

GUIDE

Marketing Automation for Customer Retention

Keep Customers Coming Back for More

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Customer retention matters — especially right now.

- It costs [5x more](#) to acquire a new customer than to keep an existing one
- 20% of your customers [account for 60% of your sales](#)
- You have a [60-70% chance of selling](#) to an existing customer, compared to a 5-20% chance with a new customer

But how do you keep your existing customers and bring in new ones and keep up with everything else involved in running your business?

Enter automation. Automation lets you:

- ✓ Track your customers' purchase behavior and engagement
- ✓ Identify your top customers (and reward them accordingly!)
- ✓ Collect and act on customer feedback
- ✓ Create a better, more personal customer experience

In this guide, we'll cover 4 areas of your business that you can automate to increase repeat business — plus 19 automation recipes you can import and use right away.

- 1 Reward your best customers with loyalty programs**
- 2 Win back lapsed customers**
- 3 Send cross-sell and upsell campaigns**
- 4 Collect and act on customer feedback**

1 Reward your best customers with loyalty programs

Your best customers — that top 20% of repeat buyers — are responsible for so much of your success. Loyalty programs are a great way to thank these top customers. They're also excellent for customer acquisition and retention:

- [68% of customers](#) say coupons generate loyalty
- [82% of people](#) are more likely to continue using a retailer that offers consistent deals
- [57% of consumers](#) join loyalty programs to save money



Your loyal customers are:

4 times as likely to refer you to other people

5 times as likely to buy from you again

7 times as likely to try your new products

[ActiveCampaign >](#)

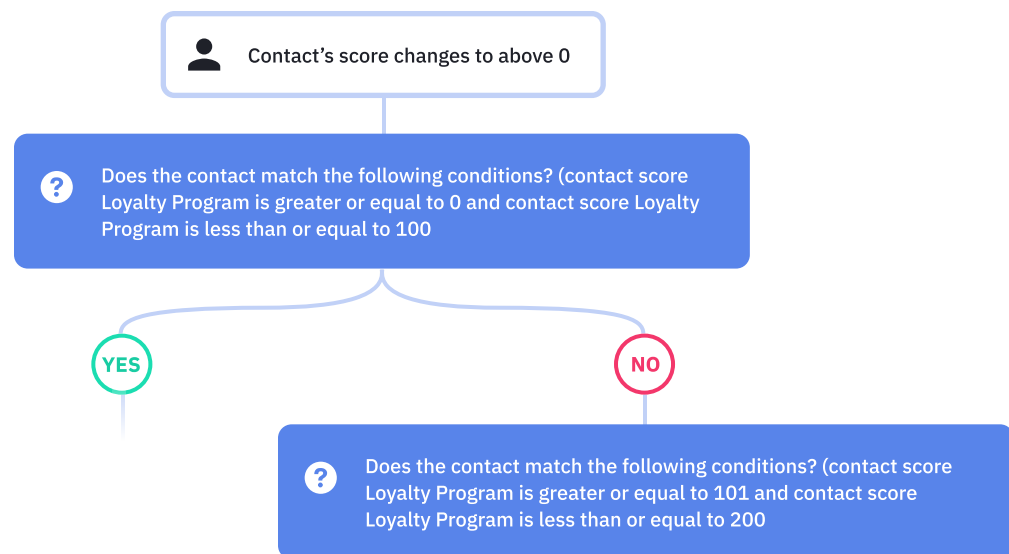
More customer loyalty means more repeat purchases and more new customers.

Building a loyalty program or rewards system from scratch might seem difficult and time-consuming. Automation lets you set up a loyalty program that tracks your customers' engagement and purchase behavior — then rewards them accordingly.

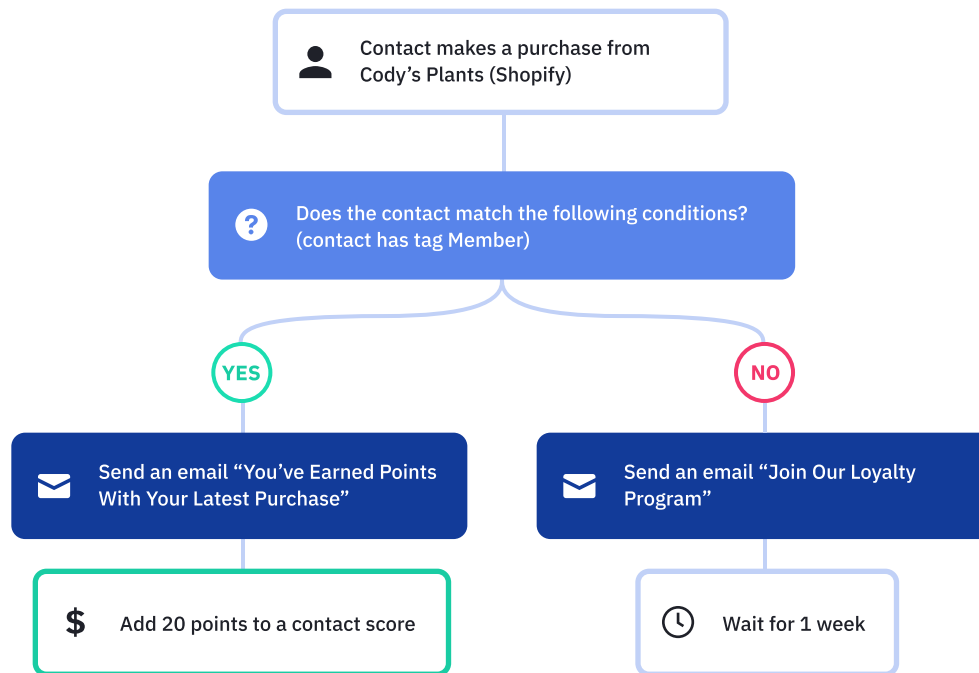
You can even use automation and [contact scoring](#) to build out a point-based or tiered loyalty program.

