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5 Ways to Improve Customer Engagement With a CDP

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Customer engagement has become a go-to metric for business performance: a barometer of brand appeal and consumer interest. In the simplest terms, it looks at how effectively a business communicates with its customers, answering questions like: what channels do people prefer? Or, how responsive are they to different marketing campaigns?

In today's world, businesses aren't just competing with products and offers. They're trying to edge out the competition long before a transaction takes place, with a better customer experience. Successful customer engagement strategies make sure of this: they leverage a customer's behavioral and historical data to determine preferences and interests, and then personalize each interaction accordingly.

"The most strategic communications a business can have are those they have with their customers."

Jeff Lawson
Twilio CEO

The Future of Customer Engagement >

But putting this into practice has proven difficult. While 9 out 10 businesses believe they're effectively engaging with customers, only 6 out 10 customers agreed. With customer loyalty, retention, and revenue on the line, businesses need to work quickly to close this gap.

To do this, businesses have to rethink how they collect and manage data, how they process that data meaningfully in real-time, and how they build seamless cross-channel experiences. In this guide, we outline the data infrastructure needed to hone customer engagement, and five different strategies to drive success.

Why CDPs are essential for customer engagement

The elevator pitch for a CDP is simple: it collects, cleans, and consolidates first-party customer data in one central location. Businesses can then send this data to any connected app or tool for activation.

For this reason, CDPs have become key facilitators for customer engagement, giving companies a scalable framework for:

Data Collection

Bringing together data from your website, app, and other business applications.
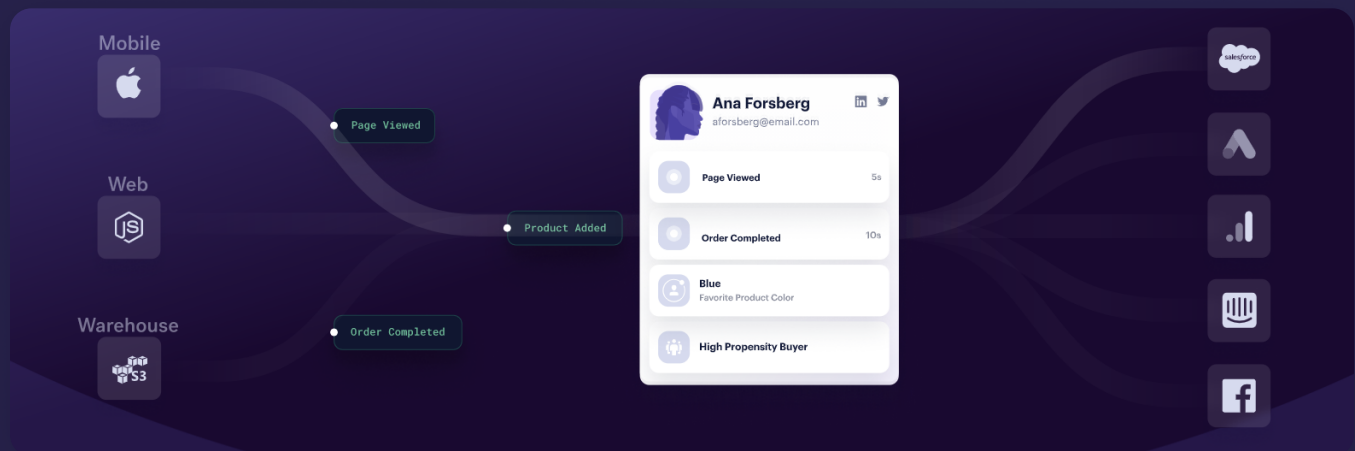
Data Governance

Standardizing your data to ensure accuracy, reliability, and privacy compliance.

Data Synthesis

Combining all of your customer data to create and enrich unified profiles.

Data Activation

Connect customer profiles to your growth and analytics tools stack to improve the customer exprience.

In the past year, the amount of data being generated on a daily basis skyrocketed. 90% of businesses reported increased customer insights due to the pandemic (and on our end, we saw API calls on the Segment platform increase 132%, passing the threshold from billions to trillions).

Yet, most businesses haven't been able to handle this influx of data, especially since it's coming from a variety of sources. Customers now use, on average, 10 different channels to communicate with a business; and 9 out 10 IT leaders admitted that data silos were the biggest obstacle to digital transformation.

