

APPAREL

RETAILER'S GUIDE

TO DRIVING PERSONALIZATION ON FACEBOOK & INSTAGRAM



AS NEW TRENDS EMERGE IN THE FASHION SPACE, APPAREL SALES ARE GROWING.

Fashion sales in North America are expected to grow roughly 3.5% in 2019, according to research from McKinsey & Company.

Consumers are faced with more options than ever before. And to win their dollars, they expect brands to go above and beyond in delighting them. A Wunderman study found that 88% of consumers want to engage with companies that are setting new standards.

This means that the days of mass marketing are over.

ONE-SIZE-FITS-ALL MESSAGING WILL DO LITTLE TO PERSUADE CUSTOMERS TO CHOOSE YOUR BRAND OVER THE COMPETITION.

From start to finish, consumers are seeking personalized experiences. Gartner uncovered that brands risk losing 38% of customers as a result of poor personalization efforts.

Sophisticated apparel retailers are already implementing personalization strategies on Facebook & Instagram and seeing stellar results.

HOW?

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By tapping into their multiple sources of data.

OPTIMIZE ALL FORMS OF DATA

Without fully leveraging your first-party data, it is impossible to personalize messages to consumers.

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To create personalized, on-brand ads on Facebook & Instagram, marketers must leverage their first-party data from these sources:

- products (colors, prices, etc.) via the product feed;
- customers (purchases, interests, online intent signals, etc.) via the pixel and transactions;
- business locations (product availability by store location, etc.);
- and creative (user-generated content, brand colors, fonts, etc.).

In this guide, we will walk through how apparel retailers can leverage this data to create tailored ad experiences on Facebook & Instagram.

PUT YOUR PRODUCT DATA TO USE

Every single one of your products contains data you can leverage to create aesthetically-pleasing product ads.

The secret to true personalization lies in the custom fields of the product feed. If utilized in the right way, custom labels can be a personalization game-changer. Use them to overlay details that will compel your audience to make a purchase, or to create product sets that will resonate with segments of your customer base.

Here are some suggestions.

OVERLAY:

DEALS AND OFFERS

If you're catering to a deal-seeking audience, leverage the custom fields to overlay your offers within ads.

You could, for example, use a custom label to include the percentage off the regular price of your items. StitcherAds' feed manipulation tool can automatically calculate this figure using the information in the standard fields, and use it to power dynamic overlays.

If a discount is tied to a promo code (e.g. SUMMER20 for 20% off), you can use the custom label field to overlay that code on your products. A retailer that works with StitcherAds used this tactic to drive a 10% increase in return-on-ad-spend vs. just including the code in the ad copy.







OVERLAY:

PRODUCT REVIEWS

The vast majority of customers seek reviews before committing to a purchase.

One StitcherAds client uses custom labels to denote how many stars out of five each product has been rated on-site. Then, they overlay the number of stars directly on dynamic product ads. These ads yield a higher click-through rate vs. ads that don't feature reviews.

PRODUCT SET:

SEASON

If you have products that were created for use during a specific time of year, use a custom field to filter products by season. Then, create product sets to promote relevant items to shoppers. You can also allocate higher budgets to in-season items, e.g. bathing suits in the summer vs. long-sleeved shirts.

PRODUCT SET: UNIQUE PRODUCT DETAILS

Do you sell clothing that would appeal to a subset of your customers? For example, if you have t-shirts geared toward zodiac signs, you can include "zodiac" as a custom label and then segment items into product sets. Set a higher bid and budget during relevant months.

This will enable you to really delight your customers and get more value from your Facebook & Instagram marketing strategy.



TAP INTO CUSTOMER DATA

Personalization is about reaching the right people with the right message. But, creating that experience for consumers you've never interacted with can be a challenge.

That's where Dynamic Ads for Broad Audiences and Dynamic Ads for Retail come in.

DYNAMIC ADS FOR BROAD AUDIENCES

Dynamic Ads for Broad Audiences allow you to reach people who have expressed interest in your products or products similar to yours, even if they have never visited your website or app. This offering works so well because the tech relies on online intent signals from across the web. (So, ensure that the Facebook Pixel is properly installed on your site and optimized for success.)

