

# Five Growth Strategies to Attract Customers This Holiday Season

Impact-Ready Holiday Campaigns for E-commerce and Retail



## Contents

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## **03 Introduction**

## 04 Chapter 1

Abandoned Cart Campaigns

Abandoned Browse Campaigns

Lookalike Audiences

Send a Hint Tactic

## 09 Chapter 2

Price Drop Campaigns Retarget Seasonal Buyers Recognize and Reward Loyalty Drive Engagement with Holiday Automations The Truth in Data

## 13 Chapter 3

Gamification

Target Anonymous Visitors On-Site

Product Recommendations

## 17 Chapter 4

Excellent Customer Service

Exclusive Events

Retarget Inactives with Personalized Offers

## 21 Chapter 5

Gift with Purchase

Drive Traffic In-Store

Increase Purchase Frequency

## **24** Final Thoughts







## 11

The risk with blanket discounting is selling good stock at a discount when it would have sold anyway. A tailored approach is always best, particularly when targeted at the right customers."

- Digital Director, Oasis, UK

# Introduction

Marketers focus hard on the year-end holidays for a good reason: A holiday week can produce 3-4X the revenue of a regular week, but it's not easy. From an overemphasis on pursuing leads and offering blanket discounts to the real-time difficulties of capturing data and tracking changes in shopping habits. marketers struggle to overcome tough obstacles like:

- Blindly deploying BAU (Business As Usual) acquisition campaigns that don't perform.
- Trying to catch the attention of one-time customers amidst all the holiday noise.
- Improving holiday revenue without more budget or resources.
- Launching retention campaigns despite acquisition consuming the majority of budget.
- Customers who have been disappointed by e-commerce deliveries and no longer buy from a brand.

This playbook is designed to help you, the marketer, successfully navigate the turbulent year-end holidays and come out looking like the hero. The strategies outlined in the following chapters are what the brands we work with have used to drive long-term business growth during the holidays. Each strategy includes a set of supportive tactics that will enable marketers to deliver the results the C-suite wants most.

### A few notes to keep in mind as you read:

- All the data in the playbook is grounded in the insights gained from 2,000+ clients over two decades.
- Predictions are based on 4.8 billion customer data points.
- Strategies refer to strategic KPIs monitored by brands to measure their sales performance.
- Tactics refer to automated multitouch and cross-channel marketing programs commonly launched by top-performing e-commerce and retailers to fulfill specific use cases and deliver on specific strategies.

# Increase Leads to First-Time Buyers



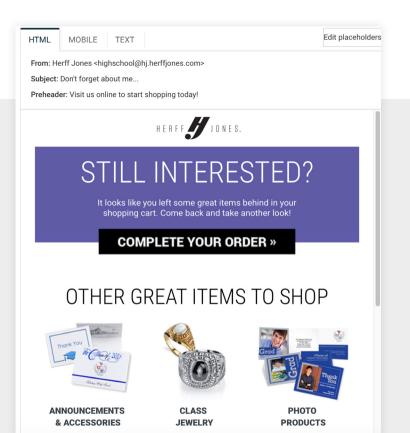
# **Increase Leads to First-Time Buyers**

Most brands spend 90% of their budget on acquisition, in some cases blindly throwing money at BAU campaigns aimed at leads but that produce low conversions. However, we have found proven ways you can optimize your program so that you're more effective at attracting new customers during the holidays:

- Abandoned Cart Campaigns .
- Abandoned Browse Campaigns
- Lookalike Audiences
- Send a Hint Tactic

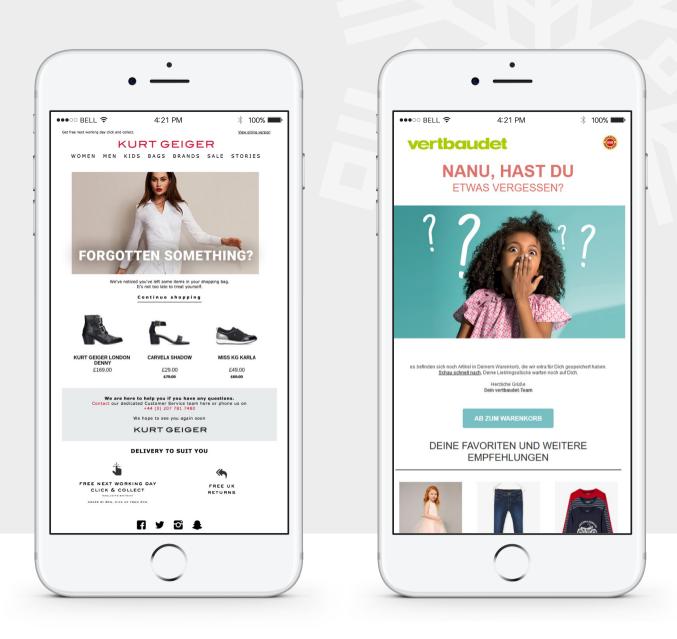
## **Abandoned Cart Campaigns**

One of the best ways to get a lead to convert is to reach out to customers who have left items in their shopping cart and give them a good reason to come back and complete the purchase (see women's tote



bag brand Kurt Geiger's and jeweler Herff Jones' messages). For the greatest impact possible, you need to tailor those messages to each shopper type.

