Bike Retailer eBook

The 7 Gear Shifts Bike Retailers Are Making Using Data-Driven Marketing

How to adapt to a booming bike industry and build stronger customer relationships both in-store and online

Making the Right Marketing Shifts Will Push Your Business Growth to the Top of the Hill

There is no question that retail environments have changed, especially recently, and the bike industry is no exception. As a bike retailer, how do you keep up with the times and feel confident that you have a strategy which retains existing customers and easily converts new ones? How do you continue to grow your business as the industry adapts to new changes?

The traditional "batch and blast" marketing approach simply doesn't work anymore. Consumers are flooded with heaping handfuls of marketing messages every day that they don't care about, so the most important component of your outreach is being able to stand out above the noise.

The secret ingredient is data-driven marketing, which allows you to determine exactly who your customers are and engage with each one in a more meaningful way.

You already have the customer data you need to upgrade your marketing, yet understanding exactly how to use it in a timely and cost-efficient manner can seem like a big undertaking.

The good news is it's actually quite simple — as simple as changing the gears on a bike.

The following categories will help you understand the process of putting together a strong marketing approach using the **Ascent360 data-driven platform** that will help your business boom right alongside the bike industry.

First Gear: Understanding Changes To The Bike Industry And Their Impact

Second Gear: The Importance Of Collecting Customer Data

Third Gear: Putting Your Data To Work

Fourth Gear: The Power Of Personalized Messaging

Fifth Gear: Automation And Ready-To-Go Campaigns

Sixth Gear: A Sophisticated Omnichannel Experience

Seventh Gear: Measuring Marketing Attribution And ROI

Upward Trends In Revenue Growth Are Accompanied By Shifting Trends In Purchase Behavior

According to the **National Bike Dealer's Association**, the 2020 pandemic compressed several years of projected growth into a few months. In 2020, retail sales skyrocketed by more than 40 percent, and the USA bicycle industry revenue is projected to hit $8 billion by 2025.

Not only is the industry making big waves in projected revenue growth, but consumer behavior is changing rapidly as well. The pandemic has changed people's lifestyles, opened doors to new interests, and (most importantly) shifted the way in which consumers buy products.

In 2020, Retail Sales Skyrocketed By More Than 40%, And The USA Bicycle Industry Revenue Is Projected To Hit $8 Billion By 2025.

In an industry that has been traditionally centered around an in-store experience, an influx of customers are now researching, browsing, and purchasing online as well. The ability to communicate with online shoppers in a different way than you would those visiting the brick-and-mortar location makes a critical difference in their buying experience. By utilizing customer purchasing behavior and other data points, you can market to each group more succinctly and with greater impact.

Data-driven marketing also helps you market to those with different interests and lifestyles. Customers who are drawn to lengthy road bike trips, leisurely cruises around town, or hardcore mountain biking will all resonate with different messaging — and that's where knowing the right customer data to collect becomes critical.

The Most Critical Customer Information and What Your POS and e-Commerce Systems Are Already Collecting

There is an extensive pool of critical customer data already being collected by your POS and e-commerce systems and identifying the most valuable information will help enhance your data-driven marketing approach.

First and foremost, you should collect personally identifiable information (PII), such as:

- **Email addresses**
- **Phone numbers**
- **Geographic location**

From there, you'll want to zero in on identifiers such as the following:

- **Demographics**
- **Interests**
- **Purchase behavior**
- **How they interact with your brand**

To get a hold of this information, it's important to remember that customer data is not just for marketing and selling products. It's also about providing above-and-beyond customer service and building long-term relationships.

Your POS and e-commerce systems are already collecting basic PII data with every transaction. Incentivizing customers to provide additional information is rooted in demonstrating true value. Show them they are part of your community by offering a discount code for a future purchase, the ability to enter a drawing, or an invite to a local event. Show them that they are not simply another name on a marketing list.

