



CX SMART GUIDE TO **GROWTH MARKETING**

Strategies and Tactics that Make User
Acquisition, Retention, and LTV Skyrocket

blueshift

SMART GUIDE



SMART GUIDE

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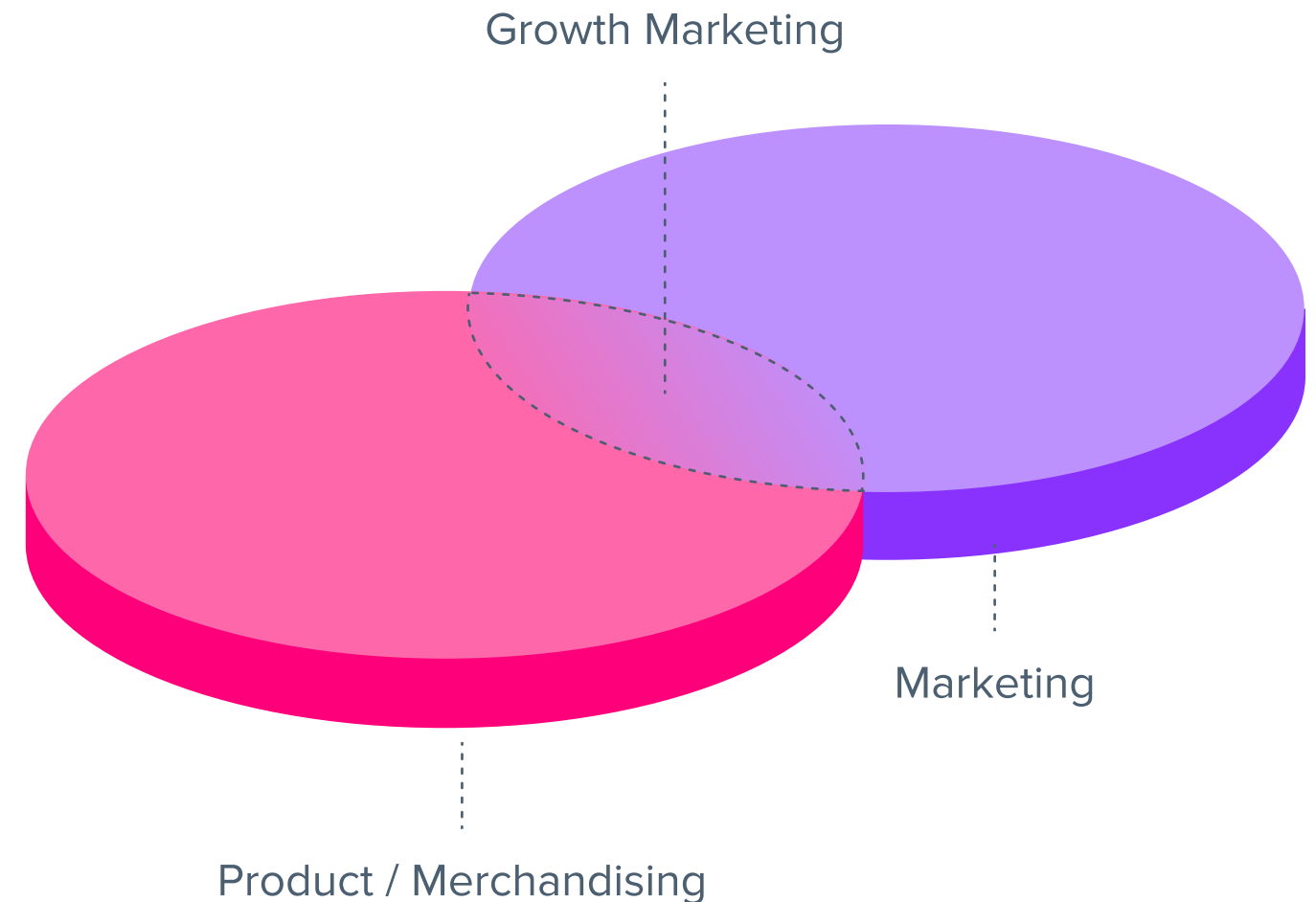
THE DIFFERENCE

Growth Marketing vs. Digital Marketing

Growth marketing drives increased user engagement by extending the boundaries of the product into marketing channels. The strategy consists of systematic techniques and principles that you can apply across multiple situations and products.

Unlike digital marketing, focused primarily on promoting products, growth marketing consists of driving customer engagement with the product. While growth marketers use digital marketing channels, what distinguishes them is that they feature relevant, targeted product-related content.

The result? By placing a higher value on goal-setting, data analysis, and testing and experimentation, growth marketers achieve higher engagement across marketing channels.



Product + Marketing = Growth Marketing

If you were to think of product/merchandising and marketing as two different functions, growth marketing is at the intersection of the two.



Michal Halpern

*Conversion Optimization Manager,
James Allen*



ECOMMERCE RETAILER FOR HIGH-END JEWELRY

Increases Engagement with Dynamic, Personalized Experiences

“It’s now simple for us to deliver 1:1 personalized recommendations tailored to each user based on their historical and real-time website activities. We needed a solution that could keep up and scale with our team. Blueshift enables us to collect, track, and act upon more data than ever before and use real-time behaviors to drive more personalized experiences.”

