



Optimizing GM's Email Marketing Strategy



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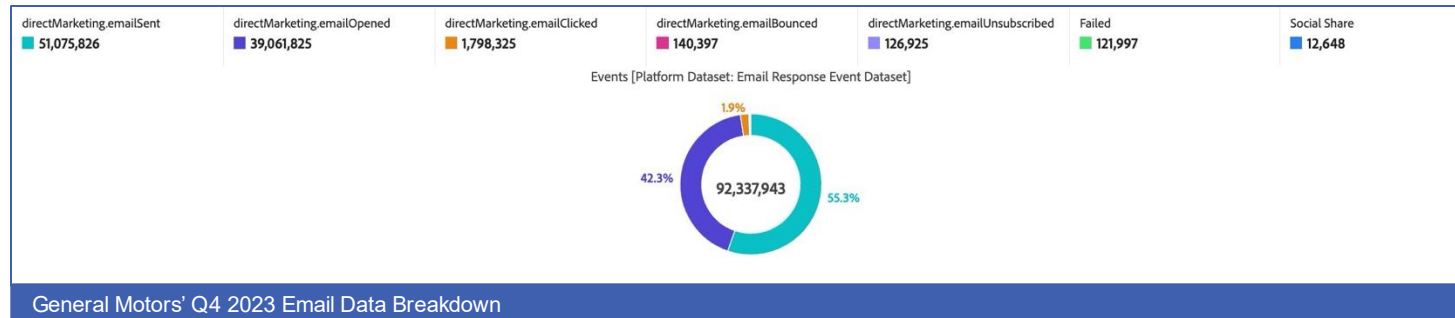
Introduction

Importance of Email Marketing

- Central to customer engagement in the Automotive industry.
- Enables personalization and direct communication with potential buyers.

Project Overview

- Analyze General Motors' Q4 2023 email data for insights.
- Aim to optimize email marketing strategies for GM using Adobe's Customer Journey Analytics.

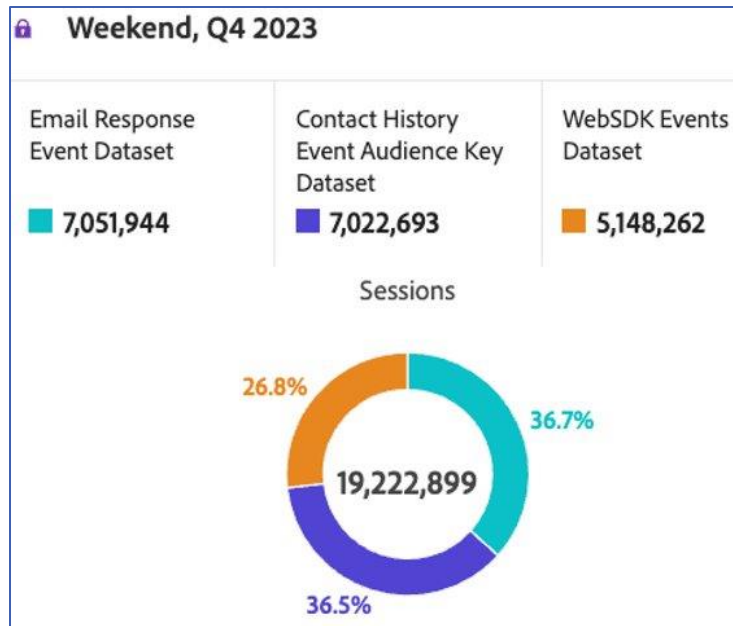
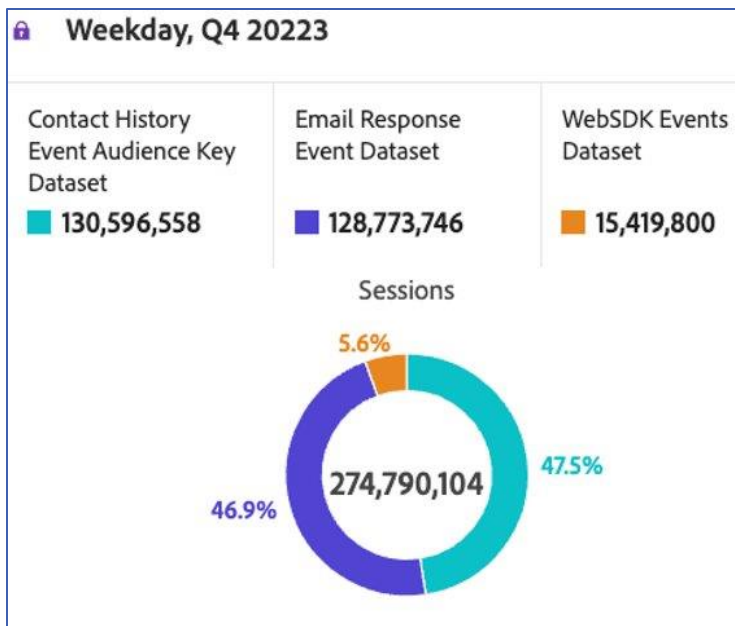


