



10-Part Guide to Building a Retention Program





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- Founder of Electriq
- Based in Miami with my dog Bella

Electriq

- Started in mid-2019
- 45-person Shopify Plus Agency focused solely on retention
- Electriq audit & process that powers our 30-60-90 day plan approach
- Acquired in April, 2022 by DRINKS.com

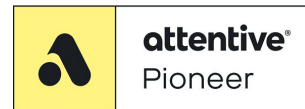


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Step #1: Understand your Baseline Metrics

LTV:

Lifetime Value

AOV:

Average Order Value

LTV : CAC Ratio

Customer lifetime value to customer acquisition cost ratio. It should be at least 3:1, but the higher the better. If your LTV:CAC ratio is too high, you can open up your advertising budget a bit more.

90-Day Repurchase Rate

What % of your first-time customers are repurchasing within the first 90 days?

Average time between Order #1 and Order #2 & Percentage of Customers that place a 2nd Order.

Getting first-time customers to repurchase is crucial. The higher this % is, the higher the % of customers will make it to order #3, and so on. There will be a % drop off of customer each subsequent order.



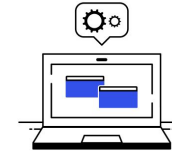
Customer Lifetime Value

=



Average
Order
Value

×



Purchase
Frequency
Rate

×



Average
Customer
Lifetime



Step #2: Understand Segmentation & Personalization

What Is Segmentation?

- Dividing your contacts into potential groups of similar needs and behaviors based on data.
- It can start broad and get increasingly granular, allowing you to execute a personalization strategy for your retention program.

What Is Personalization?

- Display personalized content (sometimes dynamic) based on customer data.
- Without segmentation, you wouldn't be able to target these customer groups.

Here's a basic example:

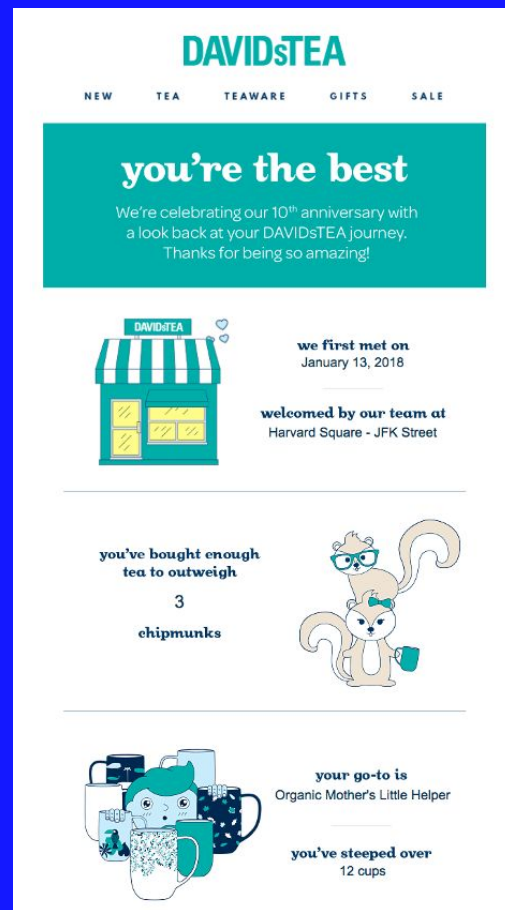
No Personalization:

Hey, {Product B} is 20% off!

With Personalization:

Hey {First Name}, we know you've had success with {Product A}, so we wanted to let you know that {Product B} combined with {Product A} will help support your unique skin profile and health even more! Here's a special 20% off code to experience the power of combining both.

Recommended Areas: Email/SMS | Order Tracking Pages | Customer Account Pages



Step #3: Get the Data: Zero & First Party

What Is Zero & First Party Data?

- *Zero-Party Data*: Data given directly by customers to your brand.
- *First-Party Data*: On-site behavior data from your customers.

Why You Should Care?

- Zero & First-Party data allows you to segment your customer database → personalization.

How I Implement:

Lots of brands collect a ton of data but don't use it in their post-purchase strategy.

Why?

They start with just trying to collect a bunch of data without any idea how they will use it. Instead, think about what sort of personalization would make the post-purchase customer experience more relevant and valuable.

Once we know what that is, we can determine whether first-party data will suffice or if we need to strategize how to get zero-party data.

Recommended Zero-Party Data Apps: Octane.ai | Fairing (formerly Enquire Labs) | Okendo

Here's an Example of how you can Start Broad and get Extremely Narrow with a Segment, Leveraging both Zero and First-party data:

- Email is known.
- Email is known and has ordered.
- Email is known and has ordered 2x or more.
- Email is known, has ordered 2x or more, and has purchased X product.
- Email is known, has ordered 2x or more, has purchased X product, and the last order date is 90 or more days.
- Email is known, has ordered 2x or more, has purchased X product, last order date is 90 or more days, and quiz answer 1 is Y.
- Email is known, has ordered 2x or more, has purchased X product, last order date is 90 or more days, quiz answer 1 is Y, and average product review rating is 4 stars or higher



Step #4: Optimize your Transactional Journey

The Typical Setup:

