



**2019 CATALOG &
INTEGRATED
MARKETING SUMMIT**

**INTEGRATED: THE SMARTER
PATH TO PROFITABILITY**

PHILADELPHIA, PA | APRIL 24-25 2019

Integrating Channels Into Your Marketing & Circulation Plans

Presented by: Branden Slattery, Marketing Director, CohereOne

April 24-25, 2019

cohereOne

How many are currently
integrating digital marketing
into print marketing efforts?



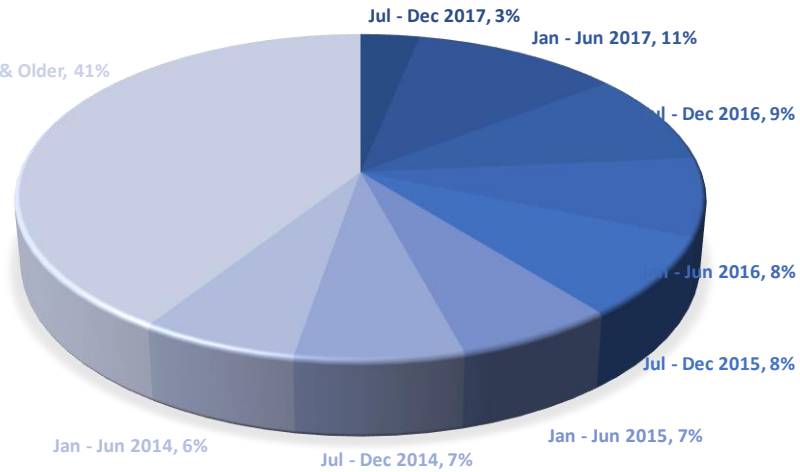


Campaign Success

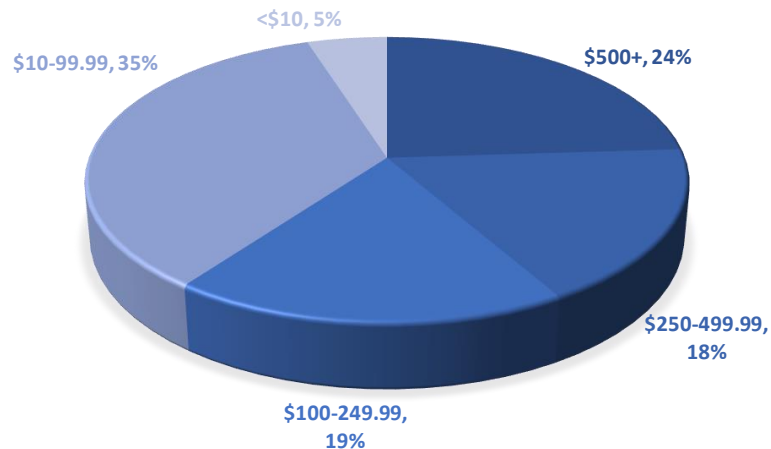
Three Steps of the Stool

- The success of any postal marketing campaign relies on the “three legs of the stool”: **Merchandise**, **Offer** (creative) and **Audience**
- If any one of these legs are lacking, the campaign will most likely fail
- Of most importance is **Merchandise** and without that you are dead in the water
- You can have the perfect audience identified and have the perfect offer and creative to put in front of that audience, but if you are selling crap you're most likely to fail
- The following strategies will assist in identifying that perfect audience, but make sure the other two legs of the stool are solid in order to be successful

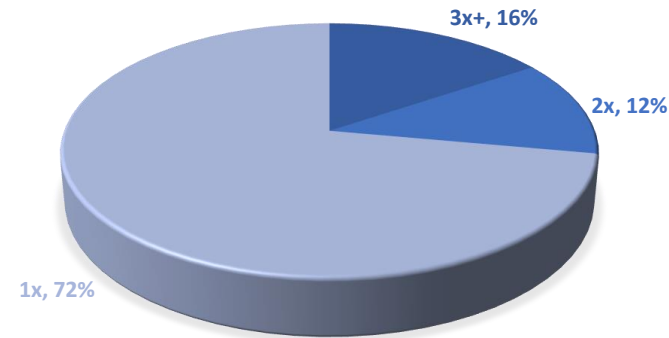
Lets Start With The Basics



Recency – Use distinct time frame to capture seasonality rather than rolling recency