For data to be a competitive differentiator, it needs to be accurate (e.g. no duplicate records, stored in a unified format, etc.). But this data also needs to be easily shared across teams and tools to become actionable. Data that sits on the shelf (or locked away in a data warehouse) won't move the needle for your business.

86%

of executives said in a PwC survey that their company is in a race with competitors to extract value from data.

Learn more >

When it comes to the tactical steps you can take to improve customer engagement, there are a few common denominators: centralizing data, creating a holistic view of the customer, and acting on insights in real-time.

From increasing open rates for SMS campaigns to shortening customer support wait times, we've listed five different strategies for improving customer engagement.
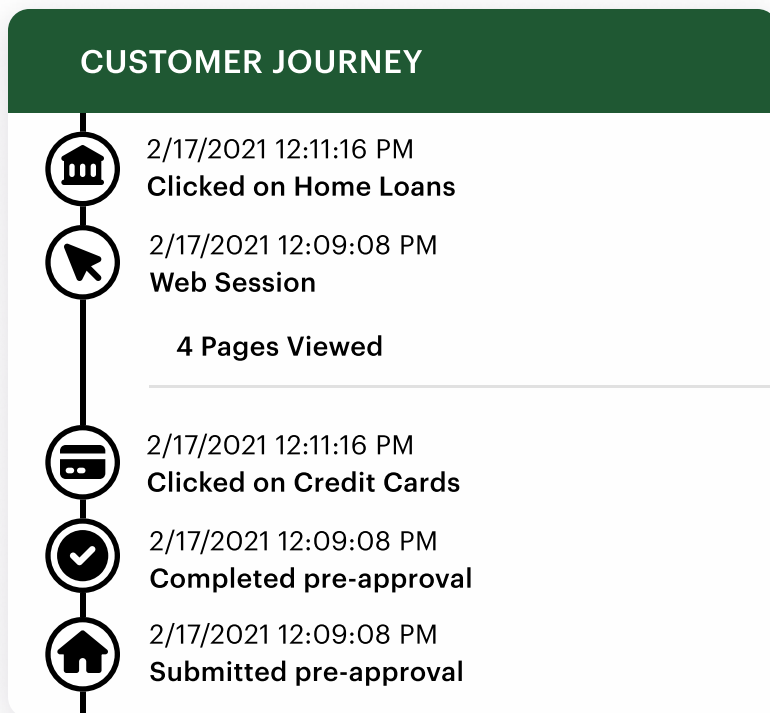
1.

Give your contact center a 360-degree view of the customer

Executing real-time personalization strategies still remains a dream for most companies, especially in the world of customer support. Most, (if not all) of us have experienced long customer support wait times, or gone through lengthy back-and-forths as agents tried to get to the root of the issue.

Usually, delays like this stem from a lack of information. Often, agents are only working with what's included in the support ticket, instead of having the full context of the customer journey. If agents could see a customer's history across channels, they would have a better idea of the problem at hand, and could offer faster, more personalized support.

By connecting Segment Personas to a contact center like Twilio Flex, agents can readily access information like a customer's purchase history, what audiences they've been a part of (e.g. big spenders, high lifetime value, etc.), the documentation they've recently viewed, and much more. In doing so, agents can significantly decrease time to resolution.

Learn how to connect Segment and Twilio Flex

CUSTOMER JOURNEY

2/17/2021 12:11:16 PM
Clicked on Home Loans

2/17/2021 12:09:08 PM
Web Session

4 Pages Viewed

2/17/2021 12:11:16 PM
Clicked on Credit Cards

2/17/2021 12:09:08 PM
Completed pre-approval

2/17/2021 12:09:08 PM
Submitted pre-approval

With Personas data loaded into Flex, contact center agents now have a complete view of the customer available at their fingertips.

2.

Hyper-personalize your SMS campaigns

SMS is one of the most powerful engagement channels in a developer's toolkit. Yet for consumers, it's also one of the easiest to ignore.

Every day, thousands of spammy, poorly targeted messages are blasted out to audiences via legacy communications technology. These tools can't correctly reference basic user attributes like name, location, and activity, let alone add the required personalization to drive open rates and engagement.

But with Segment and Twilio's Programmable Messaging, businesses can start sending personalized SMS campaigns based on real-time customer data.