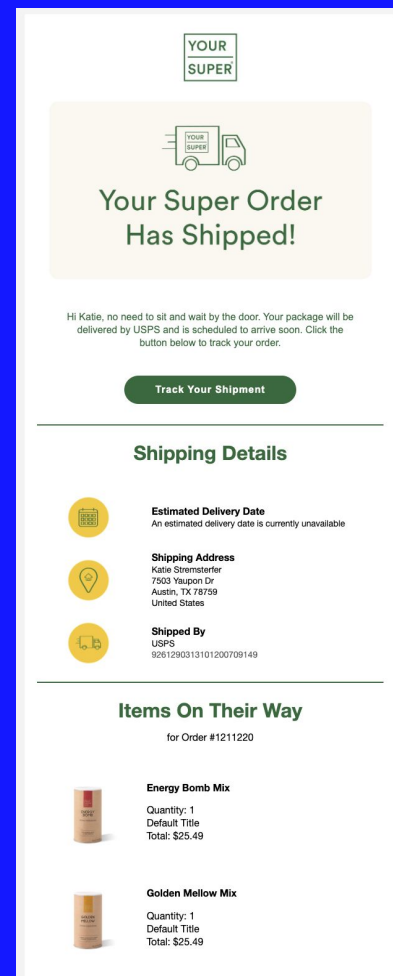
Most brands use Shopify's default order confirmation and shipping emails, texts, and tracking pages.

What we do at Electriq:

Utilize a platform like Malomo, Wonderment, Narvar, or Aftership to transition all transactional emails and texts to Klaviyo and create custom order tracking pages.

Why?


- Ability to personalize.
- Ability to view performance and run A/B tests to improve it.
- Extremely high engagement.
- On average, customers check their order tracking page 4.6 times per order.
- Custom order tracking pages provide a branded experience with educational information.



Step #5: Make Reordering Easy

Pre-populate previous order

YOUR PREVIOUS ORDER



Super Green Mix


\$29.99

-

1

+

YOU MIGHT ALSO LIKE




Super Green Mix

\$29.99

-

1


+



Plant Collagen Mix

\$29.99


Add to Cart



Moon Balance Mix

\$29.99

Add to Cart



Gut Feeling

\$29.99


Add to Cart

Surface product recommendations

Showcase free shipping & GWP threshold

Your Cart 2

You are \$19.52 away from FREE SHIPPING



Super Green Mix


\$29.99

-

1

+

Upgrade to Subscription & Save 15%



Moon Balance Mix Subscription


\$25.49

-

1

+

Delivers every 4 Weeks



2

\$55.48

Checkout

Step #6: Retention for Subscription Programs

Make it Easy to Manage:

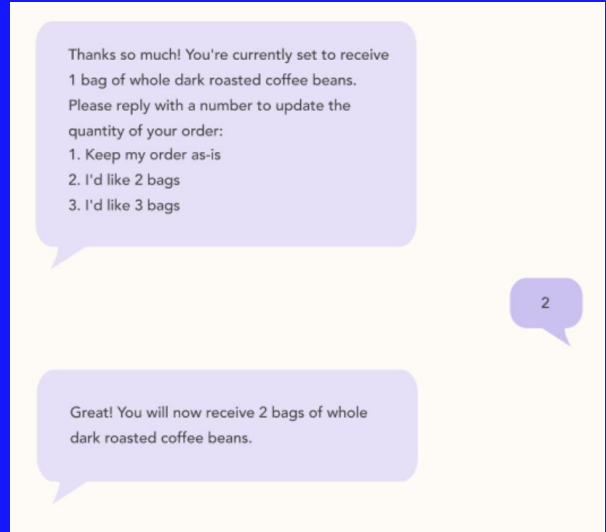
- Ten years ago, subscription programs' number one retention strategy was “make it extremely difficult to cancel.”
- Thriving subscription programs now allow customers the utmost flexibility and freedom.

Increased LTV:

- At Electriq, we see an increase in LTV for customers that take action on their subscription.
 - Even actions like skipping an order.

RechargeSMS:

- If you're leveraging Recharge for subscriptions, make sure to implement RechargeSMS.
 - Up to a 30% increase in LTV.



Step #7: Adding in a Loyalty Component

Points vs Store Credit vs Manual?

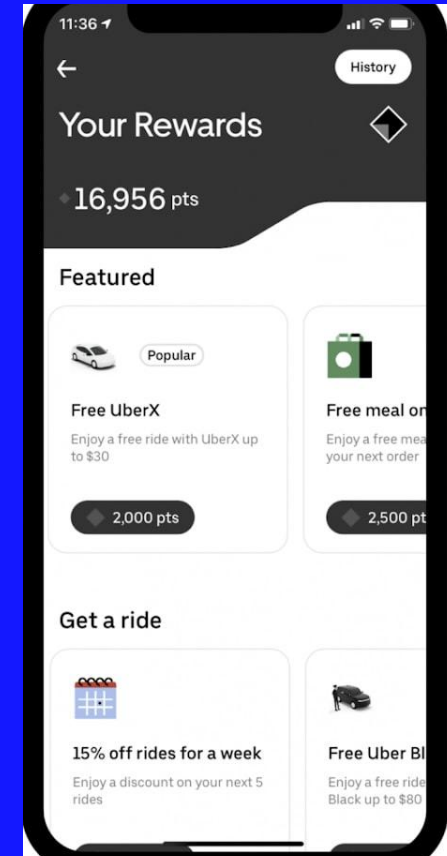
- Points: i.e. \$5 spent equals 500 points. You can redeem points for rewards.
- Store Credit: Almost like a cash-back credit card. Spend \$100, get \$5 back in store credit.
- Manual: My favorite, a manual loyalty program that automatically rewards customers (i.e. on your 5th order you get a free t-shirt and hat included).

