

THE PUSH NOTIFICATION PLAYBOOK

9 WINNING PUSH NOTIFICATION STRATEGIES PROVEN TO BUILD A LOYAL FANBASE

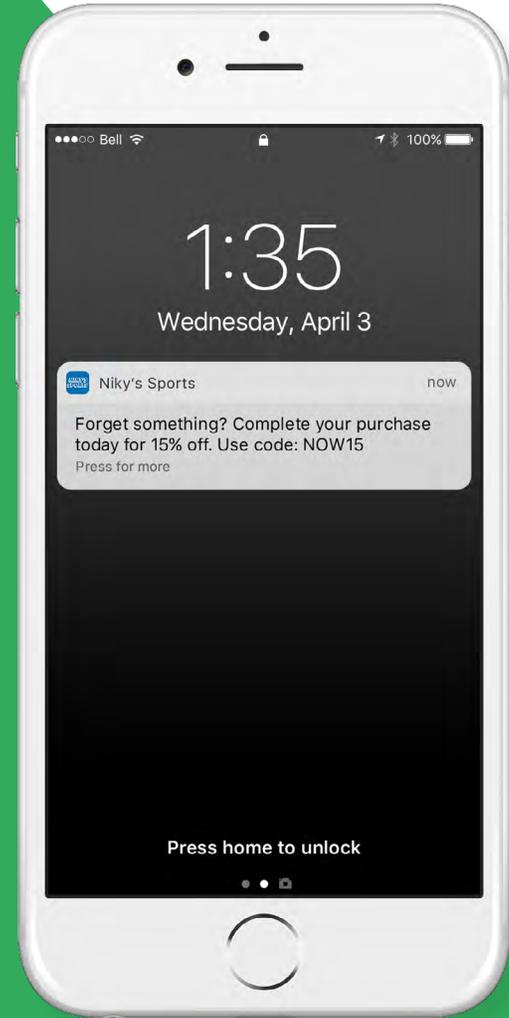


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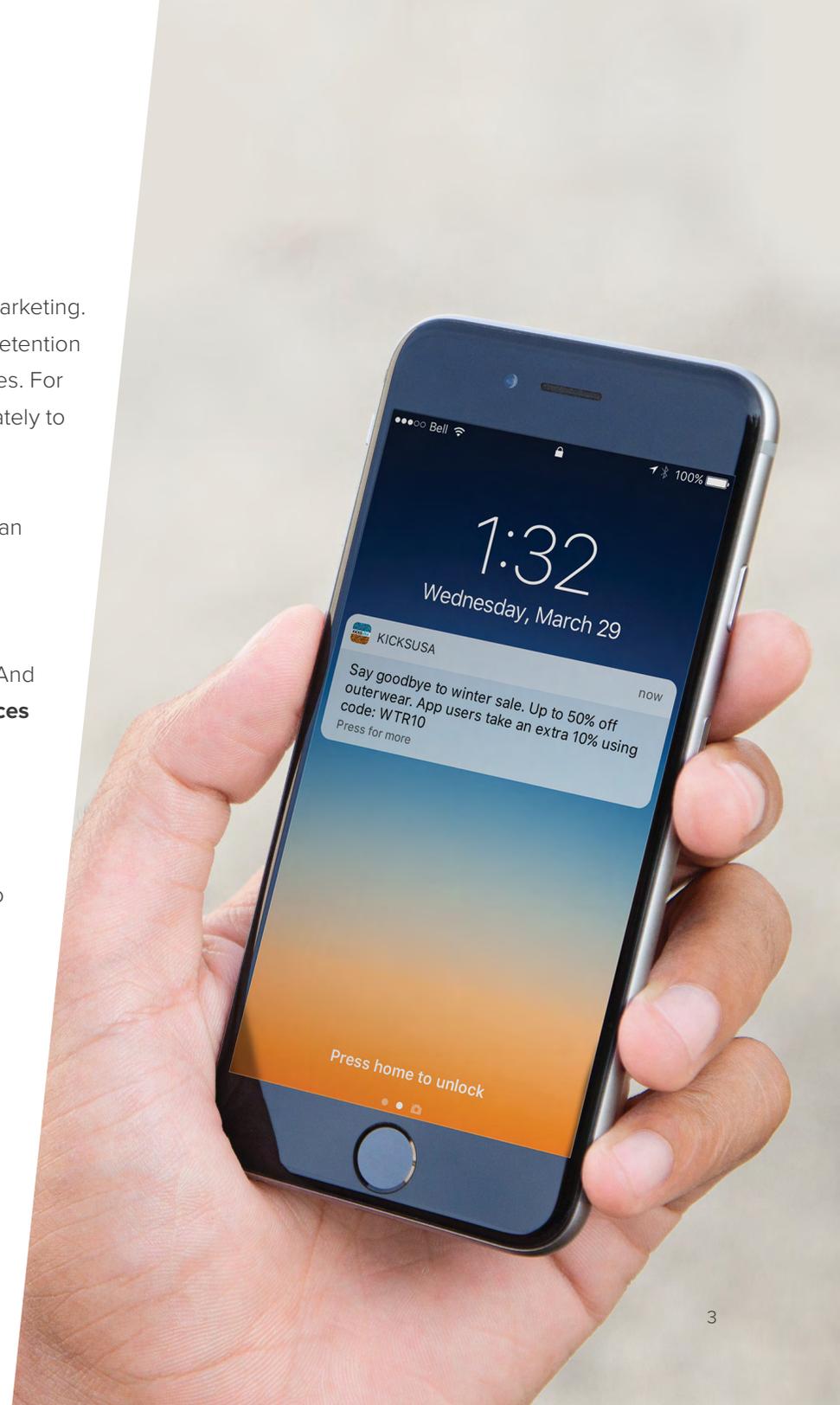
THE PUSH PEPTALK

