

A GUIDE TO

Redecorating Your Digital Home & Garden



Table of contents

01.	Introduction	3
02.	The Trends and Challenges in Home & Garden	4
03.	Buyer Personas in the Home & Garden Domain	6
04.	Re-energizing Consumers' Passion with Truly Personalized Campaigns	9
05.	Reemphasizing Promotional Periods	11
06.	Revving up the Brand across All Channels	13
07.	Recommending the Most Relevant Products	15
08.	Thriving by Driving Results and Revenue	17
09.	Quick Redecorating Tips for Home & Garden Organizations	19
10.	Room to Improve	21
11.	About RTB House	22
12.	Contact	23

Introduction

Our homes and gardens undergo constant improvement. Year after year, we add elements that make a difference and make us happy.



This guide shows how Home & Garden organizations can do the same – by focusing on key areas, they can redecorate their marketing stacks and achieve extraordinary results.

The Trends and Challenges in Home & Garden

With the global home and garden products B2C e-commerce market poised to grow by 101.65 B USD by 2024, competition is flourishing. Consequently, maintaining consumer loyalty is becoming a big challenge. Home & Garden organizations are seeking ways to make the most of their vast product ranges and target users with more accurate and relevant recommendations.

The industry is stronger now than it has been in the last ten years. Unlike many other sectors that struggled significantly during the pandemic, Home & Garden thrived, and its steady growth is predicted to be 4% until 2025. In 2021 the average spend on all kinds of home improvements including decorating, renovating, and repairing was \$15,000. Improvements which, in many cases, will have already paid for themselves by adding value to the property.

But does this mean that the industry is resting on its laurels? Certainly not; there's even more pressure on the key decision-makers in the boardrooms of the industry's best-known players to respond to a quickly-evolving market and invest more in e-commerce in order to gain a winning foothold.





Such fertile ground in Home & Garden means lots of competition. One way to differentiate yourself beyond your many rivals is through loyalty-building hyper-personalization in online advertising. If a shopper is served great, extremely personalized, and relevant recommendations, it not only provides a greater chance for conversion, it also builds loyalty: the shopper is happy with their purchase and you are then instilling an increasing fondness towards your brand and lifetime value. But there is a sea of data and a multitude of touchpoints to analyze before you can refine the personalization in your ads – I believe in using the best technology there is, and we've seen that Deep Learning is exactly that.



Bob Hoeksema

Senior Account Manager, Benelux,
RTB House

Increasing Competition

Any thriving market is bound to attract new entrants – extremely agile start-ups with zero ties to shop locations and, therefore, no accompanying overheads. Although more competitors naturally mean widening choices and reasonable prices for the consumer, it can also mean a smaller slice of the pie for the legacy giants if they don't react to the challenge of driving personalization in their online advertising.

Decreasing Loyalty

With the shift to online shopping away from physical locations, the idea of a catchment area to serve nearby homes goes out the window. And that means there is no opportunity to build rapport and trust with friendly faces in-store. Consumers now are far more likely to conduct their own research online and carefully sift through the options for the best prices, particularly during periods of rising inflation.

The Need to Drive Personalization

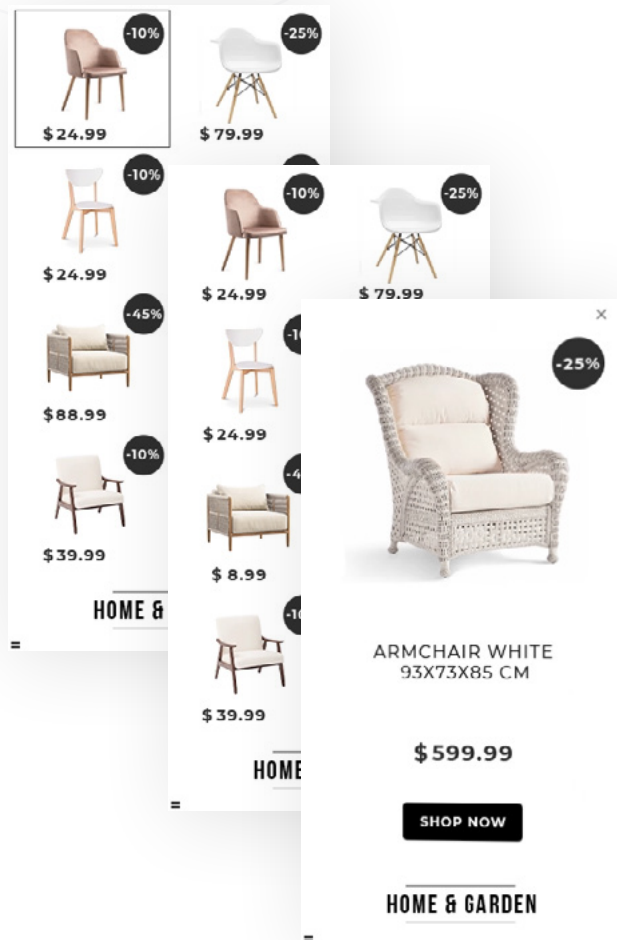
Decreasing loyalty puts a massive imperative on better leveraging data to serve hyper-personalized ads. Today's technology allows for an array of ad formats, each honed to deliver the business goals at every stage of the funnel.