A tiered loyalty program is a type of membership program where customers receive different perks and benefits based on their level. Levels (aka tiers) are usually determined by a metric like the number of purchases or amount of money spent by a customer. The higher the tier, the more valuable (and exclusive) the rewards.

To reach the next tier, loyalty program members need to pass a measurable milestone, like dollars spent or purchases made. With automation and lead scoring, you can segment loyalty program tiers based on customers' point-based scores — then send the right rewards to the right customers.



This automation lets you segment members of your customer loyalty program into tiers based on a point-based score — then send them rewards and discounts accordingly. [Get the Tiered Loyalty Program Automation Recipe here.](#)



If a customer is already a member of your loyalty program, automatically reward their purchase with points. If the customer is not a member of your loyalty program, send them an email letting them know that they earned points on their purchase and inviting them to sign up for the program. Get the [Loyalty Program: Add Points After Purchase Automation Recipe here](#).

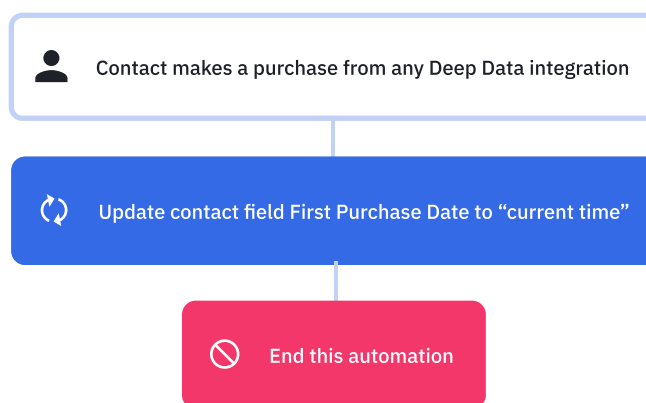
Customer loyalty rewards and special offers can include:

- ✓ A discount percentage off their total purchase
- ✓ Free shipping
- ✓ BOGO (buy one, get one) promotion
- ✓ A free gift
- ✓ A dollar amount off
- ✓ Membership into a VIP program
- ✓ Contest entry

How can you determine which customers are most engaged?

You can use automation to segment customers based on almost anything, including:

- ✓ Their average order value
- ✓ The date of their first purchase
- ✓ The total dollar value of their purchases
- ✓ How many orders they've placed
- ✓ Which items they've purchased
- ✓ How long it's been since their last order
- ✓ Which products they viewed more than once on your site
- ✓ How many times they've visited your online store
- ✓ Their loyalty rewards program status
- ✓ When they last interacted with your email content

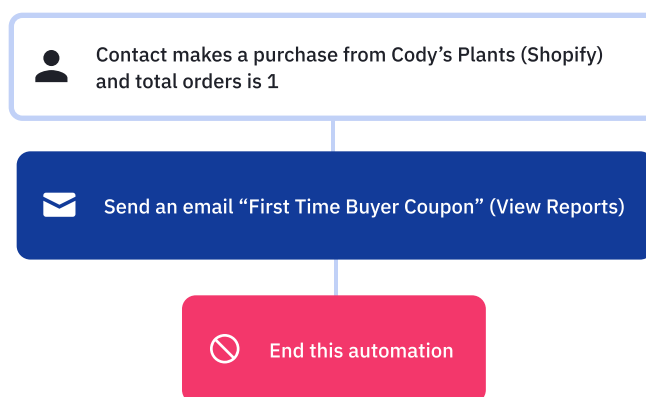


Automatically keep track of a customer's first purchase date with this automation. This helps you segment your contacts and better understand your customer lifecycle. [Get the Store Customer First Purchase Date Automation Recipe here.](#)

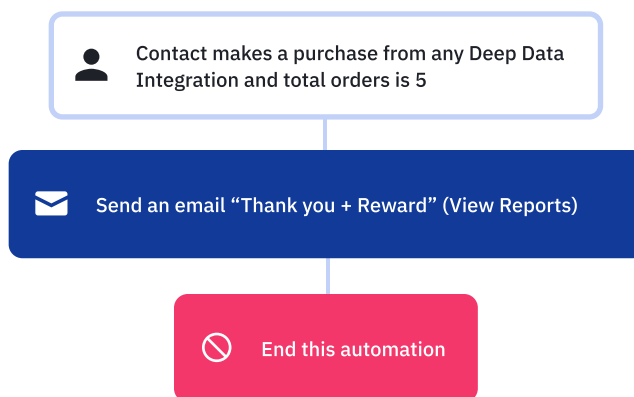
Once you segment your customers, use those tags to automatically send them special offers. You can set up automations to...