Rationale for Q4 2023 Analysis Timeframe

- **Up-to-date data:** Analyzing Q4 2023 provides the latest customer behaviors and GM's performance for actionable insights and strategic planning for 2024.
- **Special and explicit patterns:** Preliminary observations revealed interesting differences between data in this period and others.
- **Granular Analysis:** Quarterly analysis provides a balanced view of trends and fluctuations while avoiding the board perspective of yearly trends or the noise of monthly variability.

Initial Observations

❖ User behaviors between weekdays and weekends across 3 main datasets:



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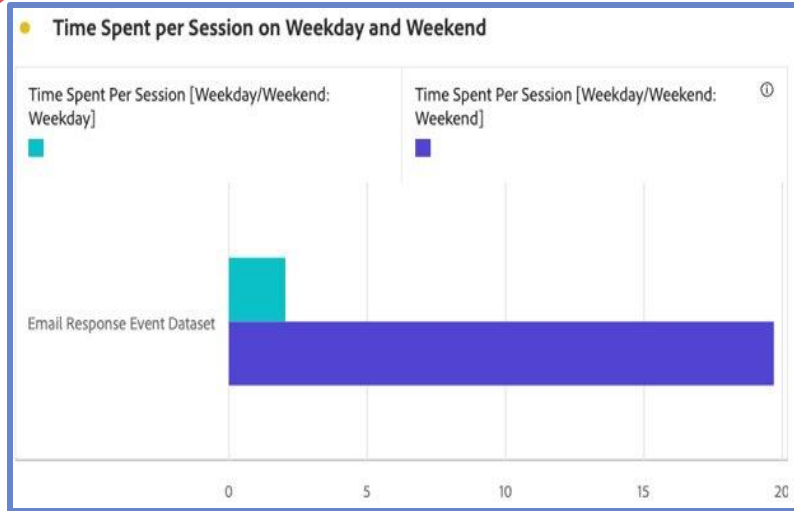
- Noteworthy disparity in session proportion between weekday and weekend.
- Customers tend to
 - Interact with emails on weekdays (46.9%) more than on weekends (36.5%).
 - Shift to engage in website on weekends (from 5.6% to 26.8%).



Does fewer number of sessions on weekends mean customers did not open the emails as much as on weekdays or spent more time for each session?

Initial Observations

❖ User behaviors between weekdays and weekends regarding Email Response



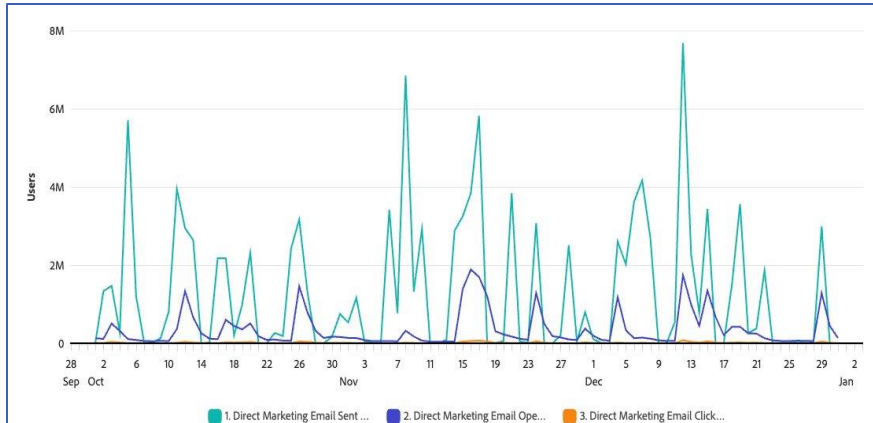
- Despite fewer sessions, the average time spent per session on weekends was **10 times greater** than that of weekdays.
- Customers tend to
 - Have more leisure time on weekends to consume email content (20 seconds per session).
 - Quick check the emails on weekdays (only 2 seconds per session).



