Compliments of:

klaviyo

Ecommerce Marketing Automation

for dummies®
A Wiley Brand

Implement smart marketing automation

Build a thriving, engaged marketing list

Personalise experiences at scale

Stephanie Diamond

Klaviyo Special Edition

About Klaviyo

Growing a business is complex. Klaviyo brings it all together. By unifying your ecommerce data in one place, you can understand your audience better, deliver personalised experiences, and learn everything you need to make your business smarter.

Everything works as one, accelerating growth and keeping you in control.

Our platform unifies all customer data and channels in one place, delivers unprecedented speed and time to value, and is built to be intuitive and easy to use so that every brand – regardless of size and expertise – can connect with their valued customers to grow more profitably and sustainably on their own terms.

klaviyo.com

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Ecommerce Marketing Automation

Klaviyo Special Edition

by Stephanie Diamond

for dummies®
A Wiley Brand

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Ecommerce Marketing Automation For Dummies®, Klaviyo Special Edition

Published by
John Wiley & Sons, Inc.
111 River St.
Hoboken, NJ 07030-5774
www.wiley.com

Copyright © 2023 by John Wiley & Sons, Inc., Hoboken, New Jersey

No part of this publication may be reproduced, stored in a retrieval system or transmitted in any form or by any means, electronic, mechanical, photocopying, recording, scanning or otherwise, except as permitted under Sections 107 or 108 of the 1976 United States Copyright Act, without the prior written permission of the Publisher. Requests to the Publisher for permission should be addressed to the Permissions Department, John Wiley & Sons, Inc., 111 River Street, Hoboken, NJ 07030, (201) 748-6011, fax (201) 748-6008, or online at http://www.wiley.com/go/permissions.

Trademarks: Wiley, For Dummies, the Dummies Man logo, The Dummies Way, Dummies.com, Making Everything Easier, and related trade dress are trademarks or registered trademarks of John Wiley & Sons, Inc. and/or its affiliates in the United States and other countries, and may not be used without written permission. All other trademarks are the property of their respective owners. John Wiley & Sons, Inc., is not associated with any product or vendor mentioned in this book.

LIMIT OF LIABILITY/DISCLAIMER OF WARRANTY: WHILE THE PUBLISHER AND AUTHORS HAVE USED THEIR BEST EFFORTS IN PREPARING THIS WORK, THEY MAKE NO REPRESENTATIONS OR WARRANTIES WITH RESPECT TO THE ACCURACY OR COMPLETENESS OF THE CONTENTS OF THIS WORK AND SPECIFICALLY DISCLAIM ALL WARRANTIES, INCLUDING WITHOUT LIMITATION ANY IMPLIED WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. NO WARRANTY MAY BE CREATED OR EXTENDED BY SALES REPRESENTATIVES, WRITTEN SALES MATERIALS OR PROMOTIONAL STATEMENTS FOR THIS WORK. THE FACT THAT AN ORGANIZATION, WEBSITE, OR PRODUCT IS REFERRED TO IN THIS WORK AS A CITATION AND/OR POTENTIAL SOURCE OF FURTHER INFORMATION DOES NOT MEAN THAT THE PUBLISHER AND AUTHORS ENDORSE THE INFORMATION OR SERVICES THE ORGANIZATION, WEBSITE, OR PRODUCT MAY PROVIDE OR RECOMMENDATIONS IT MAY MAKE. THIS WORK IS SOLD WITH THE UNDERSTANDING THAT THE PUBLISHER IS NOT ENGAGED IN RENDERING PROFESSIONAL SERVICES. THE ADVICE AND STRATEGIES CONTAINED HEREIN MAY NOT BE SUITABLE FOR YOUR SITUATION. YOU SHOULD CONSULT WITH A SPECIALIST WHERE APPROPRIATE. FURTHER, READERS SHOULD BE AWARE THAT WEBSITES LISTED IN THIS WORK MAY HAVE CHANGED OR DISAPPEARED BETWEEN WHEN THIS WORK WAS WRITTEN AND WHEN IT IS READ. NEITHER THE PUBLISHER NOR AUTHORS SHALL BE LIABLE FOR ANY LOSS OF PROFIT OR ANY OTHER COMMERCIAL DAMAGES, INCLUDING BUT NOT LIMITED TO SPECIAL, INCIDENTAL, CONSEQUENTIAL, OR OTHER DAMAGES.

For general information on our other products and services, or how to create a custom *For Dummies* book for your business or organization, please contact our Business Development Department in the U.S. at 877-409-4177, contact info@dummies.biz, or visit www.wiley.com/go/custompub. For information about licensing the *For Dummies* brand for products or services, contact BrandedRights&Licenses@Wiley.com.

ISBN 978-1-394-18173-5 (pbk); ISBN 978-1-394-18174-2 (ebk)

Publisher's Acknowledgments

Development Editor: Rachael Chilvers

Project Editor: Saikarthick Kumarasamy

Acquisitions Editor: Traci Martin

Editorial Manager: Rev Mengle

Business Development Representative: Cynthia Tweed

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Introduction

The ecommerce industry has seen explosive growth. During the pandemic, sales soared, and buyers' habits changed forever. With these changes and advancements in digital technology come new opportunities. However, these changes also require businesses like yours to figure out new ways to beat the competition and stay agile. Your company can gain a competitive advantage by streamlining its marketing processes and uncovering valuable customer insights using marketing automation technology.

This book explores how marketing automation software can help you improve your return on investment (ROI), develop stronger relationships with your customers and maximise your growth potential.

About This Book

Welcome to *Ecommerce Marketing Automation For Dummies*, a Klaviyo Special Edition. This book covers the steps to take to get the most from your marketing automation technology.

I cover several topics, including the following:

- Leveraging the benefits of marketing automation
- Maximising your business potential with the right automation technology
- Harnessing the power of rich data to expand your marketing reach
- Focusing on how segmenting your lists unlocks personalisation
- Enhancing the customer experience by analysing the customer journey
- Crafting the right subject line for maximum engagement
- Optimising your email performance
- Knowing about legal compliance

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Icons Used in This Book

Throughout this book, different icons are used to highlight important information. Here's what they mean:

TIP

The Tip icon highlights information that can make doing things easier or faster.

REMEMBER

The Remember icon points out things you need to remember when searching your memory bank.

WARNING

The Warning icon alerts you to things that can harm you or your company.

TECHNICAL STUFF

Sometimes I give you a few tidbits of research or facts beyond the basics. If you like to know the technical details, watch out for this icon.

Beyond the Book

In this book, you can discover more about the importance of automating your marketing using marketing automation software. If you want resources beyond what this short book offers, visit `www.klaviyo.com` to discover more.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Reviewing the benefits of marketing automation
- Dipping into key features
- Looking at the difference between campaign and flows

Chapter 1
Introducing Marketing Automation

The marketing automation technology landscape is seeing exponential growth. Marketing automation has become an essential tool for businesses that want to increase productivity, deliver an improved customer experience, and drive more sales.

This chapter looks at the importance of marketing automation and demonstrates how it can transform your company by generating and sustaining growth.

Understanding the Importance of Marketing Automation

To understand the significant impact marketing automation software has had on ecommerce companies in recent years, let's start by understanding marketing automation. Marketing automation is a technology that automatically schedules and executes processes (such as sending emails or texts, for example) by applying ***if/then*** logic to prospect and customer behaviour. For example, ***if***

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

a customer subscribes to your newsletter, ***then*** the software can automatically send them a welcome email.

This automates processes that would take humans endless time – leaving them to come up with ways to improve campaigns or optimise automations. Established workflows are automatic, so your target audience receives messages that are highly personalised without any additional lift from you or your team.

Using marketing automation to drive more revenue

As consumers increasingly expect personalised content online, marketing automation has helped marketers deliver that – making it a critical tool for marketing teams. According to Statista, in 2020, the marketing automation software industry was valued at US$3.6 billion and is expected to reach triple that by the end of 2027.

Automation enables brands to tailor the user's experience on their website and owned channels (such as website and email), which is a critical competitive advantage. Consumers expect marketing that feels like it's one-to-one. McKinsey & Company found that 71% of consumers expect personalisation from the brands they interact with, and even more (76%) get frustrated when they don't get it.

Need more proof?

- Companies who use personalisation generate 40% more revenue from related activities than average players (McKinsey & Company).
- Marketing automation benefits your bottom line. For each dollar spent, marketing automation returns $5.44 over the first three years with a payback period in under six months, according to Nucleus Research.

Benefiting from marketing automation technology

Marketing automation technology quickly provides major benefits for your business. Your team can focus on what matters, and you can get real insights into what your customers want. The benefits include:

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Improved customer relationships:** Providing more relevant content helps build and improve customer relationships.
- **Better customer experiences:** Delivering a better customer experience by personalising content ensures that customers receive things based on their behaviour in real-time.
- **Increased team productivity:** You streamline work for your marketing team when you set up automations once and optimise from there.
- **High return on investment (ROI):** Sending emails and SMS means you're using a lower-cost channel with high revenue potential.

TIP

The best marketing automation technology not only collects data, but also stores it in one place for easy access, allowing you to develop a complex, 360° view of each customer that evolves alongside their wants, needs, and behaviours over time. (For more details about the value of centralised platform to store customer data, see Chapter 2.)

Identifying Why Ecommerce Companies Use Marketing Automation

Marketing automation helps you increase sales and grow your business. So why do ecommerce companies choose to invest in marketing automation technology? It's a vital tool they need to harness all their data and personalise customer experiences.

