# Marketing Strategy for a new e-commerce Website

D. N. MESSAOUDI
2023/2024

- **Conversion Funnel.**
- **Focus on a niche or segment.**
- **Create a unique user experience.**
- **Pick one traffic source**
- **Maximize your value per visitor**
- **Maximize your average order value**
- **Maximize your customer life time value.**
- **Ecommerce Email Marketing**

Dr N.MESSAOUDI
2023/2024

2

- **Conversion Funnel.**
- **Focus on a niche or segment.**
- **Create a unique user experience.**
- **Pick one traffic source**
- **Maximize your value per visitor**
- **Maximize your average order value**
- **Maximize your customer life time value.**
- **Ecommerce Email Marketing**



Essential E-commerce Strategies

Good pictures and product descriptions · Advertising strategies · Automated email marketing · Mobile-friendly website · Best customer support · Consistent content · Social media strategy

Dr N.MESSAOUDI
2023/2024

## What Is E-Commerce Marketing?

E-commerce marketing pertains to activities that guide prospects through the conversion funnel. E-commerce marketing enables the following:
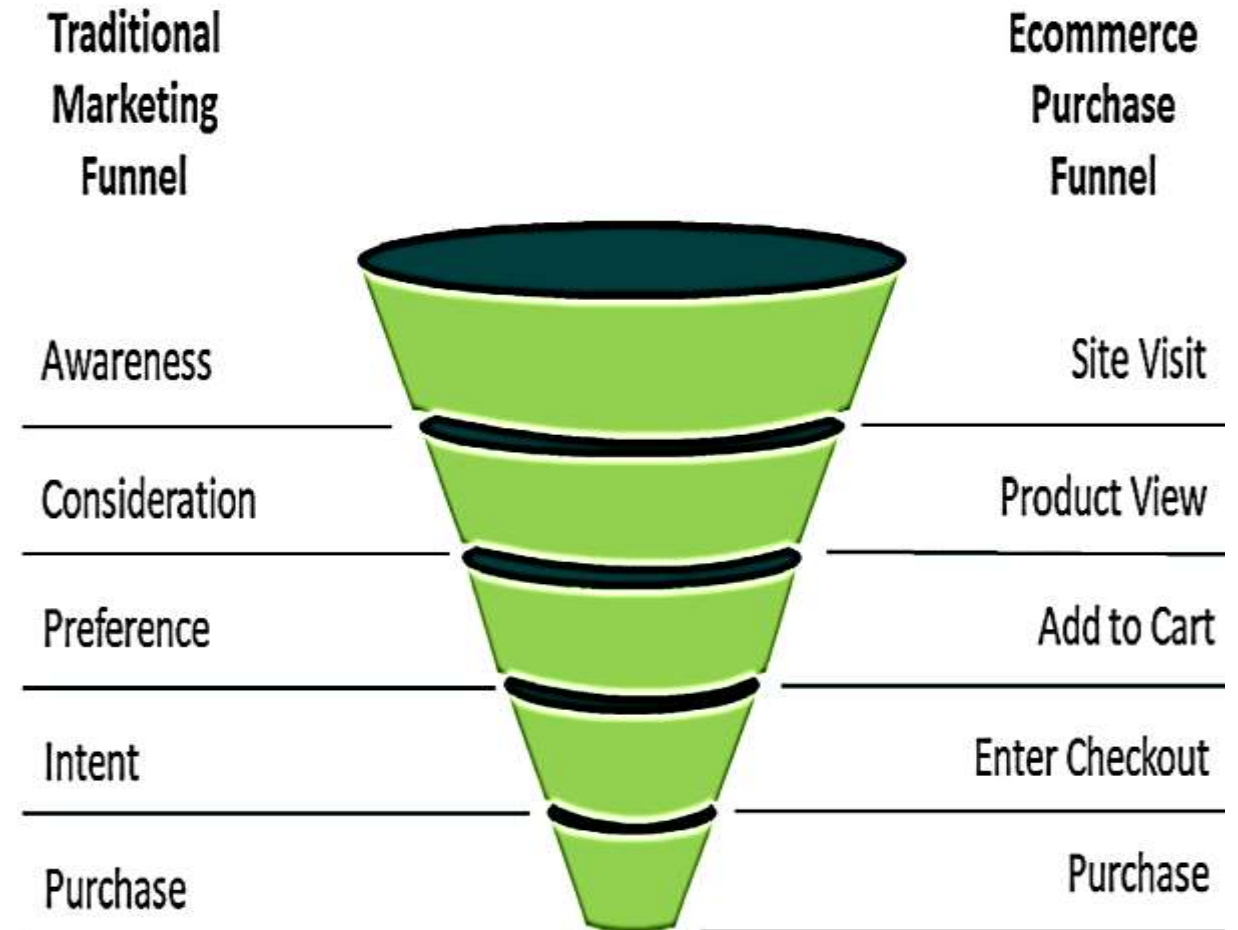
1. Creating awareness about your e-commerce store
2. Driving traffic to the store
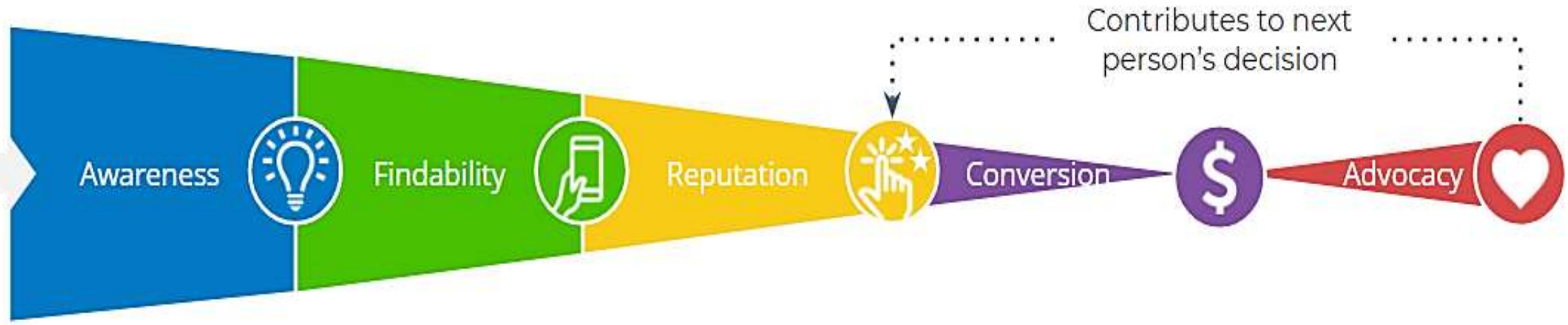3. Converting visitors into paying customers

Dr N.MESSAOUDI
2023/2024

# What is a Conversion Funnel?

*A Conversion Funnel is an ecommerce term that describes the different stages in a buyer's journey leading up to a purchase.*

- Awareness: Visitors become aware of your online store.
- Interest: Visitors show interest in products, browse categories, and view product pages.
- Consideration: Visitors add products to the cart and proceed to the checkout page.
- Conversion: Visitors complete the purchase and become customers.
- Retention: Implement strategies to encourage repeat purchases and customer loyalty.

| Traditional Marketing Funnel | Ecommerce Purchase Funnel |
|---|---|
| Awareness | Site Visit |
| Consideration | Product View |
| Preference | Add to Cart |
| Intent | Enter Checkout |
| Purchase | Purchase |

Dr N.MESSAOUDI
2023/2024

# Modern Customer Journey



Contributes to next person's decision

**Awareness** — **Findability** — **Reputation** — **Conversion** — **Advocacy**

| Interest & Awareness | Search | Research | Purchase | Experience |
|---|---|---|---|---|
| **Social / search advertising**<br>**Email / text marketing**<br>**Loyalty programs**<br>**YouTube / Video ads**<br>Television<br>Billboard<br>Online display advertising<br>Newspaper / Magazine<br>Radio<br>Word of mouth | **Organic Search**<br>**PPC**<br>**Maps**<br>**Directories**<br>**Apps**<br>**"Near me"**<br>**GPS** | **Blogs & Articles**<br>**Reviews**<br>**Social Media**<br>Word of mouth | **Website**<br>**Online booking**<br>**Purchase via app**<br>In-store purchase<br><br>Salesperson<br>Marketing Materials | *Post-purchase expectations vs. reality*<br>**Social Post**<br>**Write a Review**<br>**Blog**<br>Word of mouth |

Dr N.MESSAOUDI
2023/2024

# Conversion Funnel in E-commerce

- **Question 3:**

- Why is the "Awareness" stage important in the conversion funnel?