Surprise & Delight

- The power of the surprise and delight aspect of loyalty programs can not be overstated.

Why NOT to use Points-Based Programs or Loyalty Apps:

1. Friction
2. Poorly-Planned Implementation
3. Lack of Resources
4. Poorly Integrated into Customer Journey
5. Financial Liability



Loyalty & Referral Programs

Make it SIMPLE

- Part of the reason points-based programs fail is how complex they are. Customers have to figure out how much their points are worth. Then they need to go through the process of redeeming them. Then they need to apply the redemption at checkout.

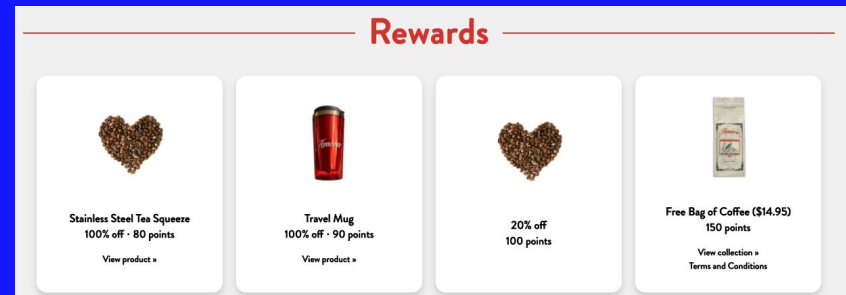
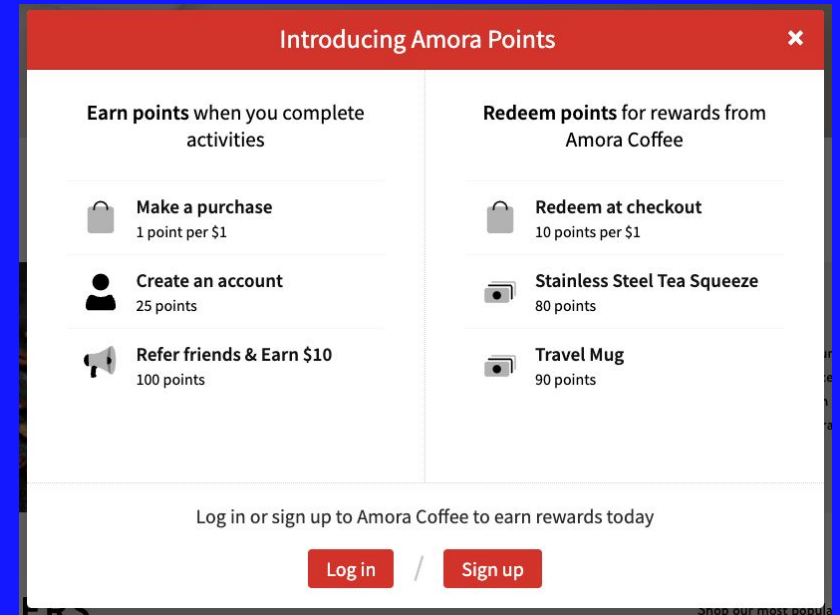
Make the Value OBVIOUS

- Another downside to points-based programs is in the difficulty getting across the value. What does 500 points get me and what does it actually mean?

Loyalty Alternatives:

Focus on how you can surprise and delight your customers.

- Utilize spend tiers that kick in rewards automatically for customers i.e.
 - Silver: \$50-250 in spend get 5% off
 - Gold: \$250-500 in spend get 10% off and free shipping
 - Platinum: \$500+ in spend get 15% off
- Utilize order tiers that kick in automatically i.e.
 - 2nd order comes with a free product
 - 6th order comes with exclusive VIP merch



Loyalty & Referral Programs

Two Types of Customers

- Referrer (Current Customer)
- Referred (New Customer)

