

A woman with dark hair is shown from the waist up, wearing a long-sleeved, black and white vertically striped dress. She is looking slightly to the right with a neutral expression. The background is a clear, light blue sky with some faint clouds. The dress has a gathered waist and a flowing skirt. The overall mood is serene and minimalist.

marimekko



# Agenda

eCommerce technical overview & processes

Performance based marketing – a good starting point

Quick intro to conversion optimization

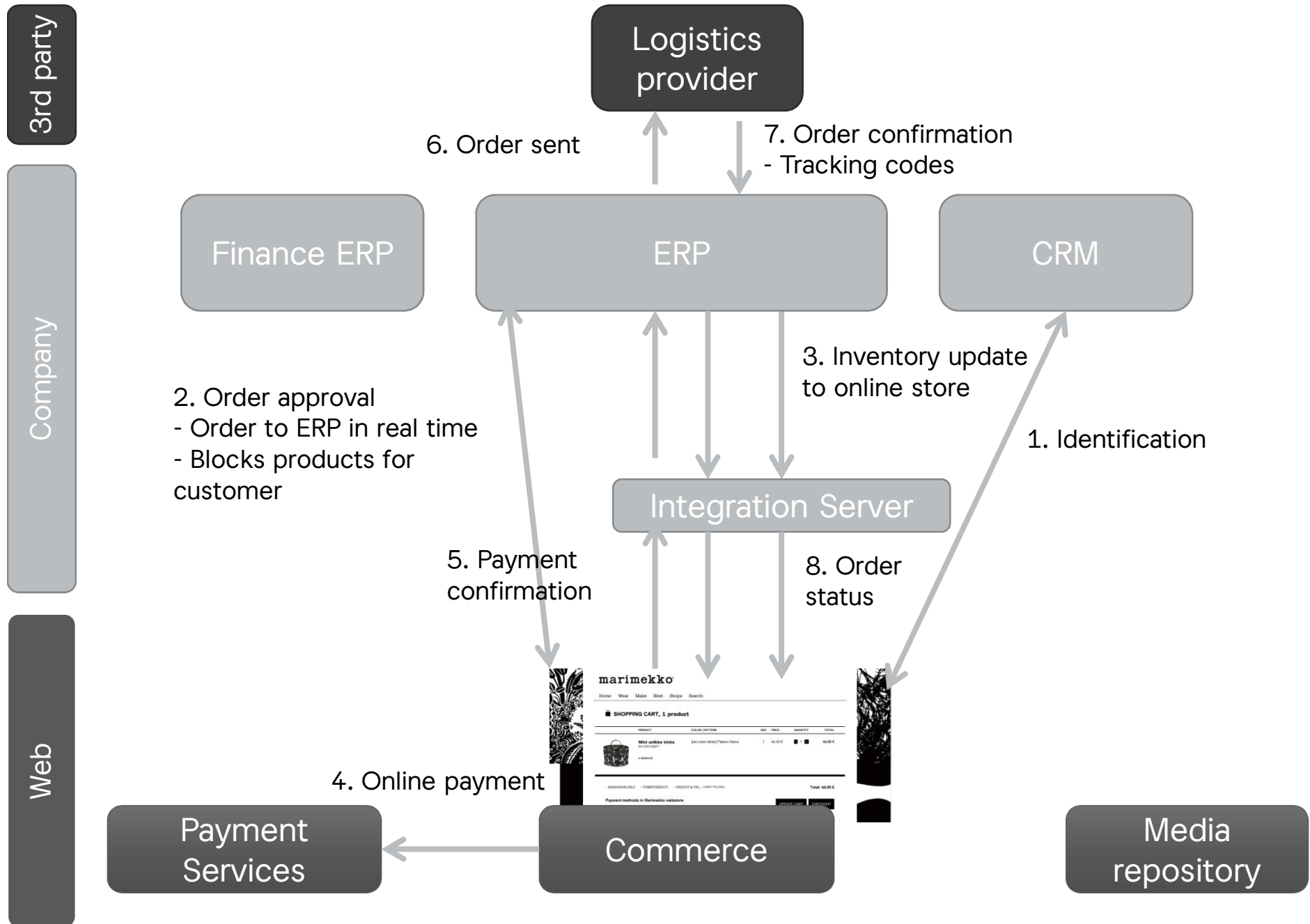
Extracting maximum value with smart Customer Base Management