Frequency – Frequency is the second most important variable and allows to go deeper into older segments



Monetary – Use average order over life to date

Micro Segmentation

List Name	Recency	Frequency	Monetary
Buyers	Jul - Dec 2017	3x+	\$100+
Buyers	Jul - Dec 2017	2x	\$100+
Buyers	Jul - Dec 2017	1x	\$100+
Buyers	Jul - Dec 2017	3x+	\$50-99.99
Buyers	Jul - Dec 2017	2x	\$50-99.99
Buyers	Jul - Dec 2017	1x	\$50-99.99
Buyers	Jul - Dec 2017	3x+	\$10-49.99
Buyers	Jul - Dec 2017	2x	\$10-49.99
Buyers	Jul - Dec 2017	1x	\$10-49.99
Buyers	Jul - Dec 2017	All	Less Than \$10
Buyers	Jan - Jun 2017	3x+	\$100+
Buyers	Jan - Jun 2017	2x	\$100+
Buyers	Jan - Jun 2017	1x	\$100+
Buyers	Jan - Jun 2017	3x+	\$50-99.99
Buyers	Jan - Jun 2017	2x	\$50-99.99
Buyers	Jan - Jun 2017	1x	\$50-99.99
Buyers	Jan - Jun 2017	3x+	\$10-49.99
Buyers	Jan - Jun 2017	2x	\$10-49.99
Buyers	Jan - Jun 2017	1x	\$10-49.99
Buyers	Jan - Jun 2017	All	Less Than \$10

Take It A Step
Further

- **Supercharge Reactivation:** Use digital browsing behavior to identify lapsed buyers who are currently in the market and are missed in transactional modeling
- **Optimize Catalog Frequency:** Optimize catalog frequency based on customer level browsing device and channel. Eliminate mailings to marginal customers with no recent browsing behavior
- **Create New Prospecting Universe:** Through network of partner sites, identify postal addresses of browsers on your website who are not in your database
- **Incorporate Digital Browsing Behavior into Modeling:** Browsing by product category, frequency, method, etc. Can serve as model variables predicting future response and allowing personalization

Where Do I
Begin?

- Start with your own internal digital assets
 - Use your active email opt-in file to flag customers in the merge to help with reactivation efforts

A study last year from U.K.-based Go Inspire GroupDirect mail was found to outperform email in terms of incremental revenue after campaign costs, but a combination of **email and direct mail out performed either medium in isolation.**

- Reactivation segments who are on the active email file perform significantly better than those who are not

Non Active Segments	Qty	Orders	Sale	RR%	AOV	\$/B	Ad Cost	COGS	Contribution	Cont/B
Active Email	26,051	2,110	\$423,329	8.10%	\$201	\$16.25	\$22,143	\$169,332	\$231,854	\$8.90
None-Opt Out	43,230	1,611	\$259,773	3.73%	\$161	\$6.01	\$36,746	\$103,909	\$119,118	\$2.76
Incremental Lift						170%				223%

- Use Google Analytics to figure out LTV by acquisition source
- Potential to adjust lower value customers in reactivation

Allocated Promo	12M 1st Time Custs	1st Order Demand	1st Order AOV	Subsequent 12 Mo Orders	Subsequent 12 Mo Demand	Orders/New Customer	Demand/New Customer
Catalog	8,052	\$980,932	\$122	6,870	\$736,306	0.85	\$91
Direct Load	3,172	\$320,984	\$101	1,732	\$148,074	0.55	\$47
Affiliate	840	\$70,194	\$84	363	\$27,788	0.43	\$33
Email	5,919	\$509,909	\$86	3,606	\$271,311	0.61	\$46
SEO Non Brand	5,062	\$464,011	\$92	2,499	\$222,122	0.49	\$44
SEM Non Brand	7,665	\$630,009	\$82	2,976	\$234,823	0.39	\$31
SEO Brand	358	\$38,547	\$108	235	\$20,401	0.66	\$57
SEM Brand	5,714	\$597,809	\$105	3,269	\$300,042	0.57	\$53
Web Unk	2,751	\$259,327	\$94	1,703	\$141,772	0.62	\$52
Misc							
Grand Total	39,533	\$3,871,722	\$97.94	23,253	\$2,102,639	0.59	\$53

- 4-Cite:** Through a tag on the website, they can provide a data set that includes web browse behavior of customers that can be scored and append to your customer file for mailing purposes

