

THE POWER OF SEGMENTATION FOR SUCCESSFUL MARKETING CAMPAIGNS

A Whitepaper Featuring the
SACRAMENTO RIVER CATS



SEPTEMBER 2019

Authored By: **STELLARALG** ©
ACTIONABLE DATA INSIGHTS

The Power of Segmentation for Successful Marketing Campaigns

Featuring the Sacramento River Cats | September 2019

The value of segmentation cannot be overstated when it comes to a team's marketing and sales campaigns, especially as sports organizations have a limited time frame for marketing campaigns. In fact, organizations that segment and personalize their messages can deliver **five to eight times the ROI on marketing spend and can lift sales by 10% or more**¹.

At StellarAlgo, we have seen the many benefits of segmentation first-hand.

Some of our partners have seen conversion rates that are **more than double their previous campaign efforts simply due to better segmentation**.

Segmentation allows teams to run multiple campaigns simultaneously - for example promotions for different games, products, or special features - without running the risk of alienating a potential purchaser by blasting them with too much or irrelevant content. **Mass campaigns aimed at the entirety of an organization's database dramatically increases unsubscribes and with it, lost revenue potential**. Why take that kind of risk with your fanbase and revenue stream when effective segmentation options are readily available?

If you're worried about whether using your fans' data to further personalize your marketing messages is worth it, check out these stats:

- 86% of consumers say personalization plays a role in their purchasing decisions
- 73% of consumers prefer to do business with brands that use personal information to make their experiences more relevant
- 80% of consumers like when emails contain recommended products based on previous purchases¹



SACRAMENTO RIVER CATS TRIPLE-A BASEBALL

LEAGUE: PACIFIC COAST

AFFILIATE: SAN FRANCISCO GIANTS

2019 AVERAGE ATTENDANCE: 7,641

LEAGUE TITLES: 2003, 2004, 2007, 2008

TRIPLE-A CHAMPIONSHIPS: 2007, 2008

OFF THE FIELD:

THE RIVER CATS ORGANIZATION HAS CONSISTENTLY BEEN THE TALK OF MINOR LEAGUE BASEBALL. WINNERS OF NUMEROUS AWARDS FOR BUSINESS PRACTICES, SUSTAINABILITY EFFORTS, AND OUTSTANDING COMMUNITY PRESENCE, SACRAMENTO'S FRANCHISE HAS LED THE PACIFIC COAST LEAGUE IN ATTENDANCE OVER THE PAST 19 SEASONS.



Raley Field. Photo Credit: The Sacramento River Cats



Knee Deep Alley at Raley Field. Photo Credit: The Sacramento River Cats

Step 1: Setting an Objective and Campaign Goals

When setting a campaign's objective and its goals, there are a couple things to take into consideration. The first is that objectives and goals should be targeted and specific. Two closely related goals should be enough to determine campaign effectiveness and keep you on track.

Make sure your objective and goals are **SMART**:

- **Specific** - identify a tangible outcome
 - Example: Increase sell through rate (STR) for game 5
- **Measurable** - identify your success target
 - Example: 10% increase in STR for game 5

- **Achievable** - assess ability to reach desired outcome
 - Example: Is 10% likely? Should it be 5% or 15%?
- **Relevant** - assess to what extent this is a priority focus
 - Example: Does this align with company mission?
- **Timely** - set start and end dates for your campaign
 - Example: From Sept 1st-15th

Note: Segmentation improves over time as trends in which attributes are more effective at determining conversion become apparent. Predictive algorithms can guide you in the right direction based on past campaign effectiveness. In short, increased use of segmentation, increases its effectiveness!

When determining what the campaign itself will be, use the 5Ws to keep it targeted and make sure it aligns with your objective and goals – this is the second thing you need to consider:



THE RIVER CATS CAMPAIGN

CAMPAIGN OBJECTIVE: GET FANS OUT TO AN ADDITIONAL GAME DURING THE SEASON

THE CAMPAIGN: USE TWO POPULAR EVENTS TO GET FANS OUT TO AN ADDITIONAL GAME DURING THE SEASON

CAMPAIGN OFFERING: BEST OF RALEY FIELD 3-PACK

1. BREWFEST (EVENT) + OPENING NIGHT + ONE RC GAME
2. 4TH ON THE FIELD (EVENT) + OPENING NIGHT + ONE RC GAME

- *Who* are we targeting?
- *What* are we promoting?
- *Where* will this campaign be most effective?
- *When* will this campaign go live, and for how long?
- *Why* am I doing this?