# eCommerce Galaxy

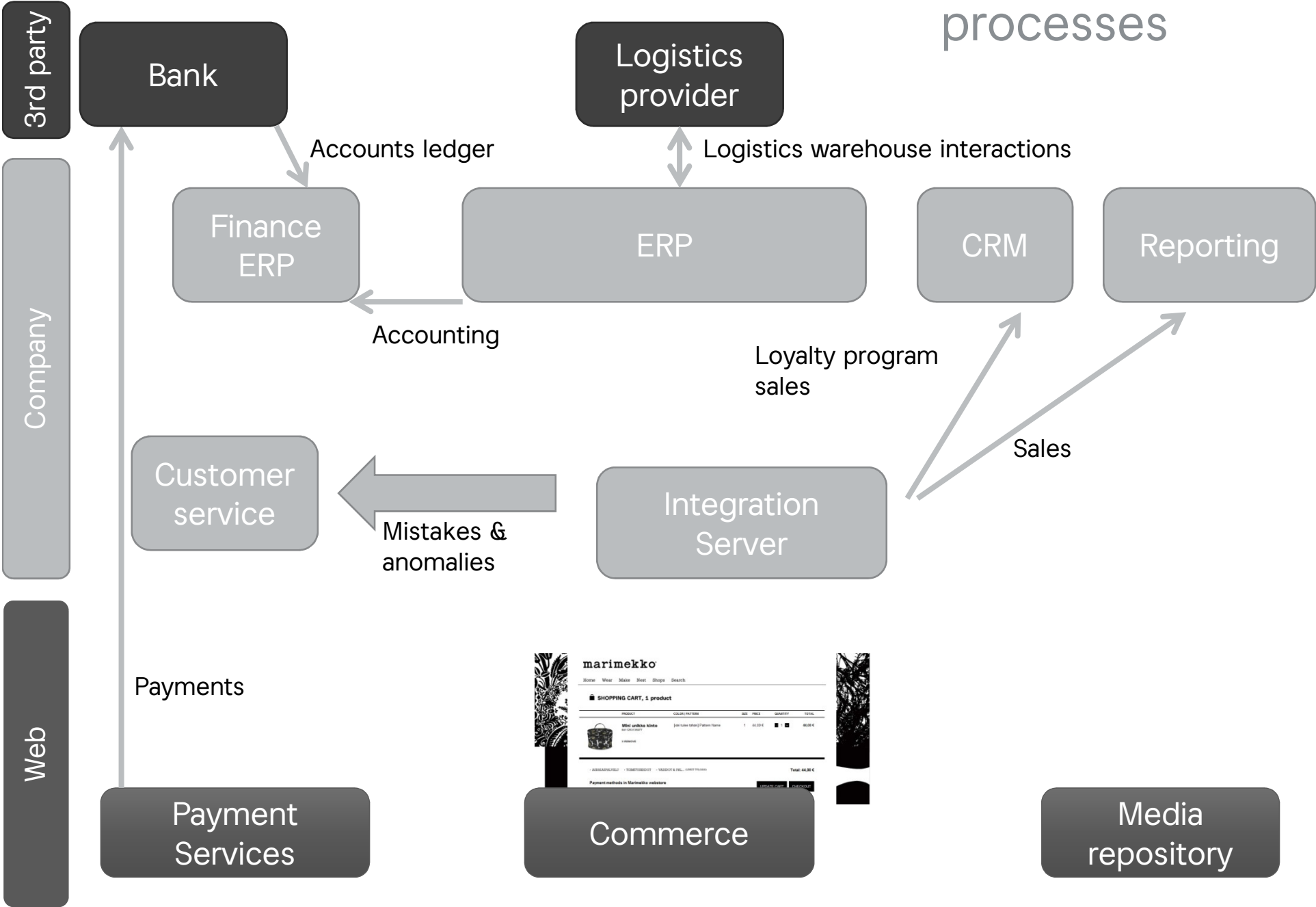


iLoop mobile Localytics	brightpress Kontagent	Badgeville BigDipper	Adobe BO.LT visual.ly	Canto WIDEOR	
<b>DISPLAY AD MANAGEMENT</b> [x+1] ADCHEMISTRY DataXu Turn double click TRIGGIT Microsoft Advertising	<b>E-COMMERCE</b> shopify gsi commerce demandware Magento marketlive INTERSHOP iCongo ZOOVY goeCart hybris atg Digital River		<b>PERSONALIZATION</b> RapLeaf choice@stream <b>LOYALTY MANAGEMENT</b> loyalty lab INCENTIVELOGIC		
<b>VIDEO AD MANAGEMENT</b> YuMe TubeMogul	<b>VIRTUAL EVENTS</b> UNISFAIR webex CITRIX virtual events 365	<b>VIDEO CONTENT</b> Kaltura brightcove twistage	<b>APIs</b> opigee 3scale LAYER 7	<b>EVENT MANAGEMENT</b> eventbrite Acteva regonline cvent	
<b>MANAGEMENT</b> ACQUISIO ADGODROO clickEquations yield software KENSHOO WordStream	<b>SEO TOOLS</b> seomoz.org conductor COVARIO BRIGHT EDGE RAVEN Ginzometrics operty altruik BloomReach Wordtracker searchmetrics gShifti	<b>CORE WEBSITE</b> Autocounter sitecore SDL ZBM WebSphere Day Joomla! OPEN TEXT FatWire Apache SOFTWARE Drupal Clickability	<b>CUSTOM WEB APPS</b> net MVC django amazon web services heroku git	<b>MARKETING AUTOMATION</b> ELOQUIA Pardot Infusionsoft Manticore Marketo neolane demandbase ClickDimensions Cooftuse	
<b>AD MANAGEMENT</b> LINQ MEDIA EfficientFrontier vurve epic social	<b>LANDING PAGES &amp; MICROSITES</b> iON INTERACTIVE unbounce OnDialog CrownPeak	<b>BLOGS</b> WordPress Zemanta tumbler	<b>COMMUNITIES</b> acquia NING jive telligent iNgage mZinga	<b>EMAIL MARKETING</b> ExactTarget iContact silverPOP Constant Contact Datran Media Responsys MailChimp VerticalResponse Bronto	
<b>MARKETING MANAGEMENT</b> awareness KickApps vitrue Seismic MessageMaker synthesio elgg hootsuite Buzz Labs	<b>WEB TESTING &amp; OPTIMIZATION</b> AMADESA SITESPECT maxymiser User Testing.com Optimizely Wingify	<b>BUSINESS INTELLIGENCE</b> sas SPSS birst IBM pivotlink			
<b>ANALYTICS</b> sprout social Buzzient visible NETWORKED INSIGHTS	<b>WEB ANALYTICS</b> Google clicTale Coremetrics spring webtrends x-visual Adobe chartbeat crazyegg		<b>CUSTOMER ANALYTICS</b> VERINT click2 BrandMaker MarcomCentral		<b>MARKETING RESOURCE MAN</b> orbis marketingpilot BrandMaker MarcomCentral
<b>MARKETING MANAGEMENT</b> psilon Experian PICA9 SIGNAL	<b>INTEGRATED SUITES &amp; ENTERPRISE MARKETING MANAGEMENT</b> HubSpot action aprimo ALTERIAN		<b>AGILE/PROJECT MANAGEMENT</b> task clarizen 37signals		

# Order process



# Background processes





# Agenda

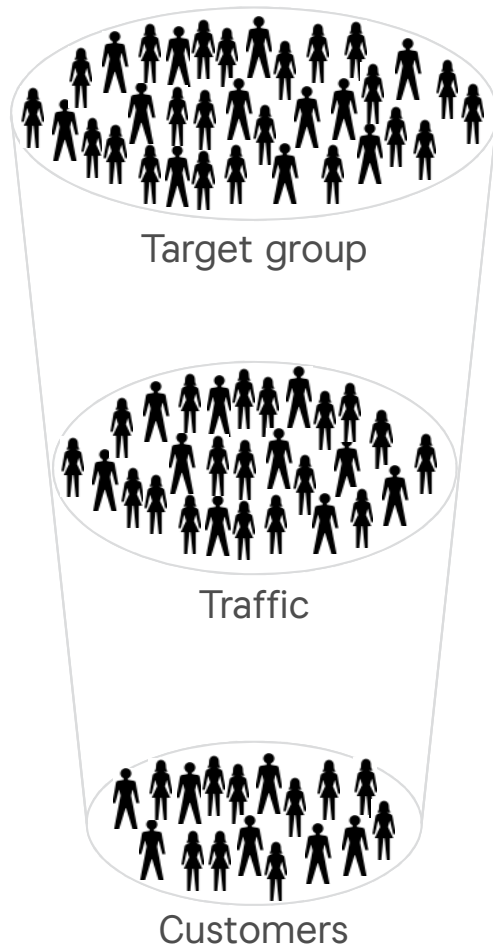
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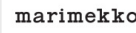

Extracting maximum value with smart Customer Base Management

# A performance based marketing framework




**1 Establish strong brand awareness (above the line)**

**HELSINGIN SANOMAT**





65 EUR



Osta nyt



Ebony -laukku



marimekko

marimekko

marimekko

- High investments in above the line for high brand awareness
- Performance based Display marketing
- Cooperations strengthen image

**2 Acquire customers**

Affiliate  
↓

SEM  
↓

SEO  
↓

Display  
↓

Offline  
↓

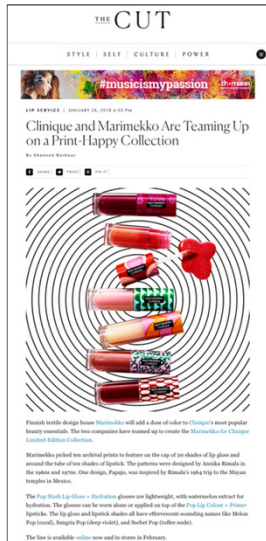
**3 Personalize communication & experience (below the line)**

<p><b>Personalize</b></p> <ul style="list-style-type: none"> <li>▪ Mailings</li> <li>▪ Re-targeting</li> </ul>	<p><b>Engage</b></p> <ul style="list-style-type: none"> <li>▪ Facebook</li> <li>▪ Micro blogging</li> </ul>	<p><b>Inspire</b></p> <ul style="list-style-type: none"> <li>▪ Catalogue</li> <li>▪ Magazine</li> </ul>	<p><b>Merchandize</b></p> <ul style="list-style-type: none"> <li>▪ Onsite tools</li> <li>▪ Campaigns</li> </ul>
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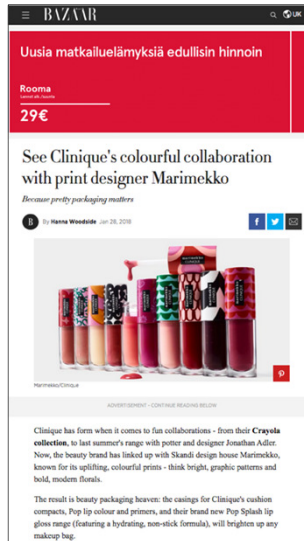


