



Top 7 SMS Marketing **Segmentation** **Hacks** for Beginners










Breakdown of How to Segment Your SMS Subscribers

In SMSBump you have close to infinite ways to build different segments, using the filters within the 5 segmentation categories:

01. **Customer Behavior:** the customer's purchasing habits, order frequency, specific interests.
02. **Customer Attributes:** tags, account status, duration of the relationship.
03. **Location:** customers located within a certain country or region, or not.
04. **SMS Engagement:** customers who interacted with your text marketing messages.
05. **Order information:** customers at a certain stage of their order (fulfilled, unfulfilled, etc.).

For even more accurate audience targeting, you can mix-match the filters to create very specific customer segments.

This eBook will give your **the top 7 customer segments** Shopify stores use to increase customer retention and sales:

- | | |
|--|--|
|  High Value Customers |  Prospect Customers |
|  Product Preferences |  Occasional Shoppers |
|  Holiday Shoppers |  Customers Based on Subscription Method |
|  Customer Location | |

But let's first see what constitutes an SMSBump segment and why do stores benefit from separating their customers into different segments.

Getting Started with the SMSBump Segments

Segmentation is all about targeting the right people with the right message, offers, discounts etc. Before you start building your segments, you should determine your **audience, message** and **channel**. Or in other words - who do you want to target, what do you want to tell them and where can you find them.

With SMSBump Shopify store owners can import numerous lists and build as many segments as necessary, to target a specific audience for your SMS marketing campaigns.

Lists

Lists are **imported** and are **static**, meaning the contacts placed in them remain unchanged. When you first register with SMSBump, you will have 1 predefined list - the master list, your **Text Marketing List (Autogenerated)**, where all your new subscribers will be added from each source: checkout, subscription form, and keywords..

Segments

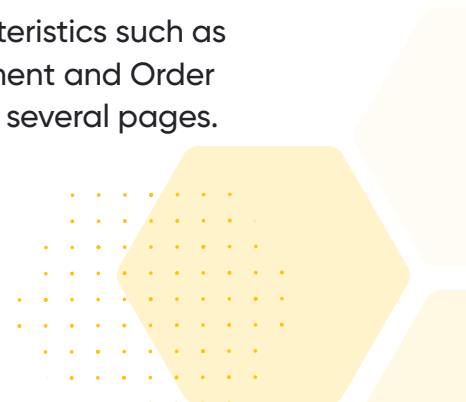
Segments are built within SMSBump, are **dynamic and grow automatically** as people meet certain set of conditions you have entered, or shrink as they no longer meet them. These characteristics could be **descriptive** (geographic location, age, gender, interests, etc.) and **behavioral** (buying patterns of customers like frequency, brand loyalty, etc.).



*Companies which use segmentation report a **55% increase** in revenue per recipient.*



The segments in SMSBump can be based on a number of characteristics such as Customer Behavior, Customer Attributes, Location, SMS Engagement and Order Information, all of which we will discuss more in-depth in the next several pages.



CHAPTER I: Getting Started with the SMSBump Segments

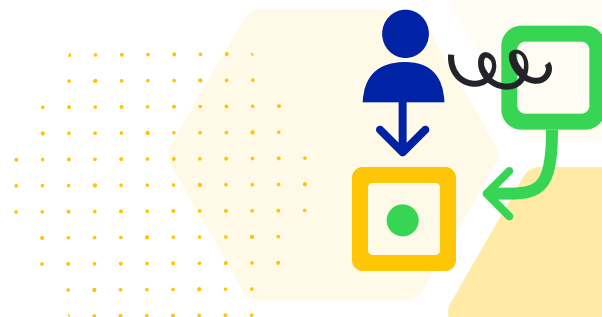
Customer Behavior Segments

The Customer Behavior segment category allows Shopify merchants to divide customers based on their actions. Behavioral segmentation is the key to building a strategy that will increase **customer lifetime value**.

There are a number of different ways to build segments based on the following Customer behavior segment rules:

- **Money spent:** can help you set apart your big spenders from the in-betweeners
- **Placed an order:** gives you better insight which customers to target when launching flash sales, win-back campaigns, promos for different holidays (Mother's Day, Labour Day) etc.
- **Not ordered since:** gives you all customers who have been inactive for awhile
- **Number of orders:** can filter out all of your most loyal customers, i.e. the ones who made the most orders
- **Not/Ordered specific product/s:** segments out customers based on their product preferences so you can target them with more relevant deals
- **Not/Ordered from a collection:** segments out customers based on their interest in a particular collection so you can target them with better bundle deals

Segmenting based on customer behavior is crucial for determining your approach to different audiences, crafting an effective call to action and combining it with different, but relevant offers that will speak to your individual customers.



CHAPTER I: Getting Started with the SMSBump Segments

Customer attributes

Customer attributes consist of 3 types of information about your shoppers:

- **Tags** - help you build up your customer's buyer persona, with all the useful insights you have picked up along your customer's experience with you.
- **Account Status** - customers' statuses can be enabled, disabled, invited or declined.
- **Date Created** - you can use this filter to differentiate between long-term customers, newcomers and the ones in between.

Location

SMSBump Location-based segments let you build however narrow or broad audiences you want and anything in between. You can build your customer segments based on five filters:

- **Located in a specific country:** include just the country/countries you want to target
- **Not located in a specific country:** exclude specific countries you don't wish to reach
- **Located in the EU:** target only customers located in any of the 28 countries of the EU
- **Not located in the EU:** exclude all or some of the 28 EU countries but target the rest of the world
- **Proximity to location:** reach a local area

Creating segments based on contacts' locations can be particularly helpful if you are running a location-specific campaign, or if you are looking to launch a local or global campaign.



CHAPTER I: Getting Started with the SMSBump Segments

SMS Engagement

This segment allows Shopify merchants to create segments of customers who have already acted on the SMS promos they've blasted out using SMSBump. These could be all customers who:

- **Subscribed through** a specific source - keyword, checkout etc.
- Were **already targeted** by SMS campaigns
- **Clicked** an SMS link
- **Ordered** from an SMS campaign
- **Haven't confirmed** their SMS subscription

These filters can separate your engaged from your non-engaged customers.

Order information

It is important for your customers to know what is going on with their order and payment at all times. Give your Shopify customers a piece of mind by creating separate segments based on the different stages customers are with their order/payment:

- **Order fulfilment status:** customers with fulfilled, unfulfilled, or partially fulfilled orders
- **Order payment status:** customers at different payment statuses selected by you

Now lets see how can you combine these characteristics to create bulletproof customer segments and score great results. We will give you 7 examples that we've found to be effective but the combinations are much more than that!



7 Customer Segments That Hit the Mark

In this chapter we will focus more on actual segmentation strategies you can adopt and use for your Shopify store, and the occasions on which you can use them. Of course, we've prepared plenty of actual examples.