Many executives today say their current tech stacks are broken. Their legacy technology is simply not up to the task of providing personalisation. To investigate this issue further, Klaviyo (with research firm BWG Strategy) surveyed 51 ecommerce executives from the manager level to the C-suite. Here are three main ways they say their legacy tech stacks are getting in the way of their business goals:

- **Poor data quality:** Over 50% of survey respondents report data consistency/cleanliness or integration issues. This compares to only 20% who report no problems with either category.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Lack of the ability to experiment:** Executives are frustrated with their tech stacks' restrictions on creative problem-solving. More than 70% of survey respondents say their current tech stack limits their ability to run experiments, A/B tests, and programs.
- **Too costly:** Executives say their technology is too expensive for the benefits they get. They believe they're spending too much on their current tech, it's costly to maintain, and the ROI is poor.

Do these problems sound familiar? They probably do if you're stuck trying to make your legacy software meet your customer's needs.

REMEMBER

Check to ensure that your chosen automation technology has strong integration with your tech stack and access to real-time data. It needs to go beyond basic data gathering.

Owning Your Marketing List

Owning your data is critical today. It's no longer optional. Figure 1-1 shows how owning your data leads to sustainable growth.

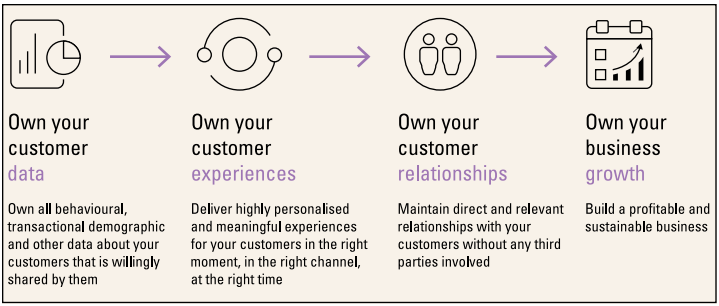

FIGURE 1-1: How owning your data helps you grow.

This is how the path to growth works:

- **Owning your customer data:** Collecting zero- and first-party data given to you by customers enables you to own the data – this includes behavioural, transactional, and other

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

data. You can then analyse the data to create segments of like-minded customers.

- **Owning your customer experience:** You can use this data to create highly personalised customer experiences delivered at the right moment, in the right channel, and at the right time.
- **Owning your customer relationships:** Providing personalised experiences creates trust and a deeper bond with your customers without any third-party involvement.
- **Owning your business growth:** This bond with customers helps you build a profitable and sustainable business.

Exploring Key Channels for Marketing Automation

Your company can leverage several key channels to win a competitive advantage. They are email, short message services (SMS) and mobile apps. We look at each in turn.

Email

Although email may be one of the oldest forms of online marketing, it's still wildly popular. As a result, it holds the crown for the most widespread use of marketing automation. The number of worldwide email users amounted to 4.1 billion in 2021 and is expected to grow to 4.6 billion users in 2025, according to Statista.

Short message service

You can combine emails with SMS (you might refer to them as text messages) for a more powerful impact. Some companies may be reluctant to use SMS. But according to Klaviyo's SMS consumer trends research, 40% of consumers want to hear from brands once a week, and another 40% want to hear from brands a few times a week. So don't be afraid to experiment with sending SMS. Your customers may be more open to it than you suspect.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

To dig a bit deeper, let's look at three ways you can use SMS marketing:

- **Promotional:** These are texts that are sent to increase sales, promote a product, or build brand awareness. (These can be one-off SMS campaigns or built out as workflows via SMS automations.)
- **Transactional:** This type of text can contain information your customers need, like order confirmation details or shipping information.
- **Two-way SMS marketing:** This text type is considered conversational and is typically used for support services in which customers and a support agent can have an active conversation.

For more about adding SMS messages along with your automated emails, check out Chapter 5.

Mobile app

When considering your marketing automation technology options, ask if the technology platform has a mobile app. If you want to be able to develop, send, and track campaigns and see the results from your mobile, then this is a requirement.

TIP

Your mobile app can be used to send push notifications in the form of things like popups and banners. In addition, it allows you to send messages to specific customers and groups. You can also use it for marketing campaigns, customer support, and product announcements.

Recognising the Difference Between an Automated Flow and a Campaign

After you've segmented your lists, you're ready to send automated flows and campaigns. But first, it's helpful to note the difference between the two. In the following sections, we look at each definition and how they differ.

For a detailed look at the value of audience segmentation, see Chapter 4.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Using an automated flow

A flow is a series of emails created once by you and triggered by your customer's particular behaviour or action. It can be tweaked and revised as necessary, but you don't have to do anything to keep it sending, as long as your subscribers take the action that triggers the flow. This same flow will be sent to everyone who repeats that behaviour. An example of this could be an automated welcome email series sent to new subscribers immediately after signing up for your newsletter.

Launching a campaign

Campaigns are one-time emails or SMS messages that go to your customers on a list or in a particular segment. They've signed up or been added to a list. Campaigns are manually created, scheduled, and sent to a target list. An example of this could be a flash one-time sale announcement sent to existing customers via text.

REMEMBER

To summarise, flows are triggered by customer behaviour, like signing up to a welcome email, and campaigns are one-event emails that alert customers to something happening, like a sale.

Getting Started with Marketing Automation

In Figure 1-2, you see the marketing automation journey (each topic is covered in this book). Keep it handy if you want to skip around to the chapters that interest you most.

Finding the marketing automation software that suits your needs ⇒

Building and growing your list ⇒

Using zero and first-party data ⇒

Automating your customer journey ⇒

Creating emails that convert ⇒

Analysing and improving your performance

FIGURE 1-2: The marketing automation journey.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Choosing software to develop your strategy
- Looking at a single view of the customer
- Reviewing key features

Chapter 2
Using Marketing Automation Software

In today's overcrowded marketplace, every company wants to streamline its marketing processes and get valuable insights into customer behaviour. Enter marketing automation technology.

This chapter looks at how choosing the right marketing automation software can help you streamline your operations. You can then collect and analyse all your data (from your entire tech stack) to segment your audiences and personalise your communications.

Finding Software to Enable Your Strategy

The correct marketing automation software is unique for each business. The choice is based on your specific customer and business goals. Before implementing any marketing strategy or tactics, you want to find the right automation software to meet your needs.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

One of the most crucial elements to focus on before developing a marketing automation strategy is to choose technology that allows you to fully and completely integrate all the data across the organisation. Having high-quality data is the key to everything you want to accomplish.

WARNING

Your email or text messages are usually launched in near real-time, so the correct data always needs to be at the ready. Marketing automation software — as long as it has a strong data foundation — can make that happen.

Starting with a Customer Data Platform

Because customer data is really the beginning of all marketing automation, before we get to technology features that let you send an email or text message, let's start with how marketing automation software should handle your data.

So, what type of software makes it possible to create a total view of the customer so you can segment your data? It's called a customer data platform (CDP). This software collects all your data and stores it in one place for easy access. It allows you to develop a complex, 360° view of each customer that evolves alongside their wants, needs, and behaviours. It also helps uncover both siloed data and duplicates.

REMEMBER

Do you know the characteristics of a CDP? According to the CDP Institute, it's software that's packaged, has a unified customer database, and is accessible to other systems you deploy (via integrations or simply housing additional features in the same platform, such as marketing automation software that doubles as a CDP).

A CDP gives you a centralised database with your customer data, including purchases, interactions, preferences, and behaviours. This data allows you to create actionable insights that help you personalise your campaigns and measure their effectiveness.

TECHNICAL STUFF

Consider all the data you want a CDP to integrate. Some examples of those systems include payment, cart and order management, support tickets, subscriptions, shipping, surveys, referrals, and reviews. Yes, that's a lot of data – and this list may not include everything you deploy! But, most importantly, these systems require integrations that work flawlessly every time.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Creating a single customer view

A powerful CDP collects and analyses all your data so you can personalise your messages effectively. Unfortunately, in many companies, this data is scattered across different departments and online channels. Siloed, incomplete, or inaccurate data can cause significant problems when sending emails and launching campaigns.

To solve this problem, the best marketing automation software you can use will include this CDP feature (and more, ideally) of creating a robust customer profile that gives you a single customer view. From this single view, you can send the right message to the right people at the right time. This is the holy grail of marketing automation!

Using CDP functionality within your automation

Customer data is an essential part of your marketing automation system, but it's often an afterthought in marketing automation platforms. There are several ways you benefit when your marketing automation software doubles as a true CDP. You can:

- **Track real-time behaviour:** You can continuously collect data about customer activity, channel engagement, and beyond, much of it in real-time.
- **See the big picture:** You can combine your data and organise it with detailed customer profiles effortlessly.
- **Predict what's next:** With predictive analytics, you can forecast future shopping activity, spending, and more.
- **Unify cross-channel marketing efforts:** Using a CDP gives you accurate, real-time data to keep cross-channel experiences cohesive and avoid repetition where you don't want it.
- **Track the customer journey:** Using customer behaviour tracking, you can determine where the customer is in their journey, which is vital to providing them the content they need to complete a purchase or engage with your brand.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Dipping into data types

CDPs have vast data, not simply who has opened or clicked on an email. Let's look at the three main types and how they're used in marketing automation:

- **Historical data:** This kind of data shows you all the communications and interactions a customer has had with your brand. It gives you a perspective on how well you've communicated and the preferred channels your customers used.
- **Predictive data:** If your marketing automation technology has built-in predictive analytics, you can use this data to determine when the customer might order next or how much they'll spend over time. This type of data is essential to predict what the customer will do.
- **Real-time data:** Collecting your customer's real-time data, like site behaviour and purchase history, ensures that you can help them when needed and move them along the customer journey.

