

THE
DEFINITIVE
GUIDE TO

CUSTOMER NURTURING



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51 ABOUT THIS GUIDE

A man and a woman are gardening on a rooftop deck. The man, wearing a plaid shirt and gloves, is holding a small plant with red fruit. The woman, wearing a denim shirt and gloves, is smiling and working in a large metal planter. The scene is overlaid with a semi-transparent purple filter. In the foreground, there are various potted plants, including a large white hydrangea and a red flower. A blue basket with gardening tools is visible on the left. The background shows a wooden fence and a building.

INTRODUCTION

INTRODUCTION

WHY SHOULD I READ THE DEFINITIVE GUIDE TO CUSTOMER NURTURING

Today's buyers are more empowered than ever before. They engage with brands and companies through their own research across multiple channels, long before marketing has the opportunity to engage with them directly.

Today's potential buyers don't become customers overnight—they require marketing over time as they self-educate and build trust with a company. With customer nurturing, marketers can communicate consistently with buyers cross-channel and throughout the buyer journey—addressing the gap in time between when a customer first interacts with you and throughout the buyer journey, before a customer purchases, after they purchase, and to drive repeat purchases.

Customer nurturing is an integral part of a successful marketing strategy—specifically when building relationships with potential buyers on multiple

channels, even if they are not currently looking to purchase a product or service. At Marketo, we have gathered the best practices from across the Marketing Nation—thought leaders, customers, research, and our own experiences—to bring you our brand new The Definitive Guide to Customer Nurturing.

This Definitive Guide is designed to be useful, practical and informative. It offers a comprehensive description

of customer nurturing best practices, from getting started, to advanced techniques.

Use this guide as a workbook—take notes, highlight what you find inspirational, share what you learn with your colleagues—and start using customer nurturing to drive business growth and lasting relationships.



PART I:

WHAT IS CUSTOMER NURTURING?

WHAT IS CUSTOMER NURTURING?

DEFINING CUSTOMER NURTURING

Customer nurturing is the process of building effective relationships with potential customers throughout the buying journey.

According to Marketo's benchmark study, on average, 50% of customers are not yet ready to buy. Customer nurturing creates automated, ongoing communication with your potential buyer throughout the customer journey and beyond—maximizing results and revenue for your organization.

Customer nurturing can also be used to ensure new customers engage with your company, or to bring existing customers back for more.

Due to sophisticated technology like engagement marketing platforms, modern day customer nurturing is personalized, adaptive, and can listen and react to buyer behavior in real-time.

Modern customer nurturing enables you to listen and respond to buyers on multiple channels—not just email. And now, with breakthroughs like personalization software, the marketer can nurture anonymous visitors; touching the entire lifecycle and creating a more personalized and engaging experience than ever before.



WHAT IS CUSTOMER NURTURING?

WHY DOES MY BUSINESS NEED CUSTOMER NURTURING?

Businesses today exist in an increasingly connected market. Buyers expect an extremely personalized, cross channel experience. They do not want to be spoken to; instead, they want to be listened to. Companies want to create relationships with potential buyers, helping to build trust and eventual advocacy.

Customer nurturing facilitates your buyer getting to know your business—it's essentially courtship before marriage. With customer nurturing you spend time establishing a relationship with your buyer and building trust. As a result, when you communicate with your buyer, you are welcomed instead of being regarded as intrusive. Without effective customer nurturing, communicating with your buyers can feel like an awkward first date, full of mistrust and hesitation.



WHAT IS CUSTOMER NURTURING?

FOUR ELEMENTS OF ENGAGING CUSTOMER NURTURING

Effective customer nurturing is engaging. You want buyers to see value in the nurture communications and content that you create. To get to that place, there are four elements of engaging customer nurturing that your communications should possess.

1. Trustworthy

Only with trust will buyers let your communications pass their filters and enter their lives. Set expectations during an opt-in process, and then fulfill those expectations with every communication you share.

Trusted communication has a lower bounce and unsubscribe rate across channels. Alternatively, if trust isn't there, you'll see lower engagement and conversion, and you'll be more likely viewed as spam.

2. Relevant

Relevance means knowing who your audience is and what they want from your communication. Impersonal and poorly timed messages make your subscribers think, "you don't know who I am. You don't know what I want. You just don't get me". And, worst of all, "you don't care about me". If you aren't relevant, your subscribers will opt-out—or perhaps more likely, emotionally opt-out.

Being relevant means sending the right content to the right person at the right time. This includes:

1. Talking to the right people
2. Saying the right things at the right time
3. Constantly improving

In order to build relevance into your nurture program, you'll need to segment and target your buyers. Buyers increasingly expect that when they share information with marketers, their data will be used wisely.

WHAT IS CUSTOMER NURTURING?

FOUR ELEMENTS OF ENGAGING CUSTOMER NURTURING

3. Multi-Channel

Today's buyers move seamlessly—and quickly—across channels. A typical buyer moves quickly from email, to social media, to your website and then back to social media, in the blink of an eye. Marketers not only need to prepare their customer nurturing strategy for multi-channel engagement, but also consider the device a buyer uses to access these channels for the best optimized and personal experience. Your buyer needs to see an integrated experience across every single channel. Your engagement marketing and customer nurturing needs to account for all the ways a buyer will look to interact and engage with your brand.

4. Strategic and Impactful

A strategic and impactful customer nurturing program will be measurable, so you will know the value of your marketing tactics and their impact on your organizations' ROI. Defining the right sets of metrics is vital to achieve executive buy-in, adjust your nurture tracks, and report your success. We will go into more depth and define and identify the right sets of metrics later in this guide.



PART II:

CUSTOMER NURTURING STRATEGY

CUSTOMER NURTURING STRATEGY

GOAL SETTING

Setting up a customer nurture program is not a goal in and of itself. Instead, customer nurturing is a *vehicle for your business to get to your overall goals*. In order for your customer nurture program to be a success, you have to first determine what you hope to achieve.

