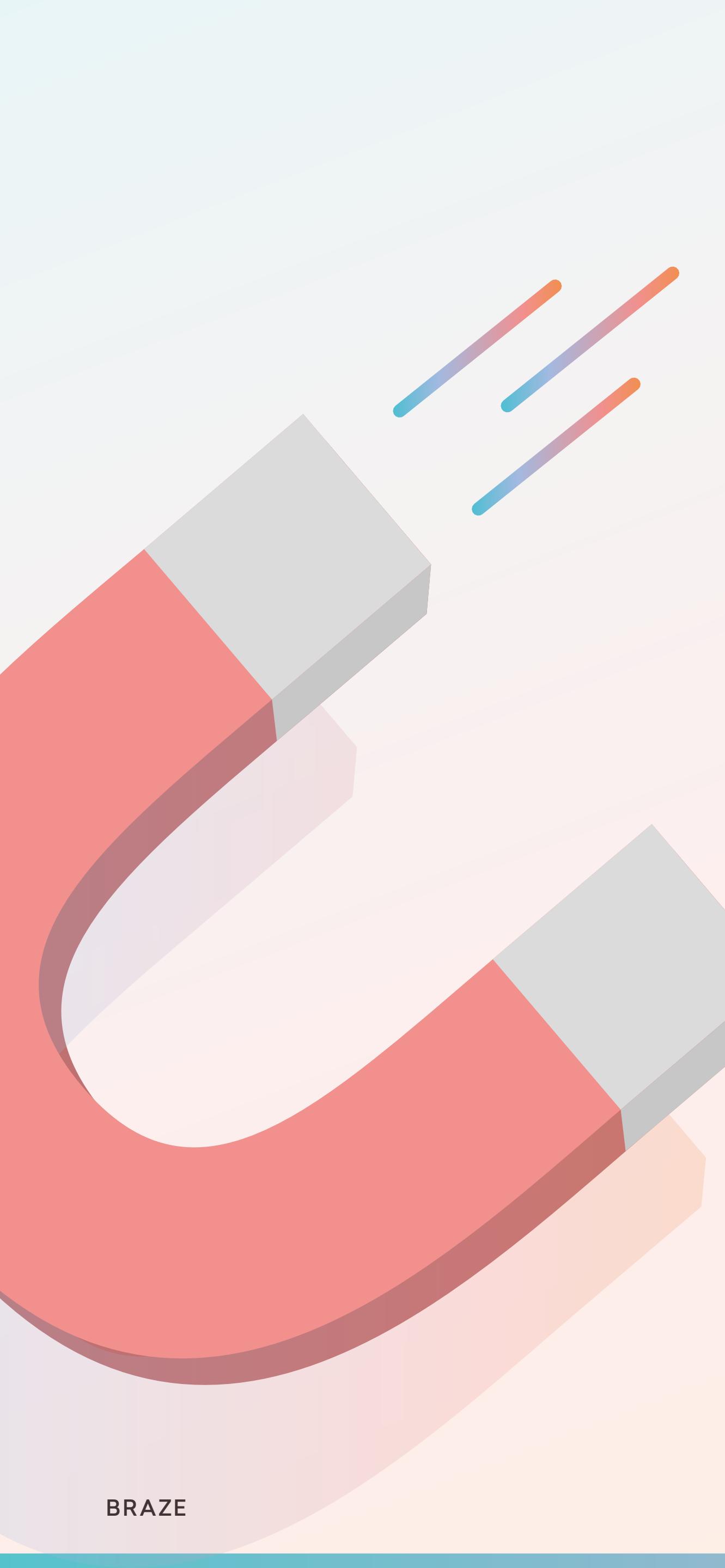


# What is Customer Engagement?

How Modern Marketers Can Stimulate  
Revenue, Retention, and Growth

*braze*





# Introduction

As a marketer, you probably know it's [harder and more expensive than ever to acquire new customers](#). This makes it critical to nurture the customer relationships you already have in order to boost brand loyalty and increase sales, revenue, and customer lifetime value. But what's stopping you? It's likely one of the following hurdles:

First, you have your direct competitors and an overall crowded marketplace to contend with. This makes it harder than ever to cut through the noise, differentiate your brand, and simply be heard.