Incentive Structure

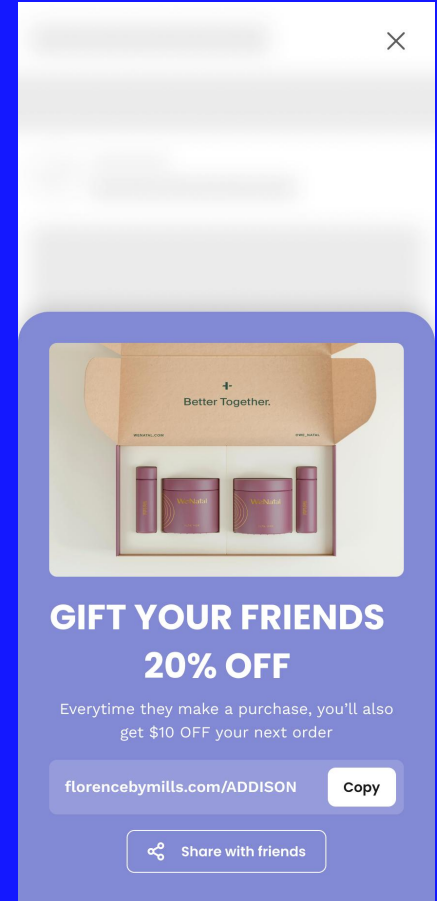
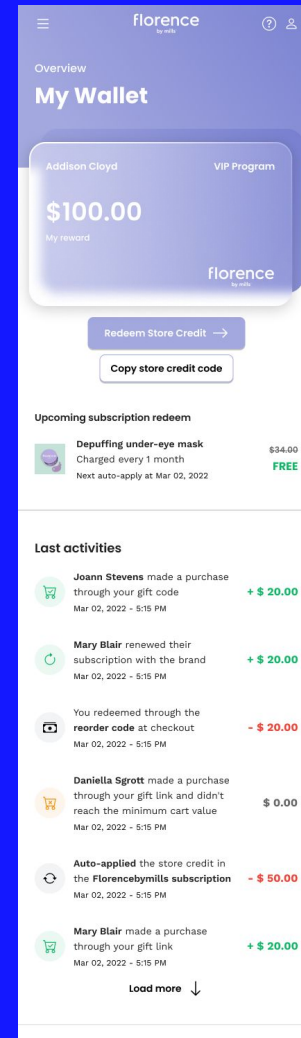
- Points - Not Recommended
- Store Credit - Recommended
- Cash - Reserved for Influencers

Empower your Customer

- What motivates your customer?
- What is going to make them want to share your brand with their friends and family?

Convert the Referred

- How do you establish further credibility with the referred visitor?



Step #8: Ensure Quality Customer Service

Utilize an in-house or outsourced customer service team.

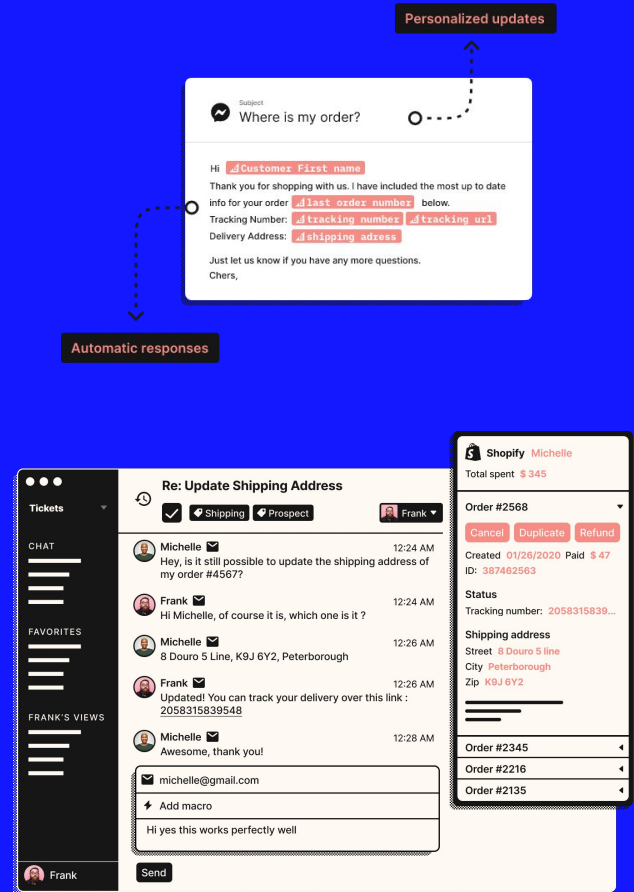
The stronger your customer service team is, the better your customer experience will be - improving retention and increasing LTV.

My Recommendation: Gorgias

Since it integrates with almost every Shopify app we leverage, the customer service team has a complete view of the customer's journey up until that point, enabling them to create a positive customer experience.

The result? Improved retention and increased LTV.

Turn customer service into a revenue-driving channel.



Step #9: Get on the Right Tech Stack

Our Top Partners

Having an integrated tech stack where all customer data aggregates in a single platform is crucial.

- Shopify
- Klaviyo
- Malomo
- Rebuy
- Recharge
- Attentive
- Superfiliate
- Octane.ai
- Okendo
- Gorgias
- Ecocart
- Lifetimely
- Gatsby
- Tapcart
- Loop
- Carro





