## Hello and welcome!

While we wait for everyone to join, tell us in the chat:

Are you a morning person or night owl?





## A few things before we start:

This session will be recorded

Chat	Bloomreach 11.28AM I'm calling from NYC!
Q&A	Bloomreach 11.28AM Does this apply to only promotional emails or to transactional emails as well?
Docs	<ul> <li>Navigating Gmail and Yahoo's Deliver Click to open</li> <li>Gmail and Yahoo's New Email Sender Click to open</li> <li>Email Deliverability Tips Click to open</li> <li>The Ultimate Guide to Mastering Emai Click to open</li> </ul>



## Marketing through the Madness:

Winning Strategies for Uncertain Times





#### AGENDA

- 1. How Shifts of 2025 Impact Marketers
- 2. Panel Discussion with Sam from Be Lenka
- 3. Communication strategies about tariffs
- 4. Expansion on emerging markets
- 5. Returns Optimisation strategies
- 6. Key Takeaways
- 7. Bonus Content



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### How Shifts of 2025 Impact Marketers

## Budgets are expected

to be reduced

Cr.

A survey by the <u>Interactive Advertising</u> <u>Bureau (IAB)</u> found that 94% of advertisers are concerned about the impact of tariffs on ad spending, with 60% expecting budget reductions of

Ad spending forecasts are dropping. According to our research partner <u>EMARKETER</u>, US ad spending will likely fall from \$422 billion to \$394 billion in a heavy tariff scenario. ැි

## Uncertain times affect everyone

The <u>European Commission</u> has downgraded its economic growth forecasts for the Eurozone, citing heightened global trade tensions, particularly from U.S. tariffs. In the US, it's already a reality: a GDP decrease at an annual rate of 0.3% in the first quarter of 2025.

#### Margins are even more under pressure

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With rising costs, deep discounts aren't always sustainable. That's why brands are shifting to loyalty perks, free shipping, and targeted offers that protect margin and boost retention. At the same time, returns are a hidden margin killer, <u>averaging 20–30%</u> in ecommerce.



6-10%."

## Winning Tools for Marketers

Efficiency and flexibility need to be part of the winning strategy

Efficiency is key - Cut waste, double down on high-ROI channels, products and segments



**Geographic focus matters** - Shift budget to growing markets and regions

- **Category resilience** Essentials (grocery, telco) are stable; discretionary (auto, luxury) are most affected
- Flexibility wins Agile reallocation by region, product and channel is critical in 2025 and beyond
  - **Don't go dark** Brands will naturally want to cut back on the brand-building trend of the past 2-3 years, but some presence has to be maintained to outperform during recoveries



## POLL: Where are you feeling the most pressure to improve efficiency right now?

## POLL: Which outcome is most important to your leadership team?

## Panel Discussion:

Creative Solutions for Mitigating Economic Volatility



#### **Michal Blasko**

Manager, Business Consultancy, Bloomreach



#### Sanket (Sam) Mokal

Digital Marketing Manager, Be Lenka

With tariffs driving up costs and squeezing margins, what marketing approaches have you found most effective to protect customer loyalty and perceived value? Share one creative or non-traditional tactic that your team used to stay profitable without relying on heavy discounting?

As tariffs increase operational complexity and costs, have you leveraged any new technologies or AI tools to optimize marketing efficiency and adapt to changing market conditions?



In times of economic uncertainty, returns can quietly chip away at already tight margins.

What have you done to reduce return rates or protect revenue post-purchase; and how has that impacted your strategy?

## Have you shifted your advertising spend or targeting strategies in response to tariffs?

(more focus on domestic products or alternative international markets?)

### **Best Practice Strategies** for Battling Cycling Uncertainty





## Campaign strategies on tariffs

## Key values to cope with tariffs and price adjustments successfully

#### Transparency & urgency

The **transparency** is the key and will support the brand **loyalty** as well as the **confidence**, mainly when **emphasizing values and customer first** approach.