# High-profile brand collaborations increasing global awareness

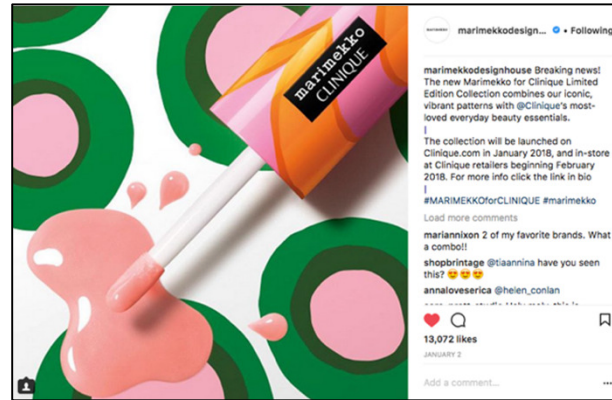
## Marimekko for Clinique



The Cut



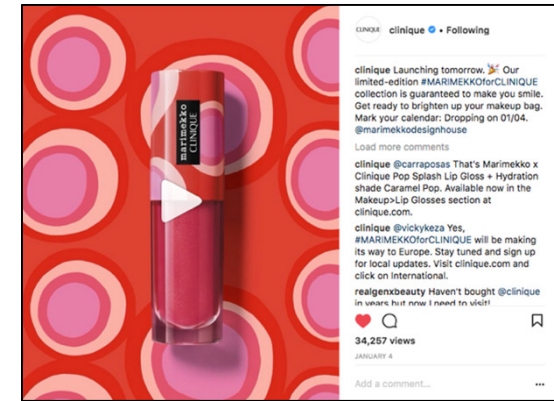
Harper's Bazaar UK



Stockmann, Helsinki



Printemps, Paris



PR & consumer launch event, Shanghai

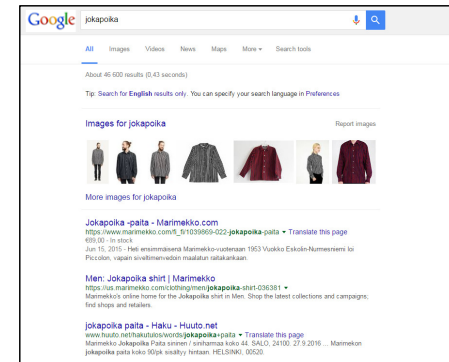


@sofialascrain, 224k followers on IG

# Online marketing channels

## Pull marketing

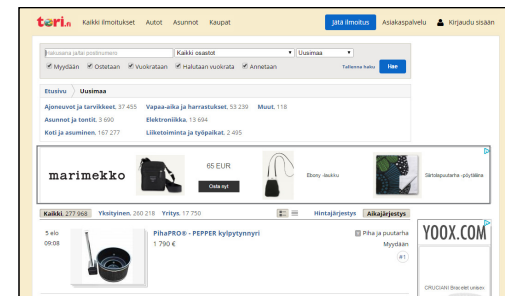
- SEM
- SEO
- Affiliate marketing



marimekko

## Push marketing

- Display marketing
- Affiliate marketing



# CPO driven marketing controlling

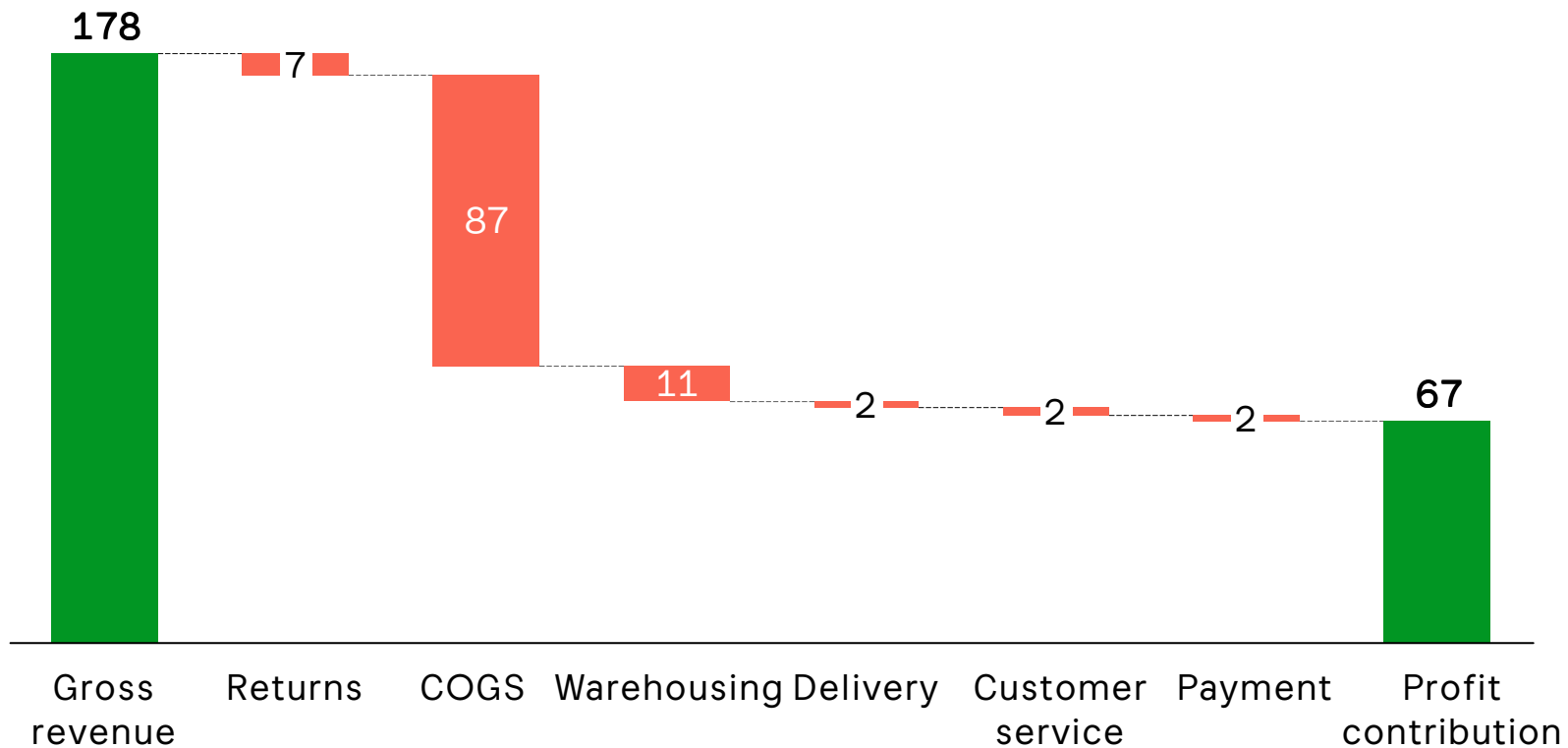
- CPO ≤ PC

CPO = Total Marketing Cost / # Orders

PC = Profit Contribution 2 (avg. per Order)

## Profit contribution per average order

---



# CPO driven marketing controlling

- CPO <= PC 2  
 CPO = Total Cost / # Orders  
 PC 2 = Profit Contribution 2 (avg. per Order)

- Profit Contribution
 

Gross Revenue	100 €
Returns	- 30 €
Tax	- 11 €
Cost Of Goods Sold (COGS)	- 32 €
<hr/>	
<b>Profit Contribution 1</b>	<b>+26 €</b>
Packing, Shipping, ...	- 12 €
<hr/>	
<b>Profit Contribution 2</b>	<b>+14 €</b>



# CLV driven marketing controlling

- $CAC \leq CLV$

$CAC = \text{Total Cost} / \# \text{ New Customers}$

$CLV = \text{Customer Lifetime Value}$

- Customer Lifetime Value (simplified)

- Cumulated Profit Contribution during customership duration (e.g., 180 days)

- Example

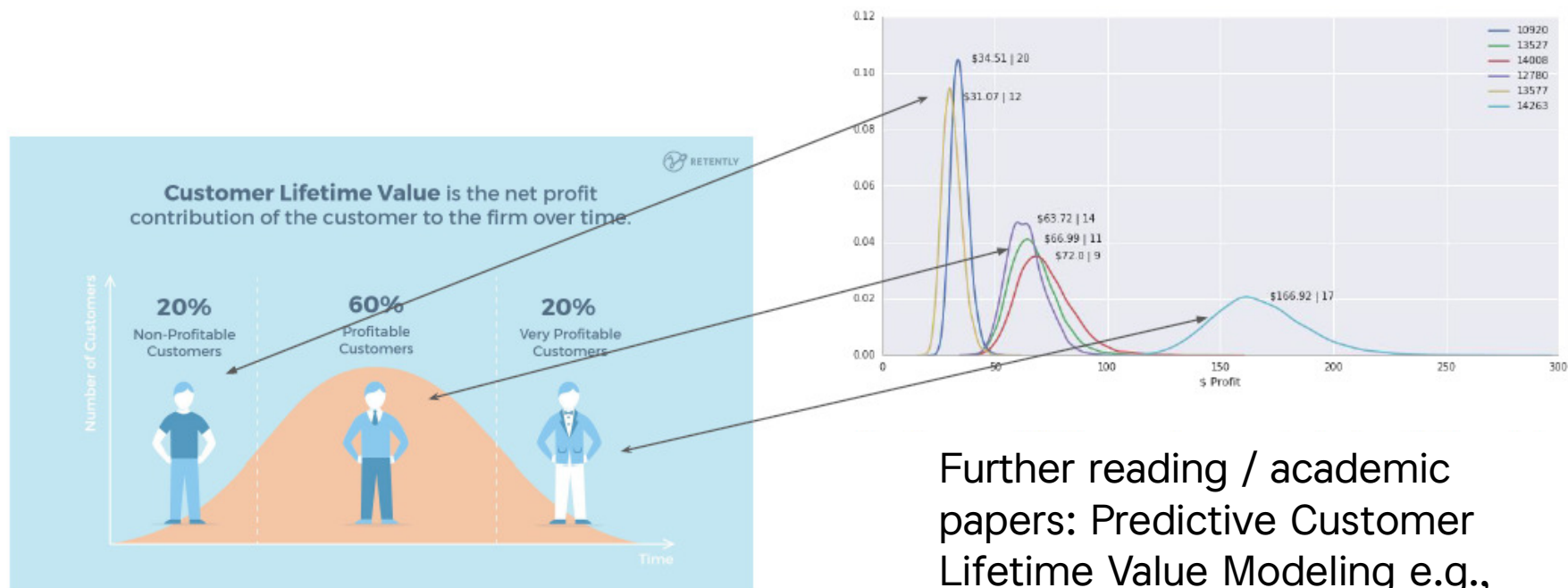
*Customer with exactly 2 orders*

Initial order	+14 €
1 <sup>st</sup> subsequent order	+12 €
<hr/>	
Customer Lifetime Value	+26 €



# Customer lifecycle value measurement can be taken to a more sophisticated level

1. The easy way: Averaging it out  
or...
2. Customer lifetime value analysis to distinguish between different customers
  - Forecasting future buying frequency & value



Further reading / academic papers: Predictive Customer Lifetime Value Modeling e.g., by Fader

Relationships with performing partners developed based on win-win approach



IBM Watson



DoubleClick  
by Google



criteo.

**zanox.**

s a n o m a



# Key KPIs for eCommerce

KPI	Description
• CSR	Cost Sales Ratio = Cost / Sales
• CPO	Cost per Order = Cost / Orders
• CR	Conversion Rate = Visits / Orders
• CPV	Cost per Visit = Cost / Visit
• CAC	Customer Acquisition Cost = Cost / Conversion NC
• NPS Satisfaction	Net Promoter Score = measures Customer
• NC/RC	New/Returning Customers
• GRP	Gross Rating Point (TV)
• CLV	Customer Lifetime Value
• PC I/II	Profit Contribution
• COGS	Cost of goods sold
• EBIT	Earning Before Interest and Taxes





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eCommerce technical overview & processes

