Best Practices For Lifecycle Marketing

A STEP-BY-STEP GUIDE TO CREATING LIFETIME VALUE

WITHIN

Lifecycle marketing begins once someone opts in to messaging from your brand. From that point on, it's up to you to plot a strategy of user journeys and key actions you want your users to take.

Whether your customer takes the desired actions or not, you will need to reach out again, in the most apt and appropriate way, to nurture the "lifecycle" of your relationship.

Brands can unlock powerful growth opportunities by orchestrating content, triggers, and personalized incentives across the customer lifecycle to encourage behaviors that grow lifetime value (LTV).

Email generates an average of $36 for every $1 spent.[1]

Lifecycle Marketing's Value Proposition

Lifecycle marketing uses owned media channels, like email, SMS, push notifications, direct mail, websites, etc. Owned media marketing channels with existing customers cost almost nothing to use, yet offer extensive methods for tracking important metrics, like ROAS and LTV across channels.

These channels can also generate an incredible ROI when properly put into practice. Email, a major component of lifecycle marketing, generates an average of $36 for every $1 spent (Constant Contact, 2021) . You'd be hard pressed to find another method so reliably profitable.

In this eBook, we'll walk through six simple steps your brand should follow when assembling, running, and maximizing lifecycle marketing efforts.

1. Aastha Sirohi, "What Is the ROI of Email Marketing?", Constant Contact, September 27, 2021, https://blogs.constantcontact.com/what-is-the-roi-of-email-marketing/.

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Six Simple Steps for Lifecycle Marketing Success

01

Lay the Foundation by Auditing Your Current Lifecycle Program

Begin by digging into your existing lifecycle programs (email, SMS, push notifications, loyalty programs) and previous campaigns' success.

ASK YOURSELF THE FOLLOWING QUESTIONS FOR CLARITY ON THE CURRENT PERFORMANCE OF YOUR LIFECYCLE CAMPAIGNS:

- Is my brand getting repeat purchases attributable to lifecycle? Do I have ways of measuring customer purchases if they do?
- Have I tried using a mixture of channels in my lifecycle marketing? If so, which are performing best?
- How is my lifecycle program currently contributing to audience nurturance, conversions, and advocacy?
- Am I taking advantage of segmentation strategies to deliver ultra-personalized messaging that is uniquely valuable?
- Does my brand have several automated sequences customized for new, engaged, and lapsed customers?
- Do my sign-up modals obtain a user's explicit permission for my future marketing messages?
- Are my Customer Relationship Management (CRM) system and Email Service Provider (ESP) functional enough to handle robust campaign testing?

Most strategies require tools to create content, segment audiences properly, deliver messaging, and test metrics. The best lifecycle marketing tools embrace seamless, cross-channel integrations. Choosing tools with features that match your desired functionality will help you run lifecycle marketing strategies smoothly while balancing costs effectively.

02

Establish a Lifecycle Marketing Strategy

The second step to lifecycle marketing success is building a strong strategy.

PLAN.
Strategies start with the ideation, planning, and execution of industry-standard best practices. For lifecycle, this means foundational content such as basic email sign-up modals and a welcome series. These best practices alone can monetize untapped channels for existing customers.

MEASURE.
Next, you'll want to define your campaign KPIs, benchmarks, and metrics to measure. Click-through rate, opt-in rate, conversion rate, repeat purchases, and LTV can all be tracked within your CRM system and ESP.

ANALYZE.
After determining KPIs to track, analyze your brand's current audience segments. You'll want to break down the unique demographics and psychographics of your audience personas. Additionally, you can look at behavioral and transactional data to inform future segments.

Once you have your brand's best practices initiated, KPI benchmarks determined, and current segments laid out, you can decide on new campaign planning.

03

Build Target Audience Segments

One of the pivotal elements of lifecycle marketing is the ability to create specific audience segments through extensive first-party data.

In the previous step, you analyzed your current segments. Now, you should set up a new strategy for creating more refined audience segments based on data-driven behavior tracking.

SOME IMPORTANT METRICS TO TRACK WHEN CREATING REFINED TARGET AUDIENCE SEGMENTS INCLUDE:

- Time from signup to purchase
- Time to 2nd purchase
- Subscriber social engagement
- Specific email opt-ins (what exact type of messaging did they opt-in to based on the original sign-up modal they submitted?)

To gain deeper insights into building, targeting, and segmenting audience groups within your lifecycle program, consider running incentivized surveys to examine your current audience groups.

04 Create Compelling Content

Producing appealing, relevant, quality content for precise segments can compel more audiences to make purchasing decisions.

Research has shown a 142% increase in revenue per email for retailers using personalized vs. static one-time sends.[2]



Dermstore gives a perfect example of personalized email content. The above-the-fold content gets straight to the point with the promotional 15% off messaging, while using images that are customized to the user's previous shopping behavior.

The email includes a direct call to action with just enough information to drive site traffic and a pulsed retention program for increased customer LTV.

There is no one size fits all!

Testing different content for similar audience segments is essential, as each segment is unique. You can adjust the length or topic or subject lines; personalization of content such as first name greetings, promotions or offers; colors; and even positive vs. negative language choices to see what your audience responds to best.

Create a content calendar and optimize email templates to match your campaign goals.

