2019 CATALOG & INTEGRATED MARKETING SUMMIT

INTEGRATED: THE SMARTER PATH TO PROFITABILITY

PHILADELPHIA, PA | APRIL 24-25 2019

Audience Segmentation for Paid Social

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April 24-25, 2019

cohereOne

How do we define paid social, and **why is audience segmentation important?**

Users logged into a personal profile

Ads are aligned with user interest and experience

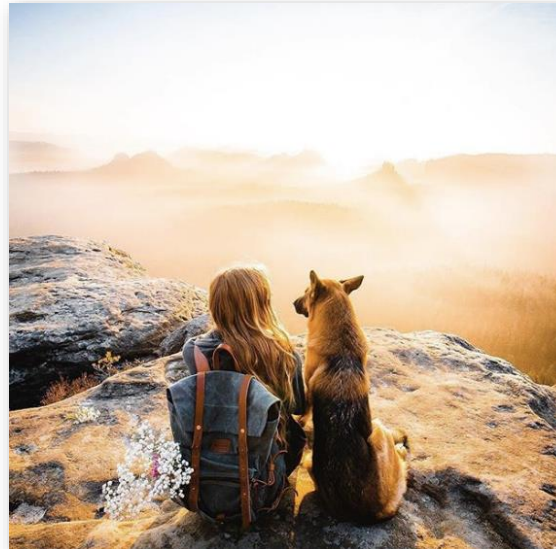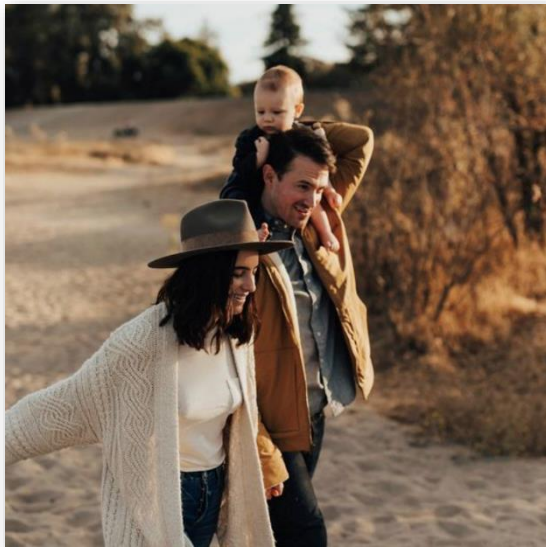Measurement and targeting in 'people-based' / 'user based'

Why Audience Segmentation?

All brands have a **target audience**, or group of core customers that can either benefit from the brand's value proposition, align with the brand's values or simply find inspiration from the brand image.

But how do we talk to them in a way that grabs their attention?

Audience segmentation

Target Audience

Audience Segmentation

BB

Image: Bluetext.com

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Why does this matter on paid social?

BB

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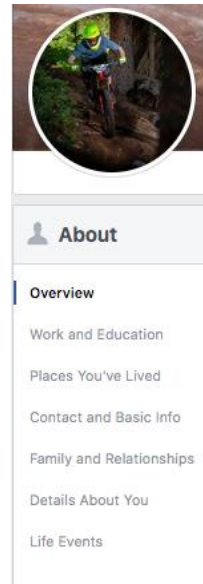
We can gather more information than ever on new and existing customers.

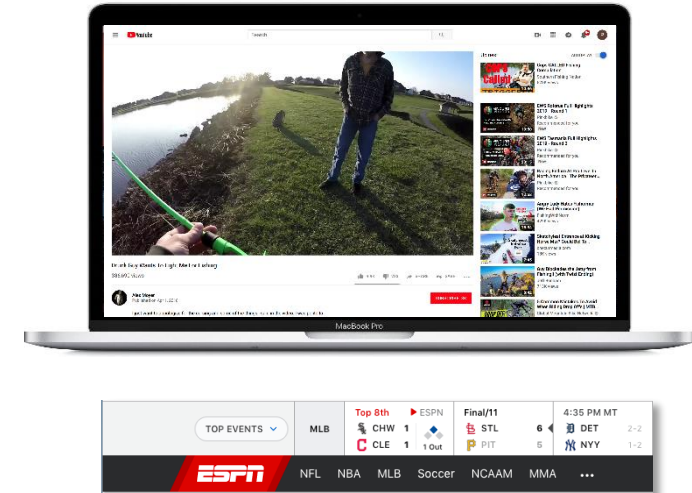Information is pulled from **nearly every action taken on the Internet.**

The posts, likes, comments and shares you make

The information that you provide

The products you buy

The websites you visit and videos you watch

The information can be made into **custom audiences** for the purposes of digital advertising.

**Pixel-Based Custom
Audience**

**Upload-Based Custom
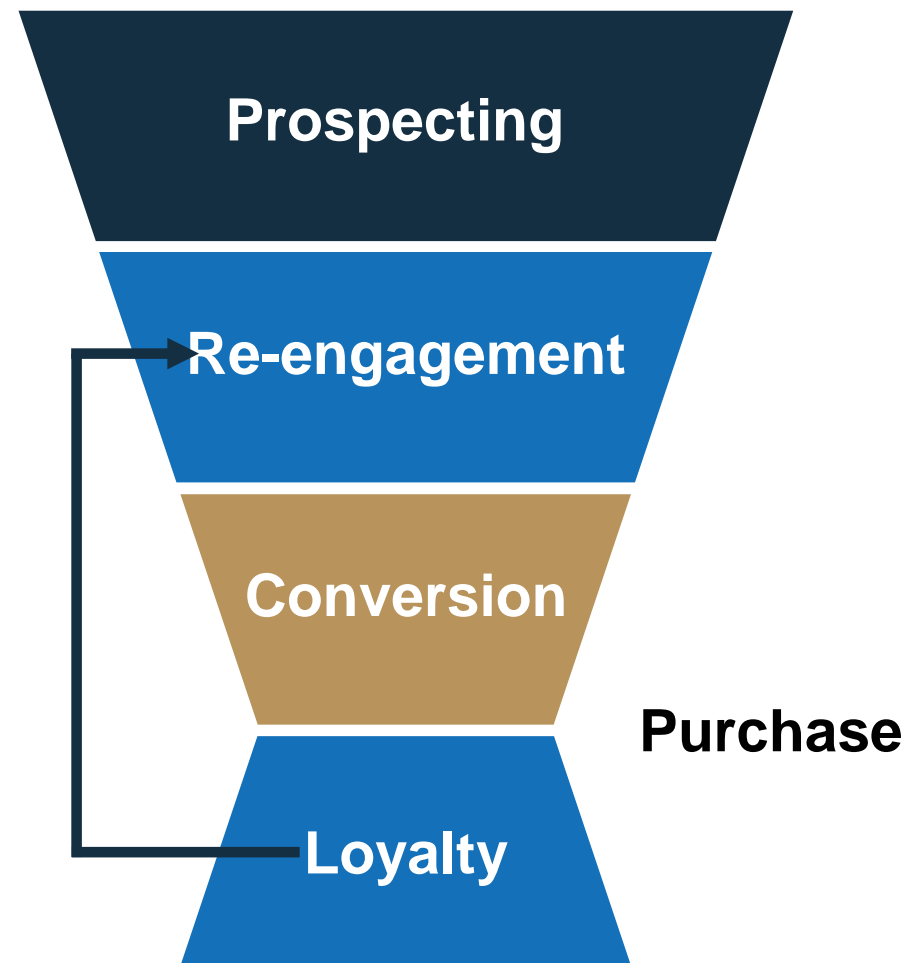Audience**

And we can **analyze each segment** with a fine-toothed comb through the platforms.

We use the same approach to audience segmentation across **all** paid social platforms.

"83% of buyers trust the recommendations of their family and friends more than they trust your marketing…"

