

How to Measure Your Retention Marketing

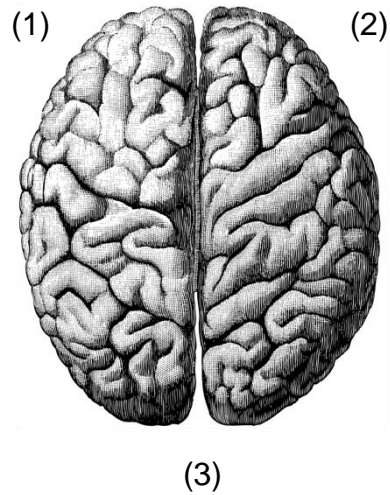
optimove

— The Science-First Relationship Marketing Hub



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VP Revenue,
Optimove

The Mechanics of Optimove



- (1) Insight
- (2) Engagement
- (3) Optimisation bot

**Trusted
by 500+
brands**

lastminute.com

 **culture trip**

 **FINEWAY**

Tourlane

ticketarena 

Facts and Figures

Founded in 2009

260 employees

Tel Aviv, London,
New York

The Challenge: Once and Done?

75% of customers will
never book again.

Why You Should Care

Acquiring a new customer is **4.4X** more expensive than retaining an existing one.

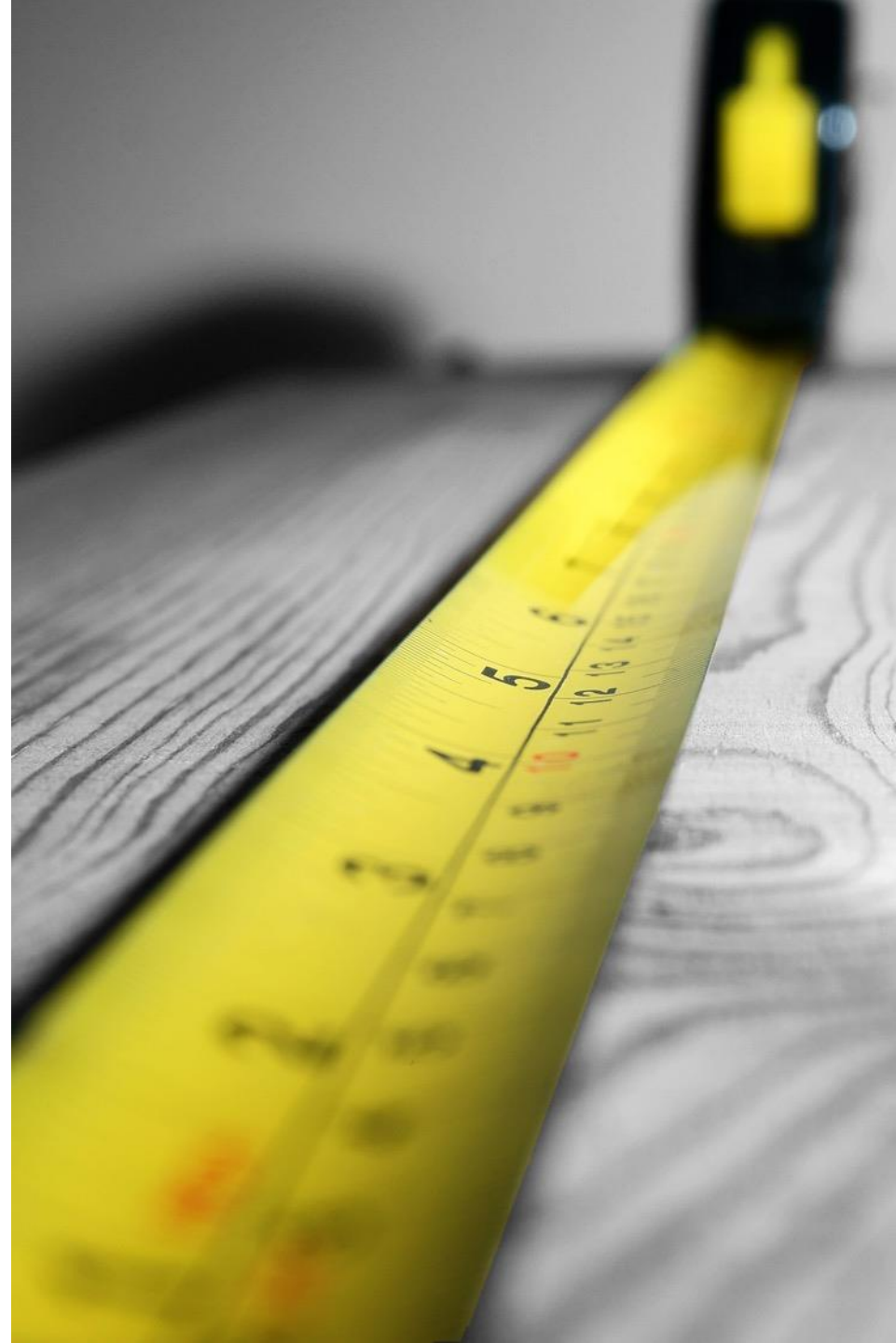
Goal:

