cordial

Thinking Outside the Inbox

Achieving Customer-Centric Email Marketing At Scale

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At The Center Of Everything

There's a shift happening in the market right now. And your customers are to blame. It's undeniable. Here's why...

Today's consumers are channel-agnostic. They don't think in terms of Facebook, Snapchat, email, web, and the like. Rather, they think holistically about your brand and its products and discover them on whichever channel happens to work at whatever time and place — and it's time you start returning the favor.

Do you want to do more personalization, implement better triggered messages, and achieve more optimization for your brand? You're reading the right ebook.

Part 1

In the first part of this ebook, we'll explore how to create personalized, customer-centric experiences with specific examples using email.

Part 2

In the second part of this ebook, we'll look at how to leverage email automations and triggered messages, which put the customer back in the driver's seat and allow you to create timely, relevant experiences at-scale.

Part 3

Finally, in the third part of this ebook, we'll learn how to apply testing and optimization methods to every message that create much more engaging, rich, and ultimately, customer-centric experiences.

Before we begin to dive in, let's take a moment to look at why "flipping the script," so to speak, is the most important leap marketers must take to put customers first.

In fact, the way business has been done in a channel-centric era can be summed up in three questions:

1. **How do we market to prospective customers?**
2. **What do we market?**
3. **Who do we market to?**

Many marketers wouldn't even bat an eye at this strategy. The channel-centric strategy puts the channel first, content second, and customer third. The only problem? **It's backwards.**

The traditional method is failing marketers because it attempts to *dictate* the customer journey, which only results in misaligned incentives and expectations. There are more brands to choose from, more marketing channels, and more direct access to purchases than ever before. Today, brands have no choice but to be customer-obsessed in all channels of the business.

With a channel-centric strategy in email marketing, marketers have to create multiple email variations for their different audience segments, which is causing severe problems with scalability, relevancy, and customer experience. Choosing what you market before who you market to completely ignores the needs, interests, and behavior of your customers. The channel-centric strategy causes major disconnects in data, digital experiences, and integrated campaigns.

A customer-centric strategy for email marketing reverses the questions of the channel-centric strategy:

1. **Who do we market to?**
2. **What do we market?**
3. **How do we market to our customers?**

By focusing on *who* you market to *before* what you market, you place your customers in the center of your decision-making process. This gives you much more flexibility for the data you collect, what products you market, and orchestrating how you reach them.

Part 1: More Customer-Centric Personalization

Your Customers Demand Personalization

At Cordial, we talk a lot about how better targeting and personalization are top tactics for achieving customer-centric marketing. As it turns out, we're not the only ones who sing the praises of the merits of personalization — analysts, such as Gartner, have shared remarkably compelling statistics. The technology marketing research goliath sent shock waves through the marketing industry when it reported, "By 2018, organizations that have fully invested in all types of personalization will outsell companies that have not by 20 percent." And, "By 2020, smart personalization engines used to recognize customer intent will enable digital businesses to increase their profits by up to 15 percent." Twenty percent and 15 percent are nothing to sniff at — percentages of that magnitude could catapult you far ahead of the competition.

Personalization is here to stay, not only because of your organization's KPIs and ROIs but because modern-day consumers are clamoring for it.

Consider the following:

85%+

85%+ of Internet users expect and accept personalization as part of their online experience. (Marketo)

45%

45% of online shoppers are more likely to shop on a site that offers personalized recommendations. (Invesp)

74%

74% of customers feel frustrated when website content is not personalized. (Infosys)

62%

62% of consumers said they'd think more positively about a brand if it gave them content that was more valuable, interesting or relevant. (Rapt Media)

Steve Jobs once wisely observed, “A lot of times, people don’t know what they want until you show it to them.” Clearly, consumers recognize that personalization provides them with more enjoyable and relevant experiences, prompting them to demand personalized services from the companies they engage with. In fact, 85+ percent of consumers report that personalization plays a role in their purchase decisions. Bypassing personalization is not simply a matter of missing out on an advantage, it is actually putting your organization at a disadvantage.

> “
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> A lot of times, people don’t know what they want until you show it to them.
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> —
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> Steve Jobs

So, how do you accomplish personalization on a sustainable and consistent basis?

The concept is simple: identify and curate a blend of content that your customer will find irresistible — or at the very least, interesting — and will feel compelled to act on within a given period of time. Of course, understanding the concept of personalization and recognizing its potential is the easy part. Actually putting it into practice... Well, that’s the holy grail. In this section, we’ll look at how to overcome the obstacles to integrating advanced personalization, best practices for personalization in your program, and actionable tactics to implement.

5 Obstacles To Overcome For Customer-Centric Personalization

To fully achieve the new standard of personalization, there are five key obstacles that every modern marketer and organization will have to overcome:

1. Technology Roadblocks

Are you running into technology roadblocks? If so, you're not alone. According to Econsultancy, 47 percent of businesses cite technology issues as the main barrier to personalization. Most legacy platforms were not built with advanced personalization, following the traditional segmentation model, and thus require the manual creation of multiple versions of a message. Without a modern personalization platform, complex personalization logic must be personally implemented, or you are forced to rely on integrations that can be difficult to execute.

47%

47% of businesses cite technology issues as the main barrier to personalization. (Econsultancy)

Personalization began as a simple mail merge where basic attributes about a contact were added to the message. Although largely static and somewhat novel, this step-up in communication served to distinguish legitimate messages from spam. For example, "Dear Eric, your points balance of 52 entitles you to two free meals," extracted and utilized a first name, points data, and number of free meals from source data.

This process necessitated that the data be loaded as part of the contact record before sending. In this example, the first name is static and is rather straightforward in its implementation. However, the points balance and number of free meals is dynamic and could change right up until message send time. The real-time nature of the points and meals data requires a coordinated effort to update the current state of information before the send, or you risk sending outdated data values in the message. This forced synchronization of timing with backend IT processes grossly limits creativity around sending personalized triggered messages and alerts.

Shameless Plug: *Streamlining this process, Cordial enables direct connections and integrations with external data sources for the message template to access up-to-date data at the time of the send.*

The next era of personalization, commonly referred to as "dynamic content," enables you to display content based on conditional logic relative to each recipient or group of recipients. For example: "If gender equals male, show the image for men's sunglasses, else, if gender equals female, show the image for women's sunglasses."

As simple as this sounds, legacy technologies make this a challenge to implement in a timely manner and limit the sophistication of the logic. Another, more extreme, barrier arises when posed with the task of personalizing a message based on the actual sunglasses a person viewed, or the pair of glasses the data indicates they prefer. Limitations such as these generally trigger an instinct to retreat back into the world of basic personalization; never to explore and adopt advanced personalization and the immense advantage it offers to achieve customer-centricity.

Choosing to personalize content beyond a simple mail merge typically forces an investment of additional time and money to implement third-party integrations. These include capabilities in areas, such as advanced dynamic content, cart and browse abandonment, recommendations, and one-to-one triggered messages. Creating a broader set of constraints and implementation complexities makes this unattractive to take on. Working with third parties requires coordinating multiple business relationships and technology integrations that often venture outside the bounds of a marketing team's control. Once implemented, there are added complexities with managing content and business rules between the email platform and the personalization tools that also prove time-consuming and cumbersome. Given time and operational constraints, this vastly limits what can be accomplished.

Content personalization has been further exacerbated by the rise in popularity of mobile and the added need to address cross-device logic from mobile-to-website. It is quite common for a person to first view their email or push message on their mobile phone, but interact later with that same message or brand on their tablet or desktop. With this shift, you must now plan and design messages that can be viewed across multiple devices, as users move between each over time.

2. Production Bottleneck

The data supporting the effectiveness of personalization in modern marketing is absolutely conclusive. What is inconclusive is the ability of organizations to take advantage of these opportunities. This is because personalization increases the need for more content, quality assurance testing, and approval cycles, all of which can add time to an already time-constrained workflow.

For organizations that effectively implement personalization, the fruits of their labors are self-evident. Take, for example, Ogilvy's "Share A Coke" campaign that turned Coca-Cola bottles and cans into social currency. In 2014, Coca-Cola rolled out the personalized campaign in Australia that resulted in 12 million media impressions, a 7 percent increase in young adult consumption, and a 4 percent increase of category in the country, before taking the remainder of the world by storm.

Ogilvy's "Share A Coke" campaign turned Coca-Cola bottles and cans into social currency. It resulted in:

7%

7% increase in young adult consumption.

4%

4% increase of category in the country, before taking the remainder of the world by storm.

In the e-commerce world, Amazon has been at the forefront of mining and utilizing data to provide a more curated experience for consumers. A large portion of Amazon's meteoric revenue growth over the years arguably is the result of the way the company has integrated recommendations into nearly every aspect of the purchasing process. In fact, Amazon attributes 35 percent of its revenue to its personalized recommendation engine.

Starbucks recently jumped on the personalization bandwagon by making their loyalty program more interactive and effective through gamification. Interactive games sent through email and its mobile app provide a fun way to reward members, while simultaneously motivating them to try new products and visit stores more frequently. The games have been personalized since 2016, using digital interactions and data from past visits.

Reebok's Spartan Race, an innovative, global obstacle course organization, successfully targets its email messages based on the recipients' locations. After implementing this level of personalization, Spartan experienced a 50 percent lift in website traffic, a 25 percent lift in new users, and a 13 percent lift in conversions.

Campaigns and programs like the aforementioned are a smart, highly effective, and profitable way to engage customers with a brand. This being the case, why are these more the exception than the rule?

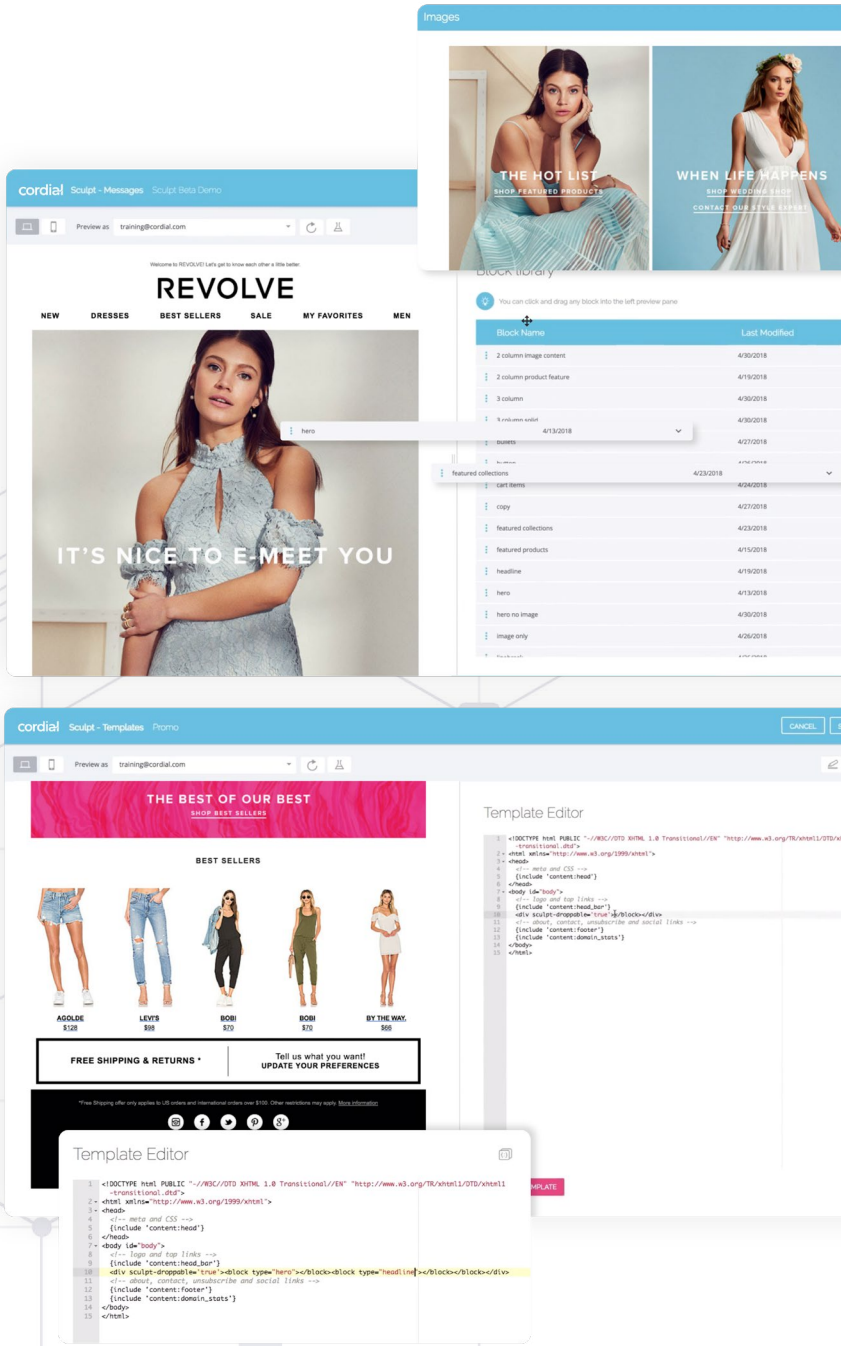
Slow creation and adoption can be partly attributed to the traditional production bottleneck. Marketers have been institutionally trained that nothing should be released — digitally or physically — unless every aspect has been thoroughly vetted and reviewed. Generally speaking, a thorough review is a good idea, but can quickly impose limits on creativity, testing and most certainly any advanced personalization.

A typical review process takes into consideration reviews for content copy, layout, design, offer, product availability, and brand/legal compliance, to name a few. This process can often go on for days or weeks, as it is common to have the review process for one group result in a re-review for another. Each change or modification may require the process to start again from the beginning. The added burden and need to review and approve all variations oftentimes results in the avoidance of personalization altogether.

Sculpt, Cordial's drag-and-drop message builder, helps solve lengthy campaign creation and review processes by operationalizing message creation. Instead of treating each message like a separate, static entity, Sculpt enables brands to build a library of content blocks that can be reused over and over. Each content block is a standalone piece of code which makes it easy to add advanced personalization features and custom branding. This turns the campaign creation process on it's head, enabling marketers to quickly create branded messages without the need for multiple approvals and QA reviews.

Having access to pre-approved message templates and code blocks also helps to democratize the design process, enabling other departments to create their own messages without relying on development and IT resources.

Ultimately, this shift in thinking enables technology to serve a powerful role in enforcing governance and quality control. Most importantly, it enables personalization at-scale.



3. Doing More With Less

While the benefits and projected ROI are enticing, personalization can seemingly be resource intensive. Marketing departments may be limited in staff and laden with multiple responsibilities outside of producing and managing the email program. Additionally, the need to do more with the same, or fewer, resources continues to be a factor in managing corporate margins.

Marketing and IT departments are increasingly becoming the focus for generating company growth. Digital channels such as email, push SMS and IoT are quickly displacing traditional offline channels in how they generate value for the business. Simultaneously, there are more disruptive digital-only businesses forming every day that are built with lean organizational models.

As a result, marketing and IT resources are stretched thin and any innovation that takes more time away from their compulsory duties often falls from the list of business priorities. Short of hiring more staff, next-generation technology solutions are the only tangible option to empower you to accomplish more. Unfortunately, in this fast-paced world, stepping out of the day-to-day routine to explore better solutions is not always easy or even feasible.

Cordial recognizes this dilemma and has developed a new approach to empower you to do more with less. Our powerful tools increase efficiency and the ability to implement personalization without extensive staff additions. Our advanced multi-channel messaging technology incorporates machine learning at-scale, which in turn injects your team with added productivity.

Take, for instance, the Teleflora team, a beloved Cordial client. Since 1979, Teleflora has delivered beautiful, fresh flowers to customers in more than 90 countries around the globe, developing a reputation for impeccable service and a premium product. Boasting a network of approximately 20,000 affiliated florists worldwide; Teleflora has grown to be one of the largest and most trusted floral networks in the industry. However, Teleflora didn't achieve its impressive reputation without a few growing pains.

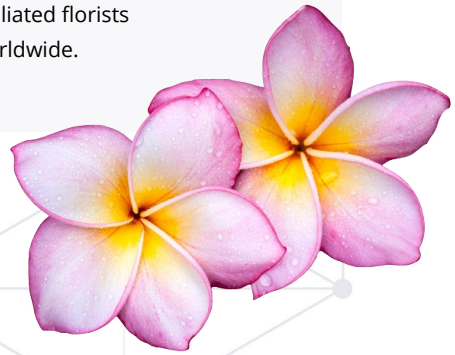
Since 1979, Teleflora has:

90

Delivered fresh flowers to customers in more than 90 countries.

20k

Built a network of 20,000 affiliated florists worldwide.