Set the Stage

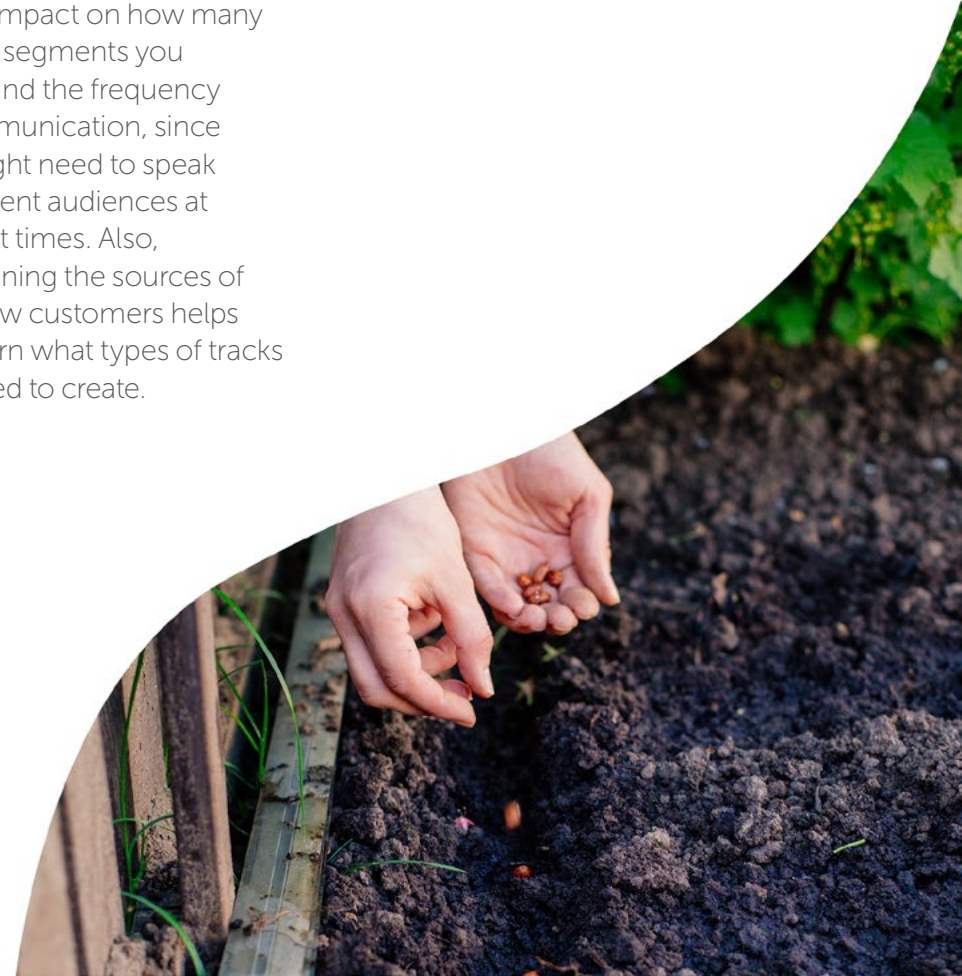
The key to designing an effective customer nurture program is taking stock of your current customer management processes. By asking the right questions, you will not only uncover opportunities for improvement, but the information will also play a critical role in defining issues of workflow.

Here are 5 questions to ask about your current customer lifecycle process management:

1. How many new customers do you generate each month and where do they come from?

Understanding the scale and source of your customers helps to determine the scale of your customer nurturing program. You can get this information by running a report in your engagement marketing platform.

The number of new customers you generate has an impact on how many nurture segments you create and the frequency of communication, since you might need to speak to different audiences at different times. Also, determining the sources of your new customers helps to govern what types of tracks you need to create.



CUSTOMER NURTURING STRATEGY

GOAL SETTING

2. What is the range of products that you offer?

Some companies market very homogenous product lines; others market a multitude of products or services. The diversity of your offerings plays a large role in determining the number of tracks in your program, in addition to the messaging and offer strategy.

3. What are the key audience groups that comprise your customers?

How different are your customers from one another in terms of age, gender, location, and so on? To what extent do these groups require different messaging? The higher the number of distinct groups, the more likely it is that you need separate customer nurture tracks in order for your campaigns to be relevant and effective.

4. Describe your customer journey. How are customers responded to, distributed, and managed today?

Knowing where you want to drive customers throughout their lifecycle can help you steer your nurturing programs in a direction where they are likely to have the most impact on ROI. When taking stock of ongoing communications, consider which lifecycle stages you want to push customers towards.



CUSTOMER NURTURING STRATEGY

GOAL SETTING

Qualitative Objectives

Your customer nurture efforts will include qualitative goals—what *business outcomes* do you hope to get from setting up customer nurture tracks? Consider the following goals:

- Move your customers through their buying journey at an accelerated pace
- Engage in conversations with your buyers
- Educate and build trust amongst existing customers

- Stay in touch with your customers so they call on your company when the need arises
- Acquire more business from current customers
- Turn dormant customers to active customers

Depending on your unique business case, choose some of these goals or set your own. Setting these overall qualitative goals for your customer nurturing campaigns will help you make better decisions on timing, frequency, segmentation, and offer strategy.

Quantitative Objectives

In addition to creating qualitative objectives, be sure to set goals that are quantitative—*those that you can measure*. Even if you aren't sure what your metrics should be initially, setting estimates up front helps you define your program. Quantitative metrics not only help you define success, but they also help you determine the scope and scale of your overall customer nurturing efforts.

Without quantitative goals in place your customer nurturing program can lack purpose, and you'll have greater difficulty tracking your progress towards your objectives.

CUSTOMER NURTURING STRATEGY

GOAL SETTING

Start Small, Think Big

There is a lot you can do with today's engagement marketing platforms. And it is easy for companies to want to do everything. But, especially for those just starting customer nurture, you should create a plan that includes a *phased approach*. That way, you are incrementally measuring and improving.

By embracing this mentality you will:

- **Launch more quickly:** It's a simple point, but the smaller your program, the quicker you'll go live, and the sooner you will see return on your investment.
- **Know what works and what doesn't:** Even if you ask all of the right questions and goal set appropriately, it is guaranteed that your results might differ from expectations. If you start small, you can see what works and iterate from there vs. setting up a full 18 tracks and all of a sudden learning that you set something up incorrectly.



CUSTOMER NURTURING STRATEGY

TECHNOLOGY SELECTION

An engagement marketing platform is the technology that allows companies to streamline, automate, and measure marketing tasks and workflows so they can increase operational efficiency and grow revenue faster. One of the key components of your engagement marketing platform is customer nurturing.

Beyond the time-saving and efficiency benefits of automation, your engagement marketing platform enables essential business processes for any modern marketing department. This can include customer nurturing, engagement marketing, customer journey management, personalization and analytics. So how do you select the right solution for your business?

Purchase Process

Depending on your business objectives and goals, there are different solutions available to suit your needs. Here is a process you can follow to find and buy the engagement marketing solution that is right for your company.

- **Step 1: Write down your goals for the project:** To get where you need to go, write it down. Statistically you increase your likelihood for success simply by putting your goals down on paper. Refer to the goals we determined earlier in this part.
- **Step 2: Plan your timeline:** Now identify the steps it will take to get where you want to go. Remember, you aren't ever "done" with engagement marketing, so build in time to evolve and adapt and learn your process.
- **Step 3: Identify your requirements:** Picking the right solution involves more than just picking the right technology. Think about your business case—who will use the technology, and how?



CUSTOMER NURTURING STRATEGY

TECHNOLOGY SELECTION

- **Step 4: Assemble a team to choose and manage the solution:** Make sure to get signoff from all stakeholders on goals, requirements, and potential scenarios.
- **Step 5: Evaluate potential vendors against your scenarios:** You'll choose the vendor that best suits your needs if you select a handful of vendors to evaluate. Then, scour the technology, look beyond the technology to account management teams, ask tough questions, and avoid a feature bake-off.
- **Step 6: Talk to references:** Now it's time to find out if your vendor can actually make customers like you successful. Talk to a variety of references that are similar to your organization.
- **Step 7: Make a decision:** The time has come. Choose the vendor that can best make you successful in line with the goals you created at the beginning of this process.



CHECKLIST

What to Seek in a Solution for Customer Nurturing

Customer nurturing is a key component to any engagement marketing solution, here is a checklist to make sure your vendor has all of the latest and greatest customer nurture capabilities.