If you're a digital marketer, chances are you have a love/hate relationship with email marketing. This tried and true marketing tactic is undeniably one of the most powerful customer retention tool for retailers, but it comes with its share of frustrations, shortcomings and challenges. For all the time, strategy and investment you have in email marketing, have you stopped lately to ask: could there be a better way? Surprise! We think so. **Enter: Push Notifications.**

We're quickly learning to rely on our smartphones for communicating even more so than in-person conversations, a trend truly unprecedented in human history. On average, Americans spend 2 hours and 10 minutes a day staring at our mobile devices, and a startling 10 hours and 39 minutes a day staring at screens in general. But unlike our laptops or TVs, our mobile devices have a different primary function: communication. And our smartphones are always with us—**they're the most personal, close-at-hand devices we own.**

Your customer communication strategy should include multiple channels. On mobile, the single most personal communication channel to reach your customers is push notifications. Push notifications pop up on your customer's device and open directly to a specified location within your app. They're your quick bite, get-em-where-they-are, immediate customer communication tool.

In this playbook, you'll learn how to make push notifications a key part of your customer communication strategy to create sustained, targeted, and personal engagements that yield long-term loyalty.



THE POWER OF PUSH

The Age of Direct, Immediate Communication

Many philosophers and scientists have collectively coined the current day as the “age of distraction,” believing our brains in the modern day are being forced to engage in an overwhelming number of inputs that conflict with the goals we set. Modern technology—specifically smartphones—are a main culprit in these arguments. However, the other side of the argument suggests the connected age deserves praise for the access it allows us to reach targeted communities, and gather information like never before, encouraging broader perspectives and improving our decision making.

If you ask us, it’s a little bit of both. We’ve reached an age where direct and immediate communication with just about anyone is possible. This has incredible potential for retailers, but they need to understand the way consumers are gathering information in order to best influence their decision making. Open lines of communication can result in overcrowding, and consumers are hit with a slew of marketing messages from multiple angles every hour of every day. Whether it be by email, social media, display ads, or commercials, it’s easy for your marketing to disappear in the crowd without a second glance.

Push notifications—in contrast—provide a unique opportunity to provide short, quick updates to your loyal customers, with less distraction and less competition than traditional marketing communications.

Increasing Engagement and Retention with Push Messaging

Push notifications are an obvious first-pick for app marketing, but they actually do more to create sustained engagement than traditional retention-focused communication channels.

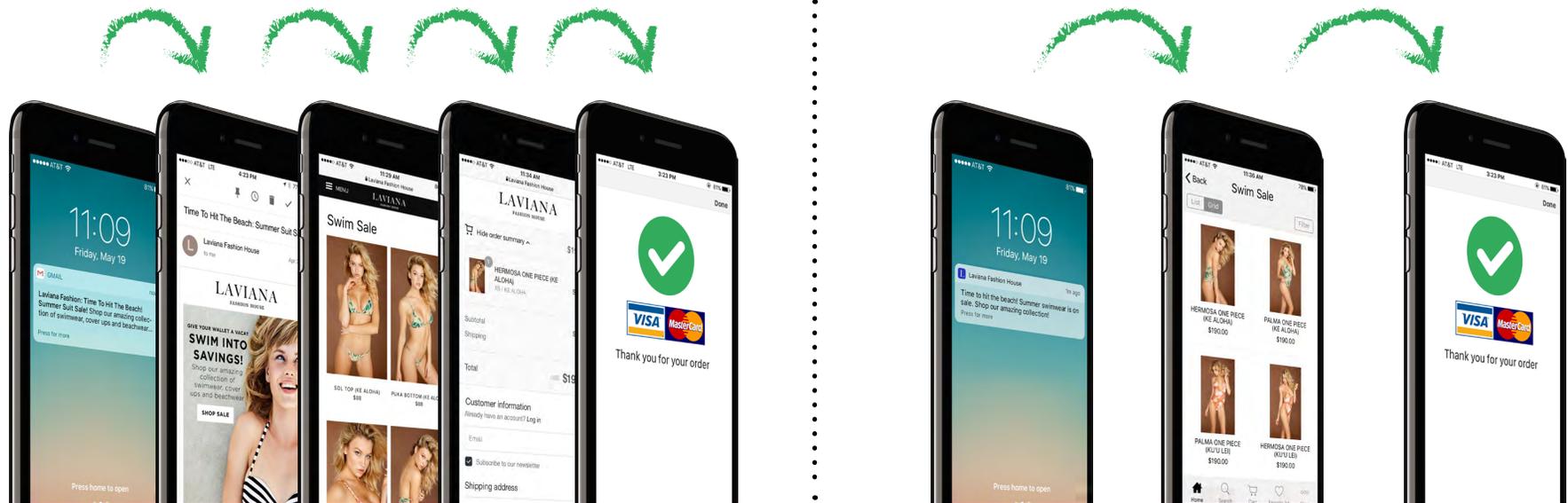
Compared to email, segmented push notifications have a click-through rate more than 5 times higher. Additionally, push messages reduce the effort from a consumer, by simplifying the experience.