Researchers will trawl the web for the most relevant product. Opportunists could be buying something on a whim. Bargain hunters will be waiting for that great offer. It only takes one Abandoned Cart email at the right time with the right message to convert these visitors into shoppers (see maternity and children's clothing brand Vertbaudet's mobile message).



Give customers a good reason to come back and complete the purchase.

The right message at the right time will convert visitors into shoppers.

## **Abandoned Browse Campaigns**

Considering how much acquisition budget brands spend on driving a specific customer to the website, you have a small window of opportunity to get the customer to convert while she's there. Similar to Abandoned Cart campaigns, Abandoned Browse automations allow marketers to reach out to customers who have spent time browsing the website without buying anything and give them an incentive -10% off or free shipping – to come back and purchase (as shown in Temple & Webster's mobile message).

●●●○○ BELL 奈

3 Seater Grey Zanda L-

Shaped Sofa

\$1099.00

\$1629-00

4:21 PM

TEMPLE

WEBSTER

RUG8 | LIVING | DINING | KITCHEN | BEDROOM | 8EARCH

Still thinking it over?

Here are some of the items from your recent visit, we wanted to make sure you could find them again easily

> Haven't quite found what you're looking for? Our experts are here.

Happy shopping. Temple & Webste

RECOMMENDED FOR YOU

ook for this icon

Fames Premium Leather

leplica Lounge Chair &

\$729.00

6000.00

BUY NOV

But it's not just about the discount. It's really about the relevancy of the offer. If you are not going to give visitors a discount for registering or purchasing, you can still use a web channel popup to highlight your free delivery and return policy – or even better, recommend similar products to the ones they have browsed (for example, "Before you go, did you see these?").

Make an impact this holiday season with our e-commerce and retail solutions.

Five Growth Strategies to Attract Customers This Holiday Season



\* 100%

## All the hard work creating new programmes has been done earlier in the year. So it's about optimising what we've already got, whether that be exploring our Abandoned Browse programme or fine-tuning the personalised homepage

content. Small changes will make big wins in December."

— Digital Director, Oasis, UK

## **Create Lookalike Audiences**

Reaching out to people who have never bought from you is one of the most challenging things a marketer has to do. That's where lookalike audiences can really help. Based on your best customer profiles (your source audience), you will try to target potential customers in the same way you've personalized the connection with your existing customers.

Start by looking at your seasonal shoppers from the previous year. Then use a proven channel like Facebook to find similar seasonal shoppers that you can target with gift messages or your gift guide (if you have one). This is a proven way to acquire new customers.

### **Source Audience**



Website visitors



Buyers



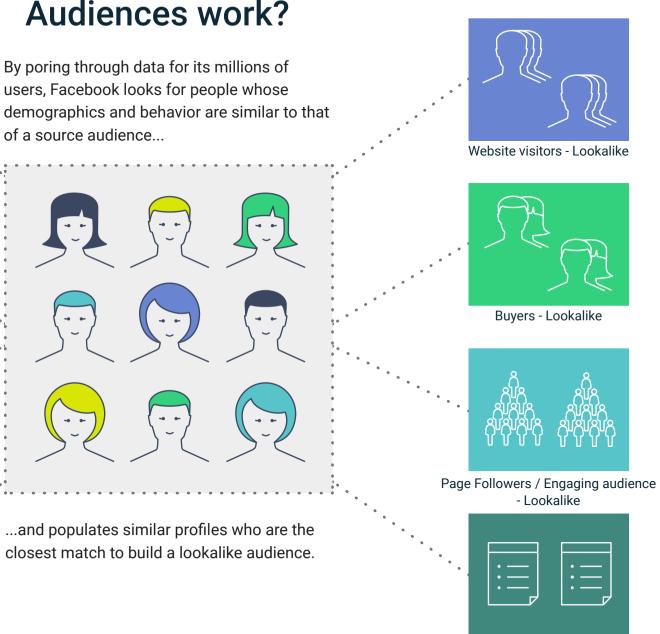
Page Followers / Engaging audience



Mailing Lists

## How Lookalike Audiences work?

of a source audience...