We've come up with 7 effective segments that always score great results:

- 1 **High value customers:** this segment consists of all of customers who spent over a certain amount of money, made a particular number of orders and placed an order fairly recently.
- 2 **Product interests:** with this segment you can separate your customers based on particular products they bought to target them with relevant product/collection recommendations and deals.
- 3 **Holiday Spenders:** holiday segmentation is crucial so your Shopify store can stand out from the crowd with personalized and relevant offers and blow the competition out of the water.
- 4 **Location:** location-based segmentation helps you narrow down your campaign reach to make your offers relevant to specific countries and regions, even neighborhoods.
- 5 **Prospect Customers:** these are all subscribers who were initially interested in your brand and offer, clicked on your link, but pulled out at the last second and didn't complete a purchase.
- 6 **Occasional Shoppers:** all customers who were once interested in your brand, signed-up to receive notifications from you, even placed an order, but haven't been active in a specific period of time.
- 7 **Customers based on subscription method:** this is a way to segment your customers based on the gateways they subscribed through for your text marketing (keywords, checkout, pop-ups etc.)

Some valuable insights, right? Now let's dive even deeper and dissect each of these segments.

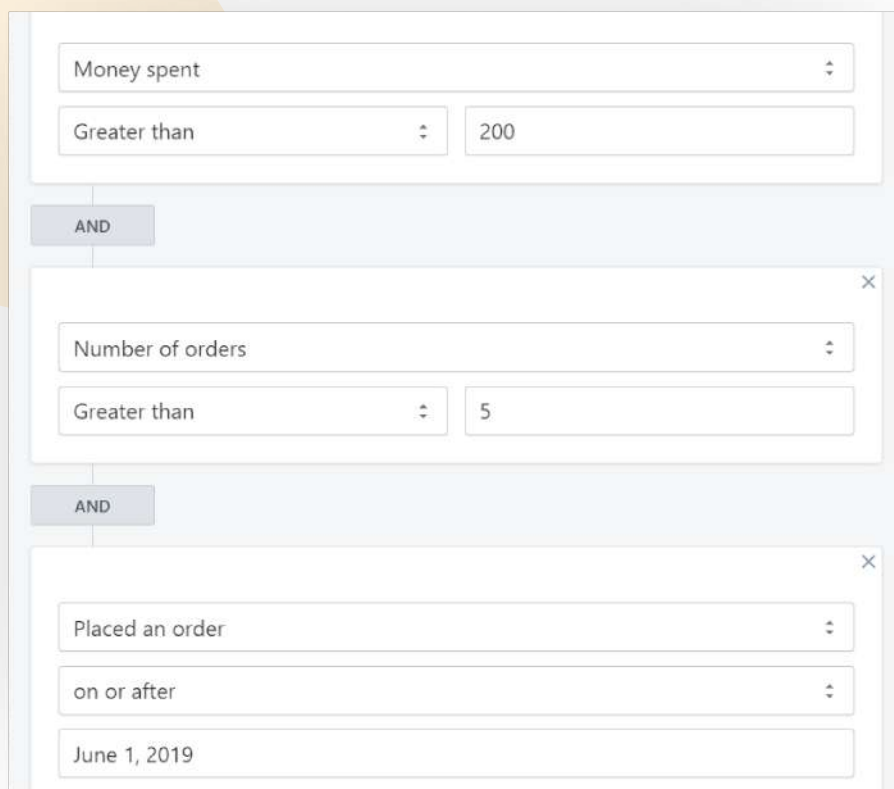
High-value Customers

High-value customers are usually what makes businesses sustainable. They are the ones who:

- **Spent the most at your store**
- **Made the most purchases**
- **Are long-term customers**

and as such – should be shown the most appreciation, the best deals, the relationship with them should be nurtured with highly personalized approach.

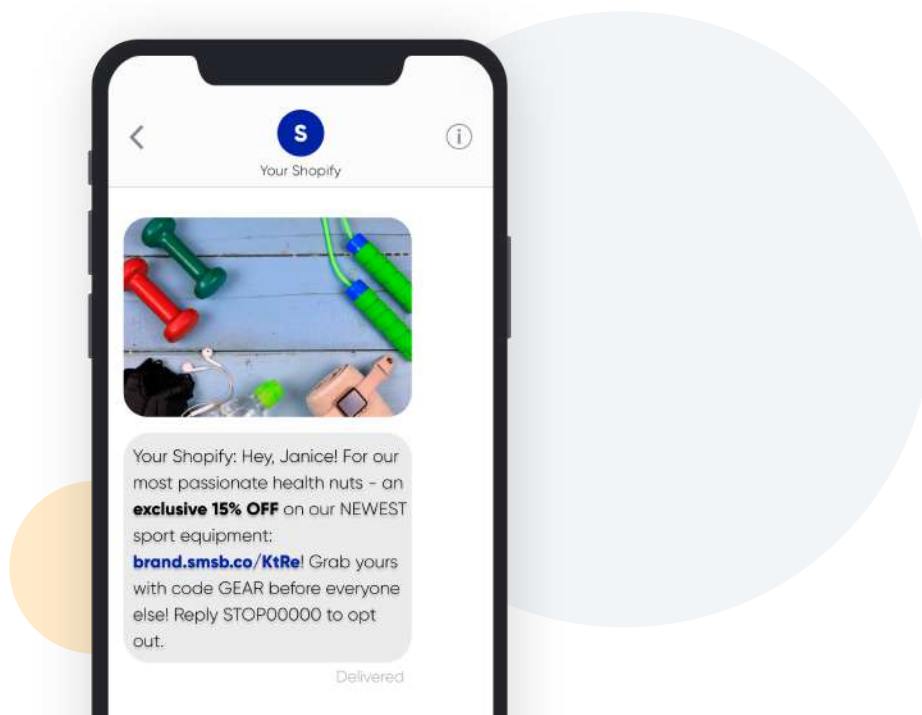
However, even high-value customers are prone to leave if you don't take good care of them, provide them with the most relevant and personalized deals.



The image shows a screenshot of a customer segmentation filter interface. It consists of three stacked filter boxes connected by 'AND' operators. The first filter box contains a dropdown menu with 'Money spent', a comparison operator 'Greater than', and a value '200'. The second filter box contains a dropdown menu with 'Number of orders', a comparison operator 'Greater than', and a value '5'. The third filter box contains a dropdown menu with 'Placed an order', a comparison operator 'on or after', and a date value 'June 1, 2019'. Each filter box has a close button (X) in the top right corner.

CHAPTER II: 7 Customer Segments That Hit the Mark

Now that you have your most valuable customers filtered out, decide on the best moment to send them text marketing. This could be when you are about to launch a new collection – treat them to **exclusive pre-premiere, limited-time offers**.



Bonus tip: sometimes maintaining a close relationship with your most valued customers isn't about making more sales. In fact, more than [60% of customers](#) enjoy it when they receive a touchpoint that's not meant to score a sale (such as a birthday message, a thank you page etc.).