Performance based marketing – a good starting point

**Quick intro to conversion optimization**

Extracting maximum value with smart Customer Base Management

<p>Loop mobile</p> <p>Localytics</p>	<p>brightpress</p> <p>Kontagent</p> <p>Badgeville</p>	<p>Adobe BO.LT</p> <p>visual.ly</p> <p>Canto</p> <p>WIDEORBIT</p>			
<p>DISPLAY AD MANAGEMENT</p> <p>ADCHEMY</p> <p>TURN</p> <p>TRIGGIT</p> <p>Microsoft Advertising</p>	<p>E-COMMERCE</p> <p>shopify</p> <p>gsi commerce</p> <p>demandware</p> <p>Magento</p> <p>marketlive</p> <p>INTERSHOP</p> <p>iCongo</p> <p>ZOOVY</p> <p>goeCart</p> <p>hybris</p> <p>Digital River</p> <p>atg</p>	<p>PERSONALIZATION</p> <p>RapLeaf</p> <p>choice@stream</p>	<p>LOYALTY MANAGEMENT</p> <p>loyalty lab</p> <p>INCENTIVELOGIC</p>		
<p>VIDEO AD MANAGEMENT</p> <p>YuMe</p> <p>TubeMogul</p>	<p>VIRTUAL EVENTS</p> <p>UNISFAIR</p> <p>webex</p> <p>CITRIX</p> <p>virtual events 365</p>	<p>VIDEO CONTENT</p> <p>Kaltura</p> <p>brightcove</p> <p>twistage</p>	<p>APIs</p> <p>opigee</p> <p>3scale</p> <p>LAYER 7</p>	<p>EVENT MANAGEMENT</p> <p>regonline</p> <p>cvent</p>	<p>CALL TRACKING</p> <p>calltracking</p> <p>mongo</p>
<p>MANAGEMENT</p> <p>ACQUISIO</p> <p>ADGOODROO</p> <p>clickEquations</p> <p>yield software</p> <p>KENSHOO</p> <p>WordStream</p>	<p>SEO TOOLS</p> <p>seomoz.org</p> <p>conductor</p> <p>COVARIO</p> <p>BRIGHT EDGE</p> <p>RAVEN</p> <p>Ginzametrics</p> <p>operty</p> <p>altruik</p> <p>BloomReach</p> <p>Wordtracker</p> <p>searchmetrics</p> <p>gShifti</p>	<p>CORE WEBSITE</p> <p>Autocannon</p> <p>sitecore</p> <p>SDL</p> <p>ZBM</p> <p>WebSphere</p> <p>Day</p> <p>Joomla!</p> <p>OpenText</p> <p>FatWire</p> <p>Drupal</p> <p>Clickability</p>	<p>CUSTOM WEB APPS</p> <p>net MVC</p> <p>django</p> <p>amazon web services</p> <p>heroku</p> <p>git</p>	<p>MARKETING AUTOMATION</p> <p>ELOQUIA</p> <p>Pardot</p> <p>Infusionsoft</p> <p>genius</p> <p>Manticore</p> <p>Marketo</p> <p>neolane</p> <p>demandbase</p> <p>ClickDimensions</p> <p>coofuse</p>	<p>CRM</p> <p>salesforce</p> <p>RIGHT NOW</p> <p>SAP</p> <p>SALES AUT</p> <p>salesforce</p> <p>SWI</p> <p>Steelwool</p> <p>Sage 5</p>
<p>IA AD MANAGEMENT</p> <p>ILINQ</p> <p>EDIA</p> <p>EfficientFrontier</p> <p>curve</p> <p>epic social</p>	<p>LANDING PAGES &amp; MICROSITES</p> <p>ion interactive</p> <p>unbounce</p> <p>OnDialog</p> <p>CrownPeak</p>	<p>BLOGS</p> <p>WordPress</p> <p>Zemanta</p> <p>EDUCATION</p> <p>COMPENDIUM</p> <p>tumblr</p>	<p>COMMUNITIES</p> <p>acqua</p> <p>NING jive</p> <p>telligent</p> <p>iNgage</p> <p>mZinga</p>	<p>EMAIL MARKETING</p> <p>ExactTarget</p> <p>cinima</p> <p>iContact</p> <p>silverPOP</p> <p>Datran Media</p> <p>Constant Contact</p> <p>Responsys</p> <p>MailChimp</p> <p>VerticalResponse</p> <p>Bronlo</p>	<p>CUSTOM D</p> <p>mongoDB</p> <p>SQL Ser</p> <p>ORACLE</p>
<p>IA MARKETING MANAGEMENT</p> <p>awareness</p> <p>kickApps</p> <p>vitruv</p> <p>Seismic</p> <p>MessageMaker</p> <p>synthesio</p> <p>elgg</p> <p>hootsuite</p> <p>Buzz Labs</p>	<p>WEB TESTING &amp; OPTIMIZATION</p> <p>AMADESA</p> <p>SITESPECT</p> <p>maxymiser</p> <p>User Testing</p> <p>Optimizely</p> <p>Wingify</p>	<p>BUSINESS INTELLIGENCE</p> <p>TERADATA</p> <p>sas</p> <p>SPSS</p> <p>birst</p> <p>IBM</p> <p>pivotlink</p>			
<p>IA ANALYTICS</p> <p>SPROUT SOCIAL</p> <p>radian</p> <p>Buzzient</p> <p>VISIBLE</p> <p>NETWORKED INSIGHTS</p>	<p>WEB ANALYTICS</p> <p>Google</p> <p>CLIC TALE</p> <p>spring</p> <p>webtrends</p> <p>chartbeat</p> <p>crazyegg</p>	<p>CUSTOMER ANALYTICS</p> <p>VERINT</p> <p>click2</p>	<p>MARKETING RESOURCE MAN</p> <p>orbis</p> <p>marketingpilot</p> <p>BrandMaker</p> <p>MarcomCentral</p>		
<p>INTEL MARKETNG MANAGEMENT</p> <p>psilon</p> <p>Experian</p> <p>PICA9</p>	<p>INTEGRATED SUITES &amp; ENTERPRISE MARKETING MANAGEMENT</p> <p>HubSpot</p> <p>action</p> <p>aprimo</p> <p>ALTERIAN</p>	<p>AGILE/PROJECT MANAGEMENT</p> <p>task</p> <p>clarizen</p> <p>37signals</p>			

# A quick intro to conversion optimization

## Conversion calculation example

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### Shop #1

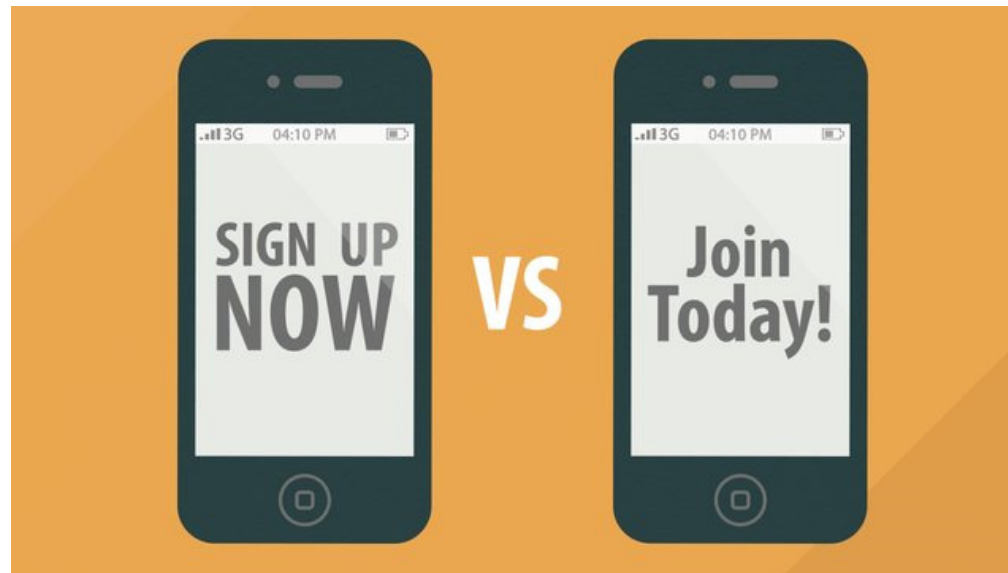
Visits	50,000
Conversion rate	1.0%
Orders	500
Items per basket	2
Av. Item value	40
Av. Order value	80
Revenue	40,000

