Developing Customer Loyalty and Retention Strategies that Delight Buyers

Powerful Customer Data Use Case Recipes for Driving Amazing CX

TEALIUM

How to Leverage Customer Loyalty and Retention Campaigns That Generate Growth And Drive Business Success

Customer data is the key ingredient to driving customer loyalty and retention campaigns because you can only proactively identify and target customers at risk for churn *(as well as those high-value customers most likely to buy more products)* when you have a complete and accurate picture of the relationship.

While we would ideally like to speak personally to each of our customers, it doesn't scale. We need data to illustrate if buyers are happy, engaged, or at risk. If buyer behavior changes (ex: purchases dramatically slow down or drop), we want to identify the problem and see what marketing strategies can be applied for retention.

Another customer strategy, outside of identifying risk, is spotting when and where you can drive expansion revenue. If you're not selling additional products into your existing customer base to increase their customer lifetime value (CLV) then you're missing out on a huge revenue opportunity. But you need to do this in a way that drives marketing efficiency by targeting only those customers that are more likely to buy.

What do you need to begin driving these powerful programs? It starts with accessing high-quality data that leverages the capabilities of a vendor-neutral customer data platform. This allows you to fuel loyalty and retention programs with rich insights that allow for accurate identification and targeting of the segments you want.

Let's get started with our recipes to bake up loyalty programs your customers can't resist!

Use Case Recipe 1: Identify At-Risk Customers and Proactively Reduce Churn

Problem

Customers have high expectations that change frequently. It has become exponentially more challenging to create the right experiences across key channels, especially when there are fragmented data and identity challenges.

Solution

Proactively identify and target customers who are likely to churn using predictive insights to trigger real-time advertising, site personalization, and emails.

Example Lists

Ingredients

Web

Signed in / Signed out

Email

Trial period start / end

Time since last sign-in

Order canceled

Offline/POS

Preferred store location

In-store purchases

Customer support inquiries

Mobile

App launched

App installed

Sign-in history

Push notification bounced

Kitchen Tools

Advertising tools

eCommerce CMS

Website personalization

Email service provider

Your Lists

Ingredients

Web

Offline/POS

Mobile

Kitchen Tools

I want to… Reduce churn by driving proactive advertising and experiences for high-risk customers

In order to… Increase revenue growth and overall customer lifetime value (CLV)

Step 1 — Get Your Ingredients

In this recipe, we are identifying customers of a subscription service that have given signals that they may soon cancel.

Let's first get the data that we need to be able to proactively identify which customers may cancel. We can get relevant data ingredients from three sources: web, mobile and point-of-sale (POS) systems.

This unified data feeds into the visitor profiles created by Tealium AudienceStream CDP. From there, any behavior that is tracked in AudienceStream, such as daily, weekly, or monthly renewal events, can also be predicted with Tealium Predict ML by analyzing this customer data.

Tealium Predict ML leverages machine learning capabilities to provide a simple, transparent, and flexible way to score visitors with their likelihood to renew (or complete any behavior for that matter).
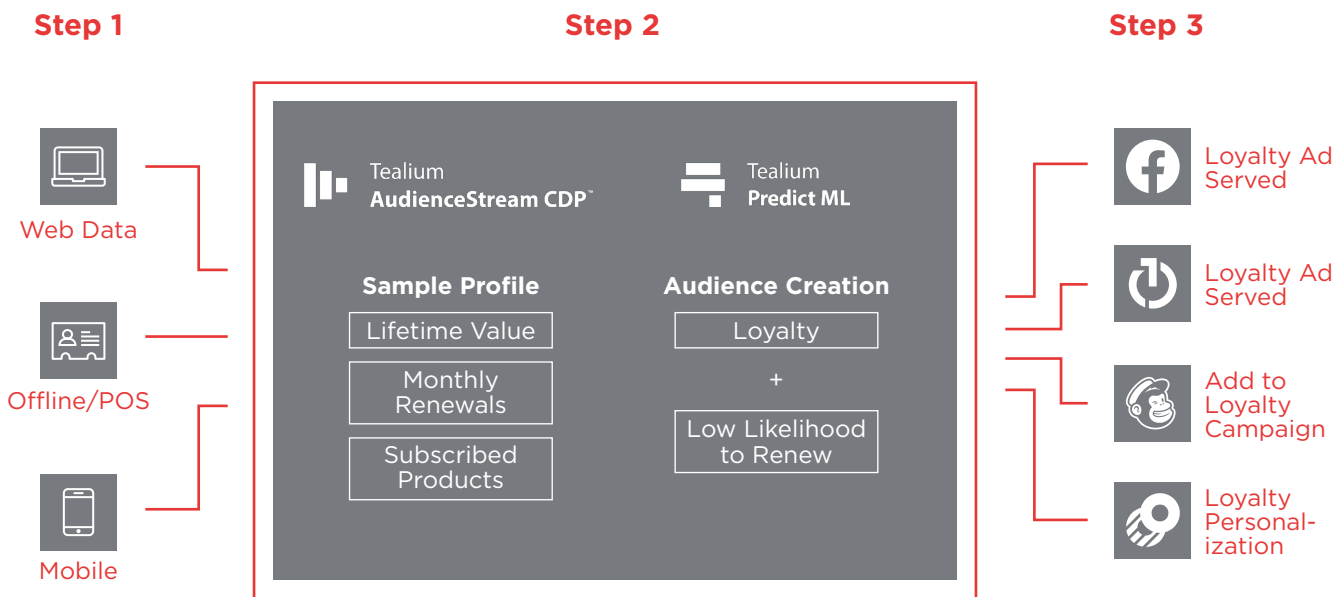
Step 2 — Create a Likelihood Score