Teleflora's International subsidiary, Petals Network, is one of the world's largest online floral networks, offering turnkey e-commerce solutions to its partner sites. Cordial worked with Petals Network to completely revamp its email program from the ground up. Why? As Petals Network grew, they ran into problems servicing the marketing needs of its customers' sites due to the labor-intensive nature of its email processes. The legacy email platform Petals Network relied upon made it nearly impossible to quickly segment and consolidate disparate partner and customer information, and the lack of triggered messages resulted in low engagement from customers. Because of this, Petals Network could only service the marketing needs of the top 10 percent of sellers in their network, leaving 90% of their customers to fend for themselves. Not only was this a poor customer experience for its partners, but it also left a massive amount of potential revenue on the table, simply because its email platform was inefficient.

Using browse-based triggered messages and programmatic message templates, the Petals Network was able to completely rethink how they serviced their customer base. Within 30 days, they were able to streamline the campaign creation process and remove all manual curation, bringing campaign creation time down from days to minutes. Cordial also helped free up enough internal resources so that the Petals Network was able to offer marketing services to the remaining 90 percent of its partner sites.

Petals Network now leverages Cordial for every promotional, triggered, and transactional email, and uses Cordial Experiments to programmatically optimize every piece of their messaging resulting in a 20% increase in email revenue year-over-year.

20%

Petals Network experienced a 20% increase in email revenue year-over-year thanks to Cordial.

4. Being In The Know

It's not uncommon to lack the know-how of what to do and how to do it, especially if you haven't done the task in-question before. Given the time and requisite desire, it's likely you could, and would, take the time to build your knowledge, skills, and value. However, today's fast-paced, growth-oriented world often limits efforts due to the sheer workload to maintain operational success.

Although innovation can follow along at a seemingly exhausting clip, beware of being too busy to innovate or too time constrained to seek productivity improvements. In most cases, "business" is merely an ineffective state of being. Heike Bruch and Sumantra Ghoshal, authors of "A Bias for Action," conducted a 10-year study of busy managers in large companies, such as LG Electronics, Lufthansa, and Sony, and discovered that most frenzied activity is just business for the sake of being busy. They went on to explain, "Daily routines, superficial behaviors, poorly prioritized or unfocused tasks leech managers' capacities — making unproductive busyness perhaps the most critical behavioral problem in large companies." Their findings were shocking, revealing that 90 percent of managers squander their time on ineffective activities, while a mere 10% spend their time in a committed, purposeful, and reflective manner.

Marketers typically fall into three groups:

Those that know they need to innovate but struggle to find the time;

Those that just do their job and feel they can't step outside of the box;

And those that constantly look for newer and better ways.

> "Daily routines, superficial behaviors, poorly prioritized or unfocused tasks leech managers' capacities — making unproductive busyness perhaps the most critical behavioral problem in large companies.
>
> —
>
> Heike Bruch and Sumantra Ghoshal

This latter group tends to be the early adopters of new ideas and technologies and the ones that seek to discover and attempt what has not yet been done. The other two groups may emerge at some point, but need to be led, coerced or given the opportunity to advance.

As a marketer today, it's important to take control and innovate. If this feels like a struggle, seek out a colleague in the marketing community who has proven to be an innovator and learn from them. Build your network with individuals that you see making a difference. Seek out and interact with thought leaders at digital marketing events and through online communities.

Be a leader of change and innovation. Gather information and testimonials to build a case that innovation, such as personalization at-scale, is happening now. Show how it can be a catalyst to evolve and grow the business.

5. Winning Executive Support

Senior management support is essential for any transformation to succeed. Every CMO and VP of Marketing has the goal to grow the business, so making a case for implementing advanced personalization needs to be done with goals and ROI as its emphasis.

A recent study conducted by PricewaterhouseCooper's Digital Services group revealed that 94 percent of senior-level executives believe delivering personalization is critical or important to reaching customers.

Although that's a fairly high percentage, many CMOs may not respond with much enthusiasm unless presented with compelling proof. Merely touting a new technology because it is "new" will not necessarily gain support. Instead, do your research and present a solid and irrefutable business case.

Garnering support and enablement is a two-part process.

1. **The first part is getting the correct technologies in place to fully empower the marketing team to perform personalization at-scale.**
2. **The second part is to win the support of management to change and challenge the status quo.**

This means that CMOs and VPs need also embrace change, and formally own leading the charge for disrupting the business. This must be a top-down initiative and priority that is communicated to all involved, including any supporting departments, such as IT and other executive sponsors.

According to a recent study conducted by PricewaterhouseCooper's Digital Services group:

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94% of senior-level executives believe delivering personalization is critical or important to reaching customers.

Technology without support and leadership from management will minimize the investment. Day-to-day tasks can and will quickly reemerge if priority shifts. Innovation will fall to the wayside unless executives fully embrace and enforce experimentation, advancement, and evolution.

Personalization at-scale is not new in theory. It has been discussed and praised as the holy grail of true one-to-one marketing for many years. However, actually executing on its promises have eluded marketing executives, mostly due to previous failed, empty technological promises. Cordial's platform for multi-channel messaging is rapidly changing the landscape. Machine learning, A.I., and other software innovations have accelerated these capabilities, allowing for expanded functionality.

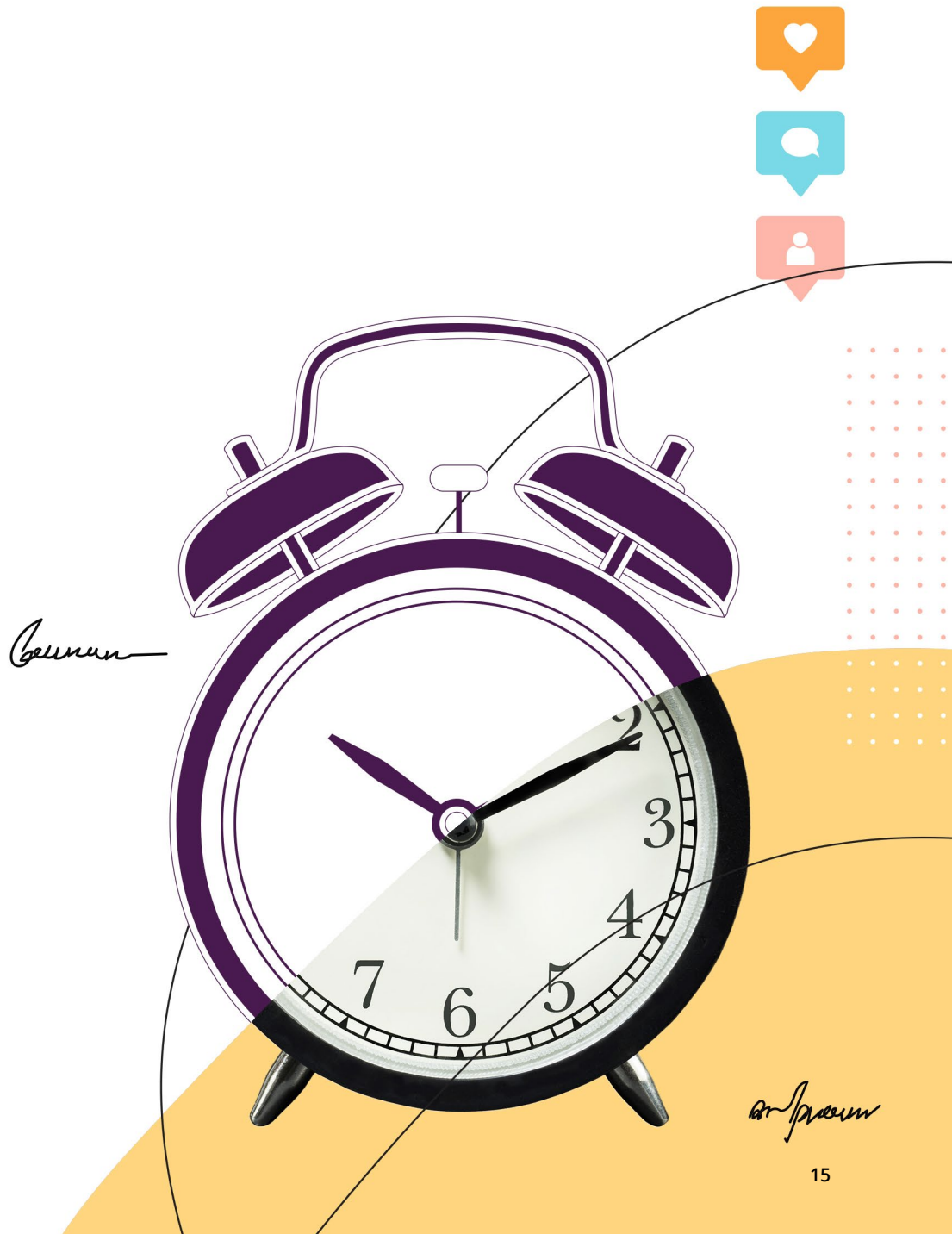
Gaining management support towards dedicating the proper time to implement and test is also critical.

Although technology has enabled this functionality and, to some extent, augmented productivity, there is still an element of change and experimentation that is necessary. Making a technology change is only the first step in that process.

Both the marketing team and the executives overseeing the effort must come together to understand the process and set realistic expectations. Daily routines and processes must be reviewed, as does all messaging streams and production planning processes used today. Understand that multi-channel messaging is a paradigm of communications and personalization across many dimensions — channel, device, time, triggered messages, content, IoT, etc.

Management has an opportunity to shift the culture of a company and change the way it interacts and engages with its customers through real-time and personalized messaging.

The initiative needs support and direction from all involved, most importantly from the executives that drive business and new ways of thinking.



From Idea To Execution

Communicating with customers on a multi-dimensional level is now a reality that incorporates several components of personalization beyond what was traditionally possible with older legacy platforms.

Taking into account this new standard of personalization, here are the primary components to consider:

Timing is Everything

A well-orchestrated messaging strategy includes a blend of segmented batch messages, such as daily newsletters and promotional offers, in conjunction with messages delivered based on actions and events related to each customer.

Sending bulk promotional or newsletter type email messages to a single mass audience is no longer going to cut it. Although it works on a base level and is easy to produce, send, and drive engagement, in reality, the industry is showing signs of steady decline. This is attributable to a variety of factors like list fatigue, tightening deliverability, inbox saturation, and competition. Sending a regularly scheduled communication is not bad in itself. In fact, it is good when a customer is expecting and anticipating a message regarding their daily news, horoscope, daily deals, recipes, and the like. However, there is a more pressing and relevant opportunity to engage with customers based on their actions and activities.

Let's explore a real-life example:

When you walk into a clothing store, within minutes a store employee might walk up to you and greet you, then follow with a question such as, "Is there anything I can help you find?" You may quickly reply that you are just looking around, or you may engage with an answer like, "Yes, I'm looking for the sweaters that were advertised on sale this week." In either case, the store employee is determining what to do next and how best to respond in order to effectively help. The context of that continued dialogue informs the employee of what the next interaction should be, as does any further observations you explicitly or implicitly make.

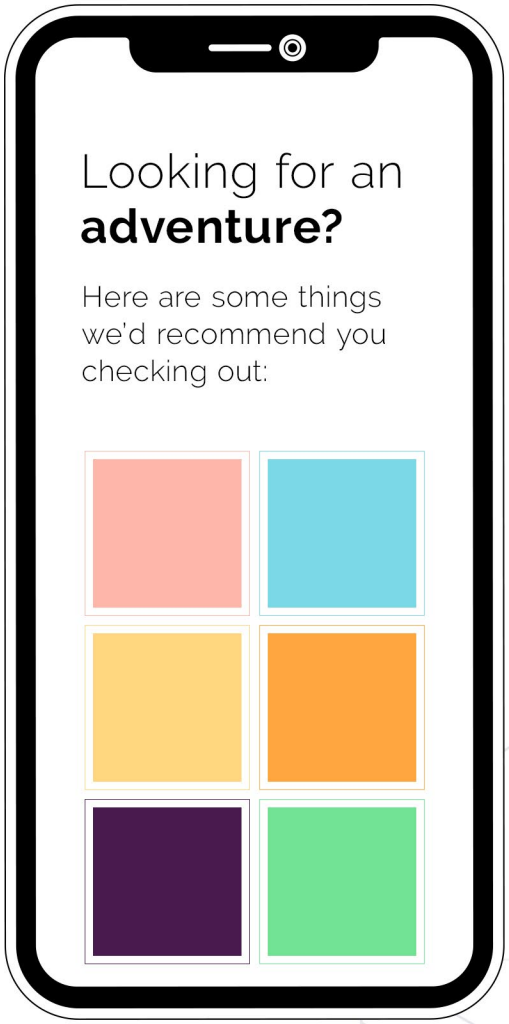
In the digital world, nearly the same types of behaviors can be observed, enabling you to make similar engagement decisions by assessing a customer's intent through actions and signals. This presents an opportunity to invoke natural and anticipated messages. Examples include: welcoming a customer back after a long gap in shopping, or following up after they leave the property with relevant suggestions for clothing and accessories, or to simply thank them for visiting.

The only difference is the use of digital signals in conjunction with other data you may know about the customer, like recent online or in-store purchases, on-site viewing history, and recent email engagement.

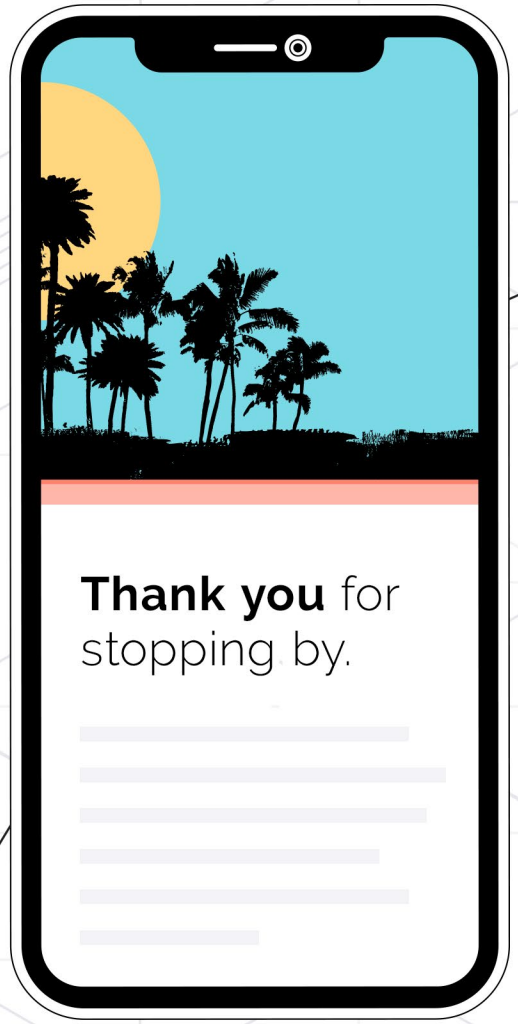
Synthesis of this data presents an opportunity to send a real-time personalized message at a moment that has the most impact in the context of that customer's brand experience.

Natural And Anticipated Messages

Welcome Back Messages



Follow Up and Suggestion Messages



Thank You Messages

> Remember, the customer is not on the brand's journey, but rather the brand is on the customer's journey. The goal should be to replicate and exceed the same experience that the store employee creates, making similar decisions and providing human-like responses to your customer's needs and intent.
>
> —
>
> Jeremy Swift, **Cordial co-founder & CEO**

Data-driven triggered messages are a powerful form of multi-channel messaging at-scale, as they can humanize brand interactions in a much more natural and personalized way.