	EMAIL	PUSH NOTIFICATIONS
ENGAGEMENT	LOW	HIGH
OPT-IN RATE	1%	68%
OPEN RATE	16%	NOT REQUIRED
CLICK-THROUGH RATE	2%	11%
RESPONSE TIME	6.5 HOURS	15 SECONDS
PERSONALIZATION	MEDIUM	HIGH
EFFORT TO SUBSCRIBE	MEDIUM	LOW
EFFORT TO CREATE	HIGH	LOW
CONTENT VOLUME/CHANNEL	HIGH	LOW

Customer Retention Is Critical For Business Growth + Profitability

While retailers should continue to use email in their marketing mix, push notifications are now the #1 pick for mobile, retention-building communications. **It can cost a brand up to 7x as much to acquire new customers vs. keeping existing ones.**

PURCHASE PERSPECTIVES: EMAIL VS PUSH

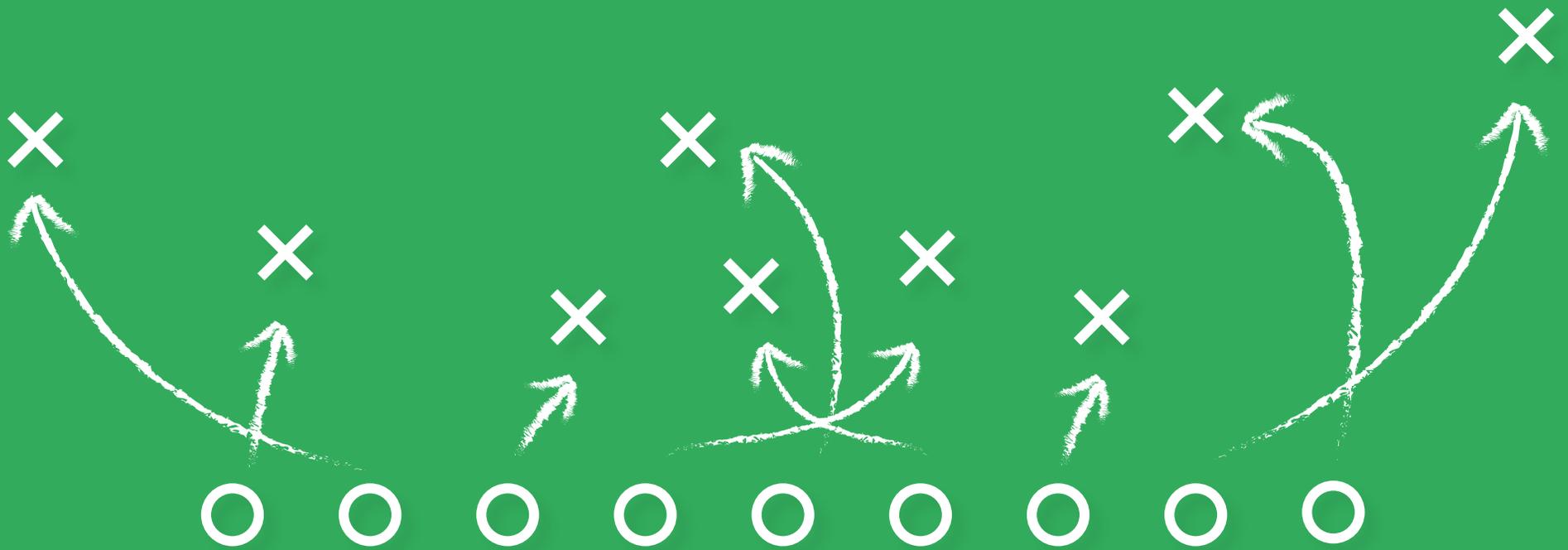


Perspective #1

Picture this: A consumer receives an email alert about a summer swimsuit sale, the subject line of the email is enough to pique their interest and leads them to click on the notification. They review the full email and decide to click through for more details. The link opens in mobile web and takes a few seconds to fully render. Don't worry though—after 2 clicks and waiting for both an email and a mobile website to load, they've stuck around. They're now eyeing the swimsuits on sale and find just the right one for that big 4th of July party on the coast. It goes in their cart and they purchase. They must really love your brand if they've stuck around that long for the purchase.

Perspective #2

Now picture this: A consumer receives a push notification about a summer swimsuit sale, the message is enough to pique their interest and get them to click on the notification. The link opens directly in the native app and they are now viewing the swimsuits on sale. They find just the right one for that big 4th of July party on the coast, add it to the cart and complete their purchase using their digital wallet. Fewer clicks, faster experience, and increased chance of repeat purchase.



THE PUSH PLAYBOOK

9 STRATEGIES TO WIN WITH PUSH NOTIFICATIONS

STRATEGY 1

OPTIMIZE FOR THE OPT-IN

Like some other marketing communications, push notifications require users to opt-in before you're allowed to send them direct communication. On average, 68% of app users opt-in to push notifications for retail apps – a fairly high number as compared to other forms of opt-in communication. But there are a few additional steps you can take to up the likelihood of an app user tapping “ALLOW”

The default iOS and Android push notification prompts generally appear after a user has installed and open the app for the first time. Since users are given little context to what kind of messages you'll be sending at all, some might be inclined to hit “Don't Allow”. After that happens, it's much harder to get a user to go back and enable push notifications in their settings. It's much easier to get ahead of this than to fix it later.