Developing a customer profile

To dig a bit deeper, let's look at all the potential data that can be collected to better understand and later message your customers:

- **Behavioural:** Campaign responses, onsite history
- **Contact info:** Email address, phone number
- **Demographics:** Income, age
- **Interests:** Preferred contact method, product preferences
- **Voice of the customer:** Sentiment, product reviews
- **Transactions:** Purchases, payment, claims
- **Predicted behaviour:** Lifetime value

WARNING

You put yourself at a great competitive disadvantage without the ability to harness all your customer data, analyse it, and implement it in your marketing. Modern consumers expect relevant content that businesses can only deliver at scale with smart use of data.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Highlighting the Top Ten Marketing Automation Features

Look for these essential features in your marketing automation technology when choosing the best software for your company to grow and thrive.

Email marketing

You can grow your revenue with email marketing based on your customer's behaviours. The best way to do this is to look for marketing automation software with pre-built templates and simple segmentation tools that allow for ultra-personalisation. For example, some segments could include metrics like recently viewed products, items ordered, or bestsellers.

Short messaging service (SMS) marketing

To drive more sales and speak directly to your customers, look for software that combines your SMS (also known as text messaging) and email marketing in one platform. Some platforms will even include built-in compliance features to make SMS and email regulations simple. (To discover more about how to integrate SMS marketing, see Chapter 5.)

REMEMBER

SMS marketing might feel like unfamiliar territory, but research shows that brand texts drive sales. Klaviyo has found that 73% of consumers have purchased due to a brand's text.

Sign-up forms

Sign-up forms enable you to grow your email and SMS subscriber lists. Marketing automation software that also includes sign-up forms – especially customisable templates – centralises your assets and helps you avoid having to reinvent the wheel.

Pre-built templates

You can more easily craft high-converting emails with proven ecommerce templates. Look for software with templates for

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

sign-up forms, emails, texts, and even entire automated flows. If you want to avoid HTML, make sure you can easily customise your templates with a drag-and-drop (no code) editor.

Integrations

Rock solid integrations with your current tech stack is a crucial feature for your automation technology. You want to be able to use all the data in your systems without having to spend time and money integrating it.

Customer profiles

Robust customer profiles are a critical part of personalisation. The right software can maintain a complete, unified contact record for everyone on your marketing lists.

Onsite and in-email behaviour tracking

Onsite tracking enables your software to track a customer's activity across your website (such as page visits and product purchases). Look for software that has at least these two key types of onsite tracking, but ideally offers the entire host of CDP data and functionality covered above:

- **Active onsite tracking:** This metric is tracked whenever an identifiable browser visits your website.
- **Viewed product tracking:** This metric is tracked whenever an identifiable browser views a product page on your website (for ecommerce stores).

Performance reporting

Look for robust reporting tools you can use to analyse data, track key metrics, and benchmark your performance. (These dashboards should be able to be shared and customised.) One key metric that marketing automation for ecommerce often omits is

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

perhaps the most important of all: revenue. Look for tech that shows you how your emails and texts influence your bottom line to accurately evaluate your marketing ROI.

A/B testing

A/B testing helps you optimise your flows and campaigns. Ensure your marketing automation software lets you test variations within a single campaign or flow. This testing can enable you to see which messages and send times have the highest engagement and conversion rates. (Check out Chapter 6 for a more in-depth look at what A/B testing is and how to use it.)

Predictive analytics

Why settle for historical data when today's most advanced marketing automation platforms can accurately predict information about how customers will behave? Advanced machine-learning tools can enable you to predict customer behaviour accurately by monitoring your marketing campaigns. For example, predictive analytics would include what they're likely to buy, when they're likely to buy it and how much they're likely to spend. You can also learn which acquisition channels matter most and identify early VIPs in your audience.

Reviewing the Pricing of Software

Marketing automation vendors price their software in different ways. It can be by the number of contacts or sends, and so on. Table 2-1 shows several questions you can ask to help you choose the solution that can meet your critical business objectives and fit your budget.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

TABLE 2-1 Pricing Questions for the Vendor

Considerations	Questions
Pricing	Is pricing dependent on how many contacts I have and emails I send, or do I pay a flat fee?
Tech support	What kind of tech support is available, and is it free?
Free trials	Is there a free trial available? Can I watch a demo?
Flexibility	Can I make changes to my plan after purchase? Do I have to sign a contract, or is there flexible, month-to-month pricing?
Email versus SMS	Can I choose email and not SMS? Can I add SMS later?
Analytics	What analytics are available, and are there pre-built dashboards and templates?
Number of contacts	What if I have more contacts than my plan allows, or I need to send more emails/SMS?
Data integration	How easy is it to integrate data from my tech stack? Can I migrate my historical data from my current marketing automation platform (if applicable)?
Ease of use	How easy is the software to use?
Training	What kind of training is available and is it free?

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Introducing different data types
- Collecting zero- and first-party data
- Uncovering issues with second- and third-party data

Chapter 3 Building and Growing a Marketing List with Rich Data

Customer data has taken centre stage for marketers. With all the known data breaches, changes in data regulations, and customer calls for transparency, collecting and using zero- and first-party data is one of the only reliable approaches to data collection. Your owned channels now become the source of your most important data.

This chapter examines how harnessing rich data can grow your marketing list and enhance customer relationships. We'll cover the differences between first-, second-, and third-party data and the issues associated with their use.

Introducing Zero- and First-Party Data

Owned channels refer to your website or any other direct communication channel with your customer, like email. For example, you can source this data from webinars, user-generated content, or

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

website reviews. You own the data, so competitors cannot directly access it. This unique data gives you a competitive advantage.

In the following sections, we look at definitions of the different data types and how to collect them.

TIP

Are you sometimes puzzled about which content to create next? Looking at your metrics is a great place to start. By determining which of your owned assets is performing well, you have a better idea of the topic and format that's likely to resonate.

Defining zero-party data

What exactly is zero-party data? Let's take a closer look. Zero-party data is information that people voluntarily offer your brand. Examples of this might include answers to sign-up forms, surveys, quizzes, and social media polls. This data is highly dependable and accurate as it comes directly from the customer.

REMEMBER

The very specific nature of zero-party data (sourced from customers) can help you gain more insight into your customers and help you develop better-personalised messages.

Understanding first-party data

First-party data is information collected by a brand with the customer's consent from the brand's owned properties (such as website or email). This might include what a website visitor viewed or what links a subscriber clicked on within an email.

Reviewing How Zero- and First-party Data Benefits Your Company

Collecting zero- and first-party data requires you to offer real value and to be transparent with your customers. There are several ways that using this data can benefit your customers and your company. We look at some of the benefits in turn.

Creating a better customer experience and building trust

Creating a better customer experience based on your collected data builds trust and strengthens customer relationships.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

REMEMBER

If you give customers control over their data and explain why you're collecting it in the first place, you might be surprised at how willing people are to share information.

Cultivating a stronger connection with customers

You'll build a stronger connection with your customers if you focus on getting a 360° view of the customer with rich data. If your marketing automation technology gathers all your customer data in one place, you can act on the information. This can help you understand your customers' needs and exceed their expectations.

For more about creating comprehensive customer profiles with real data, see Chapter 2 about customer data platforms (CDPs).

Benefiting your bottom line

More data means better personalised experiences. Enhanced customer experiences lead to higher conversion rates. For example, data from Google shows that using first-party data helps marketers get almost a 300% boost in revenue while improving their cost savings by 150%.

Futureproofing your business

Protecting your data is one of the biggest concerns for ecommerce businesses. Owning customer data instead of relying on third-party cookies can help improve decision-making and protect your business from future challenges.

Learning About the Rise of Zero- and First-Party Data

If you're wondering why there's a shift in how companies collect customer data, look no further than privacy regulations and the increasing customer calls for transparency and authenticity.

Embracing customer needs

Customers are concerned that their data rights will be violated and want transparency. They want to know why their data is being

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

collected and how it will be used. Many people are willing to trade their information for a personalised customer experience, but the value needs to be clear, such as offering discounts to complete a sign-up form that asks people about their product preferences.

Recognising the increased call for data privacy

Regulations vary across the world, but companies collecting data within Europe must be cognisant of the General Data Protection Regulation (GDPR). This imposes several rules and restrictions on online companies, including transparency, data privacy, and informed consent. For this reason, your actions must be in compliance. This ruling and others put the spotlight on how and what kind of data you collect from customers.

For more details about how GDPR and other compliance measures impact your business, see Chapter 8.

ANSWERING VALUABLE QUESTIONS WITH ZERO- AND FIRST-PARTY DATA

After you begin collecting customer-first data, you'll see that it can provide valuable and insightful answers to questions about your audience. As you reflect on these insights, you'll see how your marketing becomes sharper and more on target. Here are some potential questions to consider:

- Who has or hasn't made a purchase?
- How long do they wait before ordering again?
- How much money are they spending, and when, and why?
- Who has a habit of buying only during gift-giving holidays?
- What makes someone leave our brand, and what makes them buy?

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

WARNING

Your business will also be faced with ad tracking cookies' demise when Google reportedly restricts them from its Chrome browser in 2024. They plan to replace them with what they call a 'privacy first' technology. Other companies, such as Apple, have already moved in this direction. These restrictions will affect your ability to advertise as you previously have, so be prepared to make changes.

Reviewing Data Collection

When collecting zero- and first-party data, there are a few considerations to ensure you remain compliant. The good news is, when you're the one directly handling data collection and use, you have more control over the entire process. As long as you have the right marketing automation technology and key checks in place across every customer touchpoint, you can rest easy.

