Amazon

Case study
Digital Relationship Marketing (RM) Academy
Extending the consumer journey with RM
Amazon: Perfect personalization
Amazon

Using email to target offers effectively

• The richness of Amazon’s customer data makes for an incredibly powerful targeting tool

• Yet every business has (or is building fast) customer profile information as a way to segment and target

• Think about what your firm can learn from the way Amazon uses their email techniques

Greetings from Amazon.co.uk,

As someone who has purchased or rated books by Paul Theroux, you might like to know that *The Elephanta Suite* will be released on 28 August 2008. You can pre-order yours for just £6.29 (30% off the RRP) by following the link below.

**The Elephanta Suite**
Paul Theroux

- **RRP:** £8.99
- **Price:** £6.29
- **You Save:** £2.70 (30%)

**Release Date:** 28 August 2008

**Synopsis**
This fabulous, far-reaching book breathtakingly captures the tumult, ambition, hardship and serenity that mark modern India. Theroux’s characters risk venturing far beyond its well-worn paths to discover woe or truth or peace. A holidaying middle-aged couple veer heedlessly from idyll to chaos. A buttoned-up Boston lawyer finds relief in Mumbai’s reeking slums. A young woman befriends an elephant in Bangalore. We also meet Indian characters as distinctive as they are indicative of their country’s subtle ironies: an executive who yearns to become a holy beggar, an earnest young striver whose personality is transformed by acquiring an American accent, a miracle-working guru, and more. “The Elephanta Suite” urges us towards a fresh, compelling, and often inspiring notion of India and its effect on those who try to lose - or find - themselves there.
Amazon Recommendations

• By sending only the offers that match a consumer's interest, open rates can be assured.

• The value of email is in the quality of the open rates and the attitudes of the customers – a function of the relevancy of the offer and their expectation of the brand.

• Consider why some brands sustain good open rates with very high volumes of customer messaging.
Writing email messages that are instantly understood
“People who like this also liked this”

• Amazon sends a lot of email, so why do they manage to get a consistently high open rate?

• The answer is in the targeting, and even if you don’t have anything like the depth of information they do, there are still lessons to learn

• Take this simple email for a book offer and consider why of all the millions of books this one is selected

• When you know what your customer buys and you have new products that are similar to those they’ve bought before then it’s easy to start joining up the dots

• Although the company who coined the phrase ‘people who like this also liked this’ has one of the most sophisticated collaborative filtering tools of any retailer to rely upon

• The ideas are simple enough that any firm can start making some of these links providing they know their customers well enough
Writing email messages that are instantly understood

Target the customer

- As an avid reader of Paul Theroux, this offer is perfectly targeted to the consumer
- Amazon know that the consumer has bought several titles by Theroux and several more about India, the place where this book is set
- In the subject line the words ‘Paul Theroux’ are acting as the filter for the customer
- It’s instantly decidable and provides the mental ‘attention grabber’ that stops this email from being deleted when it arrives with a bunch of other less relevant retail offers
- The relevancy is clear in a way that if the book title alone was in the email it might not be the case
- This shows how sometimes products need to be qualified by explaining the category or parent brand to ensure the customer can make that connection
- When combined with a price promotion there is a natural sales uplift
- And although Amazon don’t release data about the nature of that uplift, the fact they continue to deliver price promotions in the market as an incentive to buy now speaks volumes
- This is an example of best practice in targeting and using email as a proactive way to drive sales among both current and lapsed customers
Amazon

People who like this...

• ...also like this

• This is the cross promotional phrase Amazon’s marketing and proposition has been built on

• Rich profile data, highly accurate predictive modelling about interests, and clever copywriting are guaranteed to ensure their offers always hit the spot

From: Amazon.co.uk [amazon-offers@amazon.co.uk]
Sent: 21 October 2008 13:10
To: Danny @ Danny.co.uk
Subject: Save 25% on "Grown Up Digital: How the Net Generation is Changing Your World" by Don Tapscott

Greetings from Amazon.co.uk,

We’ve noticed that customers who have purchased or rated Growing Up Digital: Rise of the Net Generation by Don Tapscott have also purchased Grown Up Digital: How the Net Generation is Changing Your World by Don Tapscott. For this reason, you might like to know that Grown Up Digital: How the Net Generation is Changing Your World is now available. You can order yours for just £11.99 (25% off the RRP) by following the link below.

