



PURE-PLAY E-TAILER BOOSTS CUSTOMER ENGAGEMENT WITH AI

CUSTOMER SUCCESS STORY

By the early 2000s, a new breed of retailer had finally matured and disrupted the big box establishment that had ruled for so long. Pure-play e-tailers had only an online presence and generally focused on a single industry or product. One such pure player that's still around today is a major outdoor sporting goods e-tailer based in Texas, and like most pure players, they can serve a huge audience regardless of where those customers are located.

However, there is a downside to a web-only operation. Without a physical store, it's harder to increase brand

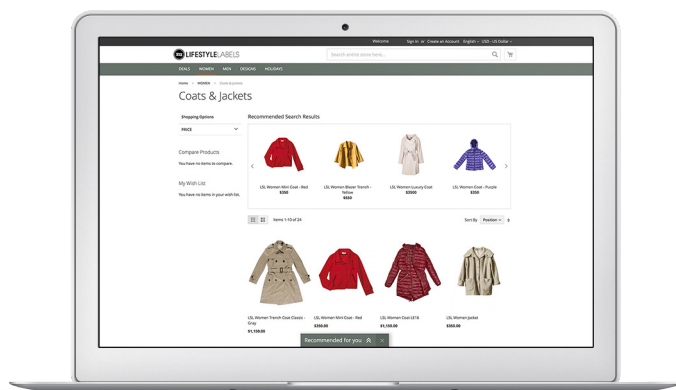
visibility and continually attract new customers. Even though the company has been around for a quarter-century and has established a strong customer base, they wanted fresh ways to expand the business.

But there was no obvious way to make the marketing staff work harder and dig up more insights from their customer interactions. This outdoor sporting goods e-tailer needed a scalable solution, and that's where Emarsys came in.

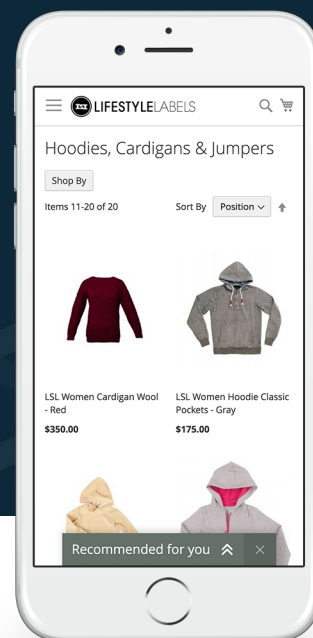
NICHE MARKETING FOR THE PURE PLAYER

Even with a web-only presence, the company has been steadily growing into the leading sporting goods e-tailer it is today. With their low prices, huge selection of products, and over 200,000 deals online, the company serves loyal customers who appreciate that most purchases are shipped the day they're ordered. Bringing in annual revenue in excess of \$180 million, the company has over 5 million contacts in its database. This means hundreds of millions of emails to manage with no ability to manually scale the personalization necessary to significantly engage customers.

An executive e-commerce marketer with 15+ years in the digital space, the company's Chief Marketing Officer was brought into the company to increase engagement through increased personalization and overall improvement of the customer experience.



"I thought Emarsys would be a great solution for us," the company's CMO said. "The AI element was attractive, and the personalization capabilities were a big deal."