Maximise Customer Value



Question:

How Do You Attribute Success to Your Customer Marketing Efforts?



Campaign Analysis

/

Campaign Details

Target group: VIP

Number of customers: 1,000

Offer: 10% discount on your next stay

Channel: Facebook + email

7 days later



Campaign Results

Target group size: 1,000

Customers who made booking: 295

Booking rate: 29.5%

Avg. spend per customer: €500

Campaign Analysis

/

Total Increase: €100,000

Campaign Details

Target group: VIP

Number of customers: 1,000

Test: 900

Control: 100

Offer: 10% discount

Channel: Facebook + email

7 days later >

Campaign Results

	Test	Control
Target group size:	900	100
Customers who made booking:	290	25
Booking rate:	32%	25%
Avg. spend per customer:	€500	€200

Selecting the Right KPI to Measure Success

// What is the campaign objective?

// What do you want your customers to do, to meet the objective?

// What would represent good or bad outcomes?

// What activities affect customer value?

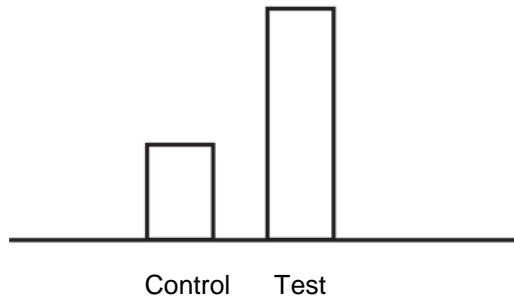
Question:

How Do You Scale This Approach?

