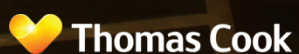Thomas Cook improves email engagement levels by more than 30% by using individualised insights to drive customer acquisition

Thomas Cook

TERADATA

Thomas Cook is the oldest and best known name in leisure travel with a history of innovation that started in 1841. As part of a group-wide initiative, Thomas Cook is focused on transforming their business to make it more accessible so that they can serve even more customers in ways that deliver better holiday experiences.

Whilst its brand is iconic, highly respected and loved by its customers, Thomas Cook was aware of the importance of establishing direct relationships with its target audience in order to be completely accessible across an increasingly digitised multi-channel world.

Thomas Cook also understood that it needed to take more control of shaping the customer journey so that it could create and maintain the same exceptional level of quality in the user experience as that applied to the service it provides to its customers. To do this it needed to better understand its customers' purchase lifecycle and how this impacts on its ability to drive new customer sales.

With this in mind, Thomas Cook reached out to Teradata Interactive with the task of launching a lead generation campaign that sought to identify non-existing Thomas Cook customers and encourage them to opt-in to the newsletter program.

During this process, users were invited to provide information about their travel habits via a travel survey and their affinity towards certain types of offers were tracked. This approach provided Thomas Cook with the opportunity to better understand the unique characteristics and needs of its customers, enabling them to begin a truly individualised customer experience.

Challenge

- Lack of information about the individual preferences of prospects and their buying cycles when they first register with Thomas Cook
- Non-personalised treatment of prospects when they register with Thomas Cook
- Low conversion rate of new customers acquired through email

Solution

- Creation of a highly targeted lead generation campaign and travel survey to capture information on future buying intentions and specific customer requirements influencing their decision to buy
- Nurture program launched to deliver individualised messaging that increased user engagement
- Using advanced database segmentation to enable more effective newsletter distribution

Result

- More than 65,000 leads collected in total across three campaigns with a one month nurture period
- Open rates from the last nurture program were 2 times higher than national benchmark averages
- Click through rates averaged 3.6 times higher than national benchmark averages
- Newsletters sent to newly acquired leads outperformed organic registrations on both open and click rates by 31%
- One campaign generated ROAS of 7.5 to 1 over a three month period. Given the average tenure of an email address is between 2 and 5 years, this is likely to increase considerably and highlights the potential of the channel to drive long-term profitability

TERADATA.

Building an Enriched Pool of Prospects to Generate Incremental Sales

The primary objective of the program was to grow incrementally; that is to reach out to a target audience of prospects who were not already a member of Thomas Cook's program. In doing so Teradata was able to demonstrate true incremental value, generating sales that would not have otherwise been created without the intervention of the program.

As part of the lead registration process, Teradata built a live look-up function to check against Thomas Cook's database to ensure that only new recipients are added. As well as avoiding duplication, Teradata's Lead Generation activities are performance driven (on a cost per lead basis) which therefore ensured the campaign was a cost effective way of delivering incremental new customer sales.

Lead Registration & User Data Collection

Thomas Cook wanted to understand the different types of travellers and use this information to deliver more timely personalised offers. To support this, Teradata designed a registration competition to entice prospects to register for future communication.

Using the breadth of its email network, Teradata was able to promote the competition to users identified as fitting the Thomas Cook audience profile and drive traffic to the competition landing page.

As part of the registration process, consumers were invited to give further information about their future travel plans. Information that was collected included: Budget, when they were planning their holiday, preferred departure airport, type of destinations they prefer, the characteristics of their perfect holiday as well as the personal considerations that affected their choice of holiday.

Interaction with the survey was extremely high with a full completion rate of between 50-60%. Once the survey was completed, consumers were immediately presented with a choice of headline offers or redirected to the website.

Individualised Relationship Management

Once registered each user was sent a welcome message to maintain momentum and interest in the products they showed interest in. Using the survey response data and content affinity tracking to identifying key interests, each message was personalised with an immediate headline offer to encourage immediate travel booking activity.

This approach to individualised messaging was continued through a series of subsequent messages deployed from Teradata's Digital Marketing Center as part of a month long nurture program. Data collected from the survey and each subsequent interaction was used to produce personalised messages throughout the period. Each message was designed as part of a bespoke communication map for each specific consumer segment.

Messages were designed to increase engagement, find out more about user behaviour as well as test the user's acceptance of certain types of content and offers.

TERADATA

Engaging With the Audience Every Step of the Way

Display Re-targeting tags were embedded into the campaign to enable Teradata to deliver display re-targeting to respondents who received personalised display banners. Not only did this help to maintain momentum after registration to drive immediate sales but also helped increase Thomas Cook's display targeting cookie pool more than 35,000 new cookies.

Once the nurture period had ended, the customer data (including all click affinity, response and survey data was immediately fed into the Thomas Cook newsletter program to become part of the overall new CRM program).

The Results - Increased Engagement Through Segmented Lead Generation and Individualised Nurture

Through a combination of segmented lead generation and improved data management, Thomas Cook was able to effectively target their active audience with messaging that was more relevant than pure data collection alone.

During the most recent campaign, more than 15,000 leads were collected. Open rates were twice the national benchmark average and click rates averaged in double digits, more than 3 times higher than the national average, far in excess of the standard newsletter program. The results achieved just as much success from an ROI perspective, achieving an ROI of 7.5 to 1 in a three month period post registration.

Teradata Interactive created a seamless relationship between the lead generation and CRM activity that continued after the period of nurture had been completed. To this end, the nurture program has since been enhanced and has now been incorporated into the organic site registration process.

What's more, a great deal of insight on consumer buying behaviour has been identified through what was originally conceived as a simple acquisition campaign. This not only helps to shape the communication strategy across all digital channels but helps to identify the most suitable traffic sources to find the most engaged, loyal 'lookalike' customers for future acquisition campaigns, thereby increasing performance and lowering the cost of acquisition.

The usage of the data insight collected from this approach is still in its infancy and could be developed much further but highlights the value that can be achieved from an individualised approach to creative messaging.

10000 Innovation Drive, Dayton, OH 45342   **Marketing.Teradata.com**

We power marketing.

TERADATA