Klaviyo

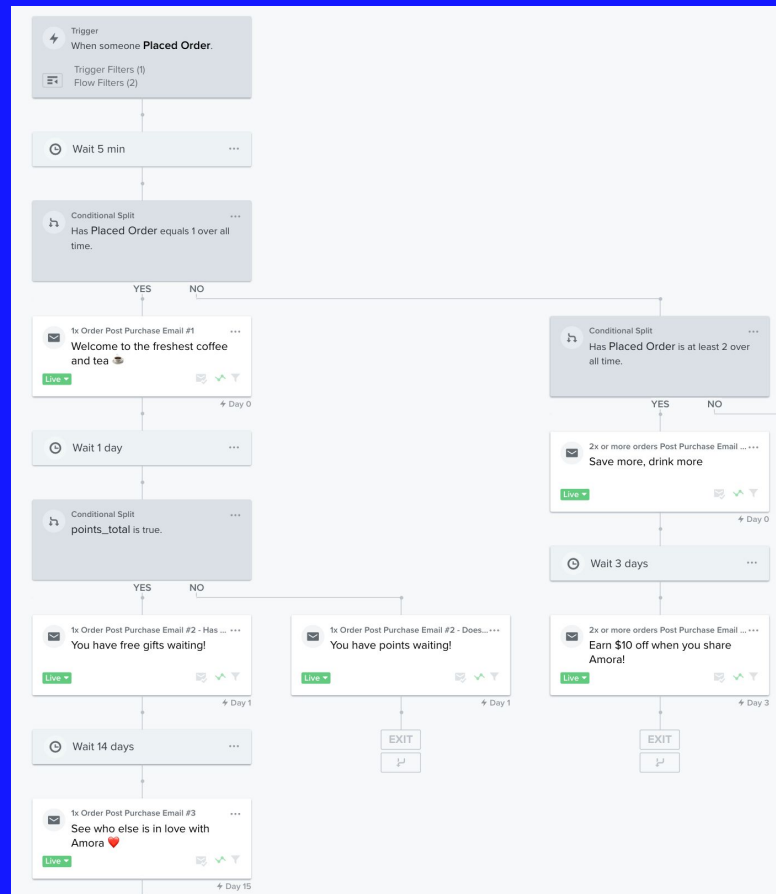
What is it: Email/SMS Marketing Software

Differentiator:

- For the highest level of return on your marketing, you need to make sure that your email and SMS marketing are working together...enter Klaviyo.
- Klaviyo provides a cohesive view of all your communication touchpoints and streamlined data analysis.
- You are also able to create sophisticated flows across both channels.
- More app integrations than anyone else in the ecommerce space, ensuring that you can pass data from other platforms to enhance your email/SMS marketing.

How we use it:

- For everything related to email & SMS marketing and as an aggregator of all data we have on a customer.
- For more, check out my youtube video:
 - “How to Use Klaviyo on Shopify | The Ultimate Klaviyo Flow Account Setup”





Recharge

What is it: Subscription Commerce Platform

Differentiator:

- THE subscription platform for Shopify merchants.
- Numerous integrations with other best-in-class apps in the Shopify ecosystem.

How we use it: All things subscription!

- 1) Subscribe & save
- 2) Gifting
- 3) Prepays
- 4) Build your own box
- 5) A quiz that leads to custom subscription recommendation
- 6) Intro offer into an auto-renew

FREQUENCY
★ 23 Reward Points / Bag ?

SINGLE
PURCHASE
\$14.95 / BAG

✓

SUBSCRIBE &
SAVE
\$11.96 / BAG

20%
OFF

PREPAY FOR 4
SHIPMENTS
\$9.72 / BAG

35%
OFF

DELIVER EVERY

✓ 14 DAYS

30 DAYS

60 DAYS

90 DAYS

Regular or Decaf

Whole Bean or Ground

Regular

Ground

- 1 +

ADD TO CART

electr\$@
marketing



Octane AI

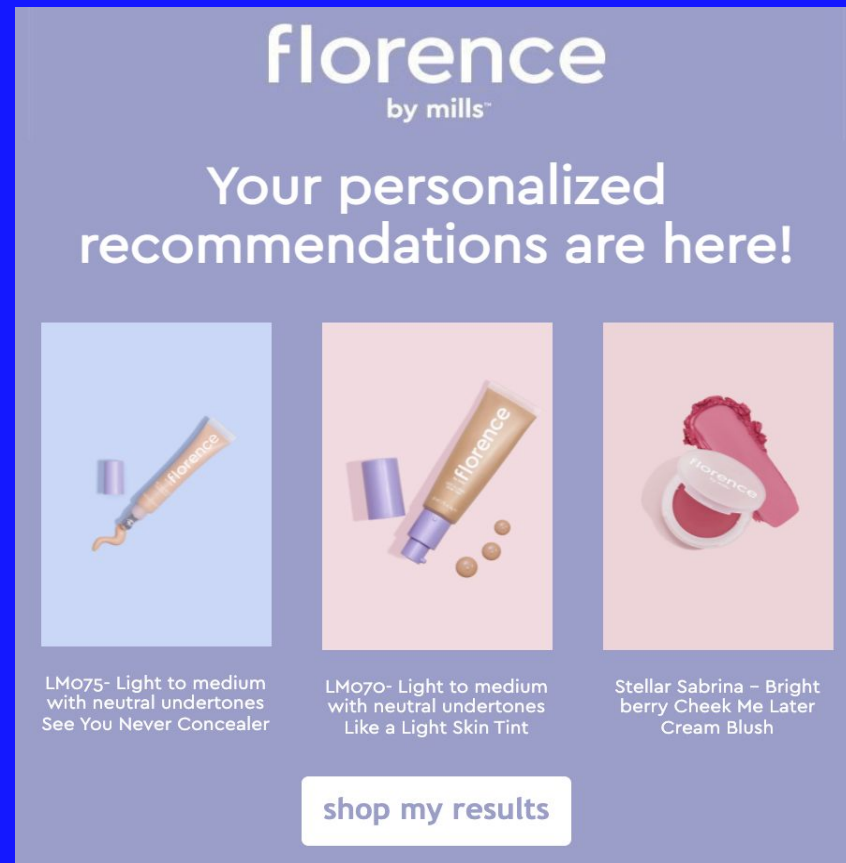
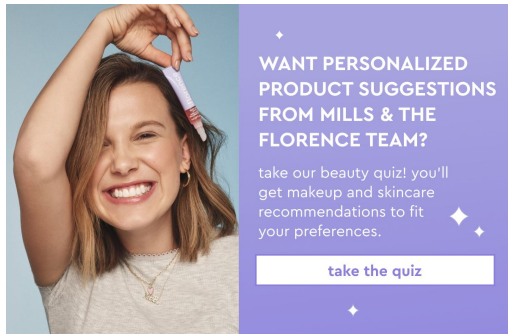
What is it: Quiz Builder