### Shop #2

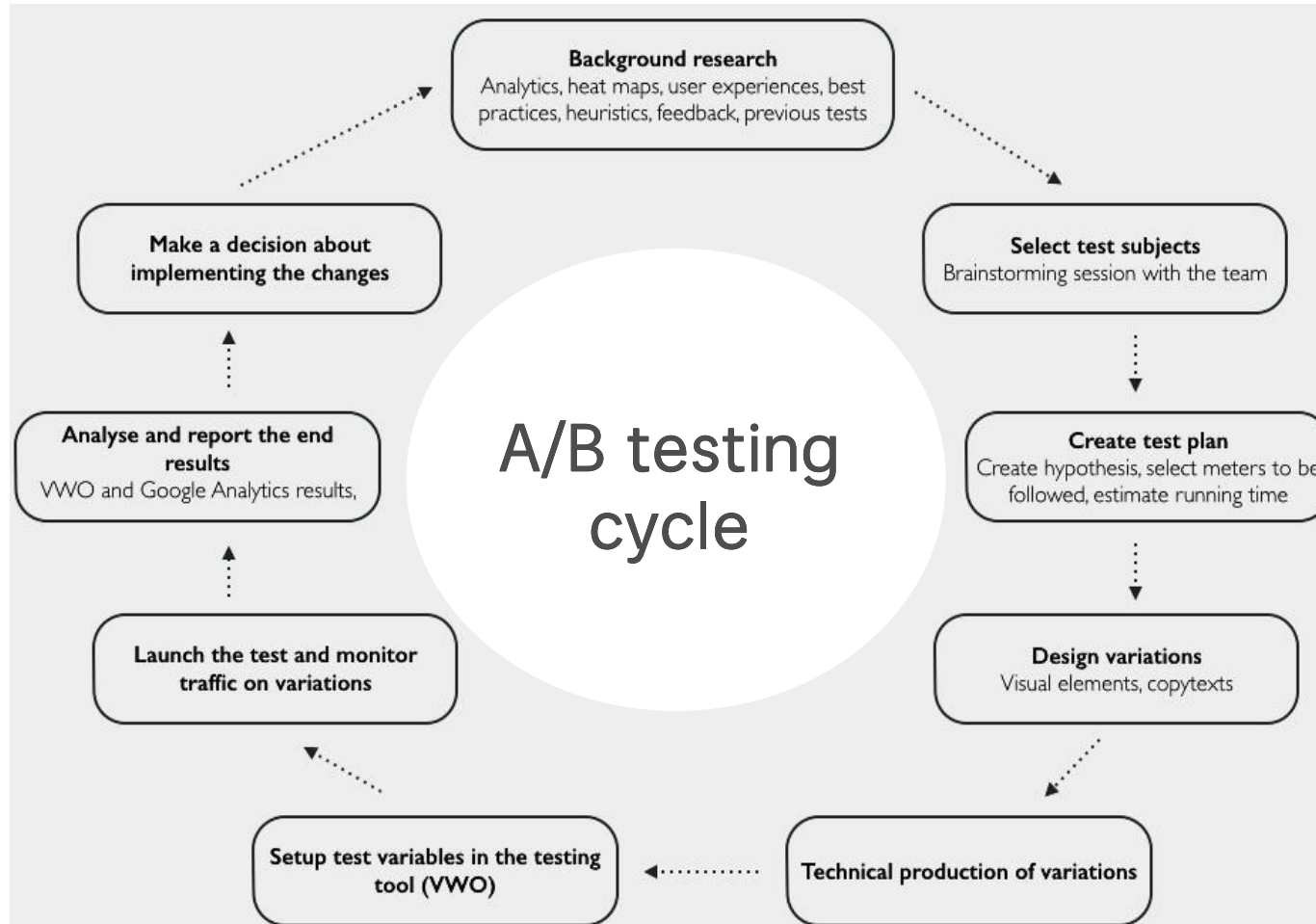
Visits	50,000
Conversion rate	2.5%
Orders	1250
Items per basket	2
Av. Item value	40
Av. Order value	80
Revenue	100,000

# Definition: A/B testing

- **A/B testing** (sometimes called **split testing**) is comparing two versions of a web page to see which one performs better. You compare two web pages by showing the two variants (let's call them **A** and **B**) to similar visitors at the same time. The one that gives a better conversion rate, wins!



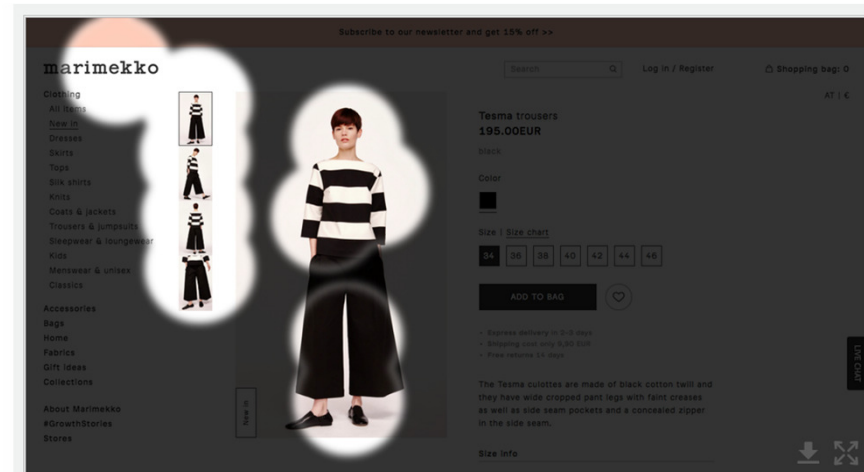
# A/B testing begins by doing background research properly



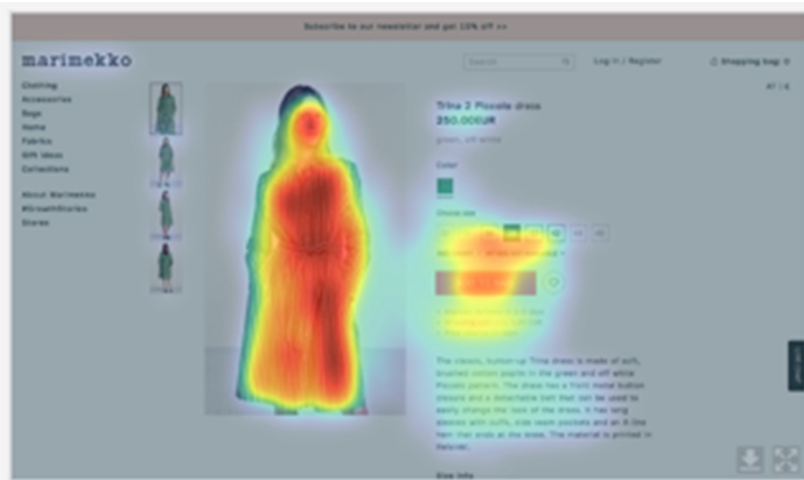
# Tools & methods to evaluate pages and to help choosing test subjects

## Tools & Methods

- User session interview methods
- Eye tracking
- Mouse click heatmaps
- Machine learning UX, CRO