- Enables you to listen and respond to individual behaviors in real time.** You want to make sure you have a flexible solution that supports 2-way conversations with your customers.
- Enables you to communicate with customers both online and offline.** Many modern customer nurturing solutions allow the capabilities to nurture through online venues such as social media, or offline through direct mail or events.
- Empowers you to set a limit.** You want to make sure your customers aren't getting too many emails from you at any given time. Look for a solution that enables you to set limits. This is particularly critical when different areas of the organization send messages.
- Determines which content to send and when.** Your solution should enable you to have control over the content you send based on the recipient's actions to date—such as making a product purchase, reading your blog, or speaking to a customer service agent.

CHECKLIST

What to Seek in a Solution for Customer Nurturing

- **Helps build relationships over the entire customer journey.** From the awareness stage through customer onboarding, the right customer nurture solution can help engage customers over time by sending relevant content to buyers through different channels instead of just via email.
- **Helps measure true engagement.** The ideal solution measures the degree of customer engagement with the entire program, as well as with each component of content over time.
- **Is easy to implement.** We all know how frustrating it can be to rely on the IT department to help us get programs off the ground. Look for a solution that allows any marketer to create powerful customer nurture programs that are easy to set up and manage. After all, you want to focus on what matters most—creating compelling content that will deeply engage customers.

Marketo's Customer Engagement engine

Marketo's unique Customer Engagement engine automatically and intelligently sends the best message and the best piece of content, based on who the customer is, what they have seen in the past, and their behaviors.

You simply drag content into a stream, Marketo's version of a nurturing track—which can be thought of as a conversation—and the system automatically manages the timing and sending of the right content to the right person at the right time. The system even takes outdated content out of rotation in a particular program. And will warn you in advance when there isn't any more content available to continue the conversation.

CUSTOMER NURTURING STRATEGY

NURTURE AS PART OF YOUR OVERALL MARKETING STRATEGY

When creating your customer nurturing strategy, do not think about nurture in isolation. Think about how nurture fits into the other marketing communications you send.

You can't think about customer nurturing in a vacuum. You need to take a look at your entire marketing calendar to determine what other communications your customers receive. You might be sending newsletters, product updates, emails, and other cross-channel communications. How are these interactions working together in harmony? You want to deliver coordinated, relevant, customer experiences across all of the channels your buyers use.

Communication Timing

How often you send customer nurturing communications, particularly email, needs to be reconciled with how often you hit your marketing database with other communications. The first step to getting this right is to determine your overall communication cadence. How often are you engaging with the customers in your database? Meet with stakeholders in your organization to decide what this number should be. Be sure to test and iterate this over time to determine the correct number of touches based on your results.

Consider the length of the buying process and the communication approaches used. The timing of your customer nurturing programs are impacted by both the length of your average buying process and the approaches you use for customer nurturing (email, direct mail, phone, etc.).



CUSTOMER NURTURING STRATEGY

NURTURE AS PART OF YOUR OVERALL MARKETING STRATEGY

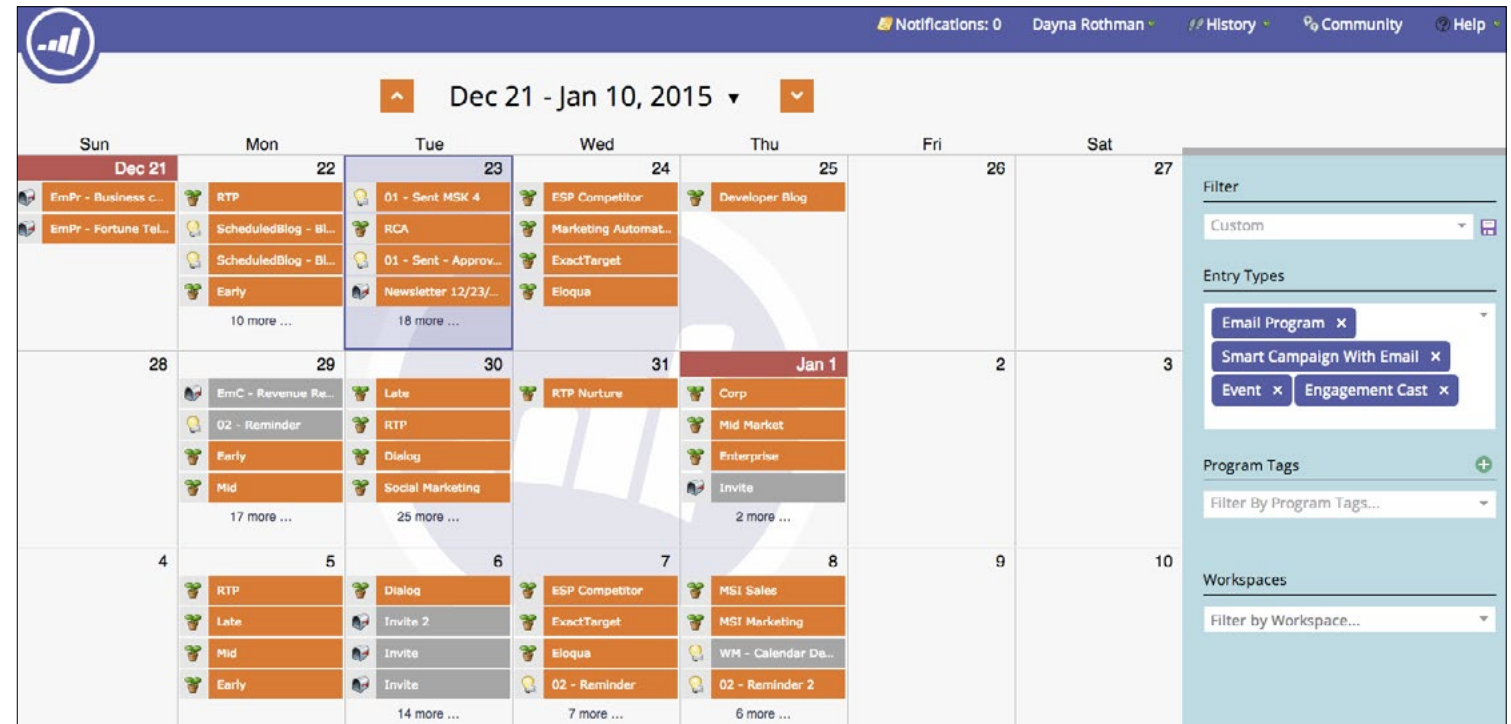
Marketing Calendars

You need a way to see all of your campaigns in one place—so you know exactly what database email sends and what nurture campaign sends are going out in any given week.

A marketing calendar, like the one in Marketo, is an ideal place to ensure that you are not over-marketing to the same people over and over again with your marketing communications.

At Marketo, we use our platform's marketing calendar to see a holistic view of all communications with our database across the entire marketing department—we can see event invites, nurture emails, demand generation emails, and so on.

With this holistic view, you can see exactly who is being communicated with and when.



Marketo Marketing Calendar

PART III:
WHO TO NURTURE

WHO TO NURTURE CUSTOMER SCORING

Customer scoring is a methodology for ranking where a buyer is in her customer journey. By scoring customers based on the interest they show in your products, their current place in the journey, and their demographic fit, you can better segment and nurture accordingly.

Customer scoring is a key element to nurturing that helps companies determine where a customer is in his buying journey. Customer scoring is a critical part of segmentation for your nurture campaigns. Marketo finds that companies who use lead scoring see a huge lift in ROI.

By determining a strategy with the stakeholders of your marketing organization, you can define exactly when customers should be nurtured.



