

7 ESSENTIAL LIFECYCLE PROGRAMS FOR EMAIL MARKETERS

Success Guide



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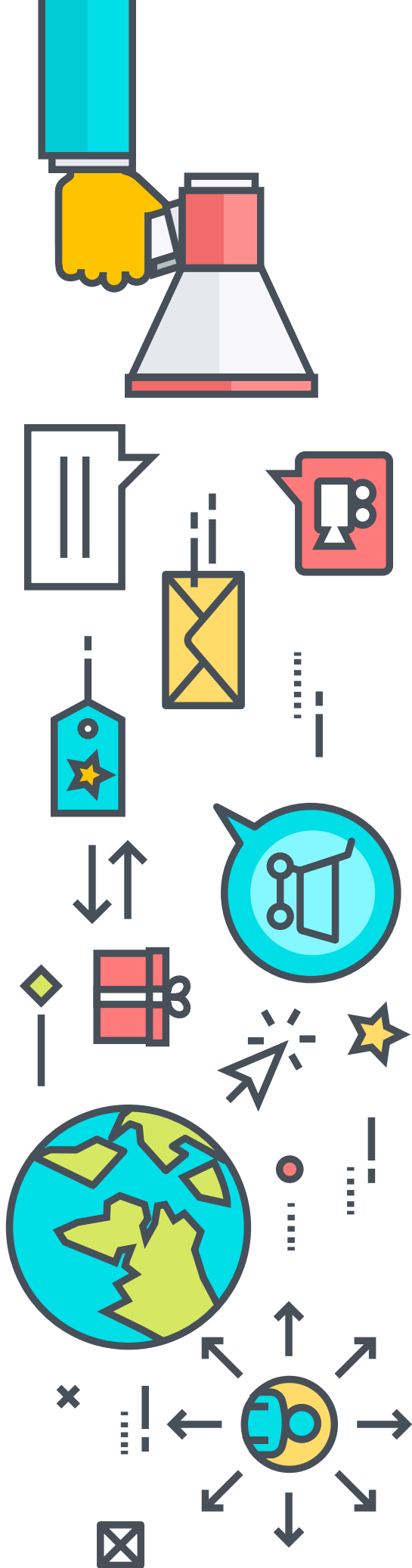
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ABOUT SELLIGENT



At its core, lifecycle marketing is sending the right message to the right customer at the right time, based on their evolving relationship with your brand. In this Success Guide, we'll be taking an email-centric look at lifecycle marketing that emphasizes using customer data to understand where an individual is in the customer lifecycle and serving them with useful information that's relevant to their current context. The end goal is, as always, to build deeper, more substantial relationships between your brand and the customer in order to encourage more conversions, whether that's in terms of purchases, subscriptions, sign-ups, attendance or more.

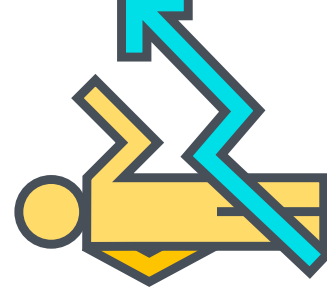
In the following pages, you'll find definitions, how-to tips and real-world examples of seven lifecycle programs that are essential for marketers who want to take their email campaigns to the next level.

THE MUST-DO CHECKLIST FOR LIFECYCLE MARKETING SUCCESS

Before diving into the details of our seven essential email programs, below are some of the strategic prerequisites for developing and implementing any successful lifecycle marketing initiative.

DEFINE STRATEGIC LIFECYCLE PHASES

- First and foremost, you need to understand and map out your customers' journey. What are the behaviors they engage in leading up to and following the purchase/conversion decision? How do different marketing channels (email, display, social, web, mobile) influence your customers at different points along the path to purchase? What are the differences in length of journey and actions taken among your different customer segments? Carefully analyze your customer data (and gather more information via surveys, interviews or focus groups if necessary) to define the phases of your customer lifecycle. Next, identify the actions that will serve as triggers to move a customer from one phase of the lifecycle to the next.