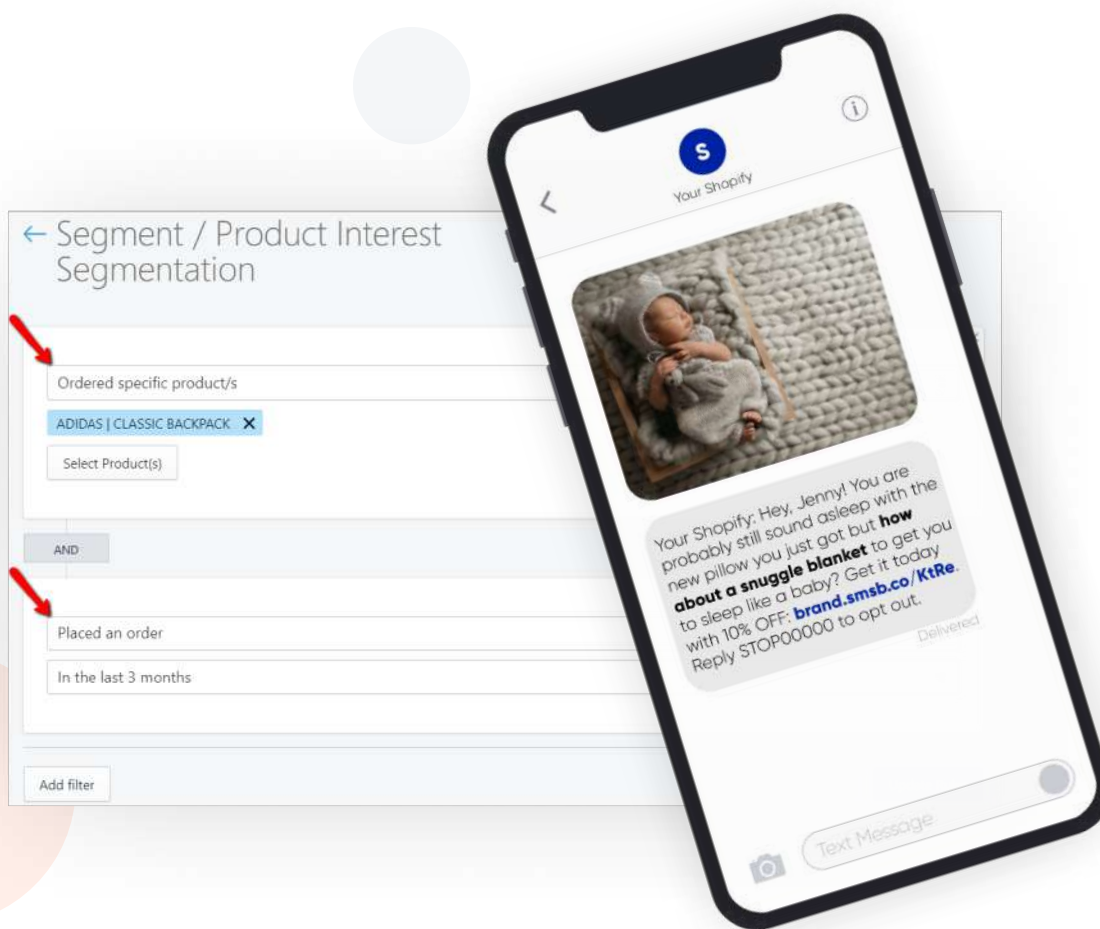
The key take-a-way here is that it is crucial to have your high-value customers in a separate segment and always make sure you provide them with the best of the best from your store. Why? Because repeat customers:

- Spend as much as [300%](#) more than new customers
- Help your business grow by referring as much as [50%](#) more people than one-time buyers
- Are a rather small portion of your entire customer base (about 8%) but account for [41%](#) of your store's annual budget.

Pro tip: For best results make sure to substitute the data so it makes sense for your store. Example, if on average people make 2 orders, use **Order > 1**.

Product Interests

Customer segmentation based on product interests could help you determine what discounts to offer and on what products or collections, so you make sure you target customers with relevant deals.



For instance, create a segment with customers who **have purchased product X in a specific time-period** and send them a relevant **product recommendation** that will invite them to buy an additional item to complement the one they just got.

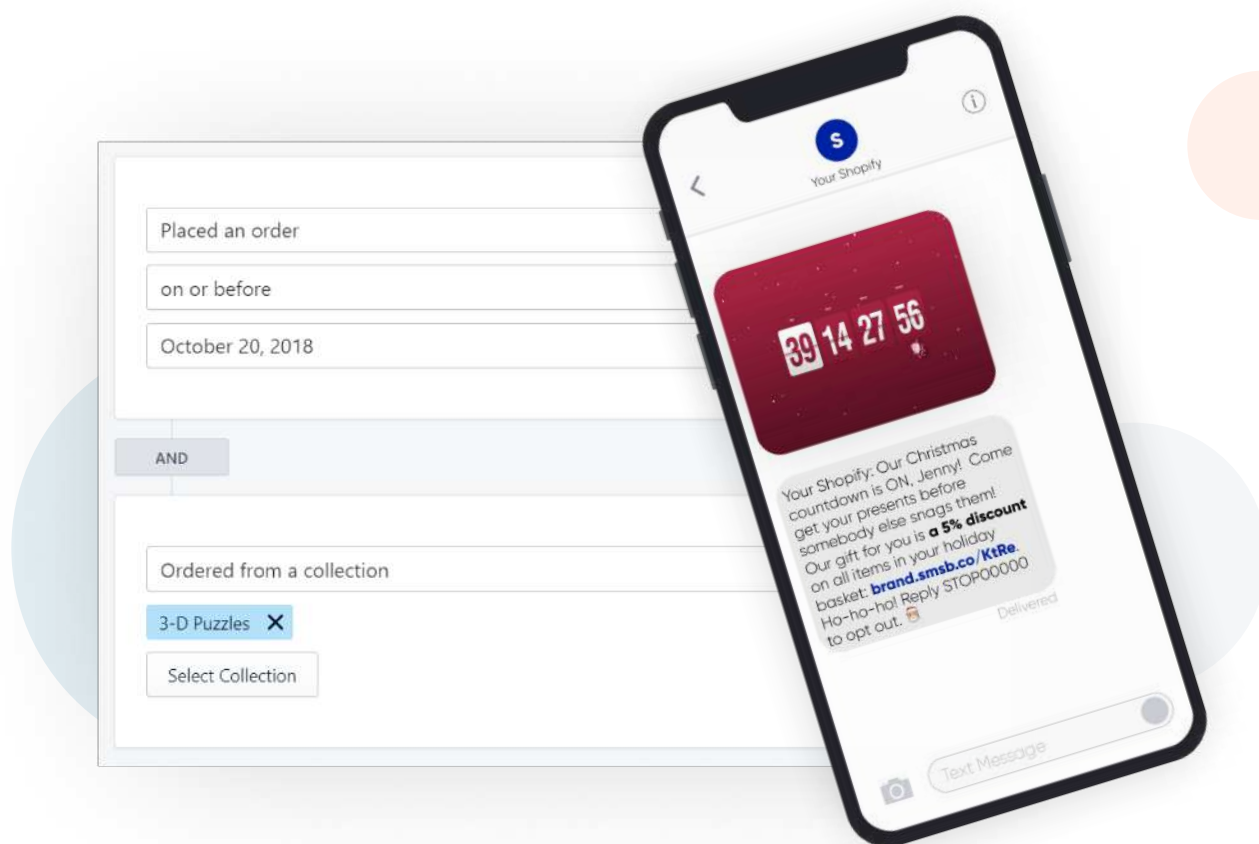
This extra dash of care will make them feel valued and will give them a sense of exclusivity.

