Data Driven Marketing in a
Customer Driven World

We have more choices than ever before. Whether it's the type of breakfast cereal we eat, the car we drive, the clothes brand we buy, or the TV channels we watch, consumers have endless options.

This has had a major impact on the retail world. Gone are the days when we had to go to a physical store to buy products or when we stayed loyal to one brand just because they were the only option.

This explosion of choice has resulted in a shift in power from retailers to consumers. Retailers have to be hyper focused on experience to win consumers' business, rather than rely on brand loyalty or lack of choice.

The rise of Amazon and Ecommerce sales have driven this change and underlined consumers' increasing power and expectations, and their willingness to shop around. In 2019, worldwide ecommerce sales topped $3.5 trillion, which is an increase of approximately 18% from the year before, while ecommerce share of total global retail sales was 14.1%. Amazon, meanwhile, had around a 38% market share in US ecommerce sales in 2019.

This shift means that buyers have much higher expectations from your brand, especially when it comes to customer experience. It also equals a world of opportunity to grab market share if you are ready and willing to embrace it.

The Era of the Customer

Face facts: we're no longer in the era of the retailer; we're in the era of the customer. Customer-centricity is a must if you want to compete and the proof is in the stats, as [91% of consumers](#) are more likely to buy from companies who remember them and provide relevant offers.

Customers also "channel hop" before they make a purchase, with [more than half of consumers](#) using at least one offline channel and two online channels to gain initial brand awareness. They also use an average of three different devices during the buying journey. Price is also an issue with consumers, with [90% of consumers](#) price checking a product on Amazon before making a purchase.

Each time they navigate across channels and devices, you risk losing business if you don't have a complete and accurate grasp on who each shopper is. If you aren't able to understand that the person who started shopping with you on their laptop at work is the same person that finished their purchase on their phone on the train ride home, your marketing, by definition, is not customer-centric.

What you need to do in The Customer Era is harness the power of your data to provide a personalized, relevant experience throughout the entire lifecycle. And buyers ([83% of them](#), at least) will share their data with you if you personalize the experience. This is a proven approach that can help brands can grow and achieve higher customer lifetime revenue than their competitors.

There are five stages to data-driven customer lifecycle marketing, which we'll explain in more detail below.

1 Centralize your data sources

Consumers don't follow a linear path when they are making a purchase. They jump around from channel to channel and device to device. They might start by liking a social media post, then a couple of days later, they might click on a link in your newsletter and read a blog post. It might be several weeks before they return to your site via a retargeted ad. You get the picture.

On average, consumers engage across six points before making a purchase. The data from each one of these touchpoints likely resides in a different system. It could be your email marketing software, social media solution, ad management platform, ecommerce software, or customer service system. The average enterprise uses 91 marketing platforms, but even much smaller businesses often have a complicated and tangled technology landscape.

