymous visitors is lost without an authentication event. Additionally, the client has no solution to understand the signals for successful conversion, a lost opportunity to utilize those signals to get these newly acquired visitors to convert.

AIQ APPROACH

- Collect cookie-level data and match it to subsequent conversions.
- Gather insights on the drivers of early conversion through the feature importance module of the AIQ Look-Alike solution to inform optimization of early site experience.
- Develop look-alike model with a seed of 30-day converters and create a list of targeted prospects for activation campaign based on this model. Export them to acquisition channels for automated suppressions from specific campaigns.

RESULTS

+15%

Increase in the first 30-day conversions



Improved **acquisition targeting & creative tactics** with these insights

Use Case: **Activate Customer Relationship Early**

Identify The Best Way To Convert After Email Signup

CHALLENGE

The client knows the best time to drive purchase is within 30 days after a subscription event, but is struggling to maximize the opportunity during this window to ensure that subscribers turn into buyers.

AIQ APPROACH

- Tested and implemented a Welcome Series for new subscribers.
 - Varied product category and time delay between messages to find the optimal purchase window.
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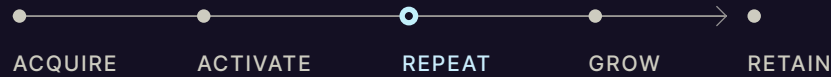
RESULTS

+17%

Increase of 30-day first purchase rate



Increased **brand engagement**



Turn One-time Buyers into Repeat Customers

How do you ensure that a customer's first purchase is not their only purchase? It's possible to engage new customers and turn them into brand loyalists by incorporating data from previous lifecycle phases into personalized messages that drive repeat purchases.

Use Case: Turn One-time Buyers into Repeat Customers

Identify The Next Best Product To Offer After The Initial Purchase

CHALLENGE

The client knows that every purchase increases the likelihood to keep purchasing, but over 60% of its customer base are one-time buyers. The brand struggled to determine the best times for repeat purchases that would help them maximize their window of opportunity to turn one-time customers into repeat buyers.

AIQ APPROACH

- Develop and automate the process to reach new customers at critical times with the right offer.
 - Identify the best next product and the best time to offer based on the characteristics of the customer and their first purchase.
-

RESULTS

+25%

Increase in 90-day purchase rate after the first order



Increased chances of a **subsequent purchase**



Grow Customer LTV

How do you enrich the customer experience and expand the relationship? Use the insights from the full, granular history of interactions to grow your customer relationship through targeted offers for relevant cross sells and upsells focused on what customers want, not what you need to push.

Use Case: Grow Customer LTV

Leverage Digital Interaction Data To Increase Conversion

CHALLENGE

A significant portion of this specialty retailer's customers made one purchase and never returned. Limited analytics resources and an inability to leverage website browsing data left the brand unable to gain a rich picture of their customer from limited transactions, leaving them without the ability to include any personalized details in email messaging.

AIQ APPROACH

- Set up a 10-step journey across email, social and web for new customers, driven by digital interactions as well as static CRM profiles.
- Messaging updates during the journey were based on new member interactions or purchases and the journey was optimized through continuous testing.

RESULTS

+30%

Increase in conversion to a second purchase



Higher engagement with e-mails among the newer cohorts

Use Case: **Grow Customer LTV**

Identify The Best Audience For Product Cross-Sell

CHALLENGE

Though the client sells products in several key categories (Women, Men, Home and Kids), they have learned that customers tend to stick with their original category. As a result, attempts to promote Home merchandise outside of existing home buyers were unsuccessful. The brand was looking to expand its Home category customer base in a relevant way, while optimizing consumer experience and growing CLTV.

AIQ APPROACH

- Identify the right prospects for Home merchandise through look-alike modeling (based on a wide range of demographic, purchase and behavioral characteristics).
- Develop an ongoing campaign and automate the process to reach the right prospects for its Home division at critical times.

RESULTS

+40%

Increase in # of categories purchased by targeted customers



Promote **Home products** in a relevant way

Use Case: **Grow Customer LTV**

Differentiate Communications By Price Sensitivity, To Preserve Engagement

CHALLENGE

This luxury retailer was sending the same 3-4 emails per week to the entire emailable customer base. Some emails featured very high-end, brand-focused messaging while others advertised flash sales, providing an inconsistent, inappropriate message for all segments.

AIQ APPROACH

- Customers are split into three groups: has only bought markdown or outlet items, has only bought full price items, or both.
 - Markdown or outlet customers receive promotional messages while full price customers receive high-end, brand-focused messages.
-

RESULTS

+20%

Email engagement rate increase across all three groups



Engagement with **relevant content**

Use Case: Grow Customer LTV

Increase Membership In A Loyalty Program And Move Customers Between Tiers More Efficiently

CHALLENGE

This client has a multi-tier loyalty program, and one of the strategic goals was to increase the size of the program through targeted marketing strategies. The client struggled to ensure they were targeting each tier with the correct messages to encourage entry into the program and spend.

AIQ APPROACH

- Develop a look-alike model to identify customers not currently in the program, who resemble the members based on their behavioral characteristics.
 - Create a campaign to target these customers with relevant communications to invite them into the program to encourage spend.
 - Use look-alike approach within the program to encourage members to move up through the tiers.
-

RESULTS

+10%+

Increase in spend velocity across all tiers of the loyalty program



Program engagement **across all membership**



Retain Valuable Customers

How do you make sure that you keep your customers happy so that they don't desert you for a competitor? Use the customer's own data to recognize the signals that identify disengaged customers and do it early enough to act and keep them engaged.

Use Case: Retain Valuable Customers

Promote Consistent Purchasing Cycle

CHALLENGE

This luxury retailer struggled to define churn and as a result was sending mass offers to everyone who had not shopped in the last 90 days via a targeting list creation process that was manual and time consuming.

AIQ APPROACH

- Calculated the order gap metric at the individual customer level.
 - Developed a process to identify when a customer is outside of their regular purchasing frequency.
 - Automated daily campaigns targeted to these customers to ensure retention.
-

RESULTS

+20%

Decrease in attrition



Elimination of **manual list selection** process

Use Case: Retain Valuable Customers

Predict Churn And Target High-risk Customers

CHALLENGE

When customer retention became a top focus, this large subscription business realized they could not identify at-risk customers and therefore could not prevent churn. The marketing team was attempting to correct this weakness, but the analytics team had limited bandwidth to develop all of the models that their business partners were requesting.

AIQ APPROACH

- Identify the behavior of churned customers with lookalike models and scan the active base to flag similar behaviors.
 - Enable marketers to run proactive campaigns to save at-risk high value customers, identified by AIQ model.
 - Help the analytics team to export data and features to streamline their modeling process.
-

RESULTS

-10%

Reduction in churn

+15%

Increase in engagement


About ActionIQ

ActionIQ empowers the world's leading brands to win in today's experience economy by building deeper, more valuable relationships with their customers. Our real-time orchestration and intelligence hub, powered by the fastest and most scalable customer data platform, enables marketers to quickly turn disconnected customer data into personalized experiences, orchestrated across all channels in real-time. The New York Times, Pandora, Gap Inc., WW, and more, trust ActionIQ to differentiate their brands, drive lasting customer loyalty, and significantly improve business performance — achieving up to a 20% increase in revenue in just a few months.


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Contact Us

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 facebook.com/actioniq

 linkedin.com/company/actioniq

 www.actioniq.com

 contact@actioniq.com

 50 W 23rd Street, STE 6A New York, NY 10010

 (347) 709 8880