Prospecting

Re-engagement

Conversion

Purchase

Loyalty

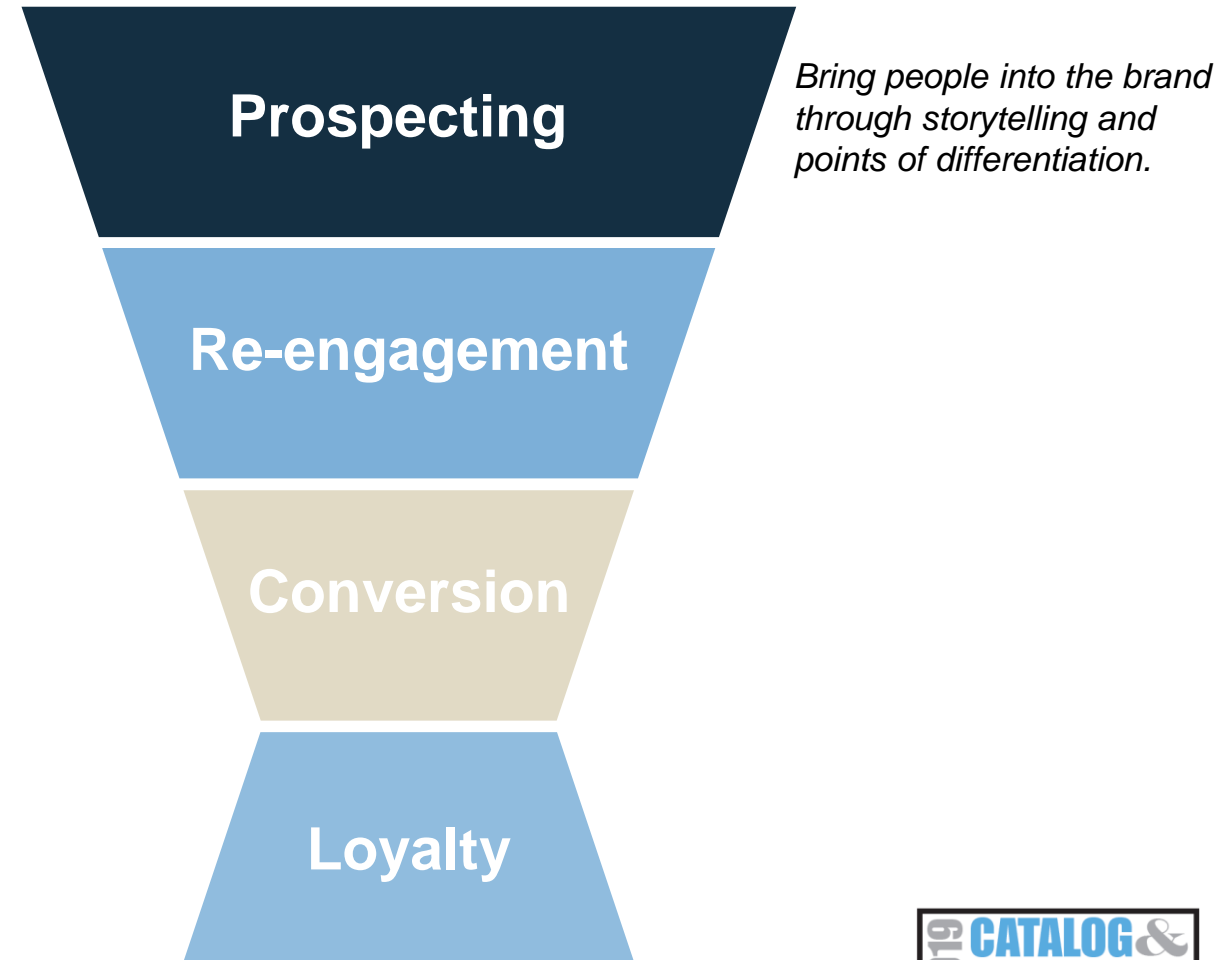2019 CATALOG & INTEGRATED MARKETING SUMMIT

With **loyal brand advocates** as the ultimate goal, we apply a full-funnel approach to audience segmentation to ensure **relevant** and **timely** messaging tailored to each customer's familiarity and comfort with the brand.

Prospecting

Re-engagement

Conversion

Purchase

Loyalty
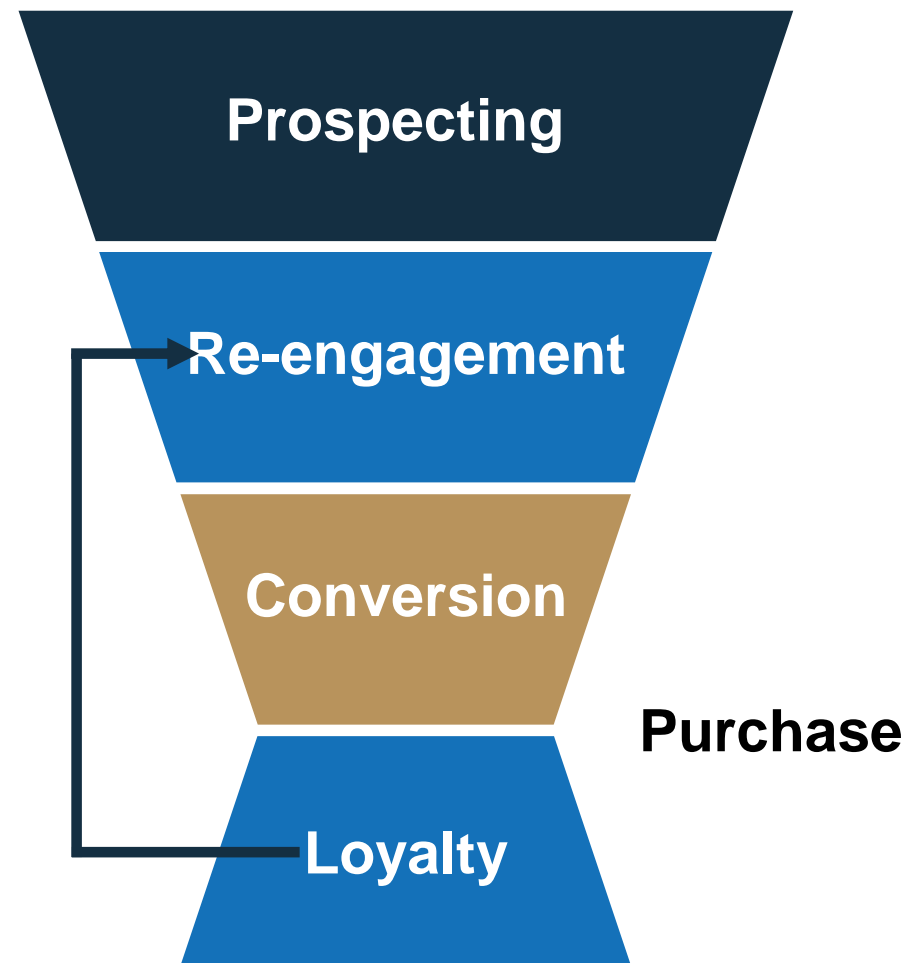
**Introduce users who have no known interactions with the brand or product.**

These targets can be:

- **Lookalike Buyer Audiences**
- **Interest-Based Audiences**
- **Demographic–Based Audiences**
- **Competitor Conquesting Audiences**

Prospecting

Re-engagement

Conversion

Loyalty

Bring people into the brand through storytelling and points of differentiation.

Re-engage users who have demonstrated interest in brand, products or upper funnel advertising.

These targets can be:

- Lapsed buyer groups (6 month+)
- Recent site visitors (30 days+)
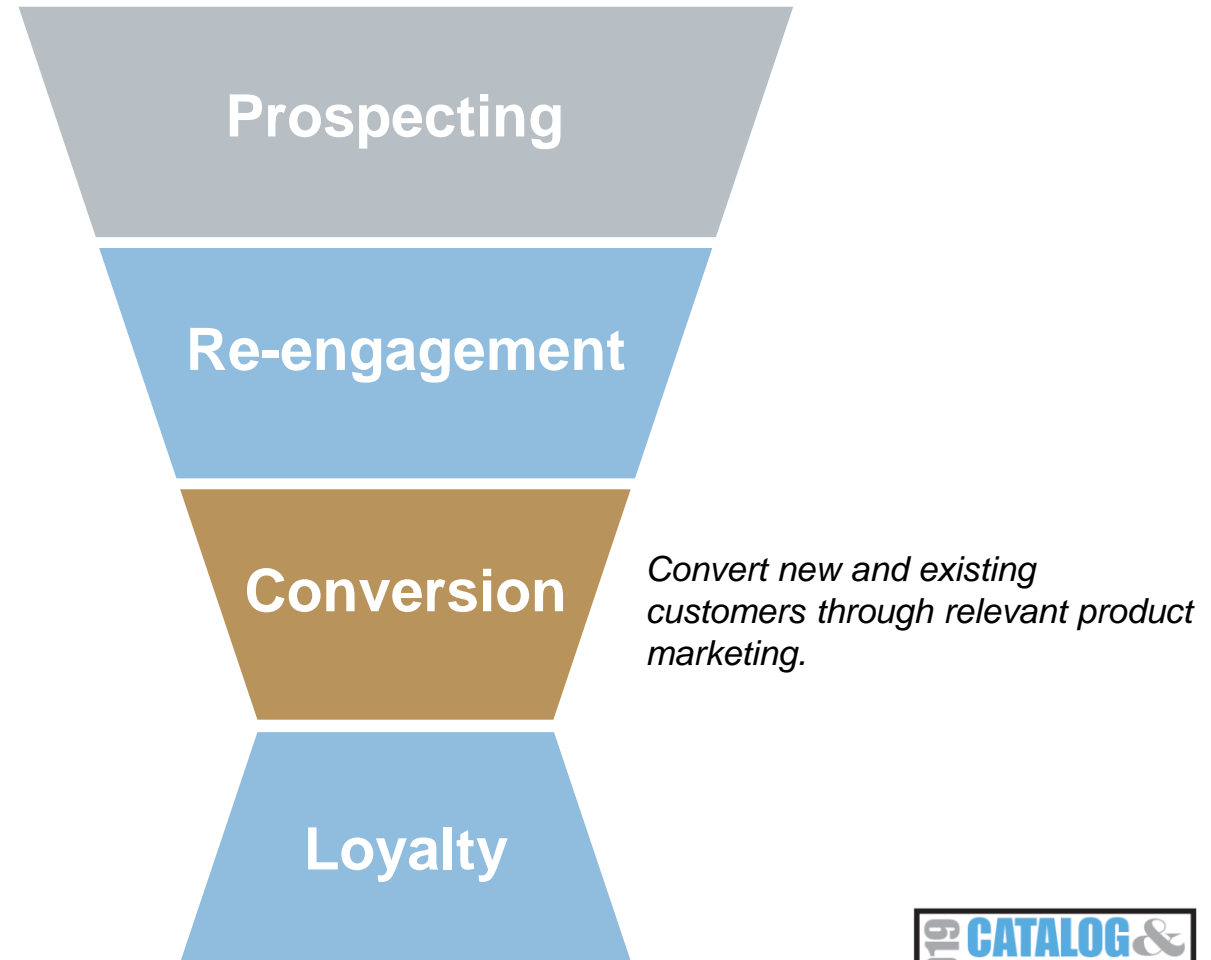- Video content viewers
- Fans or engagers with social media accounts
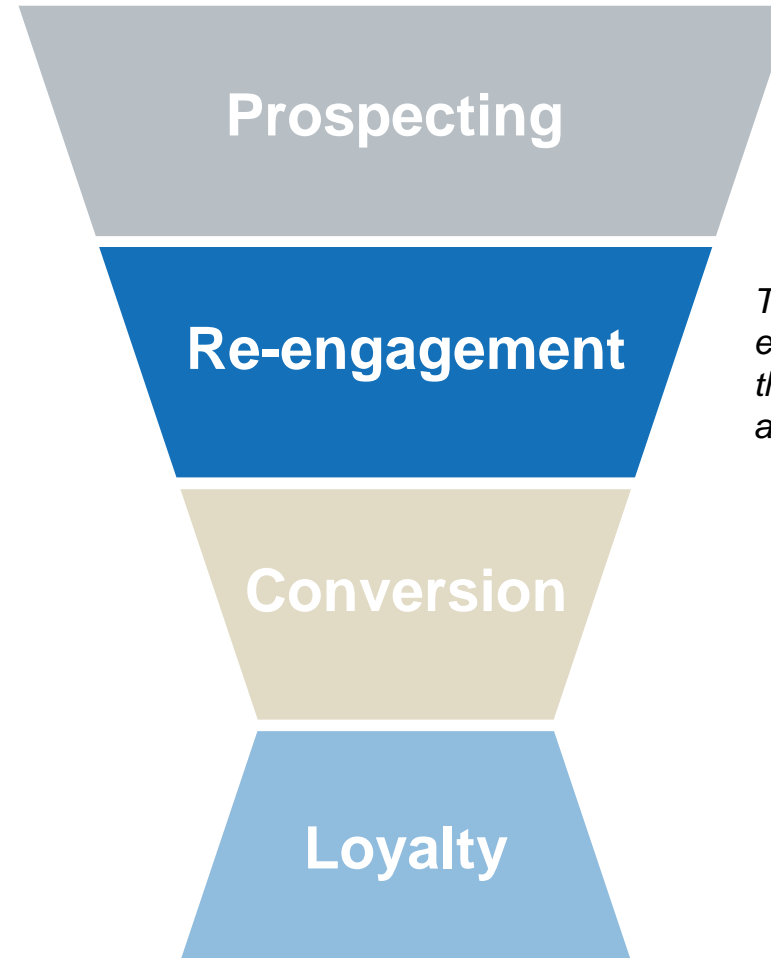
Prospecting