Step 2: Segmentation and List Building

We've already mentioned the importance of segmenting your audience and the consequences if you don't. Here are a few things to consider when determining *how* to segment your audience for a specific campaign:

- With the campaign objective and goals in mind, take a look at the entirety of your known fan universe. **Look for the fans who have best engaged with past promotions and/or purchased similar products, packages, events, etc. in relation to your upcoming campaign or promotion**

- **Determine the attributes they have in common:** Are they families, young professionals, individual game tickets, fans who have attended a specific promo before, live within a specific distance from the stadium, etc.
- **Use those attributes to pull out a segmented list from your database**
- **Use this list for targeted outreach messages**

With hundreds of attributes available for consideration, it's important to keep in mind that **individuals may appear in multiple lists**. To avoid alienating or bombarding these individuals with too many messages, look at other lists that are being used for outreaches and remove people who overlap with your new list. This new, clean list will be helpful as a reference for other campaigns as well, so avoid including these individuals in future campaigns too quickly (about 30-60 days).



THE RIVER CATS SEGMENTATION & LIST BUILDING

USING PREDICTIVE SCORING:
IDENTIFIED THE BEST LEADS FOR
EACH 3-PACK

- DATA ANALYZED:
- HISTORICAL TICKETING DATA
 - DEMOGRAPHIC DATA
 - HISTORICAL CAMPAIGN RESULTS
 - DISTANCE FROM THE BALLPARK

- SEGMENTS BUILT: 3
1. BEST SUITED TO 4TH ON THE FIELD
 2. BEST SUITED TO BREWFEST
 3. BEST SUITED TO BOTH FAN EVENTS

Step 3: Campaign Execution

When executing your marketing campaign, **it is important to identify which channels** - for example phone, digital ads, social media marketing, email, traditional mail, texting, etc. - **are popular with your intended audience and which channels are most likely to be used for conversion**. Look at which channel(s) your intended audience already engages with, and then based on past behavior choose a primary channel for your

message. **For the best results, add secondary channels with complimentary messages.**



THE RIVER CATS
CAMPAIGN EXECUTION

SEGMENTS: 3

PRIMARY CHANNEL: EMAIL

SECONDARY CHANNELS:

- WEBSITE ANNOUNCEMENT
- FACEBOOK ADS

On average, customers need to see a message **seven times** before they even remember it, which means that your campaign will be most successful if your target segments have multiple opportunities to come across your message.

Timeline Touchpoint Strategy

Once you have decided on the channel(s) you will be using for your outreach, it is important to decide on the cadence at which your messaging will be distributed. This is because **you need to minimize overlap with**

other offers or risk oversaturating your audience with messaging. When is the best time to reach out?



IDENTIFY OPTIMAL TIMES TO START A CAMPAIGN:
DIG INTO YOUR DATA TO SEE WHERE SALES FOR A SIMILAR PRODUCT OR EVENT HAVE SPIKED. STELLARALGO'S SALES BY DATE VIEW MAKES THIS REALLY EASY!
[Click Here to read our blog about sales velocity!](#)

The key to a successful touchpoint strategy is to consider typical customer behavior and plan touchpoints accordingly. If a customer opens an email twice then takes no further action, what is the best next step? Be strategic with your plan to maximize efficiency and drive results.



A few touchpoint strategies we have seen to be effective when email is used as the first touchpoint are:

- Customer opens email, customer purchases, and a thank you email is sent. At this point, the customer can also be scored based on potential for an upsell and future campaigns
- Customer has no interaction with email, a second email is sent, and if still no action is taken, a survey is sent
 - A quick survey of 2 or more questions can help you refine your future emails
- Customer has no interaction with the email sent, a digital ad is targeted to them, customer clicks on ad but doesn't purchase, second ad is retargeted. If still no action is taken, second email is sent with a non-sales message.