Next is an abundance of internal data—but that's good right? Not if it's locked away in separate silos, making it hard to understand and act on it in a coherent and timely way.

Data challenges are also heightened by the [retirement of third-party cookies](#) and [introduction of new privacy measures](#). These add further complexity and friction to your customer communications.

And finally, there is the multitude of technology solutions available that can make it hard to know where best to invest your marketing budget. Thus sending you into analysis paralysis and delaying decision making.

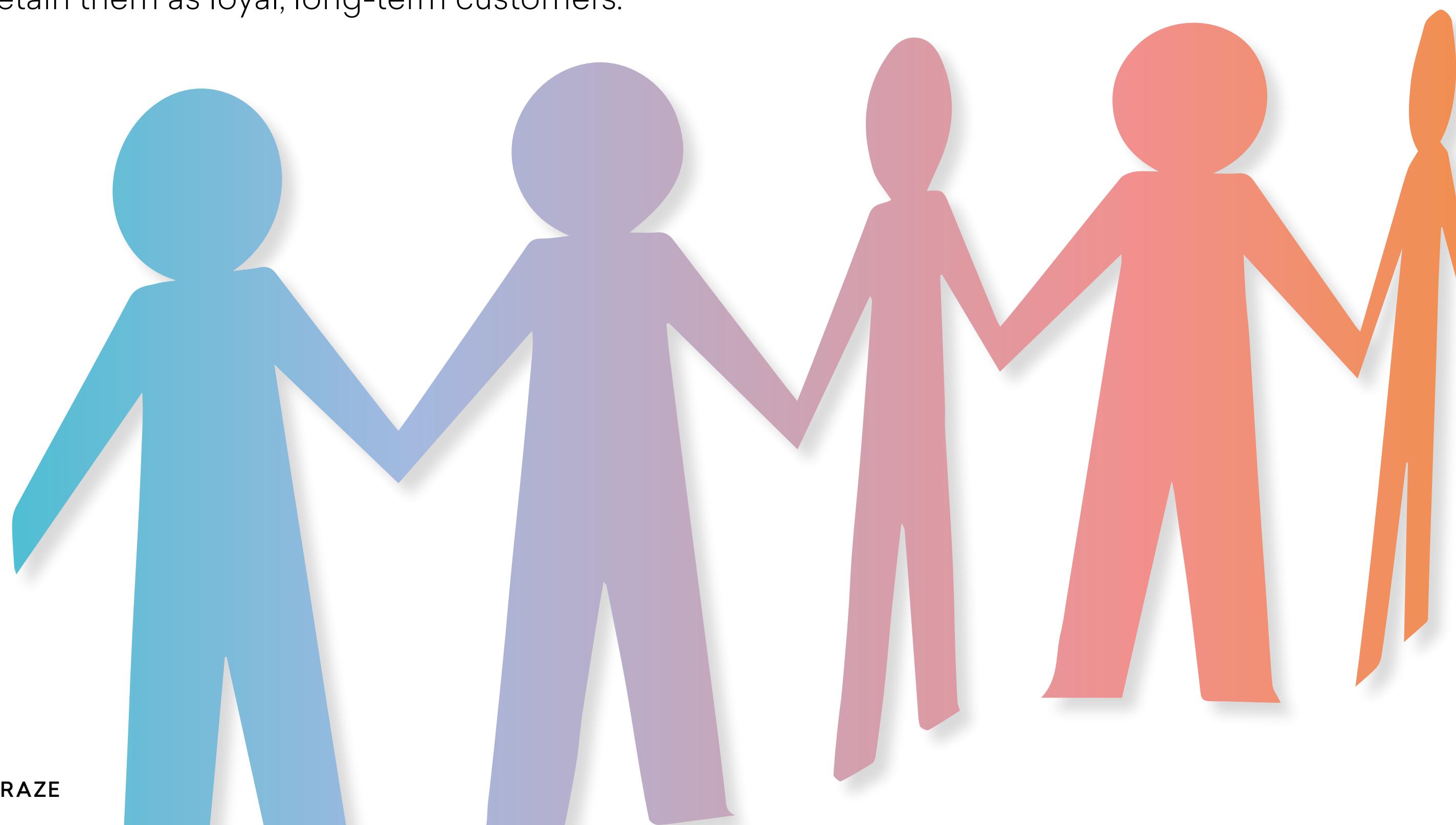
Customer engagement—and the platforms that make it possible—help you clear these hurdles.