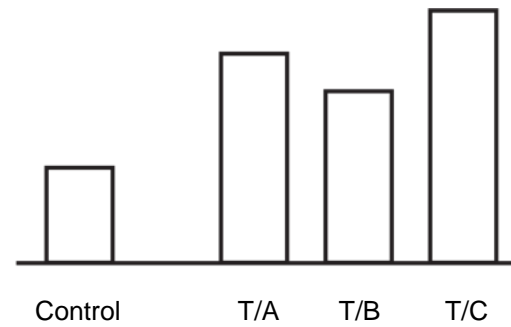


Experiment Design

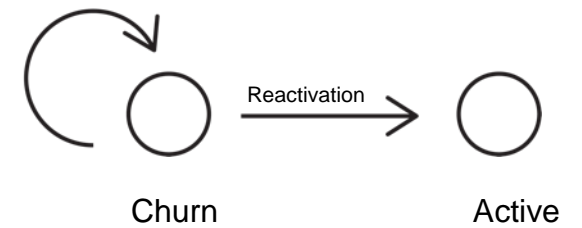
One interaction with one message



One interaction with few messages

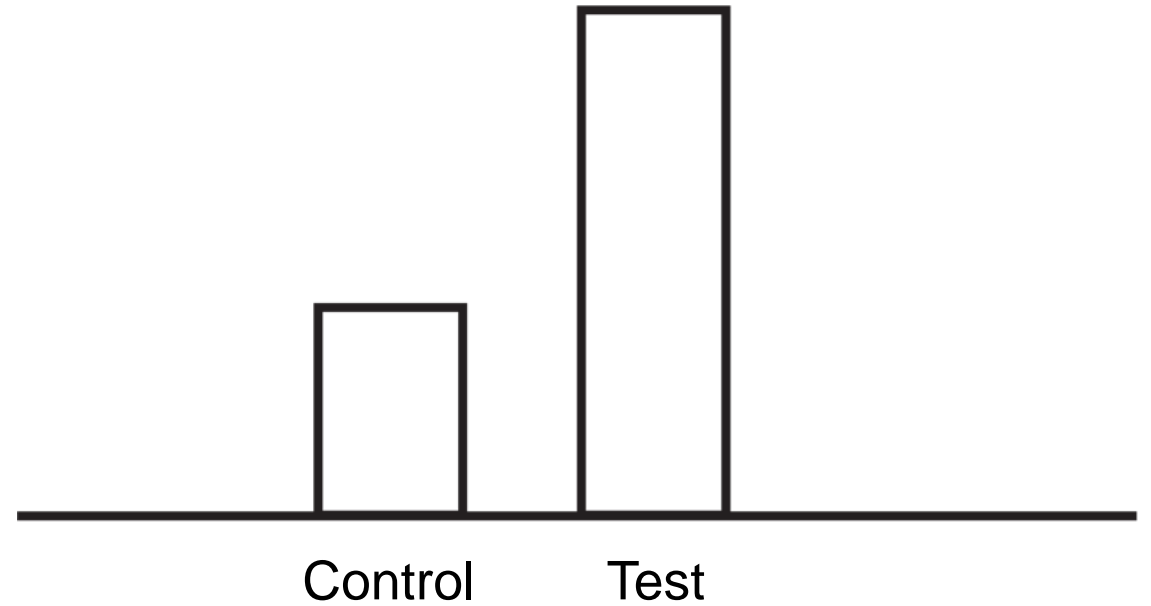


Communication streams



Experiment Design

One interaction with one message



The Basic Test vs. Control

€45.2k

increase in

Booking amount

€0.1 increase per customer

TARGET GROUP

Spontaneous Travelers

RECURRENCE

Every Tue, for 10 occurrences, started on 8 May 2016

DURATION

30 days

Campaign Summary

Export

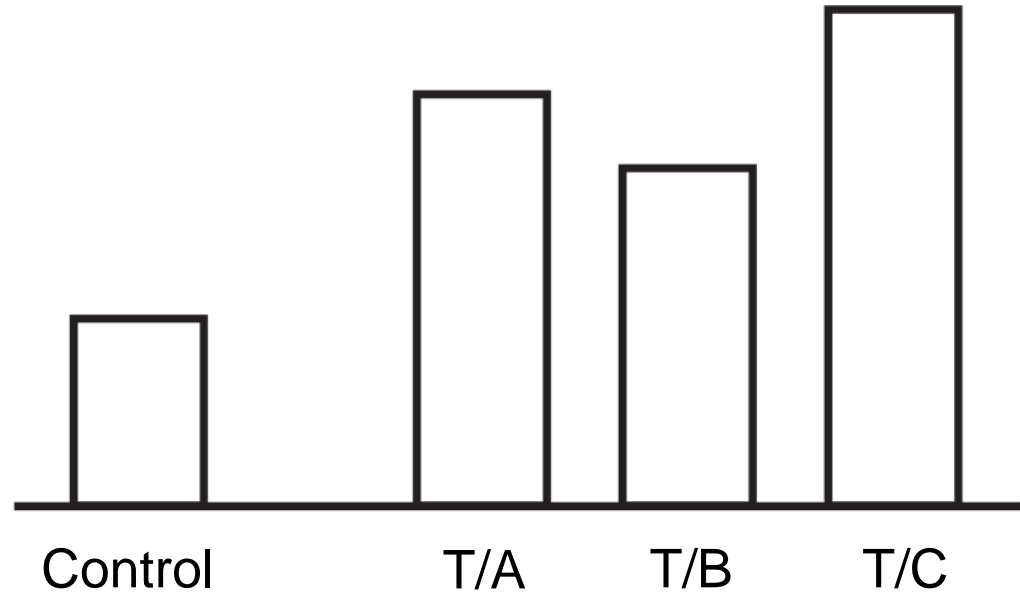
	TEST	CONTROL
Group size	673.2k	35.4k
# of customers who made a booking	7,108	332
% of customers who made a booking	<div><div></div>1.1%</div>	0.9%
Avg. Booking amount	<div><div></div>€57</div>	€54

Control group recipients who made a deposit (showing top 100)