THE RIVER CATS TIMELINE TOUCHPOINT STRATEGY

CAMPAIGN START: 6 WEEKS PRIOR TO OPENING NIGHT

TOUCHPOINT STRATEGY: EMAIL OUTREACH

- NON-PURCHASERS: SECOND EMAIL
- NON-PURCHASERS: CALL
- NON-PURCHASERS: RETARGETED WITH FACEBOOK AD



Raley Field at night. Photo Credit: The Sacramento River Cats

Creative

Get creative with your content for your marketing campaign. You've identified your audience, determined your campaign objective and goals, and chosen the channels your audience has the most affinity for. Now it's time to get them excited about your offer.



THE RIVER CATS CREATIVE

MARKETING MESSAGES: 3

SEGMENTS: 3

A/B TESTING FOR EACH SEGMENT:
MESSAGING AND CALL-TO-ACTION

When preparing your messaging, don't be afraid to create more than one option. **A great tool to use when multiple messages may apply to a specific channel (email, in this example) and audience is A/B testing.** A/B testing allows an organization to use two different messages or subject lines without

requiring further segmentation. Email marketing systems will send out the two messages (or the same message with different subject lines) in waves. It tests the effectiveness of your messaging (or subject lines) on a small group of your audience. After a set period of time (sometimes as soon as a few hours), the email system will determine which message or subject line was most effective (usually based on open rates) and send the winning option to the rest of your audience.

Step 4: The Results - Measure, Iterate, and Optimize

You've set your campaign goals and objectives, segmented your list, and executed your campaign. What's next? Analyzing the results of your campaign. Once a campaign has run its course, it's important to **conduct a post-mortem to understand what worked and what you can improve on for the next campaign.**

In this post-mortem, we recommend including a comparison to your segment's performance the previous year, or how it measures against other campaigns in the current season. Use your findings to optimize your next campaign and tweak any current ones that are still running. That way, you keep improving your results every time you execute a campaign.



**TRACK YOUR
CONVERSION METRICS:**
*USING STELLARALGO'S COHORT
ANALYZER, TEAMS ARE ABLE TO
TRACK CONVERSION METRICS
FOR CAMPAIGNS, REVENUE
GENERATED, PRODUCTS
PURCHASED, AND MORE*

Example of a Campaign Post Mortem:

Game 7 has been the lowest selling game relative to other similar games for the last 3 seasons.

The campaign you just ran shows an increased sell through rate.

- What is the same about past campaigns and the current one?
- What is different about past campaigns and the current one?

Identifying what should be adjusted without eliminating what is working will inform your next campaign.

There is no need to limit these new insights to next year's game 7 - these learnings can be helpful for any campaigns during the current season.

Throughout this whitepaper we have been sharing how our clients, the Sacramento River Cats, have employed these practices at their organization. What were the results of these campaigns? Check out the infographic on the next page to find out!

THE SACRAMENTO RIVER CATS THE POWER OF SEGMENTATION FOR SUCCESSFUL MARKETING CAMPAIGNS

THE RESULTS



\$190,596 IN REVENUE

The total revenue the River Cats generated this season from the segmented lists pulled for the 'Best of Raley Field' campaign

1



Email campaigns are more effective and open rates

INCREASED!

2



Targeting specific cohorts resulted in increased Facebook Campaign results when comparing to previous efforts.