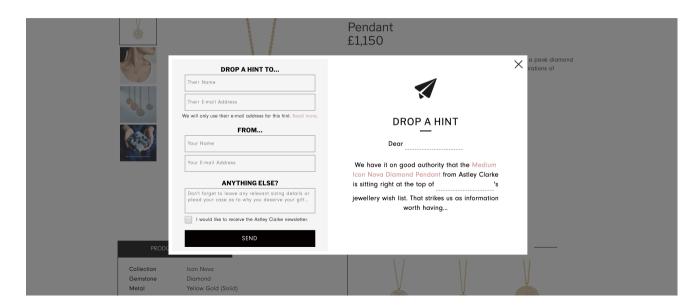
## Lookalike Audience

Mailing Lists - Lookalike

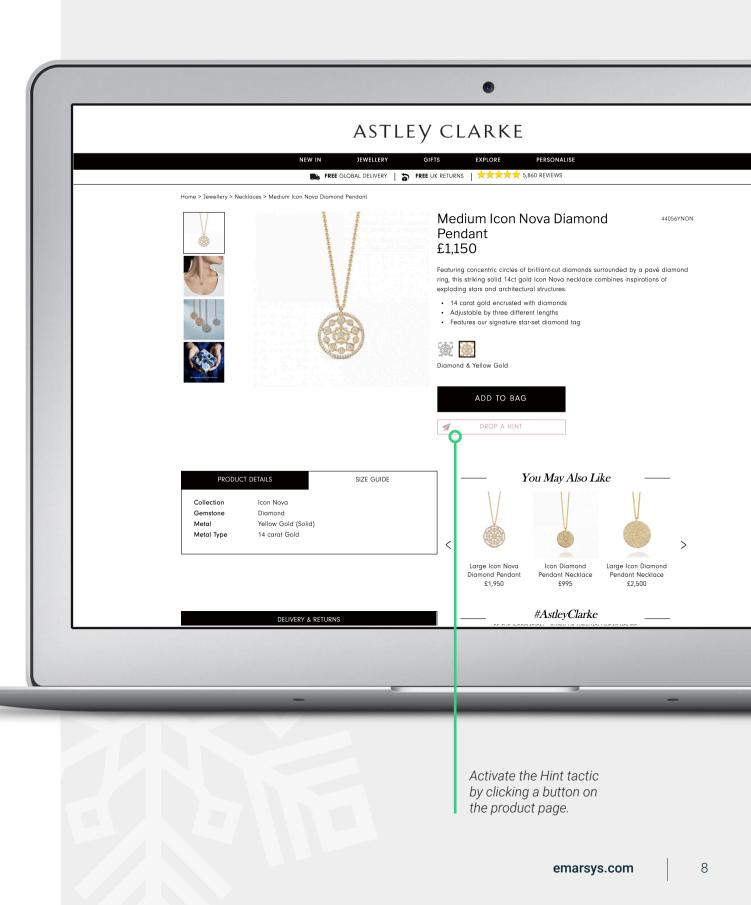
## Send a Hint

The Send a Hint tactic is an effective way to identify seasonal browsers who are looking for something special for a friend or family member. These browsers might not qualify as your ideal customer, so you'd have no other way to identify or engage with them. However, Send a Hint is hugely beneficial for gifting holidays, be it Christmas, Hanukkah, Singles Day, Diwali, or any birthday or anniversary.

The way this works is that a family member wants to make sure he's going to get a present he actually wants. He simply goes to a brand's website, selects the product he wants, and clicks a Send a Hint button. (See Astley Clarke's Drop a Hint screen on the right.)



Then the shopper chooses the channel he wants to send the hint through (email, Facebook, What's App, Twitter, or SMS) and includes a personalized message to the recipient (as shown in the Astley Clark form and message above). The next time his chosen circle logs in to the channel, they'll get the gift idea. Since this may involve consumers who have never bought from your brand before, you may pick up a crowd of first-time buyers.



# Increase First-Time Buyers to Repeat Buyers



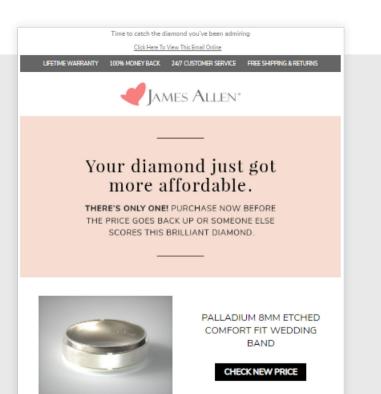
# **Increase First-Time Buyers to Repeat Buyers**

An Accenture study found that 75% of shoppers only buy once from an e-commerce brand or retailer. Driving that second purchase is key to increasing long-term customer lifetime value, and it can be done with something as simple as a discount mobile message (see Pretty Little Thing's message) as well as these solutions:

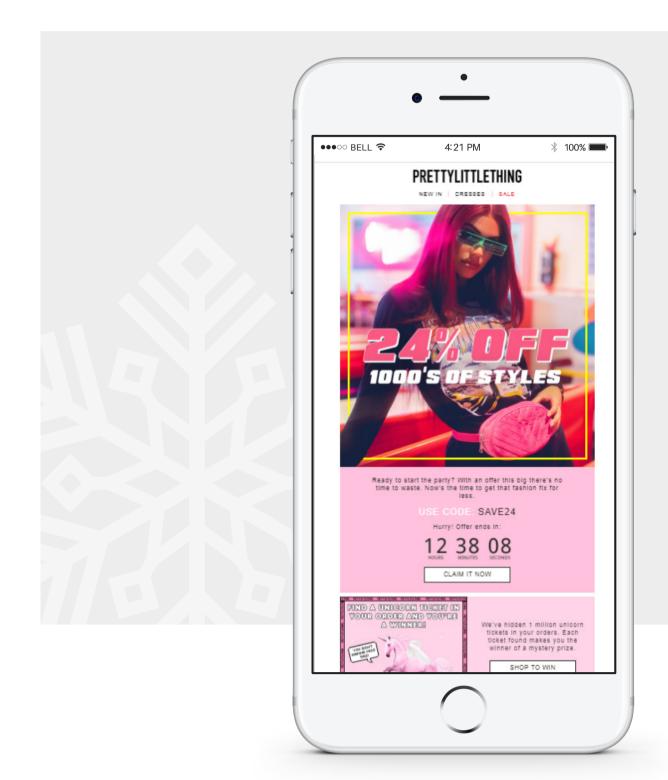
- Price Drop Campaigns
- **Retargeting Seasonal Shoppers**
- **Recognizing and Rewarding Loyal Customers**
- **Engaging Shoppers with Holiday Automations**