- ✓ Send customers a coupon after they make their first purchase

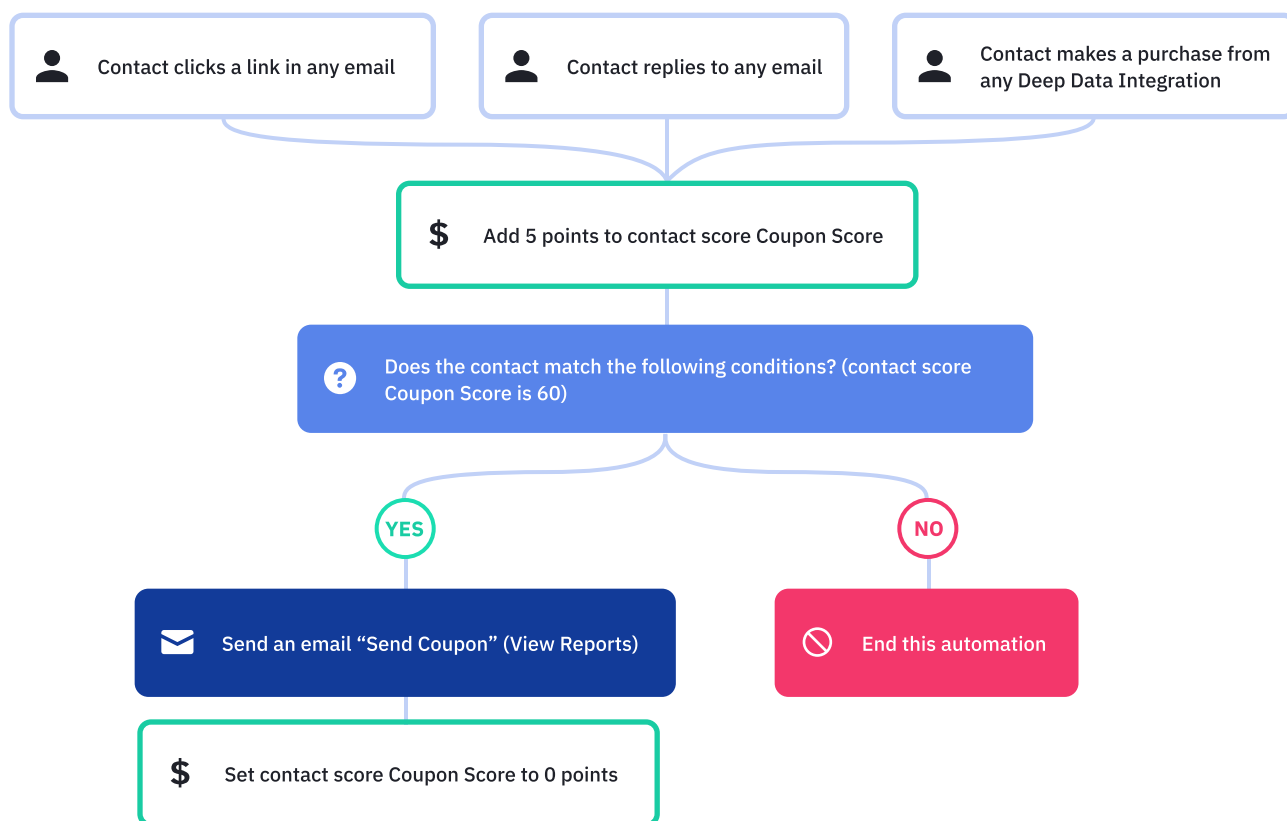
- ✓ Add points to a customer's loyalty program score when they make a purchase
- ✓ Invite new customers to join your loyalty program
- ✓ Celebrate a customer milestone with a celebratory offer
- ✓ Thank them with a discount code when they reach a certain number of purchases
- ✓ Send them a win-back email coupon if they haven't purchased in awhile



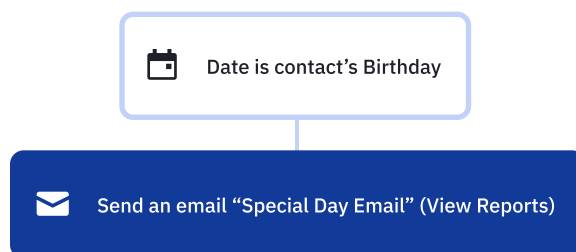
Turn first-time shoppers into repeat customers with this automation. Automatically reward first-time customers with a special discount or coupon over email. [Get the Send Email Coupon After First Purchase Automation Recipe here.](#)



Automatically reward repeat customers on their 5th (or 10th, or 100th) purchase by tracking their total purchases and triggering an automation when they reach a certain number. Get the [Reward Customers on Repeat Purchase Automation Recipe here.](#)



When a contact clicks on a link, makes a purchase, visits a product page, or replies to an email, automatically add points to their contact score. When their contact score reaches a certain level, reward them with a coupon and reset their score – then start the automation all over again. Get the [Coupon Email for Customer Engagement Automation Recipe here](#).



This automation helps you celebrate customers on a specific date, like their birthday or the anniversary of them signing up with you. Send your customers coupons, rewards, or just happy birthday wishes. [Get the Birthday and Anniversary Coupon Email Automaton Recipe here](#).

2 Win back lapsed customers

[Email marketing expert Val Geisler](#) calls lapsed customers, “zombie customers”: “They’re out there, looking for a solution to their problems. They used to interact with your brand, but have stopped.”

You might be tempted to write these zombie customers off as a lost cause or not worth the effort. With marketing automation, you can track when your customers last purchased from you — and use that information to automatically enter them into a win-back email campaign.

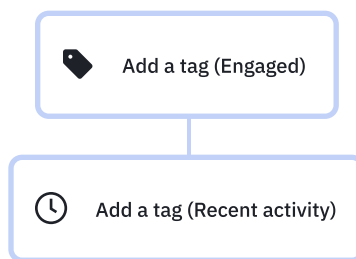
A [win-back email campaign](#) is a series of targeted, personalized emails you send to customers who haven’t engaged with your content or purchased from you for a while.

The goal of win-back campaigns (aka re-engagement campaigns) is to get your contacts to interact with your email content and buy from your online store again.