Re-engagement

Tell the product story — educate users on the brand through product attributes and aesthetic.

Conversion

Loyalty

Maximize frequency against those who have shown recent purchase consideration.

These targets can be:

- **0-28 Day Add To Cart Users**
- **0- 7 Day Site Visitors / View Content**

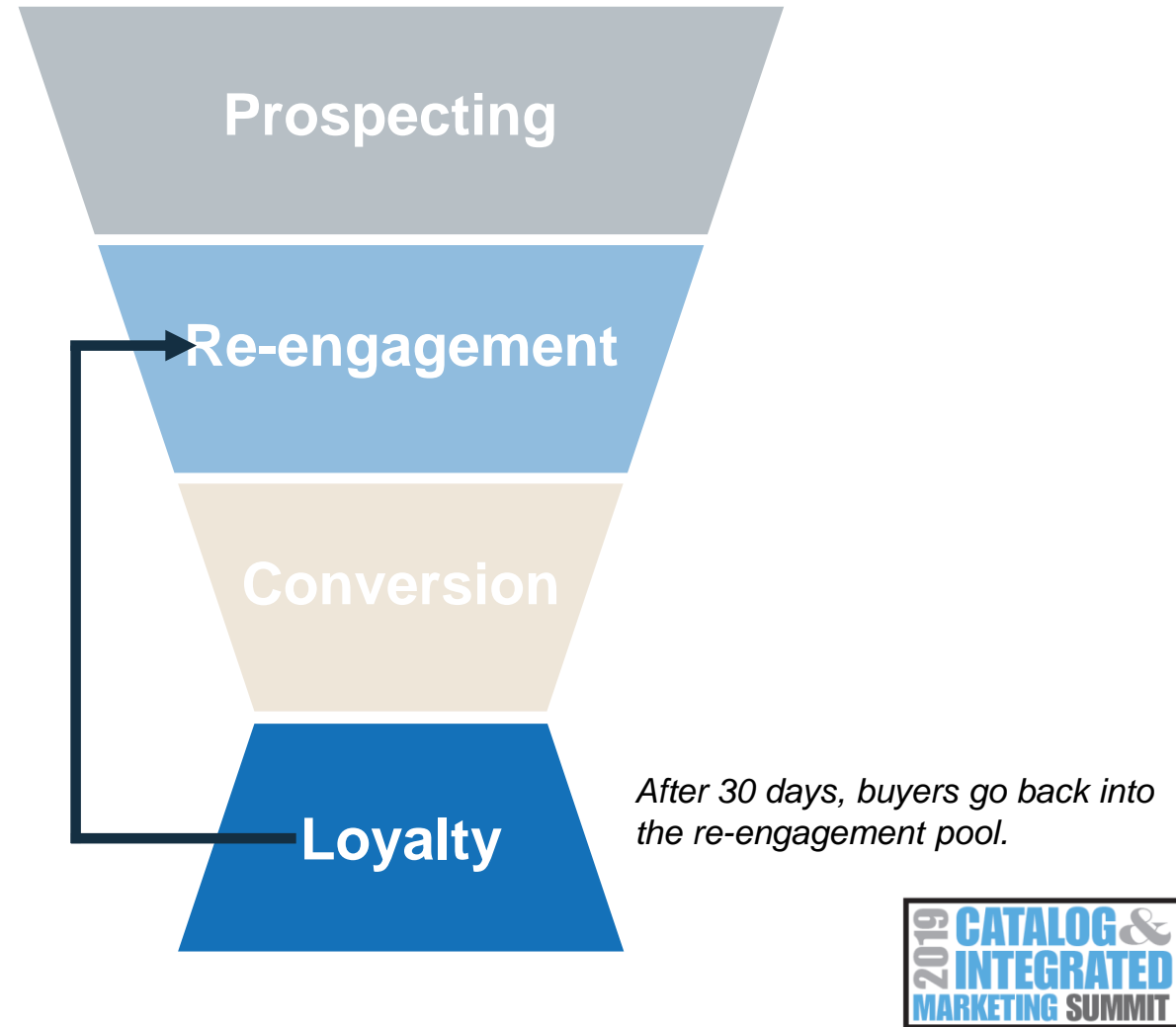*Defining exact parameters between mid and low funnel is unique to the sales cycle of each brand.*

Prospecting

Re-engagement

Conversion

Convert new and existing customers through relevant product marketing.

Loyalty

Welcome users into the brand tribe.

Cultivate loyalty by sharing the values, culture, and stories of the brand. Don't over-promote new product, instead focus on customer service and brand experience.

These targets can be:

- **Recent Buyers**
- **Top 30% of highest LTV customers**

Prospecting

Re-engagement

Conversion

Loyalty

After 30 days, buyers go back into the re-engagement pool.

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With the full-funnel strategy in mind, we adjust reach and frequency of messaging to align with the objective at each stage.

Why Audience Segmentation?