CID	Booking Amount	# of Items from...	# of Items from...	# of Items from...
8331350	€439	0	1	1
11388596	€428	4	0	0
8331350	€337	1	4	4
11388596	€239	0	0	0
8331350	€212	4	4	4
11388596	€215	1	0	0
8331350	€131	0	2	2
8331350	€212	4	4	4
8331350	€211	0	2	2
8331350	€221	4	4	4

One Interaction With a Few Message Alternatives

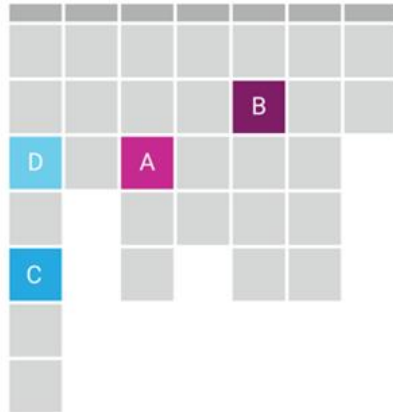
The Basic A/B/N test



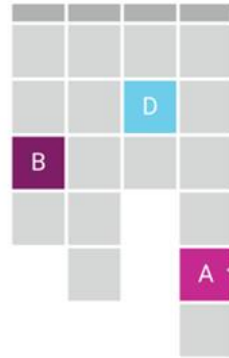
One Interaction with a Few Message Alternatives

The Self-Optimizing Process

New
Leading Action: A



Active
Leading Action: B



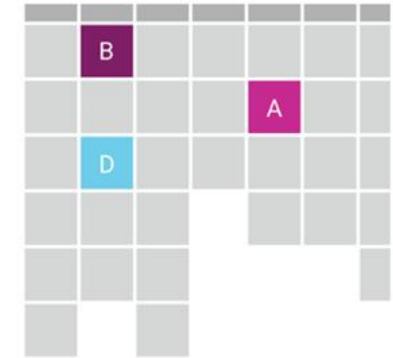
Reactivated
Leading Action: C



Churn
Leading Action: A

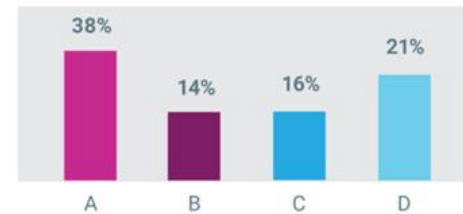


Dump
Leading Action: A



Leading Action: A

CURRENT ACTION MIX



CLUSTER

Mid Tier Customers

LAYER

Customer Activity (RFM)

LIFECYCLE STAGE

Active

Communication Streams

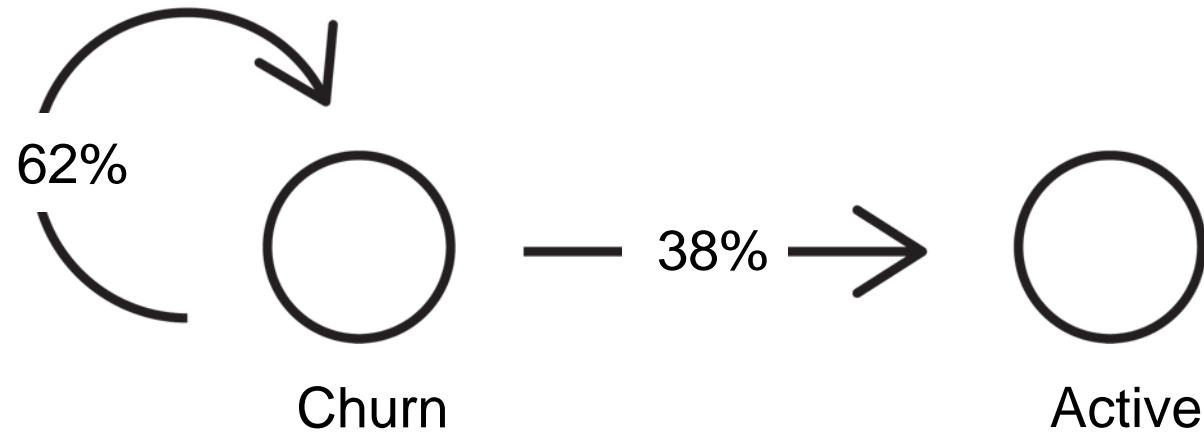
Competing Strategies

// Is my marketing just cannibalising future revenue?