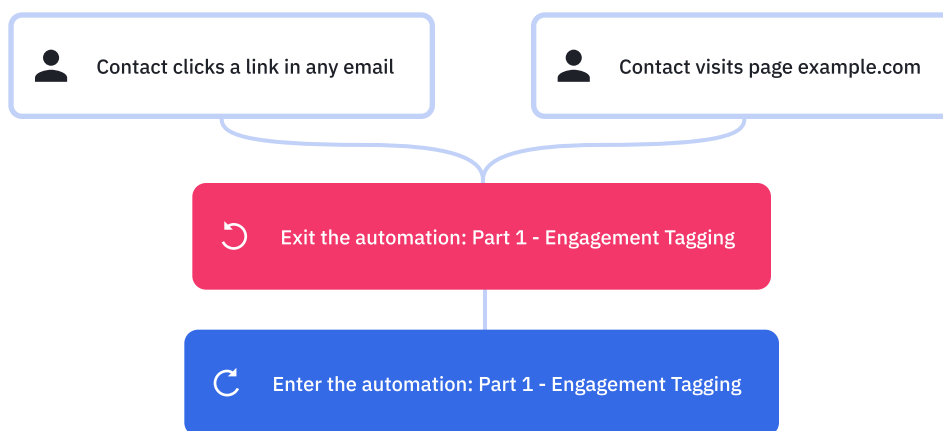
How to choose which contacts get a win-back campaign

In addition to saving you money, automating your win-back campaigns saves you time. You don’t have to manually track when your contacts last purchased from you or clicked on your emails — automation can do that for you!

With [engagement tracking](#), you can segment customers based on the last time they engaged with your content or visited your online store. You can also track a customer’s last purchase date with purchase tracking.



This two-part automation tags your customers when they engage, stay active, or become inactive — so you can track their engagement at scale. [Get Part 1: Engagement Tagging Automation Recipe here.](#)

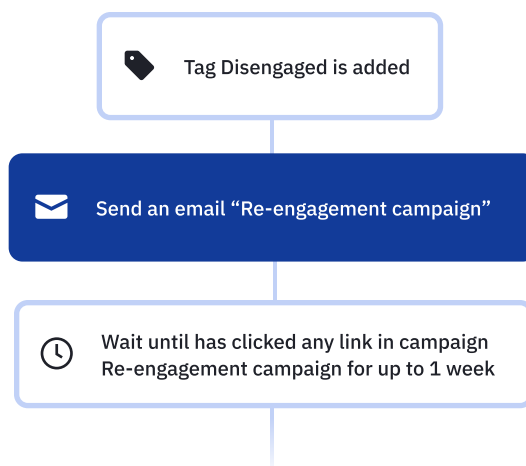


The second half of the engagement tagging automation recipe tracks your customers' engagement with your content or store so that they can be tagged accordingly. [Get Part 2: Engagement Tagging Automation Recipe here.](#)

When you use engagement and purchase tracking, you can trigger win-back email automations when a customer hits a certain point of disengagement — like 6 months since their last purchase, or 3 months since they clicked through one of your emails to your site.

Here's an example of how to schedule a win-back email campaign for customer retention:

- 1.** Send your first email about 3 months after your customer's last interaction. Track their engagement with the email. Do they open the email, click a link, or (hopefully) make a purchase?
- 2.** Send your follow-up emails in a drip campaign that's spread equally between your first and last email – that's usually an email every 1-2 months
- 3.** Send your last email when your customers are historically shown to be completely disengaged. If that point is at 9 months of inactivity, you have 6 months from your first email to win them back. Once they pass the cut-off point, remove them from your email list.

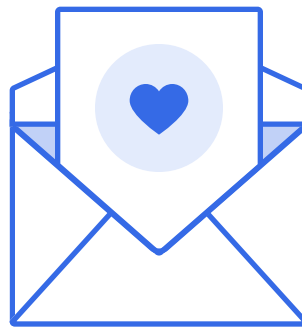


If a contact hasn't engaged with your content or online store in a while, this automation automatically enters them into a re-engagement email campaign – so you can win-back disengaged customers.

[Get the "Send a Re-engagement Campaign After Inactivity Automation Recipe" here.](#)

To give your lapsed customers the best experience possible — and give you the best chance of winning them back — Val Geisler has these tips:

- Let your customers choose which email lists they opt-into
- Warm them up before you ask them to buy from you again.
Send them content like:
 - Value ads
 - Updates
 - Newsletters
- Keep it concise. Long-form content is great for existing, engaged customers — but lapsed customers probably won't read it.
- Ask for feedback. If they're newly lapsed, there's still a chance to bring them back — but only if you talk to them. Feedback requests can be key: If they reply, they're still interested. (More on how to automate feedback requests in section 4!)



3 Send personalized cross-sell and upsell campaigns

You can use automation to upsell and cross-sell to your existing customers based on their purchases and interests. Targeted upsell and cross-sell campaigns encourage your customers to buy additional products or upgrade their membership — and help you bring in more revenue from existing customers.