To avoid this, make it clear when marketing your app to users that after opting in, they'll only receive notifications that are relative to their interests, purchases and habits. For an extra bump in your opt-in rate, let them know that enabling push notifications will give them access to app-exclusives, privileged info and offers. Whether that be when a new product they'll love just dropped, when a flash sale hits, or when an item they're interested in is back in stock. This will not only increase your enablement rate, but increase your app download rate too.



STRATEGY 2

TARGET USER SEGMENTS

In order to keep your promise that push messages will pertain to your users' interests, you'll need to create segments for more targeted messaging. Not all push notifications are equal: segmented push notifications perform significantly better than broadcast messages—**segmented messages result in 3x higher engagement than broadcast messages, as measured by number of sessions per user.**

Segmented messages also have a 2x higher click-through rate, and a more than double conversion rate. This data applies to both segmentation by profile data, and behavioral data, but strategies that incorporate both tactics see the best results. None of this should be a surprise, as the more relevant you make your brand to your consumer, the higher engagement you'll have.

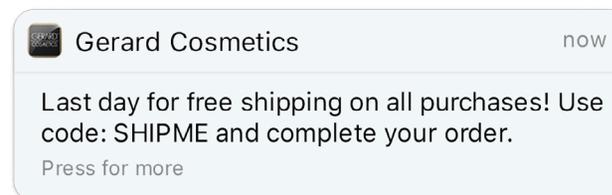
Push notifications can be segmented two ways: profile data and app activity.

PROFILE DATA: This type of segmentation uses information gathered from a user's profile, including age, gender, location, device type, and registration status. With this type, segments can be created using multiple, profile-based conditions for very precise targeting. Similar to email database segments, push notification segments allow retailers to communicate a specific message to a tailored audience.

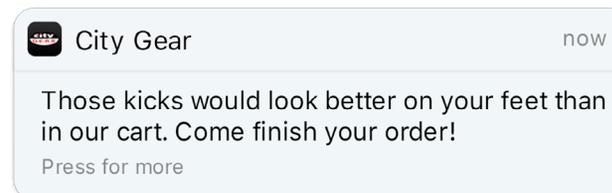
USER BEHAVIOR: This type of segmentation is based on a specific user's actions in the app, typically defined as "app events." One major use case for this method is to send reminders to users who have abandoned their cart to re-engage and complete their purchase.

Push Messages to Decrease Cart Abandonment

Create Urgency



Remind The Noncommittal



Incentivize Completion



→ TIMING IS KEY.

You know your customer best, but if you're in doubt, auto-send after 24 hours. This will hit your customer at the time of day they previously browsed.

STRATEGY 3

KEEP IT RELEVANT

Keeping in mind your customer segments, craft messages that are relevant to your buyer's interest. Using profile data to create target groups will help increase your conversion rate by serving offers that users actually want to receive. To set these up, analyze your user data by product and category. Understand how your target market breaks down between the different product types you offer, then create segments best suited for each of those groups.

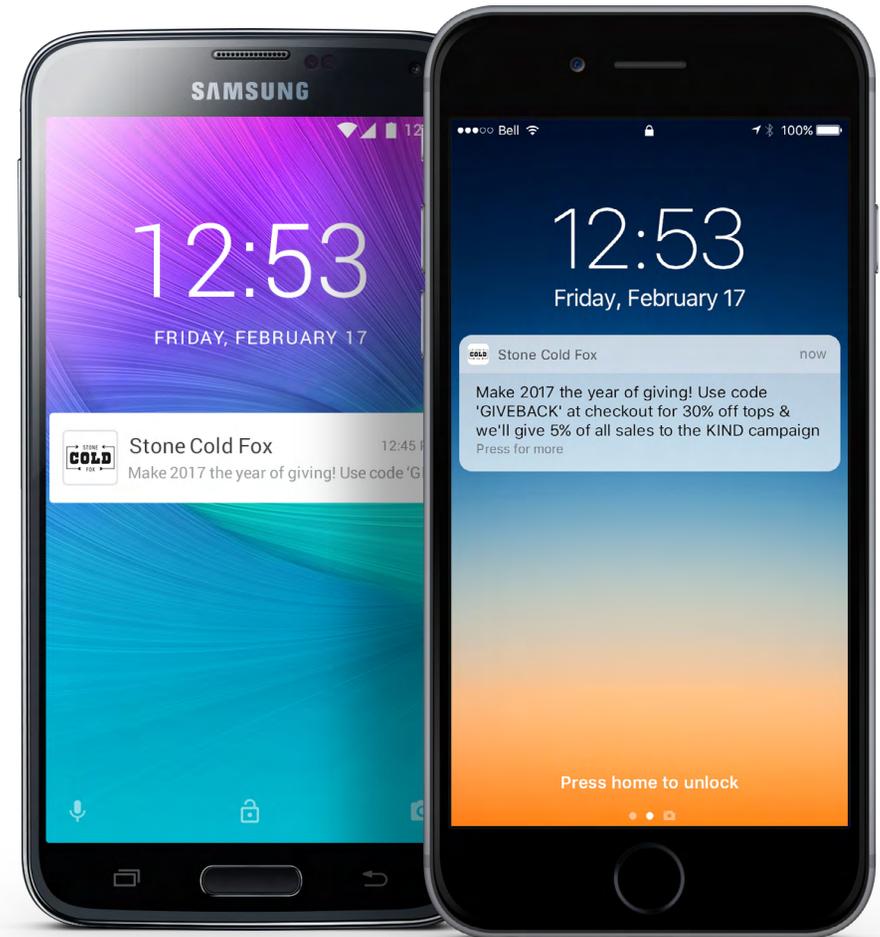
Here are our top four segments to utilize:

AGE: This segment is best used when a product or category is specific to the needs of a certain age group. For example, anti-aging skincare products would be best targeted toward a middle-aged user group.