- a) It encourages users to abandon the website

- b) It builds brand awareness and attracts potential customers

- c) It limits the information available to users

- d) It slows down the entire purchasing process

- **Question 4:**

- What is the significance of the "Consideration" stage in the conversion funnel?

- a) It increases website loading times

- b) It helps users evaluate different options and make informed decisions

- c) It prevents users from comparing products

- d) It encourages users to skip directly to the purchase stage

- **Question 5:**

- How does the conversion funnel contribute to improving e-commerce performance?

- a) By discouraging users from making purchases

- b) By making the buying process more complicated

- c) By optimizing the user journey and increasing the likelihood of conversions

- d) By excluding certain customer segments

- **Question 1:**

- What is the primary purpose of a conversion funnel in e-commerce?

- a) To decrease website traffic

- b) To increase bounce rates

- c) To guide users through the stages of the buying process

- d) To eliminate customer choices

- **Question 2:**

- Which of the following stages is typically found in a standard e-commerce conversion funnel?

- a) Awareness

- b) Shipping

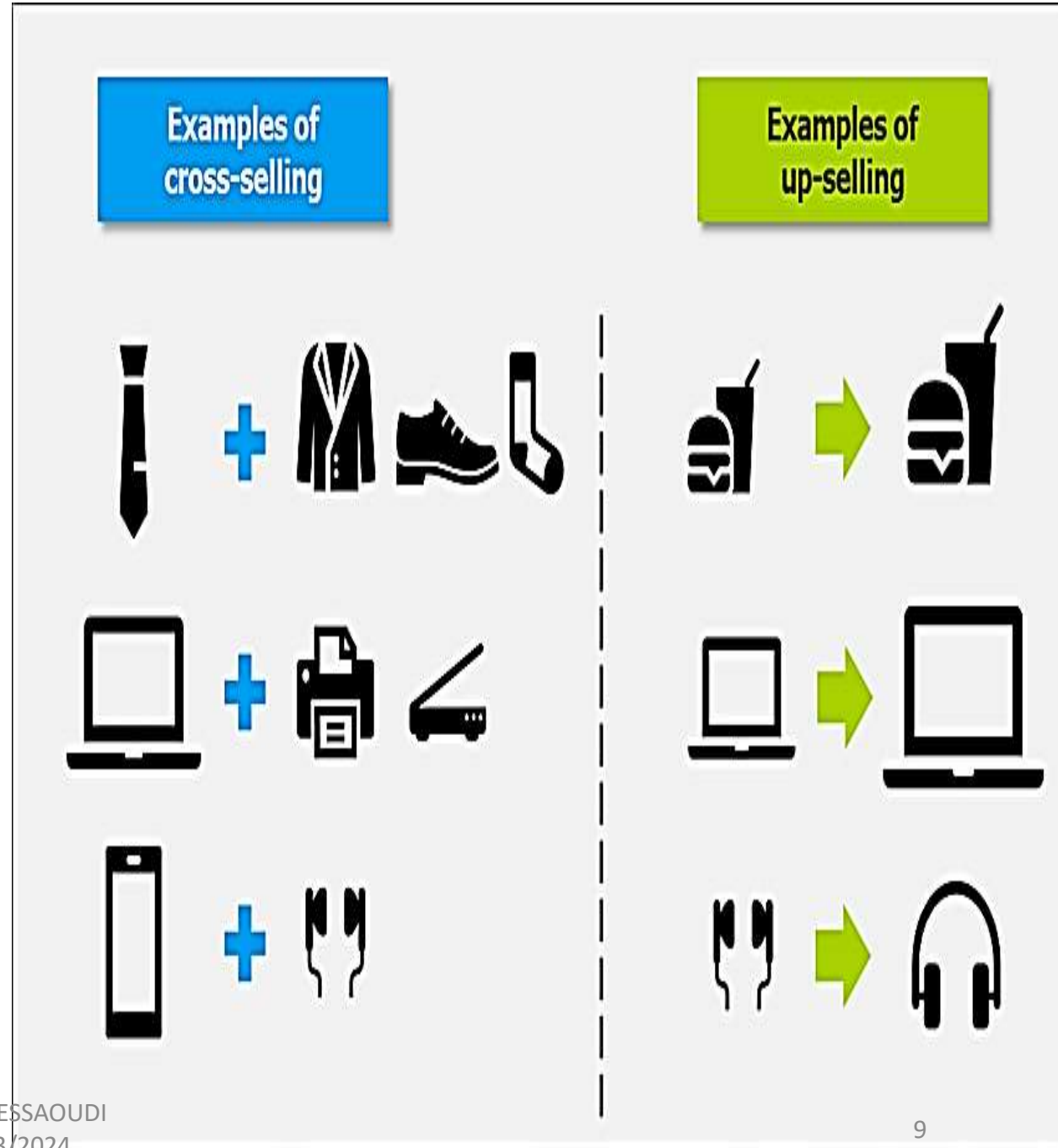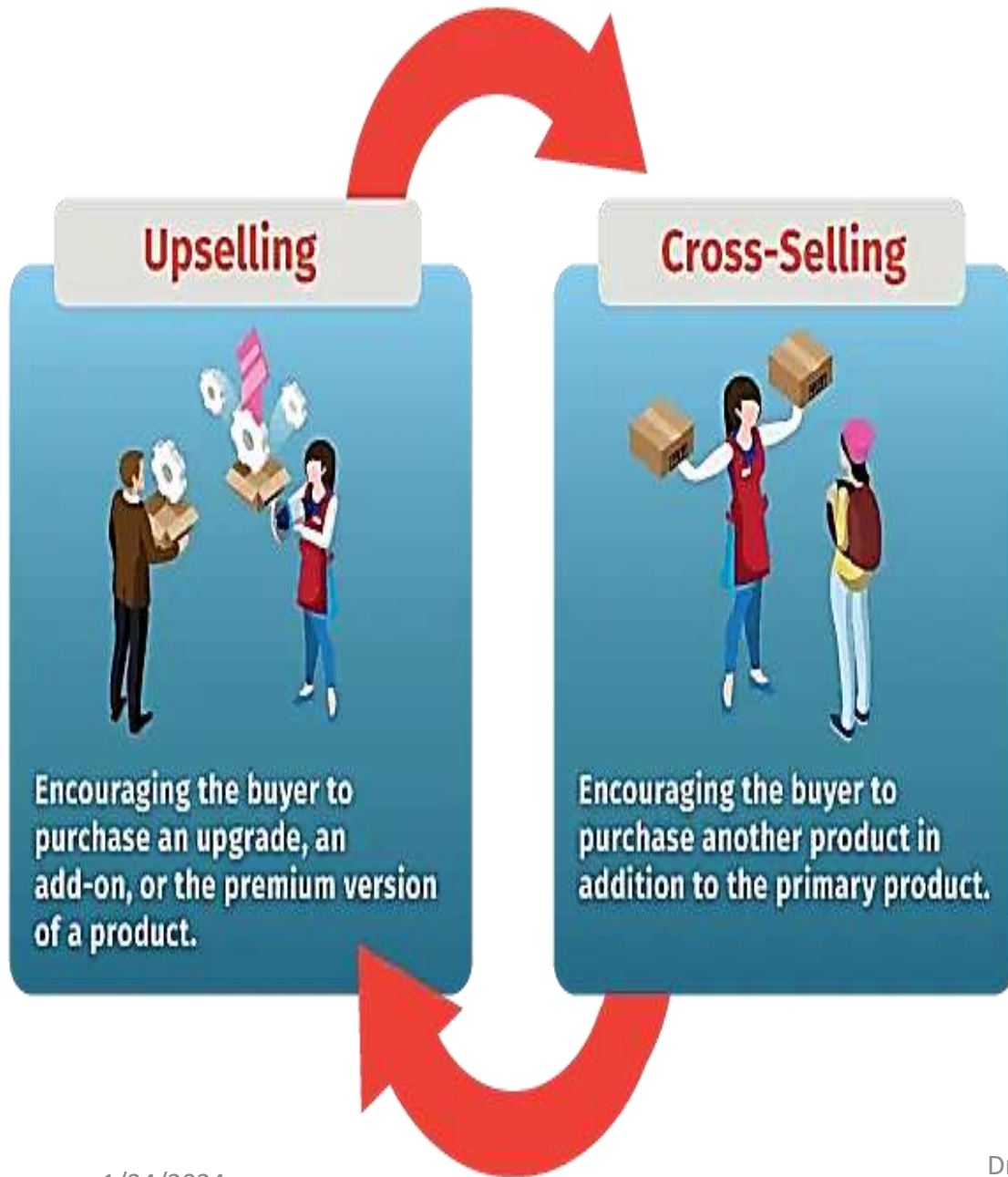- c) Customer Support