#### Efficiency & flexibility

The market situation is the most dynamic in the past 50 years. This requires the CRM teams to be able to react very quickly on the latest developments and adjust the campaigns and messaging in a short period of time



## Absorbing the costs... for now

#### **Communications Aims**

- Driving loyalty through standing out in the crowd: Educational and transparent message from the CEO, aiming to support the loyalty and trust, highlighting the 90% local sourcing and manufacturing in the US, 45 years of tradition and putting customers at the centre.
- **Timeline** explaining the prices are staying the same but might be adjusted in the future.

#### How can you develop this further with Bloomreach

- **Geo Personalisation:** Segment the audience and create a personalised message for each region or country with a specific messaging.
- **Content sources:** Save time by personalizing the messages through the content sources in both the automations as well as newsletter campaigns
- Al: Use Loomi to generate content with the right tone of voice for each region

#### Room&Board

#### Hello,

In recent weeks, we've heard questions from many of you about how and when tariffs might impact furniture prices. If you're considering a purchase, we want to provide some peace of mind: **Our prices will stay the same through July.** 

More than 90% of our furniture and decor is made in the U.S., using top-quality domestic and imported materials. While we're still monitoring the potential impact on material costs, our U.S. manufacturing partnerships—and the relationships we've built over 45 years—give us the confidence to offer you this price guarantee.

Here's what you can continue to expect from us: We will always offer you the best possible value for the quality and service we provide. We will work to minimize price increases and be transparent about any changes.

Our twice-yearly clearance events will still happen, with the next one coming up Memorial Day weekend. Our free design help, flat-rate delivery and free returns will continue.

Even in uncertain times, we're certain that doing our best by you is always the right approach. Thank you for your trust in us.

With gratitude, Bruce Champeau, CEO



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## Linjer & rising gold prices

#### **Communications Aims**

- **Upfront pricing information:** Educational, Urgent and transparent message from the co-founders, aiming to support the loyalty and trust
- Transparency about the current uncertain market situation and gold prices
- Urgency explaining the price adjustments might happen in upcoming weeks

#### How can you develop this further with Bloomreach

- **Personalisation:** Mention the frequently visited or purchased products / categories that will be affected.
- **Discount codes for specific categories**: for the high risk items ie. items where sales might be heavily impacted by the rising gold prices.
- Website notification in a very sensible way

#### LINJER

#### Dear Linjer Community,

The start of 2025 has been a challenging period for us and many other brands serving U.S. customers. The recent announcement of higher tariffs in the U.S. significantly impacts our operations due to our international supply chain. Additionally, global market uncertainty has driven up gold prices—a key material in most of our jewelry.

As a result, we will need to increase the prices of all our products in the coming days or weeks. While we are still finalizing the timeline, this change is inevitable, and we wanted to inform you ahead of time.

If you've been considering purchasing our jewelry, we encourage you to place an order ASAP to take advantage of current pricing before the adjustments take effect.

Thank you for your continued support and understanding during these uncertain times.

Warm regards,

Co-founders, Jennifer Chong & Roman Khan

SHOP NOW

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### **Pre-tariff sales**

#### **Communications Aims**

- Short-term sale promotions. The prices will go up so now it's the right time to buy and save.
- **Transparency and urgency**: Unclear timelines on sales while informing that the tariffs will impact the prices in the future

#### How can you develop this further with Bloomreach

- Smart discounting on specific categories: for the high risk items ie. items where sales might be heavily impacted.
- **Omnichannel experience**: deploying the messaging across all channels while targeting the champions with the most expensive channels according to their channel preferences ie. social or SMS.



## **Creative & fun approaches**

#### **Communications Aims**

- Using humor and promotional language: 44% tariff was announced to hit most of the supply chain coming from Sri Lanka, so the CEO announced 44% sitewide sale. Might be a big hit to the pricing but also a big marketing success.
- Lowering prices and including free shipping: On selected products for a limited time.