GENDER: This segment is best used when a product or category is most often attributed to a specific gender. For example, a promotion on sundresses for spring would be most effective for a female segment.

DEVICE TYPE: This segment is best used when message length is a consideration. Android devices display 40 characters or less on average, whereas iOS devices display closer to 140. Engagement also varies between device types as iOS push notifications go into a Notification Center once you open your phone. Android devices require you to open each push message separately before it will clear the lock screen.

REGISTRATION STATUS: This segment is best used for offers directed at new users vs. returning customers. New users could be targeted with a promotion for their first purchase, whereas registered users could be targeted with a loyalty promotion.

**EX: DEVICE TYPE—ANDROID VS IPHONE**

STRATEGY 4

MASTER THE MESSAGE

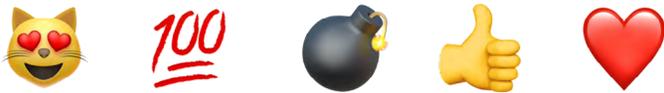
Push notifications offer a limited number of characters to convey your message, so it's important to make your every word count.

Push Message Tips:

1. Keep it action-oriented
2. Make sure your hook is the focus point
3. Create urgency
4. Relevancy matters more than anything
5. Incorporate human emotion: be helpful, funny and clear

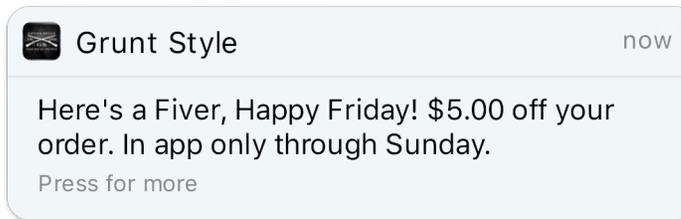
→ CONSIDER USING EMOJIS

Emojis have shown to increase click-through rate by up the **85%**

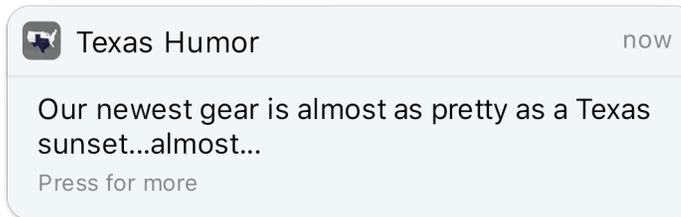


Types of push notifications to test:

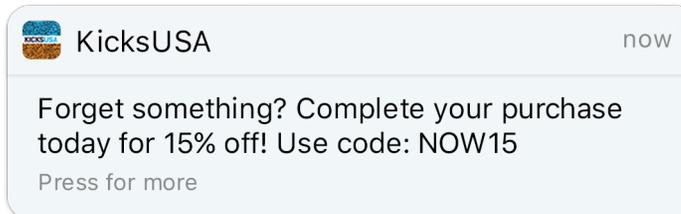
Discounts and app-exclusive offers



New product announcements/brand updates



Reminders to purchase



STRATEGY 5

FIND YOUR FREQUENCY

The right push frequency varies from industry to industry, and business to business.

To determine what will work best for your customer base, look to your user data.

Your customer's current behaviors can provide you insights on where to begin.

Start by asking yourself a few questions:

1. How often do I usually communicate with my customers?
2. Is the communication I'm sending something my customer expects to receive?
3. When are my customers the most engaged?

By answering the first question, you'll have a baseline frequency that your customers are comfortable with right now. By answering the second question, you'll know when to tread lightly. If a communication isn't expected, make sure it's targeted and relevant to avoid opt-outs. Finally, by answering number three, you can determine an optimal time of day to send you message.

If you have no idea where to start, lean on industry averages. Monday through Friday have the highest click rates, with Thursday having a slight edge on other days of the week. 10am-1pm is the sweet spot for most retailers for engagement, but make sure you're sending in local time, and accounting for time zone changes. Someone on the East Coast receiving a message about your flash sale on ties at 10 am is far more likely to respond positively than a still slumbering West Coaster, awakened by a buzz about it at 7am.



STRATEGY 6

MIX IT UP WITH ONE-TIME + AUTOMATED MESSAGES

Sometimes it's best to send a one-time message, and other times you can rely on automation, but when is the best time to use each?