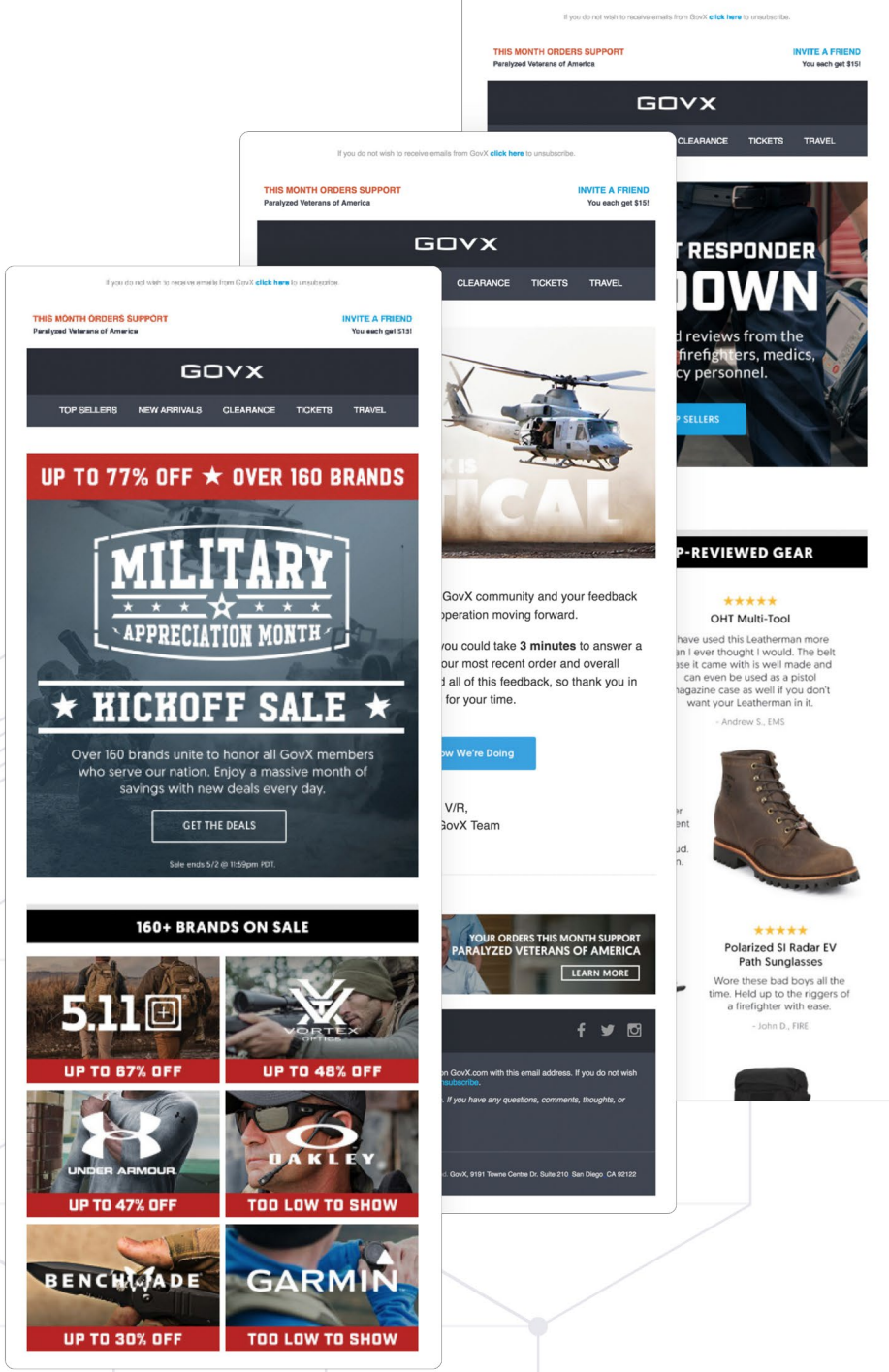
GovX, one of Cordial's customers, realized the impact and advantage of real-time personalization. However, its antiquated legacy system had a choke-hold on its success. GovX is a 100% e-commerce brand that relies heavily on digital channels, namely email, to engage and retain its customer base. To communicate with its users, the marketing team was using a large legacy ESP to create highly complex pre-scripted email journeys that could reach 50+ messages.

Over time, these email journeys became so complex and unwieldy, that even minor changes in one area could require complicated updates to multiple pieces of the journey. Pre-scripting a conversation you haven't had yet is a tall order and requires an enormous amount of complicated logic to work efficiently. Besides putting a huge amount of pressure on the email team and the IT department, this hindered the efficiency and timing of its personalized lifecycle messaging.

Identifying GovX's need for a platform that could flex with its changing needs, Cordial's Client Success Team immediately got to work untangling the complex web of messages in the legacy ESP journey-builder. Cordial also worked with the GovX Tech Team on-site to provide advice and guidance on how to migrate its APIs and remap its data to the new system.

Within two weeks of signing with Cordial, GovX was able to simplify its 50+ email journey down to a mere 14 programmatic messaging templates.

The beauty of flexible, programmatic templates is that relevant content populates based on where a user falls within the lifecycle. Messages change based on the characteristics, interests, and previous behavior of the member that is receiving the message, meaning that each person receives a 100% unique experience. This removed the need for complicated updates whenever a small change was made, enabling the GovX team to send 1:1 personalized emails to every customer automatically. This shift also drastically reduced the amount of time and effort it took to create and edit lifecycle messaging and empowered the marketing team to create a seamless, authentic, effectively timed dialogue with their customers.



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The Green Light for Content

Content adaptation continues to be a significant component for driving engagement and personalization.

Remember our previous example, where we were playing the part of the customer looking for sweaters advertised on sale. Now, usually the store employee would have directed you to the sweaters on sale as requested, but he or she may have also shown you the more popular sweaters or newest arrivals. This salesperson may have also noticed the brand and price range you were looking at and directed you to more products from that designer and in a comparable price range.

Shifting back to the digital world, content adaptation is a two-step process, and it's the perfect method to give customers a synthesized experience across channels:

- **The first step is to effectively aggregate and synthesize the various signals customers are providing to determine which are meaningful.**
- **The second step is to then use this contextual data to intelligently respond back with ideas, suggestions and other related content that may be important to the customer.**

For example, assume a customer is new and has not yet made a purchase. They enter the store and add a sweater in their shopping cart — but do not purchase right away. They continue to browse and then look at the shipping terms and return policy then they abandon your site.

The triggered response to the customer should be a personalized message that first shows them what they left in their cart, but the trigger should also include other recommended items, along with additional details on the brand's shipping and return policies. The fact that the customer did not purchase, and looked at the return policy, may mean they are unsure of the brand and need reinforcement to move forward with a first purchase.

Personalization at-scale means making sure every message type — batch, triggered, and transactional — adapts to the current context of each customer with select content that is meaningful and influential to the customer and brand.

Consumers Clamor for Cross-Device Personalization

Mobile is emerging as the leading device by which we receive and interact with messages, but real-time device shifting between mobile, tablet and desktop requires an understanding of how and why customers interact differently and engage across platforms and time.

The smartphone is increasingly the device of choice for viewing email and app-based data, mostly because of its convenience and pragmatic utility to our daily lives. In fact, a recent study by Pew Research Center revealed that 46% of smartphone owners say they couldn't live without their devices. That said, smartphone users continue to cross devices based on their intent. Despite a rise in mobile searches, most conversions are still taking place on desktops, laptops, and tablets, with mobile commerce still only making up 34% of total retail online sales.

The shift to mobile is increasing steadily as more brands streamline the purchase process and customer experience on a smartphone. This cross-device usage of customers poses a challenge in how to think about the design and functionality of messages as many consumers switch devices in the middle of tasks, shopping being a prime example.

It also raises the need to understand which channel is most appropriate for a particular message based on the expected interaction. Users engage differently on each device, therefore it's imperative to consider the overall experience you seek to create by the device.

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34%

Mobile commerce only makes up 34% of total retail online sales.

Personalization strategies and tactics are not just about content and responsive design. They are also about device shifting and the timing and reason of when to do so. Consider a scenario where a brand would like to optimize customer response by synchronizing an interaction on mobile with one on a desktop. In this case, a brand may send out an early-morning message announcing a new line of sweaters that are about to land in the store. Over the next few hours, a percentage of the recipients of that message engage with it on their smartphone but do not complete a purchase. Later that day, the brand sends a personalized follow-up message to that specific audience with the expectation they may take further action once at home and in front of their laptop/desktop or tablet. This combination of messaging is a powerful way of managing how people interact with communications based on device, time of day, and location.

Cross-Channel Pollination

Although email is the primary focus of this piece, personalizing across other channels such as mobile push and web is equally important to create an effective messaging strategy.

Personalization is about more than just changing content in an email. It involves the overall customer experience and how a customer interacts with a brand over time. Email is considered the most influential outbound channel mainly because it is easy to control and initiate interactions. However, in most cases, the objective of an email message is to push the user back to a brand website or landing page for further interactions and conversion. The objective is to continue the customer experience from one channel to the other while maintaining continuity of content and flow. However, the interactions of the customer are often lost once they shift from email to website. Although implementing website personalization strategies as part of your content management system is a great first step, it is oftentimes limited and only operational with regard to website data.

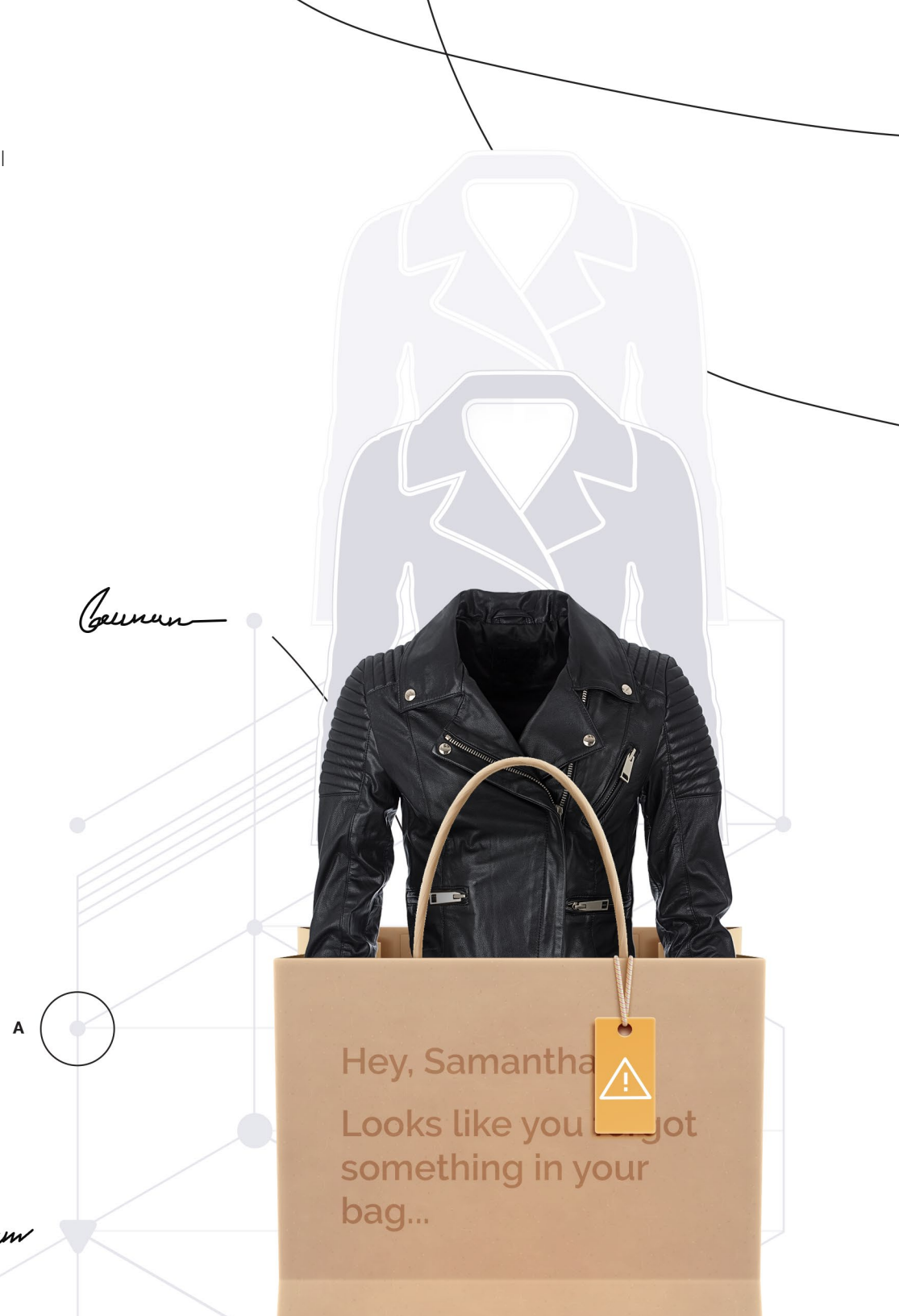
Cordial helps solve for the multi-device, multi-channel customer journey by enabling brands to store all customer data in a single platform. Historically, customer data collected from an email could not be easily merged with data from a web browsing session because each property stored data in different places. In fact, most tech stacks today are so fragmented that there is little opportunity to create a continuous buyer's journey across channels. By bringing all this data together, Cordial gives brands a unified view of their customers, enabling them to track customers from one property to the next, and create a meaningful, engaging buyers experience.

Push notifications, as a channel, is also a critical aspect of the overall customer experience. Special notifications or important alerts are often best suited for push delivery, rather than through email. Using the push notifications channel as part of the customer experience may be explicitly orchestrated as part of the planned touch strategy, or it may be configured to be adaptive based on the customer's actions, or lack thereof. For example, you may send out a promotion announcing the start of a Labor Day Sale, possibly personalizing each message by categories of sale items each individual may have last looked at. A push notification message may then be coordinated to follow-up later that day to anyone that did not open or click on the email.

Another example of a cross-channel program is a two-part abandonment series with automated triggered messages. The first message is a traditional abandoned cart message and the second is a push message with details of the product that had been abandoned and the number left in stock.

It's not uncommon to lose sight of the content side of personalization and think narrowly about the supplemental data that powers it. Think inventory data, menu data, data drive that is specific to a region — all data that is not customer data, but has logic that can be applied to consumers attitudes, consumption, and interests. Cordial provides an extensible data management capability to store first-party data and supplemental data such as this, to rapidly streamline inventory alerts, new releases, out-of-stock items, and help organizations leverage their content assets.

Cordial's next-generation multi-channel messaging platform makes orchestrating the overall customer experience and adaptive journey simple and effective. The platform delivers at-scale by personalizing push notifications, email messages, and content cross-channel using the inputs, interactions, and signals generated at an individual level using all channels.



Context Is Key In Customer-Centric Personalization

It used to be that executing your personalization strategy could begin and end with first name personalization in an email, with data and information being collected about your customers through preference centers or other data sources like list appends. All of that is a old news. Fast forward to today, and the golden age of personalization, where real-time customer behavior data and other cross-channel actions have emerged, providing much greater insight into customer intent and needs.

What has modern personalization yielded? We now know what actions our customers are taking on the website and when they are taking them. We know what types of content, articles, travel destinations, events, and artists customers are showing an interest in through their browse and search behavior. We know what products they have purchased and can infer favorite brands, preferred styles, price ranges, and more. We have to review data and social sharing events that provide valuable brand affinity data. We may also have access to offline behavior such as in-store actions and call center activity that can yield valuable interaction timing.

Together this data tells a story about consumers; their likes and dislikes, and their interests and needs at critical key points in time. Armed with this knowledge, customer-centric messages that provide value and drive greater anticipation can be readily generated.

Numerous organizations are taking full advantage of these advances in personalization, in very creative ways. Take, for instance, **Global Giving**'s use of dynamic content blocks in their newsletters to suggest to subscribers projects related to ones they're already funding. This resulted in a 10X lift in engagement, as compared to their earlier, non-personalized newsletter.

Anyone on Facebook has also experienced their creative and effective application of personalization. If you're on the social media site, you've likely enjoyed more than a few friendship history videos — where Facebook leveraged its rich user history data to create highly shareable videos based on past site interactions.

And who hasn't shopped at Target? The monolithic retailer is quite possibly one of the most notorious companies with regard to personalization. Harkening back to when Target became well-known for implementing personalization a bit *too well*, **Charles Duhigg outlined in *The New York Times*** how an angry father marched into a Minnesota Target store, demanding to know why his teenage daughter was receiving coupons for baby products, only to find out later that she was, in fact, pregnant. As it turned out, Target was able to predict his daughter's pregnancy and subsequently tailor the promotions she received, in large part, as a result of an immense amount of data collection and analysis — i.e. completely legal personalization.

Great, or just plain disturbing? ...We'll leave that up to you to decide.

7 Personalization Tactics to Implement Now

So, exactly how can you accomplish customer-centric personalization — in a non-invasive fashion we might add? For that, we need the help of next-generation messaging that enables you to create intelligent message components that conditionally show or render content specific to each user. For example, let's assume that you want to send out a daily newsletter or promotional message showing your brand's products or content. Also, assume the message uses a common design each time and takes a few days, to a week of lead time to produce.

To add personalization at-scale, you can create message templates with custom sections that are designed to conditionally appear (or not) based on the data for each customer. These sections can pull in "contextual" content from both internal and external data sources based on any combination of data you are collecting or have access to. Once these sections or blocks are created, they can be reused across other batch messages, triggered messages or time-based automations, and even the website itself.

Let's explore seven of the most common reusable components that deliver the biggest bang for the buck:

1. Previously Browsed Products

This component pulls in past products viewed or products that have been recently left in the customer's shopping cart. Think of how well cart and browse abandonment messages convert. Adding this same functionality to your standard messages can bring a sizable boost to your current message with little to no added effort. Taking that a step further, you can follow that up with a similar custom module that can be sent via push.

2. Contextual Offers

This component incorporates intelligent offers based on a variety of criteria such as time since last purchased, previous abandonment, or new to the brand and never purchased. Go one step further and include machine learning and automated recommendations to optimize response for each offer to further maximize response.

3. Locations and Upcoming Events

Use this component to pull in localized data such as regional event information and store locations data based on a customer's location. Load the data and let the template do all of the heavy lifting.