TECHNICAL STUFF

Touchpoints are the places along the customer journey where your customer interacts with your brand, like talking to a customer service rep or seeing your social media post.

To learn more about tracking the customer journey, check out Chapter 5.

Choosing data collection methods

Want some ideas about where to collect this data? Here are a few suggestions:

- Sign-up forms
- Website user data purchase history
- SMS requests for customer feedback
- Surveys that ask shoppers what they're looking for
- Quizzes that give product recommendations

REMEMBER

You don't want to overwhelm customers with too many fields regarding sign-up forms. But on the other hand, if your designs are clean and clear and you pair them with an incentive, like a discount or premium download, you're more likely to get the data you're looking for.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

TIP

Make sure you get what you need from your sign-up forms. Klaviyo has found that forms with up to five fields see a negligible dip in conversion rates.

Setting yourself up to use data to its fullest

As you collect customer data, you want to ensure that you get the most from it. Here are some best practices that will also set you up for success when you want to use your newly collected data to personalise your marketing messages:

- **Collect basic information upon signup:** Ask for the email address and name, and treat additional fields as an experiment to see how your audience responds and how valuable that information is in future communications.
- **Analyse data by purchase intent and product interest:** When a subscriber views a product page or places an item in their cart, use that information to segment your list into 'highly engaged' subscribers, then segment again by what kind of product they viewed.
- **Zero in on your VIP customers:** When a customer buys, that tells you information such as what products they prefer and when (and sometimes why) they buy. But when they buy multiple times, they graduate to become VIPs. Learn as much as you can about these highly engaged customers. The more data you have with your VIPs, the more personalised you can get with your messages to them.

Recognising Issues with Second- and Third-party Customer Data

Using data owned by second or third parties can pose problems for businesses. So let's look at what defines these data types and their associated issues.

Second-party data

Second-party data is information shared with your brand through a trusted partner. It's your partner's first-party data. The problem

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

with this data is that the individual didn't necessarily agree for your brand to use it. Examples could include social media profiles and web pages they've visited.

WARNING

A lack of transparency regarding the data source could lead to a lack of compliance issues.

Third-party data

So, what is third-party data? It is aggregated personal information collected in various ways from across the web. Businesses offer it to brands primarily for targeted advertising. Examples of this could be the customer's job title or their work industry.

Typical problems with third-party data may include (1) Accuracy; (2) Quality, (3) Reliability, (4) The ability to integrate it with your own data, (5) This data only has an indirect relationship with the customer, and (6) Another business controls your access to – and the cost of – this data.

REMEMBER

Using third-party cookies, the Facebook pixel (the code used to assist advertisers) collects behaviour and data points about people on Facebook and around the web. Consumers typically don't know or haven't given consent to this third-party use of data by brands.

INCREASING REVENUE WITH PERSONALISED CUSTOMER JOURNEYS: CurrentBody

Let's look at how CurrentBody increased abandoned cart revenue since implementing personalised customer journeys using SMS.

- **Challenge:** CurrentBody is an innovative company that sells a range of high-tech health and beauty devices that enable people to recreate their favourite salon treatments at home. Because CurrentBody sells its own-brand devices alongside other high-end beauty tech, profit margins vary by product, so it can't offer customers a standard discount across the range. This means that an abandoned cart can be worth thousands of pounds.

(continued)

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

(continued)

- **Strategy:** CurrentBody has been working with Klaviyo since 2020 and recently added SMS to their communications arsenal. Klaviyo's customer data platform is built into the tech stack across its entire e-commerce operation. Therefore, it can use Klaviyo's pre-built flows and segmentation functionality to automate the customer journey and create a richly-personalised buying experience. Also, as customers are happy to receive text messages from brands they trust, CurrentBody combines SMS with email in some of the flows.
- **Results:** Improving the conversion rate of abandoned carts along the customer journey has had such a significant impact on revenue that they have made this a priority. The flows have been optimised through A/B testing the timing, message, and other elements.
- **Success:** CurrentBody have increased abandoned cart revenue by nearly 50% since implementing personalised customer journeys.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Observing effective ways to segment
- Listing the different types of segmentation
- Unlocking the value of personalisation

Chapter 4
Leveraging Your Data with Segmented Audiences

Segmenting your audience lets you gain detailed customer insights to produce a powerful, data-driven marketing strategy. However, successful data segmentation depends on data quality and the sophistication of your marketing automation technology.

The right software can enable you to segment your customers based on such things as where they're located, how old they are, how they engage with your emails, texts, and website, and the shopping and personal preferences they've shared with you.

This chapter looks at the value of segmentation and shows you different ways to segment your audience to achieve meaningful personalisation and increased customer satisfaction.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Understanding the Power of Segmentation

You may have heard that segmentation is a powerful marketing tactic. But what is segmentation as it relates to marketing automation? Segmentation organises your entire list into smaller, more focused audiences (or segments) for more precise targeting. It's a powerful way to send more tailored, relevant messages that help your business earn more revenue, increase engagement, and build a loyal, long-term following.

REMEMBER

Valuable business benefits of email list segmentation include things like increased return on investment (ROI) for email marketing and improved sender reputation and deliverability.

Considering some effective ways to segment

Looking for some segmentation ideas? Here are examples of practical ways you might want to segment your list:

- **By demographics:** This includes things like location, age, or gender.

  Examples: Sending emails around local events or tailoring emails according to regional trends and buying patterns.
- **By behaviour:** This includes purchase history, browsing patterns, or tendency to use discounts.

  Examples: Sending a group of people who have viewed or purchased a particular product range information about similar products.
- **By psychographics:** This includes interests, values, and beliefs.

  Examples: Examples for this include sending eco-friendly messages to customers who've indicated they care about the climate.

Effective marketing automation technology should make it simple to create very precise audience segments. This enables you to reach targeted groups via SMS, social ads, web experiences, and more.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

REMEMBER

Over time, you build stronger relationships and loyalty by creating experiences that align with customers' interests, preferences, behaviour, and other attributes.

Using segments to maximise results

Once you've created a segment, here are some ways to use them to create more personalised customer experiences that lead to more ecommerce revenue. You can:

- Send targeted campaigns
- Trigger email flows
- Analyse your performance
- Enhance sign-up forms
- Target with ads on third-party applications like Facebook

Getting Started with Segmentation

Segmenting your data is straightforward if you have the right marketing automation technology and the ability to collect all the data you need to build relevant segments.

In the following sections, we look at four quick steps to help get you started with creating more personalised customer experiences at scale with segmentation.

Step 1. Determine criteria for your segments

As noted above, the types of criteria you can use to segment your list are demographics, behaviour, and psychographics. First, think carefully about what you want to achieve with the email campaign or flow at hand, and then choose categories that will be most relevant based on your audience.

REMEMBER

Use segments that relate to your objectives. There's no need to segment based on pet type if you're sending a skin care promotion – unless you sell pet skin care, of course.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Step 2. Collect (or use existing) customer data

Next, it's time to collect some data to build your segments. For example, ask new customers who sign up to your newsletter what types of products they're most interested in.

Step 3. Set up email segments

Now that you have your criteria and collected data, it's time to segment. For example, you could create a welcome series that segments by what product a customer viewed or said they were interested in, so people only see highly relevant content.

Step 4. Monitor and adjust

As you see how people respond to these segmented messages, you can evaluate how they're resonating. Determine which ones are doing well and which need refinement. At this point, consider A/B testing to improve and optimise your automations.

To learn more about A/B testing, check out Chapter 6.

Understanding the Difference Between Segmentation in Campaigns and Flows

Reviewing the differences between a campaign and flow is essential as you plan your email and campaign tactics. In the following sections, we see the distinctions.

Optimising campaigns using segmentation

An email campaign is a one-time send to a pre-established target group of contacts. This can be for a sale announcement or promotional send. An individual campaign can be created and sent immediately, or a campaign can be prepared and scheduled to send later.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

An example of a segmented campaign could be sending a menswear sale announcement email to a targeted group of people who've previously purchased men's clothing.

Deploying segmentation in flows

A flow is a sequence of automated actions (including email and SMS) triggered when a person performs a specific behaviour. Some examples include when someone (1) Joins a list, (2) Is added to a segment, or (3) Makes a purchase or abandons their cart.

TIP

A flow can be further broken down into more targeted segments (for example, a browse abandonment flow can be further segmented into what types of products someone viewed on the website).

REMEMBER

The difference between a campaign and a flow is that a campaign is set up beforehand to make the customer aware of a specific sale, promotion, or event. In contrast, a flow is triggered by a customer's behaviour based on criteria you set.

Reviewing Segmentation Best Practices

Segmentation is a powerful tool when done right. Here are several best practices that can help you create effective segments:

- **Keep your segments simple:** Ensure segments are simple but meaningful. Pick criteria that matter to your message or product offering to make a difference.
- **Collect preferences directly from your customers:** Collecting zero- and first-party data helps you create meaningful personalisation and better engagement.
- **Regularly update your email segments:** Subscribers can quickly move to a different segment by doing such things as making a purchase. Make sure your software can automatically update segments based on your criteria. Otherwise, you might accidentally send someone an email promoting a product they just bought.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Monitor your email marketing performance on a regular schedule:** You want to know how your segmentations are performing, so create a schedule to monitor them frequently.

Rewarding VIPs for Loyalty and Advocacy

A popular customer group to segment for is your VIPs. These customers care about your brand and want to know about updates, new product launches, sales, and promotions. They're likely to be loyal and have a long-term relationship with your brand. Some ways to reward them include exclusive offers and discounts, or even simply launching sales and new products to them first.

