

# The Bouqs uses segmentation to increase total revenue on peak holiday by 45% and total orders by 64%

## **About The Bouqs**

The Bouqs Company is an online floral retailer delivering flowers fresh from ecofriendly, sustainable farms to doorsteps nationwide. Based in California, they made their breakthrough in the flower industry in 2012, disrupting the traditional supply chain with their direct-to-consumer model, reducing overhead costs and working directly with farmers, so flowers are cut-to-order — allowing them to reduce waste by up to 90% and keep flowers fresher for longer.

The startup has redefined the flower delivery service. The website and mobile app make ordering flowers easy with simple on-demand purchases, subscriptions, and price transparency.

### The Challenge

The Bouqs Co introduced basic segmentation using their email service provider and saw quick wins by aligning creative strategies around the gender most likely to purchase. And during their highest traffic times, such as holidays, some segmentation and retargeting was done for customers with high net promoter scores.

Their marketing team would typically send two promotional emails a week, one sent to customers who showed signs of engagement (recent opens/clicks), and another sent to their entire "opted-in" customer base.

Their paid Facebook ads were focused on brand perception to a broad and general audience, but they saw the potential to improve ad targeting. They wanted to make a shift to introduce messages that would resonate with customers at various lifecycle stages and reactivate customers who hadn't engaged with the brand in a long time.

The Bouqs Co's team knew more complex and smart segmentation could advance their email campaigns and paid social ads to target high-value customers and win back those showing signs of churn.

## The Solution

The Bouqs Co partnered with Amperity, a best-in-breed retail customer analytics platform, to build mission-critical predictive analytics models to address these challenges. By using a clustering algorithm to run on their transactional data, The Bouqs Co now had better intelligence around the number of active customers, predicted customer lifetime value, preferred price point values, and brand/category preferences. Using these insights, they were able to segment distinct shopper personas including VIPs in various tiers, shopping preferences (i.e. roses vs. tulips), gift recipient preferences, lost prospects, and churning customers.



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27%

Decrease in unsubscribe rate

20%

Increase in total revenue from drip campaigns

34%

Increase in revenue per customer from Facebook campaigns

By developing a strong data-driven and design-driven strategy, The Bouqs Co combined email creative enhancements with advanced segmentation to drive more purchases — and just in time for Valentine's Day.

They began testing messages on past rose purchasers from the previous Valentine's Day holidays and sent them a separate 'Order Early for V Day' campaign. The personalized rose-purchase version outperformed a generic version to this cohort.

They also targeted higher average order value (AOV) customers and marketed to them with a 'grand upsell' banner in a variety of emails. Additionally, when these customers landed on product detail pages on the site, they automatically defaulted to grand size options. These customers with the grand upsell treatment converted at a higher AOV than other customers, resulting in a sizable increase in incremental revenue.

They continued to roll this strategy out for Mother's Day and looked for other ways to differentiate the treatment for customers who fell into different segments.

The marketing team executed a Mother's Day retention campaign, which aligned customer segments with personalized promotional campaigns (i.e. 'order early' and 'last chance' promotions VIPs vs. non-VIPs). They also tested various forms of creative to drive higher conversion rates.

### The Results

The Bouqs Co saw impressive results from combining new creatives with a segmentation strategy and personalized marketing campaigns. The total revenue from their Mother's Day retention campaigns saw a lift of over 45% compared to the previous Mother's Day. The unsubscribe rate was also down by 27% compared to the previous year — it was clear their messaging and design were more relevant and engaging to their customers.

With their more advanced drip email campaigns, The Bouqs Co targeted churning customers and successfully tested win-back and churn prevention messages, along with an improved 'prospect welcome series' for new customers. They saw a 20% increase in total revenue from drip campaigns, and total orders increased by an impressive 64%.

The Bouqs Co saw a 22% conversion lift and 34% revenue per customer increase on orders from Facebook campaigns by targeting VIPs, past Mother's Day customers, and new prospects while staying within cost per order targets. The Bouqs Co's team now plans to test direct mail and push more paid social ads to VIPs and past holiday purchasers to drive revenue in future holidays.

# Amperity &

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The Amperity Customer Data Platform provides next-generation customer data management, freeing technical teams from endless integrations and delivering a comprehensive Customer 360 in less than 90 days. Point-and-click segmentation, predictive analytics, and integrations everywhere let brands personalize every customer experience, build long-term loyalty, and drive growth.

To learn more about Amperity, visit <u>amperity.com</u> or check out our <u>blog</u> for more tactics, tips, and techniques for unlocking your customer data and bringing personalization to life at your brand.

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