#### How can you develop this further with Bloomreach

- Al & personalisation: AB test a combination of different offers for different customers and maximise the conversions through Contextual Personalisation
- **Omnichannel experience**: deploying the messaging across all channels while targeting the champions with the most expensive channels according to their channel preferences ie. social or SMS.



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## **Displaying tariff charges**

#### **Communications Aims**

- Informing customers about the tariff impact: Clear and transparent way on how the tariff increased the price in the checkout process. Either being transparent with the tariff or hiding behind the words like the import fee.
- It would still require an explanation before this measure is set live

#### How can you develop this further with Bloomreach

- **Tariff Summary**: Sharing a campaign to sum all the fees that are related to tariffs.
- **Tarifs and loyalty:** Converting some of the tariff costs to the loyalty points or benefits as "compensation" for the increased prices



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## Expansion on emerging markets



## Seamless Experience

with scaling up the the use cases across emerging territories

Available in the <u>Use Case Centre</u>: Deployed within minutes and a few clicks







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## Returns Optimisation strategies

## Returns & customer motivations

Source: Forbes <u>How To Optimize Your E-Commerce</u> <u>Returns</u>

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#### Impacting revenue & experience

- The average e-commerce return rate is 16%.
- 92% percent of customers will make another purchase if the returns process is easy.
- Offering free returns can boost conversions on high-ticket items by 17%.
- 80% of consumers say returns are the most important factor when considering the overall order experience.

#### **Inconvenient returns**

- Only 22% of shoppers said their most recent return experiences were easy. ...From those who said the returns process was inconvenient, **the top five reasons cited are:**
- 1. Return label not included in the shipping box (22%)
- 2. Return shipping isn't free (20%)
- 3. Refunds take too long to be issued (19%)
- 4. Lack of communication from retailer on return status (16%)
- 5. Time and effort of dropping off returns with a mail carrier (13%)

## Stats on returners:



#### Ecommerce Return Rates by Category

As a guide, here are the average rates of return for different product categories according to a study by Shippo:

Category Return Rates	Return Rate (%)
Apparel	10.01%
Beauty	4.99%
Electronics	8.28%
Health and Wellness	4.20%
Jewelry	8.31%
Sports & Outdoors	6.10%



#### Isadore Uses Bloomreach Engagement For Sustainable Commerce Use Cases

#### COMPANY

<u>Isadore</u> used a Bloomreach Engagement weblayer to help reduce customers purchasing the same item in multiple different sizes. This lowered the company's ecommerce return rate and increased customer satisfaction with product sizing and fit.

#### UPLIFT

### 29%

Decrease in potential product returns with sizing weblayer



"Sustainability is something that many of us at Isadore are passionate about. One of our ultimate goals with our sustainability initiatives is to remove plastics from our production process. We've created a whole collection made from only recycled materials, and it's been really successful in terms of sales."

Marek Sulik, Head of Digital Marketing, Isadore





## How to optimise returns

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#### **Optimisation strategies**

- Reporting & Survey Understand why the customers made a return
- Weblayers to minimise purchases
   of the Same Item in Different Sizes
- **Experiments** To Prevent Purchase of the Same Item in Different Sizes
- If the product is often returned, show a banner proactively to double check the sizing details and specifications etc.
- Personalisation of the return policy through badges (experiments): Showing the free return badge to frequent returners but give a voucher instead or a credit voucher +10%.
- Exclusion of Low-Profit Customers (high returners) From expensive channels like SMS, RCS or Ads
- Predictions: likelihood to return



## Understand the trends and motivations

Available in the <u>Use Case Centre</u>: Deployed within minutes and a few clicks

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#### **Returns dashboards**

- Available to download by a few clicks in the use case centre
- Detailed and segmented view on: main merics, trends, returning customers, returning items, the value, product categories and surveys



#### Post return surveys

- Survey Understand why the customers made a return
- Why they purchased with the intent to return:
  - The product didn't fit or work as they expected
  - The product didn't match your description (wrong size,colour)
  - They're returning a gift
  - Damaged product
  - o Other