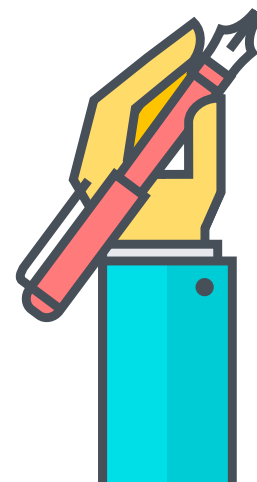
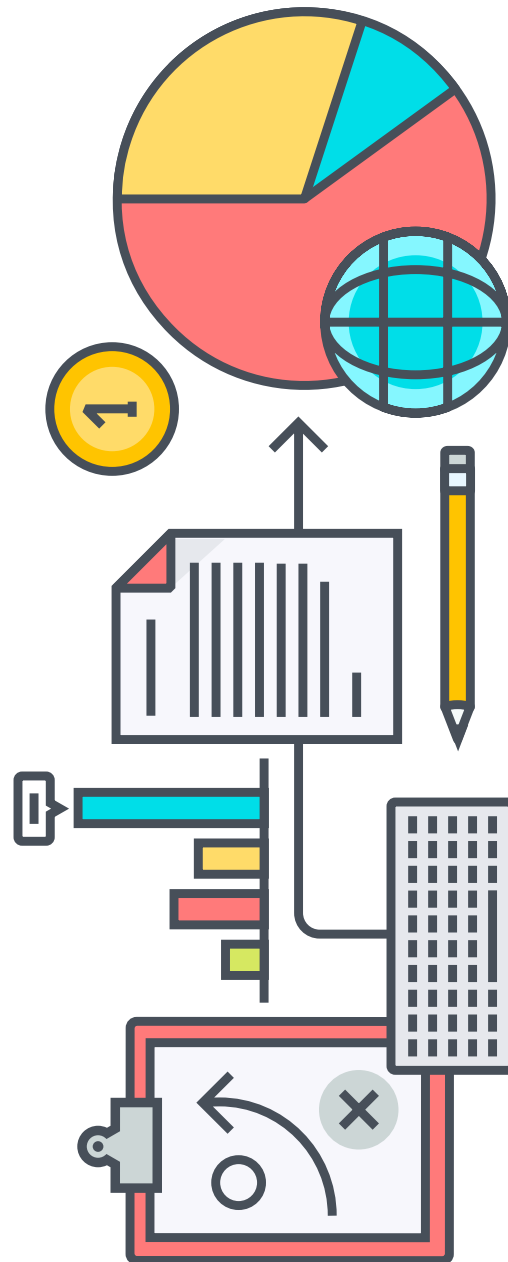


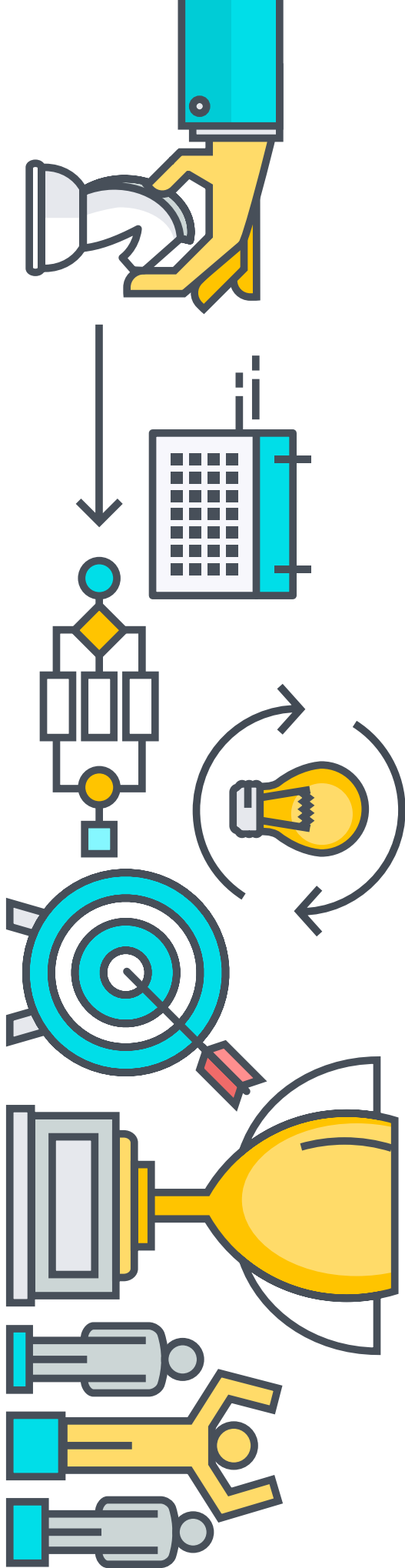
IDENTIFY YOUR AUDIENCE

- Once you've defined the lifecycle phases and trigger points that will drive your messaging, it's time to dive into your customer data and select the customers that meet the criteria for each lifecycle program. The ease with which you progress through this step will depend on the data you have access to and the level of connectivity between your data management and email marketing platform. Don't get discouraged if you can't get your hands on all the customer data points you need. Start by using the data you do have access to, adjust your programs accordingly and create a migration plan for when the missing data elements become available.