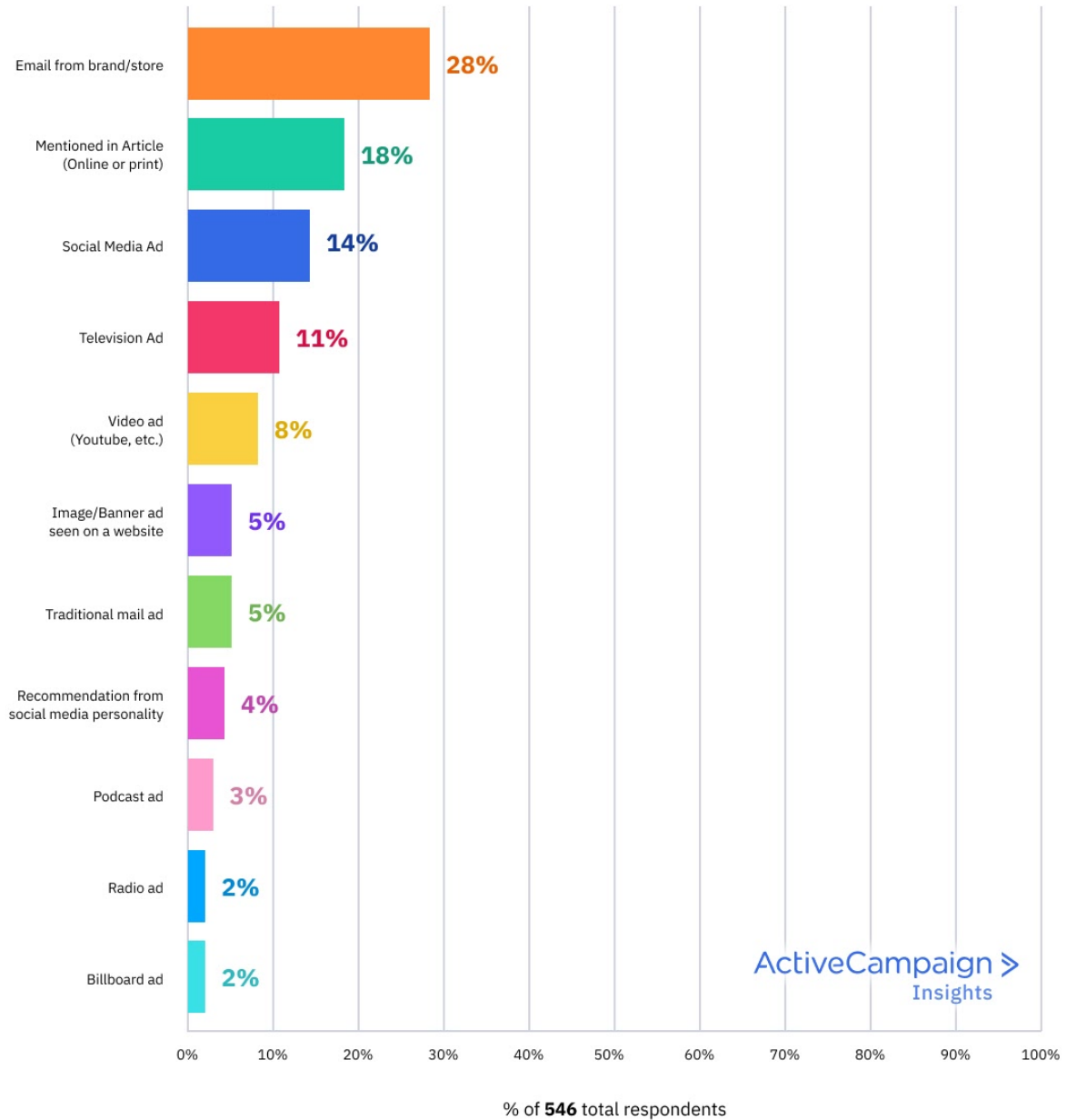
What's the difference between cross-selling and upselling?

Cross-selling is the sale of additional products to an existing customer after they've made a previous purchase. A customer buys a pair of shoes and they get a follow-up email showing a color-coordinated purse.

Upselling is the sale of add-ons, more expensive items, and upgrades to persuade a customer into spending a higher amount. A customer buys a pair of shoes and gets shown add-on products like shoe care kits or colorful shoelace accessories.

Cross-sell and upsell email campaigns can be a powerful way to generate repeat business. According to a [study conducted by ActiveCampaign](#), 28% of 546 respondents said that emails from a business most frequently inspire them to purchase again:

🔄 If you've already purchased from a brand, which of the following most frequently inspires you to buy from them again?

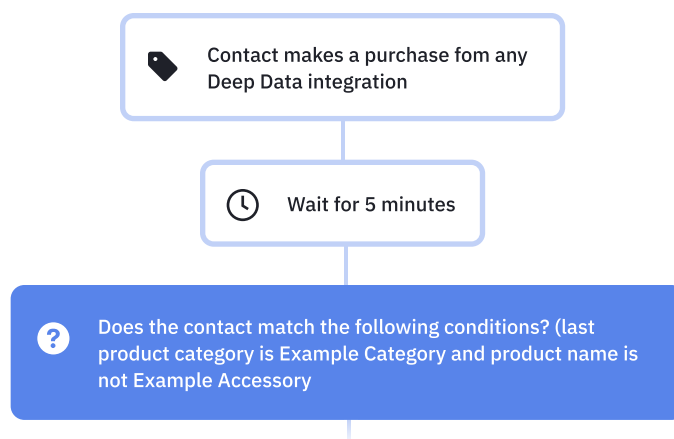


Email marketing was most likely to inspire people to purchase from a brand again.

Show customers the products that they'll love

The most successful cross-sell and upsell campaigns use personalization to show shoppers the products that they're most likely to buy.

Automation lets you track your customers' interactions with your site and products, then segment them accordingly. If you sell on an ecommerce platform, you can integrate your ecommerce store with marketing automation to use customer purchase and product interest data in your cross-sell and upsell campaigns.



When a customer makes a purchase on your ecommerce store, automatically send them an upsell email campaign based on the product they bought. Incentivize your upsell with discount codes and free shipping.