**Read on to discover more about what customer engagement is, how it works, and what strategies successful brands are leveraging to increase revenue, retention, and growth.**

# What is Customer Engagement?

**Customer engagement is about building meaningful, mutually beneficial relationships with your customers. Relationships that deliver genuine value, while also creating fertile ground to yield revenue and growth.**

It means delivering an exceptional brand experience throughout the entire customer lifecycle—personalizing interactions to enhance their relationship with you, deepen their brand affinity, and retain them as loyal, long-term customers.



## Customer engagement

### The Braze definition

/kəs-tə-mərl \in-'gāj-məntl

- Customer engagement refers to **the full set of activities that companies use to build and maintain direct, meaningful relationships** with their customers.
- Companies that excel at customer engagement see **higher customer lifetime value and lower acquisition costs, resulting in long-term, capital-efficient business growth.**
- Leading companies practice effective customer engagement by **delivering valuable messaging experiences to customers across all relevant channels while respecting their privacy.**

These brands use customer engagement technologies (for instance, Braze), powered by live customer data, to listen to their customers, understand and interpret customers' actions, and act quickly and effectively.



## What Does This Look Like in Practice?

There are endless opportunities to engage your customers and enhance their brand experience, for example:

- A seamless app onboarding experience to get them up and running **fast and friction-free**
- Product or content recommendations they'll love, showing customers that you really **get them**
- Offers that keep them coming back for more, demonstrating that you really **value** them
- Intuitive self-serve support, to help them **make the most of your product or service**

It's about sending the **right message at the right time on the right channel** to enhance customers' experience of your brand. And, by doing so, deriving valuable benefits for your business.

## The Evolution and Opportunities of Customer Engagement

When everyone used to buy products exclusively from physical stores, brands couldn't develop a direct relationship with customers. They sold through intermediaries and opportunities to collect data were few and far between.

Now, the majority of people have a smartphone in their pockets. That makes it possible to connect directly with customers across multiple channels such as email, SMS, in-app messaging, social media, and more, using data to understand how well your messages resonate.

These are the golden opportunities in customer engagement:

- The ability to understand, motivate and build direct relationships with your customers
- The ability to design, test, and refine messaging to continually optimize effectiveness

Customer engagement platforms have emerged to help marketers seize this opportunity and orchestrate [cross-channel messaging campaigns](#) easily—no coding experience or degree in data science needed.

# Customer Engagement Platforms (CEPs): What They're Not

## Is a CEP the same as a customer relationship management (CRM) platform?

No. Customer engagement and customer relationship management sound similar but are two separate concepts. Want to easily understand the difference? Think about the language:

- **A CRM prioritizes management**—you’re collecting information that lets you manage a relationship. For example, if a customer has complained to your customer services team, having that information in your CRM prevents a faux pas like sending them a ‘special offer for our most satisfied customers’ email. It can be used by sales and marketing teams to personalize 1:1 outreach, as well as inform segmentation and bulk communication, if supported by the platform.
- **A CEP prioritizes engagement**—you’re looking to engage your customers by providing value and personalization. You’re IN a relationship, not just managing one. It’s active, two-sided and mutually beneficial. You give value, you get data, you learn about your customer, you flex your approach. Unlike with CRM, you’re unlikely to be jumping on the phone to call an individual contact. You’ll be orchestrating

and automating messaging campaigns, and these campaigns can potentially scale from individuals to whole segments, across every channel they use.