- d) Employee Training

Answers:
c) To guide users through the stages of the buying process
a) Awareness
b) It builds brand awareness and attracts potential customers
b) It helps users evaluate different options and make informed decisions
c) By optimizing the user journey and increasing the likelihood of conversions

Dr N.MESSAOUDI
2023/2024

**Upselling**

Encouraging the buyer to purchase an upgrade, an add-on, or the premium version of a product.

**Cross-Selling**

Encouraging the buyer to purchase another product in addition to the primary product.

**Examples of cross-selling**

**Examples of up-selling**

Dr N.MESSAOUDI
2023/2024

# Up-selling and Cross-selling in E-commerce

## Question 1:

**What is the primary goal of up-selling in e-commerce?**

- a) Increase the average order value
- b) Decrease customer satisfaction
- c) Reduce website traffic
- d) Improve shipping efficiency

## Question 2:

**Which of the following best defines up-selling in the context of e-commerce?**

- a) Encouraging customers to buy additional or higher-priced items
- b) Offering discounts on the entire product catalog
- c) Providing free shipping on all orders
- d) Lowering the prices of existing products

## Question 3:

**What is the main benefit of up-selling for an e-commerce business?**

- a) Decreasing customer loyalty
- b) Reducing revenue
- c) Increasing customer lifetime value
- d) Slowing down the sales process

## Question 4:

**What is cross-selling in e-commerce?**

- a) Offering alternatives or complementary products during the purchase process
- b) Reducing the number of products available for purchase
- c) Ignoring customer preferences
- d) Limiting the choices available to customers

## Question 5:

**Why is cross-selling important for e-commerce businesses?**

- a) It complicates the shopping experience
- b) It helps customers make quicker decisions
- c) It decreases overall sales revenue
- d) It increases the likelihood of multiple purchases

Answers:

a) Increase the average order value

a) Encouraging customers to buy additional or higher-priced items

c) Increasing customer lifetime value

a) Offering alternatives or complementary products during the purchase process

d) It increases the likelihood of multiple purchases

## What's a brand story?

A brand story represents your company: it describes your business idea, explains your brand's mission and vision, and portrays the people who run the company.

Your company story should clarify what you do, how you do it, and most importantly why you do it.

# A GUIDE TO BRAND STORYTELLING

1. A brand story explains:
   - What you do
   - How you do it
   - Why you do it

2. It represents your brand's:
   - Mission
   - Vision
   - Values
   - Beliefs

3. Brand storytelling helps:
   - Build trust
   - Increase customer loyalty
   - Inspire engagement

4. How to write a brand story:
   - Be honest and transparent
   - Plan a clear structure
   - Include important facts
   - Leave an open ending

5. The 4 C's of storytelling:
   - Conflict
   - Characters
   - Community
   - Confidence

Dr N.MESSAOUDI
2023/2024

# UX and Storytelling in E-commerce

Question 1:

- What is the primary purpose of incorporating storytelling in the user experience of an e-commerce website or app?
- a) To increase page load speed
- b) To establish an emotional connection with users
- c) To minimize the number of product options
- d) To reduce the number of payment options

Question 2:

- How can storytelling contribute to user engagement in the context of e-commerce?
- a) By increasing shipping costs
- b) By creating a consistent brand image
- c) By making the checkout process longer
- d) By incorporating interactive elements and narratives

Question 3:

- What role does storytelling play in guiding the user journey on an e-commerce platform?
- a) It complicates the navigation process
- b) It distracts users from the main content
- c) It provides a structure for a logical and enjoyable experience
- d) It has no impact on the user journey

- Question 4:
- Why is personalization important in the context of storytelling for e-commerce?
- a) To increase the number of products displayed on the homepage
- b) To create a one-size-fits-all experience for all users
- c) To tailor the narrative and content based on individual user preferences
- d) To remove all user preferences for a streamlined experience

- Question 5:
- How can storytelling contribute to building trust and credibility in e-commerce?
- a) By providing inaccurate product information
- b) By hiding customer reviews
- c) By sharing information about the brand's history and values
- d) By avoiding transparency about shipping and returns

Dr N.MESSAOUDI
2023/2024

Answers:

b) To establish an emotional connection with users

d) By incorporating interactive elements and narratives

c) It provides a structure for a logical and enjoyable experience

c) To tailor the narrative and content based on individual user preferences

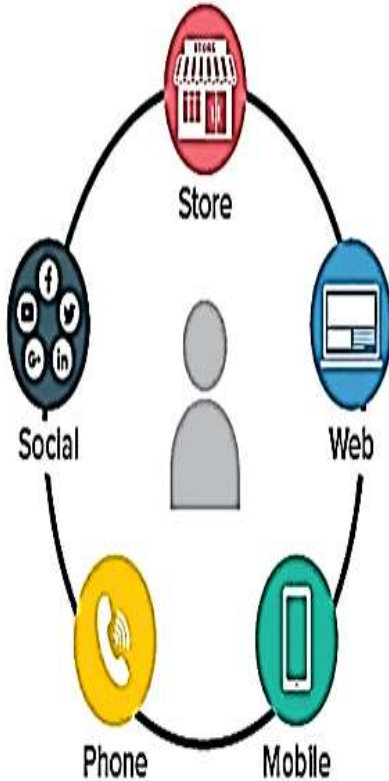c) By sharing information about the brand's history and values

Dr N.MESSAOUDI
2023/2024

## Multichannel

All channels available to the consumer **but are not integrated.**

Store · Web · Mobile · Social · Phone
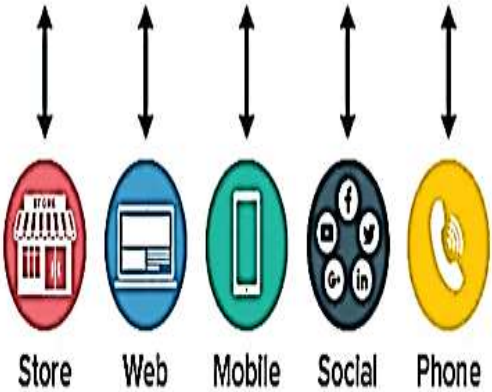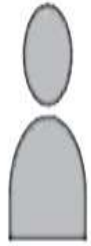
## Omnichannel

All channels available to the consumer **and they are connected.**

Store · Social · Web · Phone · Mobile

| | Multichannel | Omnichannel |
|---|---|---|
| **Focus** | Brand | Customer |
| **Business and Marketing Channels** | Multiple independent channels | Multiple interdependent channels |
| **Branding and Messaging** | May vary | Consistent |
| **Personalization** | Limited to interactions with channel | Informed by interactions across channels |
| **Customer Lifecycle** | Specific to individual channel | Cohesive across all channels |

Dr N.MESSAOUDI 2023/2024

# Omnichannel Marketing Mastery

## Question 1: Understanding Omnichannel Basics

What is the primary goal of omnichannel marketing?