WHO TO NURTURE CUSTOMER SCORING

There are four dimensions of customer scoring that help to determine who you should nurture—customer fit, customer interest, customer behavior, and buying stage/timing.

1. Customer Fit

Determining customer fit, or explicit customer scoring, is based on observable or directly shared information—often collected via an online form or registration.

Demographics

When profiling and defining your customer, you need to look at demographics—quantifiable identifiers that characterize your customer population. You can then take these demographics and create nurture tracks that map to them. Typical demographics might consist of:

- Age
- Gender
- Location
- Income

2. Customer Interest

Scoring customer interest, often called implicit scoring, is done by tracking your customer's behaviors (e.g. online body language), to measure his level of interest in your product or solution. Interest scores tell you how attractive you are to a potential customer. Implicit scoring can also mean inferring additional information about a customer based on the quality of data you have—like location of his IP address.



WHO TO NURTURE

CUSTOMER SCORING

3. Customer Behavior

Interest and fit are not enough. You need to track additional factors such as behavior, which will indicate timing. This will help you to determine whether someone is a customer that is just looking to be educated, or entertained—or an active customer that is considering a purchase.

You can track these by asking the customer directly, or through implicit factors.

4. Buying Stage and Timing (if Applicable)

The final dimension to determine if your customers should be nurtured is buying stage and timing. We will go into more detail on buying stage later in the guide, but essentially, buying stage and timing are meant to gauge where a customer is in her journey—has she just begun the research process or is she ready to make a decision?

Through behavior and other factors you can determine if a customer is close to making a purchase decision, or if she needs to be nurtured further.



WHO TO NURTURE LIST BUILDING

In order to successfully nurture customers, you need to grow your list of engaged subscribers and collect contact information for your database. According to Moon Marketing, You lose up to 25% of subscribers each year due to email attrition, and not all engaged subscribers will become paying customers over time. To grow your business and set up a robust customer nurture program, you need to feed your marketing database with list building tactics.

There are many channels and tactics that marketers use to build their email list. Consider building your email list from the following sources:

- Website registration page
- Social media
- Offline events
- Online events
- Purchase registration
- Blog registration page

There are two ways to collect this information through opt-ins:

- 1. Ask:** When you give your visitors great reasons to subscribe—news, updates, discounts, content—they'll often gladly give you their email address. Then you can include these contacts in your nurture programs.
- 2. Request:** With gated content, such as premium reports or ebooks, an email address is the key that opens the gate.



WHO TO NURTURE

LIST BUILDING

Opt-Ins

Before you can fulfill and maintain expectations with your nurture communications, you must set them. Expectations start with the opt-in. A smart opt-in process sets an accurate and positive notion of what's to come and how it will arrive.

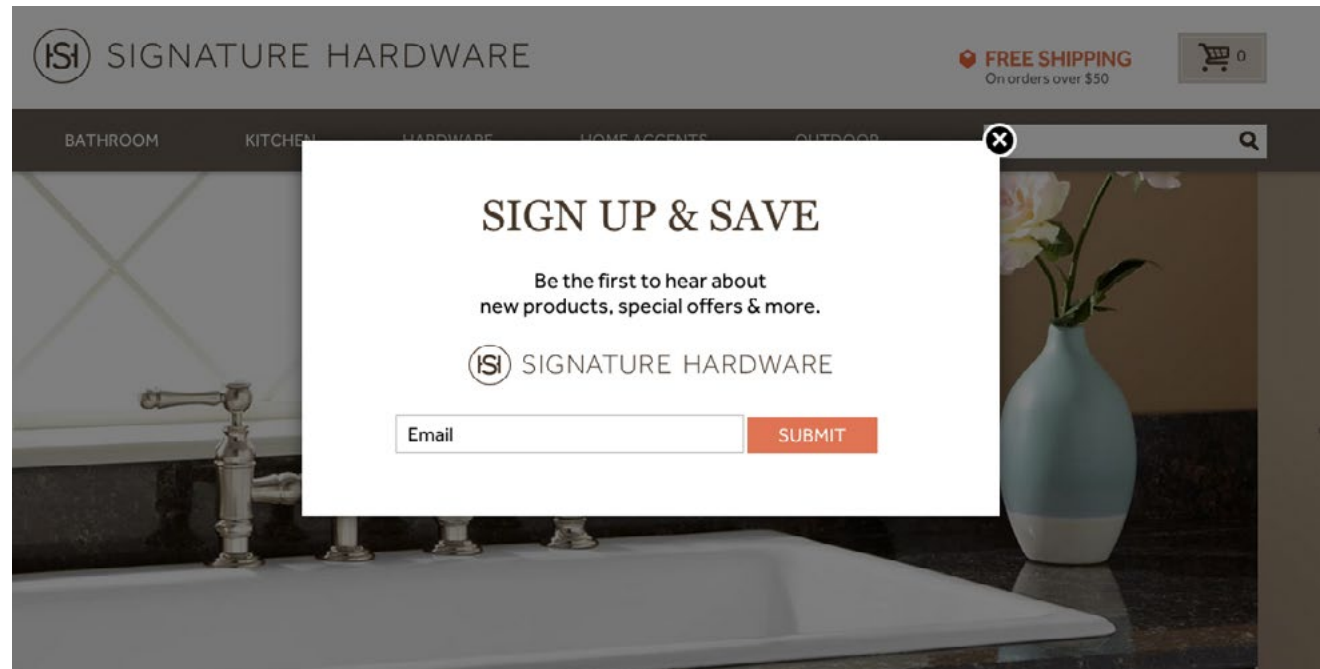
There are various tactics for building your list of opt-in email addresses, but in general they fall into one of the following categories:

Single Opt-In

A single opt-in works when a new subscriber enters his email address and possibly other information (demographics, preferences, etc.). He is immediately subscribed and will automatically receive the next email in your nurture campaign based off what you learn from his opt-in form.

Implicit Opt-In

An implicit opt-in occurs when a website visitor fills out a form on your site such as to download a content asset. Your website's privacy policy must state that performing this action automatically opts the user into email marketing. This option is low effort, but also has the lowest level of engagement.



Signature Hardware Opt-In

WHO TO NURTURE

LIST BUILDING

Explicit Opt-Ins

Explicit opt-ins require the user to voluntarily sign up for email marketing. Often this takes the form of a registration box or page that reads something like "I want to receive news and updates". Explicit opt-ins indicate additional engagement as a subscriber explicitly requests information.

Confirmed or Double Opt-In

A confirmed or double opt-in occurs when a new subscriber enters his email address and, depending on your needs, other information and content preferences. A post-subscribe thank you page may alert him to look for an email conformation. Once he receives that email, he'll need to click on a link or button to confirm.