Differentiator:

- A quiz allows site visitors to share zero-party data, get funneled into your communications, and be guided through the buying-decision process based on personalized recommendations.
- This journey creates the foundation for personalization from the moment the site visitors take the quiz all the way through to your first order retention efforts and beyond.

How we use it:

1. Create engaging quizzes with email or SMS lead capture that provide personalized product recommendations ([like these two florence by mills quizzes](#)).
2. Email/SMS flow after quiz completion to nurture leads into that first purchase.
3. Take the data acquired from Octane and use it in our retention efforts via personalized email/SMS messaging powered by Klaviyo.





Fairing (Formerly Enquire Labs)

What is it: Post-purchase survey

Differentiator:

- Segment question asked based on customers order number and build out question streams and logic.
- Simple 1-click integration with Shopify & Recharge allows you to easily tailor questions in your post-purchase (order confirmation) area.
- As you gain zero-party data, you are able to pass that information through to other apps .

How we use it:

- Gather customer feedback as well as data points.
- Think from an email and SMS personalization standpoint
 - What would I like to be able to know about a customer to tailor and personalize communication to them?
 - From there, figure out which questions need to be asked to get the required data to execute a personalization strategy.

Question Stream Active					New Question
1.	Hey, quick question, was this order a gift?	Analytics	Preview	Edit	<input checked="" type="checkbox"/>
Asking: All customers, Always					
Question Type: Single response					
2.	How did you first hear about Your Super?	Analytics	Preview	Edit	<input checked="" type="checkbox"/>
Asking: New customers, Until answered					
Question Type: Single response					
3.	What are you hoping to achieve with Your Super? We'll use this to tailor product recommendations, education, helpful insights and tips, and more!	Analytics	Preview	Edit	<input checked="" type="checkbox"/>
Asking: All customers, Until answered					
Question Type: Single response					
4.	What new products would you be interested in us developing?	Analytics	Preview	Edit	<input checked="" type="checkbox"/>
Asking: All customers, Always					
Question Type: Open ended					
5.	How could we best support you to reach your personal health goals?	Analytics	Preview	Edit	<input checked="" type="checkbox"/>
Asking: All customers, Always					
Question Type: Open ended					





Okendo

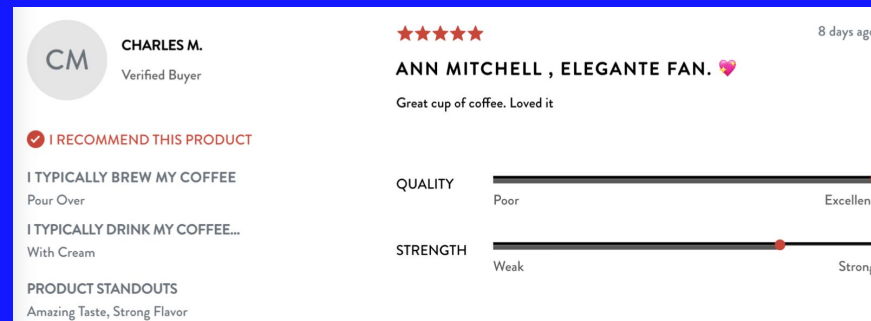
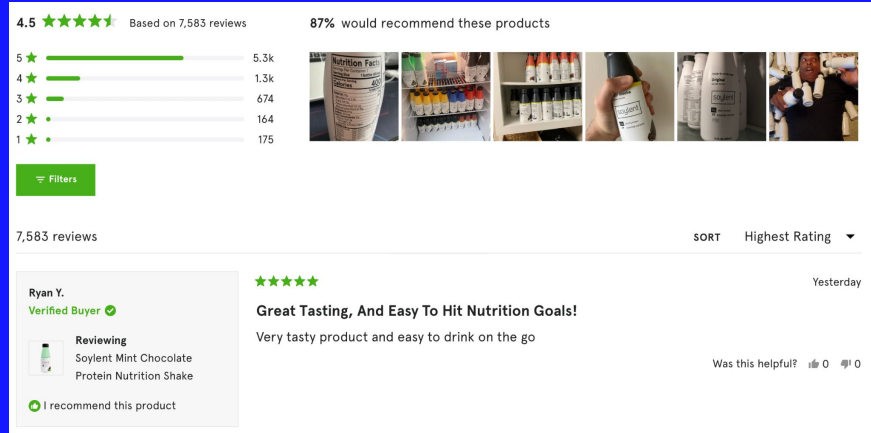
What is it: Review Platform