4. Relevant Articles and Content

Display articles automatically based on a list of stored content matched to recently viewed or inferred interest in a topic, category, author, or any other attribute or property. Extend this method to fully automate an entire message and remove the need for all human intervention. Some of Cordial's clients like Quibids, Tarot.com, GovX, and Teleflora have developed fully automated, highly effective, data-driven email that send themselves.

5. Product Recommendations

Show relevant products or other content using a recommendations engine, synthesizing all past browse and purchase behavior for that customer (and similar customers). Cordial provides the ability to quickly create recommendations with your own criteria and with little-to-no coding. Thanks to Cordial's Sculpt email editor, you can insert dynamic recommendations based on your custom criteria using the drag-and-drop interface.

6. External Content

Create a component to pull in local weather and other external data feeds to embellish each message with value added content that is readily available and requires no effort to curate. Examples of this may be weather feeds, news feeds, social content, and more.

7. Win-Back Campaigns: The Tortoise & The Hare

Incorporate a conditionally displayed win-back or re-engagement component to display based on customer inactivity — well before you move them to the unengaged bucket and lose the ability to message them. This has proven very effective in letting customers know they are at risk of losing their opportunity to receive messages.

Our research looked at the Internet Retailer's Top 100 list and found that 33 brands were employing win-back campaigns. The inbox placement rates for companies employing win-back campaigns stood at 92% — a high number that shows that most inactive subscribers are receiving the win-back campaign in their inboxes.

These win-back campaigns had a 12% read (or open) rate, again a respectable number considering how many of these subscribers have not interacted with emails from these brands.

92%

The inbox placement rates for companies employing win-back campaigns stood at 92%.

12%

These win-back campaigns had a 12% read (or open) rate.

Much like the hare, our study showed that slow and steady wins the race. Forty-five (45%) of recipients who received a win-back campaign read a subsequent message; of that group, just 24% had read the first win-back message. Seventy-five percent (75%) of re-engaged subscribers had read a subsequent message within 89 days, and the other 25% were still opening messages up to 300 days after receiving the first win-back campaign.

While it is impossible to tell if the initial win-back campaigns had any influence on whether future messages were opened, it does show that marketers may be hurting themselves by removing email addresses from their file too early.

Personalization at-scale through real-time and personalized messaging can enhance marketers' results without a lot of added time or resources — all while sustaining a customer-centric theme. The key is to start slow and build reusable components that can be deployed and optimized across multiple messages. To accomplish this, partner with a company who shares the same goal of building personalized multi-channel messaging at-scale. Once you have the technology to empower you, the sky's the limit to what you can create with the support of your marketing team and management.

One company — SKLZ — heeded this call. SKLZ, a sports equipment manufacturer that prepares athletes for their sport-of-choice, offers a variety of training products and programs designed to increase skill and performance, both on and off the field—and its a customer of ours here at Cordial.

SKLZ products are world-renowned for cutting-edge technology and are available at major sporting goods' retailers, specialty retailers and at SKLZ.com. However, although renowned for cutting-edge technology, SKLZ was forced to reevaluate its selling strategy when two of its largest retail distribution channels filed for bankruptcy.

Slow and steady wins the race:

45%

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Of that group, 24% had read the first win-back message.

75%

75% of re-engaged subscribers had read a subsequent message within 89 days.

25%

25% were still opening messages up to 300 days after receiving the first win-back campaign.

To sell effectively online, SKLZ relied heavily on out-of-the-box messaging capabilities of its website platform, but were only able to send batch-and-blast promotional emails and set-up rudimentary, automated message streams. This made personalized messaging nearly impossible. SKLZ experimented with basic segmentation, but relied solely on the preferential inputs of its users, which are often incomplete or incorrect.

Cordial approached SKLZ's problem with a holistic strategy that began on the SKLZ website. Using Cordial's REST-based API and JavaScript listeners, SKLZ was able to collect behavioral and usage data from its customers. Cordial also empowered SKLZ to begin cultivating a much deeper understanding of how its customers were interacting with its website. For example, SKLZ is now able to visualize which product categories are most popular among highly specific audience segments, and whether or not users were actually interested in what they indicated during signup. Furthermore, SKLZ could now leverage this data to have a more relevant and authentic dialogue with users. For a company betting big on e-commerce, this information proved to be invaluable.

Within 30 days of signing up with Cordial, SKLZ migrated all transactional and promotional messaging to the Cordial platform and were able to easily create a number of triggered lifecycle messages, based on browse and search behavior.

Each of these messages was unique to the recipient, displaying images, text, products, and promotions based on real-time customer data, truly allowing SKLZ to deliver 1:1 personalization at-scale. In addition, SKLZ was also able to better cross-promote its product offerings, growing key channels that had experienced difficulty gaining traction in the past.

As a result of their new personalized messaging strategy, SKLZ saw average order value increase by 59%, email transactions increased by 485% and overall email revenue grow by 760% year over year.

As a result of their new personalized messaging strategy:

59%

The average order value increased by 59%.

485%

Email transactions increased by 485%.

760%

Their overall email revenue grew by 760% year over year.

Part 2: More Customer-Centric Triggered Messages & Email Automations

You're Losing Online Shoppers Every Day

Go ahead, try and wrap your brain around this dollar amount: $4.6 trillion dollars. No, that's not the current spending of the U.S. government. That number, by comparison, is a mere $4.096 trillion.

Go ahead, guess again. Did you get it? That $4.6 trillion is the amount of sales abandoned in shopping carts in 2016, up from $4.2 trillion in 2013.

As a consumer-focused organization, building programs that maximize your customers' every interaction — both digital and in-store — is likely one of your greatest challenges and pain points. Digital and mobile are here to stay, woven into the fabric of how we shop, compare, buy, share, and even live. According to a recent Cisco study, **80 percent** of people use digital means when shopping. Of those shoppers, PwC found **44 percent use mobile technology** to research products, 38 percent compare prices with competitors, and 37 percent to purchase.

Here's the rub:

Brands build site experiences to capitalize on inbound traffic, using email and mobile as push/pull approaches to build meaningful value exchanges. These are predicated on four key fundamental values that email drives:

1. Informational Value
2. Service/Fulfillment
3. Promotional
4. Social

Every communication stems from these core needs to consume information, fulfill online/offline services with merchants, shop and buy, and share things that are share-worthy. Yet, many struggle to build programmatic triggered messages programs that learn and adapt as the customer acts, reacts, and changes.

In this section, we'll show you how to seize the moment and leverage customer-centric triggered messages to your and your customers' benefit.

We'll explore:

- What trigger-based email marketing is and why it matters
- Why you should use triggered messages
- Examples of triggered messages and campaigns
- How to implement personalized triggered messages at-scale

Triggered messages is a crucial strategy for companies looking to deliver personalized marketing experiences to customers. Simply sending a scheduled email blast at 9AM on a Tuesday will no longer make the impact savvy, modern-day consumers are craving. It's now your job to figure out how to create a dynamic, timely, personalized experience for every customer in your database, at every touchpoint of their buying journey.

The Lowdown on Trigger-Based Email Marketing

Put simply: trigger-based email marketing is the practice of reacting to customer interactions with personalized and timely messaging.

The idea is to match the intent of a customer's action with a relevant value exchange. All of this is great, but if you can't time the exchange for the attention span of your customer, all your efforts will be for naught.

Today, consumers expect seamless experiences when making a buying decision — from easy payment options, mobile-optimized e-shopping experiences, price comparisons, and up-to-date inventory snapshots. It's not just about owning the point in time when a consumer is in buying mode; consumers expect companies to adapt and personalize product recommendations and content to their interests.

The day of "set and forget" message automation has passed. Instead, trigger email campaigns empower you to automatically respond to key customer actions with highly contextualized messages. Populating these messages with information gleaned from dynamic consumer and market changes creates a better customer experience and helps create meaningful lift for your business.

Triggered Messages are Great, but I Need Scale

In the past, the biggest drawback to using automation or triggered messages has been a sheer lack of scale. Why is it important if you only reach 1/100th of your audience versus a direct/broadcast campaign? And what can you do? Consumers are inherently unpredictable, with their behaviors changing just as rapidly as their latest device, location, and time zone. Modern-day triggered messages and automations allow you to adapt to the pace of your customer and their oft-changing behaviors.

When most marketers think about triggered messages they immediately go to cart abandonment emails or welcome emails. However, virtually every modern email service provider offers more advanced technology. Javascript listeners and API's can now track everything a customer does on your website, allowing marketers to create triggered messages based on just about anything: browse events, in-app behaviors, past purchase data, real-time purchase data, clicks, email opens, push message clicks — everything is on the table. Today, modern triggered messages tailored to your customers are only limited by one's own imagination!

Although customers still prefer to communicate with their favorite brands via email, this conduit is an email-war-torn-landscape, with the average inbox seeing **122 emails per day**. Triggered email messages break through the front line by delivering content that customers actually want, based on their behaviors, actions, and preferences. In fact, segmented and targeted emails generate **58 percent** of email marketing revenue, according to a study by DMA.

Behavioral Data is the Catalyst to Modern Personalization Strategies

The world creates 2.5 Exabytes of data every day. To put that into perspective, 90 percent of the data has been created in the last two years alone. This unfathomable amount of data is compounding daily, some bits more valuable than others.

Translated, this means many companies still struggle with 1:1 personalization or will lack the ability to sustain this level of personalization over time.

Just a few years ago a study by Razorfish found a staggering **76 percent of marketers did not use behavioral data for segmentation analysis and targeting in any channel, let alone email.** In fact, only 38 percent of those interviewed were able to target a new customer versus a returning customer, and just 13 percent actually delivered segmented experiences and were able to measure the results. The key is not more data, but being smart with the data you choose to assess and utilizing machines to help scale it.

How much data is produced every day?

2.5 Exabytes are Produced Every Day

Which is equivalent to:

530M
Songs

150M
iPhones

5M
Laptops

250k
Libraries of Congress

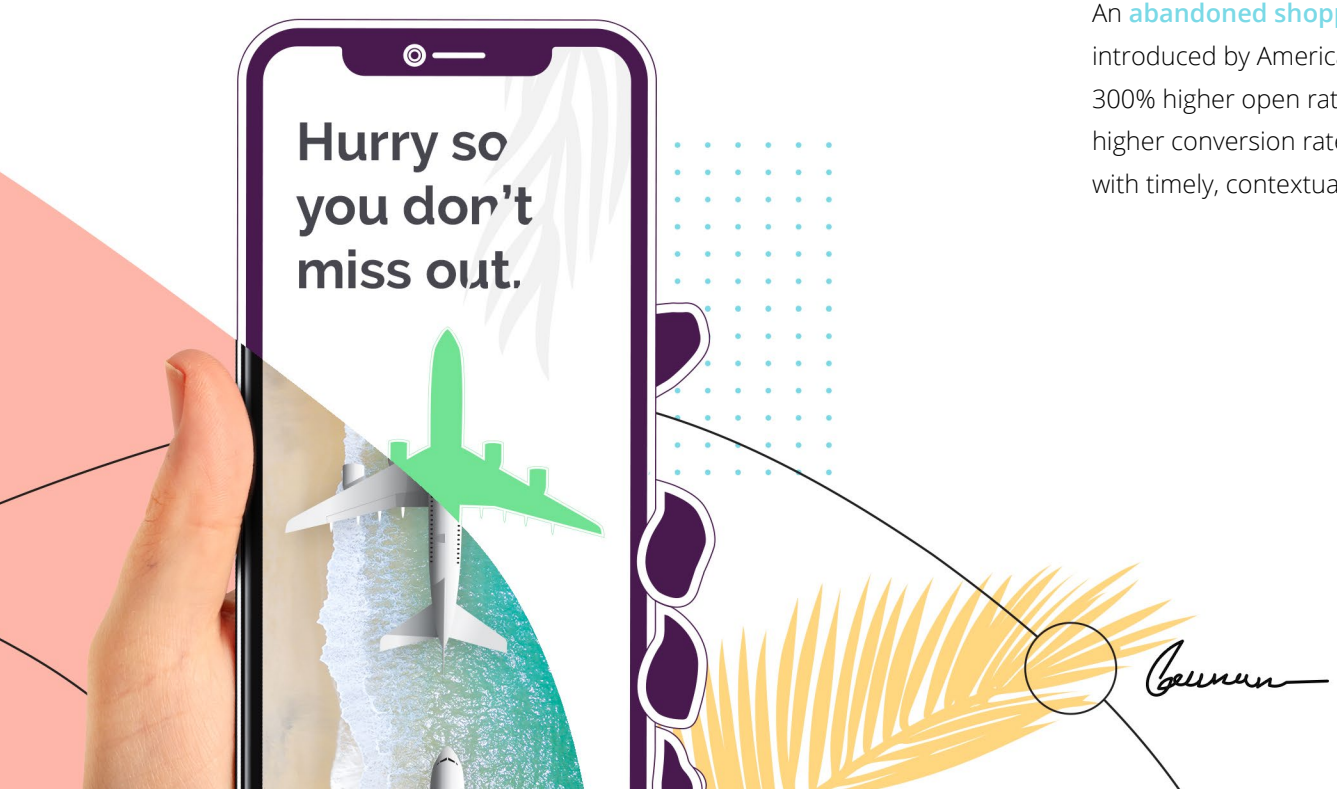
90
Years of HD video

Survival is Futile Without Automation

The days of campaign runs on Tuesday and Thursday and three- to four-day production cycles are over. The data you see is dated, the promotions are latent, and your ability to react around key cyclical events is limited, putting you at a severe disadvantage.

How do you catch up?

By using automations and triggered messages. Utilizing semi-automated communication with customers allows you to you to be flexible and adapt, while providing you with the ability to experiment unconditionally.



Three outcomes for using customer-centric automations and triggered messages

Outcome 1: Maximize Conversions

Action: **Deliver contextually relevant messages that capitalize on customer intent.**

Success begins with automating any commerce related interactions, such as Cart Abandonment, Browse Abandonment, and Order Confirmations. An **abandoned shopping cart triggered email program** recently introduced by American Airlines reported triggered email campaigns had 300% higher open rates, 200% higher click-through rates (CTR), and 400% higher conversion rates than traditional emails. Keying into buyer intent with timely, contextual dialog will ensure your greatest success.

Outcome 2: Increase Engagement Rates

Action: **Use customer behaviors, actions, and preferences to deliver engaging content.**

Lasting engagement is created through fulfilling core needs and desires, and being artfully persuasive. With email inboxes overflowing with messages, all vying for customer attention, it's more difficult than ever to get users to engage.

How do you rise above the noise?

Email offers one thing that other messaging channels don't: the opportunity to apply a stacking effect. Think, execution of a portfolio of messages versus a single message.

Taking a strategic combination of actions, as it relates to your customers' profile data, enables you to personalize each shopping experience and show items that are geared towards each individual customer.

For example, you can show sales items related to past purchases, or suggest items based on birthday or anniversary dates provided. Use these triggered messages to re-engage inactive leads and help move the needle forward on engagement.

> **74 percent of marketers say targeted personalization increases customer engagement.**
>
> eConsultancy

Outcome 3: Save Time

Action: **Automate over 50 percent of your messages and testing capabilities.**

Automating more than half of your messages and testing will provide you with more time to focus on strategic initiatives, rather than implementation. Triggered messages accomplish this by taking advantage of automation and sending customized messages based on real-time data.

Many legacy email marketing tools only offer segmentation processes that require hours of data mining. The hazard is, as soon as segments are built, data could change again and any lists generated would be outdated. With modern ESPs, you can quickly create custom audiences from within the product interface, in real-time, using virtually any piece of customer information or interactions.

> **Personalized email messages improve click-through rates (CTR) by an average of 14 percent and conversions by 10 percent.**
>
> Aberdeen

Transactional Triggered Messages

Associated with a transaction or shopping behavior.

Challenge: **Cart Abandonment**

> How do I get customers to finish their transaction?

You've heard the countless stats touting the value behind shopping cart recovery tactics. Have you heard about how a highly personalized triggered email, sent at the *exact* right time, can recover lost revenue? On average, we here at Cordial have found there's an 18 percent recovery rate within the first hour of sending the triggered message!