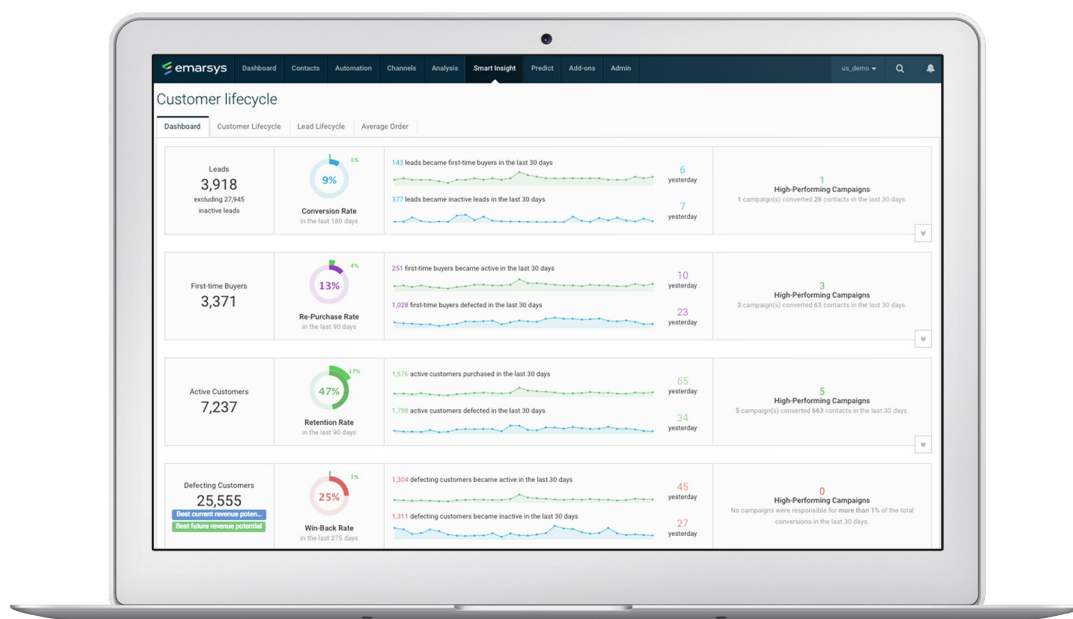


THE PERSONALIZATION CHALLENGE

Despite being a successful company and serving a large customer base, this e-tail brand realized it might be missing out on ways to more significantly engage their existing customers. With over 500,000 products, all of which had no standard buyer's lifecycle, it needed a solution that would both take customers directly to the specific products they were interested in and help the marketing staff personalize their communication with customers.

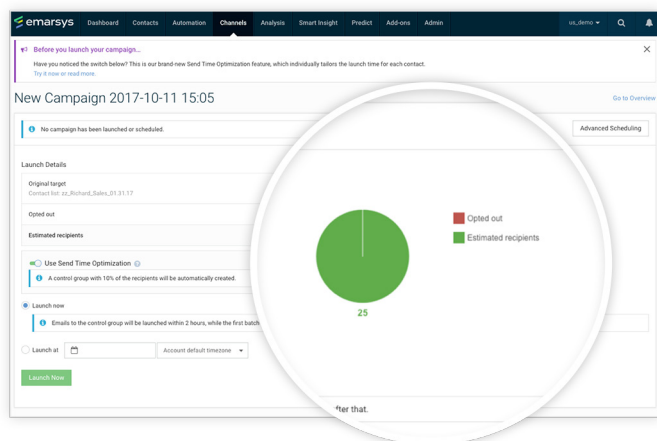
The problem was they were using a one-to-many approach, identifying general segments that included hundreds or thousands of individuals. In a highly competitive and strictly controlled industry like pure-play sporting goods, they needed a reliable way to deliver the most relevant messages to the individual customer and nothing else.

Unfortunately, they were using another platform at the time that didn't offer an easy way to leverage personalization tools. They also didn't have the headcount necessary for truly unique personalized campaigns. Looking at all of their options, the company knew it would never be able to hire enough staff to achieve its goals. As big data continued to pile up, the company could see that its present course would only lead to a plateau, or worse, deteriorate its market share over time.



Images shown here of the Emarsys product are for demonstration purposes and do not represent the client.

HOW A DYING PHONE LED TO A REVOLUTIONARY OPPORTUNITY



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Before the company's CMO joined the team, she spoke at an event in New York City. As the battery on her phone was dying, she happened to pass the Emarsys booth and grabbed a power bank to charge her phone. While she waited on the charge, she started talking with an Emarsys employee and was surprised by this person's enthusiasm for AI-enabled marketing software.

"This was a non-sales, development person who really nerded out over the technology," she says. "The passion for the product really came through."

By the time she arrived in her new role, that Emarsys passion was still palpable in her mind, and she reached out to Emarsys to begin a conversation that would transform the way she and her marketers would work.

THE EMARSYS DIFFERENCE

The company started with a pilot program, and the first thing that really impressed the CMO was actually just a standard step in the Emarsys implementation process.

"Emarsys asked for our data," she recalls. "Nobody else that we talked with ever asked for any historical data. We offered up three years' worth and wondered if that was too much, but Emarsys was like, 'Yeah, we can handle that.'"