Row Labels	MAIL QTY	Proj Orders	Proj Sale	Resp %	AOV	\$/B	Cont	Cont/Ord
SEGMENT 1	388,348	22,504	\$3,062,820	5.79%	\$136	\$7.89	\$1,396,891	\$62.07
SEGMENT 2	406,438	10,274	\$1,107,674	2.53%	\$108	\$2.73	\$372,237	\$36.23
SEGMENT 3	404,381	7,661	\$795,742	1.89%	\$104	\$1.97	\$208,344	\$27.20
SEGMENT 4	370,819	5,219	\$567,535	1.41%	\$109	\$1.53	\$103,605	\$19.85
SEGMENT 5	348,129	4,046	\$438,259	1.16%	\$108	\$1.26	\$47,681	\$11.78
SEGMENT 6	337,002	3,260	\$356,791	0.97%	\$109	\$1.06	\$12,742	\$3.91
SEGMENT 7	314,259	2,857	\$332,803	0.91%	\$116	\$1.06	\$12,717	\$4.45
No Web Score	262,379	2,249	\$266,860	0.86%	\$119	\$1.02	\$5,828	\$2.59
Score 1	4,875	79	\$8,320	1.62%	\$105	\$1.71	\$1,452	\$18.39
Score 2	8,275	133	\$12,292	1.61%	\$92	\$1.49	\$1,941	\$14.59
Score 3	38,730	396	\$45,331	1.02%	\$114	\$1.17	\$3,496	\$8.83
SEGMENT 8	212,487	2,484	\$231,017	1.17%	\$93	\$1.09	\$3,618	\$1.46
No Web Score	185,969	2,152	\$194,536	1.16%	\$90	\$1.05	(\$1,444)	(\$0.67)
Score 1	3,180	64	\$6,458	2.01%	\$101	\$2.03	\$1,566	\$24.47
Score 2	5,170	80	\$7,982	1.55%	\$100	\$1.54	\$1,266	\$15.83
Score 3	18,168	188	\$22,041	1.03%	\$117	\$1.21	\$2,230	\$11.86
SEGMENT 9	156,634	1,344	\$140,076	0.86%	\$104	\$0.89	(\$11,849)	(\$8.82)
No Web Score	136,634	1,021	\$106,023	0.75%	\$104	\$0.78	(\$18,391)	(\$18.01)
Score 1	2,403	123	\$10,505	5.12%	\$85	\$4.37	\$3,487	\$28.35
Score 2	3,938	57	\$4,176	1.45%	\$73	\$1.06	\$94	\$1.65
Score 3	13,659	143	\$19,372	1.05%	\$135	\$1.42	\$2,960	\$20.70

- Prospecting With Path2Response & NaviStone
 - **Path2Response**: Uses 4-Cite and TruConnect tags to identify site visitors to use them in their transactional based modeling process
 - **NaviStone**: Uses proprietary tag to identify site visitors not on the customer file and scores them based on site behavior (i.e. page views, time of site, product categories, etc)

Client 1

Co-Op	Circ	Resp	AOV	\$/Book
Path2Response	9,247	4.55%	\$ 59	\$ 2.66
NaviStone	15,736	3.03%	\$ 57	\$ 1.73
Co-Op 1	163,457	2.84%	\$ 57	\$ 1.63
Co-Op 2	62,258	2.75%	\$ 50	\$ 1.37
Outside Lists	10,663	2.05%	\$ 80	\$ 1.65
Co-Op 3	136,326	1.81%	\$ 78	\$ 1.41

Client 2

Co-Op	Mail Qty	Resp %	AOV	\$/Book
Path2Response	25,674	1.05%	\$ 241	\$2.53
Co-Op 3	14,473	0.86%	\$ 249	\$2.14
Prior Multis	193,356	0.77%	\$ 279	\$2.14
Co-Op 1	242,985	0.63%	\$ 261	\$1.63
Co-Op 2	198,549	0.51%	\$ 255	\$1.31
Co-Op 4	20,261	0.46%	\$ 242	\$1.11

- When mailing Path2Response and/or NaviStone with other prospecting sources, we're finding that they outperform other sources, most likely due to the inclusion of the web browsing behavior into the modeling/scoring

Do I Need To Send A
Catalog To A Digitally
Engaged Customer?