For instance, let's say you're an e-commerce brand and want to send out a personalized SMS after customers complete an order. With Segment, you would readily have this data available, along with other events like "pages_viewed", "products_clicked," etc.

View the comprehensive list of the e-commerce events we suggest tracking.
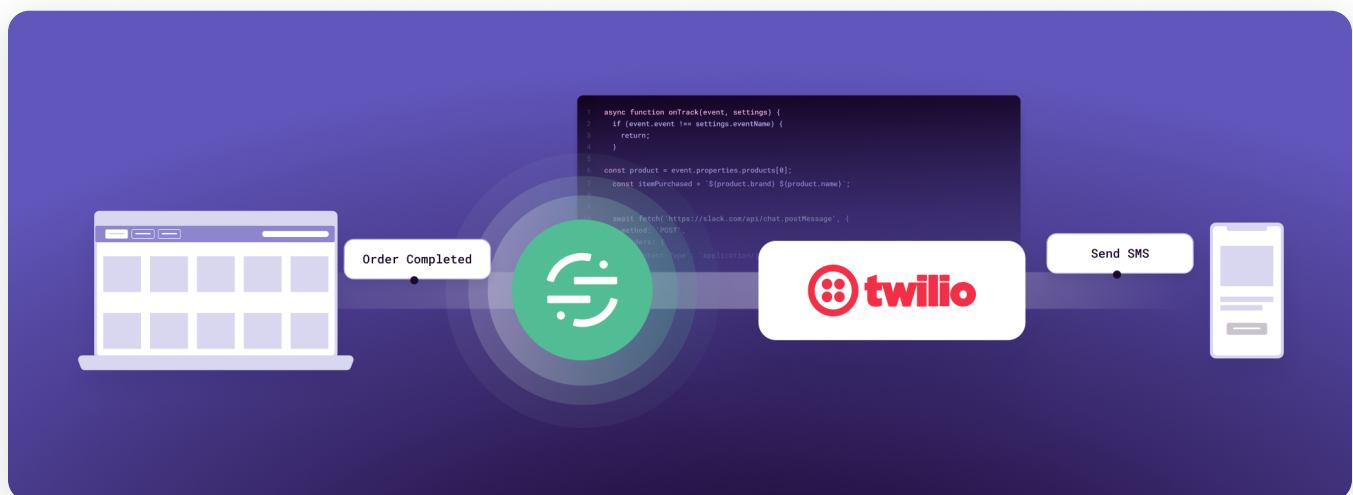
Trigger personalized SMS using Segment data and Twilio Programmable SMS

2.
Hyper-personalize your SMS campaigns

You can then send this data to Twilio's communication APIs, by setting Twilio as a Segment Destination. (The Twilio function template makes it even easier to get started.)

Once this is set up, Twilio would read each Segment event, and infer what item has been purchased via the "order_completed" property. Then, Twilio would stitch together a personalized SMS to send to the customer.