TIP

Another way to reward VIPs is to create VIP tiers if you have a loyalty programme. You can also set up a referral programme to reward customers for referring their friends and family to your business.

Personalising the Customer Experience

After you've chosen how to segment your audience based on what's most relevant to your brand and product, you're perfectly poised to use your marketing automation software to personalise (at scale) the experience each of your customers has on your owned channels such as email, website, and SMS.

TIP

Of ecommerce sites in the US and UK in 2020, Statista found that 74% were already using on-site personalisation tactics as part of their conversion rate optimisation strategy.

Personalising at scale

Let's dig deeper into personalisation. It's the process of creating different marketing experiences for shoppers based on each individual's specific interests and needs. Personalising at scale means that you can accommodate all your customers, no matter how many are in your prospect and customer databases.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

BARRIERS TO PERSONALISATION AT SCALE

According to a McKinsey report, companies that excel at personalisation generate 40% more revenue from related activities than average players (https://www.mckinsey.com/capabilities/growth-marketing-and-sales/our-insights/the-value-of-getting-personalization-right-or-wrong-is-multiplying).

Additional research by Klaviyo reports that executives have identified several barriers to personalisation at scale. These include:

- The data they have isn't capable of driving personalisation at scale
- Their technology isn't equipped to support it
- Budget constraints limit their ability to prioritise it

These issues should alert you to the fact that unless you've chosen the right marketing automation technology, you won't be able to provide the robust personalisation your customer expects.

Considering elements to personalise

You can consider personalising a great many elements for your customers. You can add images and buttons and use your customer's name and email address. Here are some additional suggestions:

- **Subject line:** Refer to previous products they've purchased or viewed.
- **Timing:** Send it when you know they've previously opened their emails to reach them at the right time.
- **Channel:** Send your messages based on the channels that you know they prefer.
- **Product recommendations:** Show related products based on the purchases they've already made.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

TIME FOR TEA: SUCCESSFUL PERSONALISATION WITH TWININGS

Twinings successfully used personalisation to cross-sell its Superblends range with Klaviyo.

- **Challenge:** Twinings, the iconic British tea brand, faced a challenge. It has been trading for 300 years but, inevitably, consumer tastes have changed. They knew their younger audience was more likely to choose a health and wellbeing infusion from Twinings' Superblends range than a traditional brew. This meant they needed to reach their 170,000 customer list with personalised recommendations rather than send the same email blast to everyone.
- **Strategy:** Luckily, Twinings had moved its ecommerce platform to Shopify in 2021 and adopted Klaviyo as its marketing automation platform. Switching to Klaviyo meant they could effectively upgrade their segmentation and use more first-party data.
- **Results:** The results were eye-opening. Using segmentation to personalise their emails, Twinings increased their average order rate for their welcome flow by 200% and their average order rate for back-in-stock flow also by 200%.
- **Success:** Twinings now earns 30% of its direct-to-consumer (DTC) revenue through Klaviyo.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Building a lifecycle strategy
- Looking at a customer's goals
- Reviewing essential automated flows

Chapter 5 Automating the Customer Journey

It's time to dive into the strategies and tactics that support the customer journey. This chapter looks at the customer journey from the perspective of both the marketer's and the customer's goals.

First, we look at the marketing lifecycle to understand the marketer's goals. Second, we look at the customer journey from the perspective of the customer's goals and how you can plan to delight and retain them. Then we see how everything fits together. Looking at both sides helps you prepare to meet your business goals and create customers for life. Then we look at creating the automation flows that make it all happen.

Creating a Lifecycle Marketing Strategy

When beginning to craft your email automation strategy, consider the framework for lifecycle marketing. This strategy recognises that every individual in a brand's target audience is at a different stage of their customer lifecycle. Therefore, when interacting with your brand, these audiences have different intentions,

considerations, and motives. Consequently, you can tailor your message to each stage of the lifecycle.

Here are the goals of the marketer in each lifecycle stage:

- **Stage 1. Awareness:** In this stage, you want to introduce your prospect to your brand and familiarise them with it.
- **Stage 2. Acquisition:** You want to provide the information or customer experience to earn the prospect's contact details and perhaps other data.
- **Stage 3. Conversion:** At this point in the cycle, you want them to trust you so that you begin to win sales.
- **Stage 4. Fulfillment:** In this stage, you want to deliver on promises to retain them as customers.
- **Stage 5. Loyalty:** Finally, in this stage, you want to reward the customer to grow their loyalty.

Following the ideal customer journey

Next, we look at the customer journey from the customer's perspective. The customer's actions on their journey are:

- **Step 1. Visit the site:** The prospect recognises a need and looks for possible solutions.
- **Step 2. Subscribe:** The prospect tries to understand more about each brand under consideration.
- **Step 3. Decide to buy:** The prospect decides whether to purchase from your brand. Their actions may include viewing the product, adding it to the cart, starting checkout, and purchasing.
- **Step 4. Use the product:** The customer receives the product or service.
- **Step 5. Become a fan/promoter:** The customer uses the product and, if they're satisfied, hopefully becomes a repeat buyer.

Understanding how goals fit together

Curious to see how it all fits together? In Table 5-1, we see how the goals of the marketer and the goals of the customer align along the customer journey.

TABLE 5-1 The Marketer's and Customer's Goals Along the Customer Journey

Lifecycle Stages	Marketer's Goal	Possible Actions Marketers Take	Possible Actions Customers Take	Customer's Goal	The Customer Moves to the Next Stage when:
1 Awareness	Introduce your brand	Get your prospect's attention through things like marketing with influencers, refer-a-friend programmes, and so on	Visit the site (and everything before that's not included)	Prospect recognises a need or problem to solve	Moves to the Acquisition stage when they have identified brands that meet their criteria
2 Acquisition	Earn contact details by keeping your prospect interested	Provide incentives for prospect to want to keep in touch with your brand – through discounts or education about what makes your brand trustworthy and valuable	Subscribe	Prospect tries to understand more about each brand under consideration	Moves to the Conversion stage when they choose a brand that satisfies their needs
3 Conversion	Build trust and win sales	Make that first sale happen by sending more information or details about the product or service	View product Add to cart Start checkout Purchase	Prospect purchases or waits for a price drop or other option	Moves to the Fulfillment stage when they decide to purchase the product or service

(continued)

TABLE 5-1 *(continued)*

Lifecycle Stages	Marketer's Goal	Possible Actions Marketers Take	Possible Actions Customers Take	Customer's Goal	The Customer Moves to the Next Stage when:
4 Fulfillment	Deliver on promises	Send order confirmation and shipping emails to solidify the decision	Use product	New customer gets their product	Moves to the Loyalty stage when the product is received
5 Loyalty	Reward and grow loyalty	Turn customers into brand advocates — retention marketing strategies are important here	Become a fan/ promoter	Customer uses product and is satisfied	Becomes a fan and recommends the product to others, and makes another purchase

Deploying Key Automation Flows

Next, we look at one of the most effective tools in the automation marketing arsenal. Marketing automation technology allows you to create *flows*. Flows are automated messages triggered by customer behaviours you set up. They're also known as automations or drip campaigns and can include email and short message services (SMS – also known as text messages).

REMEMBER

They're called flows because after triggering them, you can automatically send multiple pre-configured messages over a period of time.

The following sections detail the five most critical flows to consider and when to use them.

REMEMBER

Make sure the marketing automation software you're considering has pre-built flow templates. For example, Klaviyo provides you with a set-up wizard and a number of pre-built flows from their library of templates. This saves you time and helps you benefit from successful templates.

CREATING A FLOW

Are you curious about what goes into creating a flow? It can be easy using the right marketing automation software. First, ask the following three questions:

What's the action? The action can be a specific task, such as sending a message or updating information on a profile. You can change the status from live, manual, or draft.

What's the timing? You can add a time delay before an action to schedule the action for the trigger or another action. Typically, a time delay must have a live or manual status action immediately after it to function.

What's the logic? You can create conditions to branch your flow into multiple paths based on specific criteria. For example, you can create a branch based on information about the person in the flow. In contrast, you can create a branch based on information related to the event that triggered the flow.

Welcome series

After a customer has found your brand and taken action to engage (such as subscribing to your newsletter), the first thing you'd like them to receive from you is a welcome series email that serves as a controlled introduction to your company. A well-crafted welcome email sets the right expectations from the start.

- **Why use it:** To educate a prospect or new customer on your brand and product value.
- **When to use it:** When you want to give people a first look at your brand story, introduce your best products, and incentivise people to continue engaging with and buying from your brand.
- **Customer benefits:** A welcome series can provide (1) More information about the brand and founder, (2) Education about the product and how it's different from competitors, (3) Information about bestselling products or new arrivals shoppers may not have seen yet, (4) Links to valuable resources, like buyers guides, social media, or other content, (5) Reviews or testimonials from other customers, (6) Incentives such as discount codes, contests, or giveaways.

REMEMBER

Welcome emails can be particularly effective. According to Klaviyo, the average open rate for welcome email series is 54% across industries, meaning over half of the new subscribers or customers open them.

Welcome series best practices

Your welcome series can immediately show your new subscribers and customers that your brand will provide them value. Here are five best practices to help you create the perfect first impression:

- Include segmentation to show highly relevant products
- Test and optimise the timing of each step in the series
- Use double opt-in to confirm that people want to subscribe
- Design your emails to match your onsite experience
- Include support team details and unsubscribe links

Browse abandonment cart flow

A browse abandonment cart flow is triggered when someone views a product page on your website but leaves before purchasing (items haven't been placed in a cart).