When data resides in silos across a multitude of systems, it makes it incredibly challenging to access this data, let alone use it to power your marketing in a meaningful way. Each of these systems creates a different Customer ID, which makes it impossible to have an accurate picture of the customer, to deliver a consistent, personalized experience, and to be truly customer-centric.
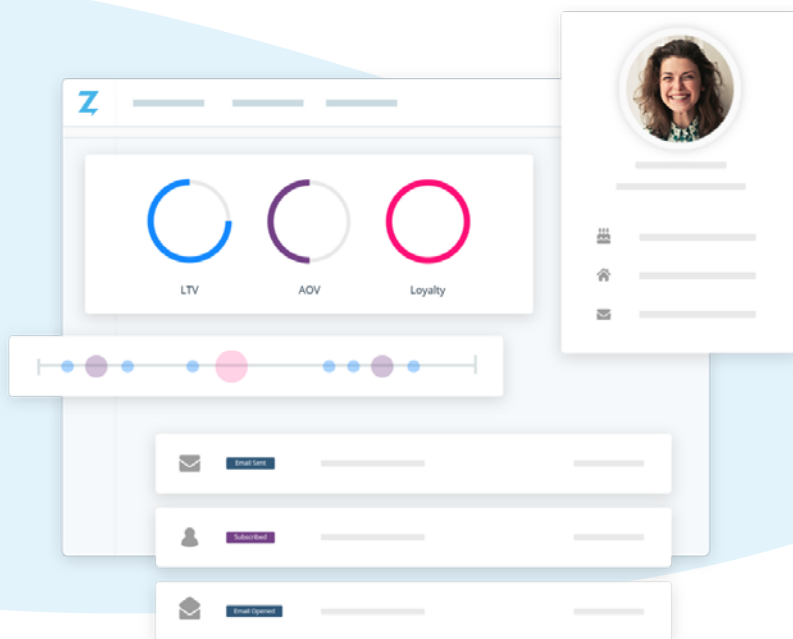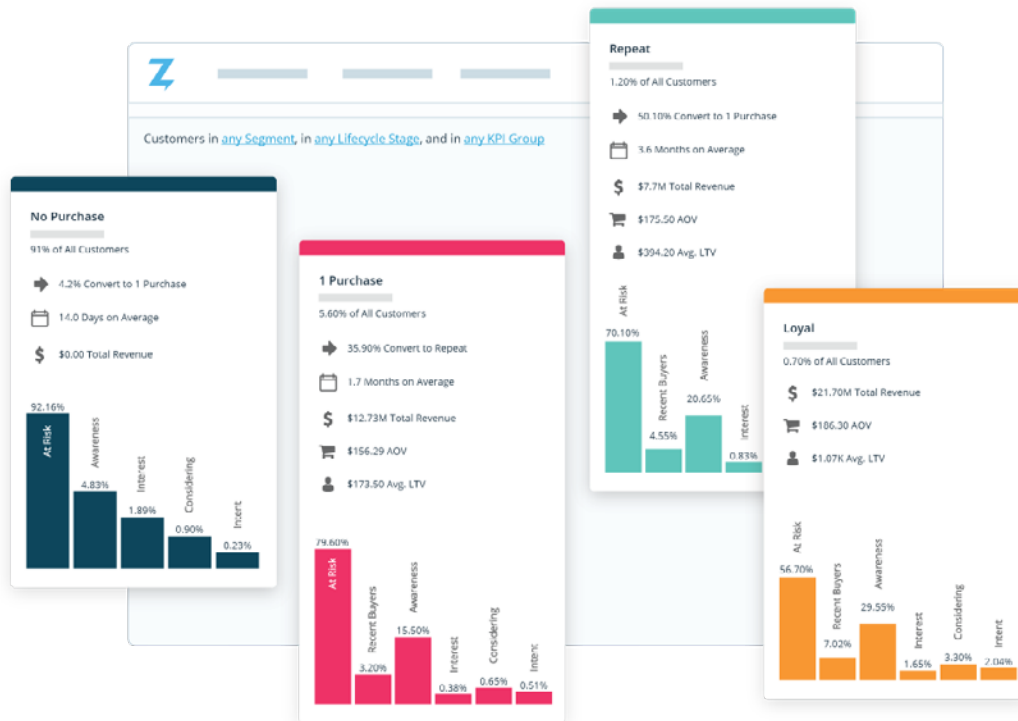
The value of a CDP

A customer data platform (CDP) can help you overcome this challenge by integrating data from all your different systems and centralizing this in one location. When you unify your data, you can get insight into your customer that helps you understand them as a person, not just a number in a system.

A CDP can also resolve your customer identity by understanding that multiple sessions across channels is actually the same person in each place, rather than treating the same customer as different people when they shop on different channels. Identity resolution stitches together current and historical data to gain a clear picture of your buyer across devices, channels, and browsers. Only then are you able to understand exactly how an individual buyer has interacted with your brand.