A. To focus exclusively on online channels

B. To provide a seamless and integrated customer experience across various channels

C. To rely solely on traditional marketing methods

## Question 2: Key Components of Omnichannel Strategy

Which of the following is a key component of an effective omnichannel strategy?

A. Isolating online and offline channels

B. Keeping inventory management separate for each channel

C. Integrating online and offline channels for consistency in branding and customer experience

## Question 3: Personalization in Omnichannel Marketing

Why is personalization important in omnichannel marketing?

A. It adds complexity without providing any real benefits

B. It helps tailor marketing messages and promotions to individual customer preferences

C. Personalization is not relevant in omnichannel marketing

## Question 4: Mobile Optimization

In the context of omnichannel marketing, what does mobile optimization entail?

A. Ignoring the importance of mobile devices

B. Ensuring a seamless experience for users across mobile devices, such as smartphones and tablets

C. Focusing only on desktop users

Dr N.MESSAOUDI
2023/2024

**Question 5: Real-World Example**

Which company successfully implemented an omnichannel strategy by seamlessly integrating online and offline channels, offering personalized experiences, and optimizing for mobile use?

A. Starbucks

B. Nike

**Question 6: In-Store Technologies**

How can in-store technologies contribute to omnichannel success?

A. By maintaining a traditional, non-digital shopping environment

B. By enhancing the in-store experience through interactive displays, augmented reality, and virtual reality

C. In-store technologies have no impact on omnichannel marketing

**Question 7: Performance Measurement**

Why is performance measurement crucial in omnichannel marketing?

A. It is unnecessary and adds complexity

B. To track the success of marketing campaigns and optimize strategies based on real-time insights

C. Performance measurement is only relevant for traditional marketing

- 1/ Response: B. To provide a seamless and integrated customer experience across various channels
- 2/Response: C. Integrating online and offline channels for consistency in branding and customer experience
- 3/Response: B. It helps tailor marketing messages and promotions to individual customer preferences
- 4/Response: B. Ensuring a seamless experience for users across mobile devices, such as smartphones and tablets
- 5/Response:  Nike
- 6/Response: B. By enhancing the in-store experience through interactive displays, augmented reality, and virtual reality
- 7/Response: B. To track the success of marketing campaigns and optimize strategies based on real-time insights

## Scoring:

- 7 correct answers: Omnichannel Marketing Expert!
- 5-6 correct answers: Well on the way to mastering omnichannel strategies.
- 3-4 correct answers: Room for improvement. Consider revisiting key concepts.
- 0-2 correct answers: Start exploring the fundamentals of omnichannel marketing.

|  |  |  |
| --- | --- | --- |
| **Multichannel Marketing** | **Cross-Channel Marketing** | **Omnichannel Marketing** |
| Maximizes the **number of channels** | Bridges the journey **between various channels** | Creates seamless journey **across all channels** |
| **Disconnected** channels | **Connected** channels | **Interconnected** channels |
| Brand awareness but inconsistent messaging | Consistent brand messaging with user personalization | Consistent brand messaging with user personalization and ease |

# Case Study: Nike - Empowering Athletes through Omnichannel Excellence

## 1. Understanding Customer Behavior:

Nike invested in comprehensive market research to understand the diverse preferences, lifestyles, and behaviors of its customers, ranging from professional athletes to fitness enthusiasts. This insight helped in tailoring marketing strategies for different segments.

## 2. Integration of Online and Offline Channels:

Nike seamlessly integrated its online and offline channels, providing a consistent brand experience. The Nike website, mobile app, and physical stores were interconnected, allowing customers to browse products, make purchases, and engage with the brand across multiple touchpoints.

## 3. Personalization and Targeted Marketing:

Leveraging customer data from its loyalty program, online interactions, and app usage, Nike implemented personalized marketing initiatives. Customers received tailored product recommendations, exclusive promotions, and personalized content based on their preferences and purchase history.

## 4. Mobile Optimization:

Nike prioritized mobile optimization to cater to the increasing number of users accessing their platform through smartphones. The Nike Training Club (NTC) app, for example, offered personalized workout plans, tracking capabilities, and seamless integration with other Nike platforms.

## 5. Innovative In-Store Technologies:

Nike introduced innovative in-store technologies to enhance the in-store shopping experience. This included interactive displays, digital signage, and AR experiences that allowed customers to virtually try on products and access additional product information.

## 6. Streamlined Customer Service:

Nike implemented a unified customer service approach, integrating customer support across channels. Whether customers contacted Nike through social media, email, or in-store visits, the company aimed to provide consistent and responsive service.

## 7. Performance Measurement and Optimization:

Nike utilized data analytics to measure the performance of its omnichannel initiatives. They tracked customer engagement, conversion rates, and the impact of marketing campaigns to continuously optimize their strategies for maximum effectiveness.

**What are Results and Key Takeaways ?**

Results and Key Takeaways:

Nike experienced increased customer engagement and loyalty, with a significant portion of sales originating from digital channels.
The personalized experiences offered through the Nike app and website contributed to higher customer satisfaction and repeat business.
The integration of innovative technologies in-store enhanced the overall brand experience, making physical stores an extension of the digital ecosystem.
Nike's omnichannel success showcases the power of understanding diverse customer segments, integrating channels seamlessly, and leveraging technology to create personalized and engaging experiences. By focusing on the intersection of digital and physical retail, Nike has been able to stay at the forefront of the athletic apparel and footwear industry.

Dr N.MESSAOUDI
2023/2024

1/ https://www.getresponse.com/help/conversion-funnel

2/ To start creating your funnel go to Conversion funnel > Create funnel.

3/ https://app.getresponse.com/auto-funnel/create/



← → C ⌂ 🔒 https://app.getresponse.com/auto-funnel/create/ ☆ ⊙ ◎ æ

Try premium features for free for the next 30 days. Explore automation, chats, integrations, and more. Like what you see? Upgrade

✉ ⠿ Tools    Contacts    Email marketing    Reports

## What do you want your funnel to do?

**Build a list**
Get people to sign up for your emails. Tell them what they'll get for subscribing.

**Sell a product**

**Promote a webinar**

**Lead magnet funnel**
Give visitors a valuable resource in exchange for their email

( Create )

**Standard opt-in funnel**
Ask visitors to subscribe without a special offer

( Create )

Dr N.MESSAOUDI
2023/2024

Try premium features for free for the next 30 days. Explore automation, chats, integrations, and more. Like what you see? Upgrade

Tools    Contacts    Email marketing    Reports

# What do you want your funnel to do?

Build a list

Sell a product

A product can be anything you're selling: a T-shirt, an ebook, a photoshoot, or an online course.

Full sales funnel

Get new contacts and nurture with emails until they buy.

Create

Quick sales funnel

Take people straight to your sales page.

Create

Promote a webinar

# Create funnel

Convert **new contacts** into customers. Send them targeted **product offers** that take them directly to your **sales page**. Send **confirmation** and **abandoned cart emails** automatically.

Let's start with a funnel name

SMART WATCH FUNNEL|

Use a phrase that will help you find your funnel on the **Funnels** page. Only you will see it.

> ℹ The name you set up here will be also the name of a list we create for you for your new contacts.

Back    **Save and continue**

# Exercise

**Objective**: Understand and optimize the conversion funnel for an e-commerce website.
**Scenario**: Imagine you are the marketing manager for an online clothing store. The store has been experiencing a drop in conversion rates, and your task is to analyze the conversion funnel and suggest strategies for improvement.

## Exercise Questions:

### Awareness (A):
Discuss strategies to increase brand awareness and drive more traffic to the website.
How can social media, content marketing, or influencer partnerships be utilized to improve awareness?

### Interest (I):
Analyze the user experience on the website. How can the design, navigation, and product presentation be enhanced to capture and maintain visitor interest?
What types of engaging content (videos, blog posts, etc.) can be added to keep visitors exploring?

### Consideration (C):
Evaluate the checkout process. Are there any obstacles or friction points that might discourage users from completing their purchase?
Discuss the implementation of trust signals, such as secure payment badges and customer reviews, to increase confidence.

