

braze

Retention in Action

Creating lasting and lucrative
connections with customers

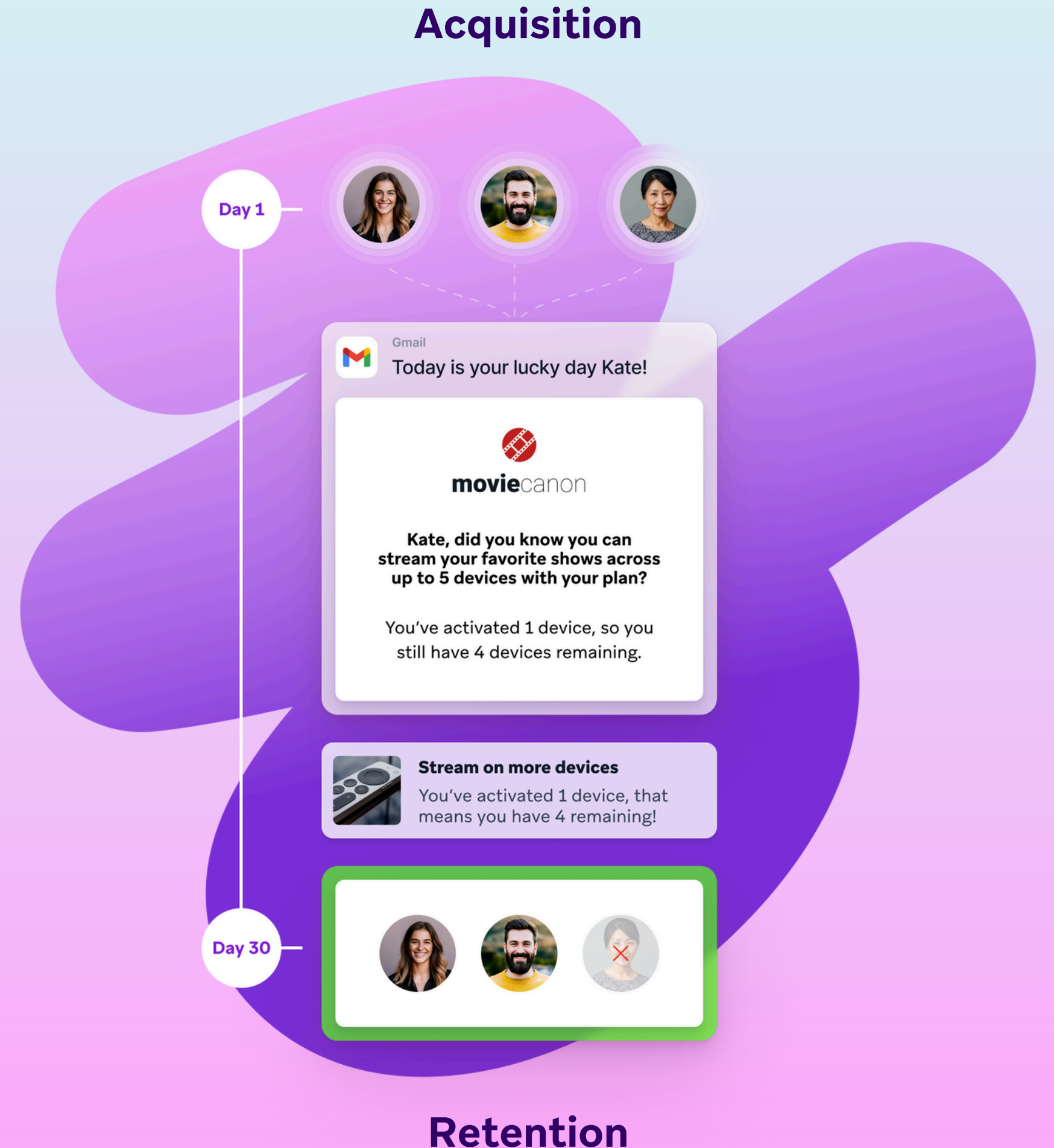


Introduction

While acquisition requires marketers to attract a steady stream of new users who will discover, engage with, and become customers of their brand, retention is all about the long game.