GETTING PROGRAMMATIC

The Guiding Principles for Growth Marketing

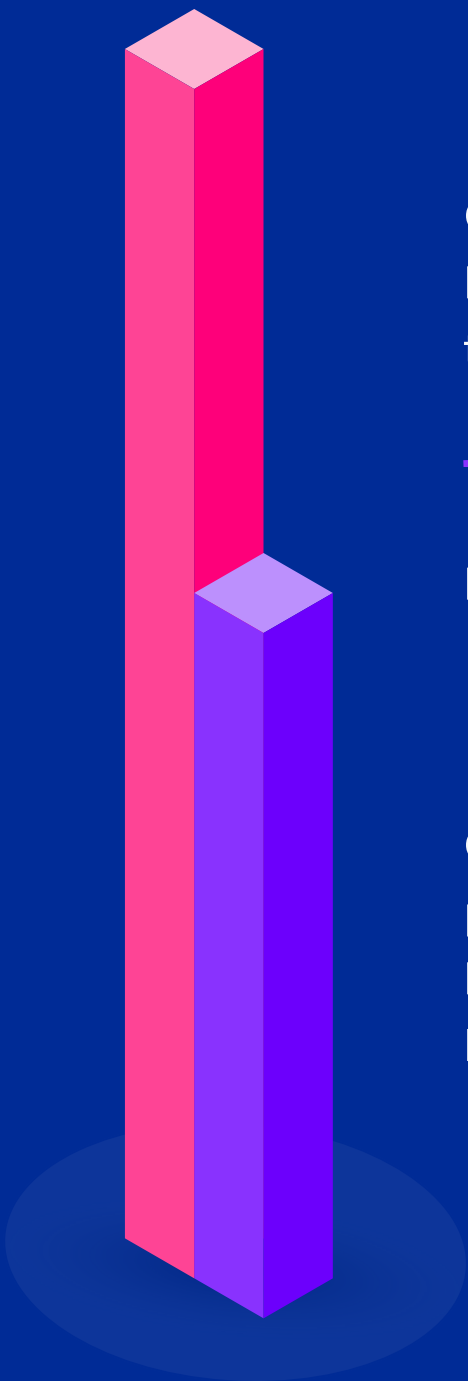
In order to see growth in numbers — like the ones displayed to the right — consider these key elements of growth marketing.

Here are the guiding principles for growth marketing:

- It is triggered based on customer actions, not based on a predetermined marketing calendar.
- Content is selected based on customer interactions and not based on merchandiser preferences.
- You'll need the right tool to fully unlock your data to power recommendations and experiences, like the SmartHub CDP.

Growth marketers rely entirely on 1:1 marketing since they are highlighting relevant aspects of the product to their customers, instead of using batch and blast customer targeting segments with the same message at the same time, like conventional marketers would do.

¹Blueshift (2020). Benchmark Report 2020: Trigger Based Marketing



EMAIL CLICK RATE

468%

On average, triggered emails have a **468%** higher click rate than batch and blast emails¹

PUSH CLICK RATE

279%

On average, triggered mobile push notifications have a **279%** higher click rate than batch and blast mobile push notifications¹

CUSTOMER ENGAGEMENT

Triggers and Recommendations

Do triggers and recommendations really work?
Are they really worth the effort? Why not simply
continue to use traditional forms of marketing?

Blueshift’s 2020 benchmark report analyzed
14.9 billion messages across email and mobile
push notifications sent by Blueshift customers.
This dataset represents more than 12 industry
verticals including ecommerce, consumer
finance, healthcare, media, education, and more.

¹Blueshift (2020). Benchmark Report 2020: Trigger Based Marketing

TRIGGERS

157%

Trigger-based marketing campaigns
using Engage Time Optimization are
157% more effective¹

↑ **81%**
CLICK RATE

Campaigns using Engage Time
Optimization have an **81%** higher
click rate¹

↑ **234%**
CONVERSION RATE

Campaigns using Engage Time
Optimization have a **234%**
higher conversion rate¹

RECOMMENDATIONS

116%

Campaigns that utilize Predictive
Recommendations are **116%** more
effective than those without¹

↑ **22%**
CLICK RATE

Campaigns including Predictive
Recommendations have a **22%**
higher click rate¹

↑ **209%**
CONVERSION RATE

Campaigns using Predictive
Recommendations have a **209%**
higher conversion rate¹