Holiday Shoppers

The time before major holidays is the best time to plan out your text marketing campaigns from A to Z, and do so according to your customers' spending habits. At SMSBump we've done some digging and come up with three segments, based on customer holiday purchasing habits.

Early Birds

These customers buy well in advance and don't wait for the holiday rush to kick in. Create a segment with all of your early birds by selecting the **Placed order on or before** rule and specify a particular day, e.g. October 20, 2018. You can combine this filter with Ordered from a **specific collection** to zero in even more on the customers who last year only purchased items from your Christmas collection.



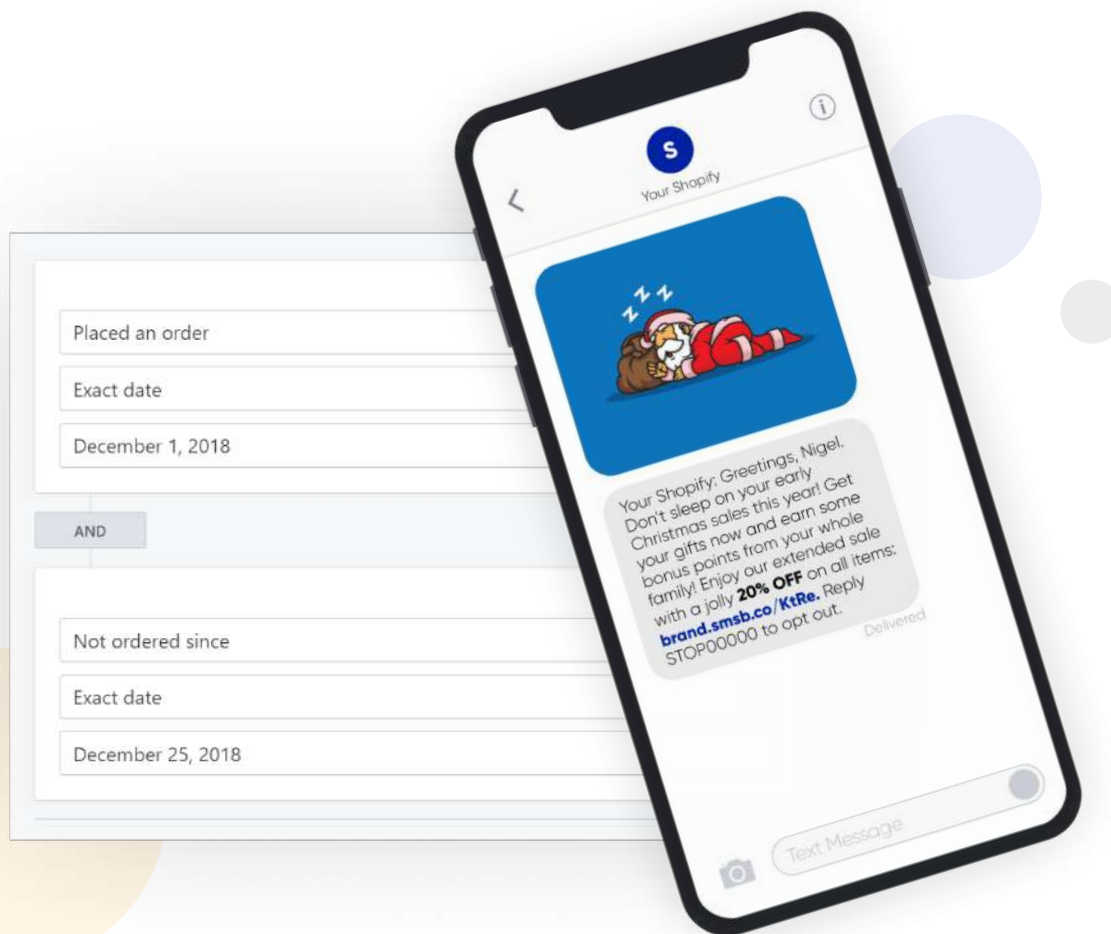
Send them an invite to check out this year's Christmas merchandize that just flew in and landed on your Shopify shelves. Nudge them to grab their presents early and with a small discount to reward them for being the first ones in line. Pair the discount with a call-to-action that taps into their desire to beat the holiday rush and finish their shopping as soon as possible, before everybody else.

CHAPTER II: 7 Customer Segments That Hit the Mark

Deal Seekers

These customers do most of their Christmas shopping around Black Friday/Cyber Monday, or wait for the week-before sales. They prefer online shopping and are usually very price-sensitive and on the look-around for good deals.

Create a segment that will contain customers who **placed an order on or after**, say December 1 of last year, and combine it with the **Not ordered since** rule to segment out all of your holiday shoppers.



This segment will now include all customers who perhaps couldn't get in line and enjoy your Black Friday/Cyber Monday promos, but would love to get a hold of your Christmas deals.

To grab their attention, send them a message, reminding them that it is never too late to get their Christmas presents, especially if they come with a sweet 10-15-20% discount.

CHAPTER II: 7 Customer Segments That Hit the Mark

Procrastinators

These are your last-minute buyers and they represent a great 40% of all ecommerce buyers. Big chunk, right? These thrill-seekers are mostly one-time-only buyers, they are more time-sensitive than price-sensitive.

To collect all of your last-minute buyers, simply select the **Placed an order on or after** and specify a day, e.g. December 23 of last year and combine it with **Date created** and specify a date (say, December 20). which will show you if they registered with you just for their holiday shopping and your awesome deals.



Shoot them a text, reminding them that you have what they need and you have it in your special "Last-minute gifts" selection.

Give them free shipping to get them to choose your online store over the Brick & Mortar ones. Often-times customers avoid shopping online because of extra shipping costs, so offering them free shipping will take care of at least one of the main barriers.

Location-based Segmentation

Location-based segmentation is useful to both big brands and local businesses as it allows them to focus their marketing efforts on specific places and customers for even more personalized approach.

With the location-based segment rule in SMSBump you can create:

- **Broad segments:** they contain multiple countries and could be very useful if you are looking to launch a campaign in several languages, or in one language, but spoken by a major part of the world's population.
- **Narrow segments:** they focus on a specific country, city, or if you use the proximity to location filter - even specific neighbourhoods and streets.

Location-based segmentation is especially valuable around **major holidays**, when most of the shopping occurs. Let's look at two examples of holidays that are very particular for a certain country or region.