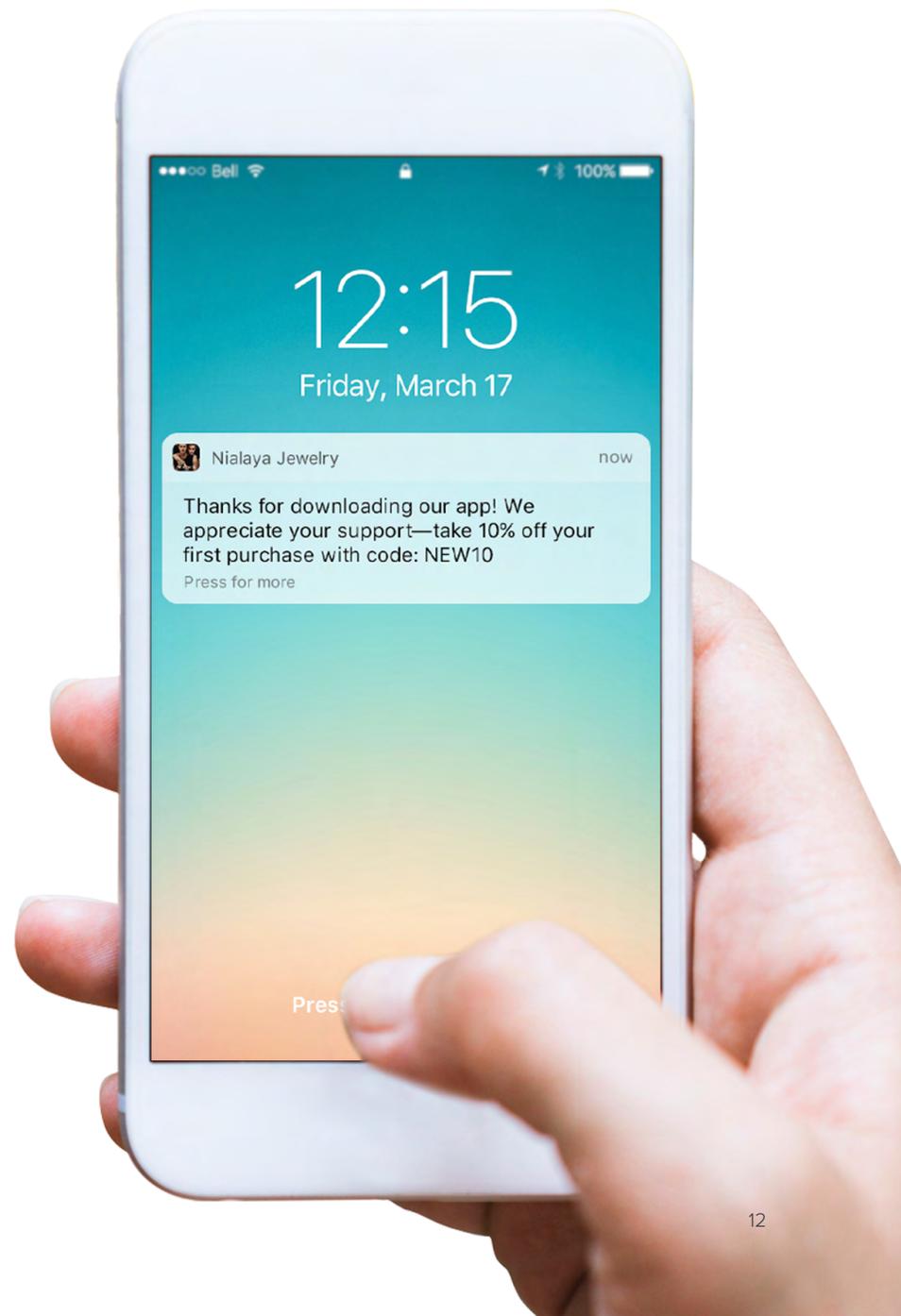
One-Time Message Are Best For Special Offers And Immediate Updates

If you're sending a one-time message, it should be relevant for the now. One-time push notifications are great for special offers lasting for a specified length of time, product release information, event updates, or other types of brand news.

Automated Messages Are Best For Ongoing Offers And Activity-Based Reengagement

Automated messages aren't ideal for most promotions set for a limited time, but for ongoing offers like a one-time discount for first time purchases, they can help you target the correct users. For example, you can set a welcome push notification to go out on the first app launch, offering 10% off their first purchase in the app with a code.

Automated messages can also be set to go out upon other app-based activities like viewing a product or initiating checkout. Try to set recurring messages that will help your customers along in their path to purchase - whether it be notifying them about offers now available on the products they've already looked at, or offering them free shipping on a few items they may still be interested in.