Houman Akhavan

*Chief Marketing Officer,
CarParts.com*



ONLINE AUTO PARTS RETAILER

Increases Customer Engagement 400% by Personalizing Experiences

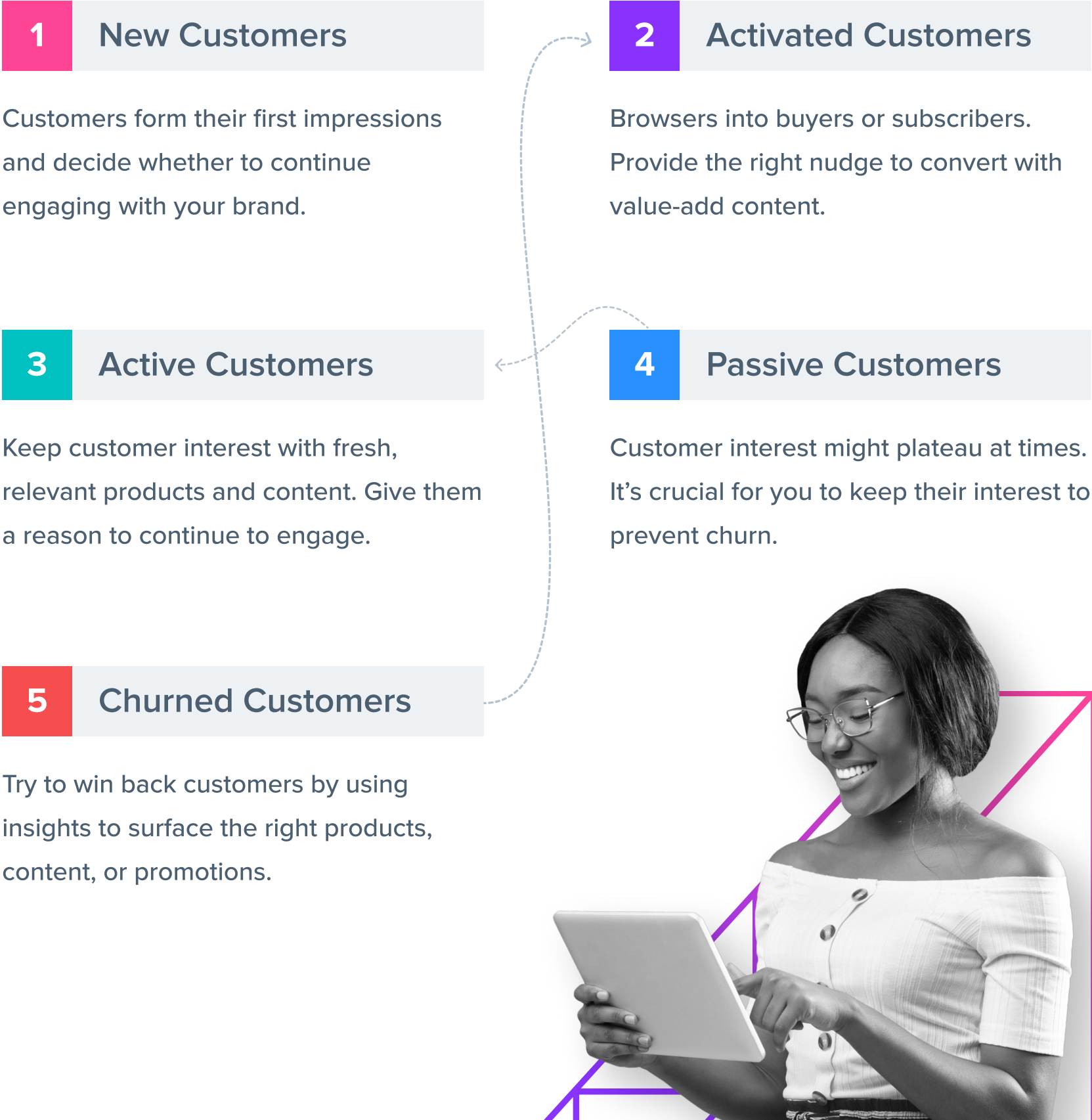
“Blueshift’s platform flexibility addresses our complex data structure and makes it simple to deliver personalized messages and grow our channels. The people behind Blueshift really care about our success and are one of the main reasons we’re at where we are today.”

KEEP CUSTOMERS ACTIVE

Driving Engagement Throughout the Customer Lifecycle

The keys to growth rely upon understanding the customer’s lifecycle stage and prompting actions that would continue to keep the customer active.

Let’s look at these in more detail to understand how growth marketers approach these stages of customer lifecycle marketing to drive customer engagement.



DELIVER VALUABLE CONTENT

Activating Your Customers

Activation relates to the notion of the first moment when a user has fully experienced the product and derived value from it. Users who don't get activated quickly might never return since they didn't experience the value of the product in a reasonable timeframe.

The more scientifically minded marketer will relate to the notion of "activation energy" from chemistry: in a chemical reaction, it's the minimum quantity of energy that the reacting species must possess in order to undergo a specified reaction. Similarly, users are activated when they derive more than a certain minimum quantity of value from the product. Some businesses inherently have a higher activation energy, e.g. services that sell high-ticket items.

When Is a Customer Considered Activated?

A social app might consider a user activated when they follow a certain number of other users within a given time period; an ecommerce company might consider a user to be activated when they make their first purchase, or (on a rolling basis) consider someone to be active if they have made a purchase in the last six months.



Enjoy unlimited
instant streaming with
Amazon Prime!

Welcome to Amazon Prime.
**Your 30-day trial is active as
of today.**

See popular **movies** and **Kindle books**
included in your plan.



Welcome Series

Create effective welcome series by including elements of product or merchandising.