Here's a step-by-step guide on how to get this up and running.
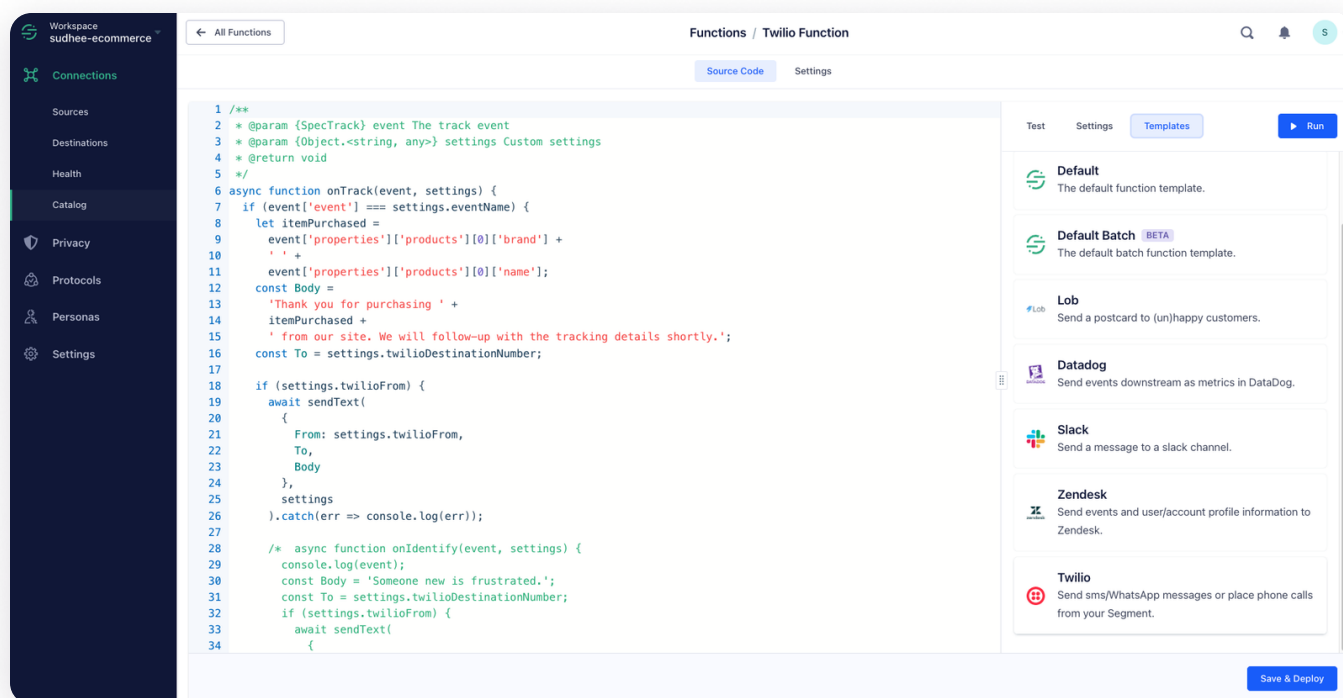
Example of a Twilio Function that can trigger a personalized SMS using Segment data

3.

Intelligently route incoming customer support requests

Customer support bottlenecks are frustrating on both sides. For agents, it's a waste of time and resources to handle each incoming support ticket (especially if the problem could be independently solved with the right documentation). And for customers, it's exasperating to be sent documentation you've already viewed when trying to solve a more complex issue.

Chatbots have been particularly helpful in fielding more straightforward customer support requests. But how do you know when it's best to send a customer to a chatbot versus a real person?

The short answer is: with data. By leveraging customers' behavioral and historical data, businesses can intelligently route a person to either a chatbot or customer support agent, depending on the request.

Here's how this works: Segment allows businesses to track user activity on their website or connected app, and sends an identify call to match each event (e.g. "product_viewed") to a specific person. (To learn more about identity resolution, click here).

With this data on hand, businesses can then establish parameters around when a customer should be routed to a real person or a chatbot. For example:

|	
If a user has not viewed any documentation or articles recently, send them to a chatbot (which can direct them to the right, pre-written information).	If a user has viewed documentation recently, or has a high lifetime value or VIP status, send them to a human.

Businesses can then send their customer data (from Segment) to Twilio Studio, to orchestrate these interactions.

3.
Intelligently route incoming customer support requests

You can read more about how to implement this here, but here's the gist on how this works:

1.

When a new support ticket comes in, Twilio will call Segment's Profile API (via the **HTTP Request Widget**) to identify the customer. (Businesses can choose to identify customers by name, phone number, or via a **computed trait**).

2.

By using Twilio's **Split Based On...Widget**, teams can create conditions around when a flow should be split.

3.