## **Price Drop Campaigns**

Price Drop campaigns are super-effective at getting the attention of opportunists and bargain hunters ready to seize deals that pop up. But you can also use Price Drops to convert any shopper who has shown interest in a specific



product (see jeweler's James Allen message). Many Price Drops have a time limit that strongly encourages immediate action.



A discount mobile message with a countdown to end of incentive.

## **Retarget Seasonal Buyers**

Take a look at your customers who were single-order-only last holiday season. Even if they've not engaged with your brand for six to ten months, there's revenue to be had via targeted Facebook Ads, Google Adwords, and email campaigns. Don't forget that your customers still need to keep you top of mind, and retargeting is the best way to do that when they could be considering other options.

## **Recognize and Reward Loyalty**

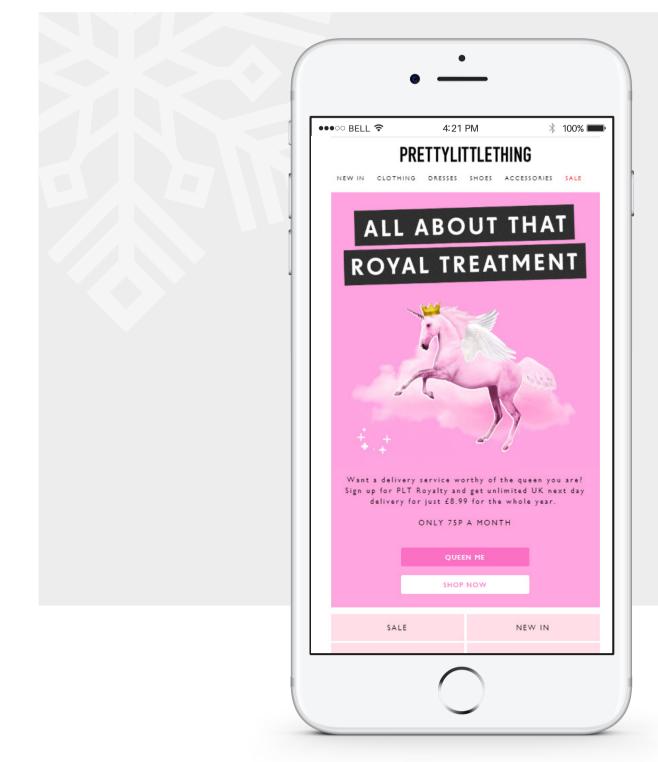
Customers crave brands who value the relationship they have with them. They engage more deeply with these brands and buy more products. They are essentially loyal customers without belonging to a rewards club. So why not invite them to join (as shown in Pretty Little Thing's invitation)?

Christmas is one of the best times to recognize loyal customers who have been there the whole year, shopping full time, who bought your new products and collections first, and who talked about you on social media. It's time you give back to them, and the Q4 holidays are perfect for extending loyalty invitations and gaining traction in driving repeat purchases.

## **Drive Engagement with Holiday Automations**

Customers don't just want promotional material, especially come November and December. They also want content that entertains or educates. The holiday shopping season provides a great opportunity to serve existing customers with exciting content that drives engagement and purchases.

For example, an automated "12 Days of Christmas" campaign could show a different product every day, but it would be even more engaging to share a relevant blog post each day (about your Christmas checklist, different recipes to try, or any holiday-themed content that could drive traffic).



Recognize and reward the customers who shop with you most by inviting them to join your loyalty program.

Over the past few years, we've increased the number of days of our sales and brought forth new promotion types based solely on the demand being available. There are several other big holidays for sales throughout the year, but Black Friday/Cyber Week are by far the most driven by consumers and their desire to spend."

- Chad Siovaila, **Director of Performance Marketing**, **USA Evewear** 

### The Truth in Data

There's a persistent belief in marketing that the year-end holidays are mainly a period for acquisition. However, our data science team has found no particular pattern in leads vs. repeat customers during this timeframe.



# Increase AOV (Average Order Value)



# **Increase AOV (Average Order** Value)

It's surprising that many marketers still don't think enough about improving AOV during the holidays. Why should they care about this metric? Because a small change can deliver big results. For example, an increase of \$1 in AOV for over 100,000 orders leads to a \$100K uplift in revenue directly attributed to marketing efforts.