WHO TO NURTURE

LIST BUILDING

Maintain Your List

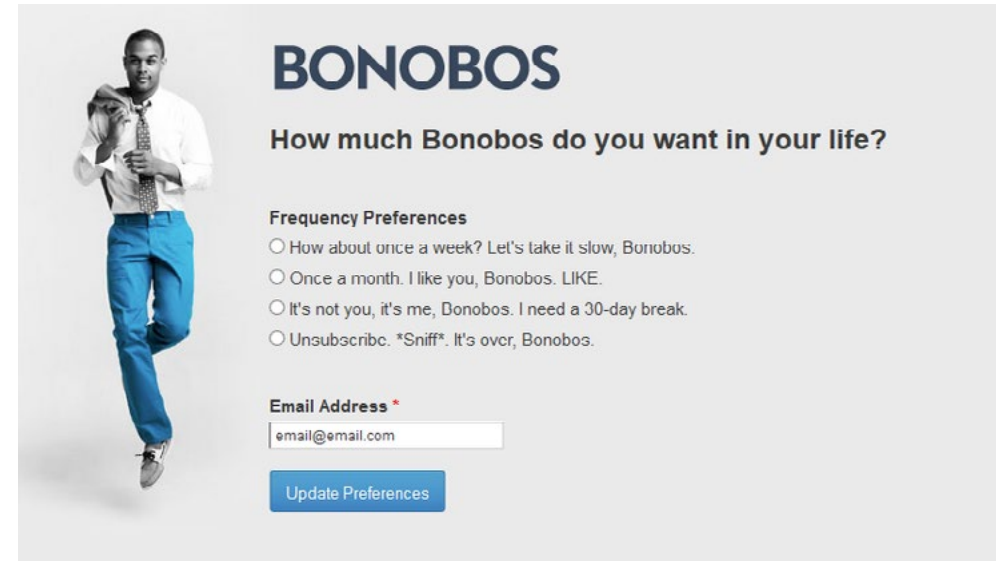
It's not enough to *build* a list for customer nurturing, you also need to maintain it. This means letting subscribers manage their preferences and opt-out if they wish.

Subscription Centers

One of the best ways to establish trust with your audience is to allow them to take control of communications—they should never feel trapped. You can be smart about your opt-out by creating a subscription center on your website. When subscribers click “unsubscribe”, they will be taken to the center and given the option of changing their communication preferences or frequency with which they receive your communications. Because maybe (hopefully) they still like you—they just want to see less of you.

Most subscription centers are fairly bare—asking just for the subscriber email and the reason she has opted out. However, you can also give subscribers other options such as:

- **A list of current subscriptions**—Show subscription details
- **The ability to customize preferences**—Check boxes make it simple to change options
- **A pause option**—Some subscribers simply need a break! Offer them the ability to pause for a certain period of time
- **The ability to opt-down**—Opting down allows subscribers to receive fewer—but not zero—emails



BONOBOS

How much Bonobos do you want in your life?

Frequency Preferences

How about once a week? Let's take it slow, Bonobos.

Once a month. I like you, Bonobos. LIKE.

It's not you, it's me, Bonobos. I need a 30-day break.

Unsubscribe. *Sniff*. It's over, Bonobos.

Email Address *

email@email.com

Update Preferences

Bonobos Subscription Center

A woman with dark hair and bangs, wearing a light blue t-shirt, is shown in profile from the waist up, watering a variety of indoor plants. She is holding a white spray bottle and a clear watering can. The plants include a peace lily, a snake plant, a spider plant, and a red pot with a plant. The scene is set in front of a window with blinds, and the entire image has a light purple overlay.

PART IV:

MULTI-CHANNEL CUSTOMER NURTURING

MULTI-CHANNEL CUSTOMER NURTURING NURTURING IN A MULTI-CHANNEL WORLD

Today's consumer moves seamlessly—sometimes even quickly—across digital and offline channels. She jumps from email, to social media, to your website, and then back to social media, without losing momentum. And she does this from whatever device is most convenient at the moment.

The modern, digitally-empowered buyer is channel-agnostic. This new buyer has become the undisputed controller of her relationship with your brand. Now, more than ever, the customer is in charge. Before we jump into more details on creating your customer nurture content and plan, we wanted to address how to think about nurture with a cross-channel lens.

As a marketer, you need to think across channels in your lead nurturing. Through advanced customer nurturing technology,

like Marketo's Customer Engagement engine, real-time personalization and more, you can easily listen and react from a variety of channels.

Multi-channel marketers need tools to help them:

- **Listen:** Pay close attention to buyer behavior across all channels to create a single, integrated view of the buyer persona.
- **Act:** Manage, personalize, and act on conversations with buyers across channels.



MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Listen

Imagine you had a great phone conversation yesterday with one of your best customers about a new service offering. Now imagine that after you read this, you go out for a cup of coffee and run into him on the street. "Hi! So glad we bumped into one another," you say. "I want to talk to you about a great service we're offering!" Your customer responds with a puzzled look. He thinks you have a terrible memory or that you're confused.

The same thing happens when a customer receives dueling messages from you on different marketing channels. If you're not listening to him across different channels, you're not delivering an

integrated experience. To create relevant interactions with a buyer over any channel, you need to understand his behaviors across all channels—you need a single, cross-channel view of the customer.

Act

Engaging conversations with buyers should be maintained seamlessly as your subscriber moves from one channel to the next. A conversation you start in an email must continue when the buyer navigates to your website, and shouldn't skip a beat when she jumps over to your Facebook page. Instead of competing against each other with disconnected messaging, or

repeating information your buyer has already absorbed, your email and different marketing channels should work together to coordinate the customer's experience. Let's take a look at examples on how to integrate a multi-channel approach into your customer nurturing efforts.



MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Web

Your website is of course a great place to capture new email addresses, but it's also a fantastic place to continue and start conversations. The web experience can and should be dynamically personalized to reinforce and extend the dialog started in emails.

Using personalization software, like Marketo's Real-Time Personalization enables you to:

- Identify a person's relevant attributes—intent, behavior, and profile
- Customize that person's online experience by presenting the most relevant content

Nurturing Anonymous Customers

With personalization tools you can discover information about anonymous customers. But how can you nurture those customers with relevant content that is seamless with your email communications?

Once your personalization software discovers demographic and behavioral details from your customers, it looks for pre-set marketing campaigns that match the visitor's data segment. This campaign is initially created by you, the marketer, and should be consistent with the nurture campaigns you set up for various segments. If a match is found, the appropriate campaign is launched. Automatically, the text, banners, calls-to-action,

and images dynamically change, instantly creating a more personalized, seamless experience.

Your personalization software then sends data directly to your engagement marketing platform, and can send triggered, targeted email campaigns and scoring updates based on how that customer interacts with your personalized campaigns.



MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Retargeting

Display ads and retargeting can be a large part of your marketing budget. But how can you create a consistent experience for your buyers across those channels? Here are ways to integrate your advertising strategy with your nurturing.

Some companies are including a retargeting pixel in the emails they send to customers (including emails sent by individual employees). This sets a cookie on the subscriber's machine, which allows the company to target specific display ads to them as they navigate the web. Done well, it can create more coordinated experiences between the messages the subscriber sees over email and on online.

Additionally, by using retargeting, you can focus your display ads on different individual customers based on where your customer is in her journey. Once someone visits your website you can serve her personalized ads on the subsequent pages she visits—providing a seamless experience once she leaves your website.

Social

Social is a critical part of nurturing cross-channel. Running social campaigns is great, but making every campaign social is better. Think of social as an ingredient in the 'campaign' cake, rather than just the frosting. When you connect your customer nurturing to your social efforts they enhance one another.

It is no secret that your buyers are on social, so make sure you are using it as a key element in your customer nurturing strategy. Make sure you are monitoring your social networks and nurturing customers in a personalized way. Respond to tweets, like their comments, or updates, and re-tweet great content they post.