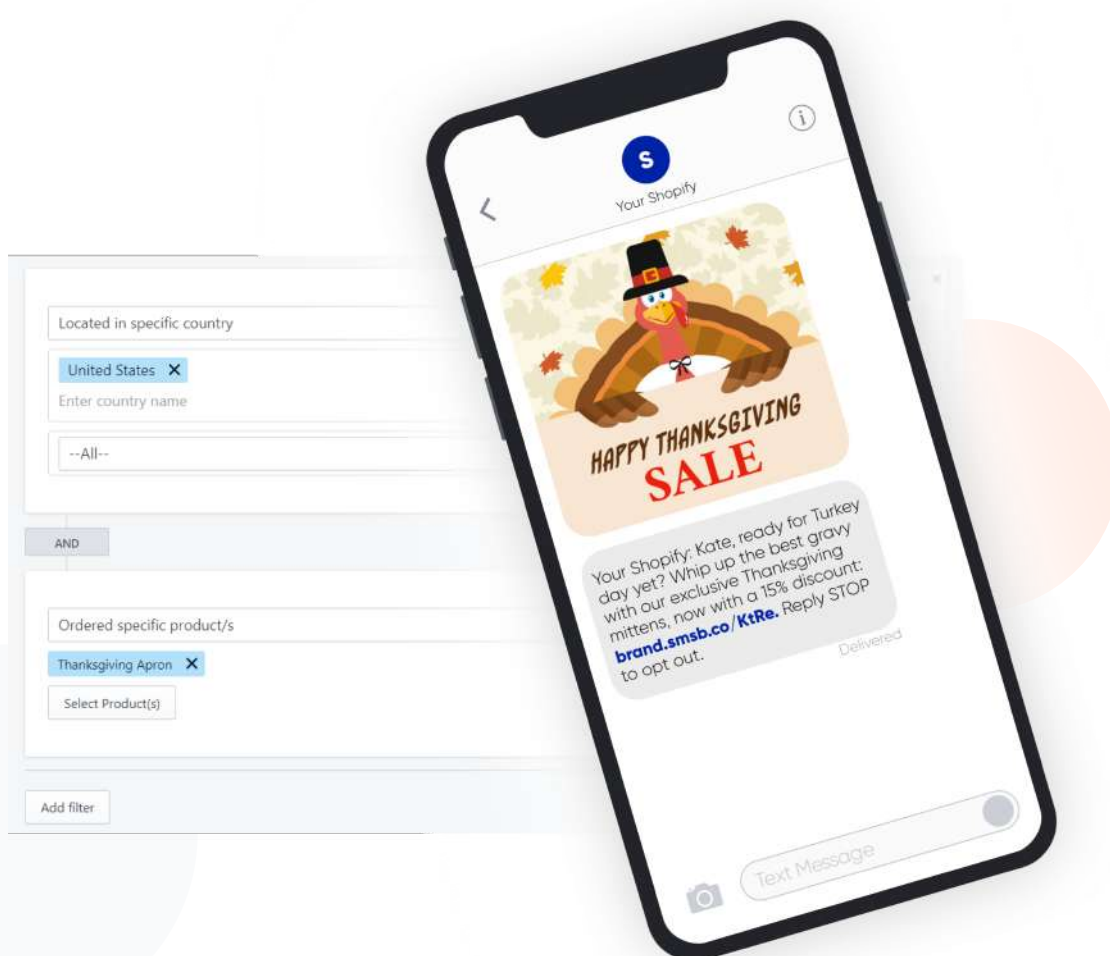
CHAPTER II: 7 Customer Segments That Hit the Mark

Thanksgiving

The fourth Thursday of every November is a very specific American holiday. The overall Thanksgiving spending last year reached a record [\\$3.7 billion, with mobile driving 54.4 percent of traffic](#) to retail sites and 36.7 percent of all e-commerce sales.

In other words, the time around Thanksgiving is the ideal moment to segment your US-based customers and send them your awesome turkey-day deals.

To create this segment, select the **Based in a specific country** filter and type in "United States". To be even more particular with your offers, you can add a second rule - **Ordered a specific product**, and select a relevant product from your inventory that would go well with the one you are looking to send a deal on. In our example we've selected all customers who bought a Thanksgiving apron and suggested cooking mittens to go with that.



CHAPTER II: 7 Customer Segments That Hit the Mark

Thanksgiving is also very popular in Canada, and is celebrated every second Monday of October.

With that in mind, you might want to specifically target Canadians for your September-October Thanksgiving deals, while target Americans with your end-of-October until end-of-November promos.

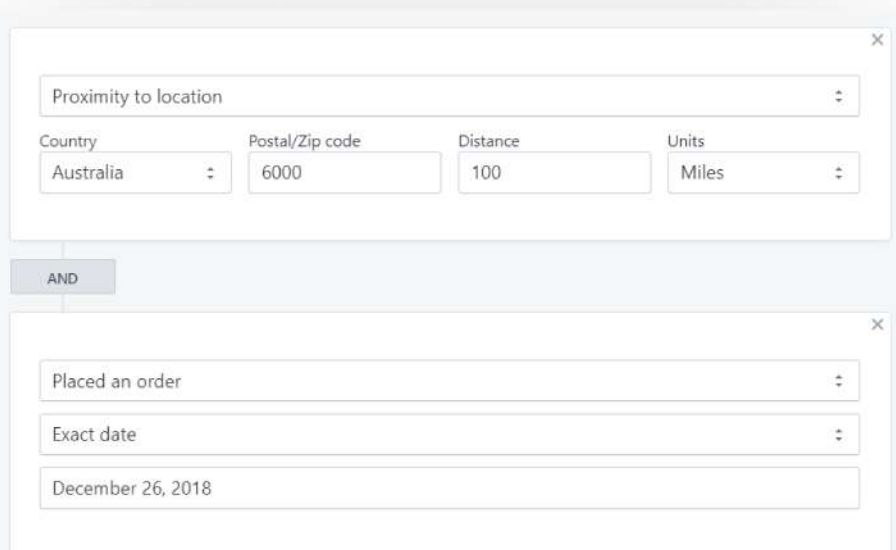
Boxing Day

Boxing Day (December 26) is also one very particular holiday for all countries that once used to form the British Empire - Britain, Scotland, Ireland, Australia, New Zealand, Canada etc.

In retail terms, **Boxing Day is considered to be the second Black Friday.**

In Australia particularly, December 26 is the largest online retail day with over [58 million visits](#), rolling greater and greater numbers every year.

With help from the location segment rules, you can easily track all of your Boxing Day-shoppers. Simply create a segment containing **Australia-based customers who only placed a purchase on specific day, December 26 of last year**, and hit them with your special promotions. Or if you want to narrow down your search - limit your segment only to a particular city or region by using the **proximity to location segment rule**.



