Campaigns based on customer **profile** and **triggers**

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Agenda

- **Motivation:** Why use customer profiles and triggers?

- **Implementation:** How to do it?

  - Profiles

  - Triggers

- Conclusions

Motivation

A **customer (profile)** is more susceptible to the acceptance of new products and services when a **significant event (trigger)** in his life has occurred. *Competing on Analytics. Harvard Business Review Press; 1 edition. 2007.*
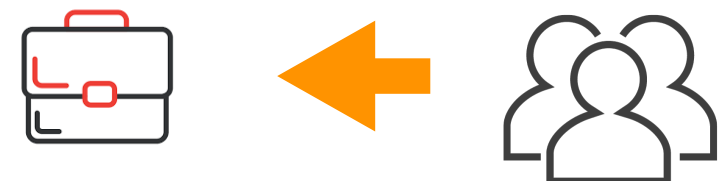
Push method

It is a strategy where **constant attempts** are made to offer a product or service focused on a **propensity**; until achieving acceptance of it.
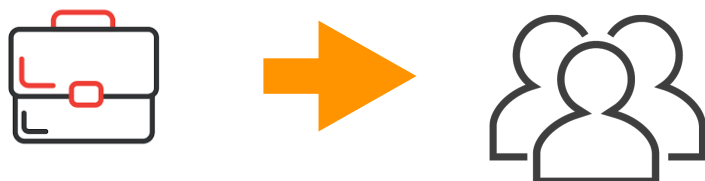
Pull method

It is a strategy where an **event (trigger)** is identified in the client's life that makes their **needs change**; from this, a new product or service is offered according to their **new needs** and **profile**.

Motivation

Profiles

Plumber
Roofer
Tiler
Landscaper

First purchase
First purchase in a while
Stop buying
Buy outdoor paint
buy things to remodel the bathroom