DETERMINE YOUR ENGAGEMENT STRATEGY

- How many emails will you need to clearly communicate your message in each lifecycle stage (e.g. welcome, reengagement, etc.)? Do you know how many messages any one customer could receive across all messages types (e.g. promotional, transactional, triggered, lifecycle), and do you have a plan for prioritizing these message types if necessary? For example, you may want to suppress high frequency promotional messages to prevent oversaturation, opening up the opportunity to engage with more targeted messaging in response to in-market behavior like browse and cart abandonment. Once you prioritize your message types, you then need to define what order you should send your messages in and how long you should wait between each one. The messaging volume, frequency, flow and duration of each of your lifecycle email programs will differ based on the complexity of your product or service offering; some programs may require only a single email, others may consist of a series. Regardless, remember to provide a clear call-to-action at each step and stay true to the voice and personality of your brand throughout. Use templates and incorporate dynamic, personalized content to the extent possible to increase the relevancy of all of your lifecycle messaging.





EVALUATE CROSS-CHANNEL OPPORTUNITIES

- Email is foundational to any multi-stage lifecycle marketing program, but you may find that you can greatly enhance results by reinforcing your efforts with SMS, push, display and other cross-channel messaging. When building out your campaign, test how other channels can help keep customers engaged and progressing through your multistep messaging program. Try testing how a reminder message via SMS might improve engagement, or kick off a display retargeting campaign based on interaction with a previous message. Being aware of how your customers use other channels for different types of interactions, at different times in the day and at in different locations can help you develop successful lifecycle programs that truly align with your customers' behavior patterns.

MAP OUT & TEST CORE ELEMENTS

- After generating your engagement strategy for each lifecycle email program, the next critical step is to test the various elements of your program – think pre-launch optimization. Test your subject lines, calls-to-action, offers, incentives, template design and other creative elements, messaging flow, messaging frequency and delivery time. In order to do so effectively, you'll need to hold out a control group for the primary variations. Identify the combination that garners the best results for each program. Test and improve to the extent possible prior to the launch of your program – you'll have many more chances to optimize post-launch based on your customer response.

ESTABLISH METRICS & KPIS

- There's no way to tell how well your program is performing without a baseline to measure performance against. This is the purpose of the control group you created during the testing phase. Define your hypothesis and the big-picture business goal of each of your lifecycle programs. Next, identify the metrics you need to prove your theory is attainable. Make sure you have the data available to track your progress, and start keeping an eagle eye on the numbers. Common email campaign performance indicators (KPIs) include open rates, click-to-open rates and conversion rates.

OPTIMIZE!

- Launching your program is not the end – it's just the beginning. Even if your program is performing well, there is always room for improvement. Run A/B tests on the various elements of your email messages – you'll likely identify marginal opportunities to boost performance, and may even uncover a tweak that drastically increases engagement. Keep an eye out for shifts in your customer's engagement or fall-offs in any multi-stage lifecycle program. You'll also want to track changes in preferences or behaviors, as well as any changes resulting from new inbox management functionality released by major email providers. Variations in any of these factors should prompt a reanalysis of your engagement strategy to identify what, if any, program elements need to be altered.

Now that you understand the general rules, let's get to it. The following pages detail seven different lifecycle email programs that will help you move your customers along the path-to-purchase faster, turn one-time purchasers into loyal repeat customers and turn loyal customers into invaluable brand advocates. That's the power of lifecycle marketing done right.



Essential Program #1: Give a Warm Welcome

WELCOME PROGRAM – WHAT IS IT?

A welcome program is your first opportunity to set expectations with your newly acquired email subscriber or customer. Welcome programs typically consist of a series of messages that begin right after a customer has signed up to receive communications, made a purchase or started a product trial. Often these welcome messages are the first exposure customers have to your brand, so making them clear, concise and engaging is crucial. Make a good first impression with your welcome program and you'll set the foundation for a long and mutually rewarding customer relationship.

COOKING.COM – HOW THEY DID IT

BOOSTING ENGAGEMENT WITH A WELCOME SERIES

Cooking.com, a subsidiary of Target Corporation, is an \$8 billion e-commerce website offering a broad range of cookware, product reviews and recipes.