Proximity to location

Country	Postal/Zip code	Distance	Units
Australia	6000	100	Miles

AND

Placed an order

Exact date

December 26, 2018

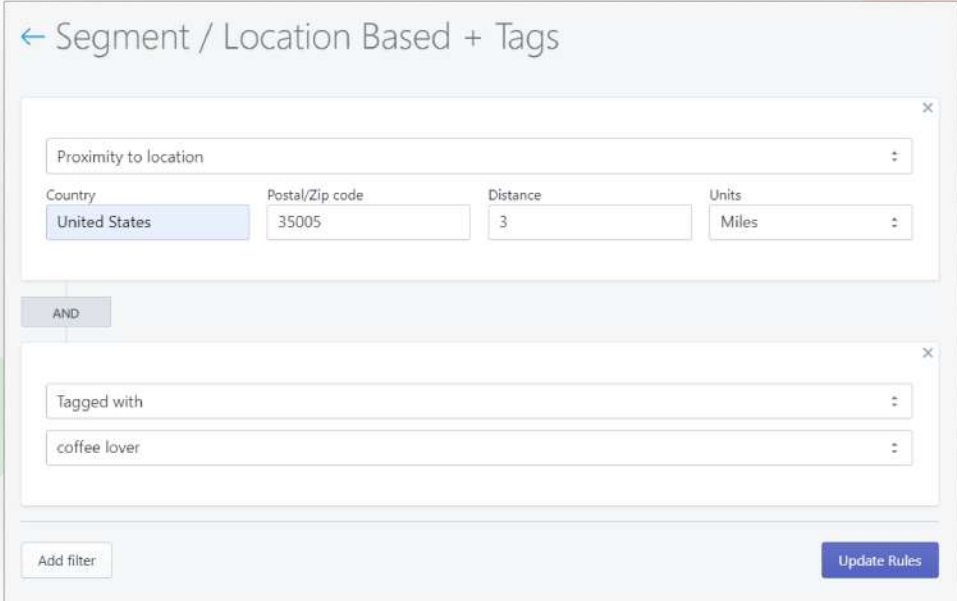
CHAPTER II: 7 Customer Segments That Hit the Mark

Location-based Segmentation for B&M Stores

Location-based segmentation is also very helpful to Brick and Mortar stores as it allows store owners to target specific regions and neighbourhoods to **drive more traffic to the physical stores**. With this segment tactic, it's easy to send locationally-relevant communication to your SMS subscribers. With a few clicks, you can direct the right customers to your brick-and mortar stores or in-person events.

At a physical level, segmenting a store allows retailers to plan their merchandising, their assortment of products, and their marketing efforts for greater efficiency and effectiveness. Customers get an experience more suited to their lifestyles, so they are more likely to repeat.

For instance, if you are a small coffee store and you are looking to launch a local sale on a new brand of double-brewed coffee you just got in, use the **proximity to location segment rule**.



← Segment / Location Based + Tags

Proximity to location

Country	Postal/Zip code	Distance	Units
United States	35005	3	Miles

AND

Tagged with

coffee lover

Add filter Update Rules

Choose the country, type in the zip-code of the neighbourhood you want to target and specify the radius. If you want to go even more in-depth with your segmentation - use Shopify tags to have your promo reach only customers who are **"Coffee lovers"**. Add in a discount or a discount code they can validate at the cashier to spike their interest even more.

CHAPTER II: 7 Customer Segments That Hit the Mark



Prospect Customers

Your prospect customers are an important niche which needs special attention. It represents all users who were in some way engaged with your store but didn't take that leap forward to make a purchase. The average bounce rate is [40%](#), and one of the most common reasons is that what's shown on the site just isn't relevant to what people want.

Could they not find the shoes in the right color, or the dress in the right size? Or perhaps they were looking for something more budget-friendly. Either way, retargeting prospects is the highway to gaining more subscribers. All you need is to give the right offer to the right group.

You can segment out prospects using the **Clicked on an SMSBump link** filter and combine it **Number of orders = 0** so you get all those customers who were interested in your offer but got second-thoughts somewhere along the way.

CHAPTER II: 7 Customer Segments That Hit the Mark

← Segment / Prospect Customers

Clicked on a SMSBump link

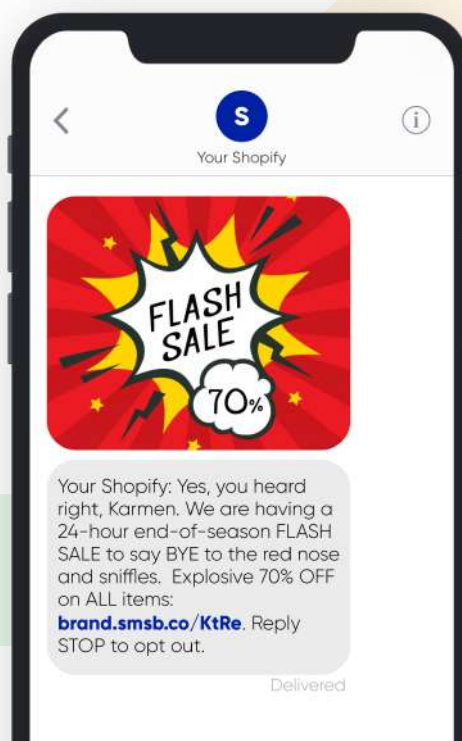
AND

Number of orders

Equal to 0

Add filter Update Rules

When you have all of your almost-converted visitors set aside, you can put this segment into use when you are announcing a new collection, or better yet, an end-of-season flash sale, so you know they will receive offers for the same merchandise but this time with an even greater incentive to purchase.



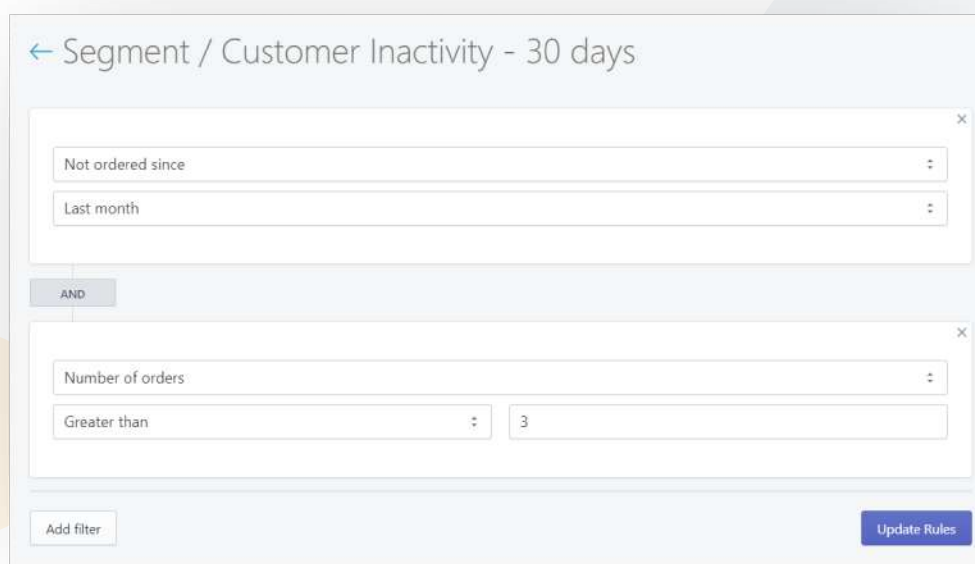
Occasional Shoppers

This segment is on the opposite end of the inactivity spectrum. Whereas the prospects showed interest in the beginning but didn't place an order, occasional customers did place one or more orders but have been inactive for some time.

