

RFM tool

With a goal to make home brewing easy and consistent, Mr. Beer was one of the first home brewing kit companies in the United States, helping hundreds of craft brewers. After almost 20 years of strong success record, the company was acquired by Australia's Coopers Brewery in December 2011. Coopers Brewery is a family-owned company with 150 years in the market and one of the world's largest manufacturers of brewing malts. Thus, with this bubbling partnership, a home brewing powerhouse was born.

Challenge

With the overwhelming growth of its customer database, Mr. Beer faced two key challenges. First, the lack of a strong automated email engagement program, hence the team had to manually organise customer data. And second, the company wanted to up its game in capturing customer attention and increase its sales through relevant and exciting workflows. Therefore, Mr. Beer needed long-term solutions for its growing business and reached out to a range of marketing automation solution providers.

800% increase in customer orders



Solution

In February 2019, Mr. Beer made the decision to use dotdigital's Engagement Cloud as its marketing automation solution. One of the main reasons driving this decision was the sheer amount of data segments that dotdigital offers, and the fact that it helps clients to capture and funnel them effectively. As a result, the company had 200+ orders attributed to the segment flows. What's more, Mr. Beer experimented with different marketing techniques and systems – especially dotdigital's recency, frequency, and monetary value model (RFM) tool.

Results

With the integration of RFM, Mr. Beer made important decisions: as in whom to target and when. The benefit of RFM in the platform is that Mr. Beer can choose which "RFM personas" to target with tailored messaging, for example allowing them to message those people who spend on multiple occasions that are likely to spend again and those who make big purchases that are likely to repeat. It made visualising and manipulating customer data an easier job for users of the platform.

Prior to this, Mr. Beer conducted an inactive 90 day and 180-day workflow for three months. They replaced the workflow in these existing automations with dotdigital RFM segments (i.e. RFM personas like "need nurturing" and "inactive"). This outperformed those previous workflows, with an outstanding increase in customer orders by 800%.

Commenting on dotdigital's Engagement Cloud platform, Robert Lewis, Manager of Sales, Digital Marketing and eCommerce at Mr. Beer said, "This has eased the entire process of sending emails, building customer lists, and tracking data from direct emails, as well as exploiting the range of data available. This experience was better than the previous platforms we've used in the past."

There's enormous potential to grow each customer's lifetime value (CLV) and brand engagement. RFM goes beyond email to encompass a wider business outlook. "We also started a rewards program alongside workflows through RFM personas and we've probably gained 75-100% growth since last year." added Lewis.

Mr. Beer utilised the RFM personas to purposely target specific customers and found 25% of email recipients from the free refill flow were purchasing more than just the free item with their order. "As a small company, Mr. Beer had the liberty to try and experiment with different approaches, to see what works the best and shift within a suitable timeframe," said Lewis. "Working with dotdigital endorsed enormous change, with 150 inactive customers, who have not purchased in over two years, out of which we are already seeing repeat purchasers in just two months."

Mr. Beer intends to create a wider focus on its customers by enhancing engagement through more personalised emails and direct product recommendations. These opportunities were made available through dotdigital's Engagement Cloud platform, which will support Mr. Beer in its journey to higher customer retention and acquisition.

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