How can GM leverage user behaviors optimize their email marketing strategy?

Analytical Approach & Findings

❖ Direct Marketing Email Engagement Analysis



Trends in Email Campaign Engagement Over Time (Q4 2023)

➤ Key Insights:

- Consistency in outreach: 12.7M emails sent, showing a stable email campaign effort.
- High initial engagement: 59.7% open rate indicates strong initial user interest.
- Low actionable engagement: 5.5% email click-through rate points to a significant drop-off in engagement.

➤ Potential Issues:

- Content may not be engaging enough to prompt action.
- Calls to action within emails may not be effective or clear.
- Possible technical issues affecting the user experience.



What changes can GM implement to convert high email open rates into high click-through rates, thereby increasing overall user engagement and interaction?

Analytical Approach & Findings

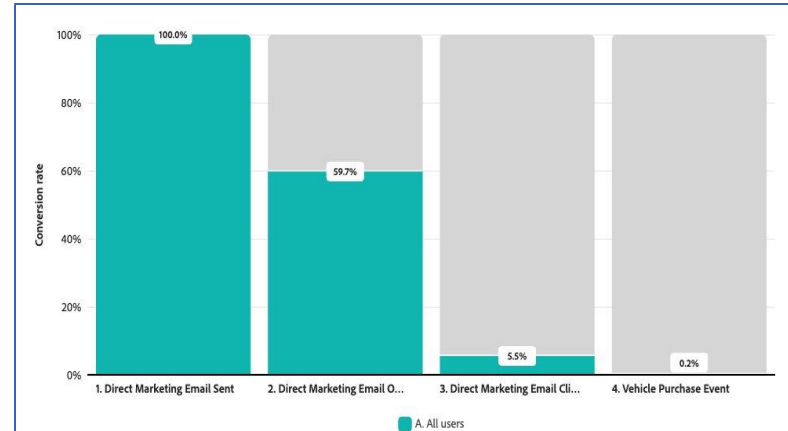
➤ Key Insights:

- High interest, low follow-through: A high open rate indicates that recipients are initially interested, but the sharp decline in click-through and purchase rates suggests a disconnect.
- Critical engagement drop: The transition from reading to clicking to purchasing highlights friction points in the purchase journey.
- Purchase conversion challenge: With only 0.2% of email recipients completing a purchase, it's crucial to identify and address the obstacles within our sales funnel that prevent interested prospects from becoming buyers.



Given the current conversion rates at each stage of our email campaign, what strategies can we implement to boost our overall purchase rate, turning interest into sales?

❖ Email-to-Purchase Conversion Journey



➤ Strategic Focus:

- Enhance Content Engagement: Tailor email content to encourage not just reads, but meaningful actions leading to a purchase.
- Simplify the Buying Process: Ensure a seamless transition from email to purchase, reducing any friction that might deter potential buyers.



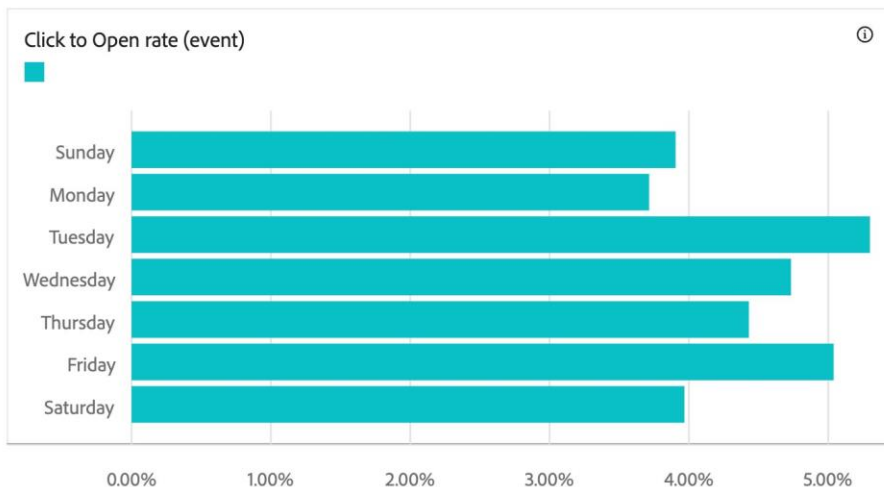
Recommendations

Optimal Email Send Times

➤ From Initial Observation's findings

- Weekends exhibit fewer sessions but a higher duration per session compared to weekdays.