Not trying to remarket lapsed customers is leaving money on the table. These customers already gave your store a shot but perhaps the post-purchase experience wasn't up to their standards. There could be a number of reasons why, but the **top factors that affect customer churn are text message over or underload, irrelevant offers and high shipping fees.**

With online stores popping up on every virtual corner, customer churn increases reciprocally. Shopify store owners need to keep a close eye on the number of inactive customers, and one way to do this is by setting up segments.

We advise you to build at least two segments and target them with different offers, based on the period of inactivity. The first segment could include customers who haven't placed an order **in the last month**, and the second - **in 60 or 90 days**, depending on the type of store you run. You can combine the frequency segment filter with **Number of orders** to see if a lot of your otherwise loyal customers have been away for awhile, or if your store mostly attracts one-timers.



← Segment / Customer Inactivity - 30 days

Not ordered since ▾
Last month ▾

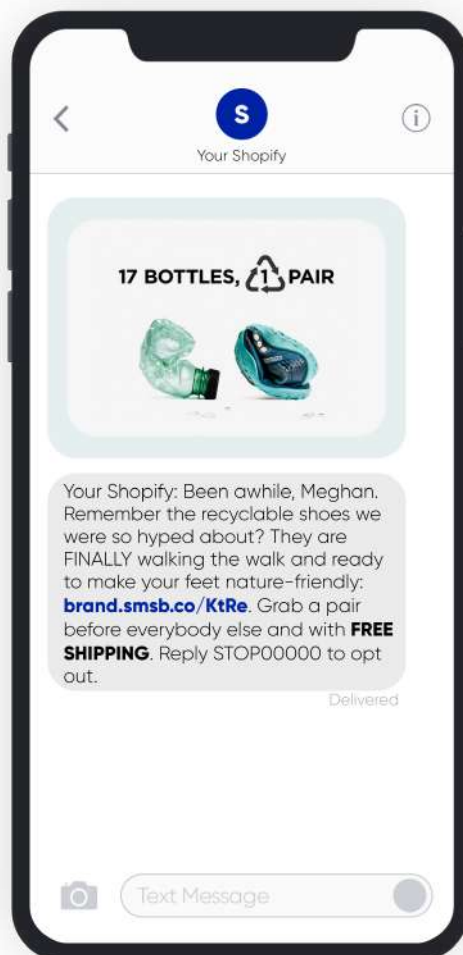
AND

Number of orders ▾
Greater than ▾ 3

Add filter Update Rules

CHAPTER II: 7 Customer Segments That Hit the Mark

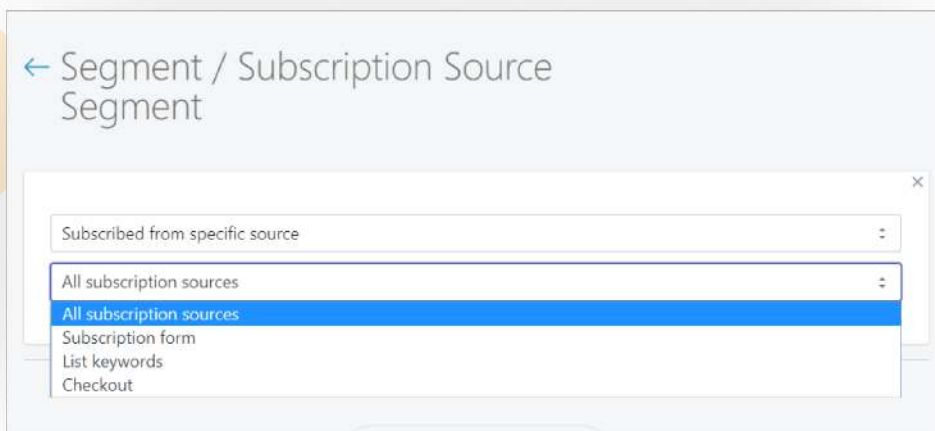
Treat this segment to exclusive offers for your newest collection or a unique item to get them excited about your store again. Complete the bundle of goodies with **free shipping**. This might give them the edge they were looking for and bring them back.



Customer Segmentation Based on Subscription Method

One of the newest options SMSBump introduced just recently is the subscription based segmentation filter, which allows you to pick through your subscribers and separate them based on the methods they used to subscribe - keyword, pop-up, checkout etc.

CHAPTER II: 7 Customer Segments That Hit the Mark



Let's look at two examples of how you can use this criteria to best segment your audience and build an effective targeting strategy.

Keyword Segmentation

SMS keywords have grown in popularity in recent years. In SMS marketing, customers can text a keyword to a store's shortcode to subscribe to a text marketing list.

One of the best things about keywords is how versatile they are. You can use keywords to attract subscribers on social media, run email or SMS campaigns, even on print advertising.

Keyword SMS subscriptions can tell you a lot about customers and their interests, but most importantly: **Their phone is their fortress.**

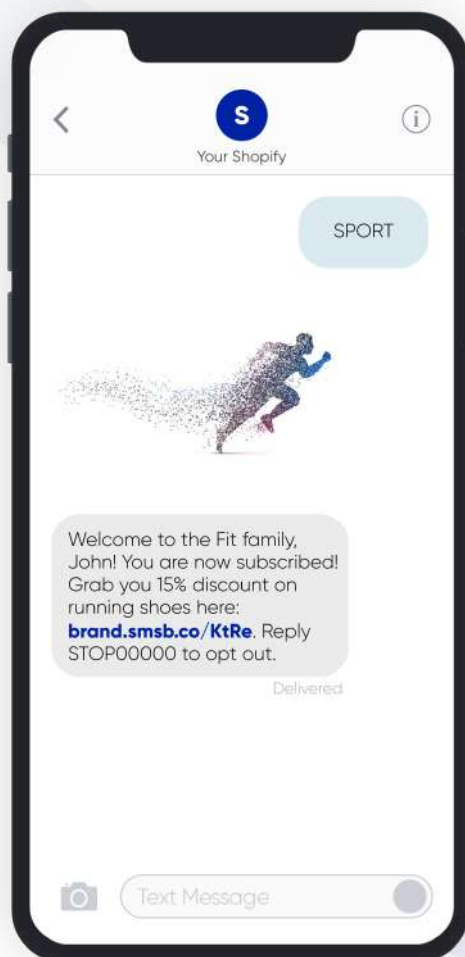
It is the place to find them. The place to send them content, announcements, reminders, offers and deals. They use it to communicate with their friends and family, to set up appointments but also to shop and to get updates.

CHAPTER II: 7 Customer Segments That Hit the Mark

Customers who subscribe using a keyword usually subscribe because they truly are interested in your **content and inventory**, not just in the deals you are ready to offer them. With the subscription source segment, you can pull out all customers who will be engaged for longer, and separate them from the ones that are just with you for the quick gains.

Once you create this segment, you can then target these customers specifically, send them special deals and treats, congratulate them on important events, even ask them to review your website's mobile version to provide the best experience.

Send these people **a link straight to the deal or the product/collection you are offering a sale on**. Since they've subscribed using that particular keyword, say SPORT, then they are obviously interested in your sport-related merchandise.



CHAPTER II: 7 Customer Segments That Hit the Mark

Pop-up Subscription Segment

Pop-ups, much like keywords, are also making a comeback, but unlike keywords, pop-up subscribers, more often than not, opt-in via desktop computer, laptop or tablet.

