Bluecore ✕ Lenovo

Lenovo Increases DTC Retention In One Year

How a customer movement strategy with Bluecore is transforming growth within their customer base

6.5% ↑
increase in repeat purchases from active buyers

21% ↑
increase in overall email revenue

95% ↑
increase in revenue per email

3.5% ↑
increase in retention rate

The world's largest PC company, Lenovo specializes in products such as laptops and tablets, as well as servers, storage, mobile, software, solutions, and services, as part of a bold vision to deliver Smarter Technology for All. Retention is the lifeblood of growth and that product catalog presented a problem: Laptops and tablets aren't typically products that consumers purchase multiple times a year, or even multiple times over a 2-3 year period.

Many retailers look at growth as a problem to be solved by their marketing channels. Lenovo used to be one of them, increasing email volume to increase retention and overall revenue. However, Lenovo identified opportunities to increase performance across its retention and channel programs.

In April 2022, Lenovo partnered with Bluecore for our unique approach of combining powerful technology and in-house retail strategy services. Together, the teams developed a customer movement strategy for Lenovo, which resulted in a **21% increase in email revenue**. What's more, the brand also **increased repeat purchases from its active buyers by 6.5%**. Given Lenovo's enterprise scale and global presence, these increases represent thousands of customers and material impact to the company's DTC revenue.

Read on to learn how Lenovo transformed its marketing strategy from a channel-led approach to a customer-led approach.

What is a customer-led approach?

We call this approach "customer movement." Customers are always moving in one of two directions: toward retention or churn. We define a customer movement strategy as a retailer's plan for moving unidentified shoppers to known customers to repeat buyers. Driving profitable growth is the ultimate goal and retention is a must for achieving it.

> " Customer-centric execution is a major focus for our organization, which aligns perfectly with Bluecore's philosophy of focusing on customer movement.
>
> **Jennifer Downes**
> CMO of Global eCommerce, Lenovo

Assessing Lenovo's customer movement

To improve retention, the brand had to focus not on optimizing channel growth, but on *customer growth*, which began with understanding and prioritizing opportunities within their customer file.

This started with a Customer Movement Assessment. Bluecore's in-house retail strategists provided Lenovo with a historical analysis of their customer file, giving them full visibility into their retention health across active, inactive, and new buyers compared to their direct competition and other retailers in the space.

The Customer Movement Assessment revealed that Lenovo was lagging in purchase frequency of active buyers: a key driver of retention. It also uncovered that Lenovo has exceptional year-over-year growth in overall value for tenured buyers. These retained buyers were **9x more profitable than new customers.**

Together, Bluecore and Lenovo set out to increase purchase frequency and the pool of retained tenured buyers to improve retention and bottom-line revenue.

> " Bluecore is doing more than unlocking triggered marketing. They are a full-stack marketing solution, significantly improving our ability to activate customer and product data in a way that can be used for automations across our business, driving short-term revenue and long-term increases in customer lifetime value."

Jennifer Downes, CMO of Global eCommerce, Lenovo

Putting customer movement in motion

For retailers to improve purchase frequency — and ultimately, retention — they must meet their customers during moments of intent. First, Lenovo needed to understand key signals. Can Lenovo identify known and anonymous shoppers when they visit the website? How frequently do they open emails, and what time do they generally do so? Which products do they click on? Are they more likely to engage if there's a discount?

With the help of a customer movement strategy, Lenovo has evolved into an organization that takes a holistic view of buyer types and segment performance to be able to answer these questions.

Lenovo shifted from ad-hoc emails to more automated signal-based sends. With real-time product data and the ability to scale hundreds of signal-based messages, the brand can now capitalize on moments of intent and optimize its messaging strategy with customer movement in mind.

In the past, Lenovo's only automations were the standard welcome, abandonment, and post-purchase triggers with limited personalization. The brand has since added several merchandise-based triggers to its repertoire, such as Best Sellers, Back in Stock, and Price Decrease, with unique content, offers, and recommendations for each shopper.

With increasing purchase frequency in mind, Lenovo stopped focusing solely on the biggest ticket items with the highest margins. Leveraging our data and predictive intelligence, Lenovo is able to zero in on customers' Next Best Purchase, targeting them with dynamic product blocks that broaden their knowledge of the brand's catalog.

This expands their horizons and increases purchase frequency, ultimately helping deepen loyalty.

