# 

audiences to avoid churn and maximize your ROI

**∞**raptor...



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# Still building audiences on gut feelings?

If you work in e-commerce marketing, you probably feel like you know your customers well.

You know what your ideal customers look like, how they shop, and what campaigns they respond well to. Maybe this experience has allowed you to build your audiences on a mix of gut feeling and trial-and-error.

So, you're puzzled when your campaigns aren't performing how you want to:

- Your customers are making very small purchases, affecting your bottom line
- Your high-margin products are not bought frequently enough
- Your best customers are leaving your business

We hate to break it to you: No matter how well you think you know your audience, there are just some insights that even the most experienced marketer can't figure out on their own.

This is where customer data and AI come in. By organizing and analyzing your customer data, you get information about your

customer's behavior that will take your audience strategy to the next level!

This guide gives you our <u>Top 12 e-commerce audiences</u> that you can't live without – all based on user behavior and customer lifetime value (CLV).

**87%** of marketers say data is their company's most under-utilized asset.

Businesses that use data-driven strategies drive

5 to 8 times as much ROI as businesses who don't.

Marketers that exceeded their revenue goals were using personalization techniques 83% of the time.

# Why the right audiences can save you a fortune

What pops into your head when you think of segments?

Do you think of personas? Or groups of people with similar lifestyles?

None of these are wrong or bad. But you can go much deeper than that.

By calculating your customer's CLV – Customer Lifetime Value – you take a deep dive into each customer's value and loyalty to your business. Both historically, right now, and in the future.

#### When building audiences on CLV, you can:

- Find churning customers to target them with win-back campaigns
- Keep your best customers loyal with special rewards
- Find "hidden gold" amongst your customers and nurture them into high-value, loyal ambassadors.
- · Find customers with specific interests and brand loyalties
- Exclude "low value" customers from paid media

Would you target a customer who hasn't made a purchase in the last 6 months with the same message you would send to your most loyal customer?

Probably not. And by segmenting on CLV, you can completely automate the right messages to the right people.

## The benefits of selling... less?

Yes, you read that right. And it doesn't sound like something you would want. But if you work with e-commerce, you know that all sales are not equal. Because what is the value of a sale if the customer:

- Returns more products than they keep?
- · Costs you more in ad spend than revenue?
- Only goes for low-margin products that don't add to your bottom line?

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Not much. In fact, these customers may be slowly eating up your margin if you keep targeting them with the same messages as everyone else. Even more so if you target them on pricey platforms like Google Ads and META.

That's why it's important to segment all different parts of your customer base - the good and the bad!

**Sport24** even added 100.000 new subscribers to their customer loyalty club by working strategically with segments

Read the case study »

Are you curious about what audiences you can build and the difference they can make for your sales?

Here are our **top 12 data-based audiences** that are proven to perform for B2C and B2B businesses alike.

# 1. VIP/Brand Ambassadors

#### **Description**

Who wouldn't want to find their best customers - and multiply them? Segment those of your customers with a high CLV (online and/or in store) and a low risk of churning. These are your ideal customers that you want to keep within your business - or attract more of.

USE CASE 1

USE CASE 2

#### **Customer Retention**

**Channel** E-mail

**Action** Send personalized e-mails containing

high-margin or private label products - or loyalty vouchers to reward them

**Result** Higher e-mail conversion rate +

customer retention

#### Look-a-like audiences

Channel Google Ads, META

Action Create a look-a-like audience based on

the same characteristics as your VIP/ Brand Ambassadors. Target them with popular products or content they might

be interested in

**Result** Attracting high-value customers and

building your brand

# 2. Churning VIPs

#### **Description**

Every business's worst nightmare is high-value customers leaving your business. Find people with a high CLV and high churn-risk. These are your most valuable customers that are about to churn if you do not act.

USE CASE 1

USE CASE 2

B<sub>2</sub>C

**Channel** E-mail, META, Google Ads

Action Target churning VIPs with special offers and discounts on their favorite products

and categories.

**Result** Win-back of churning, high-value

customers

B<sub>2</sub>B

**Channel** Sales Representative

**Action** A Sales Representative reaches out to

the customer to discuss their satisfaction with your services – and how you can

improve them.

**Result** Win-back of churning VIP customer.

## 3. Potential Loyals

#### **Description**

Find the people that have spent a decent amount of money with you, but don't shop often or haven't bought anything in a while. A sizable chunk of your customer population may fall into this group, and they are likely responsible for a high percentage of your revenue.

USE CASE

#### **Loyalty nudging**

**Channel** E-mail, META, Google Ads

Action Target this audience with recommended products and news within their preferred brands and

categories. Gradually increase the frequency on the messaging.

**Result** Moving this group from potential loyals to high value loyals over time.

# 4. Low-value Loyals

#### **Description**

Find people with a low CLV and a low churn risk. These people shop with you often, but their Average Order Value could be higher.