This allows users an opportunity to **"opt-in" to the advertising funnel** through their engagement with content and ads.
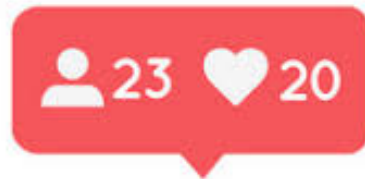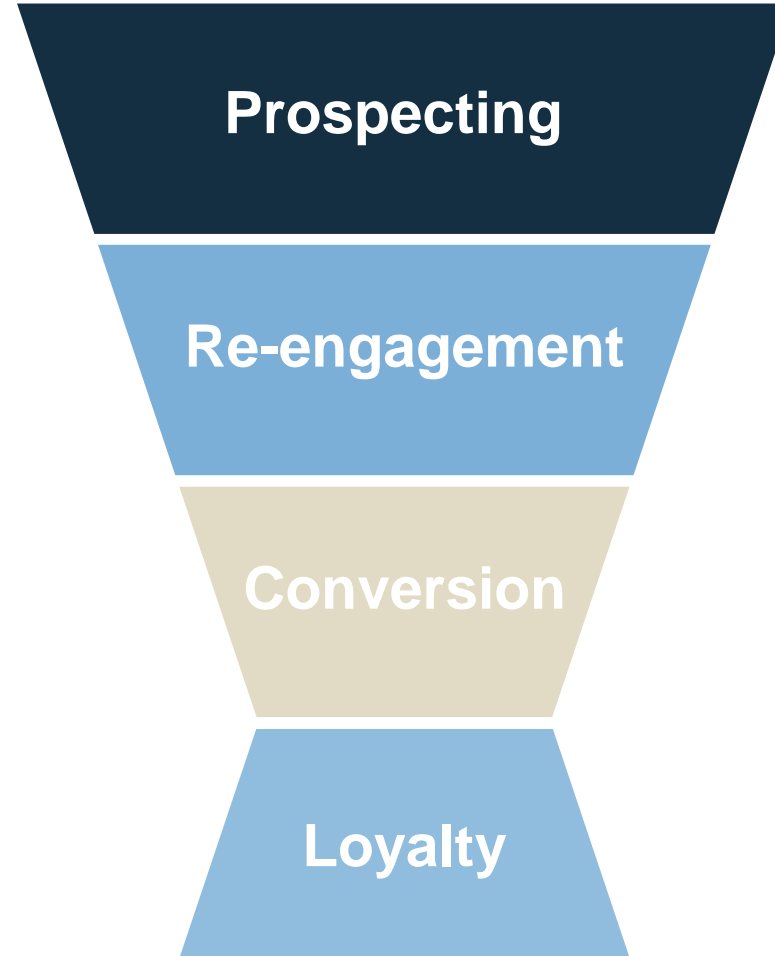
Additionally, we use a differentiated approach to KPI's to measure the effect of advertising according to the respective goal.
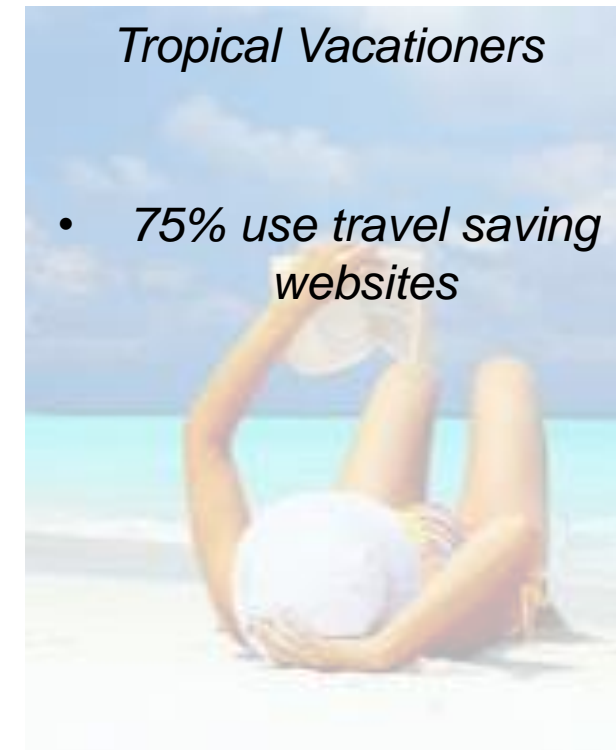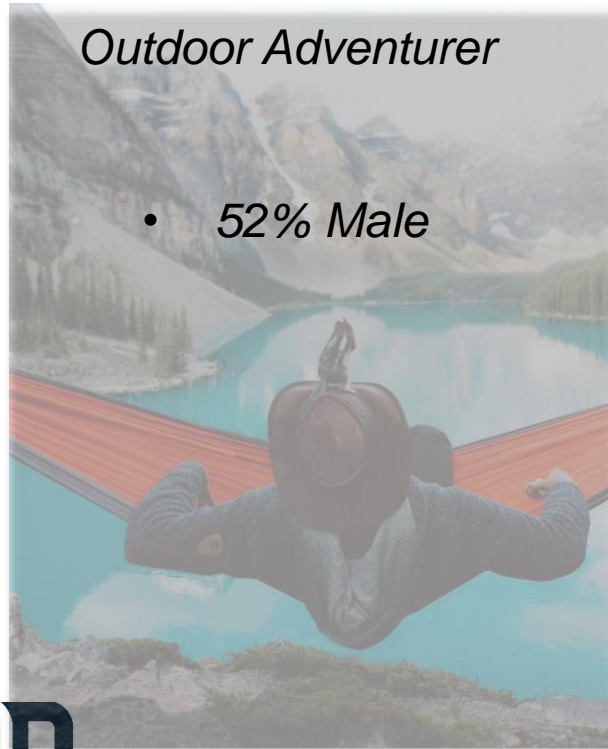
More on this to come.

How does this all work on the platforms?

Upper Funnel Audience Segmentation

Prospecting

Re-engagement

Conversion

Loyalty

Bring people into the brand through storytelling and points of differentiation.

Before diving into audience implementation on any platform, it's important to conduct research and clearly understand the **target customer(s) and their needs.**

Outdoor Adventurer

- 52% Male

New Parents

- 95% spend significantly on infant clothing and product

Tropical Vacationers

- 75% use travel saving websites

Break-outs above are only examples.

Drive site traffic and awareness by **understanding the size of your addressable market** and as a result, **your budget.**

Broad

Granular

Establish the **appropriate source** for your target audience:

Dynamic Ads for Broad Audiences

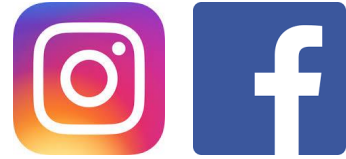*Ex. Allow algorithm to target US population*

Lookalike Targeting

Ex. Allow algorithm to look for lifetime value lookalike
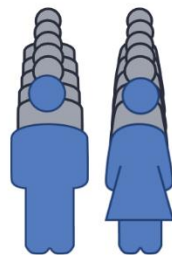
Interest Based Targeting

Ex. Users with an interest in hiking, backpacking or camping
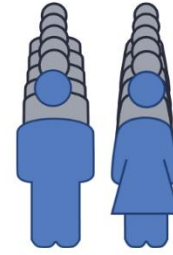
Interest + Demographic Targeting

Ex. Females with an interest in hiking between the ages of 25-40
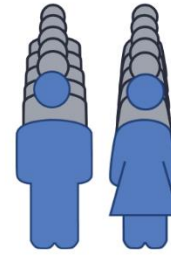
Lookalike audiences are a powerful way to fine tune the power of Facebook algorithm to meet the needs of your brand.
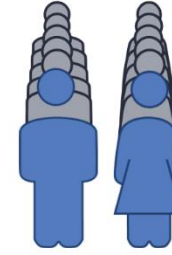

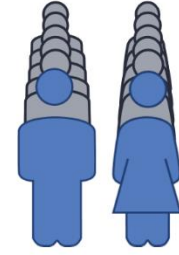People who have purchased most recently

People who purchase above a certain value

People who have purchased multiple times

People who purchased within a specific category

People who purchased from a specific country

Employ **Interest and Demographic** based targeting.

Remember the end-goal and optimize audiences based on this goal.

Don't just ask for purchases and site visits from those who do not know you!

AD RECALL • BRAND AWARENESS • PURCHASE INTENT
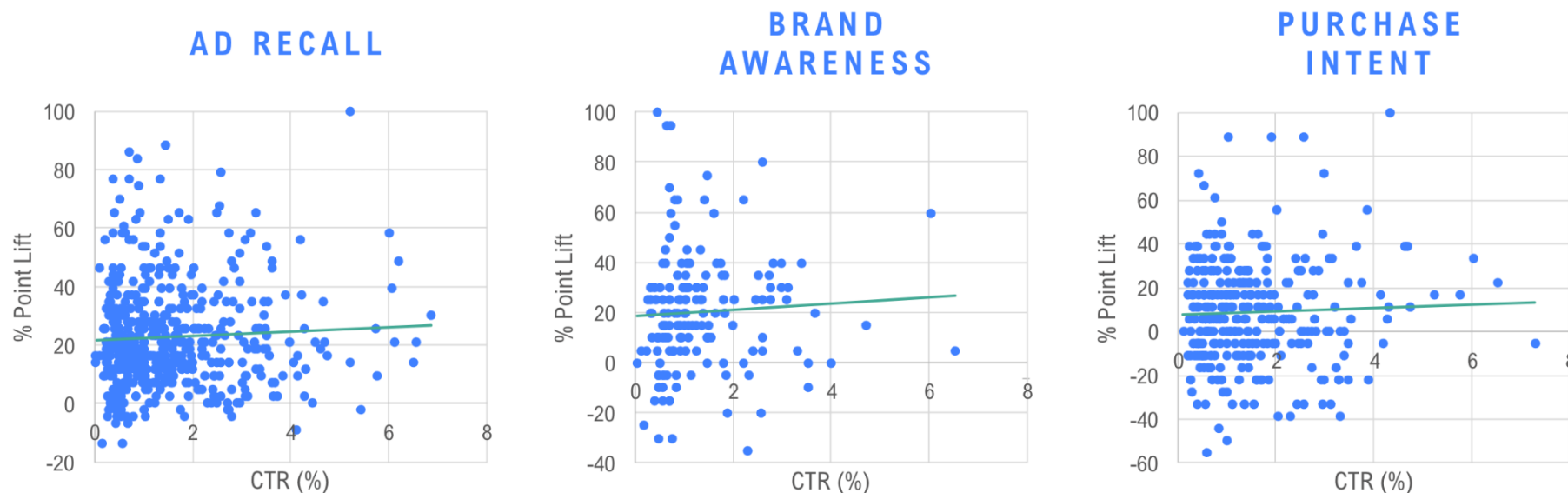
Correlation is less than 1%

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Similarly, **YouTube** provides a wide range of prospecting capabilities**.**

Target:

- **Affinity Audiences** *(ex. Sports Fans)*
- **Custom Affinity Audiences** *(ex. Cyber Monday Deal Seekers)*
- **Consumer Patterns** *(ex. Home Automation Shoppers)*
- **Life Events** *(ex. Nearing College Graduation)*
- **Similar Audiences** *(ex. Buyer File Lookalike)*

Affinity

Custom Affinity

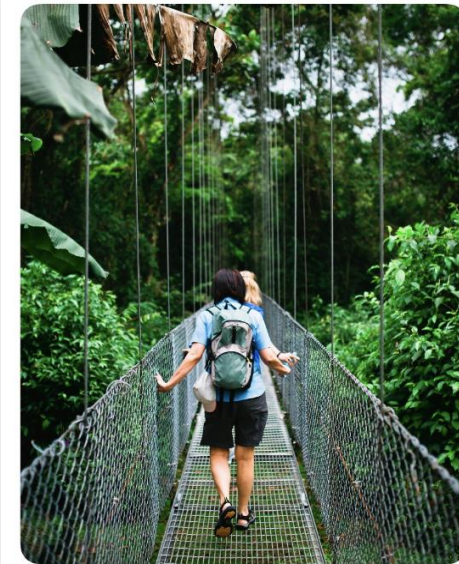**Consumer Patterns**

Life Events

Dubbed the **"visual discovery engine"** Pinterest also offers sophisticated awareness driving audience segmentation.