When a customer mentions your company on social media or interacts in a key way, you can use your engagement marketing platform to listen, and respond with triggered emails and communication.

You can also use sophisticated targeting with paid social media ads. Social channels like Twitter, Facebook, and LinkedIn offer highly targeted options for your ads. You can segment your ads based on a number of different attributes such as role, company, location, behavior, and more. Additionally, many social channels allow you to upload lists from your engagement marketing so you can target specific individuals that are in specific stages of the customer journey.

MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Combine Email and Social Media

You can easily combine your email customer nurture campaigns and social media in the following ways:

- 1. Social Connecting:** Use email to grow your social followers.
- 2. Social Sharing:** Use email to extend the reach of your message through social channels.
- 3. Social Promotion:** Use social to grow your email list and promote your email marketing efforts.

Here are some ideas:

- Supplement each email address in your database with the contact's social media data
 - Increase opt-in conversion rates with social sign-in capabilities on your forms
 - Feature a Facebook and Twitter connect button in email opt-in confirmation messages so that enthusiastic new subscribers don't miss out on other ways to connect
- Add a Facebook and Twitter connect button to your preference center for recipients who'd rather stay in touch over social networks
 - Listen for keywords that are used by your audience in social media, and then send segmented emails that use those keywords
 - Watch who your followers follow, and use their content interests to help augment your segmentation strategy



MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Direct Mail

Consider adding direct mail to your customer nurture campaigns as a way to further personalize and add a human touch.

Companies like Cloud2You let you send direct mail as a part of marketing conversations as easily as you send email. MarketSync offers a solution that sends packages and tracks the delivery of those packages; when a customer signs for the delivery, the system receives an alert, which can trigger a follow-up email, phone call, or both. Integrating in this way not only allows conversations to flow across channels, but also beyond digital.

Imagine sending a fun, unique, and personalized package after a customer has interacted with your nurture communications. Adding that human touch can accelerate your leads and help build that trust.

Add a PURL

PURLs are personalized URLs. Customers type a custom URL into their browser from a postcard or package they receive in the mail. This address brings them to a landing page designed specifically for their persona. By offering them targeted web content in this way, you can improve conversion by 30% or more.



MULTI-CHANNEL CUSTOMER NURTURING

NURTURING IN A

MULTI-CHANNEL WORLD

Mobile

Not only are today's buyers multi-channel, but they are also multi-device. Because mobile is an area where your buyers spend copious amounts of time, you need to think about how you can include a mobile experience in your customer nurturing programs.

Make sure all of your nurture email content is "responsive"—including your emails and landing pages. That ensures your customers can see and interact with your nurture emails on their mobile devices.

You can also integrate mobile nurturing in the form of SMS or MMS text messages that your buyer can opt-into through your emails, website, or at an event. This gives you a powerful way to communicate with your buyer on the go.

If you have an application your buyers are downloading, nurture them through in-app messages and push notifications as they engage with you across channels. Using these techniques can also increase the usage of your application over time.



PART V:

CUSTOMER NURTURE SEGMENTATION

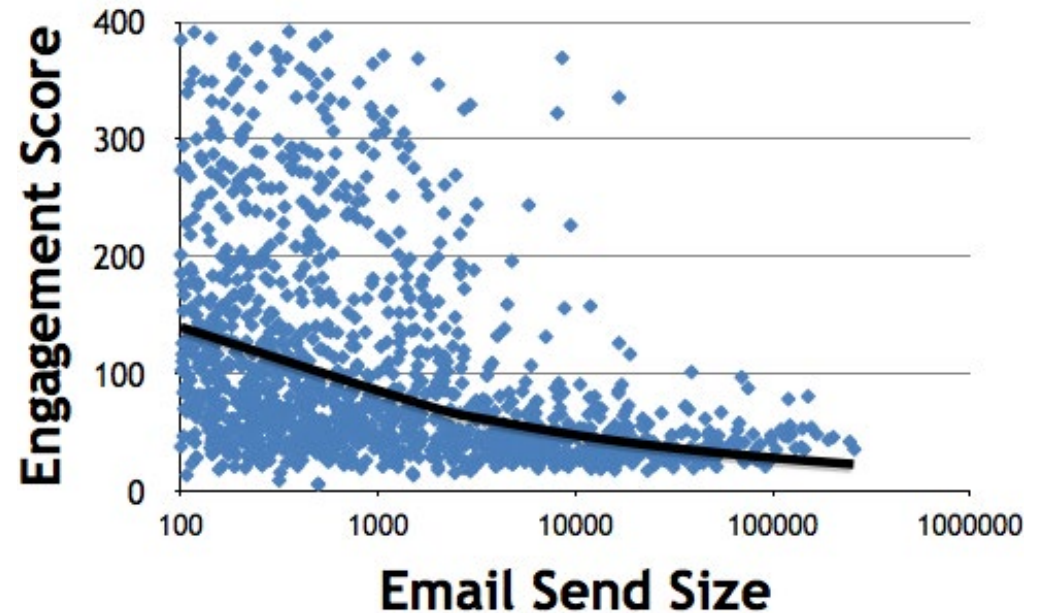
CUSTOMER NURTURE SEGMENTATION

WHY DO YOU NEED SEGMENTATION?

Segmenting your audience, the act of dividing your customers into definable and actionable parts, is essential to your marketing success—particularly with customer nurturing. The more you segment, the more relevant your nurture programs will be. If you are not relevant, your audience simply won't pay attention.

Being relevant means sending the right content, to the right person, at the right time. Your buyers are becoming more and more comfortable with targeted advertising and personalized content. They expect marketers to know about them and to use that information to create customized experiences. You want your customer nurturing to be relevant to your potential buyers throughout their entire journey.

Additionally as it pertains to email, studies have consistently shown that segmented email sends yield higher results. In a Marketo Benchmark Email Marketing Study, we found segmentation to be the highest ROI tactic used by email marketers. In fact, according to our proprietary Engagement Score (which tracks how engaging an email is in Marketo), 23% of how engaging an email is can be explained by segmentation. Smaller, more segmented sends in your customer nurturing yield better results.



CUSTOMER NURTURE SEGMENTATION

THE TWO DIMENSIONS OF SEGMENTATION

We recommend that your basic customer nurturing programs use two dimensions of segmentation—lifecycle stage crossed with another measurement variable that is important to your business. The reason for two is because it creates a happy balance: one is not enough, and each dimension beyond two creates an exponentially more complex framework. Think of it as segments and sub-segments.

In general, you want to nurture based on lifecycle stage, since it is critical to think about where the customer is in her buying journey. But you also want to ask yourself, what else is relevant for your customer? And, how would you like to split up and personalize your nurture tracks?

Let's dig into this concept more thoroughly.

Dimension One: Lifecycle Stage

Typically you want to nurture based on where a customer is in her customer lifecycle. Content that is relevant to a customer who has just learned about your products is probably not relevant to a customer who is in her final stages of making a purchase.

Examples of lifecycle stages you may want to nurture for are:

- Not yet a customer
- New customer
- Repeat customer
- Advocate
- Upcoming subscription renewal

CUSTOMER NURTURE SEGMENTATION

THE TWO DIMENSIONS OF SEGMENTATION

Dimension Two

In addition to buying stage as your first dimension, you can also choose a second dimension for your customer nurturing. Choosing a second dimension enables you to be even more relevant to the customers in your marketing database

If you are a smaller company or are just starting out with customer nurturing, you may have only 1-2 tracks that include a couple of the dimensions discussed in the coming page. If you are a larger, more complex organization, you might have many tracks that speak to each of the different dimensions.