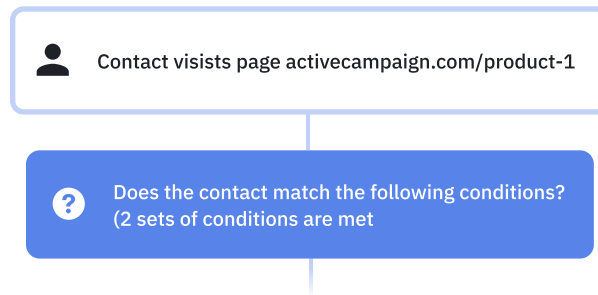
[Get the Accessory Upsell After Purchase Automation Recipe here.](#)

You can also use tags to automatically trigger upsell and cross-sell email campaigns based on:

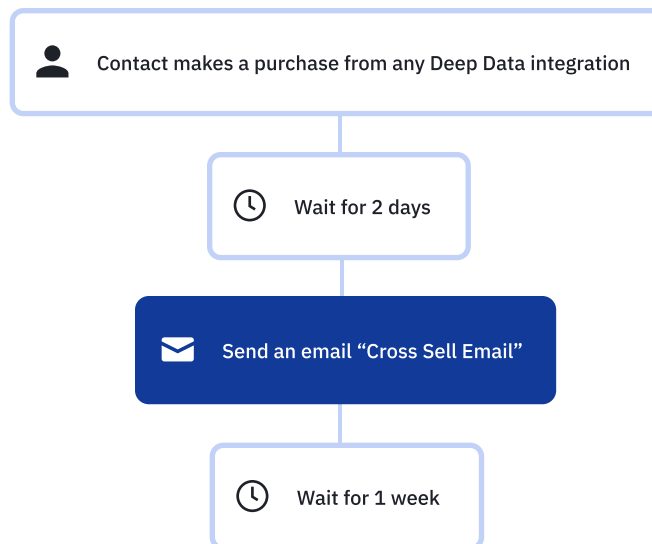
- ✓ Specific product interest
- ✓ Number of times purchased

- ✓ Repeat product purchase
- ✓ First-time product purchase
- ✓ Number of times visiting a product page

Ecommerce marketing automation lets you send revenue-boosting upsell and cross-sell emails to help keep your active customers engaged.



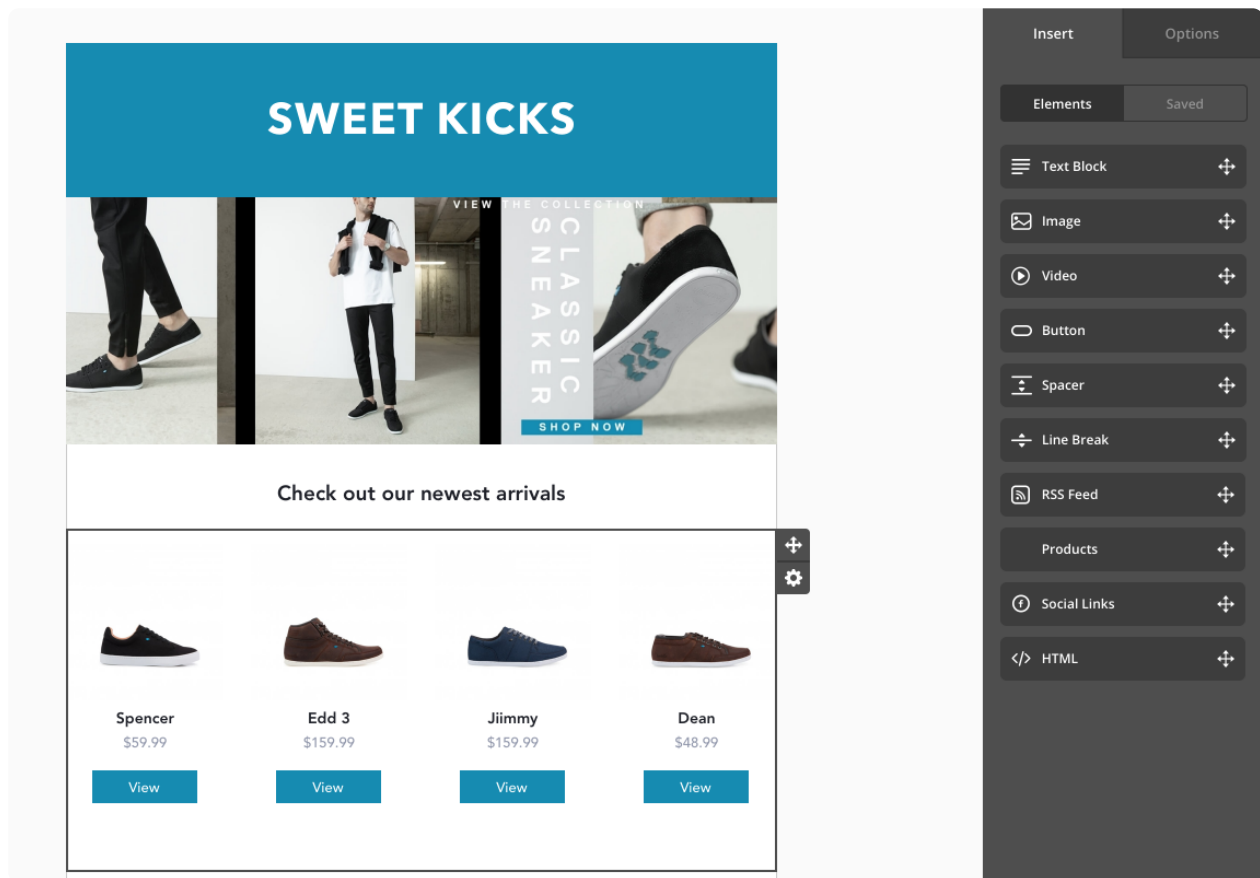
This automation uses site tracking to automatically track your contacts' interest in a certain product – then send targeted messaging based on that interest. [Get the Product Interest Tagging Automation Recipe here.](#)