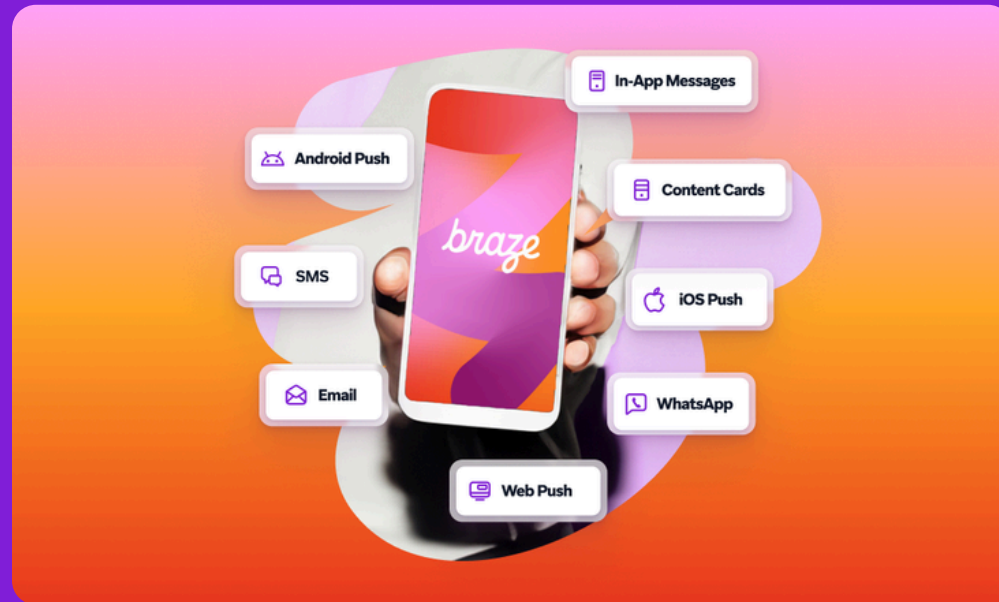
A successful retention program makes it possible to hold onto these new customers, encourage them to continue connecting beyond that initial touchpoint, interaction, or purchase—and convince them to take high-value actions that deepen their relationship with your brand.

The true goal of customer retention isn't just to get users to stick around—it's to help them see your company as their brand of choice, even when there are other enticing options available. **Done right, retention programs can serve as the centerpiece of a great customer engagement strategy, making them an essential part of your future success.**



Exploring the business impact of retention

Retention isn't an island—success in this phase is tied to improved performance across your marketing efforts.



More purchases per user

Using cross-channel customer engagement strategies doesn't just help with retention; this approach can also boost revenue by driving a **3.2X uplift in purchases per user***, showcasing the cross-metric impact of this approach.



Increased profits

Improving customer retention by just 5% has been found to help brands increase profits by more than 25%, according to research conducted by the founder of the Net Promoter Score (NPS), Frederick Reichheld, for Bain & Company.



Sustained customer loyalty

When retention improves, brands can see improvements in their customer lifetime value, a key factor in business viability and long-term success. Messaging can make that possible: Braze research found that users who were messaged via mobile push can see a **69% lift in 365-day retention.****

*2023 Braze Global Customer Engagement Review; **2024 Braze Global Customer Engagement Review

Cross-industry retention challenges



Understanding customer behavior

Data is plentiful, but a single view of the customer is still often elusive. Brands that deeply understand each customer and the full scope of their behavior can map the user experience to better match expectations, giving them reasons to come back.

► Recommendation for Marketers

Building out a comprehensive data strategy is essential to understanding your customers' experiences and better meeting their needs. Brands that collect the right data and use it to guide their customer engagement are building a foundation for future churn reduction efforts—allowing them to identify at-risk customers and reach them more effectively.



Powering personalized messaging

To build stronger relationships with your customers, you need to understand and meet their needs—and that means ensuring that each message you send speaks to each individual's preferences.

► Recommendation for Marketers

Take advantage of real-time segmentation capabilities to create more accurate customer targeting in the moment. You can also leverage modern personalization tools (e.g. Liquid personalization and dynamic content) to tailor experiences in the moment, supporting message relevance and stronger retention.



Consistency across channels

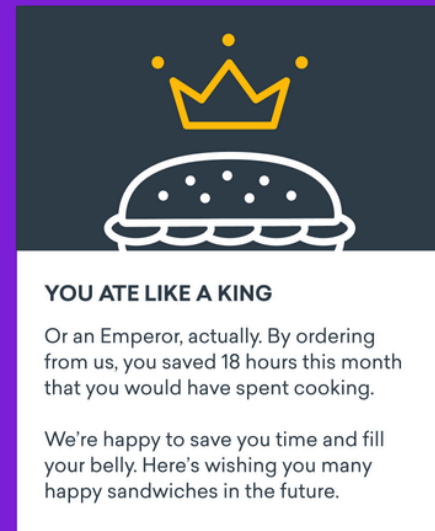
Consumers are engaging with brands in varied ways and marketers are using a wider mix of messaging channels (think email, SMS, push, etc.) to keep up. But using multiple channels in an uncoordinated way leads to confusion—undermining your attempts to connect.

► Recommendation for Marketers

If you haven't already, it's time to invest in a single cross-channel customer engagement platform capable of coordinating the messaging experiences users receive across all of your channels from one platform. Doing so enables brands to deliver consistent, personalized, and seamless experiences across touchpoints.