- **Why use it:** Your browse abandonment email should nudge people toward starting and completing a purchase.
- **When to use it:** Use the browse abandonment email flow to drive people back to your website to dive deeper to educate themselves, which is most likely what they need at this stage of the customer journey.
- **Customer benefits:** To send them back to checking out your products, you might want to show positive customer reviews or offer them a discount or other enticement.

Cart abandonment flow

A cart abandonment email is sent after a person puts an item in the cart but doesn't make the purchase.

- **Why use it:** Use your cart abandonment email flow to reduce any barriers shoppers may have to completing their purchase.
- **When to use it:** Use this email type to tap into the fact that your prospect has demonstrated a strong purchase intent.
- **Customer benefits:** You're reminding the customer that they were interested in a product and may want to return to it for purchase.

TIP

The last two flows may seem similar, but it's helpful to create two different flows for browse abandonment (where someone stops while checking out) versus cart abandonment (where someone adds things to their cart, perhaps like a wishlist of items without any intention of checking out). People's needs are slightly different — they may need more product education/selling in the browse abandonment flow than the cart abandonment flow, which can be more of a simple reminder to check out/offer a shipping discount to push someone over the line.

See a cart abandonment success story for Klaviyo customer CurrentBody in Chapter 3.

Back-in-stock flow

Back-in-stock automations are sent automatically to customers who sign up to learn when a specific item becomes available again.

- **Why use it:** This email type helps ensure that your customer never misses out on getting the product they want.
- **When to use it:** Use this when the product is restocked and available to buy.
- **Customer benefit:** Customers don't have to keep checking in on a product's availability.

TIP

Prospects that go to your site from a back-in-stock email see up to eleven times higher conversion than other site visitors.

Post-purchase flow

A post-purchase flow can act as shipping and delivery confirmations, review requests, assembly and maintenance instructions, and up-sell emails that encourage additional purchases. They can also evoke a heart-warming customer reaction by showing them you value them beyond just a sale number.

- **Why use it:** To make a new customer glad they chose your brand and more likely to make a purchase again.
- **When to use it:** After someone has made a purchase, ideally customised based on whether it's their first, second, third, and so on.
- **Customer benefits:** Post-purchase flows can make your customers feel special. Consider providing such things as early access to new products, VIP discounts and special offers, and referral bonuses for spreading the word.

Choosing Advanced Flows

After you set up these core five flows and you want to continue to create personalised customer experiences, consider these more advanced flows.

Winback flows

A winback flow re-engages customers who've purchased in the past but haven't repurchased in a while. This flow should be customisable based on the products they've bought and how many purchases they've made.

Sunset flows

A sunset flow is designed to phase out customers who are no longer interacting with your brand. You can use this flow as a last effort to tempt someone to reengage with your business and then delete anyone who isn't responsive from your list.

REMEMBER

This flow helps you maintain a clean list and high inbox placement because it prevents you from sending to unengaged subscribers.

Loyalty marketing flows (for brands with a loyalty programme)

A loyalty programme is a customer retention marketing strategy that uses rewards such as discounts, early access to new products, or exclusive access to additional products or brand features to encourage new and existing customers to continue buying from your brand.

Replenishment flows

When you consider all the possible ways that sending email flows can work for you, are you thinking about when your customer needs to be prompted to reorder a product? You use a replenishment flow that automatically reminds them when they're running out of your product. These email types are particularly effective for businesses that have products that need to be regularly replaced, like skin care or food.

REMEMBER

Replenishment emails don't inform customers that their card has been or will be charged or that their product is on the way. The reason is that the recipient isn't automatically repurchasing the product. Instead, a replenishment email reminds the customer to place a new order to restock their supply.

TIP

Customers who make multiple purchases are a gold mine for your business. Here are some statistics from Adobe that show the value

of customer loyalty (https://business.adobe.com/resources/digital-price-index.html):

- Customers who have purchased from your brand twice are nine times as likely to convert as a first-time shopper.
- On average, your top 10% of customers are worth six times as much as the other 90%.
- Repeat purchasers spend three times as much as first-time customers.

Adding SMS

Have you incorporated short message services (SMS) (also known as text messaging) in your flows and campaigns? Some marketers aren't sure if their customers are interested in SMS marketing. Statista reports that 82% of marketers use email, whereas only 69% use SMS (https://www.statista.com/statistics/1203256/digital-marketing-channels-worldwide). However, SMS can be a valuable marketing asset.

Benefiting from SMS

When used correctly, email and text messaging can be a dynamic duo. Pairing them together can be a potent boost to your communications mix. Following are several reasons to consider adding text messaging to your email strategy. You can:

- **Create unique customer experiences by combining text messaging with your email marketing programme**: This gives you a competitive advantage. Your subscribers won't be able to find these experiences on other channels or with other brands.
- **Help bridge the gap between in-person and online shopping with text messaging:** Because of its speed, immediacy, and two-way conversations, you can accommodate the gap between in-person and online shopping.
- **Communicate with customers faster:** Using text messaging, you're directly in contact with customers when they need it.

- **Answer incoming questions via text:** You get customers the answers they need quickly, building a stronger relationship.

Collecting information for SMS marketing

Here are five things successful ecommerce brands do when using website forms to ask people to sign up for SMS marketing:

- **Compliance:** Collecting consent to use people's phone numbers for marketing reasons.
- **Responsive design:** Creating unique mobile and desktop versions.
- **Testing:** Using A/B testing to optimise form conversion.
- **Discounts:** Offering discounts for sign-up and delivering on that discount immediately.
- **Design:** Using on-brand design and imagery that enhances the form without distracting people from signing up.

Getting Started with Text Messaging

By pairing SMS with your email programme, you give customers another way to engage with your brand that's simple and convenient. Consider using these six easy steps to get started.

Step 1. Planning for success

To ensure success for your SMS campaign, begin by determining the vision for your SMS strategy. For example, consider why SMS is right for your customers, how subscribers will benefit from text (separate from an email), and what incentives you'll use.

REMEMBER

Be sure that you're in compliance as you collect your data by obtaining consent and never sending a text to non-opted-in subscribers.

Step 2. Starting to collect data

Next, you can launch your sign-up forms. Lead with what value someone gets from opting in to text marketing to make it crystal clear why they should sign up.

You might want to consider first collecting email address on your sign-up forms if you primarily use email marketing. Then, add a second step to your form that allows people who just signed up to also enter their phone number and opt into text marketing.

TIP

Klaviyo found that forms with email and phone numbers see an average of 2.9% conversion rates. Use this number to benchmark your own success rate.

Step 3. Sending your first campaign

Create a dedicated SMS welcome series that you'll send after opt-in. When preparing your welcome series, deliver immediate value and use a conversational tone. (For more about creating a welcome series, see Chapter 5.)

TIP

Also consider adding SMS to your key automations, like your abandoned cart and post-purchase flow.

Step 4. Targeting your audience

Invite your email subscribers to join SMS via email and social media, then you can create targeted segments. (See Chapter 4 for in-depth details about how to segment your audience.)

Step 5. Adding support

If you send transactional notifications, add valuable details such as customer support links, shipping estimates, or tracking numbers or links.

REMEMBER

You can also assist your customers in real-time with SMS conversations or integrating your help desk.

Step 6. Finding the next opportunity

Look for opportunities to send unique SMS flows. Some examples include SMS happy birthday or SMS price drops. Also, A/B test areas that are underperforming and send valuable content such as tips.

IN THIS CHAPTER

- Focusing on the subject line
- Reviewing design best practices
- Deploying A/B testing

Chapter 6
Creating Emails That Convert

According to Statista, the average email marketing return on investment (ROI) across industries is $36 per dollar. So it's no wonder that 82% of marketers use emails for their marketing.

This chapter looks at all the elements that go into creating emails that will help you stand out among your competition.

Creating Emails that People Want to Open

Emails have many moving parts that you need to consider to make customers want to open them. In the next section, we look at some questions to ask yourself when you start.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Crafting click-worthy emails

Creating a successful email flow or campaign starts with being clear about your purpose. When you begin, ask yourself the following questions:

- **What is the goal of this email?** Be clear about what the purpose is – and how to measure it. Is there a specific event or sale you're alerting customers to? Driving revenue will likely be your ultimate objective, but clicks to your website could be a secondary metric to evaluate performance.
- **Who is the best audience to target?** You might not want to bombard your entire list with the email you're sending, so get crystal clear on who you want to address.
- **Why will they care?** Bridge the gap between what your customer is interested in and the action you want them to take by providing highly relevant, personalised content.

These questions are essential to connecting your email strategy to broader business objectives.

Reviewing the benefits of well-designed emails

Your email design is a quick and visual part of what you want to say.

REMEMBER

The best marketing automation technology offers pre-designed email templates that you can customise. They're usually backed by best practices and even data from other brands, so they're often a great starting point to creating your own emails. Look for this feature when you're making your organisation's software choice.

Consider several benefits that well-designed emails deliver. They:

- **Convey your message quickly:** Effective email design ensures that your message is front and centre. Subscribers won't need to spend time figuring it out, and the message is consistent from the subject line to email body to website copy.
- **Encourage your customer's curiosity:** Too much information can lead to decision paralysis. You can pique their

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

curiosity to learn more by keeping things short and punchy in the actual email.

- **Entice them to click with a primary, clear call-to-action (CTA) button:** Use clear wording on any buttons and try to limit yourself to only one primary CTA per email, so recipients don't get distracted by too many buttons.
- **Keep the customer experience consistent with the rest of your brand:** Creating emails that match your branding (colours, fonts, and so on), helps build brand awareness. Make sure your emails conform to your branding guidelines so that when people click to your website, it's not visually jarring.