Probability of
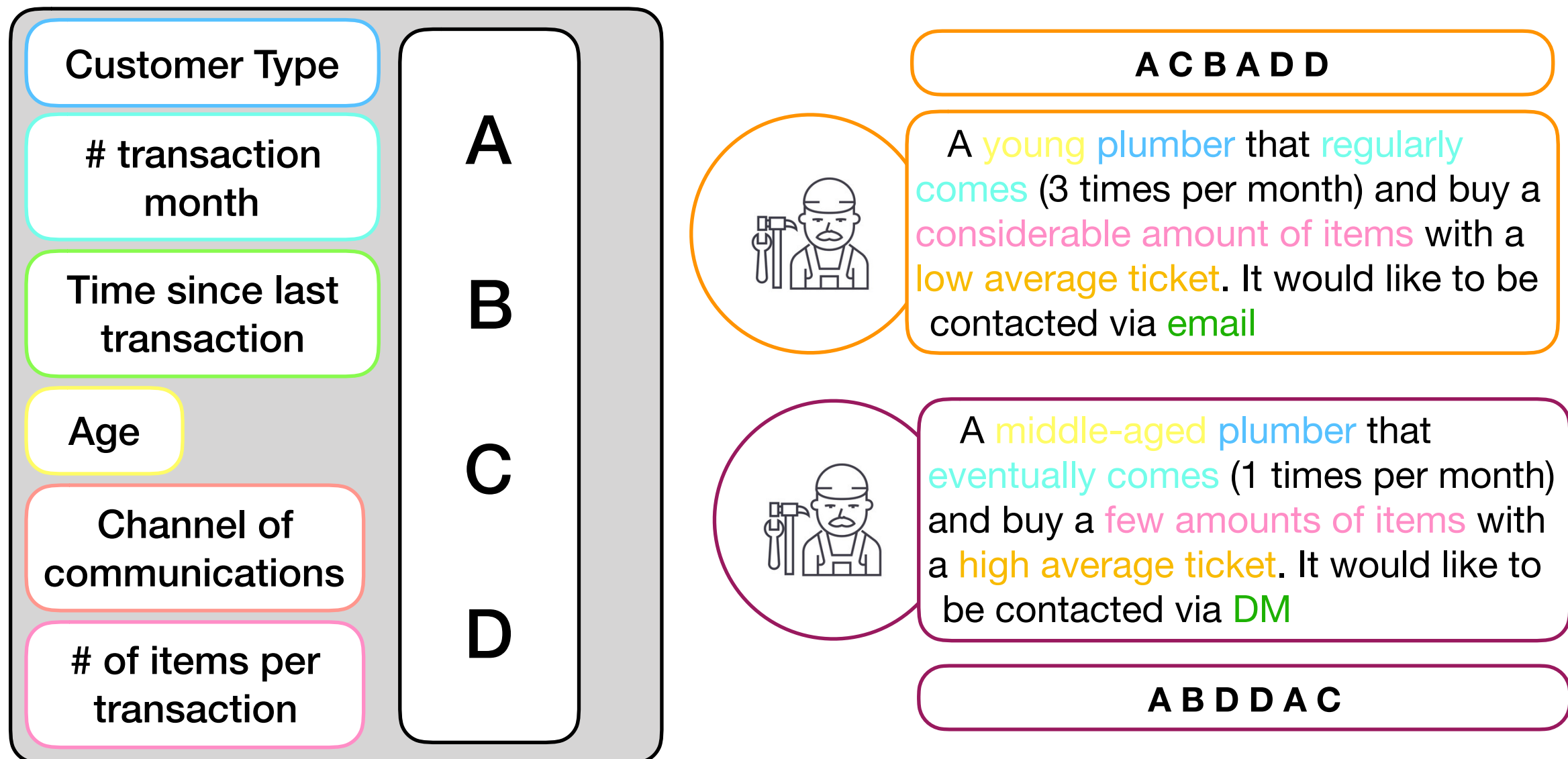acceptance of
the offer

Trigger

Time window   t

The idea behind is to **identify events (triggers)** in the **customer (profile)** live that allow us to **make an offer** with **high chances of being accepted.** In other words, to distinguish the **next best offer** given a customer profile and identifying a trigger.
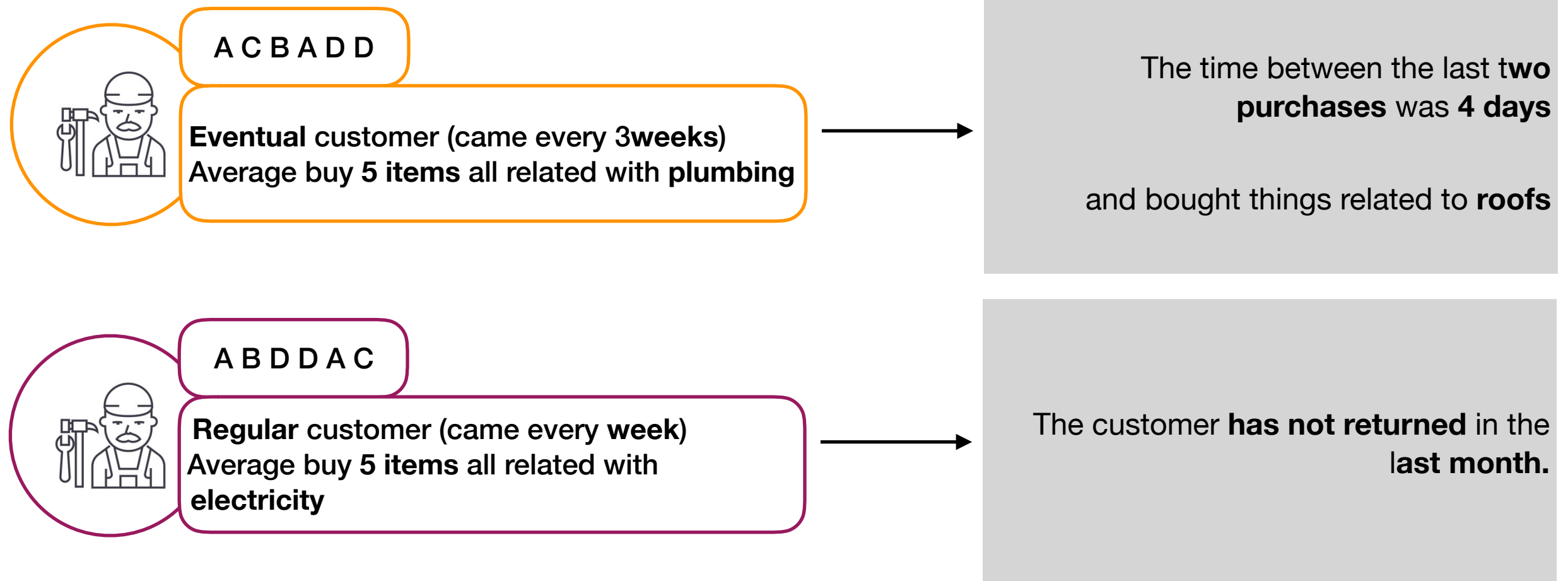
Implementation: Profiles

Not all the **customers are equal** even if they **buy similar items**, but they tend to **follow similar behaviours** over **specific attributes** that we can define and help us to **identify and group** them. **(Clustering models)**

