How Rakuten and leading brands use shopper behaviors to expand reach and target consumers

Article





Expanding audience reach requires targeting the correct consumers. While true one-to-one advertising is still a dream, similar outcomes can be achieved by reaching the right audiences through affiliate marketing, paid social, and buy now, pay later (BNPL). "This whole trend around personalization really applies to audiences as well," David Gill, vice president of consumer insights at Rakuten Advertising, said during our recent "Master the Holidays with Winning Performance Marketing Strategies" Tech-Talk Webinar. Data from affiliate marketing and social platforms can be used to identify which kinds of consumers brands should be reaching out to in order to expand their customer base.

Here are five case studies where the company worked with big brands to put that practice into action.

1. Understand consumer values to find like-minded potential customers

Case study: Fashion brand AllSaints worked with Rakuten to understand where buyers were shopping outside their site and their own stores. "They spent around a third of their apparel wallet at Nordstrom, Saks, and Bloomingdale's. They also scored very high for shopping at Revolve and The RealReal," said Gill.

Lesson learned: Rakuten and AllSaints used this data to determine that AllSaints consumers shopped at high-end stores and value environmentally sustainable consumption. They used this data to target new customers who fit that brand profile via affiliate marketing.

By the numbers: 59% of US adults prefer brands that reflect their social values, according to a December 2022 Morning Consult study.

2. Don't confine yourself to one demographic

Case study: Camp Chef worked with Rakuten to target female shoppers for outdoor grill sales via performance marketing on paid search, paid social, and display advertising. Using Pinterest data, the companies found interest overlap with female sports and outdoor goods buyers at Patagonia, REI, and Iululemon athletica.

Lesson learned: Camp Chef used that overlap to build a cohort for targeting and creating the right messaging for marketing to these shoppers, leveraging female creators and hosting a grill-off to deliver that message.





By the numbers: Female and male shoppers in the US bought outdoor goods at around the same rate in August 2023 (18.8% of female shoppers and 20.7% of male shoppers), according to an Insider Intelligence survey conducted by Bizrate Insights.

3. Use age-related data to become timeless

Case study: Fashion brand Eileen Fisher faced a problem—remaining relevant with younger consumers as its core customer ages. "[We have to find] that next generation of customer, so audience targeting is really key in these cases," said Mike Chin, senior vice president of retail at Rakuten Advertising. "We executed prospecting and retargeting campaigns in parallel to drive qualified leads to the site." Rakuten saw that younger Eileen Fisher customers were also shopping at Everlane and Madewell.

Lesson learned: Eileen Fisher used this information to understand how often younger consumers shopped and what price point they bought at in order to create listings and messaging that appealed to younger consumers, said Gill.

By the numbers: In 2024, US adults ages 25 to 34 will make up the largest cohort of social buyers by age at 23.1%, according to our forecast.

4. Expand your payment options

Case study: MAC Cosmetics was also looking to expand to younger consumers, Gen Z in particular, but recognized those shoppers are often more limited by budget. Rakuten advertising saw potential in BNPL, said Chin.

Lesson learned: MAC worked with Afterpay, not only to attract Gen Z consumers but also to use Afterpay's segmenting and targeting options to reach luxury beauty consumers in particular.

By the numbers: Gen Z accounts for the fastest-growing generation of BNPL users in the US, with growth projected at over 20% in 2023 and 2024, according to our June 2023 forecast.

5. Grab category share during tentpole events

Case study: Shoppers on Amazon Prime Day and other tentpole events aren't necessarily looking for Amazon deals—they're looking for good prices. "When buyers are in-market,





they're not just going to the [Waiyfair's] Way Day sale. They decided that they need some home furnishings. The Way Day sale happens to have good deals, but that doesn't mean they're not going to visit other retailer sites," said Gill.

Lesson learned: On Wayfair's Way Day, Target's Circle Days, and Amazon's Prime Days, make sure to have the right media and the right offerings to reach consumers looking for deals.

By the numbers: Non-Amazon sales during Prime Day made up 40.4% of sales during the events this year, according to our June 2023 forecast.

This was originally featured in the eMarketer Daily newsletter. For more marketing insights, statistics, and trends, subscribe here.