### Conversion (C):
Explore strategies to encourage visitors to complete their purchases. This could include limited-time promotions, abandoned cart emails, or transparent shipping policies.
Discuss the importance of optimizing the mobile shopping experience for users who prefer to shop on smartphones.

### Retention (R):
Brainstorm ideas for post-purchase engagement. How can the store encourage customer loyalty and repeat business?
Consider the implementation of loyalty programs, personalized recommendations, and targeted email campaigns.

# Response/Discussion Points:

**1.Awareness (A):**
- Social media campaigns, influencer marketing, and partnerships with fashion bloggers can increase brand visibility.
- Running targeted ads on platforms like Facebook and Instagram to reach specific demographics.

**2.Interest (I):**
- Optimizing website design for easy navigation and showcasing high-quality images of products.
- Incorporating user-generated content and reviews to build trust and engagement.

**3.Consideration (C):**
- Simplifying the checkout process, minimizing form fields, and offering multiple payment options.
- Implementing an abandoned cart email sequence to remind users of items left in their carts.

**4.Conversion (C):**
- Offering limited-time discounts or promotions to incentivize immediate purchases.
- Ensuring a seamless mobile shopping experience with a responsive design.

**5.Retention (R):**
- Launching a loyalty program with rewards for repeat purchases.
- Sending personalized email campaigns based on past purchase behavior.

This exercise encourages participants to think critically about each stage of the conversion funnel and come up with actionable strategies for improvement. It also fosters discussions on user experience, marketing tactics, and long-term customer retention.

Dr N.MESSAOUDI
2023/2024

# RFM segmentation (Recency, Frequency, Monetary)

✓ *Recency*: How recently a customer made a purchase.

✓ *Frequency*: How often a customer makes a purchase.

✓ *Monetary*: How much money a customer spends.

By combining these factors, you can create segments like:

- "VIP Customers" (High R, High F, High M)
- "At-risk Customers" (Low R, Low F, Low M), etc.

This segmentation helps tailor marketing and retention strategies for each group.

Let's consider an online clothing retailer:

1. Recency (R):
   1. Recent customer (R=4): Made a purchase within the last 30 days.
   2. Somewhat recent (R=3): Made a purchase within the last 90 days.
   3. Not so recent (R=2): Made a purchase within the last 180 days.
   4. Least recent (R=1): Made a purchase more than 180 days ago.

2. Frequency (F):
   1. Very frequent (F=4): Makes a purchase more than once a month.
   2. Frequent (F=3): Makes a purchase every 2-3 months.
   3. Infrequent (F=2): Makes a purchase every 4-6 months.
   4. Least frequent (F=1): Makes a purchase less than once a year.

3. Monetary (M):
   1. High spender (M=4): Spends a significant amount on each purchase.
   2. Medium spender (M=3): Spends moderately on each purchase.
   3. Low spender (M=2): Spends a small amount on each

Dr N. MESSAOUDI
2023/2024

# FRAT segmentation (Frequency, Recency, Average Transaction)

✓**Frequency**: How often a customer makes a purchase.

✓ **Recency**: How recently a customer made a purchase.

✓**Average Transaction**: The average amount spent per transaction

- Segments could include "Power Users" (High F, High R, High AT),

- "Potential Churn" (Low F, Low R, High AT), etc.

This segmentation helps in tailoring product features, pricing, and communication strategies for each segment.

Consider a subscription-based software service:

## 1.Frequency (F):
1. Very frequent (F=4): Uses the software daily.
2. Frequent (F=3): Uses the software weekly.
3. Infrequent (F=2): Uses the software monthly.
4. Least frequent (F=1): Uses the software less than once a quarter.

## 2.Recency (R):
1. Very recent (R=4): Subscribed or renewed within the last month.
2. Recent (R=3): Subscribed or renewed within the last 3 months.
3. Not so recent (R=2): Subscribed or renewed within the last 6 months.
4. Least recent (R=1): Subscribed or renewed more than 6 months ago.

## 3.Average Transaction (AT):
1. High spender (AT=4): Pays for premium features or additional services.
2. Medium spender (AT=3): Pays for a standard subscription.
3. Low spender (AT=2): Uses a free or basic subscription.
4. Very low spender (AT=1): Rarely makes any in-app

# Quiz: RFM and FRAT Segmentation

## Question 1: RFM Basics

What does RFM stand for in the context of customer segmentation?

A. Return, Feedback, Measurement

B. Recency, Frequency, Monetary

C. Reach, Frequency, Multiplicity

## Question 2: Recency in RFM

In RFM analysis, why is recency an important factor?

A. It measures the number of customer transactions

B. It indicates how recently a customer made a purchase or engaged with the brand

C. Recency has no significance in RFM analysis

## Question 3: Frequency in FRAT

What does Frequency represent in FRAT segmentation?

A. The total number of customers

B. The number of times a customer has made a purchase or engaged within a specific period

C. The frequency of marketing campaigns

## Question 4: Monetary in RFM

How is Monetary value used in RFM analysis?

A. It measures the total number of customers

B. It indicates the total amount of money a customer has spent

C. It represents the frequency of customer transactions

**Question 5: Tenure in FRAT**

What does Tenure represent in FRAT segmentation?

A. The number of times a customer has made a purchase

B. The total amount of money a customer has spent

C. The length of time a customer has been engaged with the brand

**Question 6: Application of RFM and FRAT**

How can businesses use RFM and FRAT segmentation for marketing strategies?

A. To ignore customer behavior and preferences

B. To tailor marketing efforts based on customer engagement, purchase frequency, and spending patterns

C. RFM and FRAT are only relevant for financial analysis

**Question 7: Importance of Recency**

Why is recency considered a critical factor in both RFM and FRAT segmentation?

A. It has no significance; older interactions are more valuable

B. Recent interactions provide insights into current customer behavior and preferences

C. Recency is only relevant for first-time customers

- 2/Response: B. It indicates how recently a customer made a purchase or engaged with the brand
- 3/Response: B. The number of times a customer has made a purchase or engaged within a specific period
- 4/Response: B. It indicates the total amount of money a customer has spent
- 5/Response: C. The length of time a customer has been engaged with the brand
- 6/Response: B. To tailor marketing efforts based on customer engagement, purchase frequency, and spending patterns
- 7/Response: B. Recent interactions provide insights into current customer behavior and preferences

Dr N.MESSAOUDI
2023/2024

Scoring:

- ❑ 7 correct answers: RFM and FRAT Segmentation Expert!
- ❑ 5-6 correct answers: Well on the way to mastering customer segmentation techniques.
- ❑ 3-4 correct answers: Room for improvement. Consider revisiting key concepts.
- ❑ 0-2 correct answers: Start exploring the fundamentals of RFM and FRAT segmentation.

# a step-by-step guide to help you create a compelling USP:

- Understand Your Target Audience
- Evaluate Competitors
- List Features and Benefits
- Identify Unique Qualities
- Focus on Customer Value
- Keep it Clear and Concise
- Emphasize Emotional Appeal
- Highlight Exclusivity
- Test Your USP
- Align with Brand Values
- Incorporate into Marketing
- Provide Proof or Guarantees
- Revisit and Refine

- Headline: "Unleash Your Style: The Ultimate Fashion Destination"
- Unique Value Proposition: "Curated collections for the trendsetters, with exclusive designs you won't find anywhere else."
- Target Audience: "Fashion-forward individuals seeking distinctive styles and statement pieces."
- Problem-Solving Element: "Say goodbye to fashion conformity. Express your unique identity with our one-of-a-kind pieces."
- Emotional Appeal: "Feel empowered and confident in your style choices with our fashion-forward selections."
- Supporting Facts: "Over 95% customer satisfaction and hassle-free returns. Quality you can trust."
- Differentiators: "Limited edition releases, sustainable fashion options, and personalized style recommendations."
- CTA: "Shop now to redefine your wardrobe and embrace your individuality."

## Description of Your Business:

Welcome to our online store, where sophistication meets technology. We specialize in providing a curated collection of smart watches that seamlessly blend advanced functionality with impeccable style. Our commitment is to enhance your everyday life through the latest innovations in wearable technology.