In this case, the conditions would be that if a user hasn't viewed documentation in the past two days, they would be sent to a chatbot (i.e. **Autopilot Widget**). If the user has looked at documentation, they would then be sent to a real person (i.e. **Twilio Flex**).
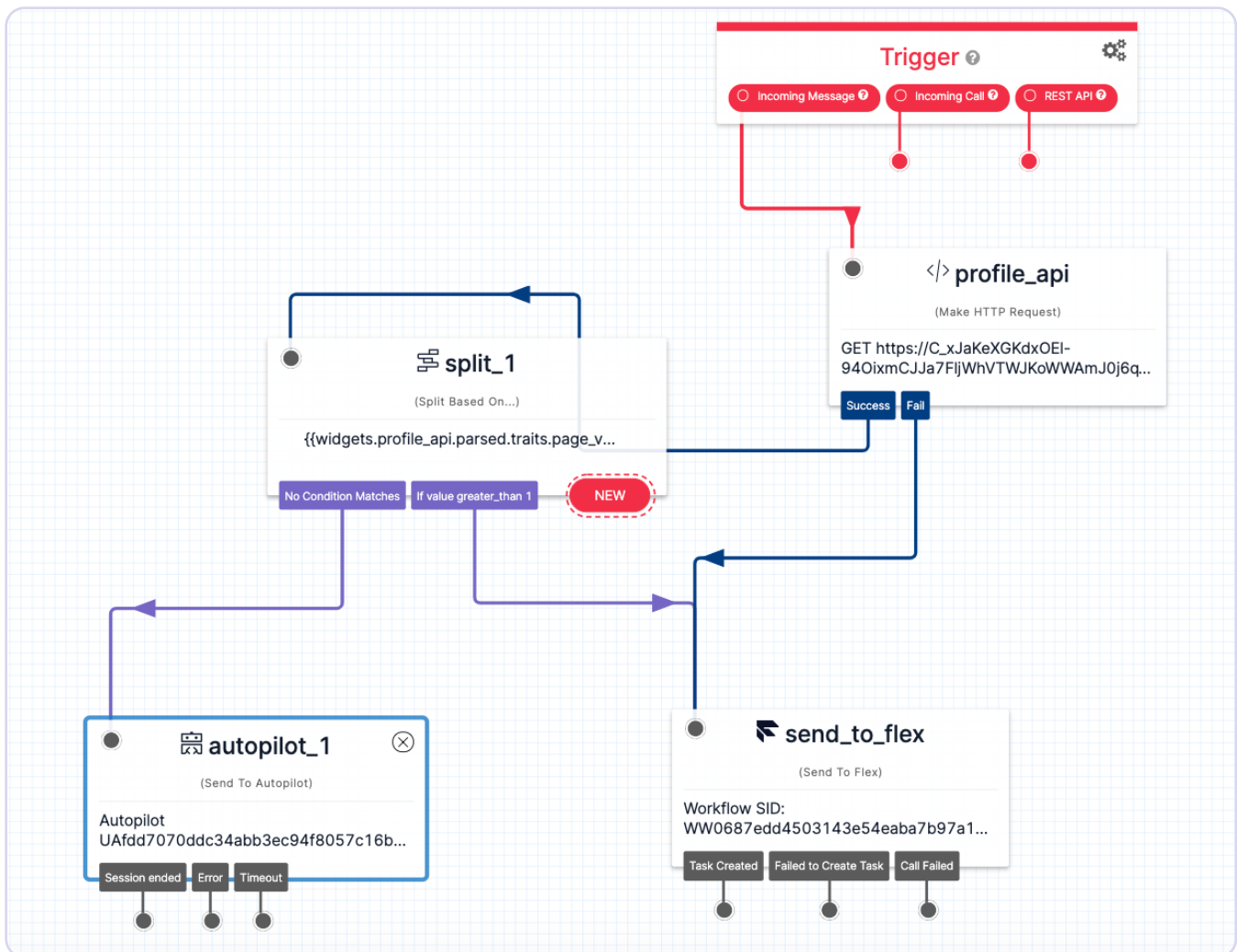
An example flow in which customers are routed to either a chatbot or real person based on whether or not they've recently viewed documentation.

4.

Power your customer engagement strategy with online and offline data

Customer relationships used to be simple. Most interactions took place in a single channel (usually one-to-one with a salesperson) and the subsequent data was easily managed in a CRM.

But today, a customer's path to purchase is more complex than ever, often involving a variety of online and offline channels. Your next customer might click on an email, browse through your website, and then ultimately decide to purchase in-store.

Getting the complete picture of the role that online and offline channels play in your customer engagement strategy has traditionally been difficult to achieve – usually due to the lack of a robust data infrastructure, which could connect these different sources.

Customer relationships today: customer journeys are becoming increasingly omnichannel

4.
Power your customer engagement strategy with online and offline data

But with a CDP, you can see all of a user's activity in a single record, no matter if the interaction took place online or offline. When a CDP connects to your data warehouse, it's able to categorize, schematize, and connect different types of data. It can then consolidate this data with the user activity it tracks on a business' website or app.

A company could then see how a visitor came to their website, what action they took once they got there, and whether or not they ultimately converted. But, let's say that same visitor picks up the phone and calls your contact center. How do you ensure this offline data isn't lost?