Abandonment

Remind users of products they've previously added to their carts.



**We're holding on
to these for you!**

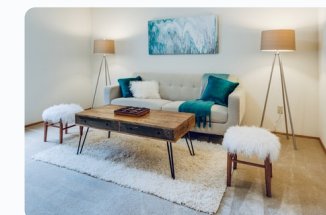


Alessi Couch

by Alessi

Price: ~~\$2099~~

[Learn More](#)



Kelly Wearstler Coffee Table

by Kelly Wearstler

Price: ~~\$329~~

[Learn More](#)

KEEP CUSTOMERS COMING BACK

The Importance of Retention

Retention as a business model is key to sustainable growth. Selling to customers with whom you have an established relationship is a more effective way of growing revenue, because companies aren't stuck in the multiple "pre-acquisition" stages involving attracting, educating, convincing, and converting potential customers.

Organizations that shift their focus to customer retention are more efficient. Chatbooks, for example, used churn reduction campaigns to uplevel their customer retention, scaling and automating their customer engagement, resulting in **250%** higher click-through rates and **4.4X** return on ad spend.²

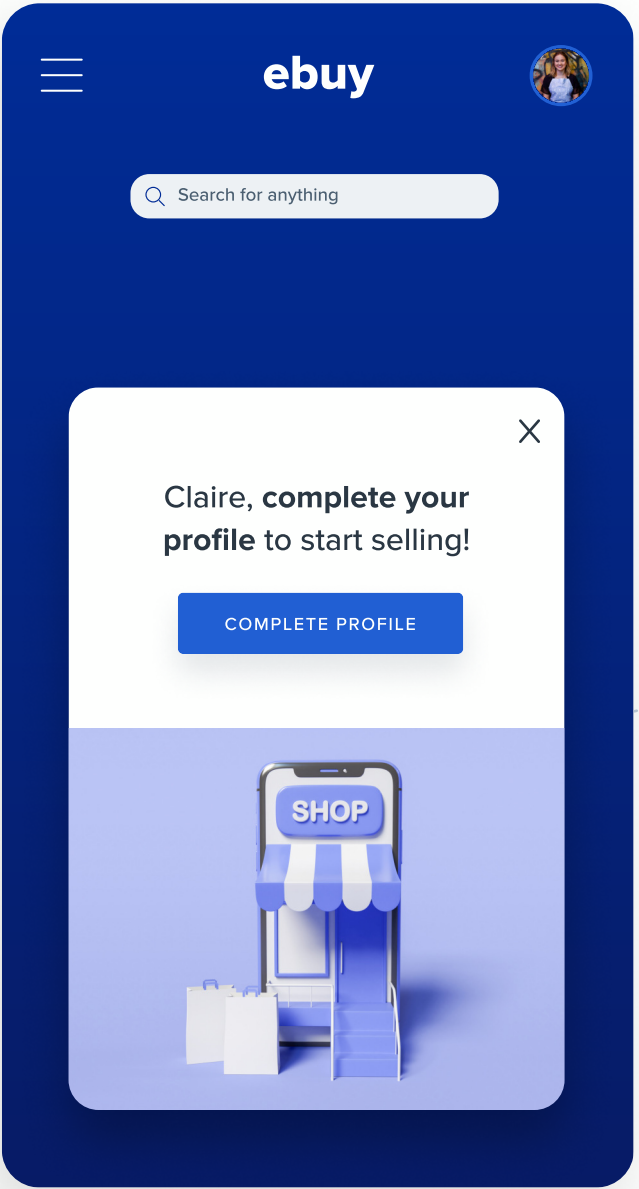
Retention campaigns are an opportunity to remind customers about what appealed to them about your brand and products in the first place.

A **5%** increase in customer retention has outsized impact, increasing a business's profits by **25-95%**.³ Growth marketers impact retention by building out personalized experiences through all of their marketing channels on a 1:1 level using powerful reminders and recommendations.

²Blueshift (2019). Customer Case Study; ³Harvard Business Review (2000). The Economics of E-Loyalty

Most Popular

Highlight top purchased, carted, or browsed items. Narrow down by category or location.



User Status

Remind users when there is incomplete activity related to their account.

WIN-BACK CAMPAIGNS

Re-Activate Passive or Churned Customers

Win-back campaigns involve the re-activation of churned or about-to-churn customers.

Users who were once active but have since lapsed can be won back into becoming active customers. This is one of the hardest ways to gain active users since these users potentially lapsed due to the product losing some relevance for them. No organization likes their users to churn; however, churn is a natural part of every business. It is the growth marketer’s duty to build strategies and campaigns that will bring these lost users back into the fold.

In traditional marketing campaigns, which lack sufficient real-time data and insight, examples of win-back messages include messages like “We Miss You” and “Psst! Come Back for 25% Off Your Entire Order.”

✓ Success with Win-Back Campaigns

Zumper reminds customers who may have dropped off that it is the go-to resource for the perfect rental with 1:1 listing alerts.