And it's not that difficult to do. In addition to gift cards and product bundling, there are several ways to persuade customers to add another item or two to their cart and drive up revenue (as Roman Originals have done with their incentive to spend a certain amount for a discount). Other tactics include:

- Gamification .
- **Target Anonymous Visitors On-Site**
- Product Recommendations



## Gamification

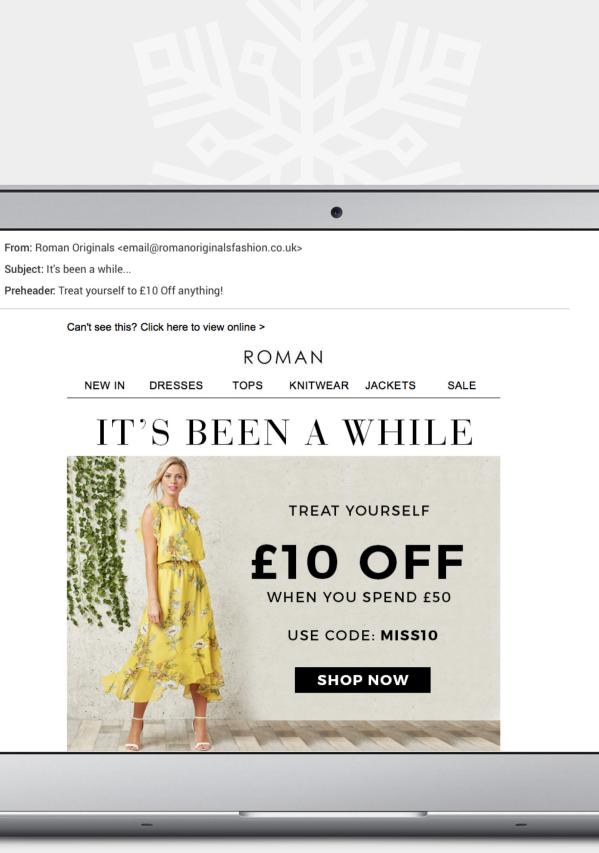
Games are an excellent way to draw in leads and existing customers, especially when it's a simple game of chance like Norwegian beauty brand BliVakker's Spin the Wheel (see the image). Some games aim to get online shoppers to visit brickand-mortar stores; others drive purchases within the brand's app. But they can also be used to increase AOV during the Q4 holidays by simply offering a reward for a purchase made OVER the AOV for a REPEAT purchase.

For example, if your AOV is \$85, offer 10% for customers who place an order over \$100, 20% if they purchase for \$150, and 30% if they purchase for \$200 or more. This drives the Average Order Value up as well as repeat purchases.

Subject: It's been a while.



Increase AOV by giving discounts for a certain amount spent.



## **Target Anonymous Visitors On-Site**

Any time someone browses your website, you have the opportunity to make a connection. During the holidays, you'll have a lot of someones looking at what you have to offer. It's the perfect time to send a message like "Add one more item to your cart to get Free Next-Day Delivery."



This is especially useful when you can use offers like this to capture "unidentified" customers not logged in to the website (as shown in Tom Tailor's message).

Sending an automated message to visitors encourages them to do one of the following:

- Identify themselves.
- Register if they don't have an account. •

As a reward, you would then offer incentives OVER the existing AOV of your brand's customers. Marketers just need to know what the existing AOV is to craft strategic campaigns.



- Chad Siovaila. **USA Eyewear** 

## We're leveraging early access to promotions, ever-increasing personalization in messaging, enhanced email signup tactics, multichannel engagement especially around abandoned carts - to drive revenue and

active customers."

Director of Performance Marketing,

## **Product Recommendations**

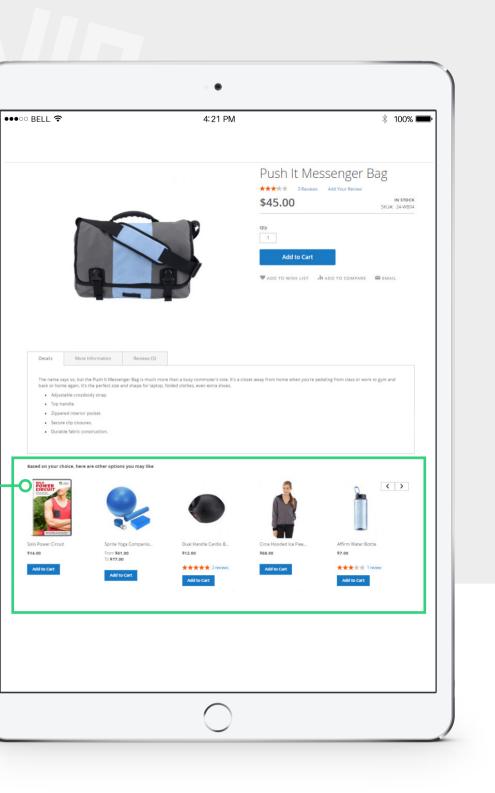
As a customer, it's extremely time-consuming to go through a brand's entire catalog screen by screen. But by using AI to track what other people have looked at and converted on, a lot of brands can now recommend products that could be a great alternative or complementary to the product a customer's looking at.