## What about a Customer Data Platform?

No again, sorry! These are similar tools, complementary even, but they aren’t the same. The key difference is “data” vs “engagement.”

- **A CDP is all about data**: Collating, storing and distributing it from a central point. It pulls in information from different sources and pushes it back out to your separate tools for you to support action. This data enriches the information you hold in each system by supplementing it with data from the others. This can help you build better-informed, channel-specific activity.
- **A CEP is all about engagement**: Aggregating AND using that customer data in one place. A CEP uses data to intelligently segment customers based on multiple factors such as the products they buy, the offers they respond to, the channels they prefer, etc. This means you can design engaging cross-channel campaigns and do it right there within the same system. It’s crucial to create cohesive campaigns across multiple channels to engage modern customers—and it’s easier to get that right if you do it in one place.



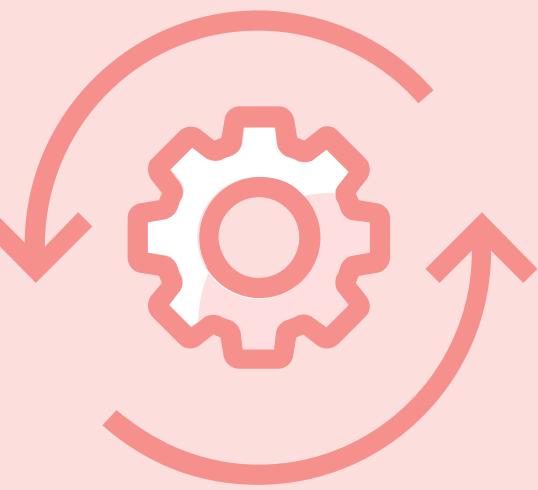
# CRM vs CDP vs CEP platforms: what's the difference?

## CRM



A CRM system is used to improve the customer experience by providing a centralized record of their interactions with you; for example, what outreach they've received via email, or interactions with your sales or support team. It also maintains a record of customer data such as contact details and marketing preferences. A CRM may or may not include messaging functionality such as the ability to send bulk emails to audience segments.

## CDP



A CDP unifies all of your marketing data sources. Your other marketing tools can connect to the CDP, access this data, and enrich your activities via these separate platforms. A CDP does not typically include tools for sending messages or orchestrating customer experiences.

## CEP



A CEP is about orchestrating data-informed engagement strategies across multiple channels. It aggregates customer data, helps you interpret it, understand and segment customers, engaging them through orchestrated messages across their preferred channels with a view to increasing conversion. Having data, orchestration, execution, and delivery all in one place allows for sophisticated personalization at scale.

# Why Make Customer Engagement Part of Your Strategy?

Braze customer data shows a strong correlation between coordinated, personalized, cross-channel customer engagement strategies, and positive business outcomes.

Businesses with the ambition and tools to deliver customer engagement strategies are surpassing their revenue goals, while others are falling further behind.

[98% of companies](#) that ranked their customer engagement efforts as excellent or good exceeded their revenue goals. Of those that didn't, only 65% met revenue goals.

However there are additional use cases to be achieved with customer engagement, aside from pure revenue generation:

1

## Building Brand Loyalty

In an increasingly competitive market, businesses need to build brand loyalty. Brand loyalty is the reason we choose to buy from one business over another.

By engaging directly with your customers, understanding them better through data, and using that data to serve personalized content that makes you invaluable, you'll keep bringing them back for more.

2

## Increasing Customer Lifetime Value

You work hard to win customers. Effective customer engagement helps you retain them, increase their value to your business, and reduce the overall cost of acquisition.

For example, by encouraging more frequent interactions with your brand, delivering personalized recommendations that are more likely to prompt a purchase, and providing insights into which customers are likely to lapse so you can re-engage them in a timely way.

3

## Unlocking Anonymous Users

Anonymous users who take action on websites without logging in, 'continue as guest', or who haven't been given an official identifier made up [57% of new users in 2021](#).

This is a huge untapped audience.

A customer engagement strategy can encourage anonymous users to engage with you, converting them into known entities who you can begin to build a mutually beneficial relationship with.

