

# Email Segmentation

## Case Study: How Daily Deals Monetizes Existing Users

The daily deals space is one of the fastest growing industries today: BIA/Kelsey estimates the market could reach \$4 billion by 2015 <sup>[1]</sup>. In the scramble for new user acquisition, most players have focused on a painless signup process. The result: large email databases with sparse user data.

**Challenge:** With user acquisition costs rising rapidly, players are increasingly focused on monetizing existing users. How do we maintain and augment existing user conversions in an increasingly crowded inbox?

Segmented, relevant, email boosts conversion rates, earnings per user, while reducing ROI period.

*"Men and women have different needs and interests – we need to stop e-marketing identical content & offers to them."*

## THE PROCESS

A top-5 Daily Deal site sought to increase the relevancy of email campaigns through smarter, more effective segmentation according to Rapleaf demographic data. They utilized data insight & gender segmentation to target relevant email content, daily offers, gender specific subject lines, and more. The results were compared against a control group.

## THE NUMBERS

**30%**

Increase in both open rates & click thrus with targeted subject lines & content.

**14%**

More earnings per new user over 30 day period.

## THE RESULTS



Better performing email campaigns: relevant content engages users, boosts conversions, increases earnings and reduces the ROI period.

**↓ 63%**

Lower cost per conversion over control group.

**1/3<sup>TIME</sup>**

Estimated ROI period is 1/3 with gender targeting.

## How it Works:

1. Daily Deal site passes Rapleaf a list of customer emails -- or hashed emails -- through a secure upload portal

	A	B	C
1	<b>Email Address</b>		
2	<a href="#">email@sampledomain.com</a>		
3	<a href="#">john@sampledomain.com</a>		
4	<a href="#">jane@sampledomain.com</a>		
5	<a href="#">email2@sampledomain.com</a>		
6	<a href="#">email3@sampledomain.com</a>		
7	<a href="#">email4@sampledomain.com</a>		
8	<a href="#">email5@sampledomain.com</a>		
9	<a href="#">email6@sampledomain.com</a>		
10	<a href="#">email7@sampledomain.com</a>		
11			



2. Rapleaf matches those emails -- or hashes -- to our database: over 75% avg match rate

	A	B
1	<b>Email Address</b>	<b>Gender</b>
2	<a href="#">email@sampledomain.com</a>	female
3	<a href="#">john@sampledomain.com</a>	male
4	<a href="#">jane@sampledomain.com</a>	female
5	<a href="#">email2@sampledomain.com</a>	female
6	<a href="#">email3@sampledomain.com</a>	male
7	<a href="#">email4@sampledomain.com</a>	male
8	<a href="#">email5@sampledomain.com</a>	female
9	<a href="#">email6@sampledomain.com</a>	male
10	<a href="#">email7@sampledomain.com</a>	female
11		

3. Rapleaf appends demographic data to the list -- enabling Daily Deal site to segment future offers & content