Target:

- **Act-alikes** *(ex. Similar to Facebook Lookalikes etc.)*

- **Interests** *(ex. users interested in home improvement)*

- **Third Party Targeting** *(ex. Catalog prospecting list)*

winter bucket list
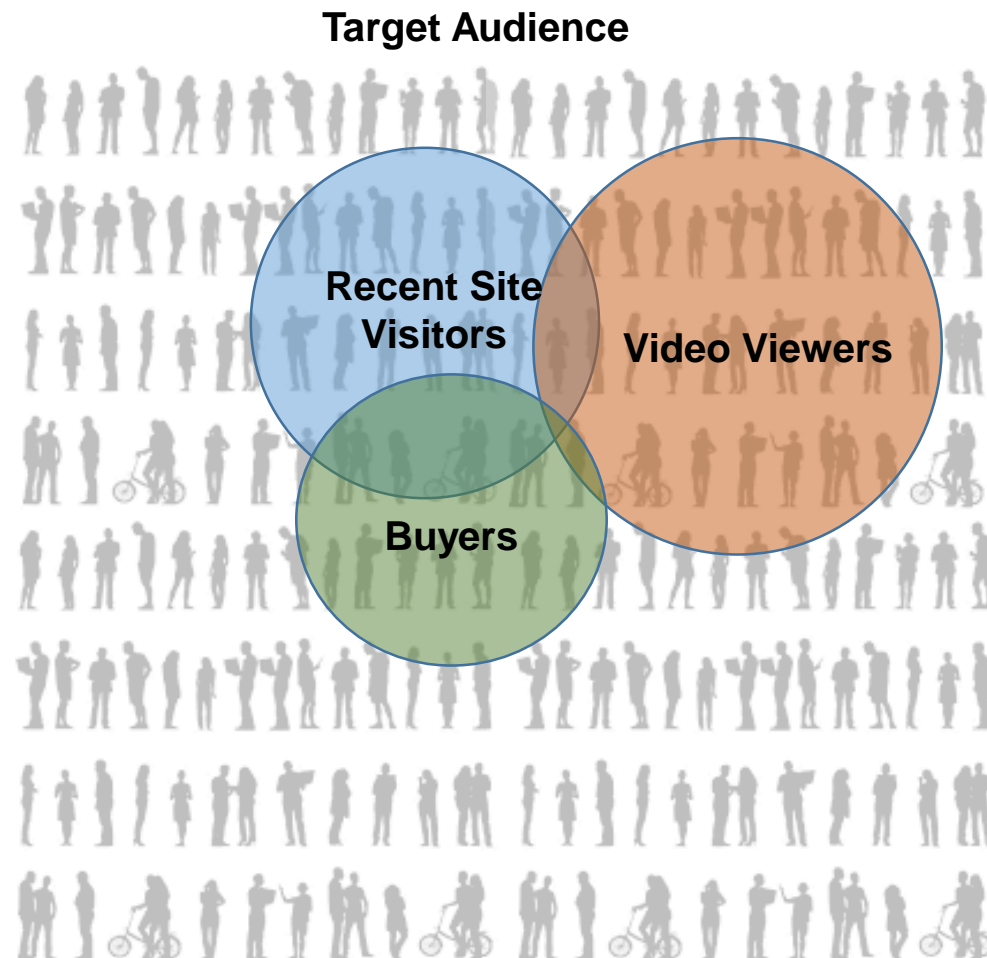+66% searches YoY

explore
+2845% searches YoY

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It is quite likely that your target audience includes groups **you are already marketing to.**

Target Audience
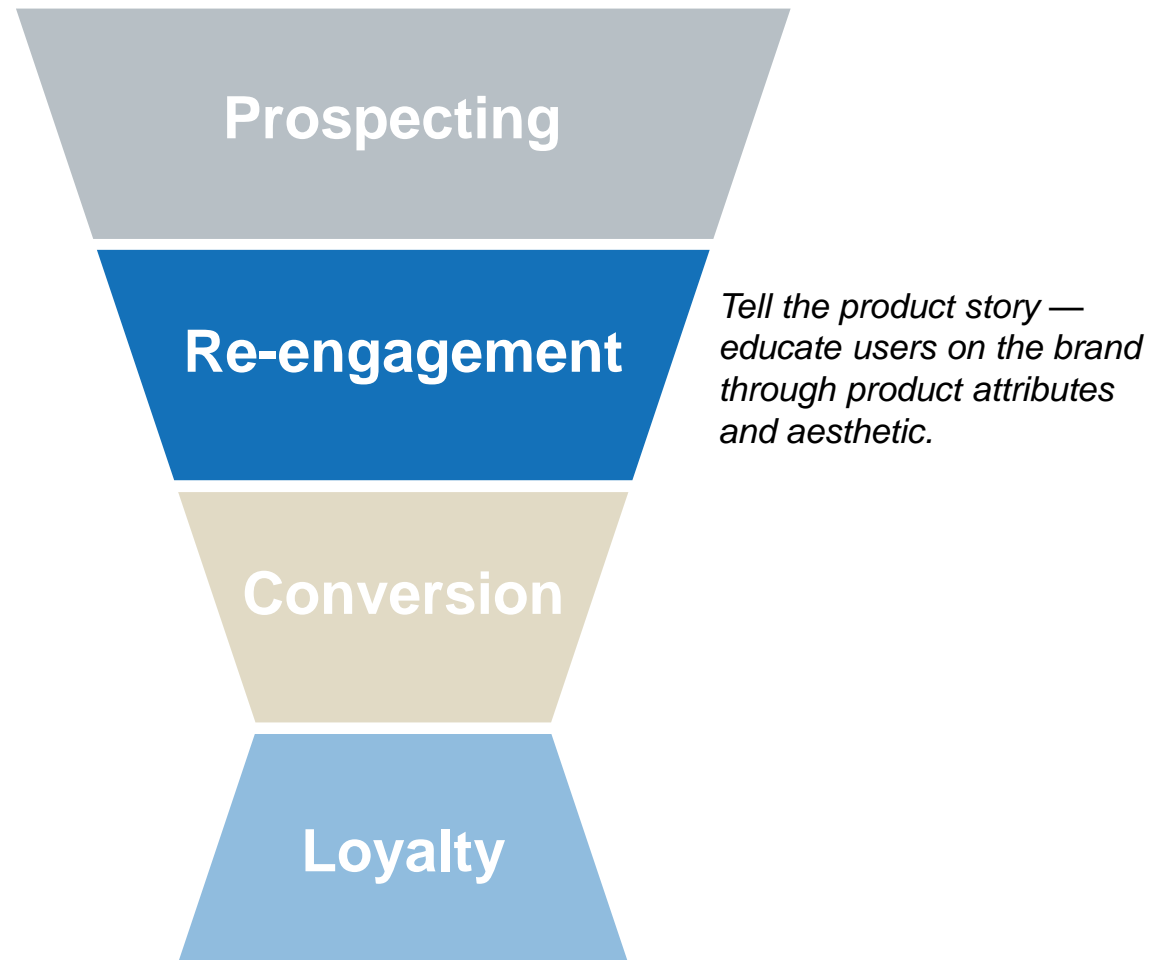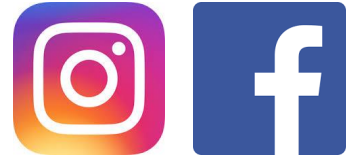
Recent Site Visitors

Video Viewers

Buyers

Prospecting Audience

So be sure to exclude these audiences! No matter what! We will show you how to talk to them in a bit.