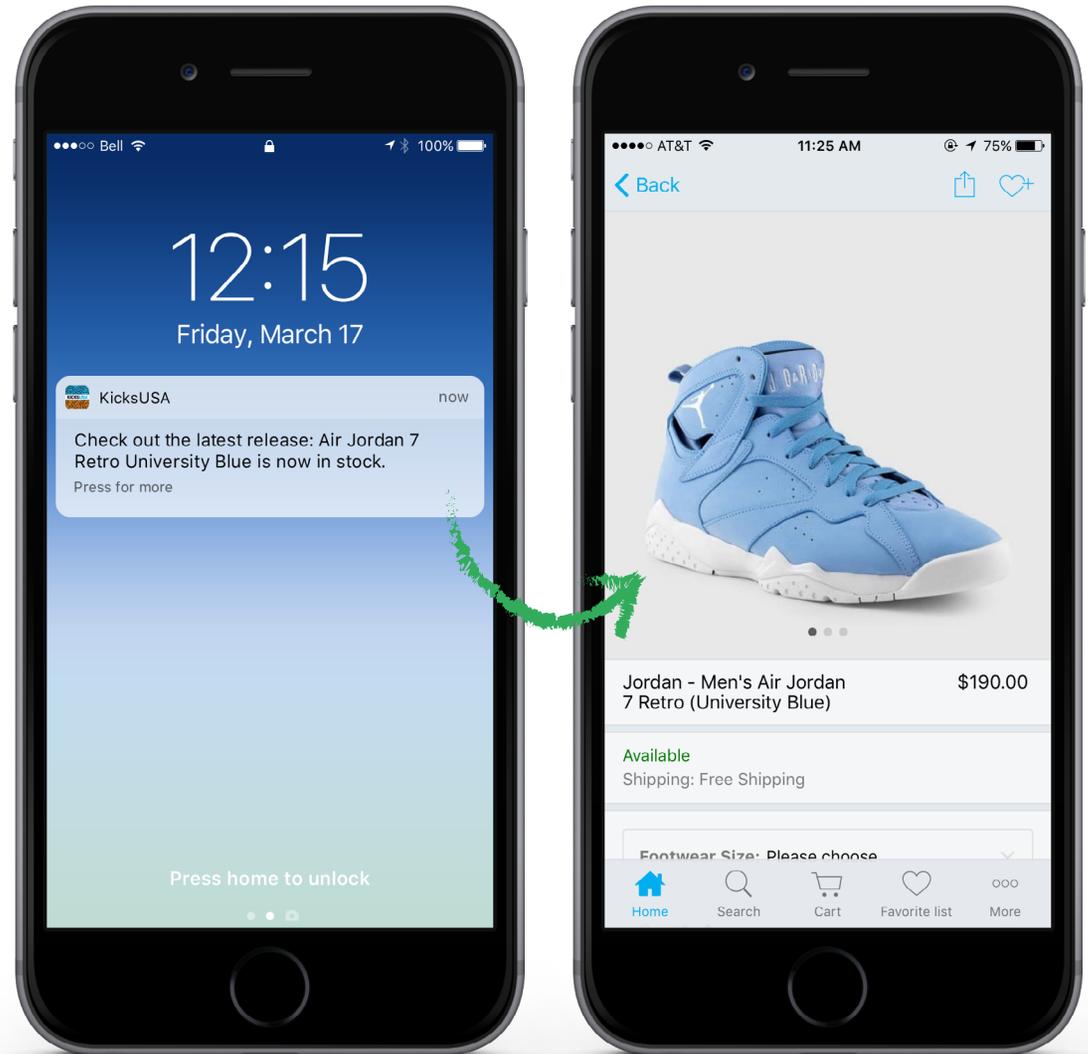
STRATEGY 7

STICK THE LANDING (PAGE)

While the message itself is very important, choosing a specific location for the user to land once they click on a push notification is just as crucial. The landing page should be directly related to the message sent. For product or category offers, send your user directly to the product or category page. The user shouldn't have to navigate your app to find the product that's being promoted—this allows for many potential customers to get lost along the way.

For cart reminders, send them directly to their abandoned cart, and consider adding a promotional code directly to the cart upon opening for added incentive. For an events promotion, send them to the event's page.

Occasionally, your app homepage might make the most sense. If you're encouraging users to browse new collections, or you have a site-wide offer, this can make sense. However, don't lean too heavily on this option. The fewer clicks to purchase, the higher your conversion rate will be.



STRATEGY 8

TEST, TEST, TEST

Like any marketing effort, testing is essential to determining how to garner the best results from your efforts. A/B testing your message can increase user retention, as improving relevancy keeps your opt-in rate high. In terms of what to test, start by testing different user segments, timing/frequency, and different message types. Here are our recommended test types:

Push Notifications: A/B Test Types

Segments

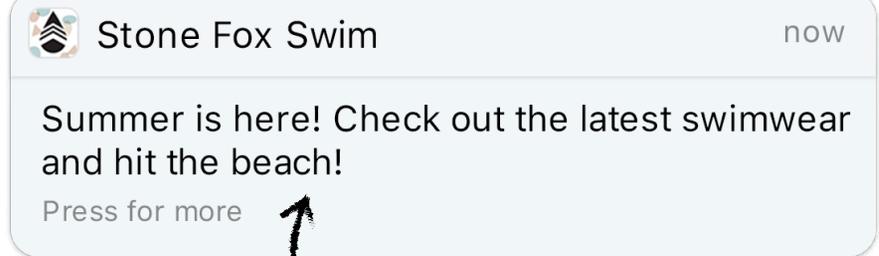
1. Profile Data
2. User Behavior

Timing

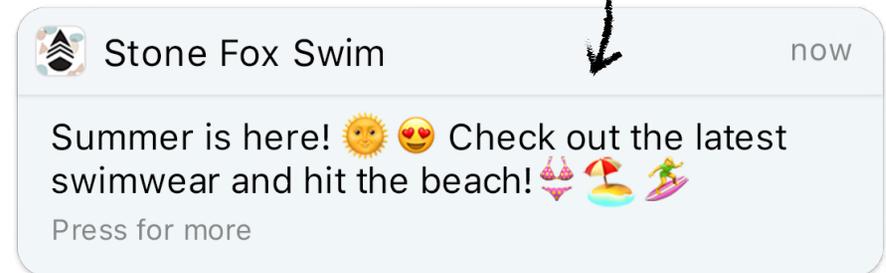
1. Day of Week
2. Time of Day
3. Frequency

Message

1. Voice
2. CTA
3. Urgency
4. Value



EX: PLAIN TEXT VS EMOJIS



→ TESTING TIPS

When conducting A/B testing, remember that variables such as location, age, gender, etc. all come into play majorly, so only one variable should be tested at a time, otherwise the A/B test will not truly be conclusive.