Here are some ways cart recovery triggered emails can be used across different industries:

Retail

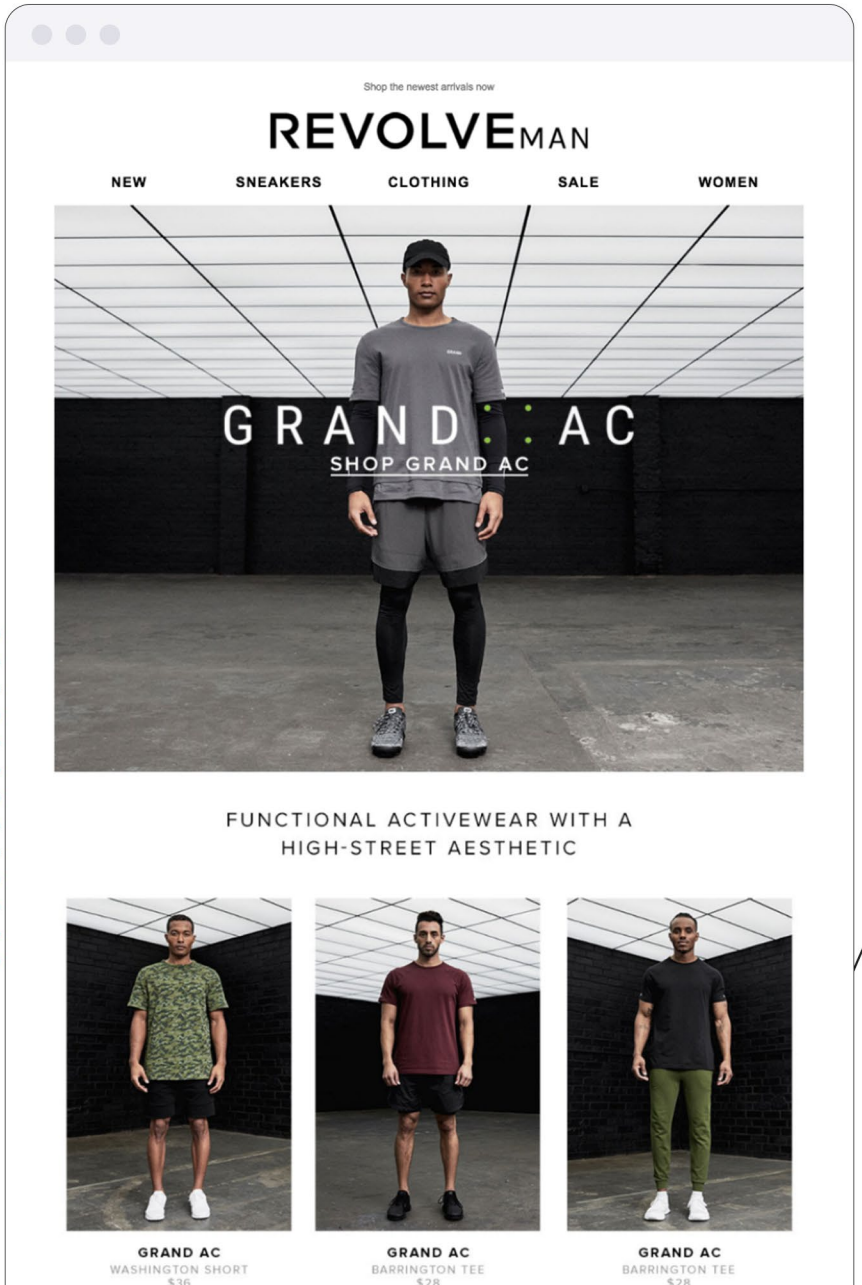
Imagine you are a sporting equipment manufacturer selling online. A prospective customer comes to your site and browses the basketball category, clicking on three different products. They add just one of the three products to their cart, but abandon the cart before purchasing. If you were tracking everything the customer was doing on your site, you could automatically send a triggered email containing the products they viewed, along with related products, to invite them back and potentially get an upsell.

Publishing

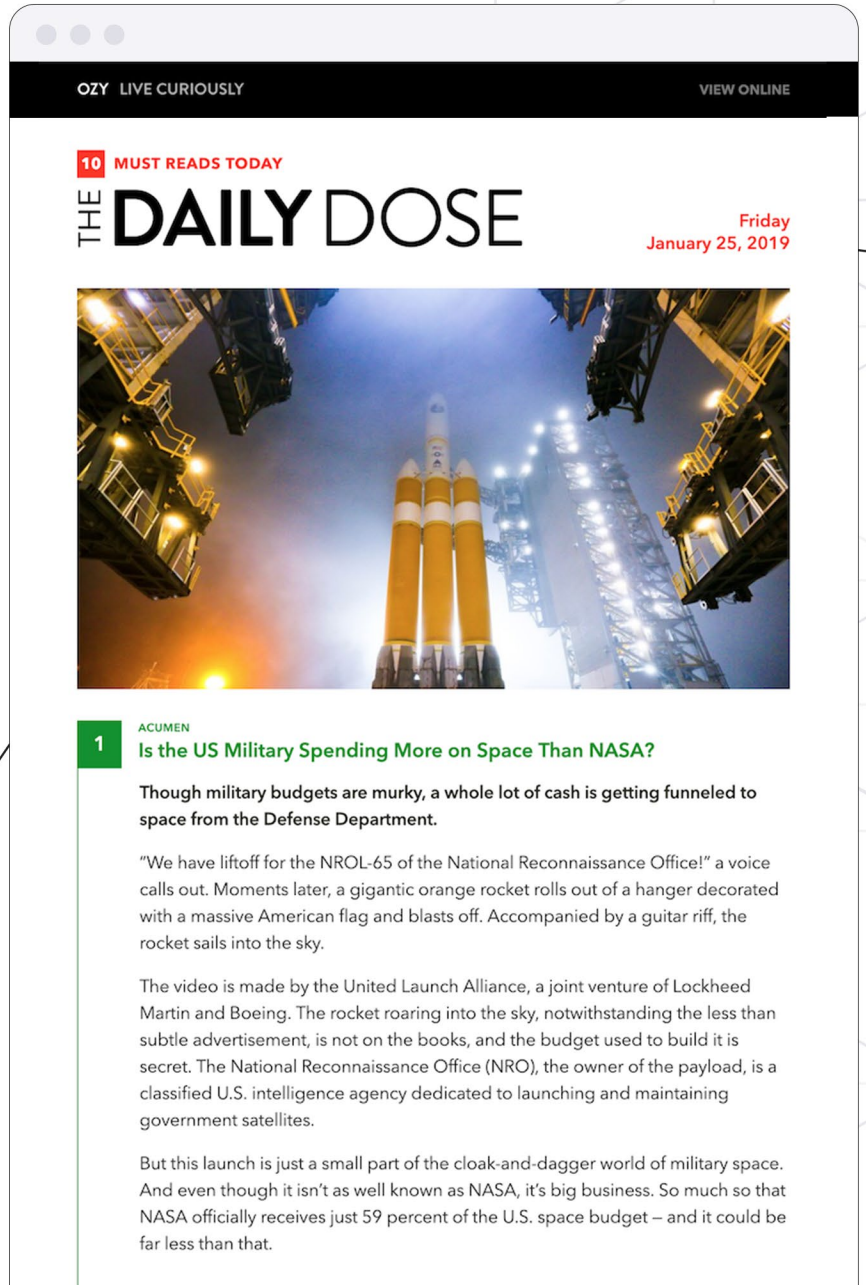
In publishing, the main revenue streams are advertising and the subscribers who make those advertisements valuable. How much monthly revenue is potentially lost each month because people aren't finishing their sign ups? Collecting emails for the "free" version of the publication provides the necessary information to utilize triggered messages, even if a subscriber abandons before entering their email address. Triggered messages provide an opportunity to send a reminder of all the great benefits they are walking away from when the potential subscriber abandons their checkout.

Natural And Anticipated Messages

Retail



Publishing



Behavior-Based Triggered Messages

Associated with customer interaction on your site, social media, search or email. Think real-time events and a measured interaction that can be tied to intent.

Challenge: **Engagement**

- How do I get my users to actively engage with my content?
- How can I get my active customers to engage more often with my content?

Traditionally, triggered messages could only be generated from a handful of predefined actions, such as “add to cart.” However, browser-based messages let you send messages based on virtually any data point or event. This gives you infinitely more flexibility.

Travel

Before customers even get to checkout, they could be taking valuable actions on your site that can be used as a point for further communication. Think about a booking website for an airline: A member of the loyalty program is browsing the website. They seem to be exploring ticket prices to various tropical destinations, but they neglect to add any trips to their cart. When a price drop occurs for a destination similar to what they were previously browsing, a triggered email goes out enticing the member to explore those deals.

Event-Based Triggered Messages

Triggered by an event signaling a need to communicate through a change in status, occasion or data-driven milestone; think renewal, purchase value milestone, or high-value category purchases.

Challenge: **Engagement, Retention**

- When is the best time to engage with customers to draw them back to my site?
- How can I retain our most loyal customers by enhancing their experience?

Event-based triggered messages are the powerhouse behind real-time engagement. According to data from Cordial clients, event triggered messages based on real-time data will produce twice the response and engagement rates of latent data-driven communications.

Retail

Quibids.com, a Cordial client, is a micro-auction website specializing in consumer electronics. They use event-based triggered messages to improve retention.

Quibids product offerings change on the daily. Keeping pace with these frequent updates was difficult for the marketing team whose primary goals are to engage first-time users, drive website traffic, and increase repeat purchases (i.e. retention.)

The Quibids' marketing team relies heavily on email to communicate with its customer base, sending daily promotional messages to alert customers regarding deals and products which match their interests. Cordial used event-based triggered messages to solve Quibids dilemma by creating an automated stream of welcome emails, promoting customers to purchase following those critical moments after first-time registration. Nurturing intent as well as creating momentum towards a bid or product purchase morphed everyday users into loyal customers for life.

For Quibids, Cordial increased open rates (OR) by 60 percent, click-through rates (CTR) by 20 percent, and lifetime value (LTV) by 25 percent.

Hospitality

The travel industry's bread-and-butter is positive online customer reviews, making strategically crafted customer satisfaction emails crucial. In fact, an online travel booking poll conducted by Webcredible revealed 29% of consumers consider positive reviews when choosing whether or not to book a holiday online.

Timely execution of customer satisfaction emails make them far more effective and powerful. Since hospitality sites collect the dates of a customer's travel itinerary, they know when a trip begins and when it's scheduled to end. Seize the opportunity shortly after a customer checks out of their hotel or completes their trip to ask for a review and find out how they enjoyed their stay.

Lifecycle Triggered Messages

Early lifecycle, late lifecycle, rewards-based triggered messages, next logical product, and all forms of trial messaging sequences. Don't limit lifecycle thinking to times. Also, think of the device lifecycle and behaviors based on device shifting.

Challenge: **Engagement, Retention**

> How do I engage with customers in a meaningful way at each lifecycle shift to increase the likelihood of retention?

With data from Cordial clients, we've found that lifecycle triggered messages not only offer an exponential return on engagement, but they can also offer up to 30 to 40 percent in cost savings by automating messages. Imagine the benefits — less cost for creative, production, and campaign work!

Publishing

Use lifecycle triggered messages to advance readers from a free member to paid subscribers. Starting with a free trial or a free account with limited article views allows users to get to know and trust the media site. When a reader hits the end of their trial or limit, a triggered message can be employed to convert readers.

These types of trial-ending triggered messages can be quite effective. Totango studied this phenomenon, and noted **you can expect roughly 15-20% of your free trial users to actually become paying customers** — and even that percentage will drop off after 90 days.

DID YOU KNOW?

In spite of the inception of lifecycle triggered messages almost two decades ago, research from LeadMD's *"2016 Marketing Maturity Benchmark Report"* notes 27 percent of companies say they are still at a "newbie" marketing automation maturity level.

5 Customer-Centric Email Automations and Triggered Messages You Can Implement

Now that we've gone over the importance of email automations and triggered messages to achieving customer-centric email marketing, let's take a look at a few tactics you can implement.

1. Browse Abandonment

Browse abandonment emails are one of the most effective, yet challenging, emails to send out to your customers. The crux of browse abandonment is that a subscriber has visited a product page for a specified amount of time on your website and not taken action on it. While it seems highly scientific, it's actually more of an art. Think of browse abandonment emails as a coincidentally relevant and timely email rather than a creepy conversion tactic to capitalize on website activity.

Let me explain. Blatantly revealing that you're "watching" your customers' every move and using that data to send them emails is downright creepy. Subject lines or email copy that include the specific product names are a surefire way to kill your subscriber's motivation to any action on the email. So, it's not just about the science of incorporating browse data, product names, and advanced triggering logic. It's about the art of knowing what to send — and when to send it.

Avoid:

- Sending right away
- Using product names or categories
- Using symbols like $ or %
- Using language like "We noticed..." or "Like what you saw?"

Do:

- Wait at least several hours after they've ended their session on your website
- Nonchalantly incorporate a discount in the body of an email
- Use plain English and casual language
- Use images of the browsed products

By waiting several hours after they've ended their session on your website before triggering the browse abandonment email, you avoid the risk of sending them email while they're still shopping on your website... or looking like you've been stalking their website activity. Casually incorporating a discount to seem like a coincidence is a much safer alternative to outrightly offering a discount on products you know they've viewed. Think of browse abandonment emails as a coincidentally relevant and timely email rather than a creepy conversion tactic to capitalize on website activity.

2. Product Recommendations

Product recommendations is a feature that uses e-commerce data to programmatically serve relevant products within the body of an email. When using product recommendations in your email campaigns, it's important to remember that the purpose of product recommendations is to engage with shoppers in a personalized way, NOT just to fill up space and hope something sticks.

The great thing about product recommendations is that they can be integrated into many different kinds of emails, such as browse abandonment emails, cart abandonment emails, transactional emails, welcome emails, and more.

Product recommendations are an excellent way to personalize each email experience for every individual shopper on your site.

They're also a great way to make email content relevant, enticing, and clickable. Personalized product recommendations to the right shoppers can be a transformative experience for your customers.

Avoid:

- Using broad user segments
- Rigging the algorithm to focus on products you want to sell
- Looking creepy or being too specific about what products you're recommending

Do:

- Identify specific segments
- Update your recommendations in real-time based on ongong data
- Create a frictionless experience for customers to easily make a purchase
- Make sure product recommendations are responsive, mobile-friendly and optimized for on all devices
- Use large, high quality images for each product to entice shoppers to view more

Here are some examples of how you can use product recommendations in your emails:

- Display a mix of site-wide best sellers and recent top sellers to shoppers that browse your homepage but never make it any further into your site.
- Display product recommendations (including best sellers) from the category the shopper was browsing to shoppers that click on and view a specific category, brand, or department but never actually view specific, individual products.
- Display the exact product that the shopper viewed and then insert a mix of related best sellers and category-related best sellers as an upsell/downsell tactic to shoppers who have viewed specific, individual products on your site but did not actually add any of those products to their carts.
- Display recommendations of top sellers within the category related to the search performed by the shopper to shoppers who have typed in a search term in your site search navigation yet did not go on to view any categories, products, or add anything to their carts.
- Display the actual cart that the shopper left behind, fully populated with the products he added to his cart plus insert product and category-related best sellers as an upsell/downsell tactic to shoppers who have gone so far as to actually add a product or products to their carts.

Product recommendations can get fun (and tricky) when choosing where to display them in the email as well.

Depending on the type and style of email, you could display one row with product-related recommendations, a row with category-related recommendations, or a row with general site-wide top sellers, or a combination of any of these three.

3. Welcome Series

A welcome email is an automated message sent to new subscribers or customers to welcome them and provide any interesting content or necessary information to set them up for success. It's well-known that welcome emails are one of the most highly-opened emails.

Use the opportunity to immerse your subscribers into your world by making it easy to follow social accounts, familiarize themselves with the website and products, and provide an easy way back to the website.

Customers expect them. They open them. And they engage with them.

Which makes them a great opportunity to exercise some customer centricity and show them that you care about them.

Avoid:

- Making it about you
- Being general
- Being bland
- Trying to push products right away

Do:

- Make it about them.
- Make an exclusive offer
- Show personality
- Show some useful tips and tricks for navigating the website
- Use images or gifs

Welcome emails are the perfect opportunity to set expectations. The underlying reason why many people unsubscribe is not because they hate your brand now, didn't like the emails, or even that they got too many emails — sometimes it's simply mismatched expectations.

As a marketer, it's easy to forget that subscribers may not know what they're getting themselves into. You can see the automation and know how many emails they're about to receive, but they have no idea.

Taking the time and transparency to tell subscribers what they can look forward to, expect to see in their inbox, and what to know is crucial. A healthy, engaged list is vastly better than a large, unengaged list.

4. Abandoned Carts

Abandoned cart emails are sent to customers who have added products to their cart but failed to check out.

The Baymard Institute, an e-commerce usability think tank, has aggregated cart abandonment data from various industry sources over the last decade. However, despite major advancements in technology and e-commerce user experience design, the average cart abandonment rate has remained constant. Meaning, shoppers are still abandoning carts at the same rate, so this behavior has nothing to do with the website or the product — it's actually about properly optimizing your cart abandonment emails to convert shoppers.

So, instead of trying to eliminate the problem, see it as an opportunity to further engage with your customers. Sometimes, it's not a problem with your website, product, or checkout, it's just a matter of consumer behavior.

Taking a customer-centric perspective, abandoned carts are a great opportunity to utilize customer behavior and data to create a fantastic experience and push them to complete checkout.