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Pro Tip: Layer a lookalike audience segment over your broad audiences

Layer a lookalike audience segment over your broad audiences to train Facebook who to show your ads to. While Facebook only allows advertisers to target up to 10% of users most similar to your seed audience, StitcherAds can target up to 20%. This allows you to narrow the scope a bit, while still excluding people who wouldn't be a good fit. We recommend this vs. going fully after the 1% who you are probably targeting elsewhere.

CASE STUDY: FINISH LINE

FINISH LINE.

49X INCREASE IN SALES WITH BROAD AUDIENCE TARGETING

While dynamic ads had helped Finish Line successfully retarget and cross-sell, the team wanted to automate their ad campaigns full-funnel.

Prospecting through Facebook had previously been a challenge, as static ad formats to lookalike audiences hadn't provided the ad relevancy they needed to convert. To provide both expanded reach and data-fueled relevancy, StitcherAds set Finish Line up with a campaign testing Facebook's broad audience targeting. This allowed the Finish Line team to target people within their demographic who had not yet visited their website but who were likely to purchase Finish Line products.

Finish Line used this tool to successfully prospect new customers and increase revenue.

RESULTS

9.5 x

RETURN ON

AD SPEND

49 x 3 x

GREATER

REACH

INCREASE

IN SALES

83%

DECREASE IN COST OF SALE

DYNAMIC ADS FOR RETAIL

Dynamic Ads for Retail (DAR) are essentially Dynamic Ads in the Store Traffic Objective. It automates the process of showing relevant items to shoppers who are more likely to visit your physical locations and make a transaction. This technology that powers DAR places a strong focus on store locations and in-store shoppers. To ensure it works, ensure your Business Locations are up to date and that Facebook Offline Conversions is enabled.

When you layer Dynamic Ads for Retail to your Facebook & Instagram ads, you can successfully reach prospective customers, on-site visitors, or retarget people who have already interacted with you. If someone adds something to their cart, you can use DAR to tell them "Hey, you can get this in-store today."

Dynamic Ads for Retail significantly outperform Dynamic Ads for Broad Audiences in driving offline sales. A nationwide retailer that works with StitcherAds experienced a 30% increase in offline returnon-ad-spend in just one week when testing Dynamic Ads for Retail vs. Dynamic Ads for Broad Audiences.

Pro Tip: Avoid Retargeting Customers With Products They Already Bought

Keep in mind that 90% of retail purchases still occur in physical stores. Consumers might research online, but there's a good chance they'll end up purchasing in-store. To connect the omnichannel dots, retailers must ensure that offline product IDs match their online product IDs. This will enable retailers to do product suppressions and avoid retargeting online users with items they have already purchased in-store.

REPEAT & LOYAL CUSTOMERS

The low-hanging fruit in the personalization space are the people you've already interacted with. You have tons of data about your shoppers and loyal customers. Utilize it in a way that feels non-intrusive.

According to research from Qualtrics, 50% of consumers are somewhat or extremely likely to shop at a clothing retailer that can provide personalized recommendations.

If you work with a third-party company to power on-site product recommendations, you can create a customized pixel setup to push those recommended items on Facebook & Instagram. This would enable you to fire the content IDs from your "You might also like this ..." section rather than creating complex cross-selling campaigns. The products would then show up in personalized-to-user carousel ads.

Pro Tip: Leverage your loyalty program

Leverage your loyalty program. The StitcherAds team worked with a nationwide retailer to automate personalized ads to their "loyal" segment of customers. They provided the StitcherAds team with custom audiences of customers who had available points to redeem. We targeted those customers with a carousel of products they could redeem for free with their points. The copy read, "You have X points!" and was personalized based on audience segmentation. If you have their birthday information, utilize it. According to GPShopper, 60% of shoppers will buy themselves presents on their birthdays, almost double those who will splurge after getting a raise at work.

APPLY DATA FROM BUSINESS LOCATIONS

Localization plays a significant role in creating personalized experiences, and it's top of mind for most apparel retailers. In 2018, some 60% of fashion executives reported to McKinsey & Company they plan to grow and invest in omnichannel integration, e-commerce, digital marketing.

Dynamic Ads for Retail are the optimal solution for this on Facebook & Instagram. The creative within these ads is powered through the information in your Business Locations and localized product feeds.

In addition to displaying localized product details, Dynamic Ads for Retail also contain store information (opening/closing times, address, etc.) and a map card with a "Get Directions" CTA. This communicates to customers who have already shown intent that they are within close proximity to one of your stores where they can immediately buy products.