When a customer makes a purchase, automatically follow up with a cross-sell email campaign based on the product they purchased. [Get the Ecommerce Cross-Sell Email Automation Recipe here.](#)

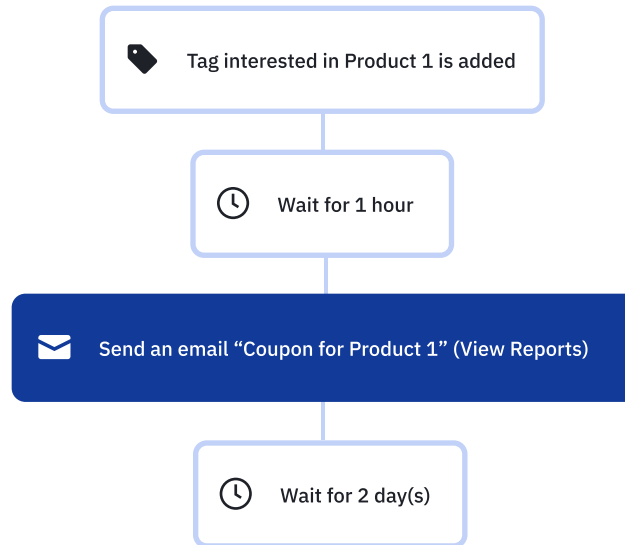
With [dynamic content](#), you can use tagging and conditional content to send each customer exactly what they want to see — the product, upgrade, or feature that they can't live without.

If you integrate a Shopify store with ActiveCampaign, you can highlight your products with product blocks. [Product blocks](#) let you pull product images and details from your ecommerce store directly into campaigns and automations:



Add product blocks to your cross-sell and upsell email campaigns to show customers the products they want most.

When you combine product blocks with product interest tagging, you can send dynamic, targeted cross-sell and upsell campaigns that turn more shoppers into repeat customers.



When a contact shows interest in a purchase on your Shopify store, automatically send them an email with a coupon for that product – and product blocks to remind the shopper how great your product is.

[Get the Shopify: Product Interest Follow-up Emails Automation Recipe here.](#)



4 Collect and act on customer feedback

68% of customers who churn do so because they don't think you care about them. But you do care about your customers — and using automation to collect and act on customer feedback can help you prove it.

When you ask for feedback from your customers, you can figure out why first-time customers aren't coming back for more, then fix those gaps to raise your retention rates. You can also find out why your loyal customers love your business — then use their words to market and sell to customers with similar pain points.

Good customer feedback and testimonials can be powerful tools in your marketing. Potential customers are way more likely to listen to other customers than to take your word for it:

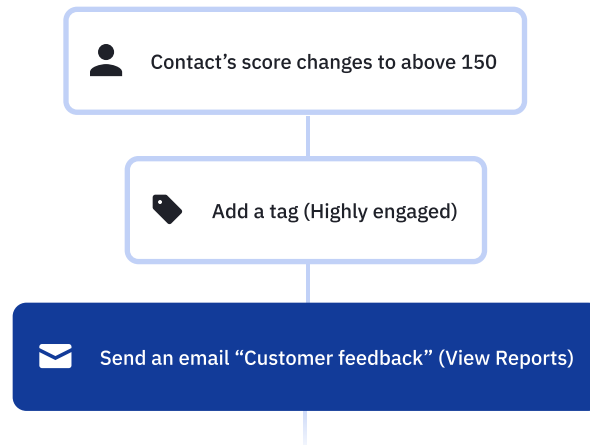
- According to Nielsen, [92% of consumers](#) say that they're more likely to trust personal recommendations over ads
- Millennials are [115% more influenced](#) by word of mouth than traditional advertising

But how do you get feedback from customers? Which customers do you ask?

Automation lets you track customer interests, activity, and interactions, then use that information to ask the right customers for feedback at the right time.

Your most engaged customers are a good place to start; they're the most likely to reply when you ask them for feedback.

When you track your customers' engagement with contact and lead scoring, you can automatically email them to ask for feedback once they reach a certain level of engagement. This also lets your customers know that their opinion matters to you, which reinforces their loyalty. Win-win.

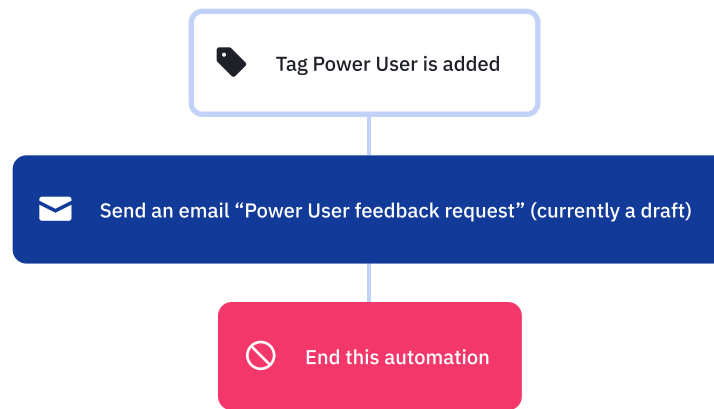


When a customer reaches a set level of engagement, automatically send them an email asking for feedback — then automatically send them a thank you email if they fill out your feedback form. (Manners matter.) Get the [Email Highly Engaged Customers for Feedback Automation Recipe here](#).

If you don't use contact scoring, you can still identify and reach out to your most dedicated customers by tagging them as "power users." For SaaS (Software-as-a-Service) companies, power users are contacts who spend every day in your product or use its most advanced features.

These people are a great source of customer stories, reviews, and feedback.