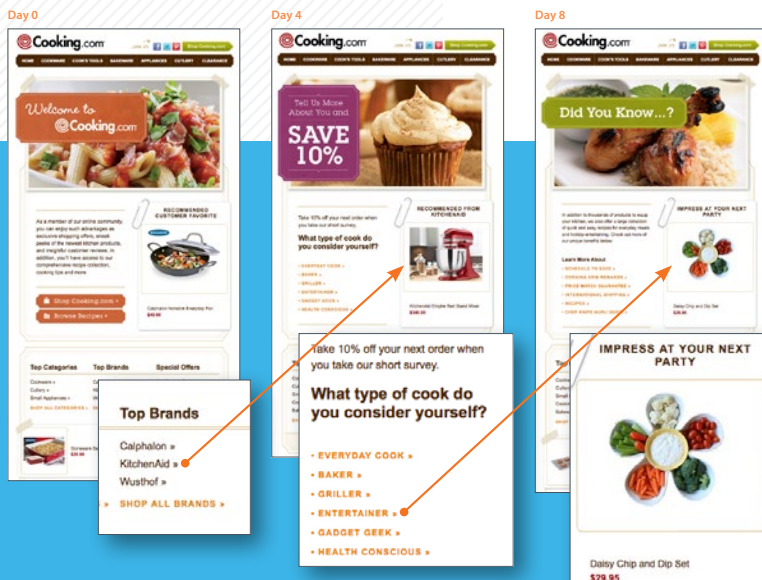
WHAT THEY DID

- Ran a personalized welcome program based on customer behavior triggers and preference data
- Based messaging flow on preference choices selected in earlier messages in the series to guide customers to the right purchase point

Tips to Remember

5 things you should always do in the first message of your welcome program:

1. Confirm the subscription or other online action
2. Set expectations for future communications
3. Include information on how to unsubscribe
4. Embody your brand's unique voice and tone
5. Make a great first impression - you only get one shot!



RESULTS

- Grew average open rates from 8.5% to more than 40%
- Increased average click-through rates from 1.3% to 7.68%
- For users who indicated preferences, average open rate increased to 51.2% and click-through rate to 22.9%
- Unsubscribe requests and complaints decreased by 29%

Essential Program #2: Nurture & Convert

Tips to Remember

1. 3 tips that will help create a nurture and conversion program that gets results:
2. Analyze previous conversion interactions to understand patterns at different stages of the buying cycle and identify barriers to conversion
3. Use these insights to define specific nurture campaign touchpoints in each stage that will help customers progress through the buying cycle
4. Ensure the timing and frequency of your campaign touchpoints are aligned to your specific buying cycle or decision process

ESSENTIAL PROGRAM #2: NURTURE & CONVERT

LEAD NURTURE & CONVERSION PROGRAM – WHAT IS IT?

A lead nurture and conversion program is where the real relationship building starts. Lead nurturing is the act of engaging with customers to increase brand knowledge and affinity through progressively tailored and detailed messaging. The end goal is to convert prospects into paying customers and current customers into repeat purchasers. Lead nurture and conversion emails often include personalized messaging and offers based on the customer's preferences and current state, as determined by interaction data such as the sign-up date, click activity, browsing and social engagement history. The more responsive your nurture and conversion program is (i.e. structured to adapt based on recent customer interaction data in near real-time), the more successful it will be.

AVG - HOW THEY DID IT

NURTURING FOR HIGHER RENEWAL AND ENGAGEMENT RATES AVG is an online security company whose products and services provide protection, performance and privacy for over 177 million users worldwide.

WHAT THEY DID

- Ran a nurture and conversion program promoting the benefits of online security protection and awareness
- Based messaging flow timing on the length of customer engagement and highlighted content featuring relevant offerings

RESULTS

- Increased engagement rates 5% above software industry standards of 25% open and 4% click-through rates
- Sustained 2.7 % increase in engagement for messages sent even a year after initial engagement
- Maintained high product renewal rates

The image displays three screenshots of an email nurture campaign for AVG AntiVirus FREE, illustrating personalized messaging based on user engagement over time.

- Day 3 (Hilary):** Focuses on software updates. Subject: "How can software updates protect your online safety?". Content includes a video titled "Why You Need to Update" and a call to action "Learn more".
- Day 61 (George):** Focuses on identity theft protection. Subject: "Here's what you need to know about identity theft". Content includes a video titled "How to Protect Your Identity" and a call to action "Learn more".
- Day 129 (Paul):** Focuses on mobile device security. Subject: "Your iDevices need protection too!". Content includes a video titled "AVG Safe Browser" and a call to action "Free Download".

Essential Program #3: What to Do About Abandoned Carts

CART ABANDONMENT – WHAT IS IT?

A cart abandonment program is your chance to continue the conversation with a customer who has proven they're interested by placing items in their online shopping cart – even if they haven't yet made the purchase. Cart abandonment is commonplace in e-commerce (around 75% of shopping carts are abandoned), but this type of program isn't just for retail companies. It applies equally well to abandoned processes in other industries, such as abandoned loan applications or surveys. No matter what, just remember: they may have "abandoned" for now, but that doesn't mean they won't be back. Frequently cited reasons for abandonment include external interruptions, "webrooming," lack of readiness to buy, being presented with unexpected costs (such as shipping and handling fees) or finding more competitive pricing elsewhere.