For example, an "Also Bought" widget (or a "Frequently Bought Together" widget as shown in the Push It Messenger Bag message) is a reliable way to recommend other products that your data tells you this unique customer is most likely interested in. This tactic is especially powerful when you combine recommendations with a gift guide. Any time you can help customers find similar or additional items, you can increase the number of items purchased.

Give your online customers the best holiday shopping experience with our <u>e-commerce solutions.</u>







# Win Back Churning Customers



# **Win Back Churning Customers**

Acquisition eats up budget and resources, which can overshadow retaining existing customers. However, by using your customer data, you can personalize messages and target inactive customers and turn inactivity into active customer revenue. Expectations are low over the holidays, so delivering above and beyond customer engagement can make a huge difference in enticing customers to come back and shop (as shown in LD Products' "We Miss You" message). Think about these areas:

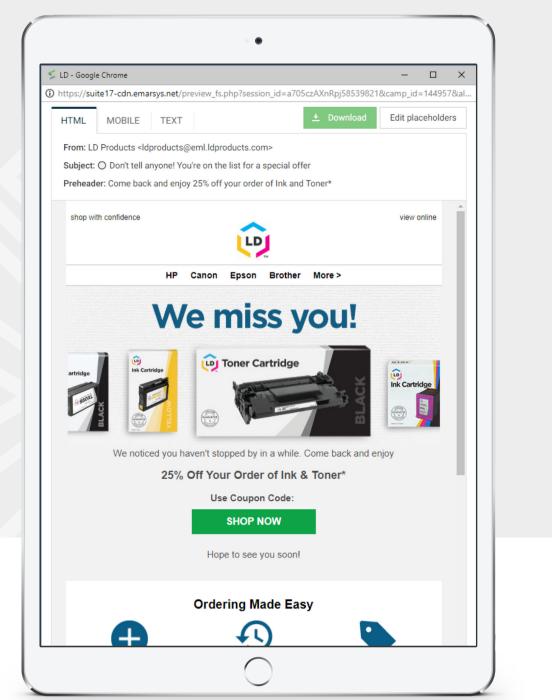
- **Excellent Customer Service**
- **Exclusive Events**
- **Retarget Inactive Customers with Personalized Offers**

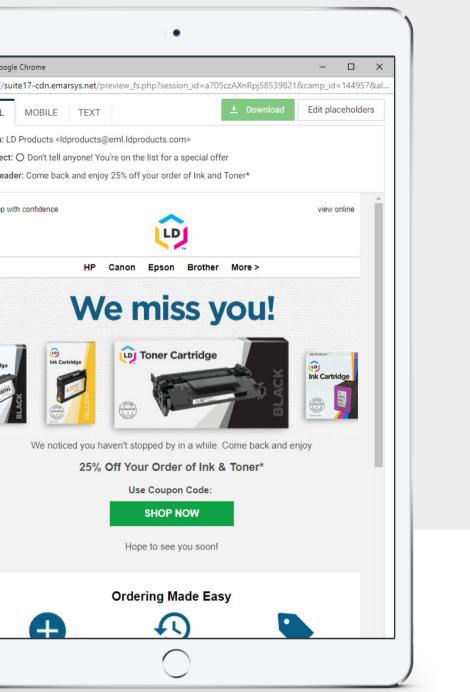
### **Excellent Customer Service**

One of a brand's most important ways to keep focus on retention is by providing exemplary customer service. Customer service requests go up 65% during the holiday season (Shopify Plus). An American Express analysis found that 33% of customers will immediately think about turning their backs on a brand after one, single bad customer service experience, and according to a Harvard Business Review study, 48% of consumers who have a terrible experience with a brand will go on to tell 10 or more people about it.

One particular support company, Zendesk, offers integration and customer support tracking for resolving issues. As a flexible CRM platform, Zendesk Support lets you nurture and personalize your relationship with the customers in two important ways:

- You can create a specific automation program for unhappy customers.
- You can personalize every interaction your customer service team has with each customer by embedding the single customer view within Zendesk. The best platforms will support this by providing each client ticket with a unified profile customer service agent who can then tailor the interaction based on past purchases or recommended products.

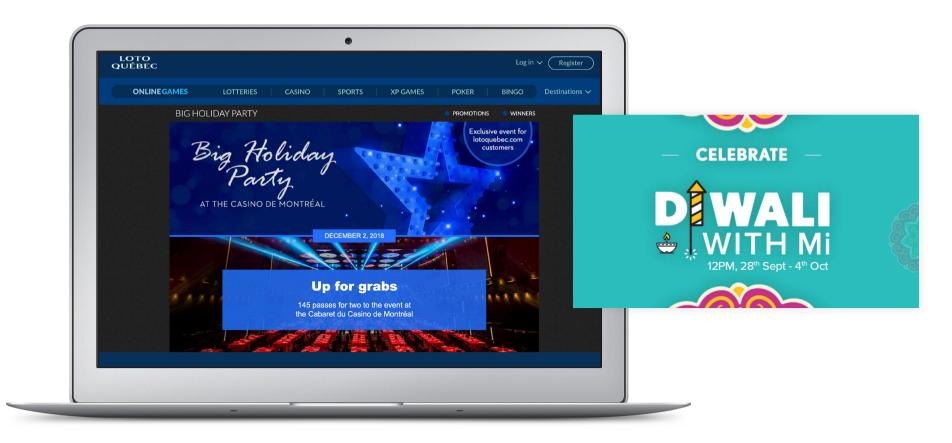




## **Exclusive Events**

Invite churning customers to an exclusive event in-store or online based on their predicted spend to win them back. From September to January, you have many holidays to build events around.