STRATEGY 9

THE METRICS

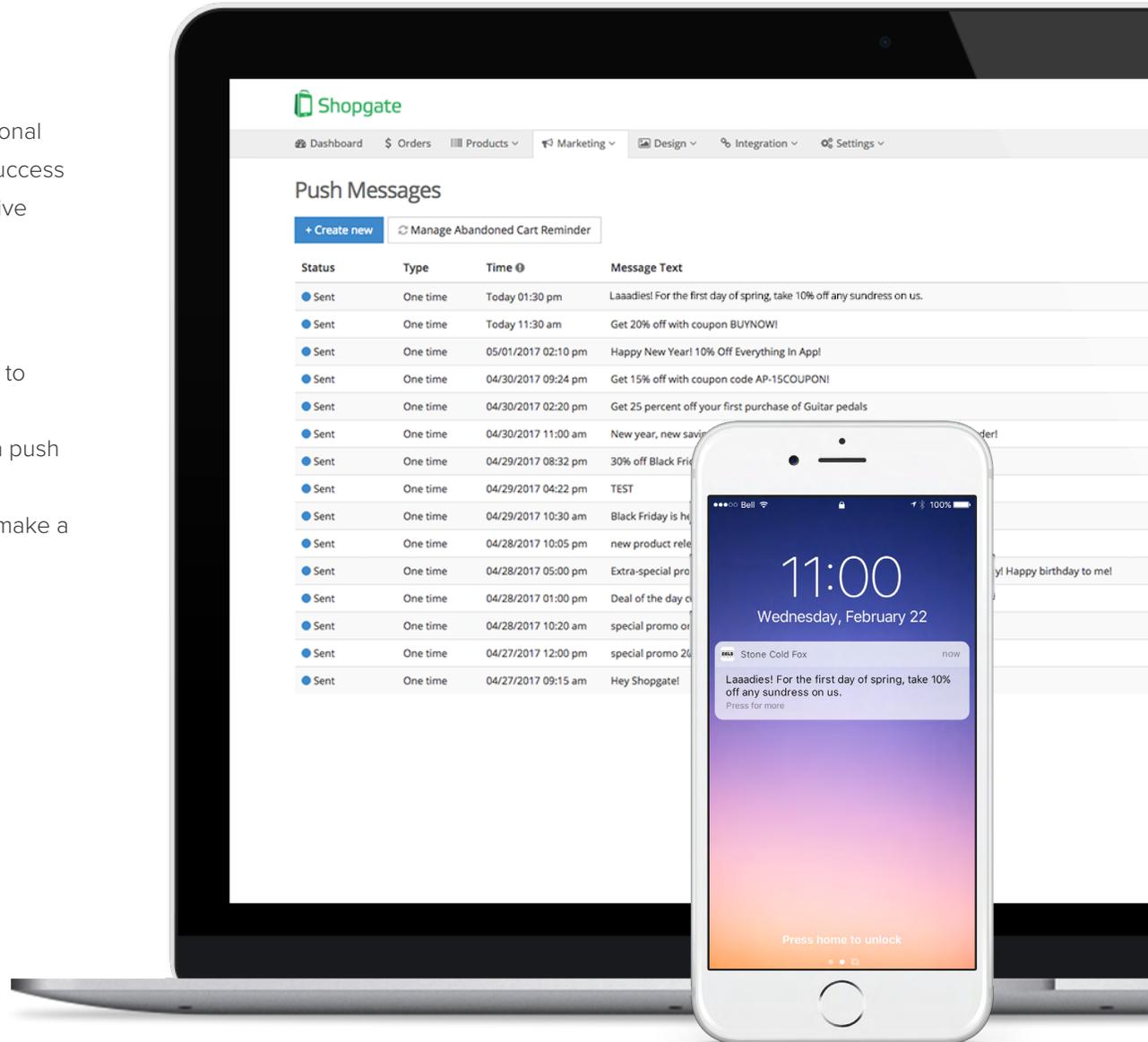
While it's tempting to create messaging suited to your personal or brand tastes, trust your data! Tracking your message's success will give you the key insights needed to create more effective campaigns in the future.

Push Notification Data to Track By Campaign

Opt-In Rate—the percentage of your app users who opt-in to receive push notifications

Open Rate—the percentage of your app users who open a push message once received

Conversion Rate—the percentage of your app users who make a purchase as a result of opening a push message



THE FINAL PUSH

So you've got the methodology down, and you understand how targeting, timing, frequency and relevancy play into it all. But if you're feeling a little befuddled about where to start, don't fret. At Shopgate, we understand the complexities that go into creating effective push campaigns, and the challenge of even building an app from which to send push messages in the first place. We specialize in helping retailers launch apps directly from their existing eCommerce stores, and we intimately know the ins and outs of push notifications. The truth is, at the end of the day, even the most effective push campaigns will have a minimal effect if the app they're linking to isn't up to par. It's vital that you not neglect this aspect of your push strategy: your app!

Working with Shopgate, merchants can create beautiful, engaging, customized apps that forge lasting relationships with loyal customers. Beyond this, our platform enables retailers to easily create user segments and push notification campaigns with just a few clicks, meaning implementing your push strategy is simpler than you'd think.

So whether you're using Shopgate or operating your app somewhere else, play by the rules of the push playbook, and sit back as you watch your customers engage with, buy from, and delight in your app.