The insights you'll see include:

- ✔ Average order value and customer lifetime value
- ✔ Time since last order
- ✔ Campaigns and channels that drive engagement and sales
- ✔ How often a customer viewed your content and products
- ✔ All past purchase and browsing history

Repeat

1.20% of All Customers

➡ 50.10% Convert to 1 Purchase

📅 3.6 Months on Average

$ $7.7M Total Revenue

🛒 $175.50 AOV

👤 $394.20 Avg. LTV

At Risk 70.10%
Recent Buyers 4.55%
Awareness 20.65%
Interest 0.83%

Customers in any Segment, in any Lifecycle Stage, and in any KPI Group

No Purchase

91% of All Customers

➡ 4.2% Convert to 1 Purchase

📅 14.0 Days on Average

$ $0.00 Total Revenue

At Risk 92.16%
Awareness 4.83%
Interest 1.89%
Considering 0.90%
Intent 0.23%

1 Purchase

5.60% of All Customers

➡ 35.90% Convert to Repeat

📅 1.7 Months on Average

$ $12.73M Total Revenue

🛒 $156.29 AOV

👤 $173.50 Avg. LTV

At Risk 79.60%
Recent Buyers 3.20%
Awareness 15.50%
Interest 0.38%
Considering 0.65%
Intent 0.51%

Loyal

0.70% of All Customers

$ $21.70M Total Revenue

🛒 $186.30 AOV

👤 $1.07K Avg. LTV

At Risk 56.70%
Recent Buyers 7.02%
Awareness 29.55%
Interest 1.65%
Considering 3.30%
Intent 2.04%

② Create dynamic segments based on lifecycle stage

When you have centralized your data and built up a complete and reliable customer profile, you need to create detailed and precise segments of your buyers according to customer lifecycle stage. These are a number of different lifecycle stages that you need to create segments for:

- ✔ Anonymous
- ✔ One purchase
- ✔ Repeat purchases
- ✔ Loyal customers

Customers will also be in different dispositions within these lifecycles, including at-risk, awareness, interest, consideration, and intent. When you use a CDP, you can see how many customers are in each of the lifecycle stages, as well as specific information about each stage.

You need to use this information to segment customers according to lifecycle stage so you can send the right content to the right person at the right time.

But these segments aren't static. With [dynamic segmentation](#), segments automatically grow and shrink as your buyers take action and stop and start meeting the relevant criteria. Using dynamic segmentation, you can build super-specific segments to create highly-targeted campaigns. Examples of these segments include:

- ✔ Customers who have clicked a link in your email in the last month
- ✔ Consumers who have visited certain product pages on your site
- ✔ Buyers who haven't engaged in any channel in 30 days
- ✔ Customers who have only made one purchase

3 **Personalize every touchpoint**

Now that you've segmented customers into customer lifecycle stages you need to activate your data so you can start to personalize touchpoints and serve customers with more relevant content.

You don't want to send every customer in each segment the same email. Instead, you need to personalize the messages you send based on past customer behavior. Customers don't just want personalization, they expect it. And it can be a real differentiator, both in terms of revenue and customer experience:
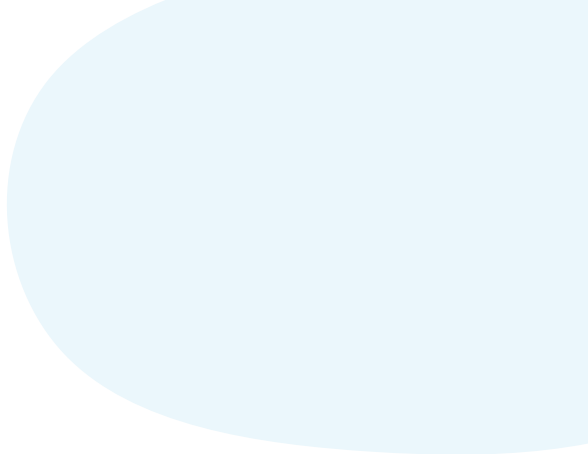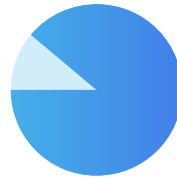
80% of shoppers are more likely to buy from a company that offers personalized experiences

Marketers see an average increase of **20% in sales** when using personalized experiences

59% of customers say that personalization influences their shopping decision

If you use a CDP, you can employ dynamic content to automatically populate content blocks that are most likely to convert according to past customer behavior. Take product recommendation emails. Instead of sending generic recommendations to every customer, with a CDP you can use recent page views and purchases to power the products you show.

This personalization has to extend to all content across all touchpoints. You don't want to be sending your customers generic push notifications, but personalizing email campaigns.