4

## Collecting Zero- and First-Party Data

Data is difficult, especially trying to capture a complete, real-time view of each customer.

A third of brands cite data as a top concern, from collecting it to applying it to business decisions. Your internal data can be siloed, dated, and inconsistent, with future access to third-party data being reduced.

A customer engagement platform provides a valuable source of actionable zero- and first-party data. Use simple surveys and forms to collect data to support personalization, then built-in analytics to assess and continually improve messaging impact.



## Receiving data, respecting privacy

5

## Encouraging Advocacy

A customer engagement strategy doesn't just help you engage, delight, and retain existing customers. It also helps you acquire new ones by turning your happy customers into brand advocates.

Word-of-mouth is incredibly influential and customers can become vocal promoters—or detractors—of your brand, especially via social media. Use your customer engagement strategy to make sure it's the former.

6

## Improving ROI

A CEP helps you understand exactly how your customers engage with your brand. Which channels work best for different messages? Which messages are most successful for your given goals?

Equipped with this knowledge, you can invest your budget in the activities that move the needle most for your business—increasing the ROI of your efforts and (hopefully) making your star shine brighter when next year's budgets are allocated.

A customer engagement strategy is a privacy-first approach that gives customers control over what they share.

The aim is to create a mutually beneficial exchange where customers trust your brand enough to volunteer data in exchange for genuine value—such as personalized content and exclusive offers.

**Zero-party data** is volunteered by your customers—for example, selecting topics of interest to help personalize your content or product recommendations.

**First-party data** is collected as they use your digital channels—for example, what links they've clicked on, or what purchases they've made.

# How to Get Started with Customer Engagement

A customer engagement strategy is a recipe for success but the choice of ingredients is entirely down to you.

Here are some examples of channels, touchpoints, and incentives you could combine to engage your unique customer segments.

Remember, you don't have to do everything all at once. It's better to try something than nothing. Start small and experiment with a single segment and simple messaging journey until you find something that works for you, then grow from there.

Decide [which metrics to monitor](#)—from engagement metrics like CTR to downstream metrics like LTV—depending on your strategic goals.

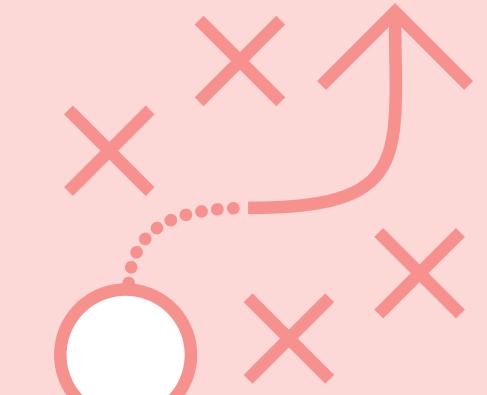
## Channels and platforms

- Email
- Messaging apps
- SMS
- Web notifications
- In-app notifications
- In-browser messaging
- Push notifications



## Touchpoints

- Onboarding / welcome
- Post-purchase
- Promotions
- Abandoned cart
- Customer service
- Retention risk / win-back



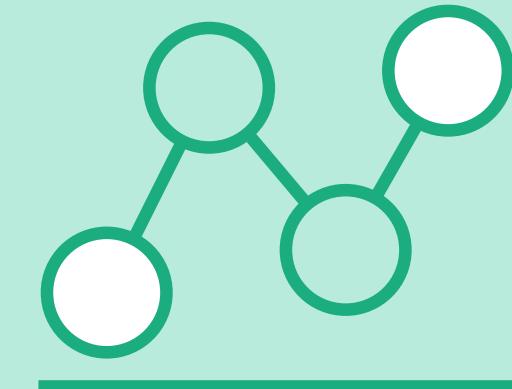
## Incentives

- New customer discount
- Loyalty scheme
- Refer a friend
- Seasonal discounts
- Geo-targeted offers
- Recovered cart discount



## Metrics

- Click-through-rate (CTR)
- Open rate
- Conversion rate
- Spend per visit
- Lifetime Value (LTV)
- Cost-per-acquisition