Customer Type

transaction month

Time since last transaction

Age

Channel of communications

# of items per transaction

A
B
C
D

A C B A D D

A young plumber that regularly comes (3 times per month) and buy a considerable amount of items with a low average ticket. It would like to be contacted via email

A middle-aged plumber that eventually comes (1 times per month) and buy a few amounts of items with a high average ticket. It would like to be contacted via DM

A B D D A C
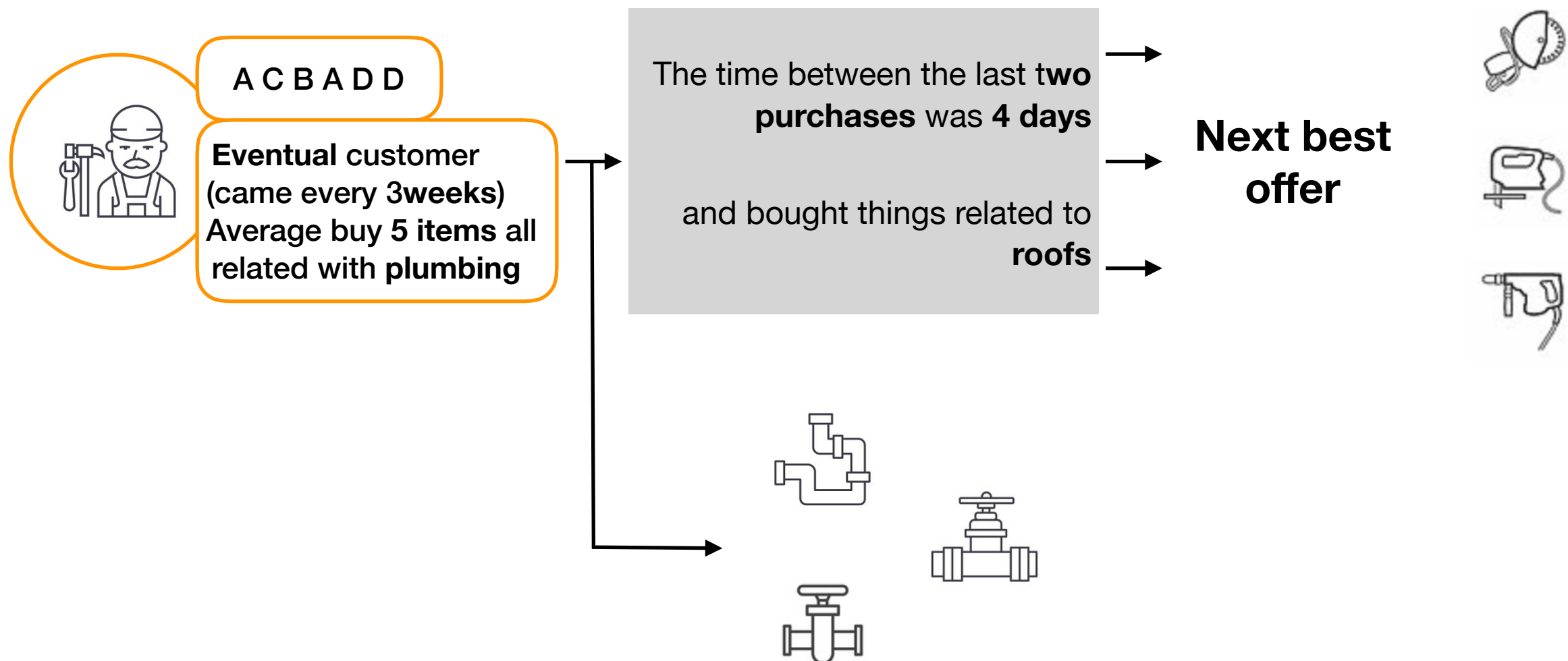
Implementation: Triggers

There are **events** in the customer live that modify its purchasing behaviour and, given its **profile**, help us to identify what will be the next offer with high chances of being accepted, the **next best offer.** We just need to "**listen**" to the customer.

A C B A D D

Eventual customer (came every 3**weeks**)
Average buy **5 items** all related with **plumbing**

The time between the last t**wo purchases** was **4 days**

and bought things related to **roofs**

A B D D A C

Regular customer (came every **week**)
Average buy **5 items** all related with **electricity**

The customer **has not returned** in the l**ast month.**

Even the customer **birthday** is a natural

Conclusions

Combine customer profiles and triggers will help us to predict what will be the next best offer (**market basket analysis, Classification models**) increasing the propensity to purchase and retaining customers.

A C B A D D

Eventual customer (came every 3**weeks**) Average buy **5 items** all related with **plumbing**

The time between the last t**wo purchases** was **4 days**

and bought things related to **roofs**

Next best offer

Q&A