- Web Scr 10+ indicates the most digitally engaged customer
 - High Web Browsing Score, On Active Email File, Acquired via Digital Marketing

- Even the most digitally engaged produces a positive contribution when included in the catalog campaigns

		0-12 Month Buyers						
		Qty	Orders	Sales	Margin	Cost	Cont	Cont/Cust
Web Scr 10+	All Drops	5,324	1,580	\$179,643	\$89,821	\$20,497	\$69,324	\$13.02
Web Scr 10+	None - Holdout	5,289	1,006	\$102,481	\$51,241	\$0	\$51,241	\$9.69
Web Scr 5-9	All Drops	5,338	1,165	\$153,831	\$76,916	\$20,551	\$56,364	\$10.56
Web Scr 5-9	None - Holdout	5,339	648	\$69,163	\$34,582	\$0	\$34,582	\$6.48
Web Scr 0-4	All Drops	4,566	1,480	\$208,785	\$104,393	\$17,579	\$86,814	\$19.01
Web Scr 0-4	None - Holdout	4,537	333	\$37,627	\$18,814	\$0	\$18,814	\$4.15
Web Scr (1)-(3)	All Drops	4,743	387	\$95,712	\$47,856	\$5,217	\$42,639	\$8.99
Web Scr (1)-(3)	None - Holdout	4,730	176	\$21,328	\$10,664	\$0	\$10,664	\$2.25

Google Analytics Integration Into Print Marketing Results

○ **Google Analytics + Transaction/Matchback File**

- Include source/medium to matchback reporting to identify the interaction between online and offline channels.
- Export the Google Analytics source/medium and keyword data to append based on the order number
- Join the GA extract to transaction file with allocated match code
- Some systems have a different GA order number from the ERP order number, which necessitates a translation table to conduct the join

Analytics

Try searching "Pageviews in last 30 days"

Primary Dimension: Transaction ID Date

Secondary dimension: Source / Medium

advanced

Transaction ID	Source / Medium	Revenue	Tax	Shipping	Refund Amount	Quantity
		\$876,065.18 <small>% of Total: 100.00% (\$876,065.18)</small>	\$8,988.98 <small>% of Total: 100.00% (\$8,988.98)</small>	\$52,924.30 <small>% of Total: 100.00% (\$52,924.30)</small>	\$0.00 <small>% of Total: 0.00% (\$0.00)</small>	104,858 <small>% of Total: 100.00% (104,858)</small>
1. BP01623525	SFMC / Email	\$1,638.13 (0.19%)	\$132.79 (1.48%)	\$193.42 (0.37%)	\$0.00 (0.00%)	105 (0.10%)
2. BP01623595	google / cpc	\$1,498.71 (0.17%)	\$0.00 (0.00%)	\$197.82 (0.37%)	\$0.00 (0.00%)	80 (0.08%)
3. BP01621723	SFMC / EMAIL	\$1,497.79 (0.17%)	\$0.00 (0.00%)	\$196.34 (0.37%)	\$0.00 (0.00%)	72 (0.07%)
4. BP01605502	google / cpc	\$1,496.32 (0.17%)	\$0.00 (0.00%)	\$197.51 (0.37%)	\$0.00 (0.00%)	69 (0.07%)
5. BP01617250	google / organic	\$1,392.71 (0.16%)	\$0.00 (0.00%)	\$23.92 (0.05%)	\$0.00 (0.00%)	26 (0.02%)
6. BP01621449	SFMC / EMAIL	\$1,228.17 (0.14%)	\$0.00 (0.00%)	\$113.11 (0.21%)	\$0.00 (0.00%)	104 (0.10%)
7. BP01618626	(direct) / (none)	\$1,015.55 (0.12%)	\$75.95 (0.84%)	\$32.09 (0.06%)	\$0.00 (0.00%)	116 (0.11%)
8. BP01610896	google / organic	\$947.92 (0.11%)	\$0.00 (0.00%)	\$0.00 (0.00%)	\$0.00 (0.00%)	93 (0.09%)
9. BP01618124	(direct) / (none)	\$946.82 (0.11%)	\$0.00 (0.00%)	\$122.00 (0.23%)	\$0.00 (0.00%)	57 (0.05%)
10. BP01622967	(direct) / (none)	\$862.00 (0.10%)	\$0.00 (0.00%)	\$0.00 (0.00%)	\$0.00 (0.00%)	200 (0.19%)
11. BP01607737	google / cpc	\$836.96 (0.10%)	\$0.00 (0.00%)	\$0.00 (0.00%)	\$0.00 (0.00%)	50 (0.05%)
12. BP01618266	SFMC / EMAIL	\$739.73 (0.08%)	\$0.00 (0.00%)	\$65.00 (0.12%)	\$0.00 (0.00%)	68 (0.06%)
13. BP01604248	SFMC / EMAIL	\$679.02 (0.08%)	\$0.00 (0.00%)	\$91.26 (0.17%)	\$0.00 (0.00%)	39 (0.04%)
14. BP01619946	google / organic	\$678.24 (0.08%)	\$0.00 (0.00%)	\$29.83 (0.06%)	\$0.00 (0.00%)	76 (0.07%)