Differentiator:

- Okendo provides the fairest price in the market considering what it offers.
- You're able to ask questions based on customer demographics and product-specific attributes during the review request process.
- A developer's dream for customizing styling on-site, has strong filtering capabilities, and much more!
- Okendo also offers best-in-class integrations with Klaviyo, Attentive, Rebuy, Gorgias, and others.

How we use it: For all of our client's product reviews

1. Positive and negative review flows in Klaviyo.
2. Segment customers based on attributes provided in their Okendo reviews.
3. Source UGC.





Malomo

What is it: Transactional Touchpoints out of Klaviyo and Branded Order Tracking Pages

Differentiator:

- Malomo moves away from Shopify's default order confirmation and shipping/tracking pages to create a branded experience with upsells, education, and community building.
- You are able to create specific pages based on key personalization criteria: i.e. a landing page for one-shot customer versus subscription customers, new vs returning, VIP customer, and more.

How we use it:

1. Turn off Shopify and Recharge emails.
2. Build separate transactional flows for one-shot versus subscription customers, including custom order tracking pages.
3. A/B test in Klaviyo to increase CTR.

The screenshot shows the Soylent website's 'Delivered' page. At the top, there's a navigation bar with 'soylent' logo, 'SHOP ALL', 'LEARN', 'HELP', and 'MY ACCOUNT'. The main header area features a large image of two hands holding Soylent bottles, with the text 'SUBSCRIBE & SAVE! Up to 23%' and a 'SHOP NOW' button. Below this, the 'LATEST ACTIVITY' section shows a delivery confirmation for 'October 21 12:24 PM' with details about the signature service and location (Columbus, OH). A 'Show History' link and a FedEx tracking number are also present. The bottom section displays four product cards, each with an image, name, price, and an 'Upgrade to Subscription' offer with a percentage saved. Each card includes a '15 Days' timer and an 'Add to Cart' button.

Product	Original Price	Subscription Price	Savings
Soylent Drink Creamy Chocolate	\$42.00	\$37.05	11.78%
Soylent Drink Original	\$42.00	\$32.30	23.10%
Soylent Powder - Cacao	\$67.00	\$55.00	17.91%
Soylent Cafe Mocha	\$42.00	\$37.05	11.78%





Rebuy

What is it: Ecomm Personalization Software


Differentiator:

- Rebuy is a powerhouse when it comes to increasing AOV, personalizing merchandising, and improving retention.
- With Rebuy, you can pre-populate checkouts based on a customer's last order, add in a free shipping threshold in your slideout cart, surface limited-time discounts, and much more!

How we use it:

- Recommended products at the bottom of product pages.
- Add-to-cart up-sells.
- Slide-out cart with free shipping and gift-with-purchase (GWP) thresholds, cross-sells, and the ability to upgrade products to a subscription.
- Post-purchase 1-click cross-sells.
- Pre-populating carts & creating personalized email/SMS campaigns.


Mixes well with:



Hergreens™
Pink Grapefruit / 15

\$24.00


Choose Flavor



Hertime™ Daily
Pom Mango / 15

\$30.00

Options




Herpower™
Piñaberry Babe / 15

\$30.00

Add to Bag

My Bag ×



Herlove™ \$64.00
Flavor: Variety Pack (Apple / 10,
Huckleberry / 10,
Passionfruit / 10)
Quantity: 1
[Remove](#)

Upgrade to Subscription & Save 10%

Subtotal (1 item) \$64.00

SECURE CHECKOUT

[Continue Shopping](#)





Gorgias

What is it: Customer Service Platform

Differentiator:

- Gorgias is a customer service platform that allows you to automate frequent tickets, drive sales through the chat functionality, and unify all customer communications.
- With the many Shopify app integrations available, it allows for a 360-degree view of the customer needing support.

How we use it:

- For Customer Service
 - Live chat on site
 - All customer service interactions (Facebook/Instagram, emails, SMS messages, etc.)
 - Set up rules to automate the customer service process
 - Create premade macros to streamline customer service responses

A screenshot of the Gorgias Customer Timeline interface. The main panel shows a vertical timeline of customer interactions. The first interaction is an 'OPEN' ticket from Instagram dated 02/13/21 with the message '(1) Loved it sooo much! Just in love with this piece!'. The second is a 'CLOSED' ticket from Messenger dated 02/24/21 with the message '(2) That really looks dope! We're very glad you like it!'. The third is a 'CLOSED' ticket from Email dated 03/09/21 with the message '(8) I need to change my adress Hi, Michelle! Don't worry, I'll help...'. The fourth is a 'CLOSED' ticket from Facebook dated 03/19/21 with the message '(4) How do I check my refund? @cs team, help out here!'. To the right, a sidebar shows the customer's profile for 'Michelle' with her email and phone number. Below that, it shows her 'Shopify' profile with a total spent of \$345 and two orders listed. At the bottom, it shows her 'Yotpo' profile with a reward points box, an average rating of 3.8, and 17 reviews.