Grown Up Digital: How the Net Generation is Changing Your World
Don Tapscott
RRP: £15.99
Price: £11.99
You Save: £4.00 (25%)

Add to Shopping Basket

Product Description
The Net Generation Has Arrived. . . Are you ready for it?. . . Chances are you know a person between the ages of 11 and 30. You’ve seen them doing five things at once: texting friends, downloading music, uploading videos, watching a movie on a two-inch screen, and doing who-knows-what on Facebook or MySpace. They’re the first generation to have literally grown up digital—and they’re part of a global cultural phenomenon that’s here to stay. . . The bottom line is this: “If you understand the Net Generation, you will understand the future,”. . . If you’re a Baby Boomer or Gen-Xer: “This is your field guide,”. . . A fascinating inside look at the Net Generation, “Grown Up Digital” is inspired by a $4 million private research study. "NewYork ...
Amazon

Making it easy

• A single email
• A single offer
• A single click
• When marketing is this easy the barriers to sale have all been removed
• What could Amazon teach your business about effective retailing and conversions?

From: Amazon.co.uk [amazon-offers@amazon.co.uk]
Sent: 24 October 2008 13:49
To: Danny @ Danny.co.uk
Subject: Save 40% on “Man in the Dark” by Paul Auster
Amazon

More is more

• When targeting is this good, Amazon moves from the role of ‘seller’ to the role of supporter in the mind of its customers

• They have the power to do the thinking for the customer and are performing the job a book reviewer would have a decade before
Amazon

Relevancy drives sales

• Amazon has led the field in relevancy because their vast sales volume gives the opportunity of understanding why ‘people who like this, also like this’

• When they send out their email offers, they achieve a rare blend of precision targeting and broadcast mailing

• The email engine only sends the books relevant to the specific individual which guarantees a relatively high open and conversion rate

• Over time customers become adept at understanding the nature of Amazon’s offers so their sender and subject lines don’t need to work as hard as they would for a brand that has not entrenched the same sense of expectation

• This email newsletter is sent to a customer who buys books about travel and online marketing: exactly the right selection and message
Amazon

Expanding your offer

• Exemplary customer service let the brand expand into more areas and reach more customers

• Clear display, clear information, compelling photos and a strong supporting range of product information are what it needs to secure future purchases

• From a base in books and music, Amazon has expanded into dozens of other sectors becoming the web’s largest department store
Amazon
The thank you

- By transforming a simple sales acknowledgement and turning it into well designed customer messaging, Amazon can boost its repeat orders as well as the values of its brand in the minds of consumers.

- Amazon’s customer service sees the next purchase as the goal and keeps customers happy and moving forwards all the way through that journey.

From: Amazon.co.uk [customer-reviews-messages@amazon.co.uk]
Sent: 23 May 2009 08:12
To: Danny Meadows-Klue @ Digital
Subject: Review your recent purchases at Amazon.co.uk

Dear DigitalStrategyConsulting,

Thank you for your recent purchases from Amazon.co.uk.

We invite you to submit reviews for the products you purchased or share an image that would benefit other customers. Your input will help customers choose the best products on Amazon.co.uk.

It’s easy to submit a review -- just click the Review this product button next to the product.

Here Comes Everybody: How Change Happens When People Come Together (Purchased on 20/04/2009) by Clay Shirky
[Review this product]
...or share an image.

Tribes (Purchased on 20/04/2009) by Seth Godin
[Review this product]
...or share an image.

New on Amazon! Grab your video camera or webcam and add video to your customer review. Click on 'Review this product' above to upload a video or find a different product to review.

Need Help?

If clicking the link above doesn’t work, you can review your products by following these steps:

1. Visit the product page on Amazon.co.uk
2. Click the Reviews tab
3. Click the “Write a product review” button
4. Enter your review
5. Click “Submit review”