3 powerful retention campaigns

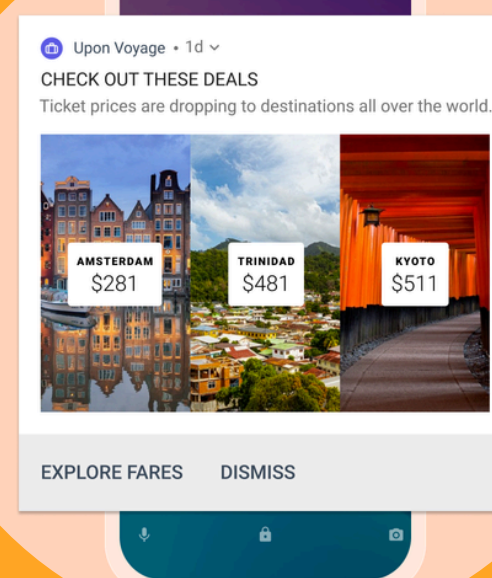
Nothing drives strong retention like the right approach. Want to dig deeper? [Explore more complex campaigns here.](#)



Value demonstration campaigns

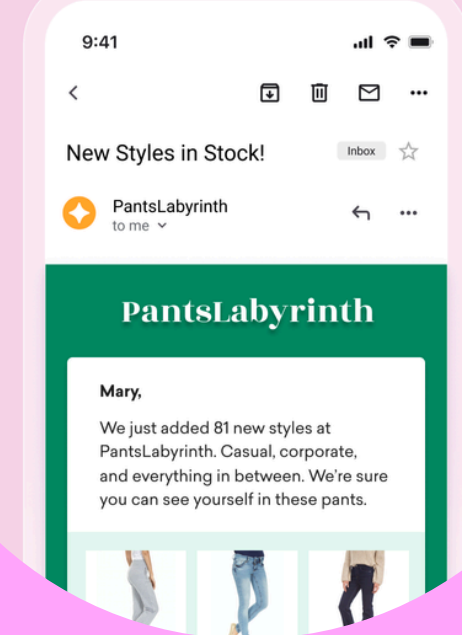
Whether they're active, loyal, or lapsing, customers are more likely to stick around if they understand the value your brand provides. Value demonstration campaigns use data to highlight how your product or services benefit each customer (e.g. saving them time, money, etc.), giving them reasons to stay engaged.

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Lapsing user campaigns

Using your company's conversion data, you can segment disengaged customers to create targeted campaigns. You can remind users of your brand value, highlight new useful features, or even ask customers for feedback about their experience alongside suggestions about how you can improve.



Recommendation campaigns

Want your customers to return more frequently to your website or app? You can make targeted product or content suggestions—powered by AI and real-time insights into each individual's preferences and behavior—that give them reasons to return, supporting sustained loyalty.

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Retention pitfalls (and what to do about them)

Identifying the right retention campaigns is key—but many brands run into issues as they work to implement and optimize them.

Let's explore six common reasons that retention efforts might not hit their goals—and how marketers can respond effectively.

1. New customers haven't been fully onboarded

Problem:

One top factor that impacts whether customers will be successfully retained is their initial experience with a brand. When the benefits and key differentiators of your products/services are unclear, new users may seek alternatives.

Solution:

Demonstrate real value right from the start to foster long-term relationships. Leverage all of your owned and earned customer touchpoints to educate users about your key advantages and encourage individuals to explore your offerings, so you don't lose customers before they're fully onboarded.

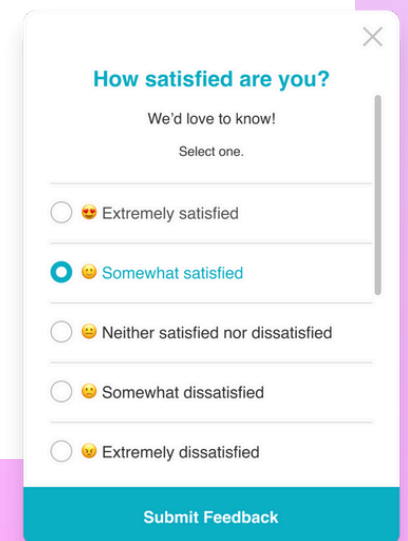
2. Customers don't have a chance to share feedback

Problem:

If you aren't soliciting and analyzing customer feedback on an ongoing basis, you're missing out on chances to find out about your top customer pain points and solve them—before individuals churn.

Solution:

By using a simple survey in-app message to gather customer feedback, brands can learn about user preferences and satisfaction levels, address friction, and deliver personalized experiences, driving conversions and repeat engagement.



How satisfied are you?