By using Twilio, you can leverage their call tracking feature, which will attribute a customer to their phone calls. By setting up Twilio as a Segment Source, you can sync this phone log data with the customer event data you've been tracking in Segment. This data can then be funneled into your data warehouse, to ensure that all insights are stored in one place.

Here's a more in-depth overview on getting started.
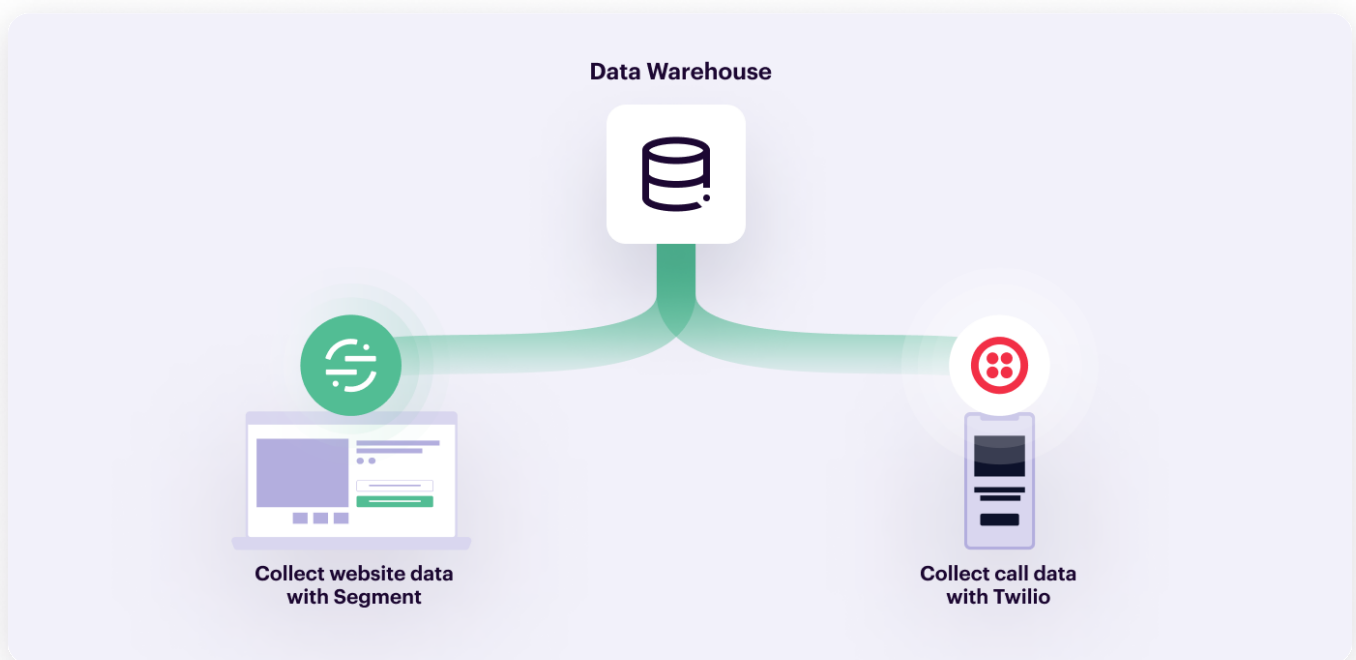
Consolidate your offline and online data from Segment and Twilio to get a 360-degree view of the customer journey.

5.

Power your customer engagement strategy with online and offline data

What if you could automatically discover the channels that customers preferred, and engage with them accordingly? It's actually not a far-fetched possibility.

You can measure, and personalize, your users' preferred channels using Sendgrid, Twilio (Programmable SMS, Programmable Voice), and Segment.

This is how it works: businesses can send data from SendGrid and Twilio to Segment (e.g. tracking when a user opens a SendGrid email, answers a phone call from Twilio, etc.).