Mid & Low Funnel Audience Segmentation

Prospecting

Re-engagement

Conversion

Loyalty

Tell the product story — educate users on the brand through product attributes and aesthetic.
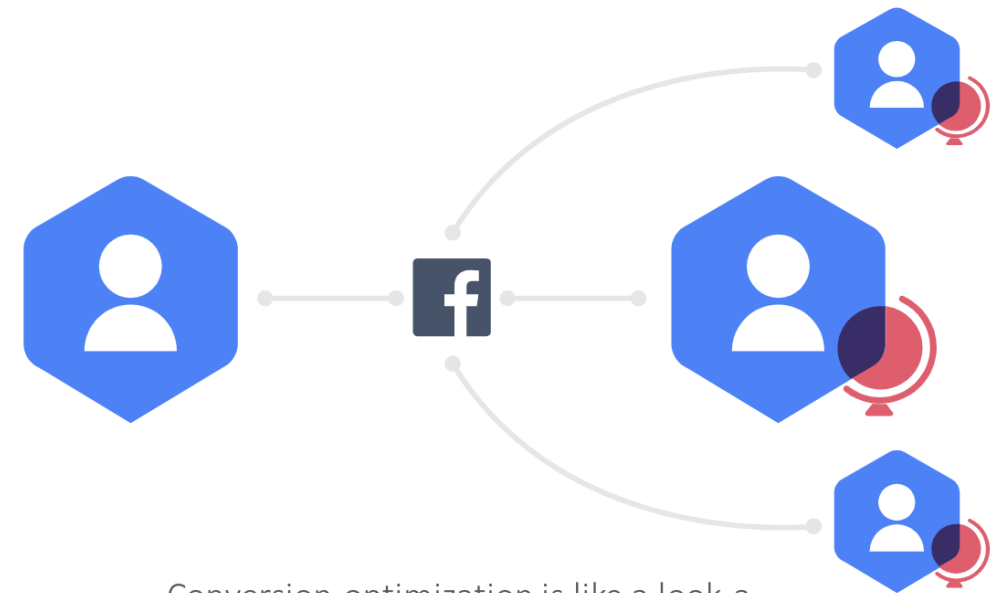
With a mid-funnel goal of influencing and driving conversions, reach users with limited **recent interactions** with the brand.
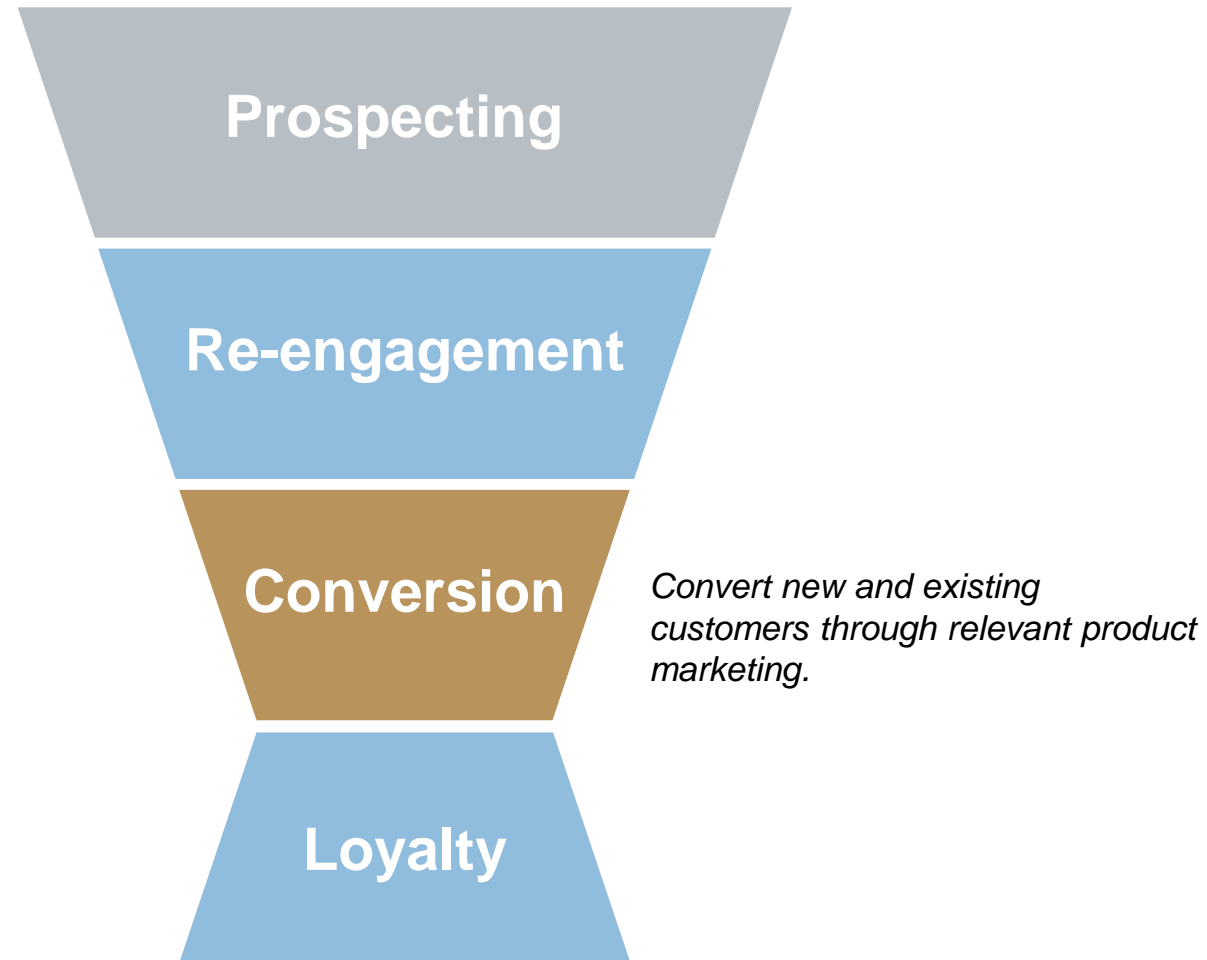
Target:

- Recent Site Visitors (>14 days)
- Content Viewers
- Cart Abandoners (> 28 days)

Optimize for:

- Conversions (View Content, Purchase, Add to Cart)
- Catalog Sales
- Leads

Conversion optimization is like a look-a-like audience within your audience

Convert new and existing customers through relevant product marketing.
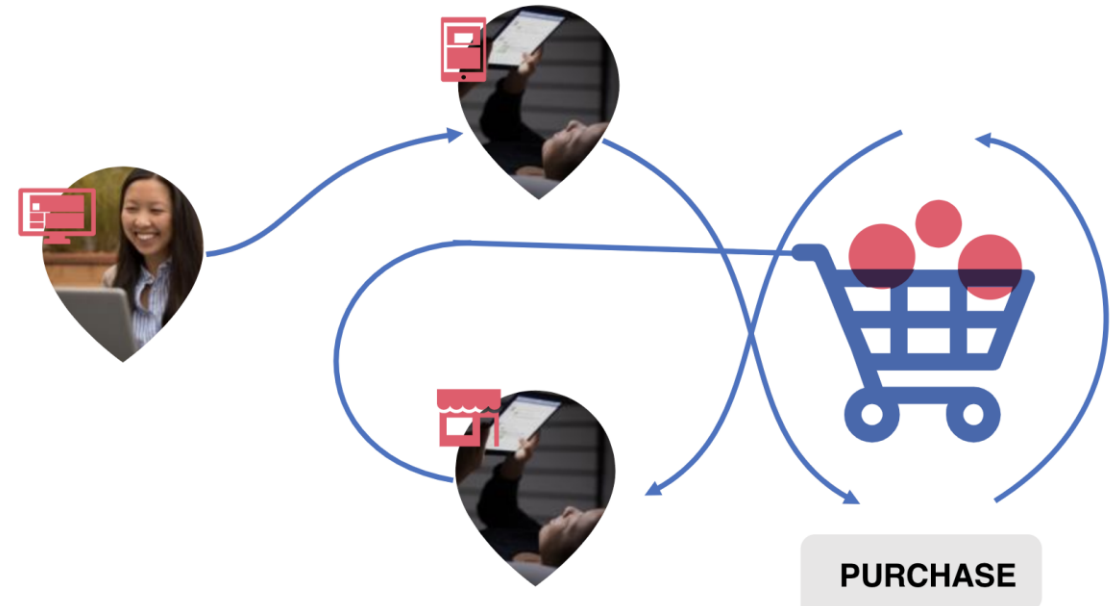
Foot off the brakes – this is the time for product focused advertising to your most qualified low funnel audience.

Target:

- Site Visitors (0-14 Days)
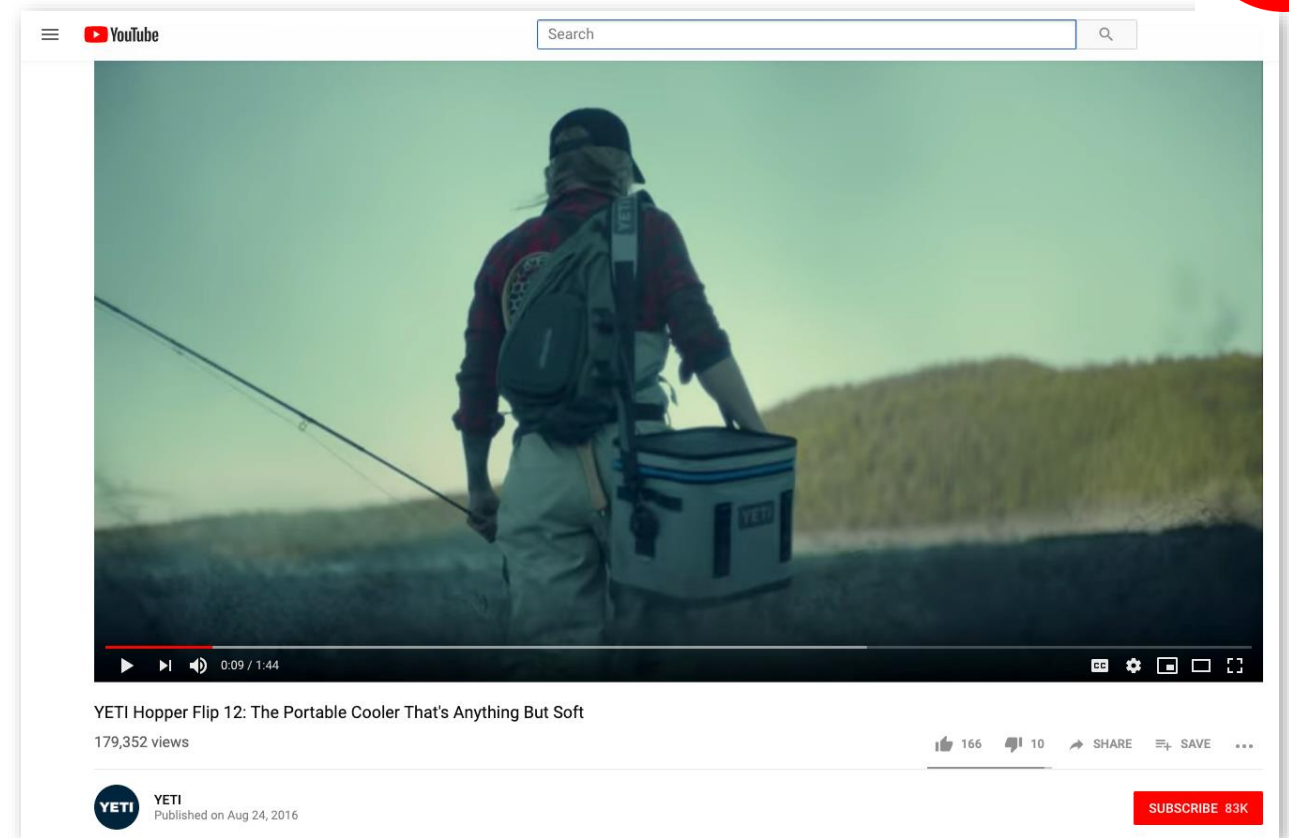- Cart Abandoners (0-7 days)

Optimize for:

- Conversions
- Catalog Sales
- Leads

PURCHASE

Why use YouTube audience segmentation for driving sales?

- Highly attentive cohort (95% viewable).

- 80% of users say they typically switch between online search and video when researching products to buy

YETI Hopper Flip 12: The Portable Cooler That's Anything But Soft
179,352 views

👍 166 👎 10 → SHARE SAVE ...

YETI
Published on Aug 24, 2016

SUBSCRIBE 83K

Drive actions with **high intent audiences.**

YouTube has found advertisers that use similar audiences in conjunction with remarketing typically see a 41% uplift in conversions.

Re-engage with valuable audience to upsell, retain or reach incremental audience excluding existing ones

Customer Match   **Remarketing List**

Find current audience by uploading CRM list to Google Ads
(matched by email address, etc.)
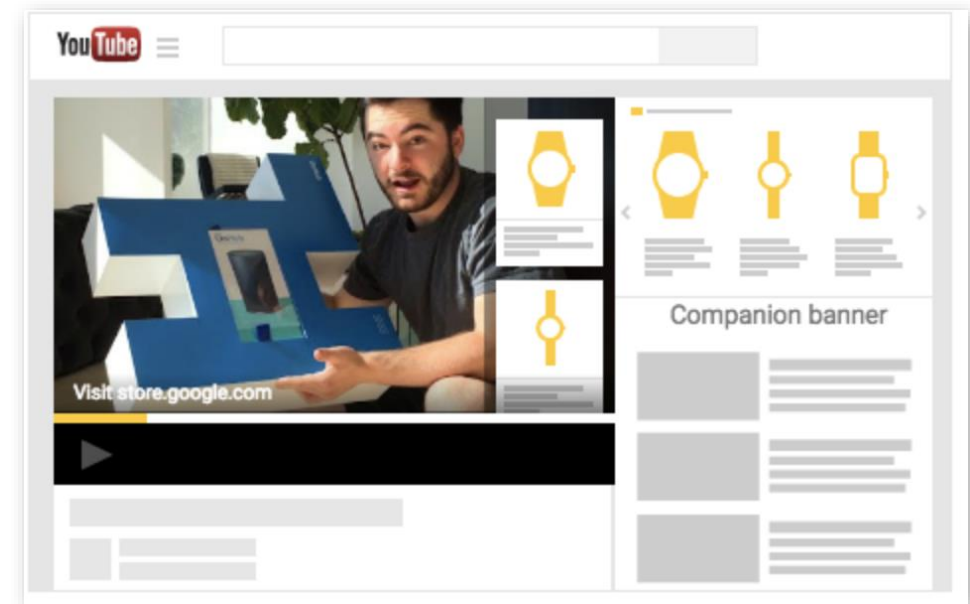
Viewed your video or video ad

Subscribed channel
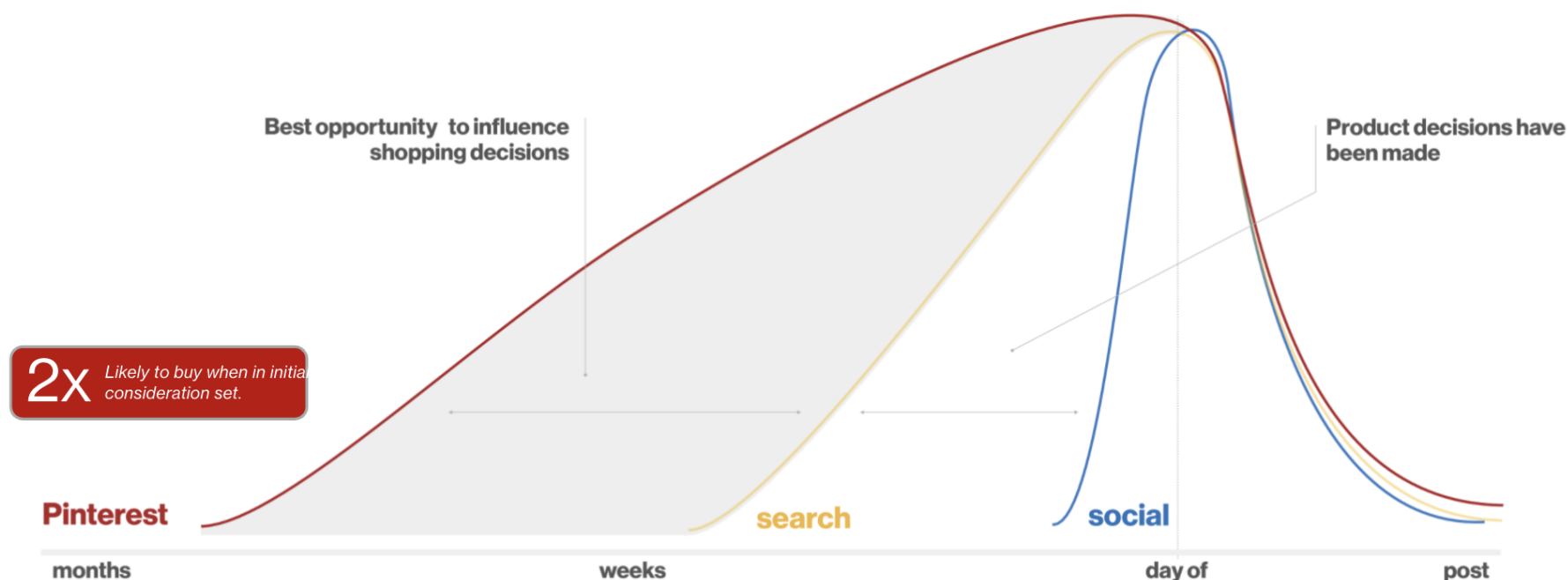
Dotcom visitors

Video View Based Remarketing

- *Methodically move true prospects through the funnel by following up on their initial brand impression with product messaging*

Pinterest is a highly shoppable platform and a critical place to hit users with demonstrated purchase intent.

Best opportunity to influence shopping decisions

Product decisions have been made

2x *Likely to buy when in initial consideration set.*

Pinterest

search

social

months   weeks   day of   post
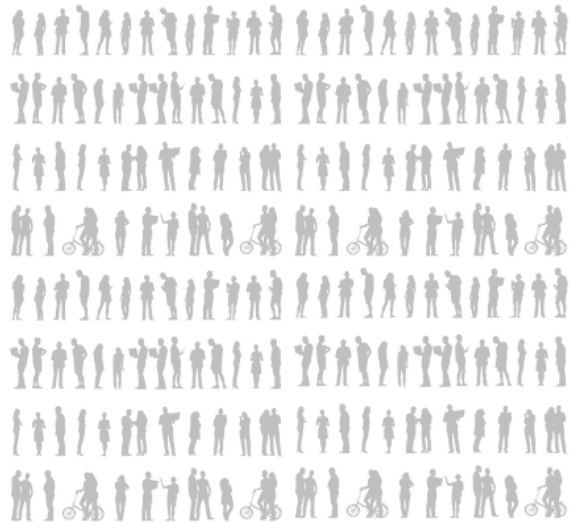
Retarget, Retarget, Retarget