We'd love to know!
Select one.

☐ 😄 Extremely satisfied

☒ 😊 Somewhat satisfied

☐ 😐 Neither satisfied nor dissatisfied

☐ 😞 Somewhat dissatisfied

☐ 😡 Extremely dissatisfied

Submit Feedback

3. Campaigns aren't being personalized

Problem:

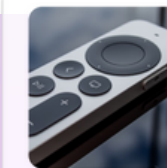
While they may save marketers time and enable brands to expand their reach, one-size-fits all campaigns can also turn off customers, making it harder for companies to keep them coming back.

When users receive campaigns that aren't personalized based on their individual behavior, interests, and needs, brands can come across as out of touch, irrelevant, and insensitive.

Solution:

According to McKinsey & Company, personalization leads to higher customer engagement and can boost average revenue by 10-15%.

To meet this need, use core tools like Liquid or dynamic content, or take advantage of advanced capabilities to tailor outreach based on when customers are likely to engage, using their preferred channels, and highlighting the content they're most likely to engage with.



Hey, Samantha

You've activated 1 device, that means you have 4 remaining!

4. Not embracing cross-channel outreach

Problem:

Focusing on a limited number of channels can harm brands' ability to build relationships with users over time, particularly if they aren't reaching individuals via the channels where they're most likely to engage.

Solution:

Using both in-product and out-of-product messaging channels in concert can boost 90-day retention by 61% compared to using out-of-product channels alone and by 1.4X compared to only in-product channels.

5. Failing to experiment

Problem:

Though it may be easier to send out just one version of a marketing campaign, it's also a missed opportunity to dig into and experiment with the factors that are driving engagement and retention.

Solution:

Running A/B and multivariate tests can shed light on your customers' preferences and provide valuable learnings in support of growing and improving upon your retention efforts over time.

6. Sending too many one-off campaigns

Problem:

One-off messages can be effective, but alone they're not enough to help brands build long-lasting relationships. Recurring messages can create touchpoints that add value to users' days, such as weekly recipe planners, updates about a streaming brand's or retailer's newest arrivals, or recaps of the month's most-viewed content.

Solution:

Sending recurring retention campaigns has been found to increase conversions by:

- 135% for win-back messaging
- 93% for milestone and anniversary messaging
- 32% for newsletters
- 27% for lapsing user messaging
- 19% for "continue your streak" messaging

Retention pro-tips:

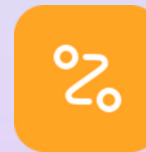
- Leverage reporting and analytics tools to determine the business impact of your retention campaigns and see how they're affecting conversions, revenue, retention, and more
- Harness predictive AI solutions like Intelligent Timing, Channel, and Selection to personalize your campaigns for increased effectiveness
- Use control groups to see how your campaigns are encouraging desired user behaviors and fueling important business metrics

Achieving sustained retention success

Effective retention builds upon successful activation, engagement, and monetization. It can't be an afterthought. It must be an ongoing, proactive practice designed to prevent and win back disengaging customers.

There's no one-size-fits-all retention program that's going to make sense for every brand. Different verticals and different audiences require different retention approaches. But it's possible to leverage core retention principles, tools, and tactics in order to build out a retention program that pays dividends over the long haul.

Here are four important steps real-life marketers are taking to boost user retention:



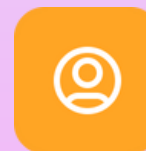
Establish an onboarding journey that sets customers and your brand up for success

By building your welcome flow to make it clear what new customers can expect from your brand and to showcase the value that your products/services can provide, you can nudge users to stay engaged over a longer timeframe.



Incorporate gamification into your strategy

Well-designed gamification campaigns can increase users' motivation to take high-value actions and strengthen habits that support loyalty.



Use advanced personalization

For the strongest retention outcomes, make sure all of your campaigns across every stage of the customer lifecycle are as individually customized, relevant, valuable, and effective as possible.



Build a practice of measuring, testing, and iterating

By analyzing your marketing performance, conducting experiments, and adapting your strategy over time, you can fine-tune your strategies to focus on what's enabling your desired outcomes.

Establish an onboarding journey that sets customers and your brand up for success

Welcome users by giving them a walkthrough of your brand's products and services in order to establish trust and encourage future engagement. That can support a more personalized experience by encouraging users to opt into receiving marketing outreach (e.g. push, email newsletters) to stay in the loop about timely or exclusive updates.