You can now generate a score indicating the likelihood of this customer to renew. This likelihood score becomes another data point in the visitor profile (just like loyalty status, interest categories, etc.) and will let you know which customers are at risk and how much risk there is.

Step 3 — Take Action

Now you are ready to use this likelihood score to target the identified customers and engage them with real-time and relevant advertising, site personalization, and emails to reduce their likelihood to churn. The benefit of targeting only customers that are at risk is that you can efficiently maximize lifetime revenue by taking proactive action while the customer is still subscribed.

Example Chart

Step 1   **Step 2**   **Step 3**

Web Data

Offline/POS

Mobile

Tealium
AudienceStream CDP™

Tealium
Predict ML

Sample Profile

| Lifetime Value |
| Monthly Renewals |
| Subscribed Products |

Audience Creation

| Loyalty |
| + |
| Low Likelihood to Renew |

Loyalty Ad Served

Loyalty Ad Served

Add to Loyalty Campaign

Loyalty Personal-ization

Use Case Recipe 2: Fuel Customer Loyalty Campaigns with Predictive Insights

Problem

Data and analytics teams need to drive timely actions and derive relevant insights across the many systems where customer analysis may live. These teams require access to high-quality data to produce rich insights to fuel effective loyalty campaigns.

Solution

A vendor-neutral CDP allows data and analytics teams central access to data across many systems to gain a 360-degree view of the customer to generate high-quality customer predictions (or other insights, by the way). Predictions can be leveraged via business rules to drive customer experience actions.

Example Lists

Web

Products searched	Purchase history
Products viewed	Content interests
Cart history	Login history
Email	

Offline/POS

In-store purchases	Loyalty / rewards program membership
Contact center engagements	

Mobile

App installed	Push notification engaged
Push notification received	Login history

Kitchen Tools

Social media advertising
Display advertising (DMP, DSP)
Website CMS
Marketing automation tool

Your Lists

Ingredients

Web

Offline/POS

Mobile

Kitchen Tools

I want to… Drive more targeted loyalty campaigns to customers likely to sign up for a loyalty program

In order to… To efficiently increase Customer Lifetime Value

Step 1 — Get Your Ingredients

Machine learning analysis is a powerful way to produce predictive insights. ML projects have a large need for data-wrangling and integration, which we can solve by making sure proper data collection practices are in place so data is clean from the start. In this recipe, we are unifying three common sources of data including web data, offline data, and mobile data. In order to make accurate predictions, we want to collect behavioral data across multiple channels along with product ownership data.