Why is this important to you and what does it mean about your SMS promotions and deals? It means that you should make them applicable for desktop and tablet users, too. But don't worry - we got you covered on this, as well.

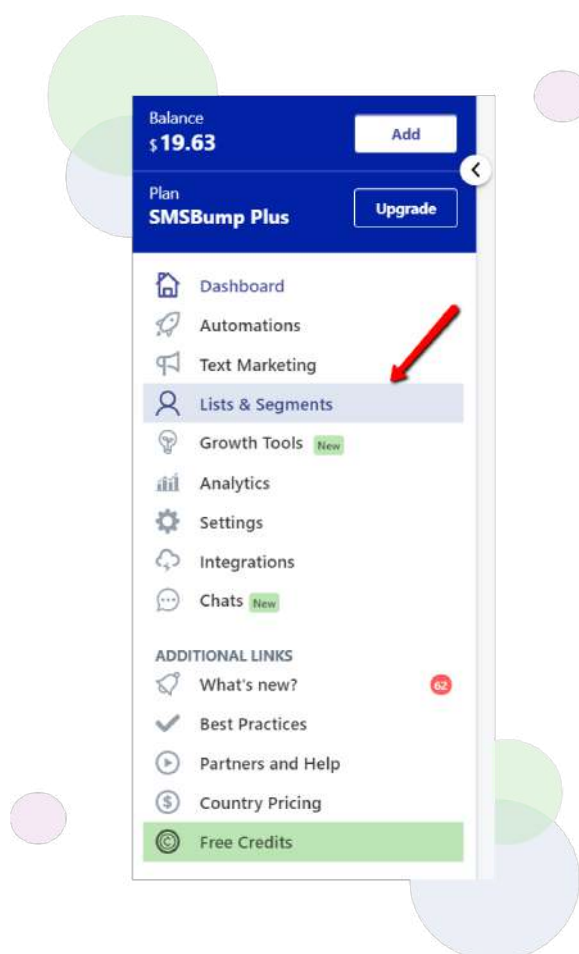
When you segment out all of your pop-up subscribers, you can shoot out a special offer which should include a physical discount code they can use on any device, but are not limited to checkout from their phone. This discount code you need to create from Shopify and you can then easily track to see how many of your pop-up subscribers actually completed a purchase.



How to Create a Segment in SMSBump

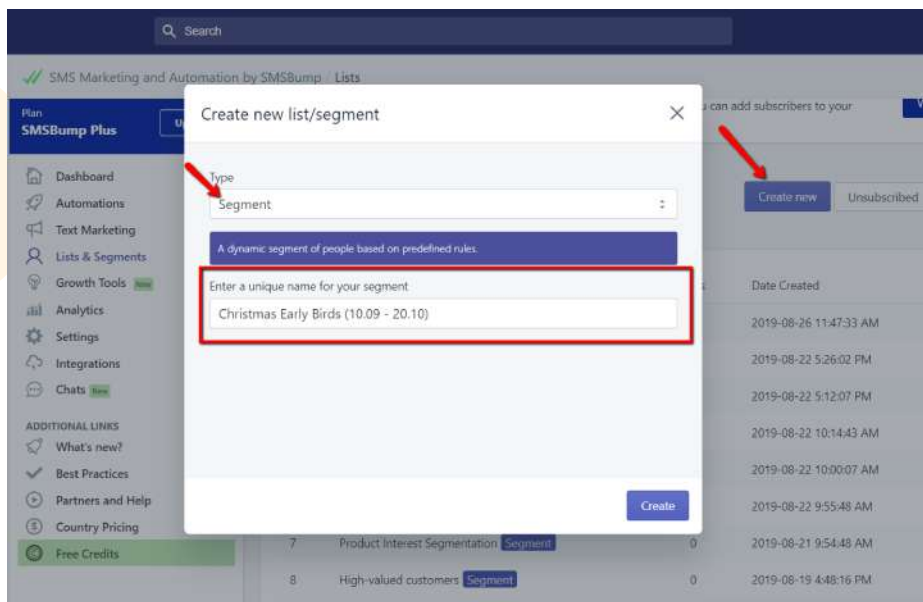
Now that we have gone through a few of the cool and effective ways to segment your customers with SMSBump, let's walk you through the simple, 4-step process of actually creating a segment in the app.

01. From your SMSBump side menu select **Lists & Segments**.

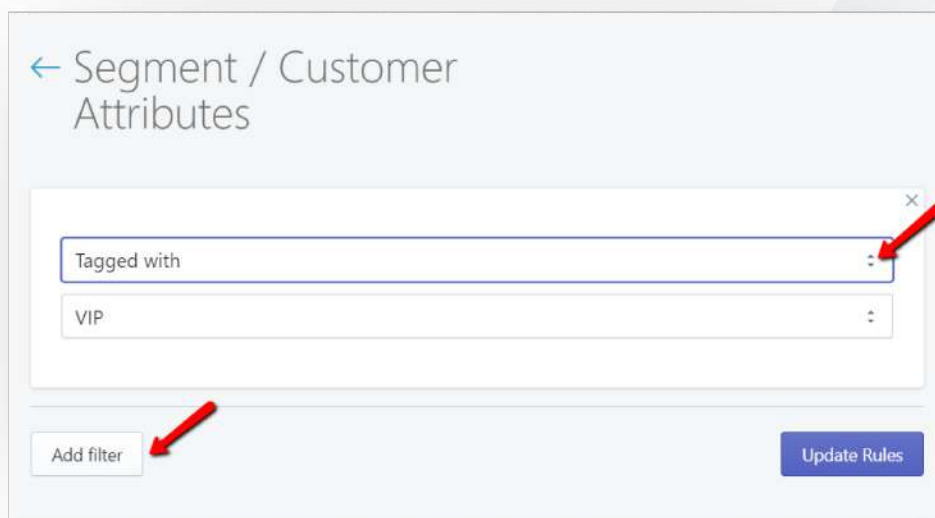


02. Click on **Create new** and select **Segment** to start building your segment. Give it an exciting and unique name that will make it easy for you to track your success later on without any confusion. A rather confusing name would be "Segment 2".

CHAPTER III: How to Create a Segment in SMSBump



- From the drop-down menu set up your **segment rule** and its parameters. To combine two or more filters, simply click **"Add filter"** and select your desired segment rules.



- When you are ready, click **Update rules** and Voila - your new segment is up and running, and will now start gathering customers who meet your criteria.



WHY SMSBUMP?

SMSBump is a robust E-Commerce app for SMS marketing and automation that recovers revenue, boosts marketing ROI and grows your Shopify business.

Full TCPA, CTIA and GDPR Compliance

SMS marketing requires E-Commerce merchants to take a few steps to ensure their Shopify stores are compliant with international laws. SMSBump ensures to inform you about each compliance step and will help you in person in case you need assistance setting everything up.

If you're on Shopify and want to accelerate your business growth, check what SMSBump can do for your online store and start your SMS marketing strategy today!

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