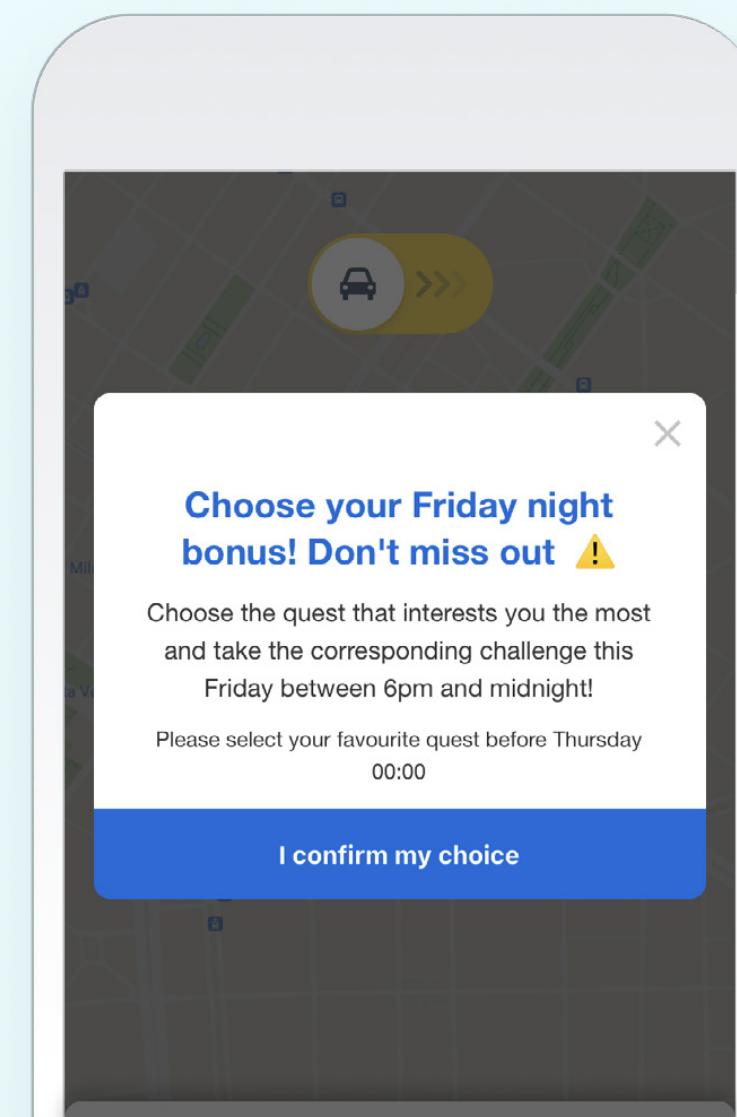


## Leveraging customer journeys to engage riders and drivers

FREE NOW is a multimobility platform offering the largest vehicle choice across Europe. To better stand out in a crowded marketplace, FREE NOW wanted to move from one-off campaigns to multistep, cross-channel journeys

For their drivers, they collected zero-party data with an in-app message survey that helps personalize each driver's customer journey. For the riders, they built a rich cross-channel customer journey, complete with email, SMS, and in-app messages that ingest live custom event data to provide a richer, more relevant experience. The new customer journeys drove a **47% boost in activation rate for the drivers and a 33% lift in riders starting sessions.**