Avoid:

- Waiting too long to send
- Using pushy or passive-aggressive language

Do:

- Have a customer service mindset
- Design responsively for mobile users
- Trigger in real-time
- Strategically use discounts

Abandoned cart emails are not a set-it-and-forget-it type of email. While it is automated, and you don't have to fiddle with it, it's best to think of it as a constant work in progress. Not testing or experimenting with your emails is leaving money on the table. Consistent testing can string together many small wins and a big increase in revenue generated. Test content types, subject lines, CTAs, layout, and images.

5. Back In-Stock

Products inevitably go out of stock. Displaying low inventory to create urgency or selling limited-time products are two of the most common reasons why a store will go out of stock. But you don't have to turn away visitors who missed out, thanks to back in-stock email alerts.

Instead of a visitor landing on a product page, reading that it's out of stock, and then leaving the page, you now have an opportunity to fill that demand. Conversely, when someone lands on a product page and sees that it's out of stock, a popup or embedded form on the page can capture their email, send them an email when it's back in stock, and convert the visitor into a paying customer.

Do you make your customers wait until they get to the checkout to break the bad news? Eliminate the chance for a bad experience with your brand and use back in-stock alerts to put the customer first.

Shameless Plug: *Back in stock messages are notoriously pesky to actually execute, especially across multiple channels. Cordial makes it easy to act on real-time data like inventory levels, with seamless integrations across commerce platforms such as Shopify Plus, Magento, Demandware, and even custom-built applications.*

Avoid:

- Hiding the back in-stock alert CTA in an obscure location on the page
- Offering a discount in a pop-up in exchange for their email
- Falsely displaying an item as out of stock
- Sending promotional emails to users who only opted in to the back in stock alert

Do:

- Use targeting to display a popup at the right time
- Place an embedded form in an easy-to-see location on the page
- Protect against "spammy" emails

Part 3: More Customer-Centric Email Testing & Optimization

Give Your Customers The Best You Can Offer

Who wants to leave money on the table? Not testing, not experimenting, and not optimizing leaves valuable money on the table as you're missing out on sales that could have been made — had you tested, you would've found the best performing variant. Great testing is a combination of human psychology, social considerations, current events, environmental factors, economics, politics, technology trends, fashion and other external factors that can influence consumer attitudes and motivations. In many cases, it's a moving target, as the outcome of a test today may differ from that same test done a few months ago or a few months from now.

Therefore, a proper testing strategy is best positioned as a continuum of optimization and adaptation for improving response and results over time. Testing provides much more than optimizing a single campaign — it provides valuable insights that can, and should, influence all other aspects of marketing functions such as website design, offer/promotion selection, social marketing, and ad content or targeting. In the digital world of consumers shifting and engaging across time, place, device and channel, marketers need an intelligent and scalable testing foundation to drive sustainable growth and success.

In this section, we'll explore the past and future of testing, how technological advances are enabling marketers with new tools, and actionable tactics for scalable optimization that put the customer at the center of every message.

Why is Testing as We Know it Flawed?

Almost every marketing leader will agree that testing is an important part of marketing success. Many will also acknowledge that their team tests various aspects of their marketing programs on a fairly consistent basis, with 38% of marketers saying that A/B testing actually influenced ROI. In private, however, many marketers will admit they only test in limited situations and with varying degrees of success relative to advancing the business. So, why the gap between good thinking and pragmatic execution?

The reason is that there are some fundamental flaws in how most marketing departments approach testing. Unfortunately, these flaws collectively minimize and undermine the very reason we test in the first place, which is to improve results and ROI over time across the business. Successful operational testing combines technology, methodology, and, most importantly, company adoption. Any two without the third is like trying to sit on a three legged stool with one of the legs missing — it simply does not work.

Below are some of the most common testing flaws among marketers along with details on why and how these issues undermine testing. As the saying goes, 'How can you expect to make cheese if you don't know where the milk comes from?'

38% 38% of marketers say that A/B testing actually influenced ROI.

Lack of Methodology or Framework For Success

The challenge is that many marketers test and repeat the same tests since there is little institutional learning or "optimization" happening. Tests are often done one-at-a-time, but winners fail to be leveraged or exploited in a sustained way across other applicable email or even non-email related marketing programs.

This flaw is a bit of a chicken-and-egg situation and is hard to be overly critical of. Why? Because if a marketer is not testing with consistency, a methodology may not seem all that important. But methodology is important and is a key factor that can make or break a testing program. A successful methodology or framework does not have to be complex, but it needs to have consistency in order to deliver actionable results.

Further along in this section, we'll provide an example methodology and framework to help start the testing process. This outlines key steps for organizing, executing, reporting, learning, applying and optimizing testing.

Statistical Significance and Repeatability

For a test to be conclusive, it must be both statistically significant and repeatable. Statistical significance is defined as a result from testing or experimentation that is not likely to occur randomly or by chance but is instead likely to be attributable to a specific cause. To determine statistical significance, marketers must properly calculate the sample size required to generate a result with a desired degree of confidence. They must also select a sample that is representative of the population being tested. Most marketers do not take the time to understand these basic factors and may see a slight difference in results and assume a conclusion, but cannot really know for sure if it is statistically significant.

Repeatability means that by performing the test multiple times using the same or similar controls results in the same outcome. Most marketers will perform the test one time and draw a conclusion. What is not always understood is there are often other uncontrollable factors at play that could influence the outcome, such as other emails in an inbox, filtering, external events, weather, timing, and device type.

The flaw with most approaches to testing and optimization is that there is very little institutional learning that is passed forward. The information that is communicated is typically an ad-hoc, point-in-time reference that in based on intuition versus past learnings.

In addition to timing, achieving statistical significance with email test is also particularly difficult. Unlike media where there is scale in terms of millions of impressions, email has a relatively low response rate. In an audience of 1,000,000, a typical campaign may return 200,000 impressions, and if you're lucky, 20,000 clicks. This can pose a challenge to achieve bullet-proof statistical significance.

There are a multiple approaches to properly execute testing replication, however, most traditional methods using legacy technologies involve more work, resources, time, and costs. Hence. the reason for it being a significant deterrent to proper testing. The past principles of testing were typically: test, evaluate and deploy. Yet, in the programmatic world, it aligns more closely to an explore and exploit mentality that offers opportunities to continually optimize versus test for a single outcome.

Segmenting

Marketers typically default to performing tests across a broader audience where every contact is considered a part of the general population. This is typically driven by the concern over the statistical significance of the test. Additionally, many simply don't have the time to think in terms of micro-segments as it adds dimensions to the production effort. However, there is much more for a marketer to learn from testing by breaking down the larger population into smaller segments. Important and often critical subtleties about the audience may be exposed.

For example, a marketer may test two messages, one that provides a discount of 15 percent and one that emphasizes quality and a no-questions-asked return policy. After sending the email to the general population, the winner may be the discount of 15 percent by a slim margin. With results in hand, the marketer accepts that conclusion and then moves on. However, if the marketer segmented their audience by age and purchase history, they may have found older and higher frequency buyers respond better to the quality message than they do to the discount.

There is significant value in testing smaller segments to learn about the micro audiences, especially when these findings are applied to other marketing initiatives to create a multiplier effect. Unfortunately, most marketers just lack the time and resources to segment out their audiences, and where time is thin, segmenting is dropped or not considered — a significant flaw and miss in the testing process.

Continuous Optimization

In marketing, the goal of testing is simple: improve performance in sustainable ways. The flaw in legacy thinking is that a result or conclusion drawn today only serves as the foundation for the next test, not the conclusion for all time. Testing is temporal and, as mentioned previously, is a factor of many external influences. Optimization is defined as the action of making the best or most effective use of a situation or resource in an explore and exploit charter. Continuous optimization is taking this practice one step further and running tests over time with multiple iterations.

So, why is this a flaw?

Many organizations settle too quickly for a result and don't think in the terms of what to test next. For example, a marketer may have a piece of content that serves a sole purpose to drive the final step in registering for a subscription.

This is obviously very critical to the business' success and therefore needs to have every element of it optimized and re-optimized. Many marketers may test the subject line a few times, find a perceived winner, and stop. There are two issues or flaws here. First, there are more elements to the design, copy, offer, etc. that also need to be optimized. The second issue is that the marketer stopped after deciding on the best subject line and did not challenge that result over time.

Continuous optimization is a big shift in thinking for some and it does require investment and change to fully adopt. But, the benefits can and do ultimately outweigh the investment, and besides, it makes marketing more fun and rewarding over time.

Risk Adversity

Is there risk in testing? While the answer is, of course, yes, but the bigger question is there more risk in not testing? The answer to the second question, again, is absolutely yes. Starting with the CMO, marketers are tasked with making campaign results better, not worse. Failure is not option, but should it be? Holding the status quo is usually considered safe, but to go forward sometimes it's imperative to go backward first. Reluctance to fail is a flawed way of thinking about testing. In every test, there is a winner, which in turn implies that there are losers. But testing does not have to be reckless or a gamble that creates unnecessary risk. Marketers can and should be selective on where and when to test.

> When you try a new carpet cleaning product, the instructions will recommend you to first try it on a less conspicuous area before treating the main part of the carpet. The same can be for testing, where the marketer can experiment on a message that has less impact on ROI but can provide a valid conclusion.

Once the test is performed, the results can be applied to the other high visibility messages. While new multi-channel messaging platforms like Cordial are helping remove risk from testing while maximizing results, some level of risk will always exist. The old saying of 'no pain, no gain' does have some truth, but the more appropriate saying for a marketer should be 'no risk, no reward'. It is up to each organization to determine its risk profile and what they feel is best for its business.

Documenting and Publishing Results

As simple as this sounds, many marketing organizations do not always take the time to document and publish results. This flaw impacts marketers in two ways.

The first impact is, without good documentation, it is operationally difficult to track and report on results, making it challenging to determine if the company is improving or regressing over time, let alone what tests should be done next. It also makes it difficult to share results between team members, management, and any successor in the marketing role should that one day be needed. If using a proper methodology and framework, documentation will be a key part of that.

The second impact is that without good documentation and published results, it is impossible to promote any successes to management and other cross-functional departments. Sharing results without documentation and proof points can cause the effort of a marketing team to go unnoticed to the larger team outside of the marketers themselves.

Breaking Down Available Testing Options

Testing can either be very simple or very complex, depending on what the team is looking for and what tools are being used. There are a variety of testing methods available to marketers, from the are age-old processes of A/B testing to the latest-and-greatest methods that tap into machine learning functionality.

Testing is both art and science and is inherently evolutionary. To maximize the value of testing, marketers must be disciplined in their methodology to continuously learn, apply, and improve. Although valuable points of interest and knowledge can be gleaned from each individual test, it is the combination of results over time that often provides the most insight. And, in the end, it is the application of those results to future actions and tests that ultimately yields compounding dividends for the marketer and the business.

There are countless factors that can influence a digital marketing test, including:

1. **Seasonality**
2. **List Composition**
3. **Time of Day**
4. **Various Other Ongoing Marketing Initiatives**
5. **Outside Influences from Competitors**

For example, if an individual is testing a discount promotion for umbrellas, the results may vary dramatically between testing during the rainy season versus testing during the drier summer season. Or, results may vary between an audience located predominantly in the desert southwest where it rains infrequently, versus an audience located in the Pacific Northwest where it rains quite often. The same analogy could be used for seasonal clothing, grooming or cosmetic items, or household items.

If the test results had demonstrated that a 20 percent discount on umbrellas outperformed an expedited shipping offer, then the conclusion may be to always use the 20 percent offer. However, if the test was run immediately after it had started to rain, that outcome may not be the case. In that situation, time may be more important than cost and the expedited shipping offer may resonate better than the discount. The point is that a single test run at some moment in time may not represent that same test run at all points in time.

To accommodate for unknown influences, Cordial encourages implementing a testing strategy that includes a combination of:

- **Time-based experiments for validating both broad and detailed ideas and hypothesis**
- **An ongoing optimization strategy for maximizing business results across changing conditions.**

The question marketers should be asking themselves is:

> How well does our testing strategy serve to maximize results for the entire company, not just for a single campaign?

There are various testing methods out there depending on the specific type of analysis or hypothesis being evaluated. Let's explore some of the more popular options available to marketers:

A/B or A/B/N Testing

A/B or A/B/N testing is by far the most common and easily applied testing method for marketers. The structure of the test is to break the audience into an even number of groups based on the number of variations to be tested.

For example, assume a marketer is deciding between a discount offer for first time customers in a welcome message. The options are:

A) Buy one, get one free,
B) 35 percent off any one item, or
C) 20 percent off a first purchase.

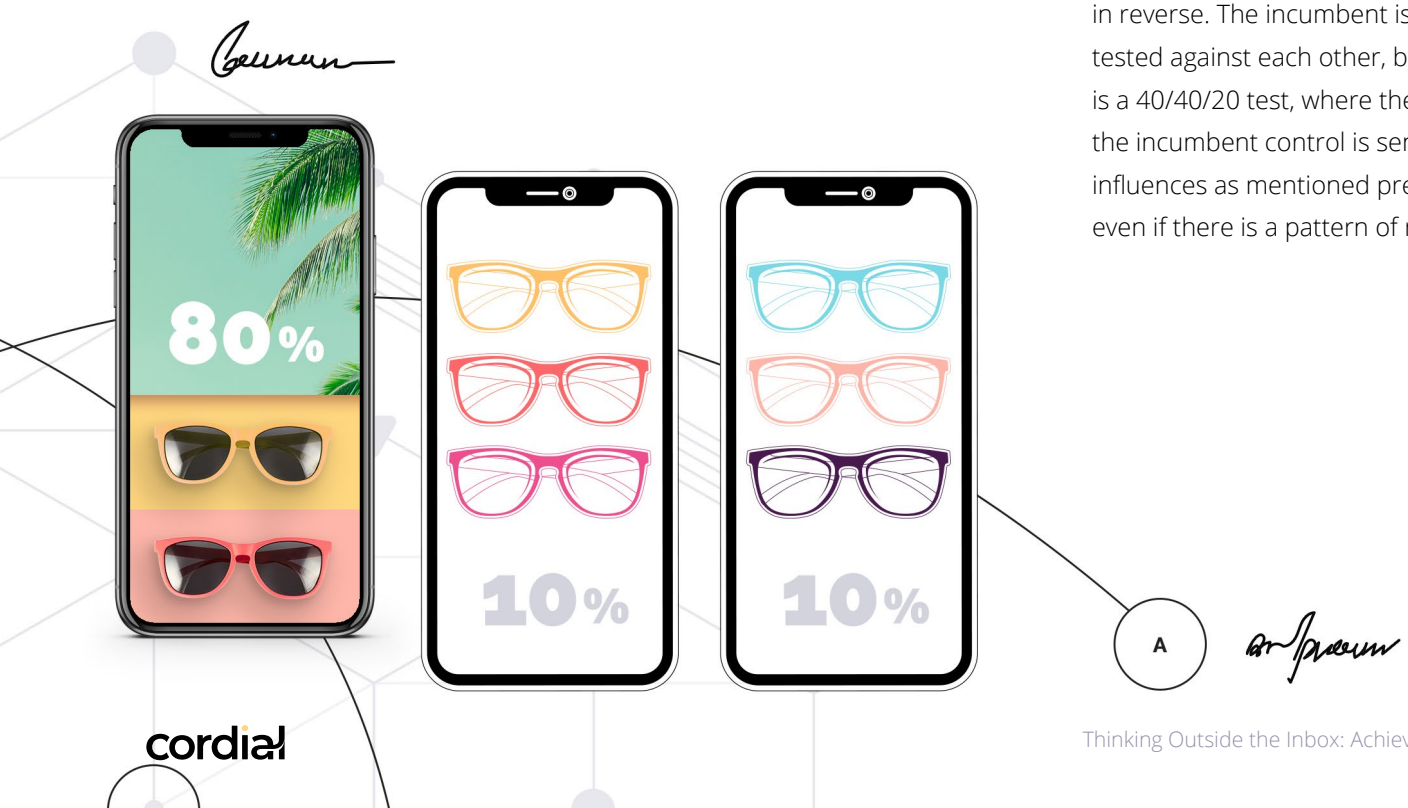
In this A/B/C test example, there are three segments to consider, so the marketer will need to create three evenly numbered groups randomly selected from the total audience. If the total audience was 90,000, then each group of A, B and C would contain 30,000 contacts. Depending on the technology being used, the marketer would then create three separate messages or segments using the appropriate creative and then send the test to each segment simultaneously. After the message is sent, the marketer can then evaluate the Key Performance Indicators (KPIs) of each variant to determine which one performed the best.

For email, the KPIs could include open rate, click rate, conversion rate or revenue driven directly from the email. Based on the combination of KPIs, the marketer may then determine which email variation was more successful. In some cases, the marketer may place higher value on how many prospective customers were driven to the website versus how many actually purchased, and in other cases may value a different combination of KPIs such as total sales revenue, average order value, revenue per email, or percentage of first time purchasers.