SIZING IS	SUE
PRODUCT	DESCRIPTION
DISLIKED	PRODUCT
NO LONG	ER NEEDED / WANTED
DEFECTIV	E OR DAMAGED PRODUCT
INCORRE	CT ITEM
EXCHANG	E NOT AVAILABLE
1 Other	

## Personalisation to optimise returns

#### Website & banners strategies

#### 1) Banner notification for frequently returned items (UCC):

Carefully double-check the item characteristics before purchasing to make sure that the item suits your needs the best:

The customer must visit a product page with one of the TOP 10 most returned products. The banner is displayed to a customer 10 seconds after visiting a product page and it will be closed automatically later.

#### 2) Experiments notification for frequently returned items

#### 3) Banner notification for customers with high return rates (UCC):

Displaying a message like "Thank you for being environmentally aware and only buying what you need! .

#### 4) Personalisation of the return policy through badges:

Not showing the free return badge to frequent returners but giving a voucher instead or a credit voucher +10%. Requires return policy alignment and segmentation

bloomreach Available in the <u>Use Case Centre</u>: Deployed within minutes and a few clicks



### Daily Exclusion of frequent returners From Retargeting and/or other expensive channels

You can download a pre-built customer segmentation according to the item return rate from the returns dashboards use case in the UCC, then apply to any scenarios or weblayers



## Key Takeaways

### Key Takeaways



## Transparency & urgency

The transparency is the key and will support the brand loyalty as well as the confidence, mainly when emphasizing values and customer first approach.



### Expansion on emerging markets

Make sure you have the right tools to scale up up the the use cases across emerging markets



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## Efficiency & flexibility

The market situation is the most dynamic in the past 50 years. This requires the CRM teams to be able to react very quickly on the latest developments and adjust the campaigns and messaging in a short period of time.



#### Returns Optimisation strategies

Focus on Margin optimisation through the localisation optimisation, agility and the returns optimisation.

## **Bonus content**

### **Other Helpful Resources**

#### **Reports & Guides**



**Determining Email Send** Times: Why It Matters, Best Practices, and AI Solutions

How To Use AI in Email Marketing To Save Time and Money



Impactful Personalized Marketing Examples You **Can Implement Today** 



A Marketer's Guide to **Ecommerce Returns** in 2024

#### **Case Studies**

HMV Uses AutoSegments to C **Discover Valuable New Google Ads Segment** 



On the Beach Boosts **Conversions With Customized** Price Drop Campaigns Using **Bloomreach Engagement** 



bimago Use AI-Based A/B **Testing Alternative To Increase On-Site Conversion Rate 44%** 



**United Fashion Group Drives Conversions With** Loomi-Powered Contextual Personalization

#### Thought Leadership Videos



Strategies to Boost Loyalty and **Repeat Engagement** 



**Innovation Fest** 

## Join the Bloomreach rewards program

<u>Join the club</u> to help others make smart decisions and grow your network — all while earning great rewards!

- Start as an advocate
   by sharing your first insight
- Become an evangelist
   through consistent contributions
- Reach ambassador status
   with standout advocacy and leadership

Powered by **deeto** 



## How it works?

- 1. Accept the invite to Deeto or register
- 2. Complete activities like:
  - a. Submitting a review or story
  - b. Joining a reference call
  - c. Speaking or posting on social
  - d. Referring a peer
- 3. Unlock rewards, visibility and badges

#### What's In It for You?

- Personal brand visibility
- Swag and perks
- VIP networking access
- Speaking opportunities
- Up to \$1000 in event/travel credit



Michael Manton in Head of Ecommerce at Hornby Hobbies Ltd

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Our use of Bloomreach Engagement and Discovery has transformed our customer experience, personalisation, business insights and e-commerce performance, and provides a fantastic platform for continued growth.

## SURVEY: Which aspects of today's session did you find most helpful?



# Thank you