- Based on engagement in platform *(pin to board, click, video view)*
- Target on traditional engagement *(site visit, content view)*
- Upload owned audiences to target past purchasers *(6 month purchasers, LTV purchasers)*
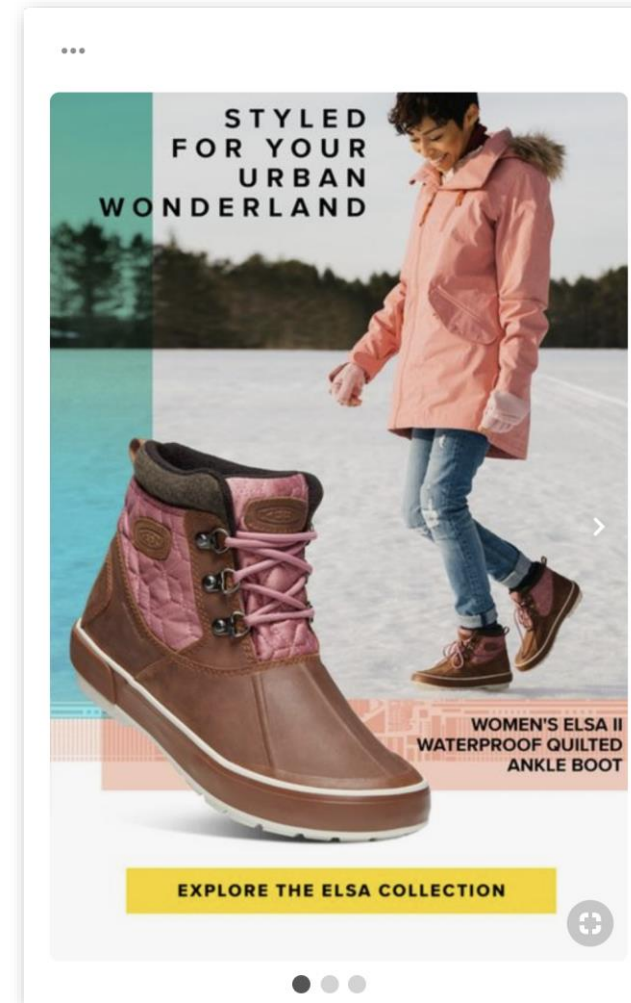
How much do I communicate with my segments?

Prospecting Reach
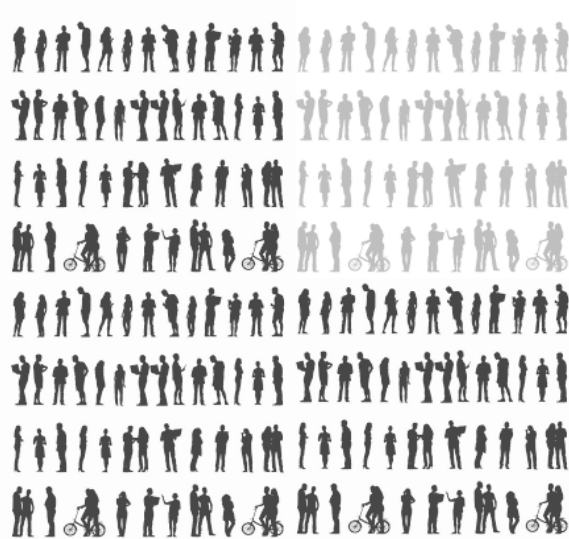
- *Aim for at least 75% of target audience*

Prospecting Frequency

- *If frequency is higher than 3 in a month – widen the prospecting group*
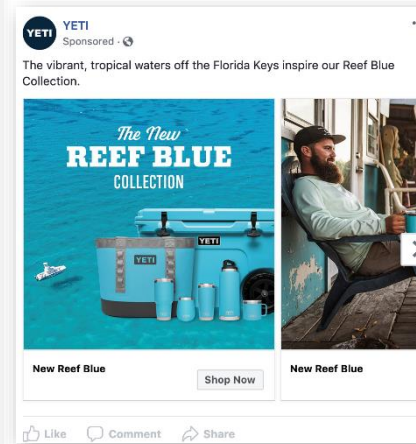- *Once users click or view content, they will be moved down the funnel*

Reach & Frequency

Reengagement Reach
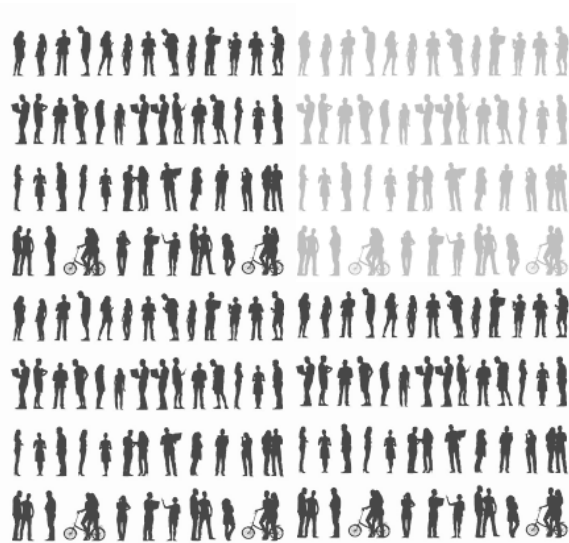
- *Aim for at least 80% of owned audiences*

Reengagement Frequency

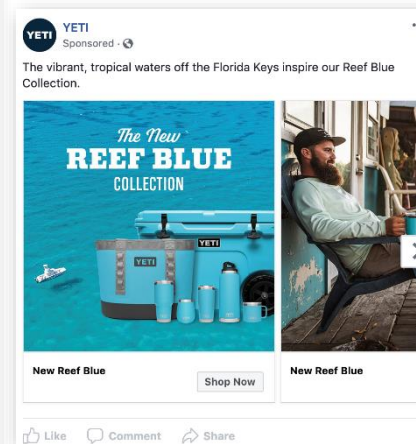- *Aim for a minimum frequency of 2-5 (per month)*

Reach & Frequency

Remarketing Reach

- *Aim for at least 80% of owned audiences*

Remarketing Frequency

- *7 Day Site Visitors: 2x a week*
- *0-28 Day Add to Cart: 3x a week*

Just as we use different tactics to reach customers at **different stages of the funnel**, it's important to define success at each stage based on true marketing goals.

It is **unrealistic** to expect users to convert on their first interaction with the brand.

Measure success with metrics that are strong proxies for the **goal at each stage of the funnel.**

Prospecting

Re-engagement

Conversion

Purchase

Loyalty
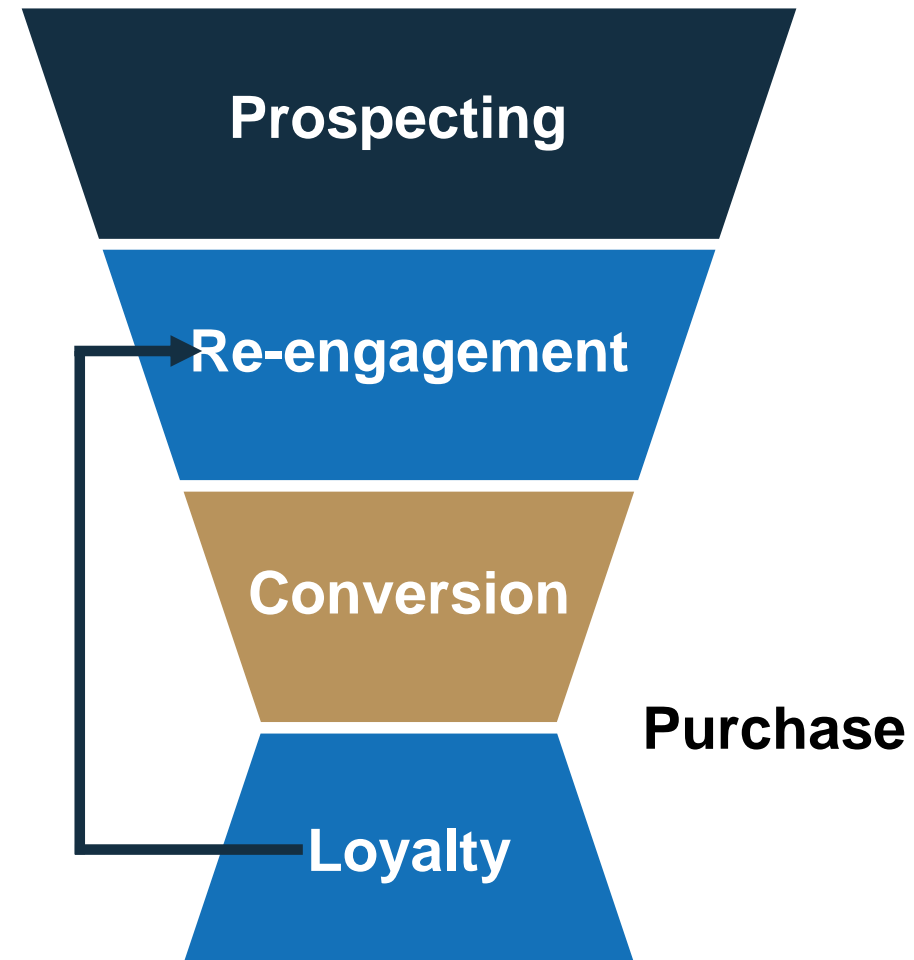
Goal: Increase Brand Awareness

Content View,
Video View,
Landing Page
View

Cost per Site
Arrival

GA: Top-Line
Increase in Site
Traffic

Remember, clicks are not necessarily a proxy metric for conversions, users who click may not be inclined to purchase.

Goal: Drive Brand and Product Consideration

Conversions,
ROAS,
CPA

Content View,
Video View,
Landing Page
View

Cost per Site
Arrival

Time on Site,
Pages per
Session

Goal: Maximize Conversions and Returns.

Conversions,
ROAS,
CPA

Average Order
Value (Up-sell,
Cross-sell)

Thank You!

BACKBONE
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