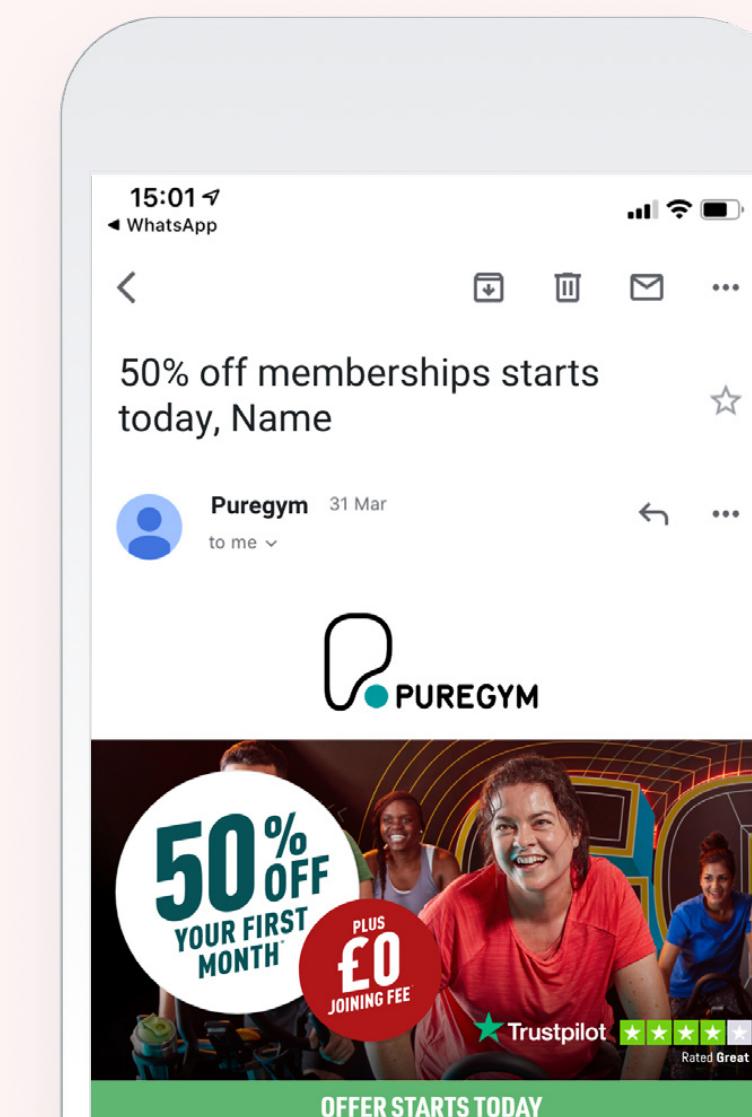
BRAZE



## Flexing engagement muscle at PureGym

PureGym offers low-cost and flexible memberships. Getting previous members to rejoin is a huge priority for the PureGym team.

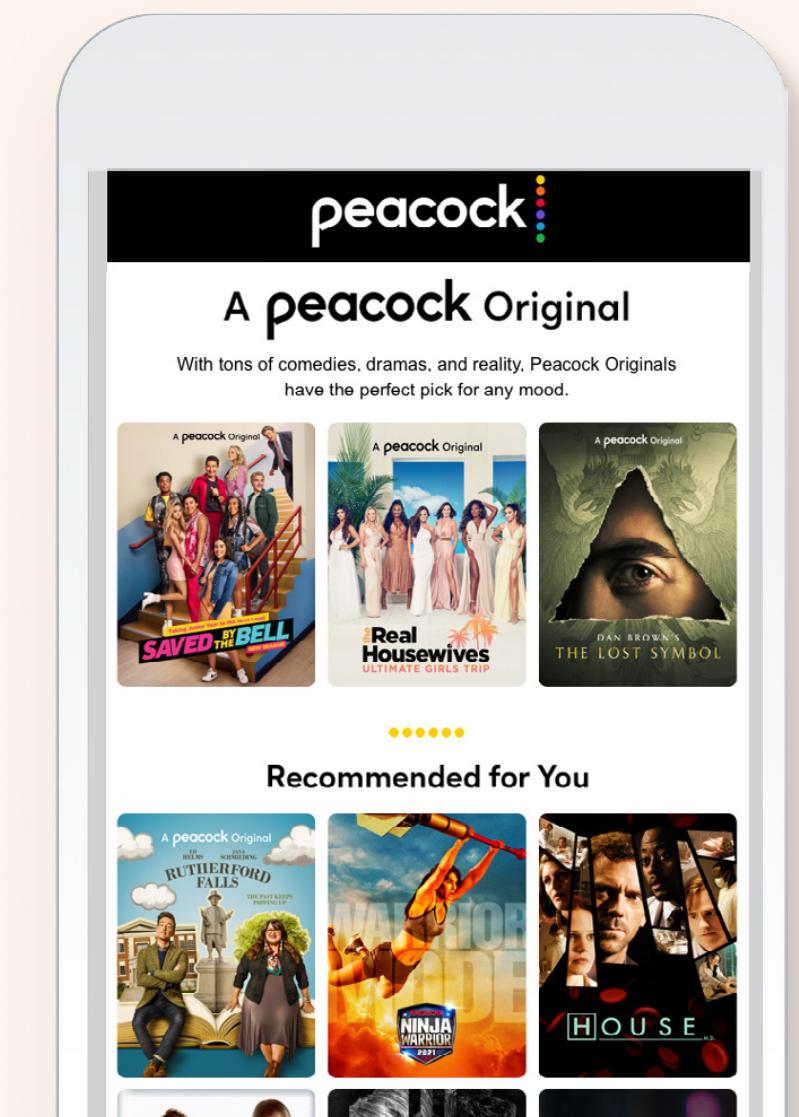
To win over ex-members, PureGym created a cross-channel campaign that targeted users based on their previous behavior and delivered messages using the channel they engaged with the most. By taking this targeted approach, PureGym was able to save six figures on other promotional efforts and drive a **190% increase in win-backs on key segments.**