○ Important to differentiate **Brand** and **Non Brand** for SEM and SEO

GA Source/Medium	GA Keyword	Promo Channel
(direct)\(none)	(not set)	Direct Load
bing\cpc	lydias uniform	SEM Brand
bing\cpc	greys anatomy scrubs	SEM Non Brand
cj\affiliate	(not set)	Affiliate
google\organic	Lydia scrub top ZC Print VNeck Hopes and Wishes	SEO Brand
google\organic	(not provided)	SEO Non Brand
Listrak\Email	Free Shipping Weekend	Email
m.facebook.com\referral	(not set)	Social
yahoo\organic	heart and soul scrubs	SEO Non Brand

Order ID	Transaction Date	Order Amount	keycode	Promo Channel
100115450	10/23/2018	292.8	AER03A	Direct Load
100115451	10/23/2018	69.77	AEX06A	Social
100115452	10/23/2018	125.99	ADR05A	Affiliate
100115453	10/23/2018	119		Social
100115454	10/23/2018	150.4		SEM Brand
100115456	10/23/2018	67.77		Social
100115457	10/23/2018	94.4	AER00A	SEM Brand
100115458	10/23/2018	352.34	AER05A	Affiliate
100115459	10/23/2018	39	AEX02A	SEM Brand
100115460	10/23/2018	86.4	AER03A	Direct Load
100115461	10/23/2018	126.4	AER05A	Direct Load
100115462	10/23/2018	198.4	AEX06A	SEM Brand
100115463	10/23/2018	117.6		Affiliate
100115464	10/23/2018	95.2	AER01B	Direct Load
100115466	10/23/2018	88		Email
100115467	10/23/2018	63.2		Affiliate
100115468	10/23/2018	312.89	AER04A	Direct Load
100115469	10/23/2018	198.4	AER04A	Direct Load
100115470	10/23/2018	119.58		SEO Non Brand
100115471	10/23/2018	138	AEA73A	SEO Non Brand

- Ability to analyze the interaction between postal and digital channels
- Largest postal interaction typically with Direct Load, Email and Brand Terms

	Affiliate	Catalog	Direct Load	Email	Misc - Phone	Misc - Web	SEM Brand	SEM Non Brand	SEO Brand	SEO Non Brand	Social	Grand Total	% Catalog
Affiliate	\$281,123	\$389,036										\$670,159	58%
Catalog		\$1,281,240										\$1,281,240	100%
Direct Load		\$508,776	\$341,197									\$849,973	60%
Email		\$1,659,130		\$968,576								\$2,627,707	63%
Misc - Phone		\$2,678,372			\$655,342							\$3,333,713	80%
Misc - Web		\$402,677				\$269,038						\$671,715	60%
SEM Brand		\$915,578					\$485,671					\$1,401,249	65%
SEM Non Brand		\$328,435						\$635,598				\$964,033	34%
SEO Brand		\$21,718							\$13,440			\$35,158	62%
SEO Non Brand		\$676,354								\$627,718		\$1,304,072	52%
Social		\$47,490									\$67,136	\$114,625	41%
Grand Total	\$281,123	\$8,908,803	\$341,197	\$968,576	\$655,342	\$269,038	\$485,671	\$635,598	\$13,440	\$627,718	\$67,136	\$13,253,643	67%

Social Targeting

○ Social Media & Display Custom Audiences

- Provide the mailed records to one of many vendors who will translate the name/address file into email and load into Facebook to create custom audiences for social targeting
- This has shown to be successful in that you are in front of the customer before-during-after the catalog goes in-home
- Create hold out panels who will not get the social marketing touches to prove out incrementality