Eyequant: Machine learning UX, CRO 1/2

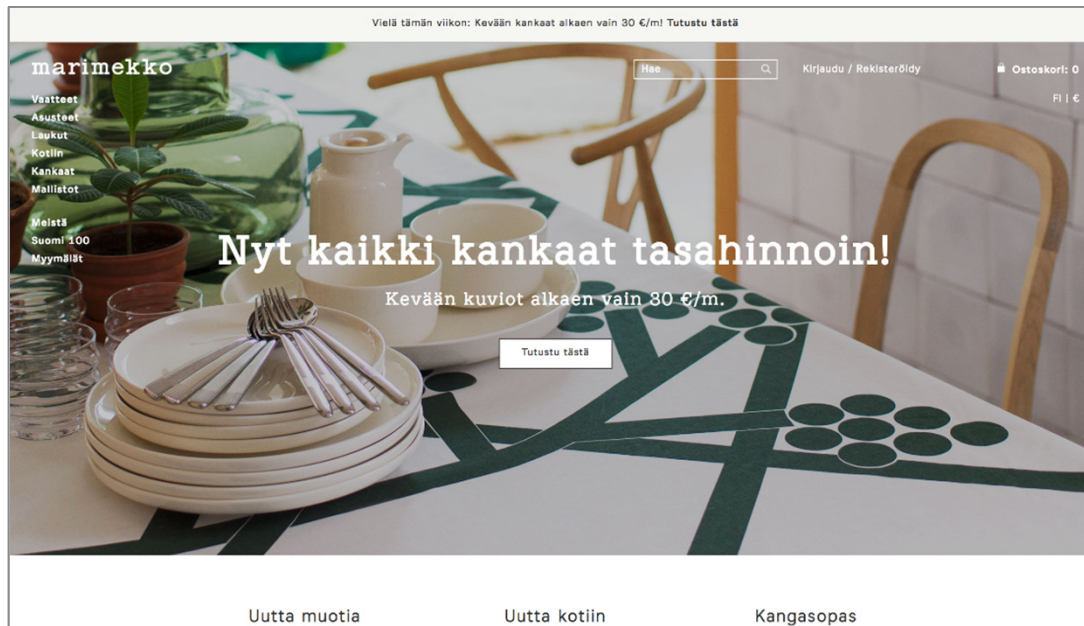


Heat maps

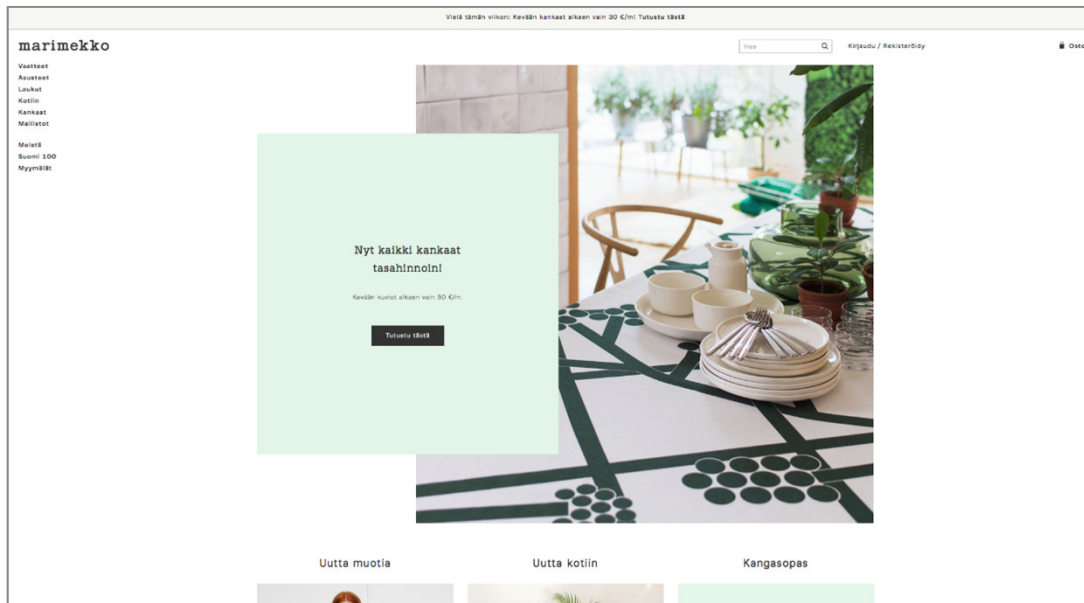


Eyequant: Machine learning UX, CRO 2/2

# Front page new design test

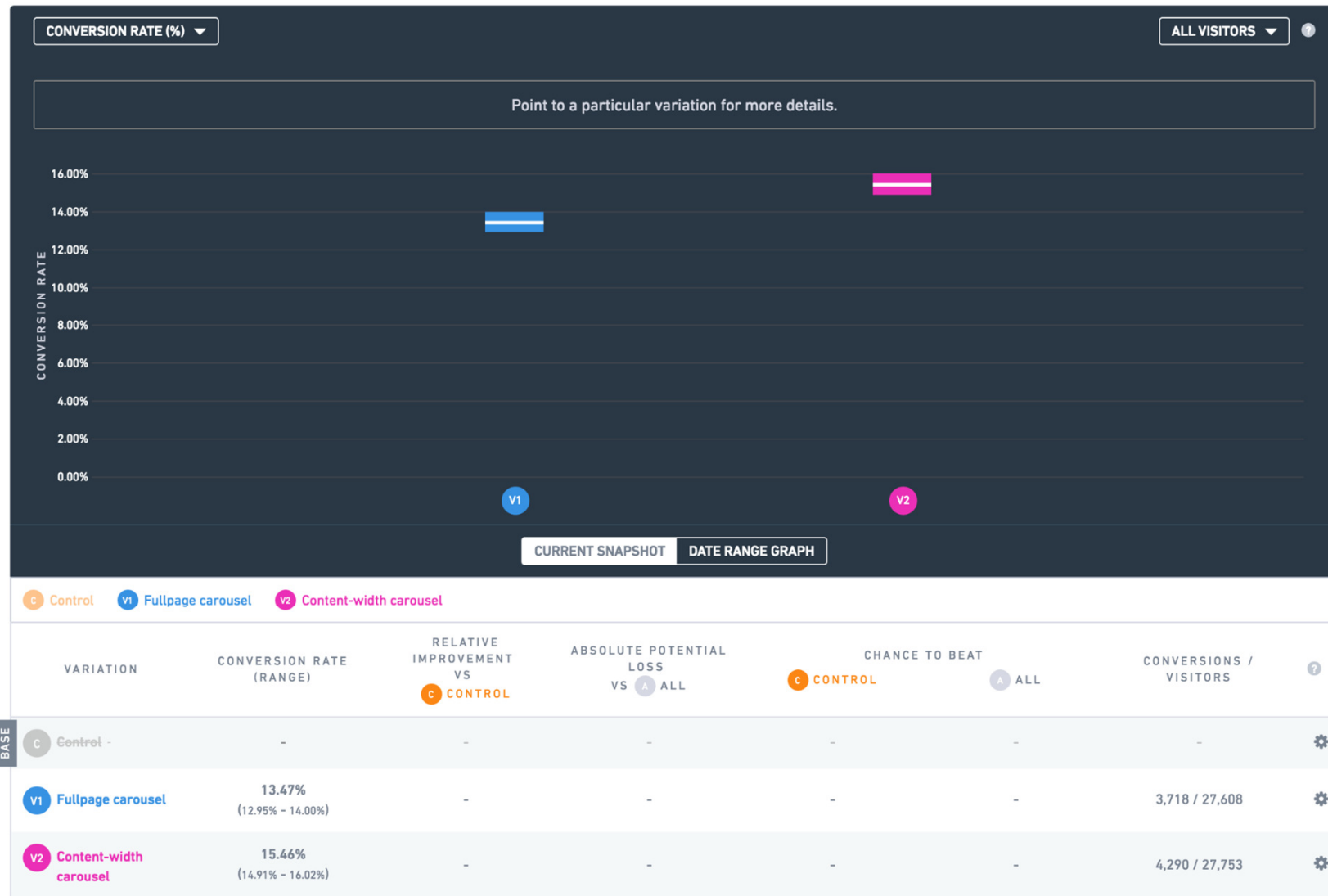


control



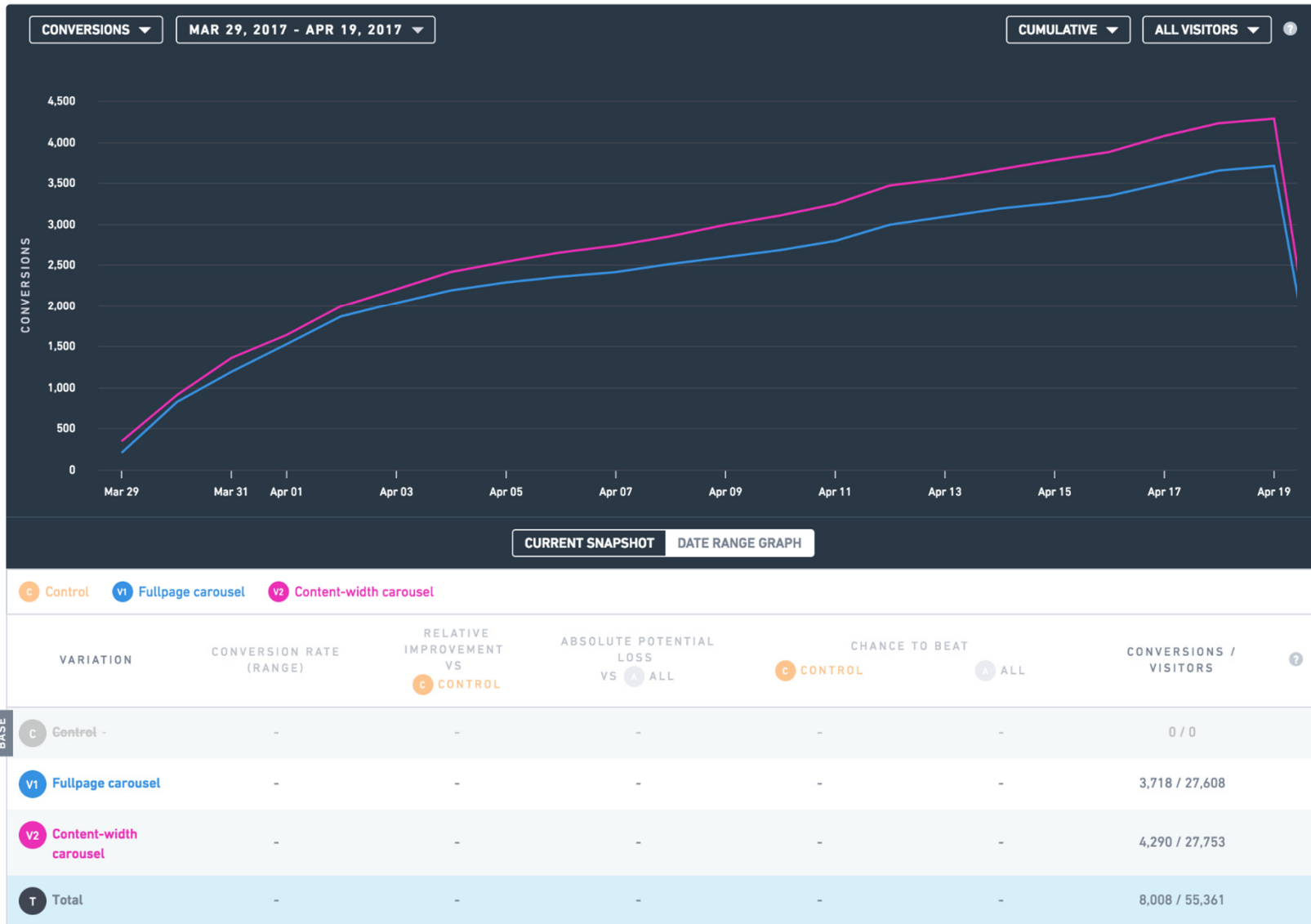
variant

# Results: CTA button clicks



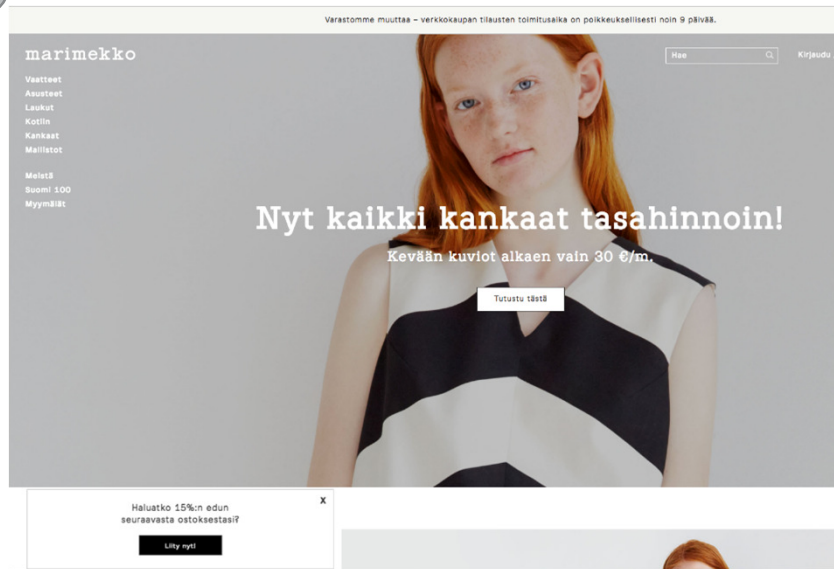


# Daily graph



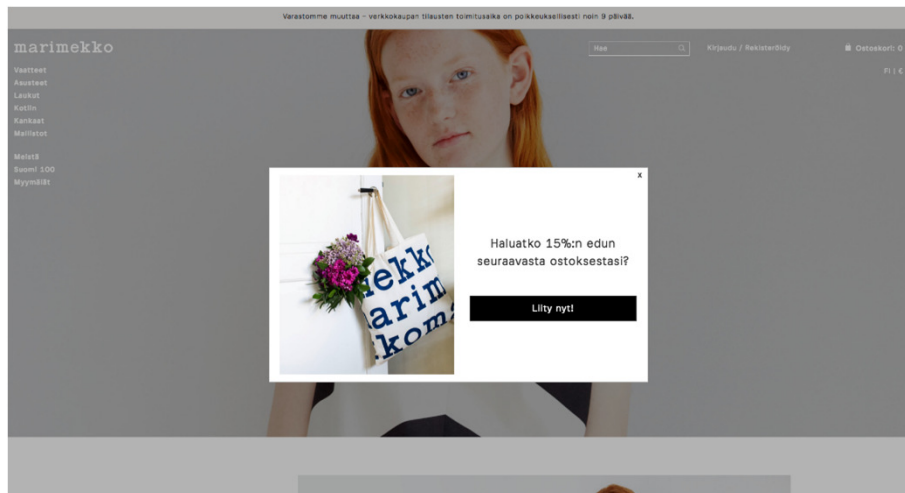
# Pop up tests: Variants, 1<sup>st</sup> phase

1



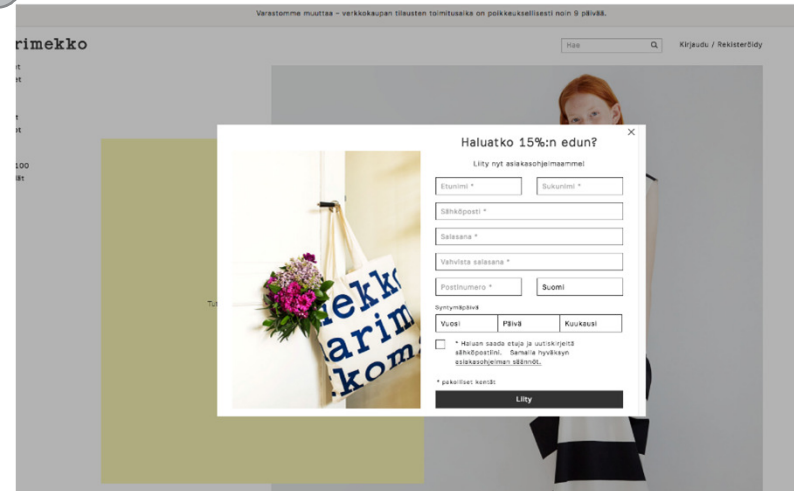
Pop-up short left

2



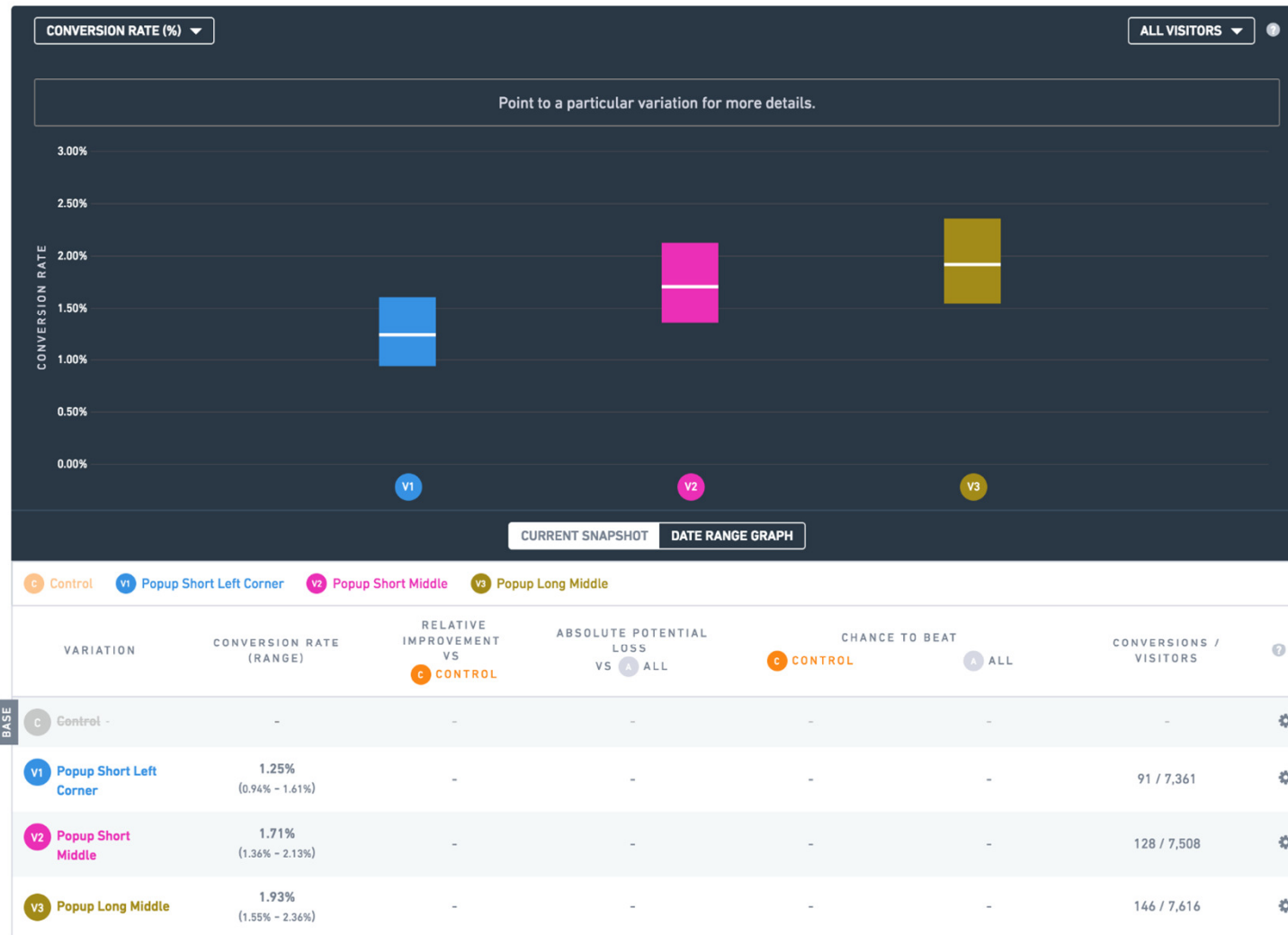
Pop-up short middle

3



Pop-up long middle