Some retailers offer "after hours" events during the holidays when stores are packed. Giving customers the freedom to do their shopping with champagne, cake, and stylists/product experts will make their holiday shopping a lot more enjoyable and provide an incentive big enough for them to re-engage with your brand because that experience to them is PRICELESS.





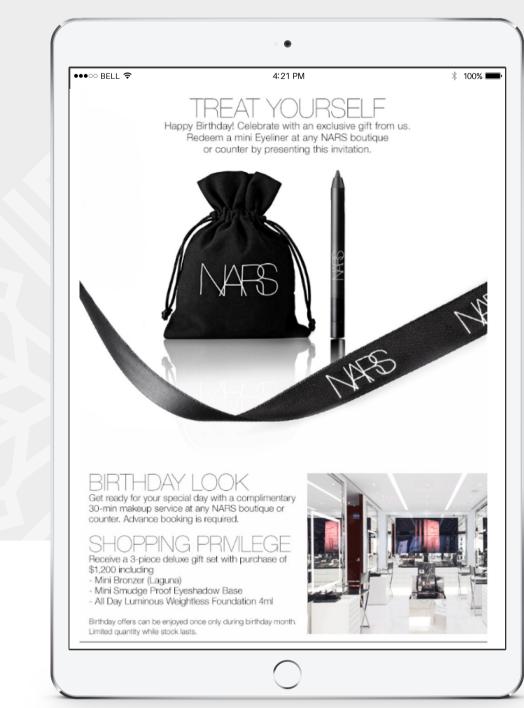
It's become a standard part of the peak planning process. Whether you participate or not, you need a strategy to deal with the knock-on effects and opportunities it creates. Most websites will see increased traffic even if not participating. So there's a real opportunity for driving conversion, but we've learned we need to be mindful of the strain on the delivery networks and tech infrastructure."

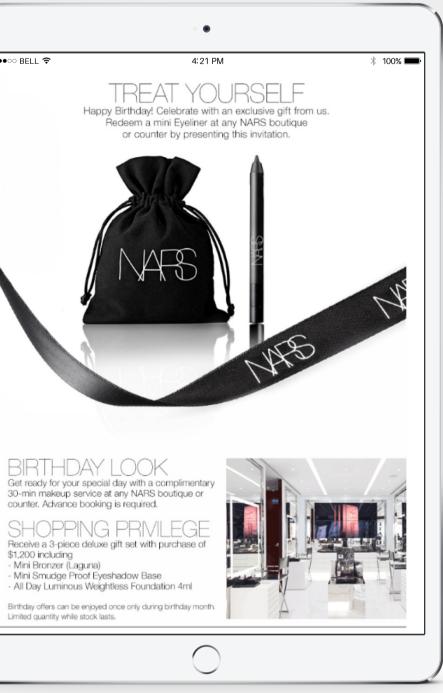
- Digital Director, Oasis, UK

## **Retarget Inactive Customers with Personalized Offers**

You've all heard about AI and how it can make your holidays less of a guessing game. By leveraging datadriven predictive segments for customers who are likely to purchase or remain inactive, you can send out targeted campaigns and win back as many customers as possible with a custom discount or a gift with purchase (as shown in NARS' offer).

> Drive in-store traffic throughout the holidays with our retail solutions.







# Drive Store Sales



# **Drive Store Sales**

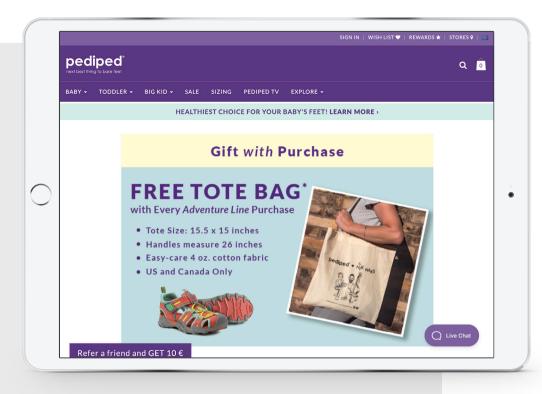
E-commerce brands continue to hit new sales records every holiday season, but they are clearly not killing retail. Brick-and-mortar stores are still paramount during the holidays. Customers can't always trust e-tailers to deliver their purchases on time. Some are routinely disappointed when the product they get doesn't exactly look like the image they saw online. Customers still NEED stores for holiday shopping.