25x Frequency

3



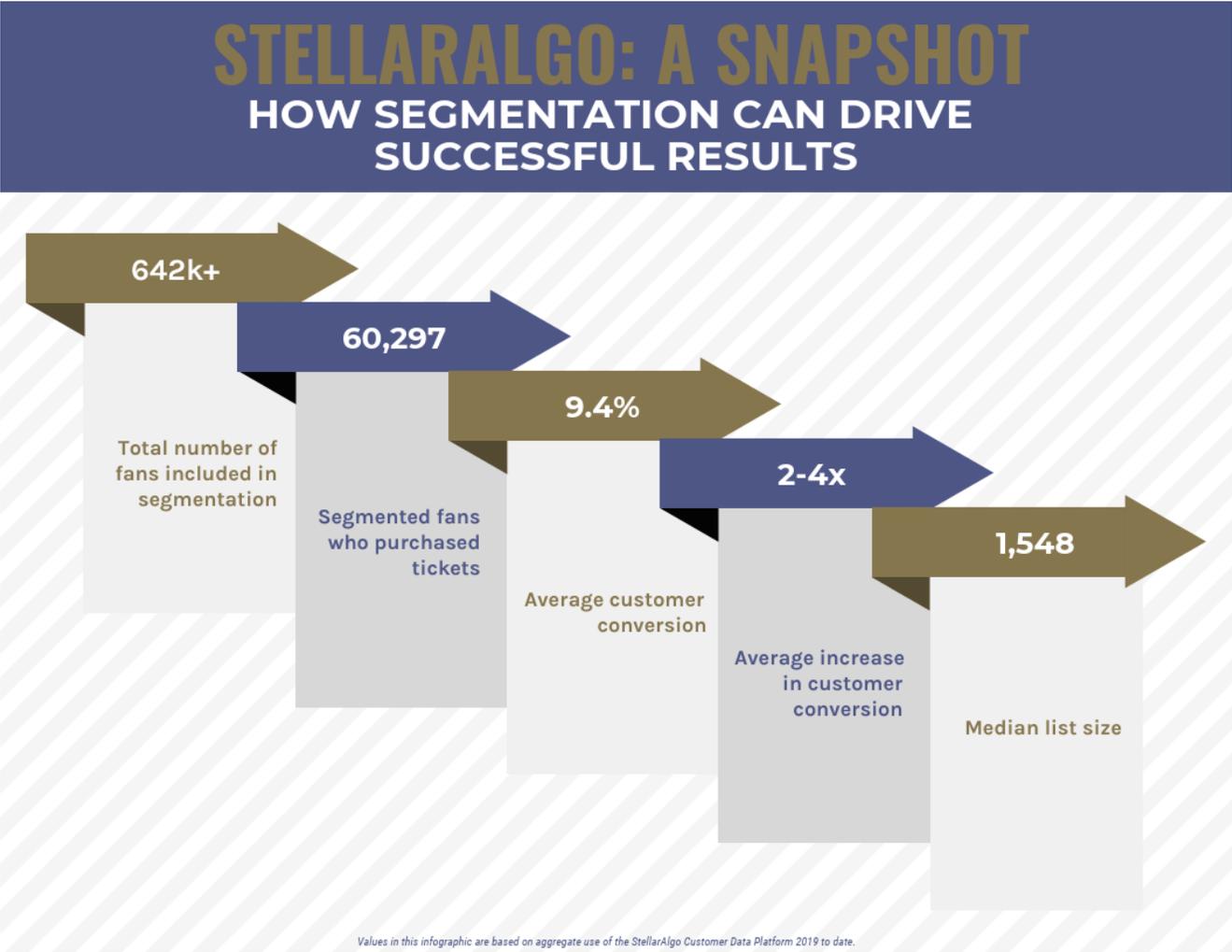
"StellarAlgo makes it easier to **SEE PATTERNS & TRACK TRENDS**

within The River Cats' data. This positively impacts tickets sold and revenue generated."

4

-The Sacramento River Cats

At StellarAlgo we work with over 35 sports and entertainment organizations across North America, including teams in the NHL, NBA, MLB, MLS, and MiLB, and look at millions of datasets every day. Using our customer data platform, teams are able to easily create targeted fan lists and generate predictive lists via our best-in-class segmentation and attribution toolkit. Here are some universal statistics that our teams have seen from more robust segmentation:



Start implementing the tactics outlined in this whitepaper TODAY to get the most out of your database of fans!

Key Takeaways to Remember:

- *It is important to have relevant messages to send to fans to keep them engaged*
- *Targeted messages perform significantly better than generic ones*
- *Focus your messages to specific groups of fans who are more likely to purchase a specific product*

Do you have any questions about how StellarAlgo could benefit marketing campaigns at your organization?

Reach out to our team today at info@stellaralgo.com!



Photo Credit: The Sacramento River Cats

SOURCE:¹ v12Data.com, *Are You Getting Personal? Data-Driven Personalization Delivers 5 to 8 Times the ROI on Marketing Spend*