

# masters of email marketing

## **Leveraging CLV in Email Marketing**

Jekaterina Kokatjuhha, 28.March 2024

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# How am I connected with email marketing?



- 8 years in ecom as senior data scientist, head of BI & analytics
- Built BI, marketing & finance analytics from scratch for a leading D2C brand in DACH
- Working with and consulting ecommerce brands on analytics

# The power of email marketing

Increase **retention** and loyalty of customers



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Increase **retention** and loyalty of customers



Improve **product**

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# The power of email marketing

Increase **retention** and loyalty of customers



Improve **product**

Improve **acquisition** strategy

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# How to leverage CLV in email marketing?

1/ what customers are the most **valuable** for you



2/ how to find **more** of those customers.



→ more \$\$\$ for the business, you get a promotion

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# How to calculate CLV?

## Example for a D2C company

CLV = Revenue - Costs for products sold - Logistics and payment costs.



- ✓ You do it on a customer level
  - ✓ You time-box it: first 30 days, first 90 days, first 180 days etc.
  - ✗ Lots of tools show Revenue per customer as CLV, which is actually called CLR.
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# How to find **your most valuable** customers?

Ask **what motivates** them to buy in Post-Purchase Survey.



Example:

Brand sells convenience food brand with high protein share.

Brand asks their customers for the motivation:

Before you go... Where did you hear about us?

- Facebook/Instagram Ad
- TikTok
- Google Search
- Youtube
- From a friend
- Personality/Influencers

Select an option

**Submit**



# How to find **your most valuable** customers?

Ask **what motivates** them to buy in Post-Purchase Survey.



Example:

Brand sells convenience food brand with high protein share.

Brand asks their customers for the motivation:

- "I want to eat healthier"
- "I want to save time"
- "I want to lose weight"
- "I don't have a motivation, just buying"
- "I want to improve my body"

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**What do you think are the high CLV customers? Who will repurchase?**

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Select an option ▾

Enter Influencer's Username

Submit

# How to find **more** of your value customers?

“I want to improve my body”

Change in creative



Change in acquisition strategy

Change of messages in newsletters

→ more valuable clients who stick to the brand and will buy more

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# Don't brag with your CLV.

Higher CLV doesn't mean it is great.



Everything depends on your CAC (Customer Acquisition Costs).

**CLV / CAC ratio is what matters.**

You can have high CLV, but negative CLV / CAC.

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# Acquisition and CRM working hand in hand



Analysis of valuable customers

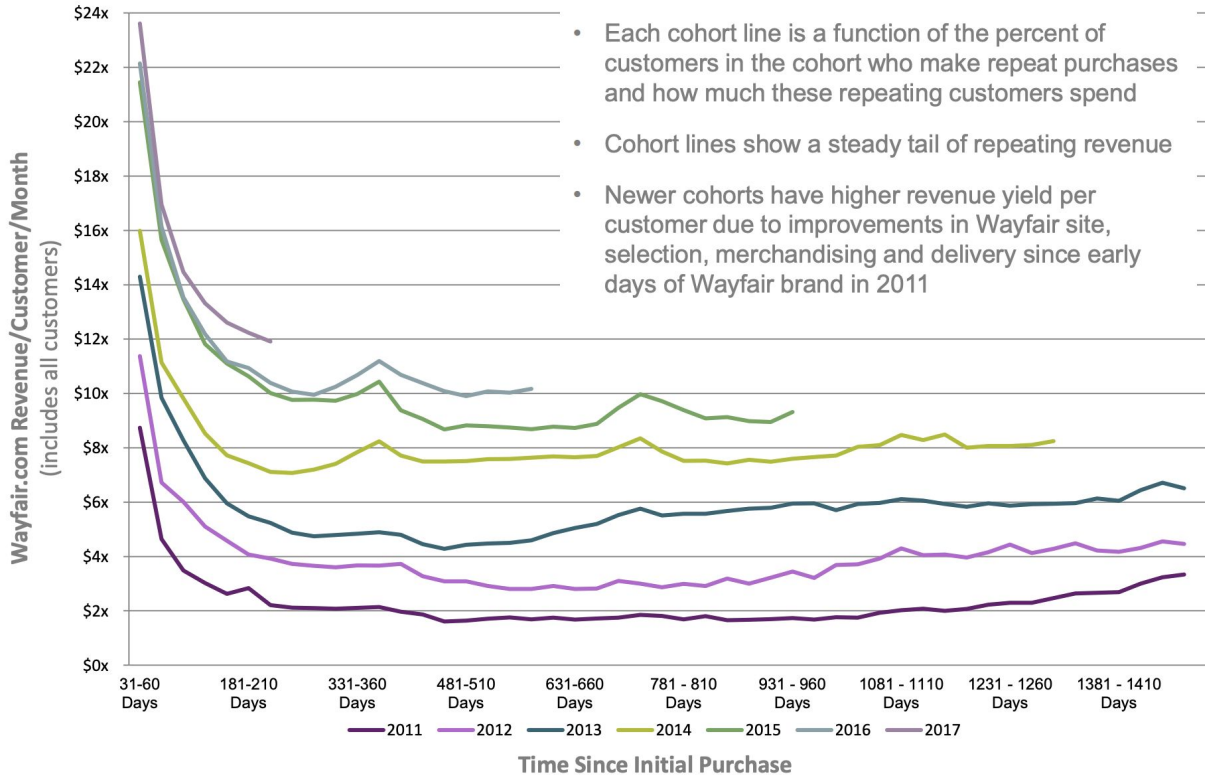
Cohort analysis

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# Cohorts - what do with it?



## Wayfair.com Annual Cohort Performance as of 12/31/17



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