## Unique Value Proposition:

Discover a new era of smart watches at our online store. We stand out by offering not just devices, but experiences. Our curated selection boasts the latest in technological advancements paired with a commitment to style, ensuring you not only stay connected but do so in fashion-forward elegance.

## Target Audience:

Ideal for tech-savvy individuals who value both functionality and aesthetics. Our target audience seeks a seamless integration of technology into their lives without compromising on style. Whether you're a fitness enthusiast, a busy professional, or a trendsetter, our smart watches are designed with your lifestyle in mind.

## Problem-Solving Element:

Tired of compromising between functionality and style? We understand the struggle. Our smart watches bridge the gap, providing a solution for those who want cutting-edge technology without sacrificing their personal style.

## Emotional Appeal:

Experience the freedom of being effortlessly connected. Our smart watches empower you, providing a sense of control, convenience, and style that resonates with your aspirations for a well-rounded, tech-enhanced lifestyle.

## *Supporting Facts or Guarantees:*

Backed by industry-leading technology, our smart watches come with a satisfaction guarantee. We ensure the highest quality, durability, and innovation, giving you the confidence that your purchase is an investment in a superior wearable experience.

## *Differentiators:*

- **Exclusive Designs**: Our collection features exclusive designs that seamlessly integrate technology with elegance.
- **Cutting-Edge Technology**: Stay ahead with the latest features, from health monitoring to seamless connectivity.
- **Unparalleled Style**: Elevate your look with a range of stylish bands and customizable watch faces.

## *Call-to-Action (CTA):*

"Upgrade Your Lifestyle Today! Explore Our Collection and Embrace the Future of Smart Watches."

## *Testimonials or Social Proof:*

"I never knew a smart watch could be so stylish and functional. This store exceeded my expectations!" - Happy Customer

## *Visual Elements:*

Incorporate high-quality images showcasing the sleek design and innovative features of your smart watches. Use icons to highlight key benefits such as fitness tracking, notifications, and customization options.

# E-commerce UX

Ecommerce UX is how an end-user experiences shopping on a website.

User experience (UX) refers to the user's journey when interacting with a product or service.

## What ecommerce UX covers

While website design plays a major role in UX, there's a lot more to consider. Ecommerce UX designers look at website features such as:

•**Loading times**: Does the website load quickly and consistently across devices?

•**Navigation menus**: Are menus organized with users in mind?

•**Accessibility**: Does an online store meet the latest accessibility standards?

•**Journey mapping**: Is the user taken to the right place when they click a link or button?

•**Mobile friendliness**: Does the store function well on mobile?

•**Copywriting**: Do the website's words effectively convey information and represent its brand?

Dr N.MESSAOUDI
2023/2024
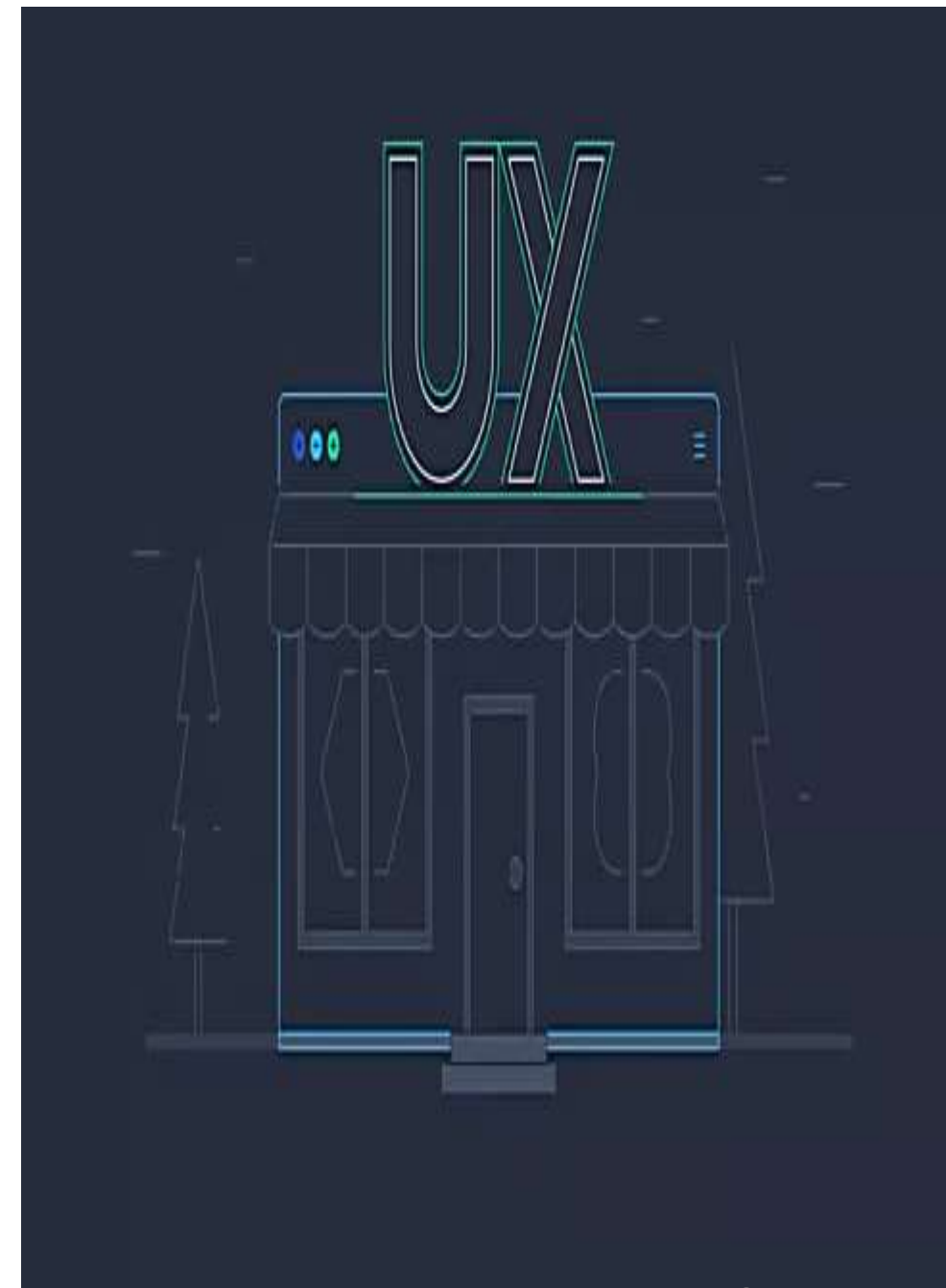
- **_Website Discovery_**.

✓ Position the Brand Clearly. Visitors form first impressions of a website in as few as **50 milliseconds**.

✓ Relevant Calls to Action

✓ Tailor Landing Pages for SEO

- **_Product Search and Browse_**. Provide On-site Search

- **_Product Page._** Provide Detailed Product Information and Build Customer Trust and Add Social Proof

- **_Shopping Cart_**. Show a Clear Order Summary

- **_Checkout_**. Let Users Check Out as Guests. **Impulse purchases represent almost 40% of all money spent in e-commerce**. Provide Visual Feedback During the Checkout Process

- **_Order Confirmation._** Display a Detailed Order Confirmation After Purchase



Website Discovery → Product Search/Discovery → Product Page → Cart → Checkout → Confirmation

# Building a Strong USP

## 1. Why is it important to understand your target audience when creating a USP?
- a. To confuse competitors.
- b. To tailor your USP to the needs and preferences of your audience.
- c. To focus on features and benefits.

## 2. What role does evaluating competitors play in developing a USP?
- a. To copy their strategies.
- b. To find gaps in the market that your business can fill uniquely.
- c. To avoid any competition.

## 3. Why is emotional appeal important in a USP?
- a. It's not important; customers only care about features.
- b. To connect with customers on a personal or emotional level.
- c. To confuse competitors.

## 4. What does it mean to emphasize exclusivity in a USP?
- a. To offer products at a lower price than competitors.
- b. To create a sense of uniqueness by highlighting exclusive features or offerings.
- c. To target a broad audience.