Lifetimely

Lifetimely

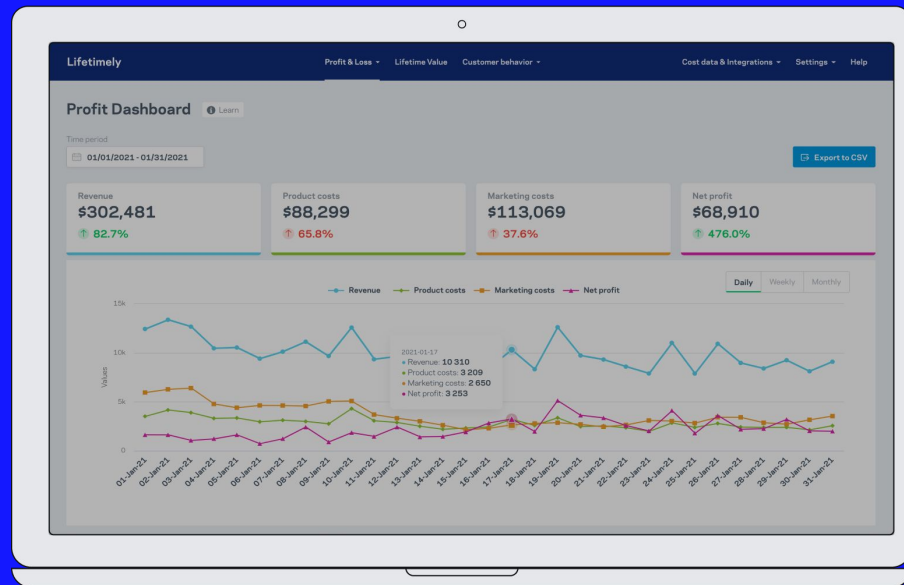
What is it: Lifetime Value and Profit Analytics

Differentiator:

- Lifetimely allows you to look at the lifetime value and behaviors of your customers.
- Their array of in-depth features, functionalities, and data allows you to make better-informed decisions across your business.

How we use it:

- For cohort, retention, and LTV analysis.
- I put together a video that walks through how we use it at electrIQ and what sort of actionable takeaways you can glean from the data:
 - “Customer Lifetime Value with Lifetimely - a Shopify App”



Step #10: Miscellaneous Tips & Tricks

AOV Boosting Tactics

Leverage Rebuy in all off the aforementioned areas across your customer journey.

Talk to your Customers and ask for Feedback

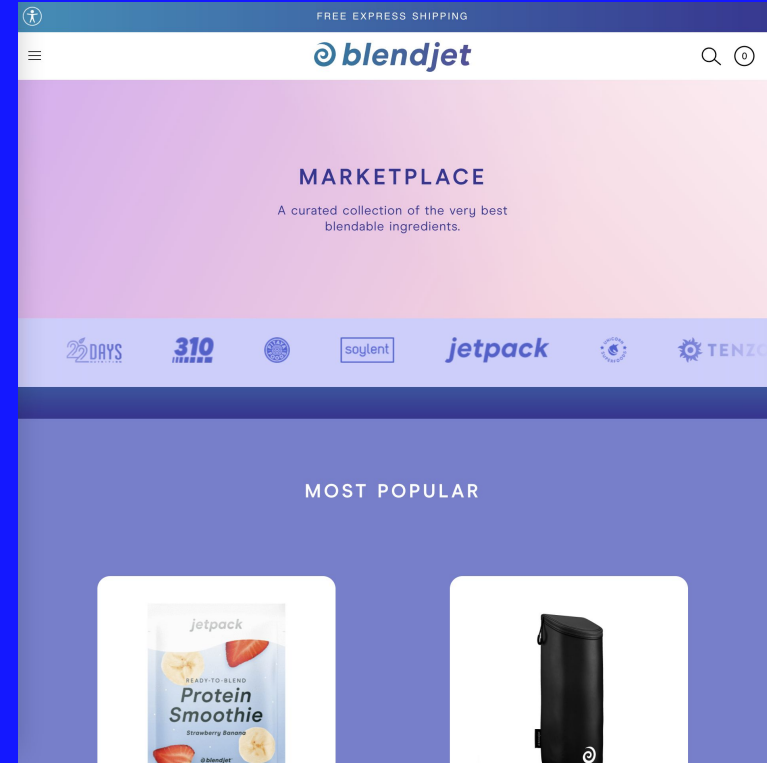
One of the simplest things you can do as a brand is to talk to your customers and ask for feedback.

Turn your Negative Reviewers into your Biggest Advocates

You can turn your negative customers into some of your biggest advocates by going out of your way to make a situation right.

Increasing AOV & LTV if You only sell One Product or a Limited # of SKUs

Carro allows stores like BlendJet that sell a single product to curate a marketplace of complementary products, making it possible to increase AOV, LTV, and overall sales.



Q&A