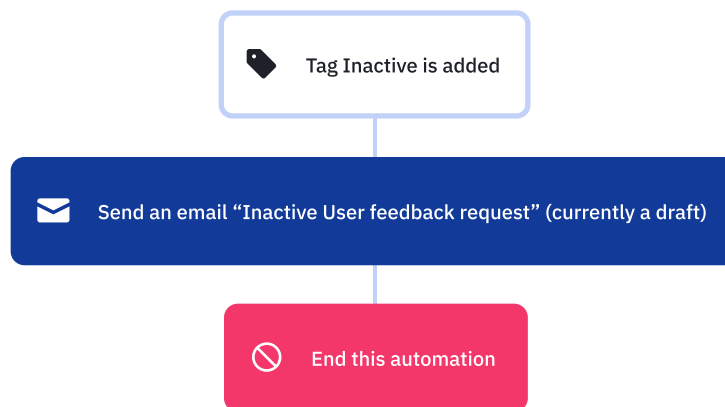


When a customer is tagged as a "power user," automatically reach out to request feedback.

Get the [Feedback Survey from Power Users Automation Recipe here](#).

What about users who don't love your product or use it every day? Reach out to inactive users to learn why they don't use your product. What features do they need? What are their biggest pain points?

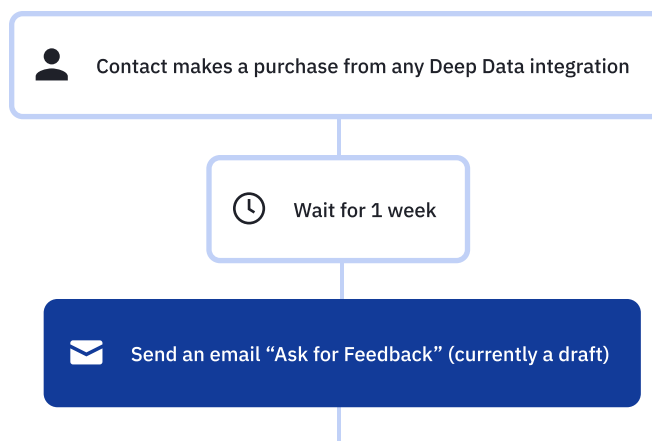
Sending a feedback survey to inactive customers can help reduce churn, re-engage lapsed customers, and give you valuable information about where your product has room for improvement.



When a customer is tagged as "inactive," automatically reach out with a request for feedback.

Get the [Customer Survey for Inactive Users Automation Recipe here](#).

If you want feedback on the buyer experience or a specific item, you can automate that, too — when a customer makes a purchase, enter them into an automation that will follow up with them a week later (so you don't have to remember to do it manually).



When a customer makes a purchase, automatically follow up with a request for feedback.

Get the [Gather Feedback After Purchase Automation Recipe here](#).

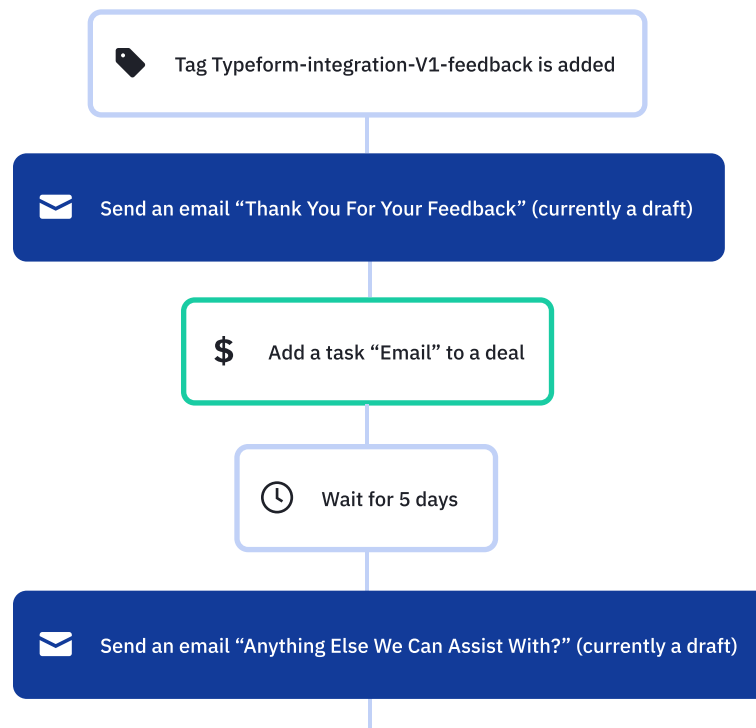
How to respond to (and act on) customer feedback

Asking for and receiving feedback is a great way to learn more about the customer experience and show your customers you care. But how do your customers know that their feedback made a difference?

If you use NPS (Net Promoter Score) [surveys to collect customer feedback](#), you can map those scores into your customers' contact records, then trigger email campaigns or task assignments based on the score. If a customer gives you a low score, you can use automation to notify their designated account manager, offer them a discount code on their next purchase, or even invite them to book a call with your support team.

Canned responses to feedback can work in a pinch, but having a real person reach out to your contacts to learn more about their experience — whether negative or positive — helps build customer loyalty and increase the chances of repeat business.

Automation helps notify your team when they need to act and follow up on customer feedback. This is where automation and a personal touch go hand-in-hand: When a contact submits your feedback form, use automation to send them an email thanking them for their feedback, then assign a team member a task to follow up with a personalized response.



When a contact submits your feedback form, automatically thank them for their feedback and assign a team member a task to follow up with a personalized response. After some time has passed, automatically send one more follow-up email to ask if they need anything else. Get the [Feedback Form Submission Follow-up Automation Recipe here](#).

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