It's also important to train your staff members on **best practices** for collecting information at the counter and incentivizing them to do so in a comfortable, non-abrupt way. Educate your staff to assure customers about why they will be contacted and how they will be receiving personalized communications that matter, such as important service reminders.
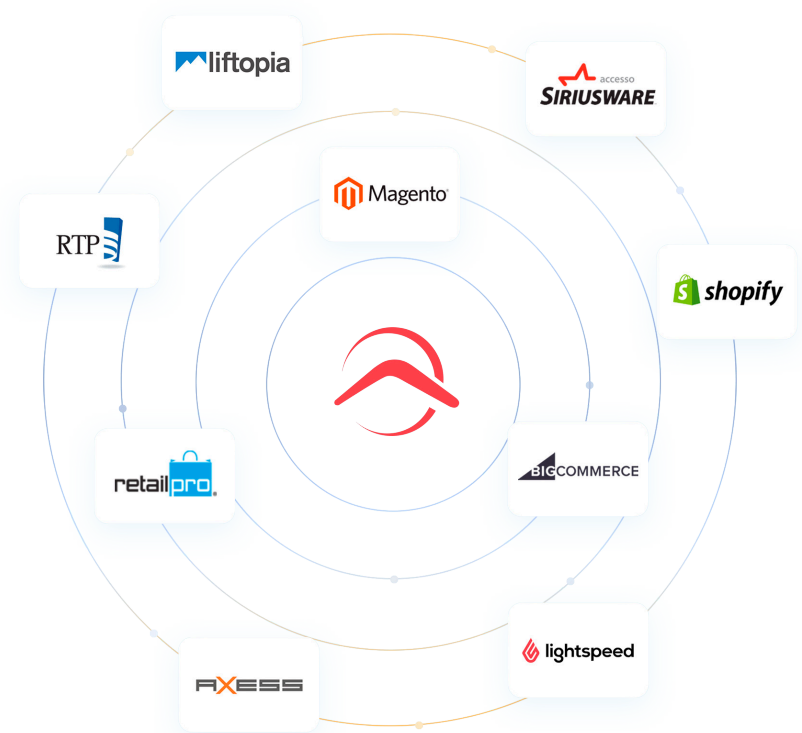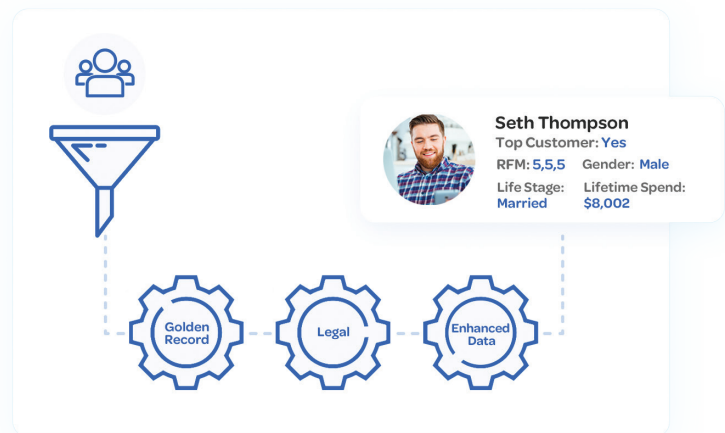
Use The Power Of Your Data To Build Unique Segments And Pinpoint Customer Needs

The real bread and butter of data-driven marketing is bringing your collected data to life.

You no longer have to spend time manually exporting and importing data from multiple spreadsheets — now you can automatically integrate it directly from your POS system and see it all on one easy-to-use platform.

The Ascent360 platform works to aggregate the data from across your systems and segment your customers into different groups (e.g., female buyers who have purchased hybrid bikes under $1,500). Our sophisticated data hygiene engine ingests each data point and cleanses it for a "Golden Record" of every customer, helping to eliminate duplicate or incorrect information.

Seth Thompson
Top Customer: Yes
RFM: 5,5,5   Gender: Male
Life Stage: Lifetime Spend:
Married $8,002

Golden Record — Legal — Enhanced Data

Who Are Your Most Valuable Customers?

Segmenting your customers also helps identify those most valuable to business growth using Recency, Frequency, Monetary Value (RFM) scores. For example, VIP customers are those who have purchased recently, buy frequently, and spend the most.

Consider this:

- **65% of revenue comes from current customers**
- **It's 6 to 7 times more expensive to acquire a new customer than retain an existing one**
- **80% of revenue comes from 20% of your clients**

By identifying who your customers really are, what they need, and how likely they are to buy from you and when, the Ascent360 platform sets you up to target your customers in a highly personalized way and send messages that matter.