You can opt to either feature in-store only products or show items that are available online and in-store. StitcherAds has the ability to apply customized overlays to your ads that indicate buying options, promotion details and animation.

And by integrating product feeds by store location, retailers can feature real-time availability for local products.

Pro Tip: Keep your business location info up-to-date

Make sure to keep all of the information on your Business Locations up-to-date. This contains the information that powers your omnichannel ads. And there is nothing worse than directing a customer to

visit a location that is no longer operating.



ELEVATE CREATIVE DATA

USER-GENERATED CONTENT

Nothing says personalization like seeing authentic photos of real consumers enjoying your products.

According to our visual commerce partner Olapic, 44% of consumers say they trust user-generated content (UGC) more than any other form of content.

From a branding perspective, integrating UGC into your strategy isn't tough. But, integrating them into product ads at scale can be a challenge. In fact, 74% of marketing leaders report they struggle to scale their personalization efforts, according to Gartner.

To overcome this roadblock, StitcherAds leverages its product feed manipulation tool to create an automated solution for each retailer.

Pro Tip: Retarget customers with ads featuring UGC

If you're retargeting site visitors with standard product shots and they haven't converted within 30 days, try targeting them with an ad featuring UGC. If they have viewed content on your site or added items to their cart, user-generated content might give them the extra push they need to convert.





INSTAGRAM STORIES

Despite its massive reach (500 million active users per month!), Instagram Stories Ads still feels like an authentic, personal format. These ads are dispersed among the organic content that users are already viewing, so when executed well – they feel welcome and less obtrusive than other formats.

To heighten the personalization factor, take advantage of the native offerings within the format. Instagram Stories allows users to add static and dynamic elements over their images and videos.

Here's how international apparel retailer Primark does it.

The brand relies on lifestyle imagery rather than standard product shots on Instagram Stories. On top of that, they layer location tags to communicate to users which local store has the featured products available. This tactic comes off as relatable as it fits in well with how users are communicating on Instagram Stories.



MAKING SENSE OF THE DATA

How can you determine if your personalization strategy is working if you aren't effectively measuring your campaigns?

Personalization comes into play even when measuring online sales vs. in-store sales.

Relying on a 1-day click attribution model for online campaigns might be doing the trick. But for online-to-offline purchases, that's not expansive enough.

For offline attribution, StitcherAds recommends doing something like this:



This model takes into account that not every customer will have the opportunity to make it into a store within 24 hours of seeing an online ad. So, we attribute 100% of the purchases generated within 1-day of clicking + 50% of purchases made within 1-day of viewing + 50% of the purchases made within 2-7 days of clicking + 20% of the purchases made within 2-7 days of viewing.

It's crucial to factor in how far people are willing to travel to get to your stores, as well as the prices of the items you're selling, and the consideration period. Someone might not take that long to buy a white t-shirt, but they will take a significant amount of time to decide on a luxury dress. TAKEAWAYS

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Apparel marketers have a unique opportunity to leverage their data sources to drive personalization on Facebook & Instagram. Let's review some of the strategies marketers can begin to implement today to heighten personalization on Facebook & Instagram.

PUT YOUR PRODUCT DATA TO USE.

Utilize information about your merchandise—like color, season, pattern, price—to overlay details and create more tailored-to-user product sets. This will enable you to delight your customers, and get even more value from your Facebook & Instagram strategy.

TAP INTO CUSTOMER DATA IN A WAY THAT FEELS NON-INTRUSIVE.

Dynamic Ads for Broad Audiences rely on online intent signals and are optimal for reaching online customers. Dynamic Ads for Retail places a strong focus on store locations and in-store shoppers. And to personalize for current shoppers, create a customized Pixel setup to capture stronger intent signals and use previous transactions to effectively cross-sell.

APPLY DATA FROM BUSINESS LOCATIONS.

Ensure all of the information in your Facebook Business Locations are up to date. This data powers your omnichannel ads, and incorrect information will result in poor customer experiences.

ELEVATE CREATIVE DATA.

User-generated content and Instagram Stories are two simple ways to heighten the authenticity factor.

MAKE SENSE OF DATA BY CREATING SMARTER ATTRIBUTION MODELS.

For offline sales, factor in how far people are willing to travel to get to your stores, as well as the price point of the items you're selling, and the consideration period for your products.

Data is essential to thriving in today's apparel market. Retailers who fail to adopt these strategies will be unable to compete and successfully win over the consumers of today.