## 5. How can you ensure clarity in your USP statement?
- a. Use complex language to showcase expertise.
- b. Keep it clear and concise, avoiding jargon.
- c. Make it as long as possible to cover all aspects.

## 6. What is the purpose of testing your USP with a small group of potential customers?
- a. To confuse customers.
- b. To ensure resonance with your target audience and gather feedback.
- c. To save time in the branding process.

## 7. Why is providing proof or guarantees important in supporting your USP?
- a. To confuse competitors.
- b. To build trust and credibility with customers.
- c. Guarantees are not necessary in a USP.

*The customer lifetime value (LTV),* also known as *lifetime value*, is the total revenue a company expects to earn over the lifetime of their relationship with a single customer.

| Lifetime Value | = | Average Value of Sale | X | Number of Transactions | X | Retention Time Period |

| Customer Lifetime Value | = | Lifetime Value | X | Profit Margin |

- Average purchase value – It is calculated by dividing the company's total revenue over a period of time by the total purchases made by its customers during that same timeframe.

- Average purchase frequency rate – It is calculated by the total purchases made over a period of time by the individual customers that made those purchases during that time.

- Customer value – It is calculated by multiplying the average value of the purchase by the number of times the purchase is made.

- Average customer lifespan – It is the average number of years that a customer continues to buy the company's goods and services.

- Lifetime value calculation – The LTV is calculated by multiplying the value of the customer to the business by their average lifespan.

- Numerical Example

- The average sales in a clothing store are $120 and, on average, a customer shops four times every year. The lifetime value is calculated as LTV = $120 x 4 x 1 = $480

- Furthermore, the profit margin in the clothing store is 25%, hence the CLV is as follows: CLV = $80 x 4 x 1 x 25% = $120.

- The lifetime value figure can help a business estimate future cash flows and the number of customers they need to obtain to achieve profitability.

# 2 Factors affect the Lifetime Value.

1) ***Churn rate***. The churn rate describes how often customers stop shopping at a business that they were once loyal customers of.


1) ***Brand loyalty***. It measures how loyal the customers are to the brand and who keep buying their goods and services.

If a customer lacks any loyalty to the brand and does not face any ***switching costs*** when buying a rival company's product, it can result in a negative impact on the lifetime value of the company.

# Answer each question to the best of your knowledge.

**1. How often does your customer make a purchase?**

- a) Once a year (1 point)
- b) Quarterly (2 points)
- c) Monthly (3 points)
- d) Weekly (4 points)

**2. What is the average order value (AOV) of your customer's purchases?**

- a) Less than $10 (1 point)
- b) $10 - $50 (2 points)
- c) $50 - $100 (3 points)
- d) More than $100 (4 points)

**3. How long has the customer been making purchases from your business?**

- a) Less than 6 months (1 point)
- b) 6 months - 1 year (2 points)
- c) 1 - 3 years (3 points)
- d) More than 3 years (4 points)

**4. How likely is the customer to refer your business to others?**

- a) Unlikely (1 point)
- b) Somewhat likely (2 points)
- c) Likely (3 points)
- d) Very likely (4 points)

**5. What percentage of your customers make repeat purchases?**

- a) Less than 20% (1 point)
- b) 20% - 40% (2 points)
- c) 40% - 60% (3 points)
- d) More than 60% (4 points)

**6. How engaged is the customer with your marketing efforts?**

- a) Rarely engages (1 point)
- b) Occasionally engages (2 points)
- c) Regularly engages (3 points)
- d) Highly engaged (4 points)

**7. What is the average customer retention rate for your business?**

- a) Less than 20% (1 point)
- b) 20% - 40% (2 points)
- c) 40% - 60% (3 points)
- d) More than 60% (4 points)

**8. How diversified is the customer's product or service usage?**

- a) Limited to one product/service (1 point)
- b) Uses a few related products/services (2 points)
- c) Utilizes a variety of products/services (3 points)

**Based on the Customer Lifetime Value (CLV) results, here are actions you can take to enhance and save your online store**

## 8 - 16 points: Low CLV

✓ *Improve Customer Engagement*:personalized communication, loyalty programs, and targeted promotions.

✓ *Enhance Product Value*: product bundling or exclusive discounts for repeat customers.

## Moderate CLV (17 - 24 points)

✓ *Strengthen Marketing Efforts*:social media, email marketing, and other channels to stay connected with your audience.

✓ *Implement Loyalty Programs*: Offer exclusive discounts, early access to sales, or loyalty points that can be redeemed for future purchases.

## High CLV (25 - 32 points)

✓ *Optimize Customer Retention*: retaining your high-value customers by delivering exceptional customer service, personalized experiences, and targeted offers based on their preferences.

✓ *Diversify Product Offerings* to cater to the diverse needs of your high-value customers.

## Very High CLV (33 - 40 points)

✓ *Create VIP Programs*: offer premium services, personalized support, and early access to new products or features.

✓ *Invest in Customer Success*: Allocate resources to a customer success team to ensure your very high-value customers receive proactive support and guidance throughout their journey.

# Calculating Customer Lifetime Value

You are the digital marketing manager for an e-commerce company. The company has gathered data on its customer acquisition and retention efforts over the past year. Your task is to calculate the Customer Lifetime Value for the company based on the provided data.

**Data:**
Average Purchase Value (APV): $50
Average Purchase Frequency (APF): 2 times per month
Average Customer Lifespan (ACL): 12 months
Customer Acquisition Cost (CAC): $30
Number of New Customers Acquired in the Last Year: 5000

1. **Calculate Average Revenue per Customer (ARPC):**
   - $ARPC = APV \times APF$
2. **Calculate Customer Lifetime Value (CLV):**
   - $CLV = ARPC \times ACL$
3. **Determine Return on Investment (ROI) for Customer Acquisition:**
   - $ROI = \left(\frac{CLV - CAC}{CAC}\right) \times 100$

Dr N.MESSAOUDI
2023/2024

# Discussion Points:

➢ What does Customer Lifetime Value represent for the company?

➢ How does CLV contribute to marketing strategy and budgeting decisions?

➢ Discuss the importance of optimizing CLV and ROI for sustainable growth.

➢ Explore potential strategies to increase CLV, such as improving retention, upselling, or cross-selling.

# Follow-up Questions:

➢ What are the limitations of using CLV as a metric?

➢ How can the company use CLV insights to refine its digital marketing campaigns?

➢ Discuss scenarios where a high CLV may not always be favorable for a business.

## Calculations:

1. **Calculate Average Revenue per Customer (ARPC):**

$$ARPC = APV \times APF$$

ARPC = $50 \times 2 = $100

2. **Calculate Customer Lifetime Value (CLV):**

$$CLV = ARPC \times ACL$$

CLV = $100 \times 12 = $1200

3. **Determine Return on Investment (ROI) for Customer Acquisition:**

$$ROI = \left(\frac{CLV - CAC}{CAC}\right) \times 100$$

ROI = \left( \frac{$1200 - $30}{$30} \right) \times 100

$$ROI = 3933.33\%$$

Dr N.MESSAOUDI
2023/2024

**Discussion Points:**

**Customer Lifetime Value (CLV):** This is the predicted revenue generated by a customer throughout their entire relationship with the company. In this case, each customer is estimated to bring in $1200 over a 12-month period.

**Return on Investment (ROI) for Customer Acquisition:** The ROI is exceptionally high at 3933.33%, indicating that the company is gaining significantly more revenue from each customer than the cost incurred in acquiring them.

**Implications and Strategies**: Discuss how this information can inform marketing strategies. For instance, the company might consider investing more in customer acquisition since the ROI is high. Additionally, strategies to increase CLV, such as customer retention programs, could be explored.

# What are the limitations of using CLV as a metric?

While CLV is a valuable metric, it does come with certain limitations:

- ❑ **Prediction Challenges**: Calculating CLV involves making predictions about customer behavior, which can be challenging. Customer preferences and market dynamics may change over time, affecting the accuracy of CLV predictions.
- ❑ **Data Dependence**: Accurate CLV calculations require comprehensive and accurate customer data. Incomplete or inaccurate data can lead to skewed results.
- ❑ **Assumption of Constant Behavior**: CLV often assumes that customer behavior remains relatively constant over time. In reality, external factors, market trends, or changes in the competitive landscape may impact customer behavior.
- ❑ **Lack of Consideration for External Factors**: CLV calculations may not account for external economic factors, industry changes, or unexpected events that could influence customer spending patterns.