Moving customers — and campaigns — faster

Since implementing Bluecore and embracing customer movement, Lenovo's highly relevant automated program has grown significantly. Globally, Bluecore automation campaigns accounted for 14% of Lenovo's email sends, while contributing 47% of email revenue — *with far less manual effort*.

AI has created a much lower lift for designers and developers. Our built-in data and retail-specific models enable the team to move faster than ever. With a much greater focus on evergreen trigger-based campaigns, Lenovo gets new campaigns to market in two or three weeks — as opposed to three to four months.

Now, Lenovo can focus more on personalized campaigns that are much more reflective of a shopper's intent, sent at optimal times. Zeroing in on nurturing relationships with tenured buyers, **Lenovo increased repeat purchases by 6.5%**.
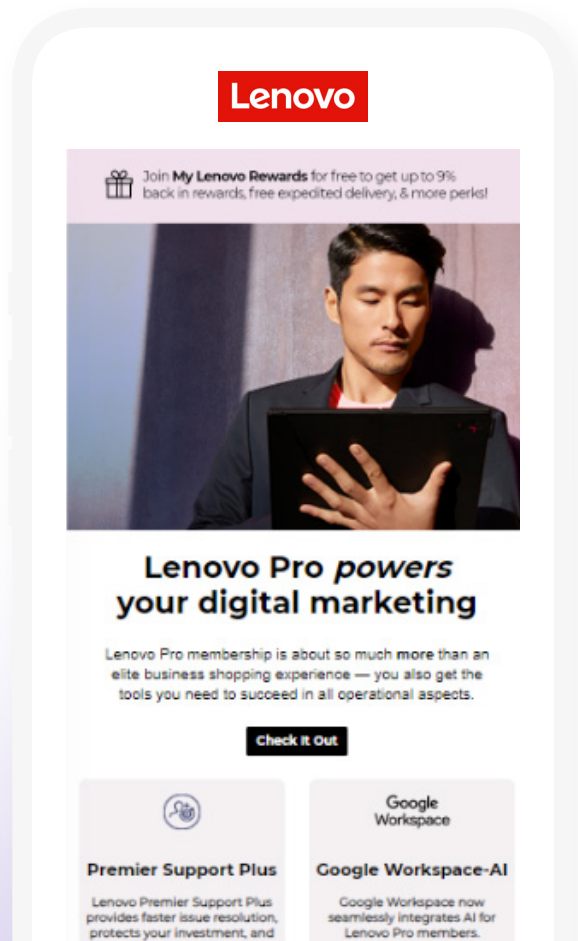
Lenovo also realized marked improvement in metrics across data quality, site traffic, order volume, and revenue.

5.9% ↑
increase in customer database with quality signal data

21% ↑
increase in email revenue

26.5% ↑
increase in site visits

27.8% ↑
increase in orders

Understanding that personalization requires continuous optimization through testing and learning, **Lenovo has also improved its retention rate by 3.5%.**

Bluecore is now a core revenue driver for Lenovo's business and the marketing team, whose future plans involve continuing to grow the company's variety of automations to reach customers from all over the world.

" While many retailers still rely on sending a high volume of communications indiscriminately, the Lenovo team recognizes that providing value to their customers is what ultimately delivers revenue. This customer-centric approach has improved Lenovo's reach, relevancy, and revenue and we are honored to be their partner in continuing to expand the program further in the coming year.

Fayez Mohamood
CEO, Bluecore

▣ Bluecore

Bluecore's retail shopper identification and customer movement technology quickly generates incremental revenue for enterprise brands by turning more anonymous shoppers into known customers, and repeatedly and efficiently moving them through the purchase funnel.

With transparent IDs and real-time product data built directly into campaign workflows, alongside point-and-click predictive models, retail marketers can bypass manual processes to trigger 100s of communications based on any signal and automate the content, offer, recommendation, timing of every email, mobile, site, and paid media message for each individual shopper.

More than 400 brands trust Bluecore to rapidly increase customer retention and drive profitable growth, including Express, NOBULL, Lenovo, Teleflora, Alo Yoga, and Lulu and Georgia. For more information, visit **Bluecore.com**.

EXPRESS STEVE MADDEN NOBULL LULU AND GEORGIA Lenovo

teleflora. GAP ♥CVS JOCKEY LANE BRYANT