Successful cart abandonment strategies often include multiple programs catered to these different cart abandonment reasons and/or abandoner types. However you craft the experience, it should be subtle yet impactful. Easy, right? Hitting the right combination can significantly boost sales – studies have shown that customers who click on cart reminder emails often wind up spending over 50% more than customers who never abandoned their carts in the first place.

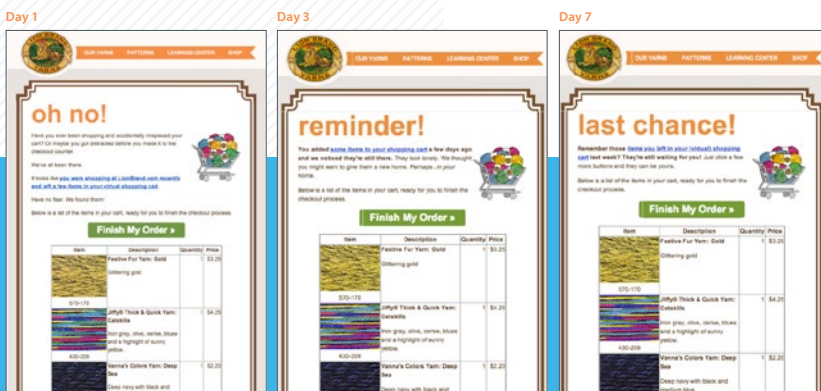
LION BRAND YARN – HOW THEY DID IT

USING HELPFUL REMINDERS TO RECAPTURE "LOST" CONVERSIONS

Lion Brand Yarn Company is a 135-year-old brand founded in New York City that inspires and educates knitters and crocheters with unique yarns, patterns and crafting publications.

WHAT THEY DID

- Ran an abandoned cart reminder email series delivered on day one, three and seven
- Messages detailed products left in the cart and included clear calls to action to return and purchase
- Program is automated to cease upon abandoned cart product purchase



Tips to Remember

5 things you should always do in the first message of your welcome program:

1. Confirm the subscription or other online action
2. Set expectations for future communications
3. Include information on how to unsubscribe
4. Embody your brand's unique voice and tone
5. Make a great first impression - you only get one shot!

RESULTS

- Successfully recaptured significant percentage of "lost" conversions
- By testing and optimizing the frequency of their messaging series, Lion Brand created a program with multiple chances to convert and minimal risk of over mailing

Essential Program #4: Mastering the Cross-sell/Upsell

Tips to Remember

4 common email types to consider when mapping out how to embed your cross-sell and upsell offers:

1. Transactional messages such as purchase confirmations and shipping notifications
2. Triggered messages such as abandoned cart or web analytics-driven emails
3. Regularly scheduled emails such as newsletters or broad-based sales emails
4. Ad-hoc, single-purpose emails such as an event announcement

CROSS-SELL & UPSELL PROGRAM – WHAT IS IT?

Driving incremental sales from current customers costs a lot less than acquiring new ones. However, many marketers squander the incremental sales opportunities that live within their own email lists. A cross-sell/upsell email program lets marketers drive more profitable behavior from the customers and prospects they know best. By leveraging email (proven to be the highest bang-for-the buck channel in all of marketing) and avoiding new customer acquisition costs, many companies have seen their cross-sell and upsell programs increase revenues at relatively small cost.

FOOTSMART – HOW THEY DID IT

MONETIZING TRANSACTIONAL EMAIL WITH CROSS-SELL & UPSELLS

FootSmart is the largest direct retailer of foot and lower body healthcare products in the US.

WHAT THEY DID

- Evaluated all transactional, operational and event-triggered emails to identify customer touch-points to leverage
- Embedded dynamic, personalized cross-sell and upsell product recommendations and promotions in order confirmations and other operational emails
- Based recommendations on prior purchase, demographic and behavioral data

RESULTS

- Saw conversion rates as high as 2.5% for cross-sell/upsell offers in shipping confirmation notices
- Anticipated \$750K driven from cross-sell/upsell offers in transactional messages

The screenshot shows a shipping confirmation email from FootSmart. At the top, there are navigation tabs for 'WOMEN'S SHOES', 'MEN'S SHOES', 'LOWER BODY HEALTH', and 'CLEARANCE'. The main heading is 'Your Order Is On Its Way!'. Below this, it says 'Dear Shera Shrago, Thank you for your shopping with FootSmart. Your order was shipped today and should arrive soon.' There are sections for 'Billing To' and 'Shipping To' with address details. A 'Shipping Method' section indicates 'Rush (expected delivery 3-5 business days, following shipment)' with a link to track the order status. A table lists the order details: 'Order Number P3729661 Items Shipped Today' with one item, 'Merrell Siren Thong Women', priced at \$69.99. On the right side, there are two promotional boxes. The top one says 'Shop with us again right now and get FREE Shipping on \$60' with a 'Shop FootSmart Now >>' button. Below it is a section titled 'Other Items You Might Enjoy:' featuring 'Orthaheel Men's / Women's Wave Sandals' for \$54.99 and 'Asics Men's Gel-Cardio 2 Walking Shoes' for \$114.99, both with 'SHOP NOW >>' buttons.