Kristy Ng

*Director, Lifecycle Marketing,
Zumper*



APARTMENT RENTAL MARKETPLACE

Zumper Scales Leads by 384% with Predictive Recommendations

“Blueshift’s AI-powered recommendation engine allowed us to better serve our customers with targeted marketing and personalized campaigns at scale. The platform enabled us to turn user behavior into experiences that capitalize on actionable insights that were critical to customer experience.”

THE ROLE OF DATA PROCESSING

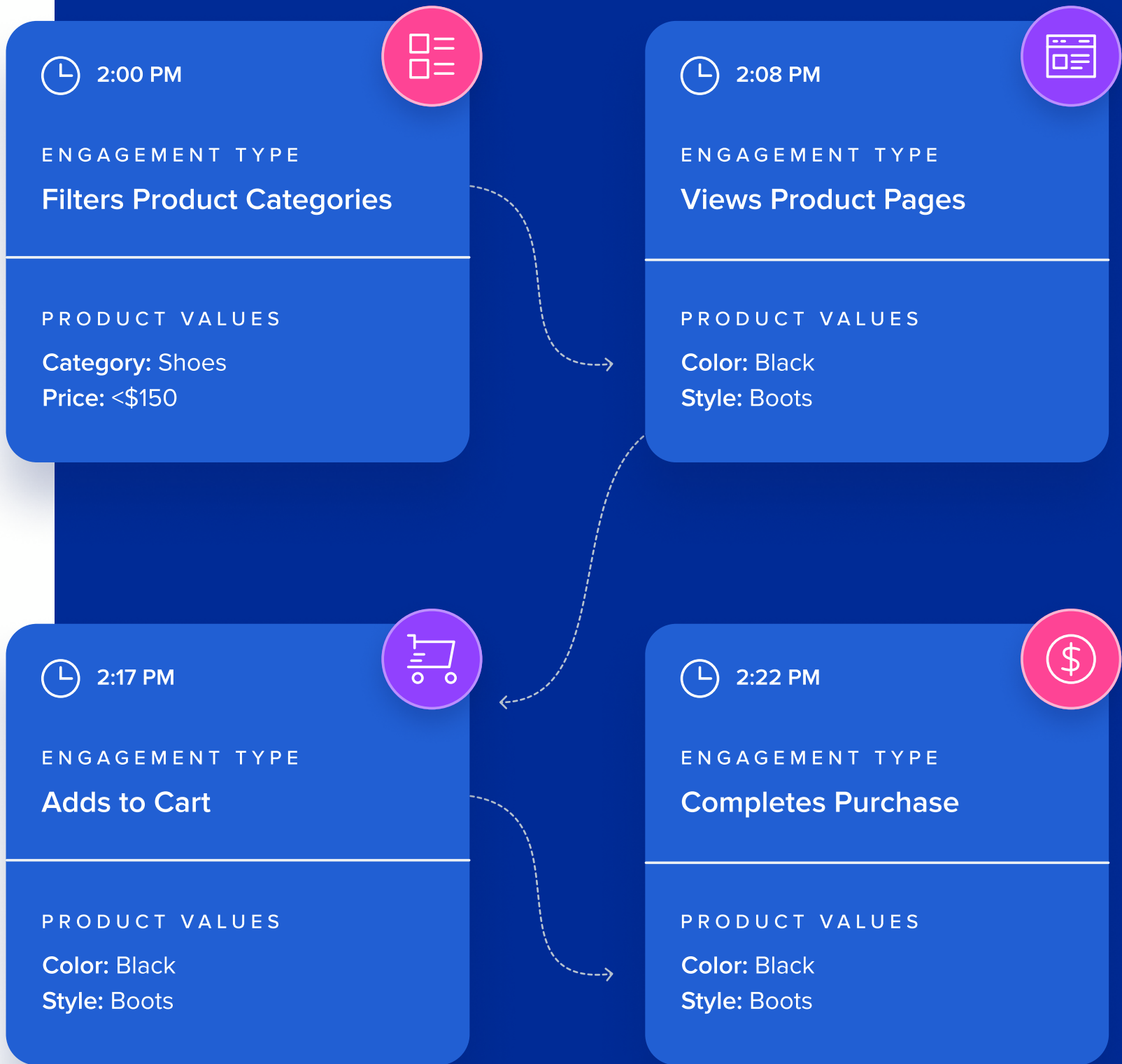
Using AI in Growth Marketing

We already know that some of the key elements on which growth marketers focus are the following:

- Recommending the right content personalized for each user
- Timing the content based on each user's behavior
- Selecting the right channel to deliver the communication

Each of these requires processing large amounts of data to understand customer preferences at a 1:1 level. That is where AI comes in — it processes data in real time and develops models that understand customer intent.

Machines can score users on their likelihood to purchase in the near term or to churn; they can understand customer propensity towards various categories and recommend the best content or product for every customer. They can also interpret the data to understand the optimal time and channel to engage each customer.



USE AI TO YOUR ADVANTAGE

Make Smarter Growth Marketing Decisions in Real Time

Discover some of the top AI use cases related to customer engagement:

Predictive Segmentation

Using a predictive engine, you can build a model that separates the percentage of likely buyers from the rest of the users who are just browsing your website.