Focusing On Relevance Will Take You From "Unsubscribed" To "Favorites"

Using the "batch and blast" marketing method to send generic outreach to every name on your list will surely land your messages in the "deleted" folder, or worse yet, the dreaded "unsubscribed" list.
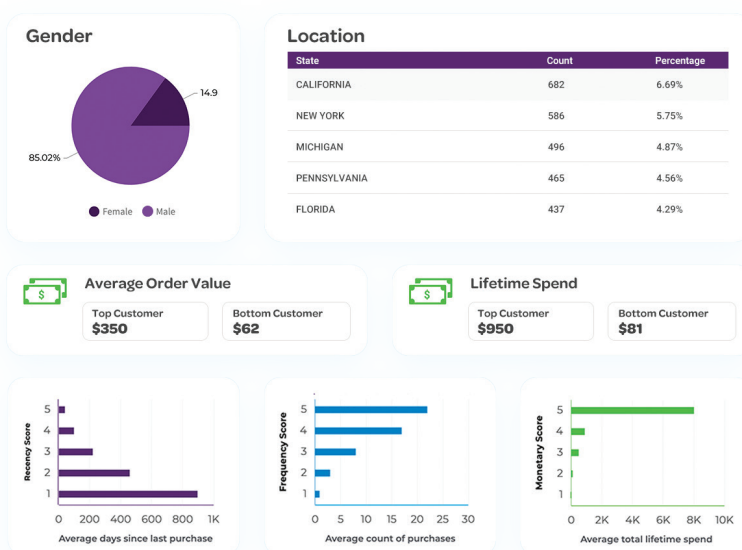
On average, the "batch and blast" method is going to see much higher unsubscribe rates and lower open rates (approximately 12%-13%). Emails that are targeted to specific customer interests are going to have significantly higher open rates — upwards of 60%.

When you focus on relevance to the customer, you are much more likely to elicit an interest and/or response. This includes things like:

- Promoting and sending invitations to in-store events such as a bike and brew (come in to browse, stay for a beer)
- Follow ups based on purchase history, such as a welcome email, service and tune-up reminders, "Happy Bikeversary" emails, and more
- New product launches relevant to demographics, such as a brand-new women's mountain bike or men's 10-speed road bike

"There's a certain way of creating a service, hospitality, and experience that perpetuates people feeling like they matter."

Julie Rice, Founder of Soul Cycle

Gender

14.9
85.02%

● Female ● Male

Location

State	Count	Percentage
CALIFORNIA	682	6.69%
NEW YORK	586	5.75%
MICHIGAN	496	4.87%
PENNSYLVANIA	465	4.56%
FLORIDA	437	4.29%

Average Order Value

Top Customer	Bottom Customer
$350	**$62**

Lifetime Spend

Top Customer	Bottom Customer
$950	**$81**

Average days since last purchase

Average count of purchases

Average total lifetime spend

One of the primary downfalls of broad outreach is that it will lower your chances of engagement, retainment, and loyalty. Images of very intense mountain bikers crushing a steep downhill may resonate with some of your customers but won't relate to those that just want to get outside and get fit or simply commute to work.

This is where the power of personalized messaging through the Ascent360 platform comes into play, allowing you to strategically send more impactful campaigns and go above and beyond to create a welcoming atmosphere and sense of community.

Going From "Batch And Blast" To "Set It And Forget It" Using Ready-To-Go Automated Campaigns

Traditionally, the biggest challenges to personalized outreach have been stretching time and resources to the limit while watching costs rise. Ascent360 has an extensive library of proven templates that enable you to quickly create and send customized content to each of your segments, eliminating the need to start from scratch every time. We call these ready-to-go campaigns "A360 Plays".

Some examples of high-impact A360 Plays include:

- **Lapsed Customer Plays** — Existing customers typically account for 65% of revenue, so use their most recent transactional data to keep them engaged. Providing timely emails will help avoid lengthy lapses between purchases and ensure past customers remain in contact.

- **Post-Purchase Plays** — According to Ascent360 data, up to 50% of repeat purchases occur within 30 days of the first purchase. Don't miss out on a massive opportunity to increase loyalty and repeat purchasing using the right messages!

Lapsed Customer

Description
Providing timely emails will help avoid lengthy lapses between purchases

Impact
Existing customers typically account for 65% of revenue, so use their most recent transactional data to keep them... More

Activate Play

Post Purchase

Description
Build an automated stream to incentivize the next purchase

Impact
50% of repeat purchases happen within 30 days

Activate Play

By using these automated yet highly tailored campaigns, companies can "set it and forget it" and still drive maximum results. One **client case study** demonstrated:

- A return-traffic campaign that drove over $100k in revenue and 2x conversion rate
- 40%-60% email open rates for post-purchase campaigns
- Loyalty reward programs that increased profits 25%-125%

Send Your Personalized Messages Across Platforms For An Omnichannel Customer Experience

Enhancing your customers' buying experience doesn't stop at personalized emails — Ascent360 provides the comprehensive tools needed to send targeted campaigns to your audiences on Google, Instagram, Facebook, text message, and direct mailers.