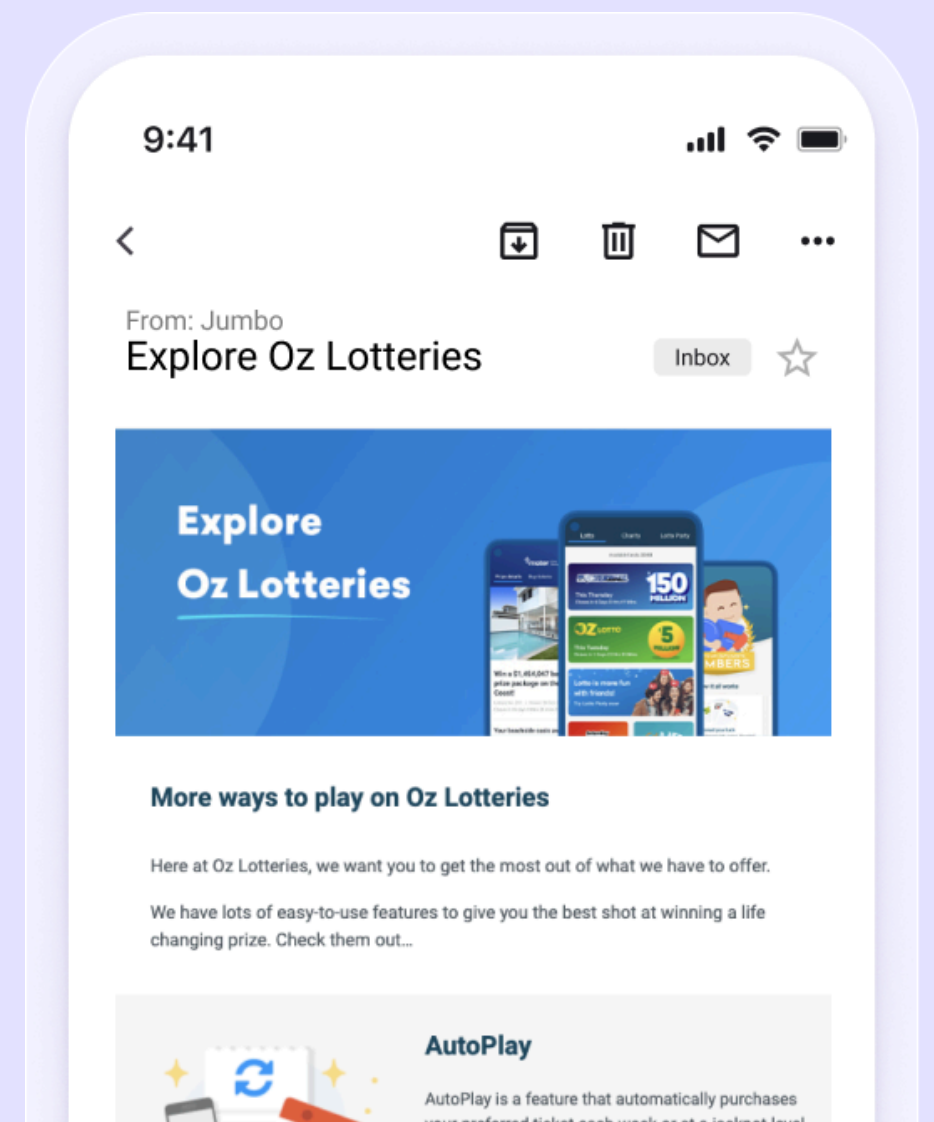
How Jumbo increased new user retention by 18% with revamped onboarding journeys

Jumbo, the owner of Australian digital lottery retail platform Oz Lotteries, had a hypothesis that helping customers get the most out of the platform from the start bolsters retention. They used the Braze platform's Canvas feature (including Canvas Audience Paths and Canvas Decision Splits) and segmentation to educate new users how to play, creating individualized journeys based on the jackpot amounts users first purchased. Surpassing their goal of increasing new user retention by 14% within one year, the team delivered an impressive 18% lift in new user retention within just nine months.



Key takeaways

- **Onboarding plays a crucial role in shaping customer engagement** outcomes over time
- **Educating customers about your brand's value** in relation to their journeys is essential for retaining users



Incorporate gamification into your strategy

Consumers like feeling connected to the brands they're engaging with—and leveraging gamification can help them feel like active participants in the relationship. When users interact with a game-like experiences in the messages they receive and are rewarded for their participation, you're strengthening their bond with your brand while also gathering useful data on their preferences.