**How can the company use CLV insights to refine its digital marketing campaigns?**

Utilizing CLV insights can significantly enhance the effectiveness of digital marketing campaigns:

- **Segmentation**: Identify high CLV segments and tailor marketing campaigns to address their specific needs and preferences.
- **Personalization**: Use CLV data to personalize marketing messages, promotions, and recommendations, increasing relevance and engagement.
- **Retention Strategies**: Implement targeted retention strategies for high CLV customers, such as exclusive offers, loyalty programs, and proactive customer support.
- **Optimized Ad Spend**: Allocate marketing budgets more efficiently by focusing on channels and campaigns that have a higher impact on customer segments with the highest CLV.

Email marketing is a form of digital marketing that uses email to connect with potential customers, raise brand awareness, build customer loyalty, and promote marketing efforts.

In the world of online marketing, email marketing is commonly considered a low-cost and high-impact tool with the ability to increase customer engagement and drive sales.

Dr N.MESSAOUDI
2023/2024

EMAIL MARKETING STRATEGY

1. CUSTOMER REQUIREMENT ANALYSIS & RESEARCH
2. CAMPAIGN OVERVIEW AND DEFINED OBJECTIVES
3. REVIEW & DEFINE KPI's [KEY PERFORMANCE INDICATORS]
4. DESIGN OF HIGH QUALITY, PROFESSIONAL EMAILS VISUALISE, DEVELOP & BUILD
5. WEBSITE INTEGRATION LANDING PAGE DESIGN - VISUALISE, DEVELOP & BUILD
6. DEVELOP & MANAGE TARGETED CONTACT LISTS
7. INTEGRATE CAMPAIGN INTO MAILCHIMP PLATFORM
8. ANALYSE CAMPAIGN SUCCESS VIA MAILCHIMP ANALYTICS
9. NURTURE YOUR NEW SUBSCRIBERS AND CONVERT TO CUSTOMERS
10. MAINTAIN COMMUNICATION CHANNEL WITH CUSTOMERS

The key metrics to track for eCommerce email marketing campaigns include but are not limited to:

Delivery rate
Open rate
Click-through rate
Bounce rate
Conversion rate
Subscribe rate
Unsubscribe rate

Dr N.MESSAOUDI
2023/2024

# TYPES OF E-COMMERCE EMAILS

Welcome

Loyalty

Re-engagement

Anniversary

Promotional

Post-purchase

Review request

Cart abandonment

Price drop

Back in stock

DIN MESSAOUDI
2023/2024
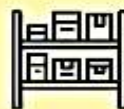
# Mailchimp

1. **Generous Free Plan:** Mailchimp's free plan allows users to send up to 500,000 emails per month, making it suitable for both small and growing businesses.

2. **User-Friendly Interface:** Mailchimp offers a user-friendly drag-and-drop editor, making it easy for beginners to create visually appealing emails without coding knowledge.

3. **Marketing CRM:** The free plan includes basic CRM features, allowing your students to manage contacts, segment their audience, and track customer interactions.

4. **Marketing Automation:** Mailchimp's free plan includes basic marketing automation features, allowing users to set up automated email campaigns based on user actions.

5. **Analytics and Reporting:** It provides basic analytics and reporting tools, allowing users to track email performance and make data-driven decisions.

6. **Integration:** Mailchimp integrates seamlessly with various third-party apps and platforms, providing flexibility and scalability as your students' needs evolve.

7. **Established Reputation:** Mailchimp is one of the most widely used email marketing platforms, trusted by businesses of all sizes. It has a strong reputation for reliability and customer support.

# The Components of a Welcome Email

- short and straight to the point subjects that state clearly what you're sending, who it's from, and why it matters to potential customers.

- Content Recommandations :  links to the great content on your website that will give your customers more context if they're curious about what you do and how you do it.

- Custom Offers : Personalization can help your welcome emails stand out from the pack.

- Clear Opt-Out Options : offer a clear way out if users aren't interested. Make sure all your welcome emails contain "unsubscribe" options.

Dr N.MESSAOUDI
2023/2024

**Subject:** Welcome to [Your Store Name]—Let the Shopping Begin! 🎉

Hi [Customer's Name],
Welcome to [Your Store Name]! We're thrilled to have you as part of our community. Get ready for an exciting journey of discovery and fantastic finds.

**Explore our collections:**
Discover the latest trends, must-have essentials, and unique finds we've curated just for you. Start your shopping adventure [here] (insert link to your homepage).

**Your Exclusive Welcome Offer:**
As a token of our appreciation, here's a particular [X]% discount on your first purchase! Use code WELCOME[X] at checkout to enjoy your savings.

**Why Shop with Us?**
•🛒 Easy and Secure Checkout: Shop confidently using our secure payment gateway.
•🚚 Fast and Reliable Shipping: We'll get your goodies to you in no time.
•💬 Friendly Customer Support: Have a question? Our team is here to help; reply to this email.

**Stay in the loop:**
Be the first to know about upcoming sales, new arrivals, and exclusive offers by following us on [social media links].
We're beyond excited to be a part of your shopping journey. If you have any questions or want to say hello, don't hesitate to reach out!

Happy Shopping!
Best Regards,
[Your Name] [Your Title/Role] [Your Store Name] [Contact Information [Social Media Links]

Dear [Customer's Name],

Welcome to the [Your Store Name] family! We're thrilled to have you on board as we embark on a journey to redefine your digital experience with cutting-edge smartwatches. Our mission is to provide you with top-notch technology, unparalleled style, and a seamless shopping experience.

Here's a glimpse of what you can expect as a valued member of our community:

Explore Innovative Technology: Dive into our collection of smartwatches equipped with the latest features, ensuring you stay connected and stylish in today's fast-paced world.

Exclusive Offers: As a special welcome gift, enjoy a [X]% discount on your first purchase. Use code WELCOME[X] at checkout to unlock your savings.

Stay Informed: Be the first to know about new product launches, exclusive promotions, and insider tips on maximizing the potential of your smartwatch.

Seamless Shopping: Our user-friendly website is designed to make your shopping experience smooth and enjoyable. If you have any questions, our customer support team is here to assist you.

To get started, [Explore Our Smartwatches Now] (link to your smartwatches category).

Thank you for choosing [Your Store Name]. We're committed to providing you with a world-class shopping experience, and we can't wait to be part of your smartwatch journey.

Best Regards,

[Your Name]

Your e-commerce website has a high rate of abandoned shopping baskets (70%). How are you going to resolve this at the lowest possible cost? In the solution, present a table with three significant actions: the price, the return on investment, and the managers involved.

| Action | Price | Return on Investment (ROI) | Managers Involved |
|---|---|---|---|
| Implementing Automated Abandoned Cart Emails | Low to Moderate | High | Marketing and CRM Managers |
| Streamlining Checkout Process | Moderate | Moderate to High | UX/UI and IT Managers |
| Introducing Limited-Time Discounts | Moderate | Moderate to High | Sales and Marketing Managers |

Hi [Customer's Name],

We noticed that you left some items in your shopping cart, and we wanted to make sure you didn't miss out on them!

[Include an appealing image of the abandoned products]

Here's a quick reminder of what's waiting for you:

Product 1: [Description and Image]
Product 2: [Description and Image]
Product 3: [Description and Image]
To sweeten the deal, we're offering you an exclusive [X]% discount on your entire order! Use code: CARTSAVER[X] at checkout.

[CTA Button: "Complete Your Purchase Now"]

But hurry, this offer expires in [X] days!

Why shop with us?

Free shipping on orders over [Amount]
Hassle-free returns within [Number] days
24/7 customer support ready to assist you
Thank you for considering us for your purchase. We appreciate your support!

Happy shopping!

Best regards,

[Your Brand Name]
[Contact Information]
[Optional: Links to Social Media Profiles]

Dr N.MESSAOUDI
2023/2024