Implementing Email Design Best Practices

You want to do everything you can to design your emails to capture your customer's attention. Here are some best practices to consider:

- **Reduce cognitive load:** Once you've got a prospect to open an email, don't risk distracting people with too many CTAs. Make your email scannable so people can quickly move through it and see what action they should take.
- **Use a mobile-first email design:** More people are reading emails on mobile devices. A case study by SuperOffice showed that 81% of all emails are opened on mobile devices. That means adopting a mobile-first email design.

  Make sure your email looks good on all possible devices and email providers instead of only the desktop. Visualise how much information the recipient can view at one time. The smaller screen usually shortens the text lines, so keep copy concise to avoid a block of text filling up the entire phone screen.

TECHNICAL STUFF

- **Convey your brand's personality:** Reinforce brand awareness whenever possible. Make sure your brand values, colours, images, and tone are always consistent.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Preview how your email looks in different inboxes:** Your customer should be able to enjoy reading your email in any program they choose. Test Gmail and other programs to ensure a pleasant experience. If they can't skim it, they'll ignore it.

Crafting Compelling Subject Lines

Next, we turn to subject lines. Subject lines can make or break your emails. It's your first chance to convince an email recipient to read more. If subscribers don't even open your email, you've lost the opportunity to share your message. For this reason, you need to give them special attention. Following are some best practices to follow that'll help you improve your subject lines:

- **Lead with offers when applicable:** If your email contains discounts or promotions, tell customers what to expect upfront.
- **Keep your subject line short:** Get to the point. An optimum subject line (across all business sizes) is about seven words long (including emojis), or about 36 characters.
- **Don't forget to use personalisation in the subject line.** It makes for a more engaging experience and increases open rates.
- **Avoid using too many emojis:** Emojis can be fun, but only in moderation. Klaviyo has found that open rates fall as the number of emojis increase.
- **Make subject lines conversational:** Consider writing the subject line as though you know the recipient.
- **Communicate urgency and fear of missing out (FOMO) in your subject lines:** FOMO can help get customers to act quickly. Also, a sense of urgency can be created by mentioning that a discount is about to expire.
- **Tease your email content with preview text:** This critical space shows up right after the subject line in people's inboxes and gives readers a sneak peek into your email, encouraging curiosity. Don't forget to add a full stop at the end so it shows up nicely in the recipient's inbox.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Reviewing Other Email Components

Other elements crucial to crafting successful emails include the email header, visual elements, and your footer:

- **Email header:** This can include a professional logo, your navigation bar, and social media links.
- **Visual elements:** These can include photos, illustrations, mixed media (a combination of images, illustrations, and gifs), infographics, and email backgrounds.
- **Email footer:** Your footer is another opportunity to encourage engagement. It's a great place to put your social links.

REMEMBER

When choosing the email background, images, text placement, and interactive elements, make sure that whatever you design works well from an accessibility point of view, including ensuring that the email source code is clean.

Using A/B Testing to Improve Email Engagement

When crafting your email, hopefully you can use previous email performance to include elements you know will result in clicks and sales. But if you're looking to improve elements, you can use A/B testing (also known as split testing) to compare one or more different variables to determine which is most effective.

Understanding A/B testing

So, what is A/B testing? These tests enable you to show different copywriting and creative work to a subset of your audience to determine what makes them more likely to complete your email's call to action (CTA). You show one version to Group A and another to Group B. Then, you can learn what attracts more engagement and show the winning version to the rest of your audience or use similar concepts in future communications.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Looking at what you can test

There are nearly endless elements that you can consider for A/B testing. If you're looking for ideas, here are some suggestions:

- **Subject line:** Test what messages you use to convince someone to open your emails.
- **Call to action:** Your CTA button has many variables. Consider testing colour, length, and wording.
- **Design:** Is your image hitting the mark? Try testing new imagery, which can include different photography or wording.
- **Incentives:** Consider testing a discount versus a lesser discount versus no discount to see if you can reduce your reliance on promotional offers.

Employing Best Practices for A/B Testing

Here are several standard best practices to consider when you start A/B testing to help ensure that you conduct the best tests you can:

- **Develop your hypothesis:** Select the item you want to test. Determine whether you want to fine-tune something or make a bigger change.
- **Test one variable at a time**: If you test more than one variable in the same email, you won't know which one moved the needle.
- **Use a large enough audience:** Plan to test with a large sample size for a good amount of time. Early results can't tell the whole story.
- **Test no more than four variations:** Just like not testing more than one variable, you don't want to delay the results by testing more than four variations of that item. You want to get answers promptly.
- **Don't edit a live test:** Tweaking the variables during the test will render it unusable. If you need to change something, start the test over again.
- **Ask for feedback:** Letting customers give you feedback is incredibly helpful. Perhaps start with those who have clicked on your CTA.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

REMEMBER

When validating new ideas, A/B testing is a great way to start. Remember not to review metrics too early or make decisions after one test. Instead, let the test play out.

Considering Metrics to Evaluate

When sending your email through a marketing automation platform, the software should track how a user engages with it. For example, when a recipient clicks a link within the email, your marketing software should track that engagement giving you an essential piece of data. Table 6-1 shows you the most important metrics to evaluate.

GROWING REVENUE WITH EMAIL: ALESSI

Here's how Alessi used email to grow its revenue with Klaviyo:

- **Challenge:** Alessi is famous for its bold and innovative kitchen appliances and homewares design. Like many brands in 2021, Alessi faced supply chain issues, high rates of inflation, and increased advertising costs due to new data privacy changes. To confront these issues head-on, Alessi boldly decided to reduce its paid media spending to focus on increasing revenue from its own marketing channels.
- **Strategy:** Alessi adopted Klaviyo in 2020 when it migrated its e-commerce site to Shopify Plus. Fortunately, with Klaviyo as a partner, Alessi had all the capabilities it needed to scale customer acquisition: sign-up forms across its websites and automated email flows to push subscribers through the sales funnel. Specifically, the business focused on its Black Friday campaign and set an ambitious target to get a 50% increase from the previous year.
- **Results:** Alessi's Black Friday 2021 was an incredible success story – in one week, they generated more revenue than they did in the whole of 2018, and they've seen exponential growth in the channel since 2019.
- **Success:** Alessi grew its revenue from email by 1,800% in two years with Klaviyo.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

TABLE 6-1 Metrics to Evaluate

Metric	How it's calculated
Open rate	Calculate the open rate by looking at the number of individuals opening your email divided by the number of recipients (as opposed to total opens, which measures the total number of times an email was opened). **Note: Due to iOS updates, open rates can be skewed and are more unreliable than they once were.*
Click-through rate	The click-through rate is determined by the percentage of people who clicked on a link in your message out of those who opened it. **Note: Click-through rates are also impacted by iOS update.*
Click rate	The click rate is the number of people who clicked a link out of the total number of recipients.
Placed order rate conversion rate (revenue or placed order rate)	Calculate the number of conversions attributed to a campaign divided by the number of recipients, as long as you're not using a custom integration that doesn't have a placed order event.
Deliverability rate	Your delivery rate is the number of emails that actually showed up in recipients' inboxes — including promotions tabs in certain email providers — divided by the total number of emails you sent.
Unsubscribe rate	The unsubscribe rate is measured by the number of recipients who unsubscribe divided by the total number of recipients. This rate is calculated on a per-campaign basis or for a particular list.
Email revenue per recipient	Revenue per recipient (RPR) tells you how much spendable revenue you're getting from each email on your list. This helps you discover what's working and what needs to change. The higher your RPR, the more each member of your list is worth.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

IN THIS CHAPTER

- Reviewing which metrics to track
- Looking at business metrics
- Examining and optimising performance

Chapter 7
Analysing and Improving Your Performance

The right marketing automation technology helps you create more targeted campaigns that increase engagement and result in a higher return on investment (ROI). So, choosing the right software to analyse and improve your performance is crucial. Once you've selected your software and segmented your data, you can focus on those metrics that will help you optimise your performance.

This chapter looks at the key metrics that can help you iterate and optimise your automated email marketing.

Unlocking Strategies to Improve Performance

You can review many data metrics, but which are the most significant ones to consider? In the following sections, we look at six of the most important metrics and how to successfully implement that data. (For more details about metrics, see Chapter 6.)

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Open rate

Are your emails resonating with your customers? High email open rates correlate to high subscriber engagement. If you have concerns about engagement, check your open rates.

TECHNICAL STUFF

Open rates measure the performance of your email marketing campaigns or email automation flows. You calculate the open rate by looking at the number of individuals opening your email divided by the number of recipients.

To increase your open rates, consider taking these steps:

- **Create engaged segments:** Engaged segments are essential to successful email marketing. Make sure you're sending emails to your most engaged customers, such as people who have opened emails in the last 30, 60, or 90 days.
- **Craft targeted subject lines:** Use descriptive words and phrases to create curiosity and include clear calls to action.
- **Clean your lists regularly:** Ensure your emails actually make it to people's inboxes by following email deliverability best practices, which include regularly removing unengaged subscribers from your list.
- **Choose the right send time:** Perhaps your emails aren't hitting inboxes when people are checking. Consider location. Your emails might arrive too early or late if you have an international audience.

After completing these tasks, monitor your open rate performance to see if it increases. Continue testing if you're not satisfied with your results.

Click rate

The click rate (CR) is calculated by the percentage of people who clicked a link in your message out of the people who received it.