## Peacocking the perks of streaming app subscription

At the height of 2020's streaming wars, NBCUniversal launched Peacock to deliver entertainment to its users across any device.

With aggressive goals, Peacock needed a customer engagement strategy built for every customer lifecycle stage. In the first 13 days following sign-up, users receive an onboarding flow with the most popular content mixed with genre-specific content based on first title watched, allowing the brand to increase engagement with the platform and the likelihood of viewers finding something they loved.



# Introducing Braze: Customer Engagement at Scale

**As you can see, it's possible to grow and maintain customer loyalty with personalized, relevant customer engagement quickly and at scale.**

Here's how Braze helps brands capture dynamic data, create brilliant campaigns, and act on every opportunity.

## LISTEN:

### Capture Dynamic Customer Data

Customer engagement starts with listening. We'll help you ingest customer data from multiple sources—like your website analytics, apps, loyalty program, and back-end systems—so you can begin to build a comprehensive, real-time understanding of your customer base.

No matter where your data comes from, we'll break down the silos that stop you from seeing the big picture of customer activity, sales, and engagement.

## UNDERSTAND:

### Create Brilliant Campaigns at Scale

Equipped with your new data, you'll be able to start segmenting your customers and creating messages that will resonate and reinforce your relationship.

[Use Braze Canvas Flow](#) to orchestrate journeys that deliver the right message to the right customer on the right channel at the right time. Data about contextual preferences—and real-time behaviors and channel interactions—helps move customers to the next desirable step in your relationship, from successful onboarding to abandoned cart recovery.

## ACT:

### Act on Every Opportunity

The Braze platform's intuitive tools let you easily create integrated cross-channel delivery via mobile and web push, in-app and in-browser messaging, email, SMS, and [Content Cards](#), among other channels.

There's no coding or data teams needed—just a turnkey tool you can use out of the box, to start experimenting straight away.

Live data flowing into your platform immediately triggers your messages, so you know no engagement opportunity is missed. And built-in analytics provide immediate feedback on what works and what doesn't.

# Conclusion

A customer engagement strategy makes it easier to retain customers, optimize their relationship with your brand, and maximize their value to your business.

Braze has been designed to give you intuitive tools to access, understand, and act on your customer data. You'll be able to quickly start creating campaigns that encourage customers to lean into your brand—and achieve KPIs such as:

Higher spend per visit

Higher customer LTV

Lower acquisition costs

Looking to see customer engagement campaigns in action? Download [The Braze Inspiration Guide](#)—an exclusive, inspiring collection of over 40 customizable campaigns that have been leveraged by the world's savviest brands to effectively activate, monetize and retain their consumers.



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