Predictive Recommendations

You can keep customers online longer and make browsing a huge catalog of products much easier. By using techniques like collaborative filtering and unsupervised clustering, a predictive engine can find the right set of products for each user. Blueshift customer Tradera increased sales by **131%** with personalized, predictive recommendations.⁴

Predictive Affinities

User affinity models give us an idea of the user's persona and lifetime value, the categories and brands for which they have a preference, or whether their attributes look similar to known high-value customers.

⁴Blueshift (2020). Customer Case Study

TRADERA™

ONLINE MARKETPLACE

Increases Sales by 131% with Personalized Recommendations

Our small, time-constrained team has been able to deliver personalized, 1:1 product recommendations across our website, mobile app, and email campaigns at scale which we could not do with our previous solutions.”



Alexandra Tham

Online Marketing Manager, Tradera

AI USE CASES

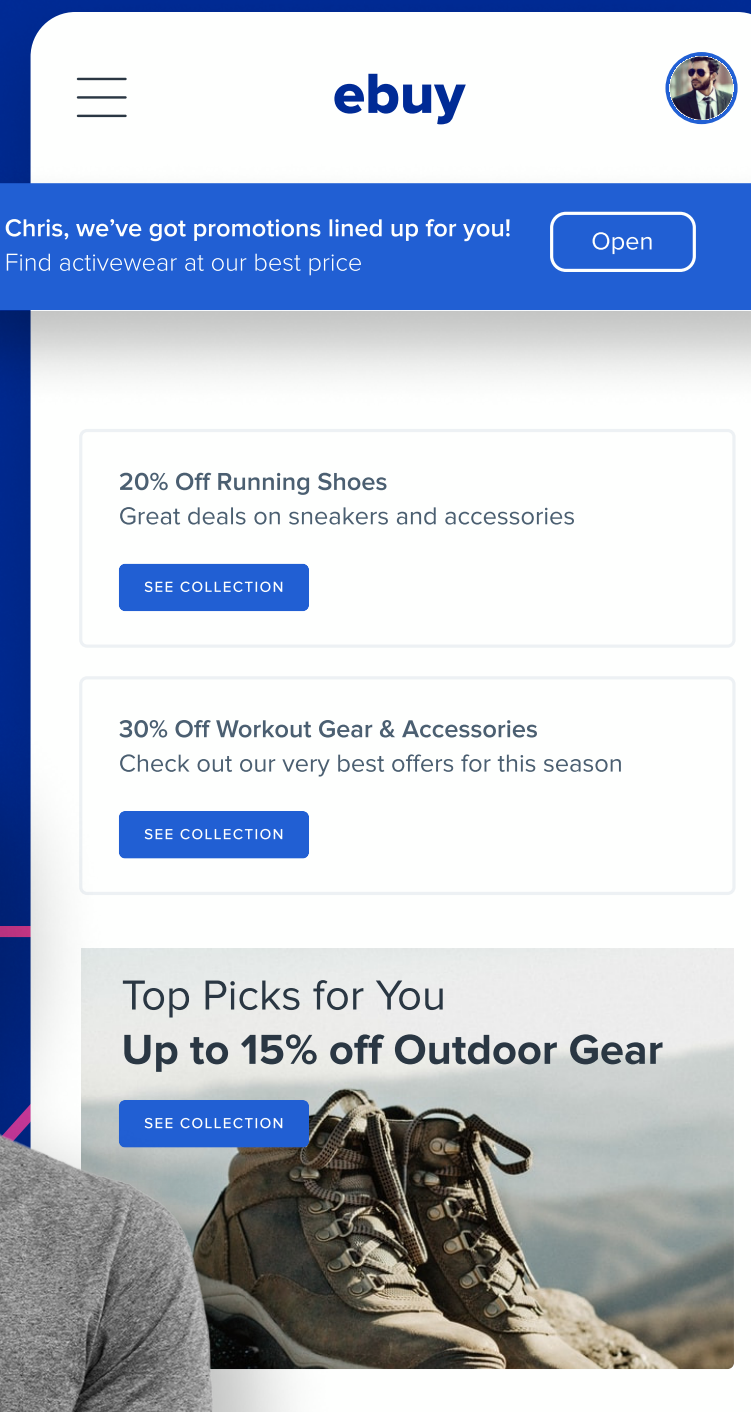
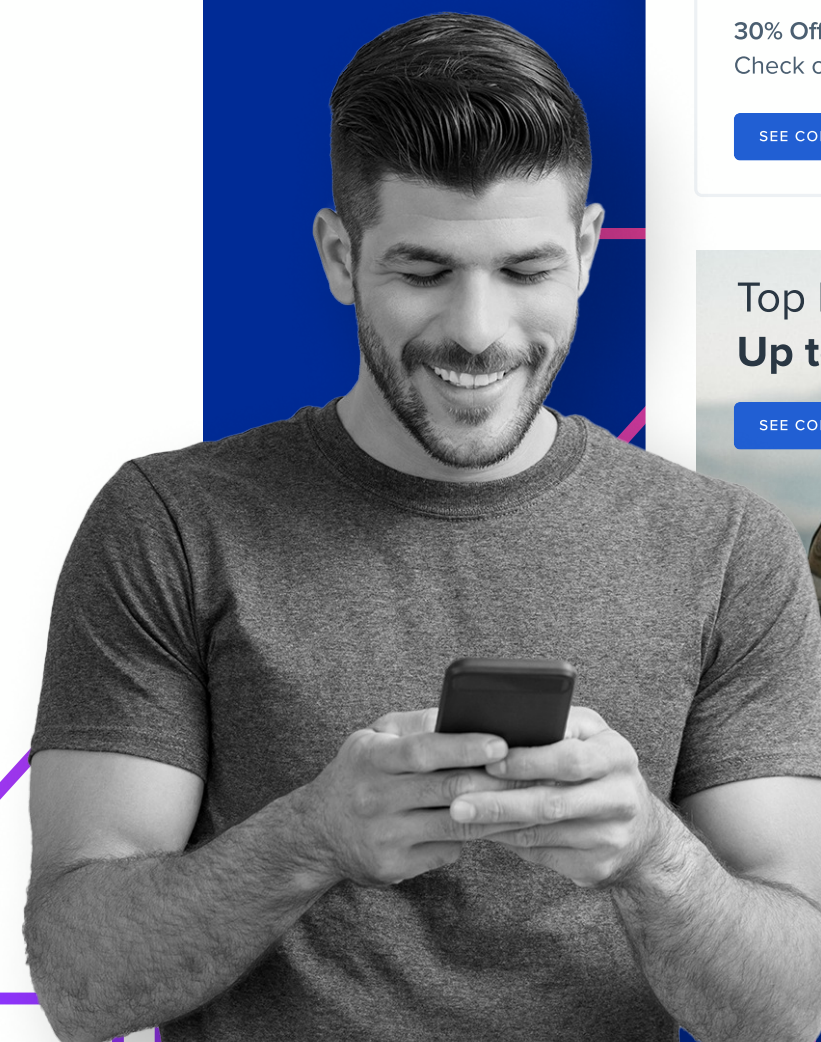
1:1 Promotions, Offers, and Auto-Optimizations