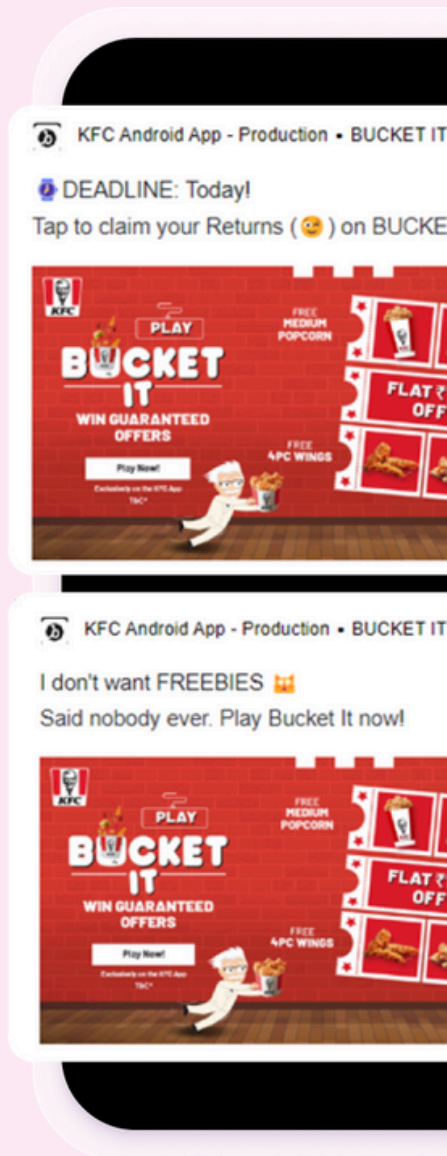
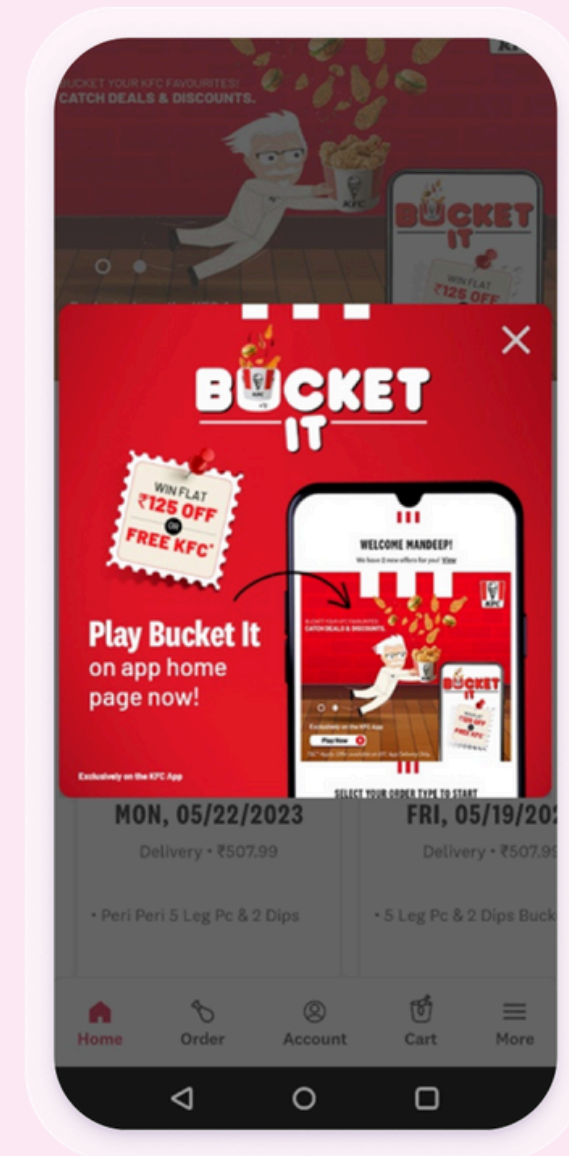
How KFC India's gamified "Bucket It" campaign encouraged ongoing buying habits

When KFC India wanted to grow their mobile app's performance, they teamed up with Braze to launch a cross-channel gamification campaign encouraging users to play for the chance to earn rewards. By adopting this approach and tailoring the experience in real-time based on user interactions, KFC India was able to not only boost average daily orders and revenue per store by 22% and 23%, respectively, but also increase repeat orders by 27%.



Key takeaways

- **Gamification is a growth lever** that can significantly enhance engagement KPIs
- **Tailoring content and rewards** based on individual behaviors and preferences can increase the effectiveness of marketing campaigns
- **Using a variety of channels** ensures brands reach more users where they're primed to engage



Use advanced personalization

By collecting actionable data that's aligned with your organization's core priorities (e.g. customer needs, company goals), you can leverage that information to encourage users to keep engaging over longer periods. By using data to tailor the messages and journeys that each individual customer receives, marketers can boost the impact of every campaign in connection with retention, but also across activation and monetization.