#### **Increase AOV**

**Channel** E-mail

Action Send e-mail campaigns containing high-margin or private label products to make the most of this

group's loyalty and profitability. You can also show them products showing related up- and cross-

selling products.

**Result** Increase profitability and Average Order Value.

# 5. Low-value Churners/Bad Buyers

#### **Description**

Find people with a low CLV and a high churn risk. These people have low value for your business and may even cost you money if you keep targeting them in paid campaigns.

USE CASE

#### **Save Your Spending**

Channel E-mail

Send generic newsletter. Avoid targeting them in future paid campaigns on Google Ads and META. Action

Fewer resources wasted on low value/churned buyers. Result

### 6. Serial Returners

#### **Description**

Find people with a high return frequency and a low CLV. Customers who often return products are expensive for retailers as they represent lost sales, damaged/opened products, and a strain on the environment.





#### **Exclude From Paid**

Channel N/A

**Action** Avoid targeting these customers with paid ads and special offers. In extreme cases, you may choose to

deactivate these accounts altogether.

Save marketing spend and avoid lost sales. Result

## 7. Window Shoppers

#### **Description**

Find frequent visitors with a low buy frequency. These people are often looking at products on your page, but they rarely convert.



USE CASE 1

#### Increase conversion rate

**Channel** E-mail

**Action** Create a brand-building e-mail flow with

easy-to-convert products and offers.

**Result** Increase conversion rate.

USE CASE 2

#### Retargeting

**Channel** Google Ads, META

**Action** Target audience with easy-to-convert

products and offers.

**Result** Increase conversion rate.

# 8. Gift Buyers

#### **Description**

Sometimes people browse outside their own category. For example, women may browse within "Men" categories while shopping for themselves, and vice versa.

USE CASE

#### **Increase AOV**

**Channel** E-mail

**Action** Send e-mail campaign with a discount on men's clothing.

**Result** Higher Average Order Value

# 9. Category affinity (e.g. Running)

#### **Description**

Find customers who have shown interest in the category "Running" (or any other category relevant to your business).

USE CASE

#### **Target running enthusiasts**

Channel E-mail

Action Create always-on, generic e-mail flow targeting running enthusiasts with shoes, running gear, or

relevant offers or content.

Result Save resources in Marketing by having an always-on campaign with product recommendations that

update in real time.

## 10. Seasonal Shoppers

#### **Description**

Find customers who purchased during a specific season last year (e.g., Christmas, Easter, or spring), and who might be interested in seasonally specific products (e.g., Gardening products for spring).

USE CASE

#### Retargeting

**Channel** E-mail

Action Target this group with new products like outdoor furniture or content related to the season (like how-to

guides).

**Result** Retargeting last year's shoppers and inspiring them to shop again.

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#### 11. Brand Lovers

#### **Description**

Find customers who have shown interest in specific brands - e.g., Nike, and who might be interested in new products or content related to that brand.



USE CASE

#### Always-on brand campaign

Channel E-mail

Action Create always-on, generic e-mail flow targeting Nike brand lovers with new products, offers, or relevant

content

Result Save resources in Marketing by having an always-on campaign with product recommendations that

update in real time.

# 12. Sales Lovers (e.g. Black Friday)

#### **Description**

Find customers who are particularly active during highsales periods like Black Friday, Cyber Week, or January sales. These people likely have the intention to shop but might need an extra push to make a purchase.





USE CASE

#### **Activate sales lovers**

**Channel** E-mail

Action Send a coupon code to users who were very active during a high-sales period to nudge them into a

purchase. Alternatively, you can find the customers who have only made purchases during high sales.

Consider whether these are worth activating for next year.

**Result** Increase conversions during seasonal events.

# CDP – The key to a bulletproof audience strategy

So, what tools do you need to start collecting and analyzing customer data and build high-performing audiences? And how do you calculate CLV and churn-risk?

A CDP (Customer Data Platform) is your ultimate tool for unifying data from every data source and make it available to any activation channel. Connect your data from transactional systems, website tracking and behavior, POS, CRM, and many others – and build more accurate and relevant audiences than ever before.

To create audiences on CLV and Churn, the Raptor CDP is the ultimate tool. Raptor's CDP uniquely offers the option to calculate on CLV (Customer Lifetime Value) and Churn. These parameters allow you to segment on not just personal information and buying behavior, but intent, loyalty, and value to your business – right now, in the past, and in the future.

While CLV is usually most powerful when used on buy data, it can calculate any type of data within your business, including page views, adds to basket, and product returns. In other words, the potential for building audiences is endless.

#### Get our complete CDP guide »

**What else do you need?** Activation channels, of course. Luckily, Raptor's CDP integrates with any activation platform you're currently using, including Salesforce, HubSpot, Shopify, WordPress, ActiveCampaign, Meta and Google.

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# Ready to unlock the ultimate audience setup?

Book a session with one of our experts

They are ready to tell you much more about data-activation and personalization - all tailored to your business needs and industry.

Want the latest news on customer data and personalization?

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