



The Activity Matrix: Get a Life(cycle) for Your E-mail Programs

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You may not realize it, but you actually learned everything you needed to know about e-mail lifecycle management from your third grade reading teacher. If your upbringing was like mine, you were probably placed into one of three groups based on your individual performance, or how well you read. This helped the teacher (in my case, Mrs. Joyce) make sure that the lessons were most relevant to each group. But more importantly, because each group was actually a segment of students at similar reading levels, it helped each group maximize its performance and results.

So if you find yourself wondering how you can improve your e-mail productivity, what your ideal e-mail frequency should be, or which e-mail campaign you should invest more resources in, you should turn to the same type of segmentation approach. And fortunately, our tool can help you accomplish this quickly, easily, and with significant results—the Activity Matrix.

The Activity Matrix is a simple tool for dividing your e-mail lifecycle into activity-based segments. By splitting your database into different segments based on how well each performs and then defining the desired goal for each segment, you can design creative e-mail programs for each segment—and dramatically improve your results.

More specifically, the Activity Matrix can help you:

- Improve performance. Lifecycle programs themselves deliver incredible ROI. Yet with increased insight into each segment and evaluating what most motivates them, you'll improve the performance in each segment and the overall quality of your lifecycle program.
- Set benchmarks by segments. By including your lifecycle segments in your current e-mail cadence, you will be able to track how each one performs individually. These benchmarks allow you to test new tactics for each segment to maximize your results.



- Create a segment-relevant program. Engaging your audience with lifecycle-specific programs (such as a First-Time Buyer sequence) lets you communicate more directly—and more effectively—to one segment at a time.
- Develop your e-mail program roadmap. With your database split into segments, you'll gain the insight needed to “move the needle” for your e-mail campaigns, and you'll be able to improve our ROI forecasts and future resource needs.

If you're looking to move up the Relevance Trajectory and improve your e-mail marketing results, you should begin to work with the Activity Matrix.

Creating the Activity Matrix

The good news is that developing the Activity Matrix is fast and easy. In fact, it only takes three quick steps:

- 1. Segment creation:** Segment your database into the specific groups of similar customers/prospects.
- 2. Desired result:** Define the specific action you want each segment to take as a result of receiving your communication.
- 3. Program:** Design the strategy and program elements that will move the segment to your desired result.

Step 1: Segment creation

Start by creating a table with three columns. In the left-hand side, start to fill it in with each of your segments (see below). This step should be fairly easy. After all, you probably already know if your customers and prospects have converted, if they engaged previous e-mails (open or click-through rates), or if they visited your Web site.

To create this list of segments, first jot down all of the unique permutations of actions that a customer or prospect can take, including:

- **Purchase behavior:** Multi-purchaser, one-time purchaser, or non-purchaser
- **E-mail behavior:** Includes active (e.g., frequent clicker, infrequent clicker, opener but no clicks) and inactive (e.g., never clicked, lapsed clicker, new to database, unsubscribers, and undeliverables).
- **Web behavior:** Also includes active (e.g., frequent visitor/browser and infrequent visitor/browser) and inactive (never visited/browsed and lapsed visitor/browser)



At first, you might generate a great number of segments, but you can easily refine this to a manageable number. A typical starting point might include the following segments:

- Frequent purchasers
- First-time purchasers
- New to database
- Active non-purchasers (they may visit or click, but don't necessarily buy)
- Lapsed purchasers (purchased a while ago)
- Dead (Inactive and non-purchasers)

Segment	Program	Desired Result
Multi Purchasers – Recent	Gift Carding Program	Viral/Acquisition and loyal
Multi Purchasers – Lapsed	Product Catalog	Re-engaged
One Time Purchasers – Recent	Post-Purchase FUP	Keep-engaged, Purchase
One Time Purchasers – Lapsed	Survey/Preferences	Multi Purchaser, Re-engage
First Time Buyers	FTB Program	Multi Purchase
Non-Purchaser – Active	Survey/Preference Page	Purchaser
Non-Purchaser – Inactive	Profile Page, Postcard	Active Click/Open
New to database	Welcome Stream – Profile	Active/Purchaser
Unsubscribe	Unsub Survey	Subscribed User
Undeliverable	Unsub Survey	Subscribed User

Once you've come up with your list of appropriate segments, you're ready to start defining the desired results you want each segment to take. The Activity Matrix is designed to push customers up in the matrix, which is why we list the best segments and customers at the top and the dead weight of your database at the bottom.

Step 2: Define desired results

Sometimes defining the results is easy—for example, a one-time purchaser will become a multi-purchaser or someone who is inactive will be activated. If you can identify the segment and then



identify what step you would like that segment to take next, you will have successfully filled in two of the three columns in the Activity Matrix.

Segment	Program	Desired Result
Multi Purchasers – Recent	Gift Carding Program	Viral/Acquisition and loyal
Multi Purchasers – Lapsed	Product Catalog	Re-engaged
One Time Purchasers – Recent	Post-Purchase FUP	Keep-engaged, Purchase
One Time Purchasers – Lapsed	Survey/Preferences	Multi Purchaser, Re-engage
First Time Buyers	FTB Program	Multi Purchase
Non-Purchaser – Active	Survey/Preference Page	Purchaser
Non-Purchaser – Inactive	Profile Page, Postcard	Active Click/Open
New to database	Welcome Stream – Profile	Active/Purchaser
Unsubscribe	Unsub Survey	Subscribed User
Undeliverable	Unsub Survey	Subscribed User

Step 3: Developing programs and tactics

The final step is the fun part. You’ve already noted the segments and where you want to take them, so now we just need to bridge the gap from segment to desired result. That bridge is the program you put in place.

For example, you may want to try a welcome sequence for those people who are new to the database. Or for the active non-purchasers, you may want to enact an abandoned shopping cart program.

Now, with your activity matrix filled out, do your best to prioritize which segments to address first. Work with your account team to identify which segments may provide the best and most immediate return to show program growth. However, there is no need to rush – these are important and rewarding programs, so take on one or two at a time to make sure you are getting the most out of each and every program.



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One Time Purchasers – Lapsed	Survey/Preferences	Multi Purchaser, Re-engage
First Time Buyers	FTB Program	Multi Purchase
Non-Purchaser – Active	Survey/Preference Page	Purchaser
Non-Purchaser – Inactive	Profile Page, Postcard	Active Click/Open
New to database	Welcome Stream – Profile	Active/Purchaser
Unsubscribe	Unsub Survey	Subscribed User
Undeliverable	Unsub Survey	Subscribed User

Armed with all of this information, you have the necessary inputs to develop the right programs and tactics to improve your campaign’s relevance and success.

Activity Matrix: Improved insight for improved results

So the next time you’re looking to improve your e-mail marketing results, try using the Activity Matrix. As a proven tool that can drastically improve the segmentation of your database, the Activity Matrix can propel your customers to the pinnacle of their lifecycle—a once seemingly impossible task.

For more information on the Activity Matrix, contact your Account Manager today.