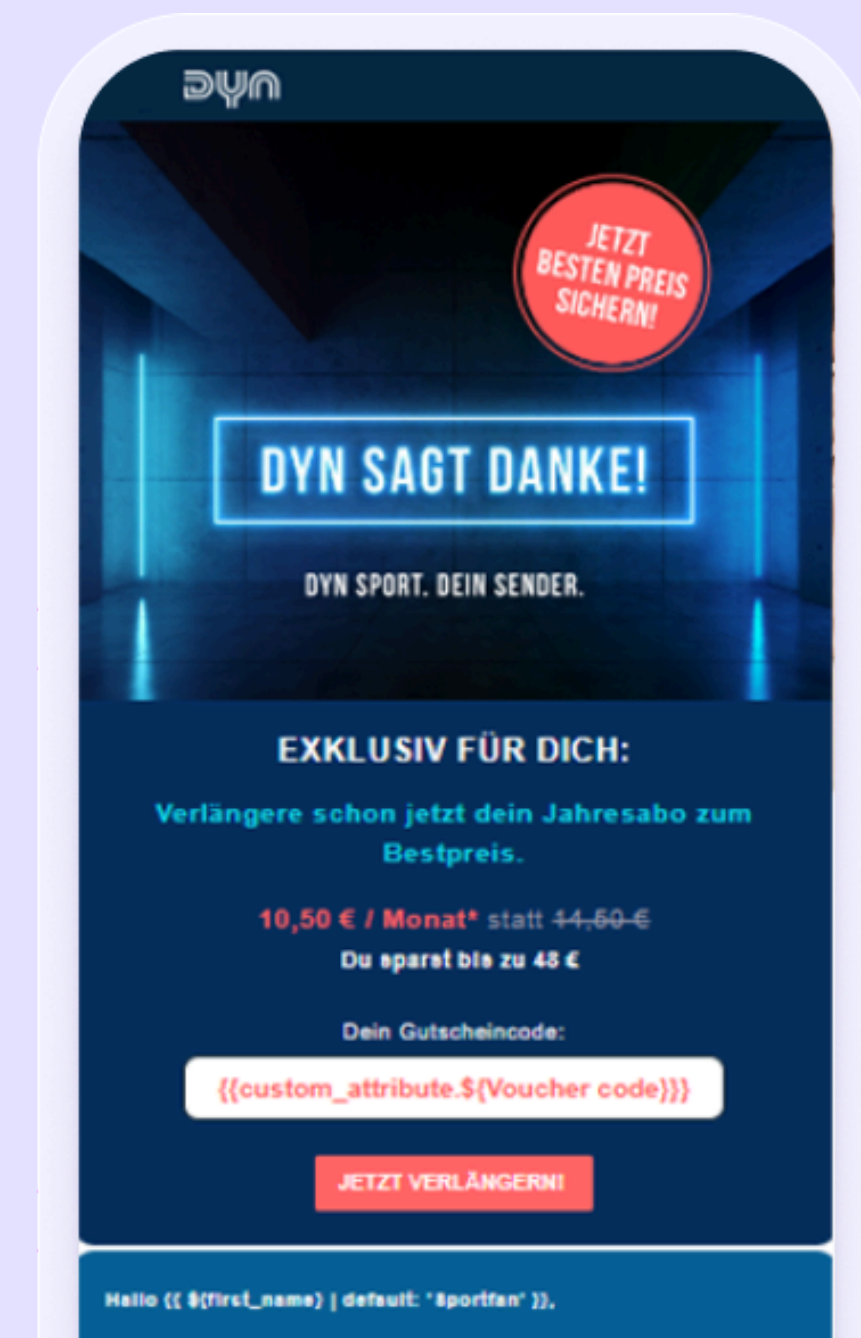
How Dyn Media Fueled Winback Re-Engagement with Braze

When the European sports content platform Dyn Media was looking for a partner to help activate their customer data in real time, they tapped Braze. Using Braze to craft tailored experiences and promotions for unique user groups based on characteristics like subscription status, most-watched sports, and viewing habits, Dyn Media achieved a 10% re-engagement rate and 75% of targeted users extended their subscriptions.



Key takeaways

- **Precise segmentation** serves up messaging and experiences that speaks to user needs, boosting retention
- **Personalized messaging** can have meaningful positive impacts on subscription rates



Build a practice of measuring, testing, and iterating

By optimizing for maximum performance and routinely running A/B, customer journey, and multivariate experiments, marketers can pinpoint the precise efforts that are increasing retention to double down on effective tactics moving forward.