Personas

Your buyer personas are the different customer profiles who purchase your product. You might have one or multiple depending on your company and what you sell.

Your personas might be broken down by product line, gender, age, location of your buyer, and so on. The key is to understand your different audiences and ensure you have content for them.

A buyer persona for an online bookstore might be the following: Jane, age thirty-eight, is a mother of three, a Vice President of Marketing, an avid fiction reader, and buys at least one book per month online.



CUSTOMER NURTURE SEGMENTATION

THE TWO DIMENSIONS OF SEGMENTATION

Buyer profiles are particularly relevant to customer nurturing—they help your campaigns target your most qualified segments and also add a human element to the relationship building process.

As you're developing your personas, keep in mind that they must work for the specific purpose of customer nurturing. Think about the characteristics of your audience that would help provide you with greater insight into how to best build a relationship with them. For instance, how do they prefer to receive communications from you (email, mobile phone, Twitter, etc.)?

Geography and Language

Depending on the markets you serve, you may want to segment your database based on geographical markets. This can be both locally, throughout the United States, or internationally. Segmenting based on geography enables you to be relevant to an individual's local events, activities, and customs.

You can use local nurturing tracks for events, to send localized content, and to reference localized pricing and deals. For instance, if you are an organization with an office in the UK, you can create specialized tracks with content specifically created for that geographical area.

Another critical reason to segment by geography and language is that there are country-specific email laws to abide by. Your nurture emails must reflect any rules and regulations.

The same concept is true for language. If you are an international company you need to create customer nurturing tracks that include content in the various languages of the markets you serve.



CUSTOMER NURTURE SEGMENTATION

BEHAVIORAL SEGMENTATION

Adding behavioral segmentation and targeting to your customer nurture campaigns increases relevance and engagement cross-channel. If you want to speak to your customers in a truly relevant way, you can segment your nurturing programs in a way that combines transactional data, like the data discussed in the previous part, with online body language like web traffic, search behavior, email response, and so on.

Behavioral segmentation can be used in addition to segmenting based on the more traditional dimensions. Behavioral segmentation and targeting listens to behavioral cues and creates triggered interactions that feel more like a conversation.

When behavioral cues are not used, nurturing can be experienced as dissonant interruption. What the sender considers a coordinated “drip campaign” may feel more like water torture to the receiver.



A person wearing a striped apron is holding a wooden crate filled with fresh produce, including tomatoes and leafy greens. The person is standing in a garden, and their hand is visible near some green plants. The entire image has a purple overlay.

PART VI:

CALCULATING THE ROI OF CUSTOMER NURTURING

CALCULATING THE ROI OF CUSTOMER NURTURING

BASIC CUSTOMER NURTURING MEASUREMENTS

Measuring your customer nurturing efforts is critical to your success. Since email is such an integral part of your nurture strategy, we wanted to start by reviewing some common metrics most email marketers track.

Here are the seven most common email metrics:

1. Sent
2. Delivered
3. Bounced
4. Opens/Open Rate
5. Clicks/Click Through Rate
6. Unsubscribed
7. Marked as Spam

Sent

Your sent metric is the number of emails that actually moved through your engagement marketing platform. This may or may not be the same as addresses on your sending list; it depends upon how your engagement marketing platform tracks what's been sent (whether or not it includes "bad" email addresses in the final count). Remember, while some of your emails are sent to bad addresses, they certainly don't get received.

Marketo defines Sent as *the number of valid contacts who were sent an email.*

Delivered

Delivered refers to the number of emails that were sent and not rejected by a receiving server. It's important to understand that Delivered does not mean it landed in the recipient's inbox.

Marketo defines Delivered as *the number of contacts who were successfully delivered at least one message.*



CALCULATING THE ROI OF CUSTOMER NURTURING

BASIC CUSTOMER NURTURING MEASUREMENTS

Bounced

Bounced email is the opposite of Delivered email. There are two types of bounces:

1. Hard bounces are messages that are permanently rejected

(emails denied due to an invalid email address or because the recipient's server has blocked the sender's server).

2. Soft bounces are messages that are temporarily rejected

because the recipient's mailbox is full, the server is down, or the message exceeds the size limit set by the recipient. Too many soft bounces to one address can eventually result in a permanent hard bounce.

In both cases, Marketo defines Bounced as *the number of people who were sent a message that bounced*.

Open/Open Rate

How many recipients opened (viewed) the email.

Marketo defines Opens as *the number of contacts who opened the email at least once*, and the Open Rate as *the number of opens/number of leads delivered*.

Opens are tracked by adding a small, personalized image ("pixel") to the email. As soon as the image renders, your engagement marketing platform will register that the email has been opened. Note that this means Opens is a difficult metric to track, and there is also no guarantee that an email opened was an email read.

Some challenges:

- If a subscriber loads an email with "images on" in the preview pane, the email platform will record the email as Open even if she doesn't actually look at it.
- Your engagement marketing platform will record an Open if the reader selects it (opens it briefly) in order to delete it.
- If email preferences are set to "images off," it's entirely possible for the subscriber to authentically open and read your email without it being registered as an Open. As we mentioned earlier, most email clients do block images by default.

The bottom line is, the Open Rate is not 100% accurate, but it does serve as a good proxy for whether emails are being read, and as a relative measure to compare emails against each other.

The Marketo Benchmark on Email Performance found that top performers had significantly higher open rates, showing the value of trust and quality targeting:

- Average companies: 10-15%
- Top performers: 16-20%

CALCULATING THE ROI OF CUSTOMER NURTURING

BASIC CUSTOMER NURTURING MEASUREMENTS

Click/Click Rate/Click-to-Open

When a subscriber clicks on a link, button, or image within your message, a Click is recorded.

Marketo defines total Clicks as *the number of people who click at least one link in the email*. In other words, like the Open Rate, no matter how many times a recipient clicks on the link(s), only one Click is recorded. Counting in this way provides a better measure of how many subscribers are truly engaged. This also ensures the Click Rate cannot be greater than 100%.

Click Rate equals the total number of Clicks divided by the total number of emails delivered (or, depending on the measure used, sent). The Click-to-Open (CTO) Rate is the total number of Clicks (per subscriber) divided by the total

number of Opens. This means that $\text{Click Rate} = \text{Open Rate} \times \text{Click-to-Open Rate}$.

Marketers often pay more attention to the CTO than the Click Rate, since the CTO helps to separate the reasons for opening from the reasons for clicking. In the Marketo Benchmark on Email Performance, that top performers had better click rates and click-to-open rates:

Click Rate:

- Average companies: 2.1 – 5.0%
- Top performers: 5.1 – 10%

Click to Open Rate:

- Average companies: 11 – 15%
- Top performers: 16 – 20%



CALCULATING THE ROI OF CUSTOMER NURTURING

BASIC CUSTOMER NURTURING MEASUREMENTS

Unsubscribe Rate

Marketo defines this as *the number of contacts who click the "unsubscribe" link in an email and then follow through to successfully opt out.*

The Marketo Benchmark on Email Performance found that top performers had lower overall unsubscribe rates:

- Average companies: 0.11 – 0.20%
- Top performers: < 0.10%

Marked As Spam

Marketo defines this as *the number of subscribers who reported your email as spam, divided by the number sent or delivered.*

You want to do whatever you can to bring the Marked As Spam rate to the lowest number possible—ideally, zero. The more engaging you are, the fewer spam complaints you'll receive. Remember your goal: send timely, targeted, valuable, human content to people who have requested it.