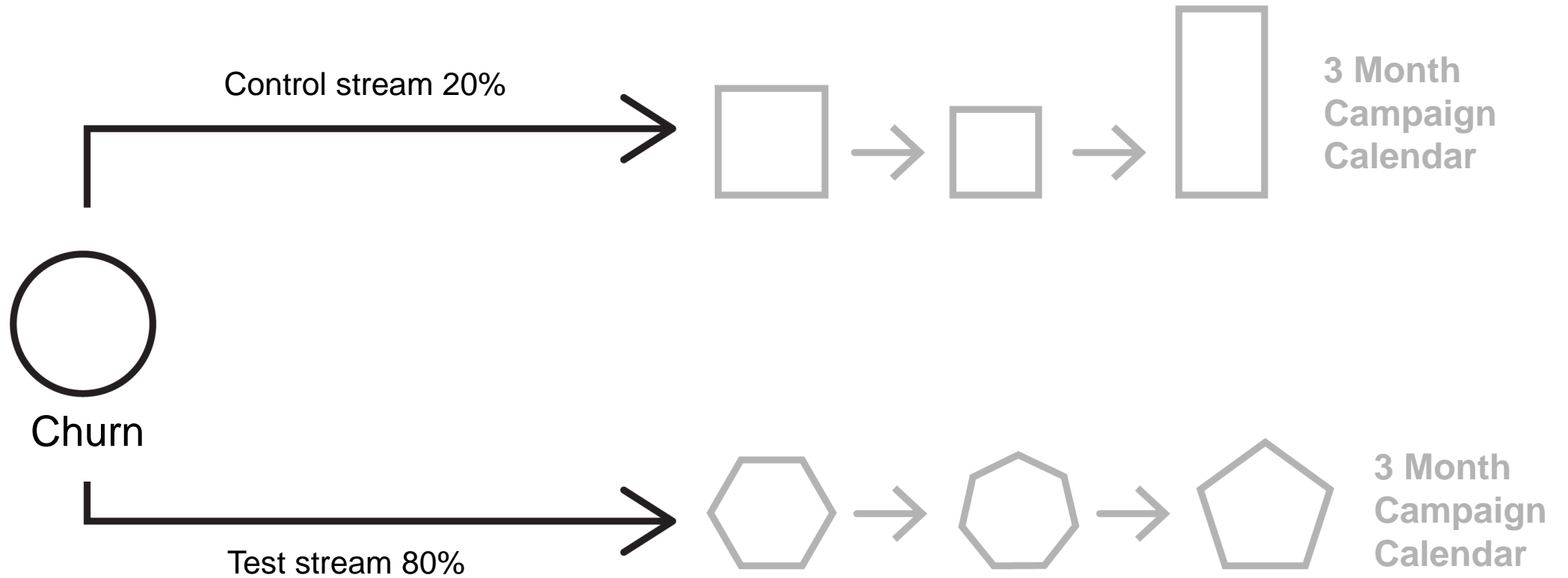
// How can I prove that I'm really moving the needle?

// The concept of “forever control” – the only way to measure this scientifically

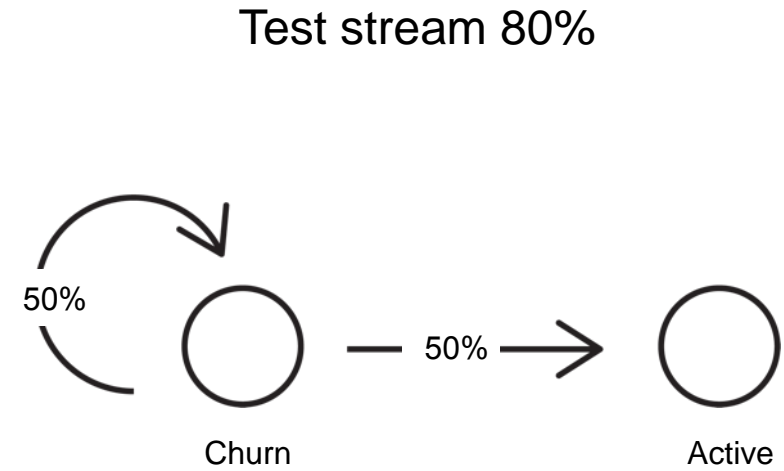
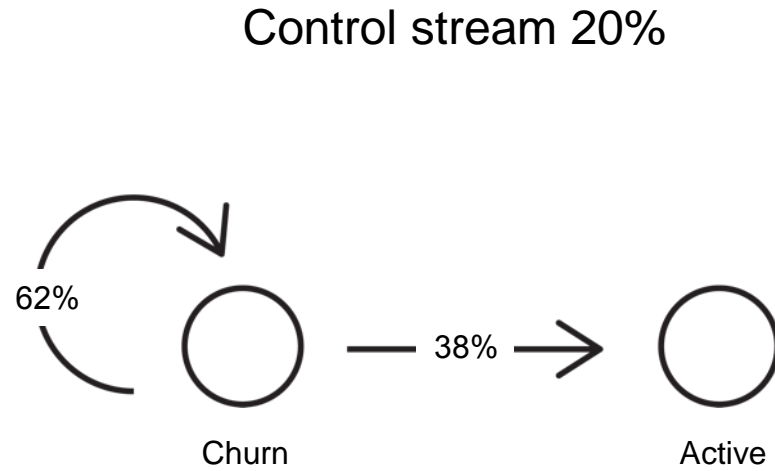
Communication Streams