2. "2020 Retail Email Benchmark Report", Bluecore, 2020, https://www.bluecore.com/resources/2020-retail-email-benchmark-report/

Formulate Automated Workflows for Scheduled Content

05

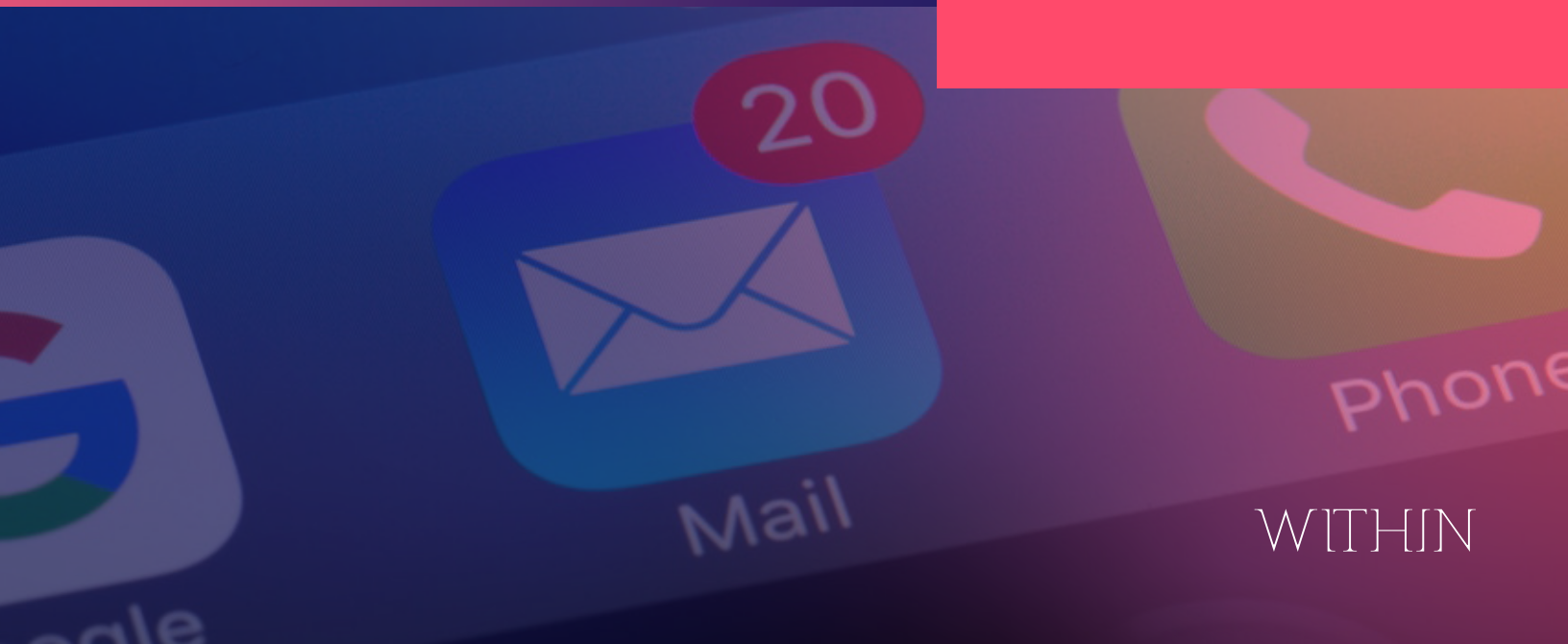
By planning automated sequences for specific segments you can maximize the relevance of your messaging.

WHEN DECIDING WHICH AUDIENCE SEGMENT SHOULD RECEIVE SPECIFIC MARKETING MESSAGES, BE SURE YOU CAN ANSWER THESE QUESTIONS:

- Who should get this message based on the content/CTA and their position in the customer lifecycle?
- What action do you want them to take?
- Why will they be motivated to take that action?
- When should they receive the message?
- Where are they likely to engage?
- How will you measure success?
- Is this a standalone or part of a customer journey/lifecycle?
- Do you gain any actionable insights from this message?

While nearly every brand has a welcome sequence, additional segmentation, like abandoned cart, post-purchase, and reactivation sequences, can all contribute to increasing LTV.

Sending the right number of automated emails and implementing behavioral triggers within a sequence can drive existing customers to profit-producing actions.



06

Execute Data-Based Testing Strategies

Once you have your content created and automated in your CRM, run your automated workflows and track performance metrics.

CONDUCT SEGMENTED TESTING ACROSS AUDIENCE TYPES, CONTENT STRATEGIES AND AUTOMATED SEQUENCES TO ANSWER QUESTIONS LIKE THESE:

- Are Non-Buyers, Oncers, Repeat, Lapsing, and Lost Customers being effectively marketed to?
- Do we know the LTV or relative value of each segment?
- What channels are delivering the best performance?
- What promotions drive the highest incremental revenue?
- Is the story different when looking at implicit and explicit attribution?

SOME ASPECTS OF YOUR LIFECYCLE STRATEGY THAT YOU CAN ADJUST BASED ON DATA-BASED METRICS INCLUDE...

- Sign-up Modals - When do the sign-up modals pop up? Is there a follow-up footer? Are there email, SMS, and social options?
- Subject Lines - Do you have 40 characters or less with a front-loaded primary message?
- Send Times - Are you sending messages at the time when segments are statistically most likely to open, engage, and convert?
- Message copy - Is the copy direct, action-oriented, personable, and easy to understand?
- CTA - Which version of the CTA copy drives more clicks?

Data tracking increases your ability to make informed decisions that will drive up customer LTV.



Getting the Most Out of Lifecycle Marketing

Without a proper lifecycle strategy backed by best practices and collaborative team efforts, your brand may be missing out on its most profitable channel.

Do you need a full-service, cross-channel solution for your lifecycle program? Talk to us at WITHIN for cutting-edge strategic execution on email, SMS, push notifications, loyalty, and other lifecycle marketing channels.

hello@within.co

WITHIN