CALCULATING THE ROI OF CUSTOMER NURTURING ADVANCED MEASUREMENTS

Once you get the basic measurements down, take a closer look at your customer nurturing programs with more advanced metrics such as engagement, and revenue impact.

By moving away from traditional vanity metrics with your customer nurturing, you can tie your efforts closely to moving customers through their buying journey. Basic metrics are a great start, but they don't really tell you what is driving engagement and revenue cross-channel.

Engagement

Engagement is more than an idea or a buzzword; it's a tangible way of interacting with consumers one-to-one across channels by listening, acting, and analyzing. With the right tools, engagement can be measured, managed, and increased.

Operational metrics, such as Opens and Clicks, are not ideal for measuring multi-channel engagement. Consider the following testing scenario:

- Email A has a high Open Rate.
- Email B has a high Click Rate.
- Email C has a high Conversion Rate.

Which of these emails had the best engagement? With traditional email solutions, no real insight is given into whether a campaign has actually engaged customers or deepened relationships. A marketer must pore over multiple

reports and then apply guesswork to determine how an email performed in terms of engagement.

In order to accurately measure engagement, you need a way to combine multiple important metrics.



CALCULATING THE ROI OF CUSTOMER NURTURING

ADVANCED MEASUREMENTS

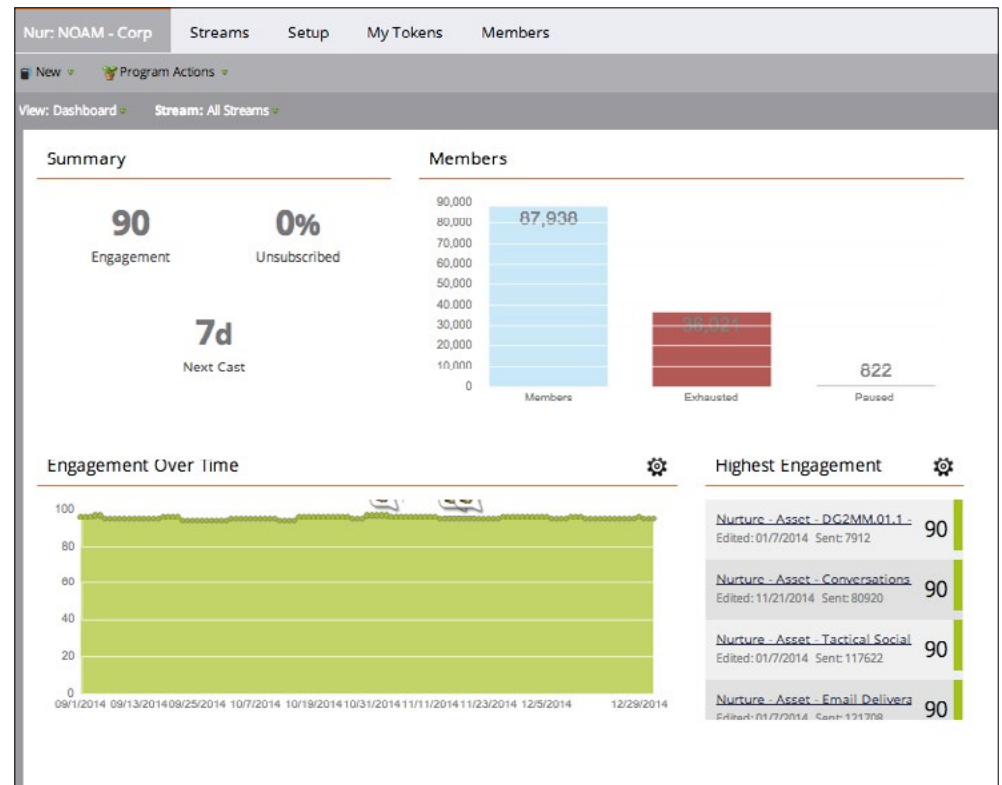
Marketo Engagement Metric

The Marketo Engagement Score is a proprietary algorithm that our Data Science Team created to determine exactly how engaging each message is. It combines multiple data points—Clicks, Opens, Conversions, Unsubscribes, Program Successes, etc.—and then applies a statistical algorithm to create a single measure of engagement.

Our Engagement Score provides a standard way to measure the engagement of your messages over time, not just as isolated standalone incidents. With this new level of measurement, you can better accomplish the following:

- Fine-tune to improve the engagement of campaigns, continuously.
- See how the changes you make improve engagement over time.
- Test different messages and content streams against each other to find which are the most engaging.

This metric takes the guesswork out of your marketing metrics and applies a tangible number that you can use when making future marketing decisions—not just decisions regarding customer nurturing, but also those relating your entire multi-channel strategy.



Marketo Engagement Score

CONCLUSION

Customer nurturing is defined as the process of building relationships with buyers regardless of their timing to buy. The old batch-and-blast model of email marketing is in the distant past—forward-thinking marketers are looking for ways to engage their buyers with personal, relevant communication throughout the buyer lifecycle and across multiple channels.

With the help of an engagement marketing platform, marketers can create these flexible, adaptive communications at scale by implementing a customer nurturing strategy and program.

The Definitive Guide to customer Nurturing outlined the importance of multi-channel customer nurturing as a part of a modern marketing mix. It provided thoughtful exercises and tips to lead you in developing your own customer nurturing strategy.

This Definitive Guide was created to help the novice all the way to the seasoned practitioner develop and refine their skills and thinking. Now that you have read this guide you have a good understanding of how to build a trusted relationship with your buyer by holding a consistent conversation, full of personal and relevant information, across all of your buyers' channels.

When you invest in customer nurturing, you make the most out of every dollar your organization spends on demand generation, and you can rekindle once-stagnant opportunities from your existing database. By using customer nurturing campaigns to interact with your buyers and understand their interest and behavior, you gain deeper insight into their buying intent.

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About Marketo:

Marketo (NASDAQ: MKTO) provides the leading marketing software and solutions designed to help marketers master the art and science of digital marketing. Through a unique combination of innovation and expertise, Marketo is focused solely on helping marketers keep pace in an ever-changing digital world. Spanning today's digital, social, mobile and offline channels, Marketo's Engagement Marketing Platform powers a set of breakthrough applications to help marketers tackle all aspects of digital marketing from the planning and orchestration of marketing activities to the delivery of personalized interactions that can be optimized in real-time. Marketo's applications are known for their ease-of-use, and are complemented by the Marketing Nation®, a thriving network of 400 third-party solutions through our LaunchPoint® ecosystem and over 50,000 marketers who share and learn from each other to grow their collective marketing expertise. The result for modern marketers is unprecedented agility and superior results. Headquartered in San Mateo, CA with offices in Europe, Australia and Japan, Marketo serves as a strategic marketing partner to more than 3,400 large enterprises and fast-growing small companies across a wide variety of industries.

For more information, visit www.marketo.com.