For data-driven marketing to be successful, consistency is key. Showing up where your customers spend most of their time, whether it's email, social media, or another avenue, allows you to stay top of mind in a relevant way. **According to Techipedia**, consistent brands are worth 20% more than those with inconsistencies in their messaging.

Engage Across Multiple Channels

Truly engaging your audience across channels is a result of consistency combined with the power of personalized messaging that will capture the attention of your customers and help you develop stronger, long-term relationships. The lifetime value of a customer is just as valuable as the monetary value of their last purchase.

facebook

Email

**Direct Mail**

Google

Instagram

Data-Driven Marketing Is Most Impactful When You Can Track Your Results

Putting together the perfect marketing messages doesn't happen overnight. That's why it's important to be able to test your campaigns, determine what's working and what's not, and adjust your approach accordingly.

The Ascent360 platform provides intuitive "off the shelf" reporting that helps you optimize marketing spend, track sales and engagement, and identify impact on ROI based on which campaigns are over or under-performing.

Revenue by channel   → Export
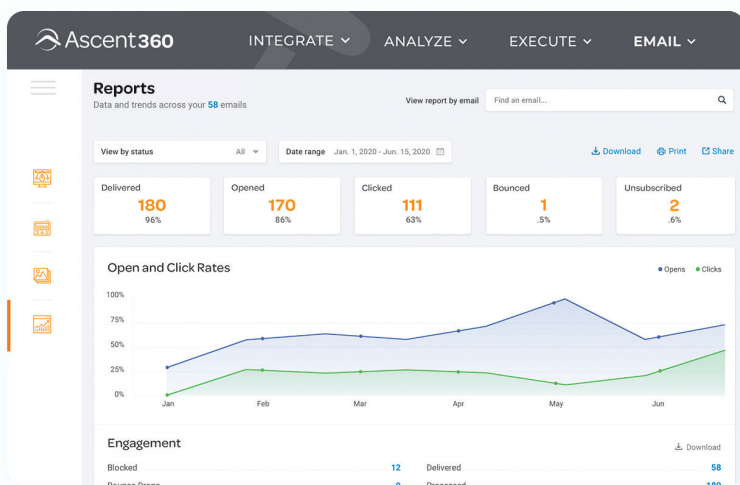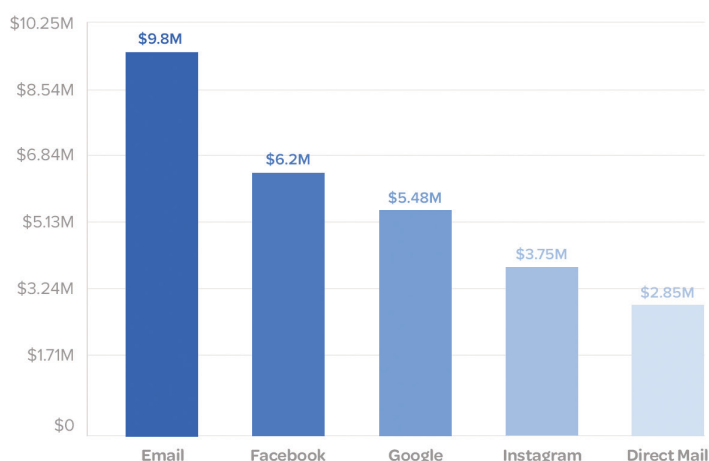
This detailed reporting includes the ability to track data such as:

- Time between purchases
- Campaign open, click, and bounce rates
- Sales and revenue increase or decrease

All it takes is a few clicks to review key performance indicators and adjust your strategy as necessary.

Before You Know It, You Will Be Sending Messages That Matter To All Of Your Customers And Building Stronger, Lifelong Relationships — And Doing It All For A Fraction Of The Time And Cost Of Traditional Marketing

All seven of these "gear shifts" in your marketing approach are important, but you can also pick and choose what to emphasize and when based on your specific business goals. The most important thing is that by adopting a data-driven marketing strategy, you gain the ability to truly understand what drives your customers and fine-tune your marketing accordingly.

If you're ready to take your marketing to the next level, contact us at **800.581.4017** or visit **ascent360.com/clients/bikes/** for a complimentary demo today. Unlock the power of your customer data and deliver personalized 1:1 messages at scale.