This gives the data-driven marketer another way to increase ROI. 70% of all orders are placed in-store, and by using digital channels, a marketer can be the hero and impact impact retail revenue with these tactics:

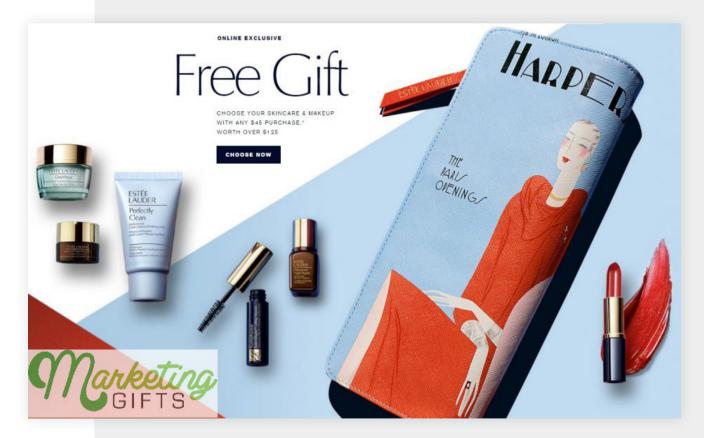
- Gift with Purchase
- Drive Traffic In-Store
- Increase Purchase Frequency

## **Gift with Purchase**

When blanket incentives underwhelm shoppers, giving away samples of your products can make the difference – beauty kits, tote bags, and luggage are popular gift items. You not only draw customers to stores to make a purchase and get



their present, but you also give the customer the opportunity to fall in love with a product they may not have considered buying otherwise.



By sending a Gift with Purchase offer, you give the customer the opportunity to fall in love with your product.

## **Drive Traffic In-Store**

Drive footfall to the nearest store by sending customers geotargeted content containing store details (location, number, and opening times) and leverage the local store's inventory information to showcase "Products you love in your nearest store right now."

You could deploy an automated series of emails built around a one-day sale in-store. Or maybe you want to drive traffic to popup stores in malls. But for this to work, marketers must make sure that their store inventory files are up to date -39% of customers are unlikely to visit a retail store if the e-commerce store does not provide store inventory info (Forrester). There's nothing more annoying than going into a store for a specific product only to find out it's not there.

### **Increase Purchase Frequency**

Physical stores are where the lion's share of the revenue comes from right before Christmas Day. It's the ultimate time to capture data to build visibility on store shoppers and unify your customer profile with in-store and online purchase data. Then you can go one step further and leverage Facebook Ads to encourage Click & Collect and BOPUS (Buy Online Pick Up in Store) over the holiday and increase purchase frequency.



We will drive traffic by wowing our customers with emotive Christmas retail offers, and our customers will enjoy shopping from the best quality range of summer fashion for the family at a great price."

- General Manager of Online, Best and Less, Australia



If you're interested in an impact-ready marketing platform that can deliver ready-to-activate strategies and tactics that will turn your dreaded holiday peak season into a data-driven plan for success in days, not months, learn more here.

For more on time to value, check out the whitepaper.

# **Final Thoughts**

The Q4 holidays are a prime opportunity for e-commerce and retail brands to build deeper relationships with existing customers and catch the attention of new customers. However, this is always challenging every year due to changing customer habits.

We've learned over the past couple years that steep discounts in late November negatively impact revenue throughout the season. That means marketers need to think more about which strategy applies best to each segment and how to personalize all holiday communications.

## Holiday Tips to Keep in Mind

- Acquisition: To make the most of all that budget thrown at new customers, optimize your website, mobile site, **N1** mobile app, and brick-and-mortar stores for data capture. Make sure you have the right technology to identify and convert leads.
- Turn the one-timer into a repeat customer: Plan your conversion strategy around what you know about your 02 first-time customers, and ensure you provide valuable incentives by analyzing product and customer trends from previous years to inform your retargeting.
- 03 Increase AOV: Use your customer data to entice both existing and new customers to add an item or two to their order. Gamification and leveraging product recommendations are great ways to earn big results from small purchase increases.
- 04
- Retention: From excellent customer service to exclusive holiday events, there are several things you can do to retarget inactive customers and get them to come back and shop with you.
- 05 Drive traffic in-store: To stand out from all the holiday noise, make sure you have the right tactics (like a gift with purchase) in place to convert those customers everyone else is marketing to. If you can remove friction in the customer journey, including researching online and then coming into a store for pickup, then you may very well increase purchase frequency in-store too.

# **About Emarsys**

Emarsys is the largest independent marketing platform company in the world and the only marketing platform that knows your industry. With embedded, industry-specific turnkey solutions, our software enables truly personalized, oneto-one interactions between marketers and customers across all channels building loyalty, enriching the customer journey, and increasing revenue. This enables companies to scale marketing decisions and actions far beyond human capabilities.

With more than 1,500 customers and 4.8 billion contacts, our AI-driven platform has the ability to predict what any of your customers will be doing over 360 days.

Using engagement scores, purchase history data, and behavioral patterns, Emarsys is able to predict a contact's potential lifetime value, as well as their likelihood to purchase or churn, in a given time frame. Emarsys AI natively provides channel propensities at a one-to-one level for emails, mobile, web, or in-store. Products, content, and incentives are automatically tailored to each individual, for each use case and across all channels, while taking their engagement probability, purchase probability, and next cart value into account.

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