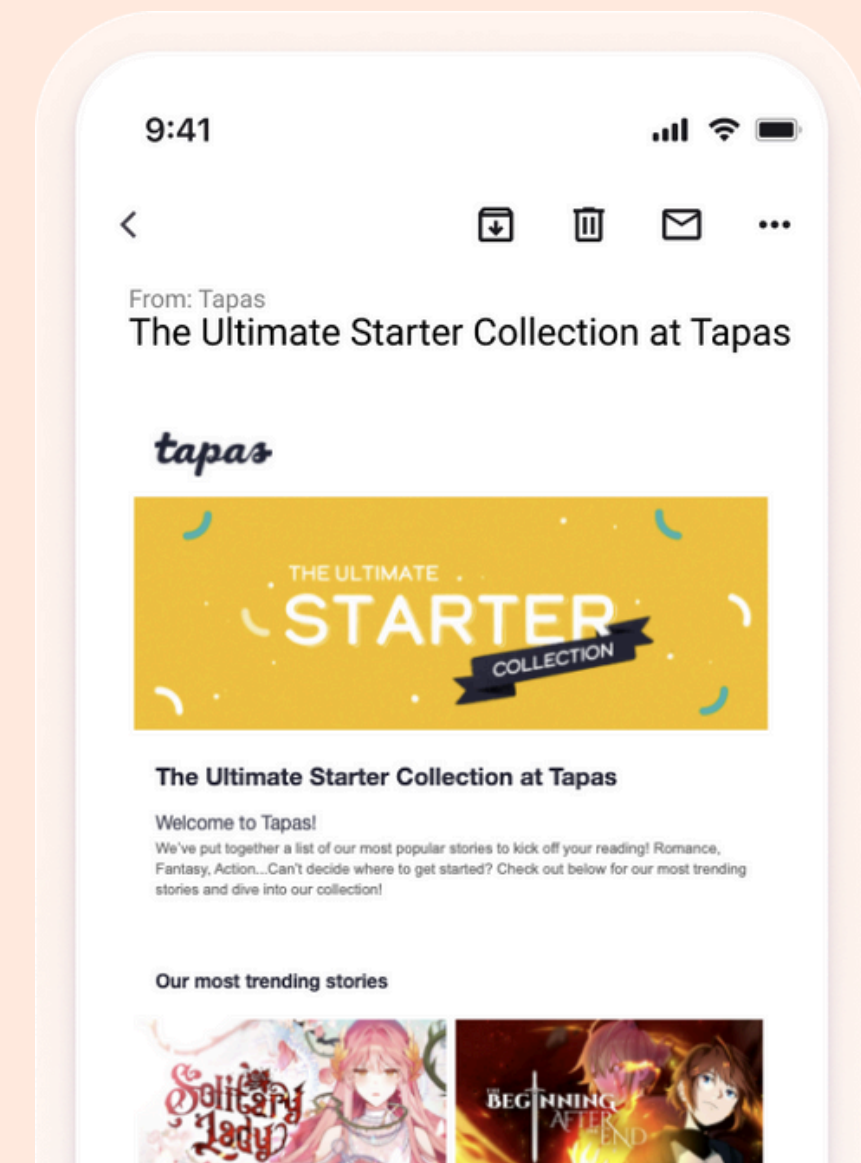
How Tapas increased retention by 100% with ongoing A/B testing and funnel reporting

With over 9 million monthly active users, the Seoul-based digital webcomic and novel publishing platform Tapas Entertainment collaborated with Braze and Braze Alloys technology partner Amplitude to increase user retention. With a laser focus on performance, the team tracks conversion data and drop-off rates at every step of the customer journey. Any time they find an event with a low conversion rate, they iterate using A/B testing. Based on this and other efforts, Tapas has achieved a 100% increase in new user retention.

tapas

Key takeaways

- **Looking closely at engagement data** can support better results in the future
- **Using data-driven decision making** was key to Tapas doubling their retention rate



Conclusion

Retention was identified as a top metric for measuring customer engagement success, according to a [2023 Braze survey](#) of 1,900 VP+ marketing decision-makers across 14 countries. Without delivering strong retention outcomes, brands risk being unable to build sustainable growth and achieve their broader business goals.

From fully onboarding users and leveraging best practices for personalization and cross-channel outreach to building a practice of experimentation and gamification into your strategy, following the steps in the guide can help you improve your company's retention outcomes—and reap the benefits of increased profits and customer lifetime value.

Need more inspiration?

To help you build retention campaigns that deliver results, check out the [Braze Inspiration Guide](#), which is packed with 50 customizable templates designed to fuel customer activation, monetization, and retention.

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Want hands-on guidance?

Dig in deeper by checking out our [dedicated educational materials](#) on Braze Learning.

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Braze is a leading comprehensive customer engagement platform that powers interactions between consumers and brands they love. With Braze, global brands can ingest and process customer data in real time, orchestrate and optimize contextually relevant, cross-channel marketing campaigns and continuously evolve their customer engagement strategies. Braze has been recognized as one of Fortune's 2023 Best Workplaces in New York, 2023 UK Best Workplaces for Women by Great Place to Work, and Fortune's 2022 Best US Workplaces in Technology. The company is headquartered in New York with 10+ offices across North America, Europe, and APAC. Learn more at braze.com.