Personalized Promotions & Offers

Promotions directly impact the bottom line, so we need to not only model who will be receptive to the promotions (affinity modeling), but also determine if we can truly drive a change in user's behavior by offering the promotion (uplift modeling). In the uplift models, we are trying to find users who would not have transacted with us without an offer, and among these users, find the ones who have a high likelihood of responding to our offer.

Creative & Model Optimization

By using optimization algorithms that test new sets of challengers against current winners, we can go beyond traditional A/B testing that offers us a quick path to finding the initial set of champions among creatives and data science models. Auto-optimization platforms can do this every time a new variant is added to the system by running these tests automatically, thus yielding optimal results closer to the efficient frontier.





Joyce Poole

*Sr. Director, Marketing CRM,
LendingTree*



PERSONAL FINANCE PLATFORM

Grows Customer Engagement with Intentional Lifecycle Journeys

“Every company has data, but if you can’t action off that data instantly, then it doesn’t do you any good. And when dealing in financial products...you better get it right. The magic with Blueshift is its agility and ability to handle data for segmentation, journeys, and personalization across all channels, no matter the speed or attributes that we put in. We have the flexibility to use our data to improve results across many different use cases.”

SETTING UP FOR SUCCESS

Building a Growth Marketing Organization

Growth marketers are very numbers-oriented, and metrics are measured at various stages in the customer lifecycle.

Key Metrics

- Product Management Know-How
- Familiarity With Data Science
- Expertise in Marketing Channels
- Development of Creatives

Enabling your team to have a solid approach to each of these metrics is crucial for your company's growth marketing success.

Key Metrics for Growth Marketers

Product Management Know-How

Having a basic understanding of technologies, key elements of the product experience, and metrics.