● Click-to-Open rate by Day of Week



- The graph indicates a lower rate from weekends to Monday, in contrast to higher rates observed during the weekdays.

➤ This suggests that users tend to check emails and engage in immediate actions on weekdays due to their busy schedules, while they consume email content in a more relaxed manner and are more likely to explore further on the website during weekends.

Optimal Email Send Times (cont.)

❖ Strategies for Optimization

➤ Optimizing send time

- Diversify the scheduling of marketing emails to include both weekdays and weekends.
- Leverage AI to fine-tune send times, ensuring emails are delivered when users are most likely to engage, thereby maximizing open rates and interactions.

➤ Tailoring Content for Weekdays and Weekends

- Weekdays: Focus on succinct, action-driven content and visuals that capture user attention quickly, prompting immediate action.
- Weekends: Offer more detailed, educational, and engaging content that encourages users to take their time exploring and engaging with the content.

Example: Showcase top sellers with engaging images and clear Call-to-Action (CTA) buttons like "Explore Our Latest Models."

Example: Provide an introduction and guide to the Build & Buy tool on the website, along with tips for customizing vehicles to personal taste.

● Tailoring Messages with Target Audience Segmentation


- **Key to success:** Understand GM's varied customer interests
- **Segmentation:** Tailor messages for specific groups for better engagement.
- Increased relevance through segmentation boosts engagement and conversion.
- **Example:** Customize emails for SUV enthusiasts with the latest features and offers, while electric vehicle prospects receive updates on sustainability and tech advancements.
- **Result:** Higher loyalty and attraction of new buyers by meeting their specific needs.

Enhancing Engagement Through Strategic Content Creation

- Focus on crafting content that captures attention and drives action.
- Use insights from segmentation to create content that speaks directly to each group's needs and interests.
- Example: For tech-savvy buyers, highlight innovative features and connectivity; for family-oriented customers, focus on safety and space.
- Engaging content leads to higher click-through rates and deeper customer engagement with the brand.



Continuous Improvement Through A/B Testing

- Continually test email elements (e.g., subject lines, CTAs) to refine messaging.
 - Example: A/B test subject lines to see which generates more opens for a new car launch.
 - Use testing insights to enhance email effectiveness and user engagement.
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Enhancing Deliverability

- Implement strategies to reduce bounces and improve overall email list health.
- Example: Periodically clean the list of inactive subscribers to maintain a high-quality audience.
- A clean email list ensures higher deliverability and engagement rates.

Financial Impacts

The recommended email strategy could **improve the Conversion Rate from 0.2% to 0.25%** (by 25%) due to:

Periodic user data cleaning could **reduce the bounced email rate from 0.5% to 0.35%** (by 30%)

The optimal send times could **increase the open rate from 59.7% to 65.7%** (by 10%)

Customized email content between weekday and weekend could **raise click-through rate from 9.2% to 12%** (by 30%)

Financial Impacts

STATUS QUO

- Email sent = 12,746,785
- Conversion rate = 0.2%
- > Vehicle purchase = 21,283
- Revenue = \$1.7 billion

AFTER RECOMMENDATIONS

- Email sent = 12,746,785
- New Conversion rate = 0.25%
- > New Vehicle purchase = 31,867
- Revenue = \$2.55 billion

*Email sent & vehicle purchase event are measured by people metric.
Assume that 1 vehicle purchase event equals 1 sale of a vehicle & the average revenue per vehicle is \$80k.*



The recommended email strategy could raise the Revenue by 50%.

Conclusion

- **Insights to Action:** Our journey through GM's Q4 2023 email data using Adobe's Customer Journey Analytics has illuminated the path to deeper customer engagement and increased conversions.
- **Strategic Enhancements:** By embracing targeted audience segmentation, optimizing send times, and crafting compelling content, we've outlined a strategy poised to transform GM's email marketing efforts.
- **Looking Ahead:** As GM moves forward, the integration of data-driven strategies and customer-centric marketing will drive not just clicks, but conversations, connections, and conversions. The road ahead is promising, with analytics and insight steering the way to a more engaged, loyal customer base.