Essential Program #5: The Purchase is Just the Beginning

POST-PURCHASE PROGRAM – WHAT IS IT?

A post-purchase program offers customers ways to stay engaged with your brand beyond simply making a purchase. Post-purchase communications often include requests to give feedback via a review, online rankings or social shares. By reaching out to your customers at a peak moment of positive sentiment for your brand – after the receipt of their purchase – you can continue the conversation with customers who are engaged, interested and satisfied. Beyond the revenue they generate, post-purchase communications deepen customer involvement, build loyalty and help boost your reputation via word-of-mouth marketing. And remember: success is heavily dependent upon understanding what resonates with each customer segment and differentiating your approach accordingly.

GAMEHOUSE – HOW THEY DID IT

USING PRODUCT REVIEWS TO DRIVE DOWNLOAD VOLUME
GameHouse is the largest developer, publisher, and distributor of casual games, offering fun gaming experiences across multiple devices and networks to millions of players.

WHAT THEY DID

- Targeted recent game purchasers after a preset interval from the purchase date
- Sent an email request to provide a product review of the purchased game
- Inserted relevant cross-sell offers pulled from popular and new game releases

Tips to Remember

Consider these 4 messaging opportunities in your post-purchase program:

1. Satisfaction surveys such as an email request for feedback on the product or customer service experience
2. Requests for product/ service reviews posted on your website or social media pages
3. Replenishment reminders such as refill prompts for consumables like healthcare products
4. Lifecycle reward notifications such as “thank you” coupons for first-time purchasers

The screenshot shows the GameHouse website interface for the game 'Chocolatier 2 - Secret Ingredients'. At the top, there are social media icons for Twitter, Facebook, YouTube, Blog, and Forum. Below the game title, there is a prompt: 'What do you think about Chocolatier 2 - Secret Ingredients? REVIEW IT'. A large heading reads 'Sharing is Caring!' with the subtext 'Share your thoughts and let the GameHouse Community know what you think about:'. Below this is a large image of the game's cover art. To the right, a section titled 'You may also like..' features three smaller game covers: 'Plants vs. Zombies', 'Royal Envo', and 'Chocolatier - Decadence in Chocolate'. At the bottom left, there is a section titled 'It's quick & easy to write a review:' with two steps: 'Step 1: Select the Customer Reviews tab on any game page.' and 'Step 2: Click 'Review this game' button and write your review.'

RESULTS

- 12% increase of submitted reviews on new and popular games directly attributable to post-purchase product review invitations
- Drove higher overall download volumes thanks to the “social proof” impact of these new reviews

Essential Program #6: Retention Done Right

Tips to Remember

Use these 4 optimization tactics before pulling the trigger on your retention programs:

1. Test different email touch points based on time from purchase, time from engagement and average time to repeat purchase
2. Conduct A/B testing on subject lines, text body and creative to see which generates the highest level of engagement or conversion based on established KPIs
3. Be aware of and orchestrate with other brand communications to prevent over-mailing
4. Test frequency regularly to avoid email fatigue

RESULTS

- Achieved a near 100% open rate
- Increased time spent on website by 3 minutes
- Generated a 20% increase in customer response and service referrals

RETENTION PROGRAM – WHAT IS IT?

Once you've won a customer, it's just the beginning. Like most brands, your business likely invested significant time and resources to build that initial customer relationship. Now it's time to retain them. To avoid losing your hard-earned customers, use a retention program consisting of a rolling messaging calendar that incorporates content like thank-you emails, friendly informational follow-ups, special offers or inspirational ideas – all crafted with a highly personalized touch.

Retention messages are sent constantly and automatically at defined time- or action-based milestones to encourage customers to stay engaged with your brand and convert again at the appropriate time. Well-executed retention program messaging often gets a very positive customer response: it acknowledges the individual, keeps them informed, offsets post-purchase doubts and makes them feel valued so they want to come back again and again. Retention programs are an especially important tool for brands that have long intervals between repeat purchases from a single customer, such as big-ticket items like cars, or even homes, as in the example below.