Expertise in Marketing Channels

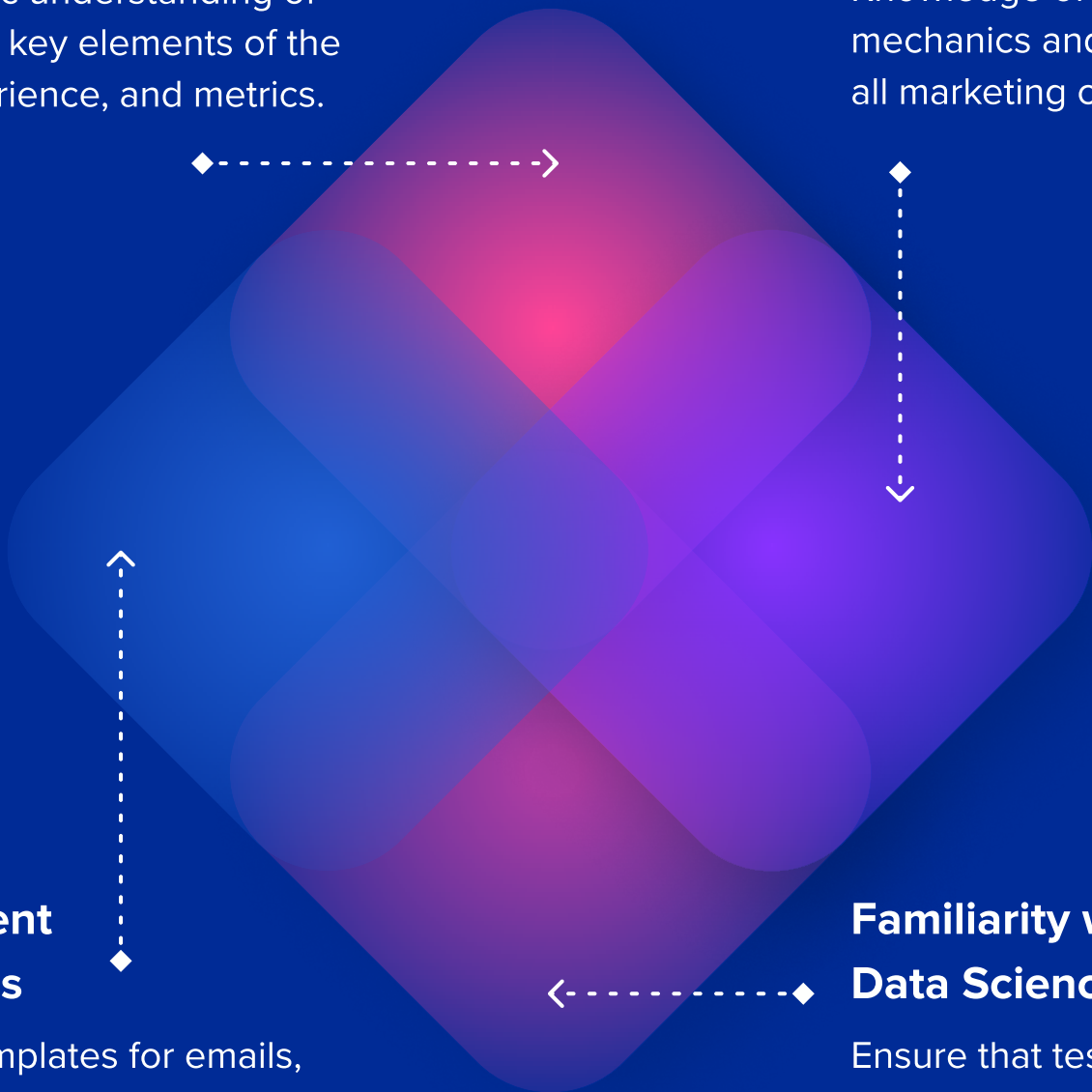
Knowledge of the mechanics and metrics for all marketing channels.

Development of Creatives

Designing templates for emails, push notifications, etc., and incorporating the right variables.

Familiarity with Data Science

Ensure that testing and recommendations are based on the right principles.



SETTING UP FOR SUCCESS

How to Structure Your Growth Team

One of the most common questions from CXOs around growth is how to structure growth marketing organizationally. Here are some options for organizing your team:

Four Growth Team Models

- Marketing-Oriented Growth Team
- Product-Oriented Growth Team
- Integrated Growth Team
- Distributed Growth Team

Depending on your organizational structure, you'll want to consider the strengths and challenges of each model to determine which is the best option for your team.

1 Marketing-Oriented

This structure refers to placing the growth team under the digital marketing leadership. **The strength** of this model is a strong alignment between marketing and brand messages. **The challenge** is staffing the team with the right data science and product skills.

3 Integrated

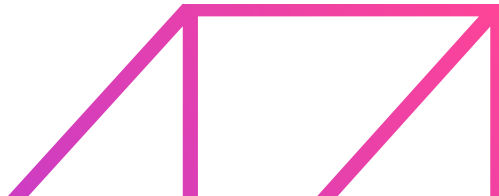
Reporting to the CEO, this is potentially the **strongest model** — led by a versatile leader who has the necessary product, data, and marketing skills. **The challenge** is to find that rare leader who can manage such a multi-functional, integrated team.

2 Product-Oriented

This model places the growth team within the product department. **The advantage** is having strong product knowledge to shape a personalized experience. **The challenge** is to deliver a great brand experience and produce relevant creative assets.

4 Distributed

In this model, the growth team consists of members from **different functional teams** like data science, marketing, and product, who come together around projects. This is not a good long-term option but might help you **get off the ground** with growth marketing.



THE FUTURE OF

Growth Marketing

blueshift

SMART GUIDE

The key to growth relies upon a deep understanding of your customers' lifecycle stages and prompting actions that would continue to keep them active. Tailor your strategy and use the right content personalized to each user and time it based on their behavior. Make sure you're selecting the right channel to deliver your message.

Key Takeaways

To drive higher customer engagement using growth marketing tactics, keep in mind the following:

- Understanding your customers' lifecycle stages and focusing on them will be crucial.
- Measure key metrics at different stages of your customer lifecycle.
- Anticipate and be responsive to the needs of your customers by using personalized messages at a 1:1 level with the help of AI systems.

Your journey to creating valuable customer engagement starts here. Connect with one of our marketing experts to schedule a demo and learn more.

SCHEDULE DEMO

LEARN MORE