- The following analysis is an example of where a company was able to
 - Reduced their acquisition cost by 24%
 - Increased the efficiency of converting prospects to buyers

	Qty	Orders	Cat Cost	FB Cost	Total Cost	Acq Cost
Catalog Only	17,513	90	\$11,383	\$0	\$11,383	\$126
Catalog + Sync/Send	48,164	398	\$31,307	\$6,873	\$38,180	\$96

Email

○ **Email Reverse Append**

- Append physical address to email file
- Low cost prospecting and another way to add to the customer file

○ **Active Email Opt-In**

- Include and flag the active email opt-in records into mail merge processing

○ **Mail/Optimize Email Opt-Out File**

- If customers have opted out of emails, test mail them since you can't contact them via email

Online Postal Retargeting

- Using the same web behavior tag enables the ability to “real time” trigger abandon cart/abandon browse sessions with a postal contact
 - Similar to what you are already doing with triggered abandon cart email series
- 6x9 postcard has proven to be the most effective format
- Variable printed to include product that the customer/prospect was viewing
- Postal piece delivered within 2-3 days of the abandoned site visit
- Effective way to convert customers/prospects who are already engaged with the brand

Triggered Postcards

- Important to create/analyze audiences separately
- Customer audiences tend to outperform prospecting audiences
- Create daily hold outs in order to track incrementality

	Mail Qty	Mail \$/B	Incremental Orders	Incremental Sales	Incremental Cont	Incremental RR%	Incremental \$/B	Incremental Cont \$/B
Active Buyer	62,196	\$136.21	7,842	\$539,686	\$324,914	12.61%	\$8.68	\$5.22
February	16,777	\$28.15	2,569	\$180,005	\$111,743	15.31%	\$10.73	\$6.66
March	10,019	\$22.60	1,555	\$108,167	\$67,201	15.52%	\$10.80	\$6.71
April	14,498	\$41.77	1,223	\$92,944	\$52,738	8.44%	\$6.41	\$3.64
May	13,270	\$30.35	2,137	\$144,871	\$90,130	16.11%	\$10.92	\$6.79
June	7,632	\$13.34	358	\$13,699	\$3,102	4.69%	\$1.79	\$0.41
Reactivation	11,785	\$94.82	358	\$32,474	\$12,714	3.04%	\$2.76	\$1.08
February	542	\$9.46	(59)	(\$5,112)	(\$4,039)	-10.84%	(\$9.43)	(\$7.45)
March	2,229	\$12.07	197	\$15,818	\$9,178	8.83%	\$7.10	\$4.12
April	3,658	\$25.03	(37)	\$1,908	(\$1,773)	-1.01%	\$0.52	(\$0.48)
May	3,096	\$31.95	163	\$13,685	\$6,948	5.26%	\$4.42	\$2.24
June	2,260	\$16.31	94	\$6,173	\$2,400	4.16%	\$2.73	\$1.06
Prospecting	37,240	\$2.22	212	\$11,961	(\$23,094)	0.57%	\$0.32	(\$0.62)
February	1,883	\$1.04	30	\$1,965	(\$225)	1.59%	\$1.04	(\$0.12)
March	6,237	\$0.31	39	\$1,911	(\$3,777)	0.63%	\$0.31	(\$0.61)
April	6,543	\$0.32	37	\$2,096	(\$4,094)	0.57%	\$0.32	(\$0.63)
May	8,875	\$0.31	51	\$2,765	(\$5,609)	0.57%	\$0.31	(\$0.63)
June	13,702	\$0.24	55	\$3,225	(\$9,389)	0.40%	\$0.24	(\$0.69)
Grand Total	111,221	\$233.25	8,412	\$584,121	\$314,534	7.56%	\$5.25	\$2.83

- **RFM++**
 - Internal Assets
 - Active Email Opt-In
 - Google Analytics
 - External Assets
 - 4-Cite
 - Prospecting with NaviStone & Path2Response
- **Google Analytics + Matchback Reporting**
- **Social Targeting**
- **Mining Email File For Print**
- **Online Postal Retargeting**

What Are You Doing With Digital + Print?

Thank You!



**2019 CATALOG &
INTEGRATED
MARKETING SUMMIT**

cohereOne
NEW PATHWAYS. BETTER OUTCOMES.

Branden Slattery

bslattery@cohereone.com

415.322.6990