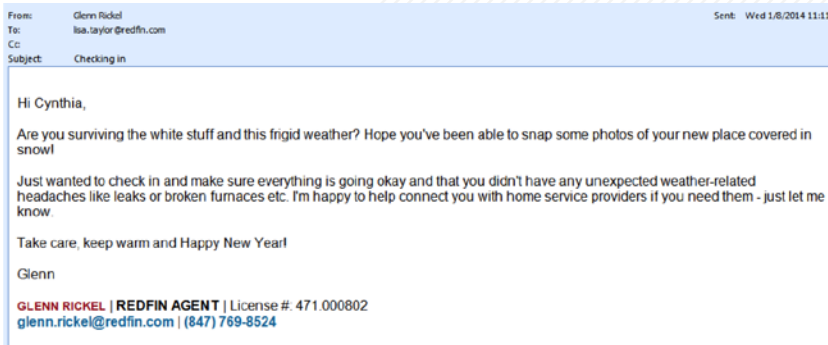
REDFIN – HOW THEY DID IT

FOCUSING ON CONTEXT-SPECIFIC MESSAGING TO STRENGTHEN CUSTOMER RELATIONSHIPS

Redfin is a technology-powered real estate broker that helps people buy and sell homes with a unique combination of online tools and a team of full-service real estate agents.

WHAT THEY DID

- Ran an automated, personalized retention messaging campaign incorporating local weather conditions
- Used a personalization-at-scale approach to foster the client-agent relationship
- Crafted one-on-one automated messages with a friendly tone



Essential Program #7: Get Back in Touch

REENGAGEMENT/WIN-BACK PROGRAM – WHAT IS IT?

A reengagement/win-back program is a sustained effort to reactivate a customer who is either no longer responsive to your emails but has not unsubscribed, or has not made a purchase or the desired action in a set period of time. The first step is always to develop your definition of what disengagement or a lapsed customer is. How long should you wait before moving a subscriber from the 'active' to lapsed category? While there's no universal right answer to this question (as with many marketing decisions, it hinges upon your unique customer base and business context), many marketers define lapsed as no open or clicks within six months and no purchases within the last 12 months. Additional factors to consider when defining these time periods are the potential seasonality of your business or the length of buying cycle for your product or service.

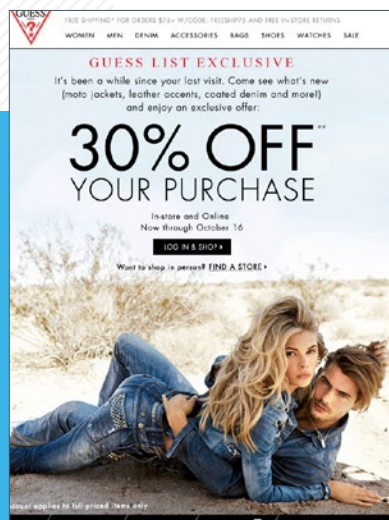
GUESS - HOW THEY DID IT

REIGNITING INTEREST WITH EXCLUSIVE OFFERS

Founded in 1981, GUESS is a global lifestyle brand that offers denim, apparel and accessories in over 80 countries around the world.

WHAT THEY DID

- Identified a previously engaged audience segment that hadn't purchased, shopped or engaged for a certain period of time
- Created a specific promotion to attract this segment to reengage
- Called out the exclusive nature of the promotion in the subject line to attract unengaged recipients to open



Tips to Remember

When crafting your reengagement/win-back program, consider using these 4 effective tactics:

1. Analyze available data to segment customers by type and duration of inactivity and cater your messaging accordingly
2. Diversify your subject line from your norm; be inventive, but stay aligned to your brand
3. Test out incentivized messages to encourage engagement, such as offering 25% off next purchase if the customer updates their message center preferences
4. Restate your brand's value proposition with a reminder of what your products/services can do for them

RESULTS

- Recaptured previously unengaged users, adding incremental revenue and lifetime value
- Applied this program across their other brands to expand on their success

What You Need To Get Started

Now that you know what elements go into successful lifecycle email marketing campaigns, it's important to make sure you have the right technology to make them happen.

Unlike traditional outbound batch-and-blast email marketing campaigns, lifecycle email marketing programs need to be triggered, and that requires integration with e-commerce systems, web analytics, recommendation engines, customer databases and/or other external systems. Once those integrations are in place, the message needs to be dynamically assembled based on available information and, finally, be delivered in the timeframe and via the channels (email, SMS, Push, display, etc.) that you have discovered to be most effective.

This entire process requires an email marketing platform that not only ties into your data warehouse and other systems, but that also provides you with in-depth reporting to gauge deliverability and engagement, as well as full HTML customization capabilities to ensure visual consistency with your other email communications. The right solution will have integrated cross-channel lifecycle marketing capabilities that allow you to easily set up appropriate triggers, customize wait intervals, test offers and optimize performance in real-time.

lifecycle marketing solution. As illustrated below, a triggered email program can integrate "wait" steps and actions that generate different flows (which can be tested for maximum engagement).