With this data centralized in Segment, teams can then use the Computed Traits feature to calculate which channel a user engaged with the most – and then set that as their preferred channel. So, when sending out future notifications, the Twilio app will check the user's preferred channel to determine if they should receive the message via text, email, or phone call.
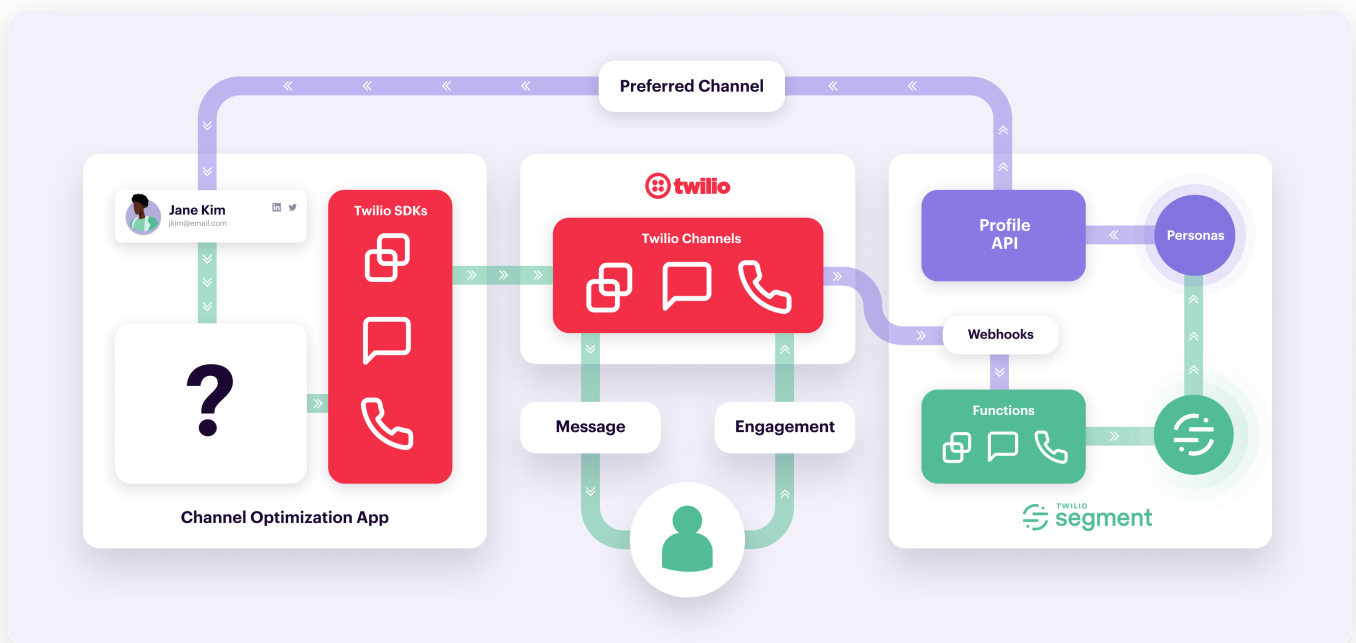
And if there isn't enough data to determine the user's preferred channel, then notifications will be sent to a random channel until there are enough engagements to determine which one the user prefers.

Learn more about how to do this here.

Conclusion

Customer engagement is a large umbrella term for how invested consumers are in your brand. It can be measured in their responsiveness to email campaigns, how often they open your app, renew a subscription – the list goes on.

But what drives customer engagement is the value your business offers with each interaction. This is what makes data such a foundational piece of any strategy; how can you know what drives customer behavior without understanding your customers?

Ready to boost customer engagement rates?

Learn how a CDP can help facilitate meaningful customer interactions across channels.

Talk to an expert

Want to learn more?
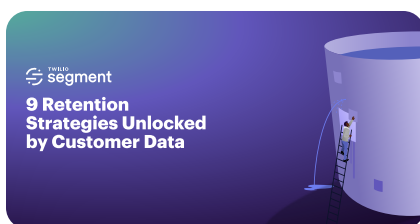
9 Retention Strategies Unlocked by Customer Data

Learn how to improve customer retention, loyalty, and LTV by leveraging customer data.
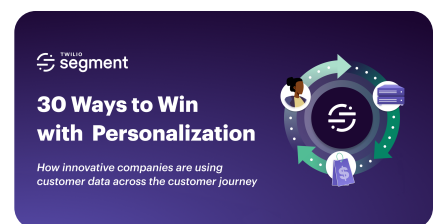
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Ultimate Guide to Omnichannel

In this guide we cover what an omnichannel strategy looks like, how to implement it at scale, and real-life success stories.

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30 Ways to win with Personalization

In this guide, we list 30 case studies and strategies of how to leverage a CDP to personalize digital experiences.

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