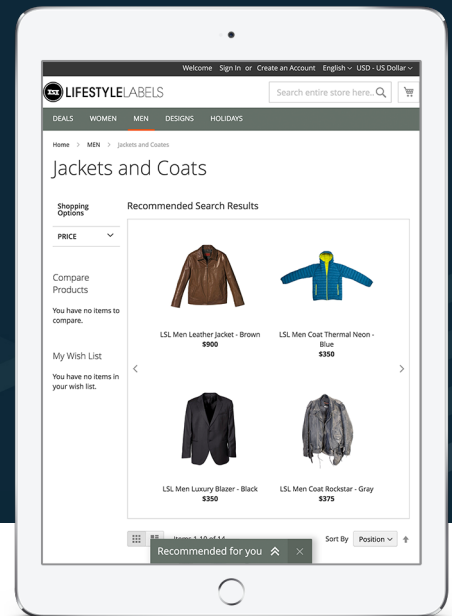
The more customer data the company could provide, the more Emarsys could pinpoint the areas to focus on to improve engagement. One tool that the marketing team found extremely helpful was Smart Insight. This tour de force software removes the time-consuming task of manually drawing conclusions from mountains of data and frees marketers to return to their most important duties: strategy and creative.

The place to start was email, the foundation of any marketer's omnichannel strategy. This e-tailer's email approach was rife with overly generalized targeting. Supported by A/B testing, Emarsys had several AI-powered programs to address this. Two great email solutions are Send Time Optimization, which helps marketers identify and act on the best times to send emails, and A/B testing email subject lines, which allows marketers to make the best choices about each email to ensure maximum success.

By allowing AI to analyze the details from each customer's purchasing and browsing history from the last three years, the marketing team no longer had to spend hours guessing the best times to send or struggling to guess what details like subject lines will be most successful. As an added bonus, the AI solutions will continue to update each customer's profile with more data as it's generated and adjust the send times and email content accordingly.

"Smart Insight was like nothing else. Shareable data, integration, real-time automation. Only Emarsys offered educated recommendations with greater accuracy. No one else was offering that on-the-fly, real-time data, lifecycle marketing."

“Emarsys paid for itself quickly, and the software has continued to provide great ROI. Email is always going to do that, but in general, the return on the Emarsys solution compared to our previous platform is impressive.”



ULTIMATE RESULTS

Once they implemented the Emarsys AI pilot program and let the machine analyze and learn from the data, many of the company's metrics went up, including conversions. AI also allowed the marketing team to truly personalize each interaction with customers and provided a number of ways to identify those most likely to purchase:

AUTOMATED REPLENISHMENT CAMPAIGNS

Using AI to learn the recency and frequency of purchase patterns, the company applied these insights to automate replenishment and trigger reminder emails within days of the next forecasted purchase for that individual customer. This capability alone uncovered a huge opportunity for the company to provide customers with inventory exactly when they wanted it, resulting in hundreds of thousands of dollars in additional revenue.

SIMPLIFIED EMAIL MANAGEMENT

What used to take two people anywhere from several hours to several days now takes 20 minutes with only one person managing the email.

SEND TIME OPTIMIZATION

Using AI to determine the best times to send email, the marketing team applied STO to a sixth of the client list and saw a 4%-5% increase in open rates — even on campaigns with 70%+ open rates — and a 9% increase in click-through rates.

SUBJECT LINE OPTIMIZATION

By leveraging AI and A/B testing, the company earned a 12% increase in open rates, an 8% increase in click-through rates, and an impressive 56% increase in open rates for browser abandonment notifications.

FINAL THOUGHTS

So many businesses out there need AI, but they resist for a number of reasons, misbelieving that it will be too expensive or that the marketing team will never be able to learn how to use the software. However, as this sporting goods e-tailer found, these are not legitimate barriers.

Many companies seem like they're waiting for a solution where all you have to do to turn on AI is press a button. The reality is that it takes a little time for the software to learn from your data, but in general, this initial learning process only lasts a month or two. Compared to manual segmentation, AI is less expensive, far more accurate, and faster at adapting when customer behavior changes. Plus AI continues to learn and update itself without the marketer having to manage or even initiate the process.

This e-tailer approached the implementation in the right way, taking their time early on to feed data to the machine and then prove their insights through lots of A/B testing.

“With Emarsys, we are now able to integrate and manage our data seamlessly,” says the CMO proudly. Looking forward to the future and how AI will continue to evolve, she is confident about her company's ability to keep improving their key metrics through technology when she adds, “We are always looking for new technologies, new ways of thinking, and are willing to try new things.”

If you're interested in seeing how Emarsys could change your company's approach to marketing, visit emarsys.com to learn more.