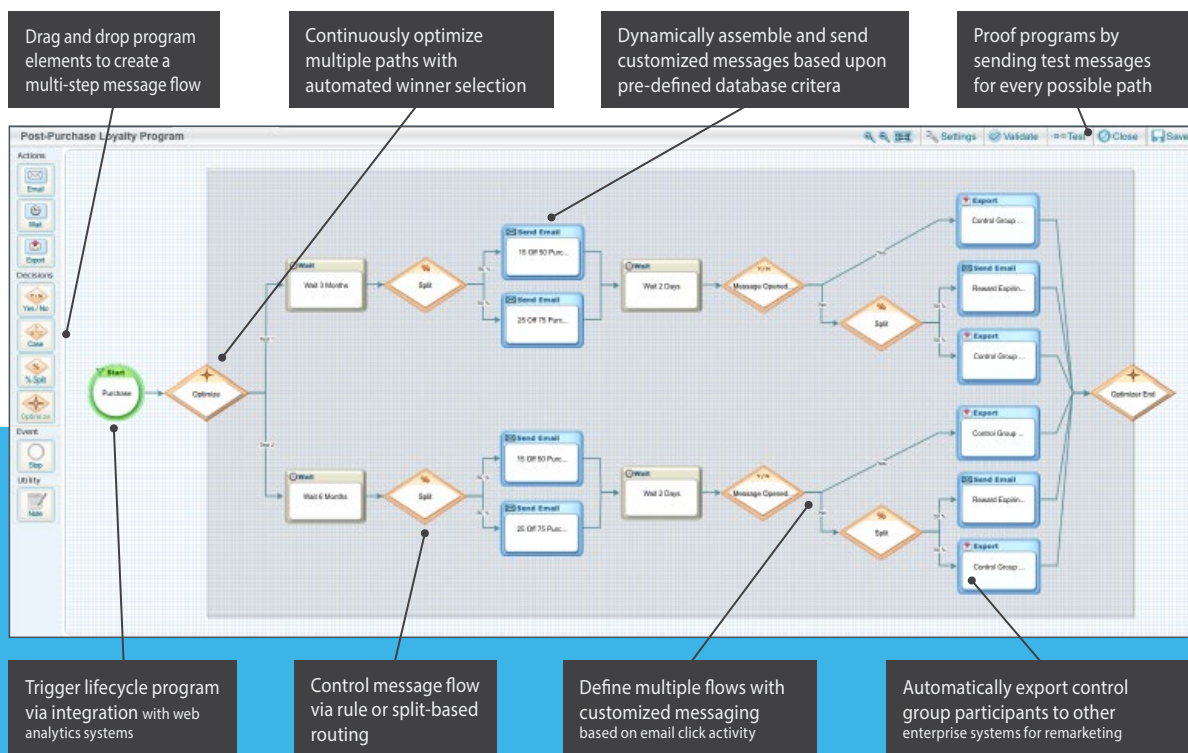


Below is an example of a retail reengagement program designed with Selligent's drag-and-drop lifecycle marketing solution. As illustrated below, a triggered email program can integrate "wait" steps and actions that generate different flows (which can be tested for maximum engagement).

In the scenario below, the program continuously tests conversion rates for three- and six-month intervals from date of last purchase and automatically selects the winning path. The program tests two rewards (\$15 off a \$50 purchase vs. \$25 off a \$75 purchase).

After waiting two days for a response, the program ends for those who have opened. For those who haven't opened, the program performs a 50/50 split, with half getting a "reward expiring soon" message and the other half serving as a control group, which can be exported to an external system for remarketing.

Knowing how to build the seven essential lifecycle marketing programs highlighted in this Success Guide is a great first step, but you won't get very far without the right email solution in place that makes it easy to create, manage and optimize your programs. For more information on how to build multi-step, cross-channel lifecycle marketing programs, we invite you to contact us at





About Selligent

Selligent is a global omnichannel marketing platform that powers customer relationships for Samsung, Walmart, ING, and more than 700 other premium brands in retail, travel, automotive, publishing, and financial services. Featuring enterprise-strength performance, Selligent's technology leads the industry in data management, campaign orchestration, and audience analytics. Selligent increases conversions and enhances engagement for mid-market to enterprise B2C marketers with its ability to deliver integrated, customer-centric experiences across email, display, mobile, and social.

Selligent serves more than 30 countries around the world, including more than 75 agencies and MSPs. Selligent has offices in Silicon Valley, Boston, New York, London, Belgium, Paris, Munich, Barcelona, and Australia.

Learn more at www.selligent.com and connect with the team at Twitter, LinkedIn, and our blog.