You can use the data ingested, analyzed and activated from your CDP to personalize the channels you use to communicate with your customers. Often marketers rely heavily on email marketing, but you need to take a holistic approach to multi-channel marketing. If a customer isn't opening your emails but likes your posts or visits your website, then that's a sign you need to target them on a different channel. That's also why you need to centralize your customer data as otherwise, you won't be able to get a complete picture of channel usage.

4 **Automate your lifecycle marketing**

Your buyers move in and out of segments all the time. It's hard to personalize content and send out the right information at the right time if you're trying to create campaigns manually as segments change. The same goes for decision trees. Even if you worked on nothing else, you still wouldn't be able to work out each possible customer path.

That's why you need to create automated, multi-touch campaigns based on behavioral triggers by anticipating what messages you need to send when customers take certain actions. These campaigns are triggered in real-time as the person takes a specific action and your campaign responds directly to that action. The types of campaigns you could create include:

- ✔ Welcome campaigns
- ✔ Cart or browse abandonment
- ✔ Joining loyalty programs
- ✔ Winback

As customers channel hop, your campaigns can't just focus on email marketing. You need to think about the customer, not the channel, and base these campaigns around the channel the user is most likely to convert on.

For example, if you're creating a winback campaign, you could start off by sending an email about new products. That is a tried and true method. What would really create a customer-centric experience would be if you sent a push notification with information on a flash sale once that customer landed on your website. And until they've responded to the winback campaign, you could serve them a retargeted ad with a discount code and use on-site personalization to make it feel like they have their very own personal shopper.
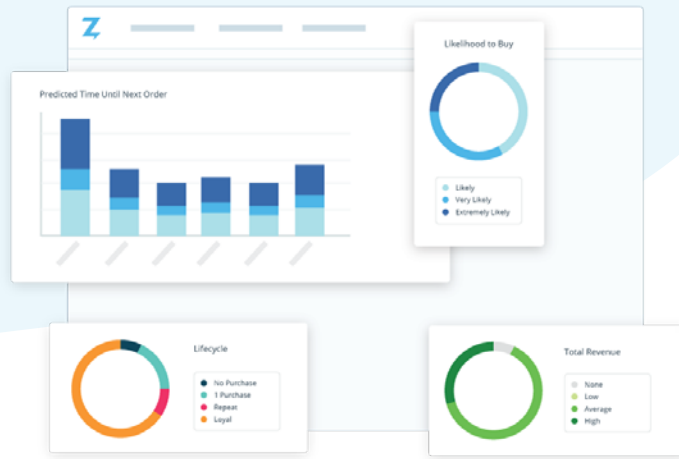
5 **Use advanced data modeling to identify predictive segments of buyers**

By unifying customer data, you can not only take action in the here and now, but also extract insights to make predictions about future customer behavior. This insight includes the likelihood of purchasing and time to next purchase.

By pulling in data from different channels and sources, such as display ads, newsletters, social media, product views, and past purchase info, you can start to find patterns within this data. This will tell you more about buyer preferences, tendencies, and intent.

These intelligent insights dig deep into your data and could, for example, show you that people who read your blog posts are more likely to convert than people who like your social media posts. Or people who buy purses have a much quicker time to purchase than people who buy sunglasses.

You can also use timing to help get a more accurate picture of the significance of certain actions. For example, if a customer opens your newsletter and closes it two seconds later, they are less likely to make a purchase than someone who opened your newsletter three times in the last two days.

Getting this kind of insight can help you:

- ✔ Realize intent sooner
- ✔ \Accelerate time to purchase
- ✔ Capitalize on less obvious buying signals
- ✔ Create more specific segments

These predictions also help you understand what actions you should be taking as a marketer, and what campaigns you need to send to these customer segments. For example, if a customer is not very likely to purchase, then you could build your brand story and explain the value of your product rather than pushing for the sale right away. If they are likely to purchase then you could offer free shipping or a discount code. If they are extremely likely to buy then an up-sell or cross-sell email would be a good option as they need a gentle push rather than a hard sell.