So, what does a high CR indicate? It lets you know that your content is relevant to your audience. A low CR means your content probably needs to be changed or updated.

To improve your CR, consider the following:

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **A/B test your call to action (CTA):** Optimise the language and placement of your CTA button to make it clear where you want recipients to click.
- **Create a relevant subject line:** Consider the interest engendered by your subject line. You want it to grab people's attention and have them open the email already planning on clicking through to your website.
- **Optimise your emails for mobile:** Remember to design for mobile first. If your customer opens the email on a mobile device, a lot will depend on how well it can be read.

For more about creating enticing subject lines and design information, see Chapter 6.

Placed order rate

The placed order rate tells you how successfully your email creates conversions to paying customers.

REMEMBER

The placed order rate is calculated by the number of conversions attributed to a campaign divided by the number of recipients.

If you're finding this metric is declining, here are some ways to improve it:

- **Adjust your segmentation:** Looking at your segments is always helpful. The more personalised your messages, the more likely someone is to make a purchase. Consider segmenting around email engagement, customer interests, locations, and onsite behaviour, such as which products they've viewed.
- **Use your links wisely:** Link to ecommerce web and product pages instead of other pages like news articles or a contact page. It's okay to include some non-ecommerce links, but stick to ecommerce links when you want to optimise for conversion.
- **A/B test your messaging:** A/B testing allows you to uncover the content, send times, and subject lines to which your audience responds. (For more details and best practices for A/B testing, see Chapter 6.)

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Improve your checkout experience:** Monitoring the checkout experience is crucial to keeping up your conversion rates. You don't want to create an issue with cart abandonment because something isn't working correctly. Also, evaluate any changes to your online store in case they may be creating barriers to completing a purchase.

Deliverability rate

Two components enable an email to land in your customer's inbox successfully. They are email *deliverability* and email *delivery*:

- Email *deliverability* refers to the placement of an email after it is successfully delivered to the recipient's mail server.
- Email *delivery* is when an email is successfully delivered to a recipient's inbox.

Your overall deliverability rate is determined by your opens, clicks, bounces, unsubscribes, and spam complaints. To evaluate your deliverability rate, ask yourself the following questions:

- Do I have a high rate of spam complaints?
- Do I see a consistently high rate of bounces?
- Are my open rates falling into single digits?

The answers to these questions can help you pinpoint the problem.

Here are some best practices to consider when trying to improve your deliverability rates:

- **Import clean lists:** You need to remove invalid or inactive emails from your list, or you'll drag down your deliverability. (Do this in advance of your first send.)
- **Send to opted-in recipients only:** To remain compliant with privacy regulations, ensure your main list only contains individuals who have opted in. You don't want to deliberately (or inadvertently) reach out to those who never subscribed.
- **Create an engaged segment:** It's always important to send emails to your most engaged subscribers. Otherwise, you may risk hurting your deliverability performance.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Unsubscribe rate

As you can imagine, monitoring your unsubscribe rate is essential for several reasons. If too many recipients unsubscribe, you know that your content isn't resonating. Plus, inbox providers monitor unsubscribes and may reduce your sender reputation if you have too many. They may think you're sending emails people don't want to receive.

REMEMBER

Your unsubscribe rate is measured by the number of recipients who unsubscribe divided by the total number of recipients.

Ideally, unsubscribe rates should be as small as possible, or under 0.2% as a benchmark. If you see your unsubscribe rates increasing or consistently high, consider doing the following:

- **Clean your lists regularly:** Cleaning your lists removes any unengaged, misspelled, fake, or spam email addresses that collect over time.
- **Enable global unsubscribes:** Ensure the marketing automation software you choose has a function called 'global unsubscribes.' Enabling global unsubscribes ensures that anyone who unsubscribes from an email (either a campaign or flow) will be globally unsubscribed and suppressed from all lists. This function is essential because if they're on multiple lists and ask to unsubscribe, they don't expect to receive emails from you.

  WARNING

  Suppose you don't have a global unsubscribe function. In that case, it's possible that if a former subscriber receives an email from you, they may have to unsubscribe multiple times or mark it as spam – not the customer experience you want to deliver, and against GDPR compliance regulations.
- **Refresh email content and manage preferences page:** Another way to avoid unsubscribes is to ensure your content meets subscriber expectations or interests. To ensure this happens, check that your subject line and the content match. You can also update your preference page so that customers can choose how often and what content they want to receive.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Email revenue per recipient

Revenue per recipient (RPR) tells you how much spendable revenue you're getting from each email on your list. The higher your RPR, the more each member on your list is worth to your business's bottom line.

REMEMBER

You calculate RPR by dividing the revenue your email send generates by the number of emails delivered.

To increase this metric, take a more targeted approach. Here are a couple of personalisation tactics you can try:

- **Send triggered emails:** Use triggered emails to boost revenue per email recipient. Flows are triggered emails based on a recipient's behaviour or actions, so these emails are almost always relevant and drive the highest RPR.
- **Use segmentation:** Use segmentation to personalise email sends. As detailed in Chapter 4, segmentation is another way to get the most out of your list and raise your RPR. In addition, sending a targeted email helps grab people's attention because you're more likely to open an email if it's something you're interested in.

DISCOVERING INDUSTRY BENCHMARKS

When reviewing strategies to improve performance, it's helpful to look at the prevailing trends in your campaign performance and compare them to industry benchmarks. Klaviyo's benchmark information allows you to analyse your account data concerning Klaviyo's best practices, industry trends, and companies similar to yours. By seeing how different aspects of your account perform, you can prioritise efforts in areas that need improvement.

To see the latest industry benchmarks from Klaviyo, go to `https://www.klaviyo.com/marketing-resources/email-benchmarks-by-industry`.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Chapter 8
Ten Things You Need to Know About Legal Compliance

A great deal has happened in recent years around the issues of data privacy and consent. The following are ten things that you need to know about legal compliance.

- **What is GDPR?** It stands for General Data Protection Regulation (GDPR) and has been a cornerstone of business management and consumer law throughout Europe since May 25, 2018. It was designed to protect the privacy of EU (European Union) citizens, including when those citizens engage with businesses outside of the EU, by regulating how companies across the world process and use customers' data.
- **Does GDPR apply to the UK now it has left the EU?** The regulations of the EU GDPR have been incorporated into UK law as the UK GDPR.
- **How does GDPR impact your business?** The GDPR means that customers in the EU and UK now have more control over their data collection, storage, and use. So you need to think about such things as how you manage and use customer data and how you'll enable and support your customers' rights to control their data.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

- **Customers have the right to access:** Customers have the right to know how their data is collected and why.
- **Customers have the right to be forgotten:** When requested, you must erase all information about a person. It must also be as easy for someone to withdraw their consent as it was to give.
- **What is CAN-SPAM in Canada (Canadian Anti-Spam Legislation CASL)?** The three main CASL requirements that you need to comply with when sending commercial electronic messages (CEM)s are: (1) Obtaining consent, (2) Providing identification information, and (3) Providing a way to unsubscribe/opt out of messaging.
- **What is the California Consumer Privacy Act (CCPA)?** It is a response to a perceived gap in privacy protections in the United States. Companies that handle the personal information of California residents are required to inform them of the company's privacy practices and resident's privacy rights. This includes the right to: (1) Know about the personal information a business collects about them and how it is used, (2) Delete the personal information collected (with some exceptions), and (3) Opt out of the sale of their personal information.
- **What is the California Consumer Privacy Rights Act (CCPRA)?** It is a law that amends and expands the requirements of the CCPA, including (1) Adding a 'sensitive personal information' category, (2) Establishing the right to limit the use and disclosure of sensitive personal information, (3) Establishing the right to correct inaccurate personal information, (4) Expanding the 'Do Not Sell' opt-out requirement to 'sharing' of personal information for purposes of cross-context (or a third party) advertising. The CCPRA became operative on January 1, 2023.
- **What is the SPAM ACT 2003?** In Australia, sending SMS and email marketing messages is regulated by the Spam Act 2003 (Spam Act) and the Spam Regulations 2021. The Spam Act was designed to protect people from receiving spam or unsolicited commercial electronic messages. It applies to sending CEMs and governs who you can send to and what your messages need to include.
- **What is the Data Protection Act of 2021?** This act establishes an independent Data Protection Act Agency. This agency regulates the sharing, processing, and collection of personal data.

These materials are © 2023 John Wiley & Sons, Inc. Any dissemination, distribution, or unauthorized use is strictly prohibited.

Elevate your marketing with personalisation at scale

The ecommerce industry has grown exponentially in recent years, but with a wealth of businesses clamouring for customers' attention, how can you differentiate yourself, staying agile and ahead of the competition?

Step forward, *Ecommerce Marketing Automation For Dummies.* This book explores how you can gain a competitive advantage by streamlining your marketing processes and uncover valuable customer insights using marketing automation technology. Discover how you can improve customer relationships and experiences with personalisation, increase your marketing team's productivity, and boost revenue. Dive in to find out how cutting-edge ecommerce marketing can improve and enhance your business operations today.

Inside...

- Reap the benefits of advanced ecommerce marketing
- Target key audience segments
- Design delightful customer journeys
- Craft emails that convert
- Stay compliant while collecting customer data
- Be inspired by real-life use cases

klaviyo

Go to Dummies.com™
for videos, step-by-step photos, how-to articles, or to shop!

ISBN: 978-1-394-18173-5
Not For Resale

for dummies®
A Wiley Brand

WILEY END USER LICENSE AGREEMENT

Go to www.wiley.com/go/eula to access Wiley’s ebook EULA.