A/B or A/B/N Longitudinal Testing

Another variation of A/B/N type testing involves adding a time-based element to create what is called longitudinal A/B/N testing. For example, assume the marketer now wants to extend this welcome program to include a series of three messages, but also wants to maintain the previous groupings and offer treatment strategy. The goal with a longitudinal test is often similar to the single message, except it now combines the net results of the messages to determine success.

For example, if the goal is simply to drive a first purchase with an Average Order Value (AOV is an ecommerce metric that measures the average total of every order placed with a merchant over a defined period of time),. of greater than $50, then the accumulation of orders driven by any one of the three messages is factored into the resulting criteria.



A/B or A/B/N Champion/Challenger Testing

A third variation of A/B/N testing is where the amount of each group is not the same. This is sometimes referred to as a Champion/Challenger test or a 10/10/80 Split test. In this example, let's say two groups each contain 10 percent of the overall audience and one group contains the remaining 80 percent. There are two use cases where a marketer may decide to take this approach versus break it into even groups. The first is where the marketer opts to conservatively test one or more new ideas against the current and known performing incumbent or the champion.

In the 10/10/80 example, two new variations (or challengers) are sent to 10 percent each, while the incumbent champion is sent to the majority remainder of 80 percent. The logic in this scenario is that the marketer does not want to jeopardize the known results beyond the 20% allotted.

The second case is similar but is more aggressive where the ratios are in reverse. The incumbent is labeled the control and the challengers are tested against each other, but also against the control. An example of this is a 40/40/20 test, where the two challengers are sent 40 percent each and the incumbent control is sent only 20 percent. Given the various outside influences as mentioned previously, it is always advisable to have a control, even if there is a pattern of repeatable results from the incumbent.

A/B/N With Delayed Champion Testing

The A/B/N with delayed champion test is similar in some ways to the previously discussed methods, but it serves a slightly different purpose. The objective of this type of testing is to maximize the results of the overall campaign by first testing two or more smaller samples to see which performs best.

Take the previous example with the A/B/C offers. This may now be structured as 10/10/10/70 where the three offers are first experimented with in groups of 10% each for a total of 30%. The test is then conducted and allowed some period of time to determine the "winner" based on the selected KPI (or KPIs).

For example, if the success criteria is based on click-through, the marketer may elect to delay sending to the remaining 70 percent until the test has run two hours. Once the two-hour mark is reached, the variant with the highest click-to-open ratio is determined and is selected to go to the remaining 70 percent. The theory is that the winner at that point will most likely perform the same at-scale to the larger audience.

One subtle drawback about this type of testing is that the conditions could possibly change between the time the initial test started and the time when the winner is determined, thus altering the control slightly. Marketers must determine the proper delay based on how much time is needed to get an accurate assessment and weigh that against factors that may change the conditions over time.

Multivariate Testing

A more advanced testing technique is multivariate testing, where more than one element of a campaign is tested simultaneously with the goal of identifying which permutation, or combination, of variants of those elements performs the best. This is becoming more common in website optimization, but has not yet had significant traction in email marketing.

An example of a multivariate email test might include five (5) different hero images, four (4) versions of introduction copy, (3) three offers, and three (3) different call to action buttons. This example alone creates a total of 5X4X3X3 or 180 individual permutations to test using a full factorial distribution. As a result, there are some fundamental drawbacks to multivariate testing that limit most email marketers from using this approach, even with the simple example above.

These include:

- **Difficulty in achieving statistical significance given the many variations to evaluate**
- **Limitations in how many elements can be tested due to the number of permutations it creates**
- **Repeatability of the test under changing conditions or audience variations**

Multivariate testing can be effective where mass amounts of data exist and variations in population are minimal and consistent over time. There are a number of algorithms for conducting multivariate testing, and many of these apply a blend of mathematics and or heuristics to augment and overcome the need for mass data.

Taguchi Testing

Taguchi testing is a derivative of multivariate testing that employs a form of heuristics to limit the actual number of tests needed. The goal is effectively the same as its cousin full-factorial multivariate, which is used to find the best combination of variants across the key elements or components of the campaign.

However, the key difference with Taguchi Testing is not to test every permutation possible, but only the ones that are expected to largely influence the decision. Tests of this type often require large amounts of time and considerable subject matter expertise to orchestrate and manage. Although Taguchi does, theoretically, reduce the number of tests, it is still extremely resource-intensive. If a marketer is working with a top digital marketing agency, they may elect to perform this type of testing to scientifically dissect how design and form factors impact results.

The most common tests marketers run are simple A/B tests, where one variant is compared to another to determine the better performing variant at that time. This usually takes the form of a 10/10/80 split test, a 50/50 champion challenger evaluation, or something similar.

A slightly more advanced testing technique is multivariate testing where more than one variant is tested simultaneously with the goal of identifying which permutation or combination of variants performs the best.

No matter the testing option, the test is run, the results are analyzed, and a conclusion of the winner is made at that point in time. Or, marketers can opt for the much slower and involved testing process: Taguchi.

Unfortunately, too many marketers test for the sake of testing and do little to evaluate the methodology behind the tests they run. Others that do evaluate their tests often never take the final learnings and apply them to future marketing efforts.

The Cordial Experiments Methodology

The Cordial Experiments Methodology is predicated on a fundamental goal to improve the results and ROI of a business now, and over time. Without a clear goal in place, a testing strategy may lack focus and long-term effectiveness. Adopting this methodology forces marketers to think about optimization versus testing, experiments versus flighting, and the exploitation of knowledge and optimization versus winners. This means not just saying the words, but embracing the fact that a fundamental marketing approach must change to make these goals succeed over time.

This methodology includes six key steps to help an organization structure an effective "test, learn, optimize, and apply" testing strategy:

1. KPI Alignment
2. Identify Impact Points
3. Formulate Experiments
4. Learn or Optimize
5. Execute and Evaluate
6. Prove or Pivot

Below, we'll review each one of these steps in detail and outline clear action items that any team can use to proactively implement an optimized testing strategy.

KPI Alignment

Before starting with any testing or optimization approaches, it is important to first identify and document the KPIs used to measure the success of marketing programs and overall business strategy. When it comes to email and push messages, marketers are primarily interested in improving metrics like open rates, click rates, conversion rates, web traffic, etc., as these often influence other business-wide metrics such as product revenue, ad revenue, average order value, conversion percentage, and week over week growth.

Action Items:

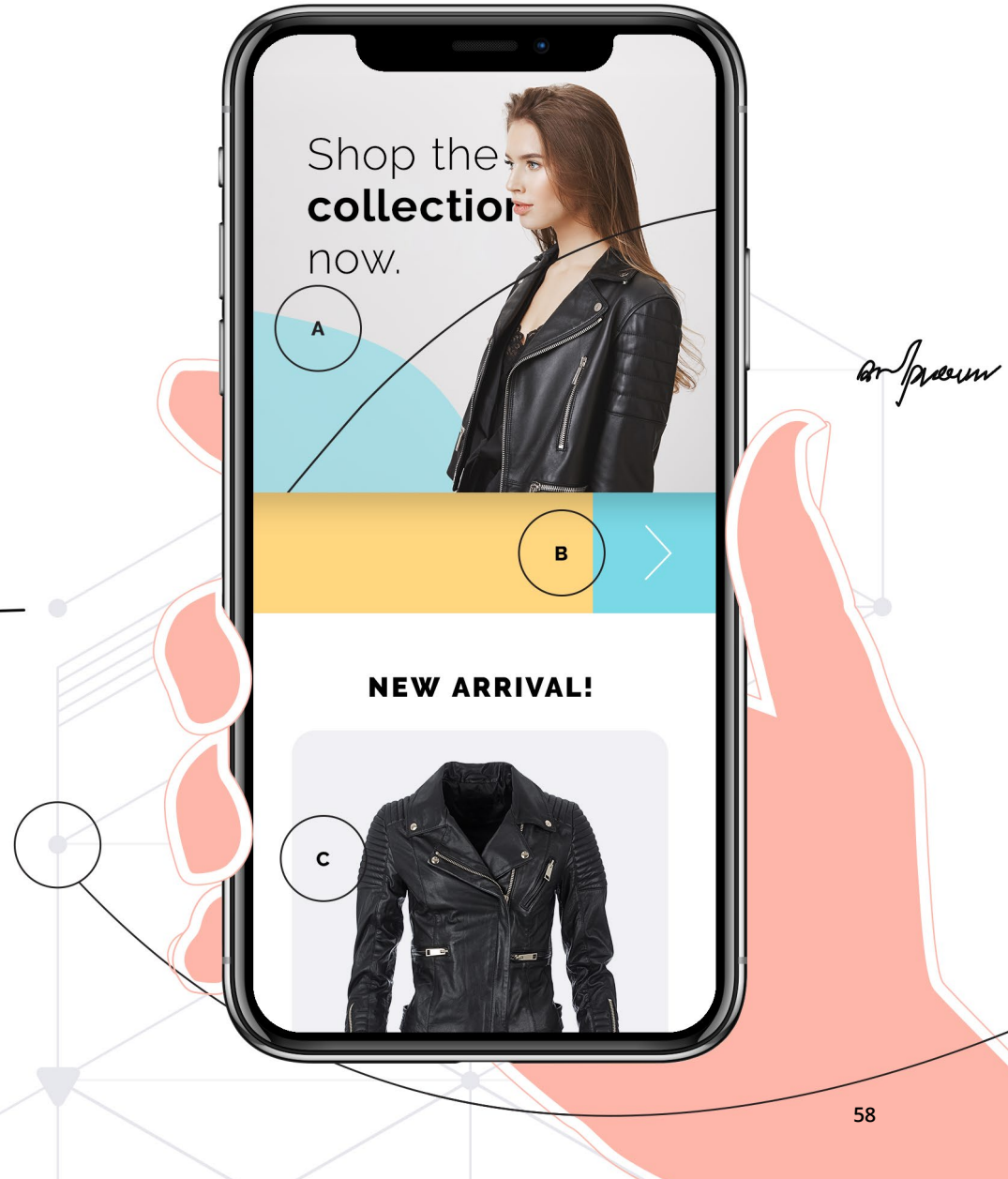
- Identify the top five to ten KPIs for your team to measure, such as orders-per-day, ads viewed, revenue per mailing, open and click rates, etc. These should be a blend of both strategic business KPIs and tactical marketing KPIs.
- Document the measurement mechanisms and technology sources, such as web analytics reports, email reports, CRM and dashboard reports, eCommerce reports, etc.
- Take time to identify any data or resource dependencies and be sure there are no roadblocks that will hinder timely and accurate data collection.
- Establish a baseline set of values for the KPIs, taking into consideration any seasonal or other cyclic trends. Gather as much past data or analysis available and use it to call out any patterns or possible hypothesis.
- Set realistic targets for what the team should achieve over a certain period of time (for example, exceed $25K in weekly sales by EOY, improve first time buyers by 20 percent in three months, etc.). Identify interim target points, keeping in mind that these improvements will happen in steps or iterations.
- Obtain management and marketing team agreement and buy-in. Socialize the KPIs and explain what they are, how they are measured, and how they affect the business. Provide examples of current baseline KPIs and what positive change you look to achieve. Explain or translate the significance in terms of the broader business impact (such as 10 percent company growth, increased margins or reduced cost of goods sold).
- Establish a reporting and evaluation frequency (e.g. weekly stats, week-over-week, etc.). Publish this company-wide and make it happen. It is critical to maintain consistency, accountability and momentum, or risk process atrophy.

Identify Impact Points

A common testing and optimization error is to operate without an understanding of where, why, and how marketing campaigns impact the most critical points in a customer relationship. An example of this is a welcome stream that is implemented, but never evaluated for its effects on KPIs throughout the entire customer lifecycle.

Identifying these critical impact points involves peeling back the proverbial onion to reveal the top touchpoints and interactions that influence your customers' and prospects' behavior, and the downstream qualitative and quantitative value they create for the business. It is also important to identify the current messaging process and discuss what could or should be edited, modified, or removed going forward. Remember, the process of optimizing current programs often exposes new types of communications and trigger points for future expansion and optimization.

Through this process, you are not just testing — you are creating a sustainable model for continuous improvement for the business on both a micro- and macro-level.



Action Items:

- Review KPIs from the previous step and make sure you understand exactly what it is you are trying to optimize.
- Examine website traffic and identify patterns for path/content to conversion, bounce rate by page, highly engaging content, signals of interest and intent. Make note of key opportunities to augment the experience with complementary messages, or nudges, to move the dialogue forward. Document all ideas, even if they are not used immediately.
- Review other meaningful data, such as offer redemptions (either online or in-store), calls generated, average order value, ads served, hotel stays, etc. and understand how this data provides insight into the impact points.
- List current programs, campaigns, triggered messages and transactional messages. Think about this in terms of impact points within a lifecycle or within time-boxed transactional periods like purchase cycles.
- Correlate each program or campaign with downstream activities and determine how they drive KPIs and possibly vice versa. Each message or marketing action taken should have some alignment back to the business KPIs.
- Rank each message or campaign by its business impact and influence, both current and potential. The goal is to identify which messages yield the biggest impact or are most in need of optimizing. Note that the impact could be ancillary to the message itself and could be for other marketing initiatives across the business.
- From your website analysis, identify other engagement opportunities to augment your touch points, possibly with new triggered messages. Identify the big gaps first, then smaller nice-to-have campaigns.
- Prioritize the messages, then socialize them for team support.

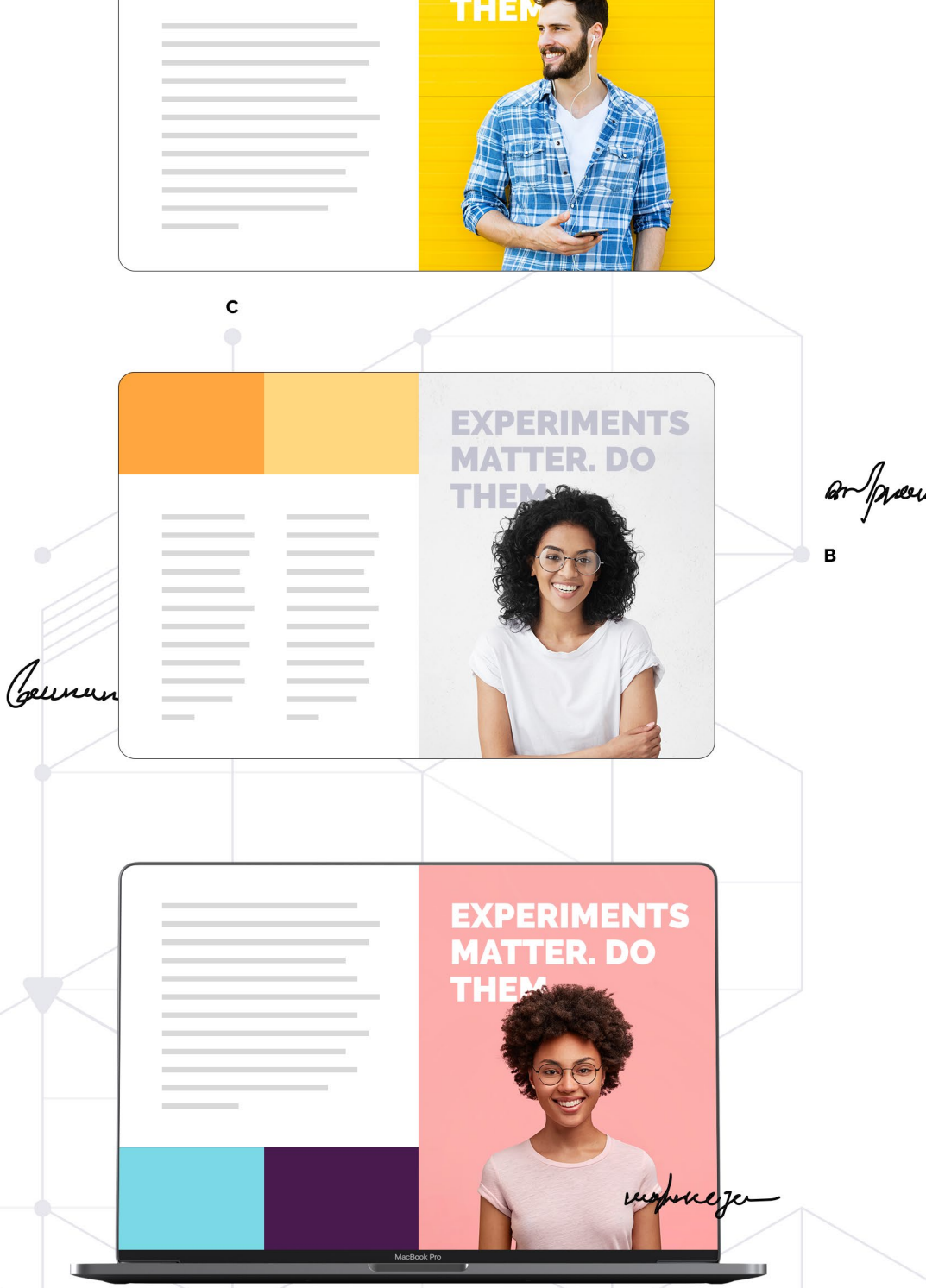
Formulate Experiments

The next step is to formulate experiments for learning and optimization. An experiment should incorporate a logical hypothesis that is testable. An example hypothesis might be that a shorter first paragraph is more effective than a longer one, or a single sentence in bold is better than a paragraph of any length. A further expansion of the hypothesis might be that men are affected less by the first paragraph of text than women.