Advanced data modeling can also influence your website strategy to help you find hidden gems, which are products that are selling well without any promotion. If you want to drive up sales of these products, you can promote them through winback, cross-sell and up-sell campaigns. Your website team could also place them front and center on your site to drive up traffic to these pages, or use them to create content, such as side-by-side product comparisons and videos. This is why centralized customer data that is accessible by all teams—whether it's marketing, customer service, merchandising, or ecommerce—is so important.
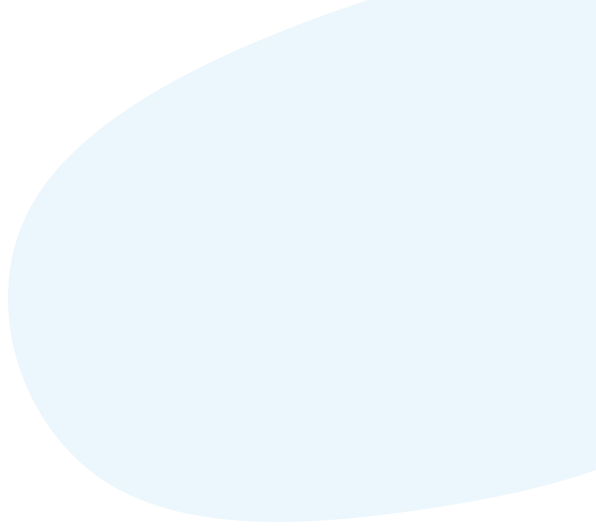
Data-Driven Customer Lifecycle Marketing in Action

Smart companies are already using their data to create superior customer experiences. Festival trip creation website Festicket used data-driven customer lifecycle marketing to create a campaign to drive ticket sales for Coachella.

Festicket had a database of 2.5 million users, but an email open rate of less than 10%. After using Zaius Activated CDP to create super specific segments and automate campaigns, it was able to increase email open rate to 33%.

Let's take the example of Festicket's Coachella campaign to show how the company used its data to send more personalized, relevant content. Festicket started by creating a segment for anyone who had interacted with Coachella on their website. This included people who had:

- ✔ Browsed the Coachella festival page multiple times
- ✔ Signed up to the Coachella waiting list
- ✔ Added the festival to their wishlist
- ✔ Bought tickets last year

Festicket applied further attributes such as location and language to create more specific segments and ensure they were sending messages in the right language. They also added filters to make they were only sending messages to people who have engaged with the festival within the last six months. Festicket used dynamic segmentation, so anyone who bought tickets would be removed from the segment automatically and they wouldn't send them any more emails about the festival.

Festicket also used multi-touch automated email campaigns to drive sales. This involved sending follow up messages to the segment two days after tickets went on sale that told customers that 'tickets are selling fast'.

Their customer-centric approach made a sizable difference - to the tune of a 39% open rate!

Zaius Activates Your Data-Driven Customer Lifecycle Marketing

If this all sounds like a dream come true and you're ready to start on your journey to real data-driven customer lifecycle marketing, then you need a platform that can support your efforts. That's where Zaius can help.

Zaius is an Activated CDP that provides a single view of your customer by stitching together all interactions across devices and touchpoints. This includes marketing channels, ecommerce activity, POS data, and customer service information.

Zaius takes customer data seriously. It helps you activate your data so you can personalize every experience and create 1-2-1 interactions with your customers. This means that you can optimize every opportunity you have to engage with customers to differentiate your brand, create loyalty, and drive higher engagement and revenue.

At a glance, Zaius provides

✔ A dynamic and actionable lifecycle view of every one of your shoppers

✔ A personalized, predictive data-science model to supercharge your segmentation

✔ The ability to increase engagement with specific segments based on a unified customer profile

✔ The ability to push campaigns, content, and segments to any marketing, commerce, or service channel

With Zaius, you can build a technology infrastructure that enables you to create a world class customer experience at every single touchpoint, and differentiate your brand to secure your place in the market.

ZAIUS

Zaius is the Activated Customer Data Platform that assists growing brands to achieve higher CLTV by delivering relevance across the entire customer journey, from anonymous browsers to loyal shoppers. We align your entire organization around customer data allowing you to create a relevant customer experience that differentiatesyour brand and create customer loyalty.

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