# Results: the versions in the middle of the page performed better

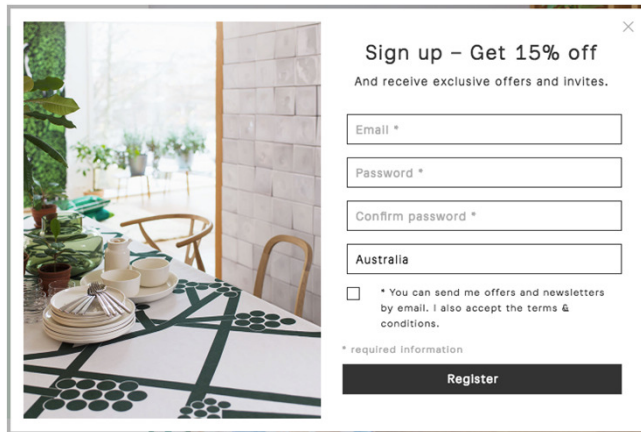


Data in this report could be up to a few hours old.

# Pop up tests: Variants, 2<sup>nd</sup> phase

1. Changing the variants in the tests: longer form vs. shorter form
2. Testing content / texts
3. Broading the test to SE and AU stores

V1 Short



Sign up – Get 15% off  
And receive exclusive offers and invites.

Email \*

Password \*

Confirm password \*

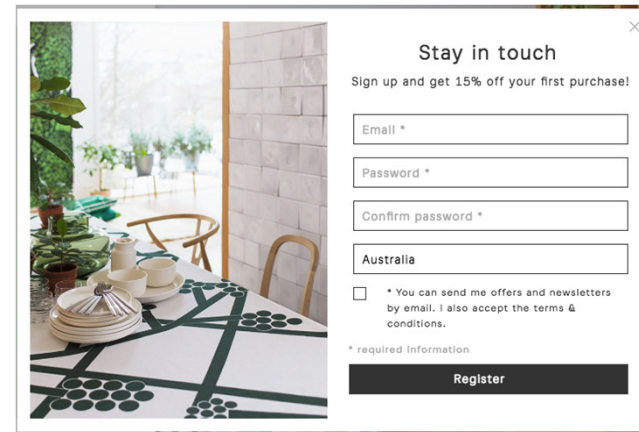
Australia

\* You can send me offers and newsletters by email. I also accept the terms & conditions.

\* required information

Register

V2 Short



Stay in touch  
Sign up and get 15% off your first purchase!