Experiments should always have one or more objectives, which are different than goals or KPIs. An objective may be to learn more about how a first paragraph of text influences an action in that message, and possibly how it indirectly influences actions in other downstream messages and interactions.

It is also important to establish test controls and the timing of each experiment. Leveraging one of the testing methodologies discussed above, marketers can determine what metrics to measure over a certain time period. With Cordial Experiments™, tests of automated messages can be set to run over time, allowing the results to shift with any variability that may exist externally. This approach enables both learning and optimization over time, no matter the methodology.

For a list of some common experiment ideas, see the section titled Experiment Ideas for Email.



Action Items:

- Make a list of hypothesis (not tests) you want to explore or prove. Again, a hypothesis is defined as a supposition or proposed explanation made on the basis of limited evidence as a starting point for further investigation — it's not a KPI. One example, for a travel company, could be that tropical destinations work better in cold climates than mountain holidays.
- Identify the objectives of each hypothesis or, in other words, what you want to study or learn. In the above example, the objective is to determine if showing certain destinations impact performance and, if so, by how much and to which groups.
- Identify the specific audience you wish to evaluate, i.e. the general population, men versus women, or both. You may start with a general population to determine the macro effect, then work into more granular segments or cohorts.
- Define the control to compare results (this is a group withheld from the experiment). This is very important if you are comparing variations of a never been tried offer versus no offer.
- Document how you will measure the results. This is critical to ensure you have a quantitative means to evaluate the hypothesis.
- Document the experiment's primary KPIs, measurements, and key observations. This can often be the measurements itself but could also be an indirect indicator outside of the experiment like bookings at a resort or for an event.
- Identify any external factors that could impact the experiment and mitigate these risks and look for anything that may affect the outcome like a major weather event or unpredictable variable.
- Determine the expected timing and duration for the experiment. Determine if the experiment needs multiple instances to consistently prove the results. In most cases, the marketer will want to re-prove the results across slight variations to rule out or minimize outside factors or influences.

Learn or Optimize

Experiments constructed for learning may differ from experiments constructed for optimization.

A Learning Experiment is defined as an experiment with the purpose of observing and proving a hypothesis. It has a start and stop date based on the objectives of the experiment and may be combined with other experiments that share a common objective and goal.

An Optimization Experiment is defined as an experiment or group of experiments that operate for a much longer duration — sometimes even indefinitely. One or more of the experiments may have been previously conducted in a learning format, where the results exposed cycles in the variants that marketers now want to optimize over time.

The goal of optimization is to influence the message combination in a manner that maximizes the overall business results on an ongoing basis. This is an effective technique for enabling continuous optimization without the need to make manual changes, where manual changes would be virtually impossible to time and apply with evolving conditions.

Action Items:

- Review each experiment and determine if its purpose is to test a new hypothesis or exploit an already proven one. For example, The marketer may want to learn if imagery in the top banner impacts results. A first experiment may prove there are variations and so a subsequent experiment may seek to optimize across leading variations. A second cycle of experimentation may then be to determine if men and women react differently, using two experiments running simultaneously for each.
- Identify the message(s) the experiment will operate within, as this can be more than one. Assuming the above example was implemented in the first message of three in a welcome series, it may be worthy to consider the same experiment in the second and third message to replicate the test in similar conditions.
- Verify that learning experiments are properly controlled and do not conflict with other experiments. It is important to minimize other variables when evaluating a single hypothesis. However in some cases, it may be necessary to include multiple experiments linked by the same objective. For example, a subject line and body copy that share the same offer need to be synchronized.

Execute and Evaluate

Regardless of the type of experiment that is running, the execution and evaluation are much the same. An experiment designed for learning can run for as little as a few days or can operate continuously where low performers are routinely replaced with new challengers. An experiment designed for optimization is setup with the intent that it will continue on an ongoing basis.

Action Items:

- Create the code samples, subject lines or combination for the experiment. Note that it is usually best to describe the test in natural language before translating it into pseudo code, or template logic.
- Identify the automated message or messages you plan to run the experiment(s) in, and briefly describe why they are good to test.
- Construct the final experiment code, place it into the appropriate template(s) and validate its functionality by sending tests.
- Publish and verify the experiment is operational in the user interface.
- Based on the volume and frequency of the send, check periodically to evaluate the results. For example, if the message with the experiment is sent 10,000 per day, you may be able to see conclusive results within hours of it starting. If it is sent 100 times per day, it may take multiple days or weeks to reach statistical significance.
- For learning experiments, identify the date and time you expect to declare a result. Optionally, change the content to the winning variant or swap out the lowest performer for a new challenger and continue.
- For an optimization experiment, routinely monitor the results and respective distributions to identify any patterns or trends. Record your observations for later analysis and remove low performers where appropriate.

Prove or Pivot

Determine the success of the experiment by reviewing the results against the initial hypothesis.

- **Did the experiment prove the hypothesis true or false or somewhere in-between?**
- **Did your team collect enough information in order to draw some initial conclusions?**

Remember, the goal of testing is about applying results to improve the impact and efficacy of marketing programs. If you proved a hypothesis, use that to improve the message validated as well as any like messages that may benefit from that knowledge. If the experiment did not yield any results, pivot and come up with a new hypothesis.

On the other hand, you can even take the learnings and branch to vary that hypothesis again. For example, if the results showed that men responded with indifference to a content test and women had a clear favorite, split the men into age groups and test if millennials behave differently than boomers. The idea is to continue to explore, learn, and optimize.

But always remember the fact an experiment proved a hypothesis in one message likely does not imply it would work in another message with a different focus, although it does offer a good starting point and a new hypothesis for continued experimentation.

Action Items:

- Review your results and evaluate against your initial hypothesis. Be sure to look beyond the first order results and look at any downstream KPIs that are part of the analysis.
- Document each hypothesis proven, or not, and the conditions of the test. This is important for a few reasons. It helps in the dissemination of information to others in the group and other groups outside of email. It prevents doubling back and prematurely repeating experiments that have recently been done.
- For a successful conclusion, determine if there is yet another variant to optimize for like age, LTV (lifetime value) or other meaningful attribute. For example, if the test determined blue buttons do better than red buttons, test the size of the blue buttons, and possibly the placement, as a next step.
- For inconclusive experiments, pivot and look for something new to hypothesize. Also review the degree of variance between what was tested and if it was reasonably different enough. Many times a marketer will test a subtle difference like “good” versus “great” and find it does not make a difference. But, changing “good” to “game-changing results” does provide a positive delta.

Experiment Ideas for Email

There are many possibilities for testing and optimization. The key is to make sure you test and optimize with a purpose of improving your marketing programs. When selecting a message to optimize, consider the KPIs it drives and what in that message is most important. Make a list of the elements of the message and determine the parts that are most influential. Start with the biggest components and work your way to the finer ones as you optimize.

Here is a list of common experiments to start with for the email channel. These can be single experiments or combinations depending on how they may linked or associated:

Subject Line

A subject line is the most common element to test and optimize. The goal is to test two or more subject lines to determine which drives the highest open rates. Depending on your level of risk or tolerance in performance, the marketer can try variations that are more extreme, or try variations similar to a known, dependable performer.

Using an example for a winback email, a marketer may try, "We miss you, please give us another chance," which seems rather common and safe when compared to, "Are you crazy? Do you really want to miss out?" which is more provocative and may be outside of brand guidelines. The latter extreme test may be informative when starting to test, whereas the more conservative may be used to fine-tune an already performing message.

Header Content

Recipients scan email in a progression of:

1) Who is sending the message
2) What is the message about
3) Does the initial content look interesting?

Then if all of those register as interesting, they move forward and scroll/open the message.

The header content is the section of content that is displayed above the fold in an email client or in the mobile preview pane. It is often scanned as part of number three to determine if the message looks interesting. Therefore, it often functions as the "hook" for opening the message. This section alone can be optimized for either open rate or click rate. To test this, create variations of opening text and/or image to determine which drives the highest open rates.

Subject Line and Header Content

As is often the case, a combination of the subject line and header content may ultimately influence or persuade a recipient to take action or open a message. For example, a subject line such as, "Update on your product delivery date" is self-explanatory and alone may drive an action to look further into the email. It does not require any more detail in the header area, as the user will want to know more given the nature of the message. However, consider a subject line like "Today's Breaking News Stories." It is catchy in itself, but may require a bit more information for the reader to take action.

For example, the headline could further describe the breaking news with a headline story about an unfolding international crisis, or a recent natural disaster. In this case, the header content supports the subject line and may be needed to influence further action that pulls in the reader. Therefore, it is important to test both the subject line and header content together to see what hooks readers most. Is the audience more drawn in by stories related to politics, sports or entertainment? To conduct this type of test, develop variants that combine the subject line test with the header content test to maximize the highest overall open rates.

Call To Action (CTA)

Once a reader has opened the message, or engaged by scrolling down within the message, the next step is to get the recipient to click on the primary call to action (CTA). When open rates are high, but click through rates are low, it is often the content or call to action that is lacking. Using the news publishing example above, the first paragraph served as the hook, with the "read more" link as the CTA to take the reader back to the publisher's website. Assume the marketer determined the audience responds to entertainment headlines best, but was still not getting readers to click through to read more.

One could postulate the content itself was not compelling enough to take further action, the "read more" link is too small for mobile readers, or other variations of these hypothesis. Therefore, the marketer should test multiple variations of content, link text, and or possibly adding a button and testing variations of button design. Testing your CTA is critical to optimize and can broadly influence other aspects of marketing efforts across print, mobile, social and TV. Marketers should test and optimize variations of the call-to-action (CTA) to see which generates the highest direct click rates on each call-to-action.

Numbers of Links or Calls To Action (CTA) Combinations

A common question asked by marketers is how many calls to action are best. Is having many options going improve the chances of a recipient taking any action, or is it better to have only one that focuses on the primary objective?

The answer is... it depends.

Consider a brand that consistently generates a proportional volume of revenue based on the number of visitors directly from email. The KPI for this brand would then be to maximize the click-through however possible, so providing as many options to click may be best. However, an event promoter that is driving click traffic to a registration page for a local upcoming event may focus the CTA to one or minimal options that limits any distractions or links that may lead them off course.

The fact is that there is no perfect answer, then testing and optimizing is the best way to decide which is correct. Marketers should test sections of the message with varying calls to action. Test three products versus six, text with product image or just product image, one headline story versus ten, button and link. The goal is to optimize for which format and number of CTAs generates the best overall result.

Mobile Versus Desktop

Mobile engagement continues to rise due to the growing ubiquity of smartphone devices. **More people now read email on their smartphones** than on their desktop. However, conversion by device has lagged that statistic slightly. It is common to first read an email on your smartphone, then later open that same email on your laptop, tablet or desktop to make a purchase. There are a variety of reasons for this behavior such as: checking email on-the-go (where time is limited), mobile limitations of websites or eCommerce sites, privacy or security concerns, confidence in technology, and non-mobile friendly email. Many companies have already created a solution for the mobile audience using some combination of responsive technologies, dual websites and/or mobile apps with deep linking.

The question for the marketer is how best to optimize messaging for cross-device shifting users. As many marketers move to a templated approach that is responsive, content and design become more important to test. Keep in mind the context of the reader by device and optimize for that experience. Test variations in responsive versions. This could include button size, complexity/simplicity of content and imagery selections.

In recent years, marketers have begun to notice a reduction in click-to-open rates and ask why. Some of this is in part due to a drop in follow-through of mobile readers. If your audience tends lean towards mobile users, optimize to improve that experience.

Body Content Design and Layout

This type of testing is very common, as it has been around since the early days of print advertising. The objective is to test larger variations in body content design and layout. For example, a test could be to send two or more variations of an entire template to determine which generates the most overall opens or clicks, using the same subject line but with different bodies.

There are many possibilities of what to test and optimize and that somewhat is determined by each business's KPIs and message objectives.

Here is a list of the top content testing ideas:

Imagery: Experiment with variations of images, image sizes and placement, and number of images shown.

Message Length: Test the amount of content included. Is it best to have a compact and concise message for the reader on the go, or provide an endless scrollable array of products or stories. If the goal is a click to the website, be sure to test link/CTA frequency and visibility across devices.

Single or Multiple Column: Test single column versus multiple column in responsive mode.

Text-to-Image Ratio: In some cases, messages with minimal imagery perform better than an image rich message. Test variations of image to text to see how this influences engagement. Keep in mind that it may be necessary to add clickable text areas/links to offset clickable images.

Body Copy: Variations in body copy including tone, language level, font, point size, and color all can impact results. Test variations of these across multiple messages.

Content Area

The primary goal of testing content areas is typically to optimize click-through engagement metrics. This is similar to the previous section of Body Content and Layout Design testing regarding what elements can be tested, but in this case allows marketers to isolate and optimize smaller sections at a time. For example, the marketer may want to test variations of a paragraph design and layout, where one has an image and the other does not. Or, where one is very brief and the other is verbose. The objective of content area testing is to start with a known working design and optimize it a section at a time. The marketer may also elect to modify two or more content areas of the template to determine how related sections and variants thereof combine to generate higher overall clicks.

Offer

Offer testing is most often measured by click through engagement metrics, but can also be measured by net downstream conversion or sales revenue. Offer effectiveness is based on a combination of tangible or perceived consumer value and human psychology. Is "free shipping" more valuable than "10 percent off an order"? Will "$10 off orders over $50" do better than "20 percent off orders over $50?" The answers can only be determined through testing.

Also,offers do not always have to be of a monetary discount back to the consumer. For example, an offer could be charitable like, "For every purchase over $50, our company will donate $10 to the charity of your choice," where the donation amount is tested. An offer can be a bonus, such as: "Book today and receive a 100 extra loyalty points," where the point award level is tested.

Testing offers also provides important feedback regarding how much has to be given away to generate maximum revenue back to the business. Creating a value exchange matrix through offer testing in email can also be applied to other parts of the business. For example, merchandising departments can leverage online testing when developing promotions for other channels like in store and catalog.

Time of Day and Day of Week

Marketers often ask what time of the day is best to send an email. The answer is always the same: test. Time of day testing can be difficult when you have consumers that are time- and device-shifting. A marketer may find that open rates are best when sending in the morning, but conversion rates and sales revenue are highest when sending in the evening.

Conversely, the marketer may find the a variation of that behavior when sending on a weekend where mornings may generate both higher opens and higher conversion revenue. When testing time of day or day of week, it is always best to test with the same content. It is also best to repeat the test across various days of the week to determine other patterns like weekends versus weekdays.

Cadence

Cadence testing is unlike other tests in that it occurs over an extended period of time. Cadence testing allows marketers to determine impact to KPIs relative to variations in sending patterns.

Here are a few ideas for testing cadence:

- **Lifecycle Streams:** Test cadence variations in your lifecycle streams like the welcome series, cart abandonment, winback, etc. In the example of a welcome series, is it best to have a message sent every day, every third day, once a week, or based on an event or action taken or not taken by the user? Set up automation sequences for each and run them over a period of a few weeks. Evaluate the results for initial engagement during the series or any falloff/opt-outs. Also evaluate conversions, first purchase percentage or other meaningful KPIs for the business. Time permitting, evaluate other longer range KPIs like lifetime value, AOV, loyalty point accumulation, books, etc.
- **Promotional Frequency:** Marketers are frequently asked by management to send at high frequencies, thinking sending more translates into positive results. This short-sighted approach can often lead to negative consequences related to poor deliverability, opt-outs and complaints, and lowering engagement over time. Experiment with different frequencies from once-per-week, multiple times per week, daily, and more than once per day. Keep in mind, this cadence may need to be optimized by overall engagement, time on list, recency of web activity, etc. Optimizing cadence needs to consider both short term goals and long term customer experience and value to the business.
- **Triggered:** Trigger messages and transactional messaging is often overlooked when taking into consideration cadence testing. However, a confluence of events and activities may cause a recipient to receive multiple messages in a short window of time. Coordinating the cadence of these messages and testing the balance of how many is just right is important to maximizing the overall customer experience.

There are many possibilities to test and optimize. As a marketer, evaluate the opportunities within your organisation and identify where your messaging strategy should grow and evolve. Start slow with tests that are easy, but make sure not to stop there. And remember, tests run today may not yield the same results when run a month from now or even a few days from now. Think “optimization”, both for your business and for your customers.

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