Communication Streams



Communication Streams



Strategy:

Divide and Conquer to Increase Campaign Uplift



Case Study – lastminute.com

Benefits by the Numbers // Since adopting Optimove, lastminute.com reports the following metrics:

// 18% increase in order value

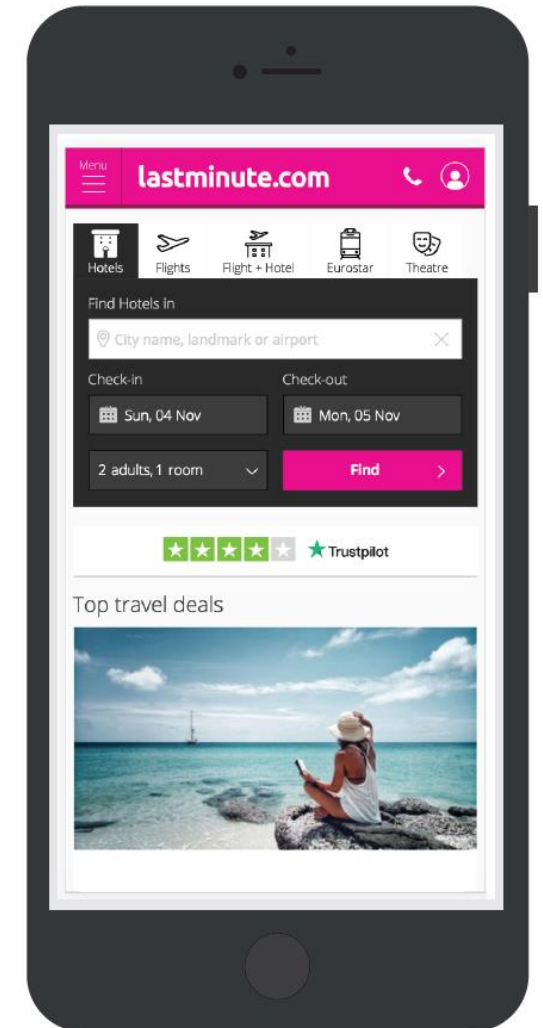
// 35% increase in email open rates

// 10% increase in email click rates

// 160 unique target groups targeting 10+ million customers every month

// **68%** of the target groups contain fewer than **500** customers

// 90% of the campaigns are automated recurring campaigns



Optibot

Optibot is your marketing optimization bot. Optibot continuously scans your campaigns and gathers one-click actionable insights to further optimize your current marketing activities. Engage with Optibot and sit back to watch your campaigns work for you.

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Insights Archive

Focus your Target Group | 8 March 2018

90% of this campaign's increase is generated by only 23% of your target group

Women Between the Ages of 18-35 from the cluster VIPs responded better to this campaign, generating \$90,000 out of the \$100,000 total increase. Optibot recommends to continue running the same action on the Women Between the Ages of 18-35 customers, and try something else for the rest of the group.

This insight is based on all campaign instances between the dates Jan 1 and Feb 30, 2018

Split Campaign ⓘ

23% of target group generated €90,000 Increase

TARGET GROUP	ACTIONS	RECURRENCE
VIPs	<div>A</div> 10% Discount	Every Tue, 10 occurrences

Thanks!
Any Questions?



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