Email \*

Password \*

Confirm password \*

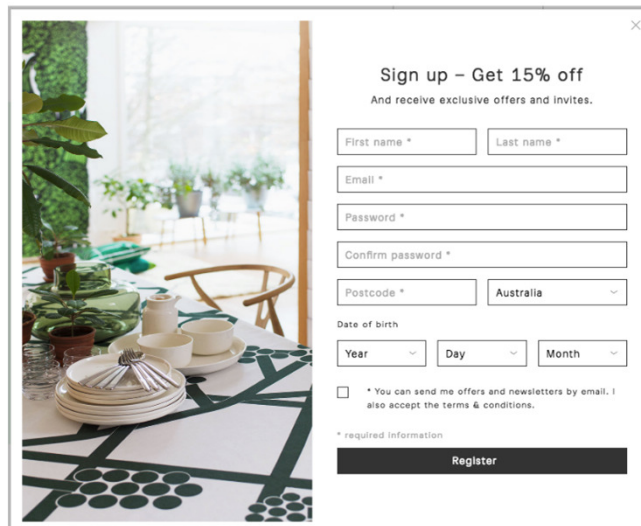
Australia

\* You can send me offers and newsletters by email. I also accept the terms & conditions.

\* required information

Register

V1 Long



Sign up – Get 15% off  
And receive exclusive offers and invites.

First name \* Last name \*

Email \*

Password \*

Confirm password \*

Postcode \* Australia

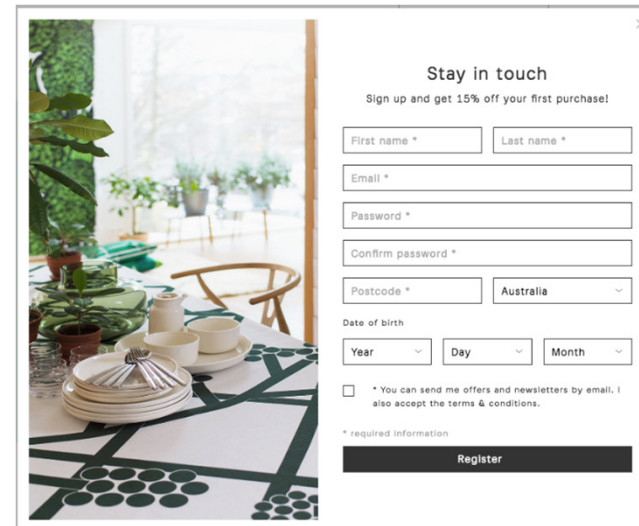
Date of birth  
Year Day Month

\* You can send me offers and newsletters by email. I also accept the terms & conditions.

\* required information

Register

V2 Long



Stay in touch  
Sign up and get 15% off your first purchase!

First name \* Last name \*

Email \*

Password \*

Confirm password \*

Postcode \* Australia

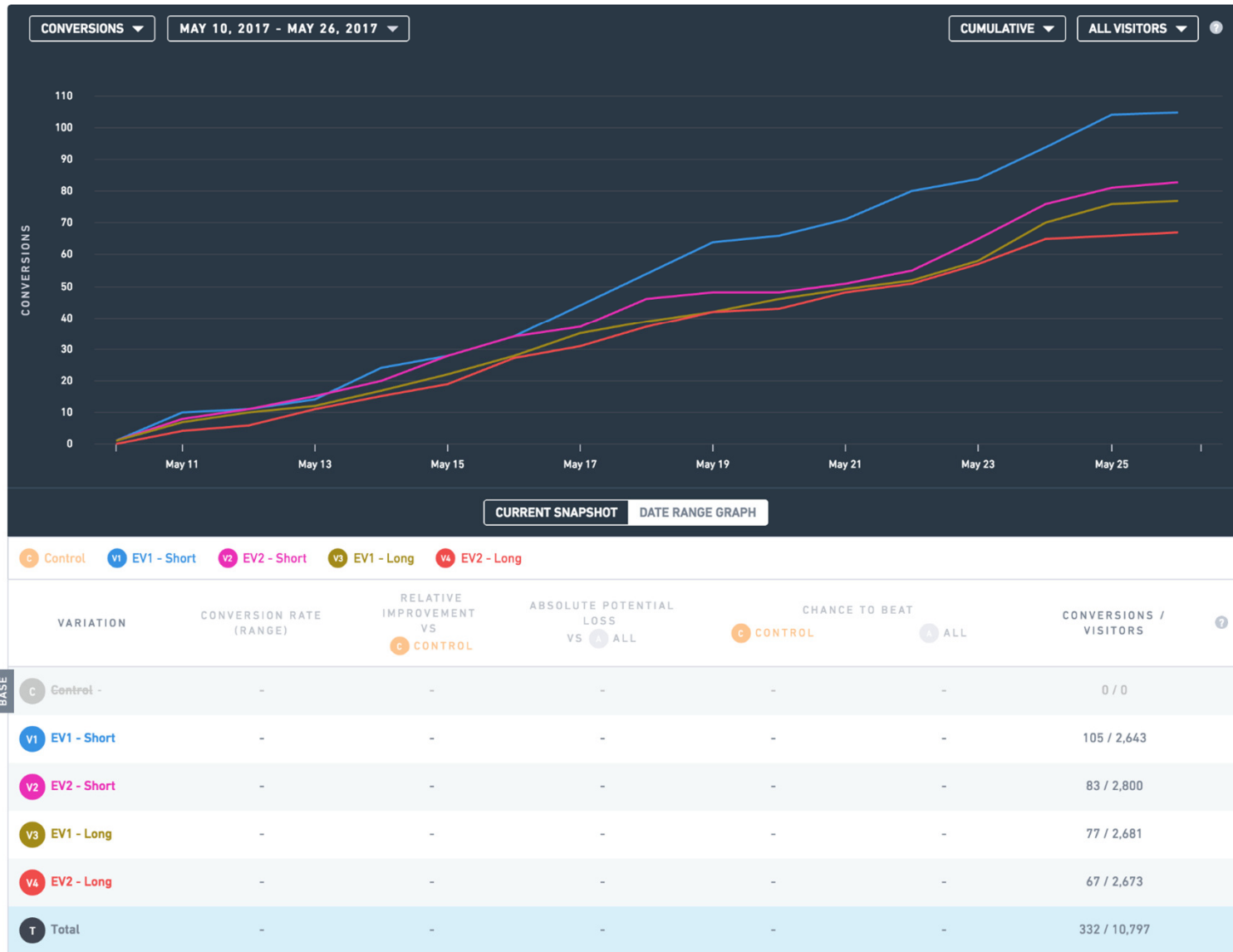
Date of birth  
Year Day Month

\* You can send me offers and newsletters by email. I also accept the terms & conditions.

\* required information

Register

# Results: both of the short versions performed better than the longer ones

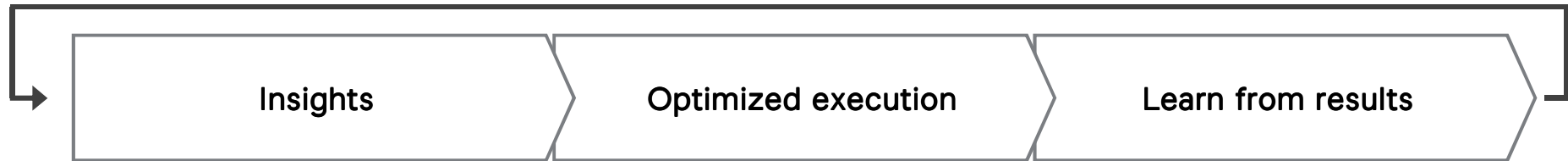




## Agenda

- eCommerce technical overview & processes
- Performance based marketing – a good starting point
- Quick intro to conversion optimization
- **Extracting maximum value with smart Customer Base Management**

# Maximizing customer base value by offering highly relevant and inspirational content



## Objective

**Analyze the customer base & Identify objectives**

### Approaches

- Value
- Purchase behavior
- Browsing patterns
- Trigger based

### End products

- Targeted email lists
- Value capturing opportunities

**Optimize execution to drive impact and efficiency**

- A/B testing
- Standard templates
- Triggered emails

**Not only measure, but make results actionable**

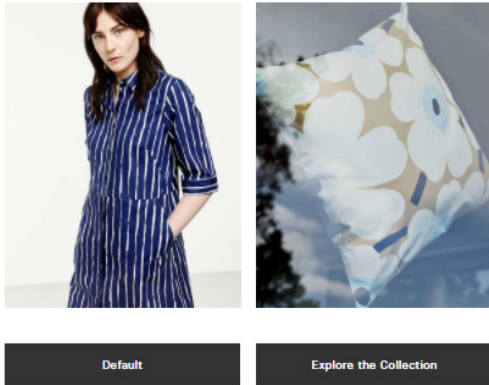
- Standardized performance reporting on all activities
- Deep dives
- Typical KPIs
  - Open rate
  - CTR
  - Profit contribution
- Continuous insights future adjustments

marimekko

Hei,

Kiva että olet löytänyt Marimekon. Tiesithän, että meillä on myös laaja valikoima kauniita ja ajattomia kodintuotteita, laukkuja ja asusteita. Tutustu mallistoihin - ihastu ja inspiroidu!

1.



2.



3.



# Cross selling program with dynamic content

- Trigger email will be sent a week after the first purchase to new customers:
- Three contents, sent to different target groups
  1. First purchase **Bags & Accessories**  
→ triggered email with Home and RTW
  2. First purchase **Ready to Wear**  
→ triggered email B&A and Home
  3. First purchase **Home**  
→ triggered email B&A and RTW
- Goal: Cross-sell & build awareness for product recommendations from different categories





Thank you.