Data that is likely important for insights on loyalty includes product ownership, product affinities, behavioral insights, and even customer support interactions.
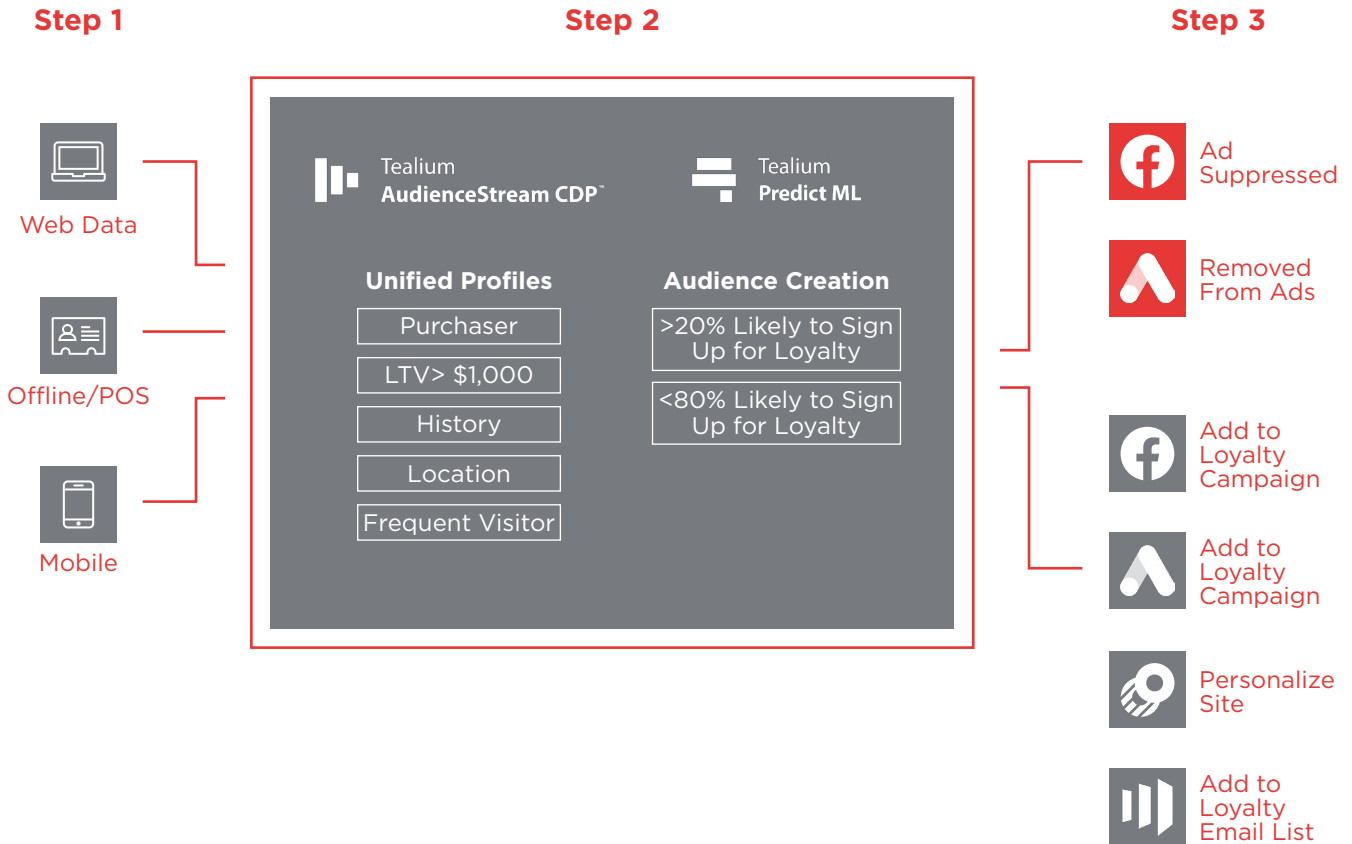
Step 2 — Build Profiles and Create a Likelihood Score

You can now generate a score indicating the likelihood of this customer to renew. This likelihood score becomes another data point in the visitor profile (just like loyalty status, interest categories, etc.) and will let you know which customers are at risk and how much risk there is.

Step 3 — Take Action

Use this unified data to mix your ingredients to perfection and bake in rich insights that allow you to identify which customers to target with your loyalty campaigns. Predictive data points can be leveraged to both define audience segments and/or in your activation rules to trigger actions. For instance, if you wanted to instead predict the likelihood of a customer to complete a purchase and combine that with an audience of known loyalty members, you'd create another highly valuable audience to activate in your campaigns by again combining predictive insights and loyalty information.

Example Chart

Step 1   **Step 2**   **Step 3**

Step 1	Step 2	Step 3

Web Data

Offline/POS

Mobile

Tealium **AudienceStream CDP**

Tealium **Predict ML**

Unified Profiles

| Purchaser |
| LTV> $1,000 |
| History |
| Location |
| Frequent Visitor |

Audience Creation

| >20% Likely to Sign Up for Loyalty |
| <80% Likely to Sign Up for Loyalty |

Ad Suppressed

Removed From Ads

Add to Loyalty Campaign

Add to Loyalty Campaign

Personalize Site

Add to Loyalty Email List

Real World Recipe Success

How *Sportsbet* Placed a Winning Bet on a Unified Data Platform to Improve Customer Retention

Sportsbet wanted to shift more of their organization's attention to growing lifetime customer value and retention. They soon realized that they needed a single view of the customer to orchestrate, automate, and scale personalized customer experiences throughout the customer journey.

After integrating Tealium with their CRM they were able to gain a 15% increase in reach, achieve a 20% improvement in customer journey engagement, provide 1-click access to a customer's desired destination, and reduce homepage bounce rates by 0.4% — all of which equated to about 9 million more sessions on their site and apps each year. Now those are some major wins!
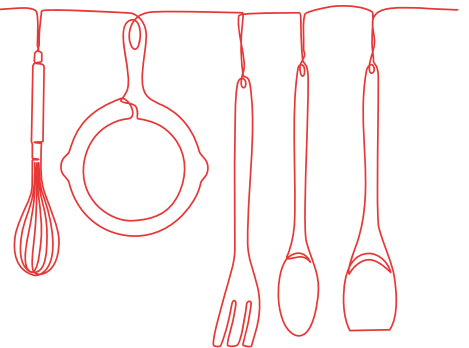
We Connect Data So You Can Connect With Your Customers

Tag Management • API Hub • Customer Data Platform and Machine Learning • Data Management

Tealium connects customer data– spanning web, mobile, offline, and IoT devices— so brands can connect with their customers. Tealium's turnkey integration ecosystem supports over 1,300 client-side and server-side vendors and technologies, empowering brands to create a unified, real-time customer data infrastructure. The Tealium Customer

Data Hub encompasses tag management, an API hub, a customer data platform with machine learning, and data management solutions that make customer data more valuable, actionable, and secure. More than 1,000 businesses worldwide trust Tealium to power their customer data strategies.

For more information, visit tealium.com