The major challenge for the Home & Garden industry is not only to calibrate ads to a user's position in the funnel – to the awareness, consideration, and conversion stage – but to identify exactly which Buyer Persona they are addressing.

Add the need to personalize in the context of seasonality and promo periods and to facilitate product discovery while boosting AOV, despite an extensive catalog, and you have a situation in which only the very best capabilities will do.

Buyer Personas in the Home & Garden Domain

One major challenge has been keeping up with changing buyer types as new customer behaviors have emerged. We've identified three distinct buyer types that Home & Garden brands should be catering to.



The Diligent Buyer

The Diligent Buyer is tech-savvy, price-conscious, and takes time to get it right. In a time of limited household budgets, it makes sense to shop around – especially when online shopping offers a greater choice of where to purchase, as well as a range of prices and added extras. If you have great products, you can use performance campaigns to win in a competitive market by highlighting factors like home delivery, installation, returns policy, and discount pricing. The Diligent Buyer cares about the details, so make sure you give them information, as well as inspiration.

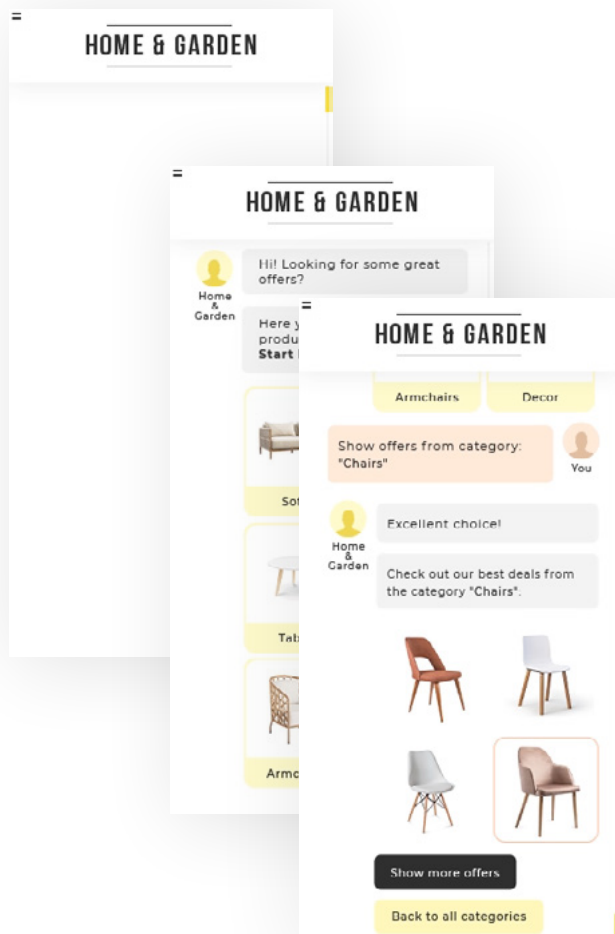
The Spontaneous Buyer

Spontaneous Buyers want to add comfort and personal touches to the living space one small purchase at a time. They are instantly drawn to things they see online and decide to add a beautiful cushion to their sofa set or buy a smart new door handle. These small purchases add up over time, and loyal Spontaneous Buyers can be the lifeblood of your business. Use video ads, branding content, and product recommendations to show them a curated set of products that might pique their interest. Increase purchase frequency, even if the average order volumes stay relatively low.



The Heavy Buyer

This segment includes those building their dreams and also pro-tier buyers who will make dozens of large purchases over a short space of time. They are building from the ground up or undertaking major home improvement work. The aim is to make your store their go-to supplier for their big project. Intelligent campaigns can predict what the user will need next as they move from tools and hard building materials through decoration supplies and onto soft furnishing. This segment is a priority target for Home & Garden organizations. If you can win the business of Heavy Buyers by assisting them with their dream project from start to finish, you can boost AOV and loyalty. Intelligently driven performance campaigns can help to do this.





Buyer personas within the Home & Garden industry are driven by different needs that are, in turn, affected by seasonality, promotional periods, spontaneity, and other factors.

By implementing a personalized approach for different types of personas, it's possible to speak directly to your expert audience with messaging precisely aligned to their needs.

Diligent Buyer

Client compares offers in several shops



GOAL

Choosing your offer

Spontaneous Buyer

Client buys without prior intention



GOAL

Higher shopping frequency

Heavy Buyer

Client that is currently in the process of home remodelling / furnishing



GOAL

Higher AOV

Re-energizing Consumers' Passion with Truly Personalized Campaigns

The phrase “Home is where the heart is” certainly rings true in the Home & Garden industry. What other place triggers higher emotions, connections, and passions than the place where we live, unwind, entertain, and truly call “home”?

Personalized campaigns are all about touching upon those triggers. With the right e-commerce marketing strategy and customer journey mapped out, you'll be able to connect with shoppers on a whole new level.

Re-engaging a customer is all about triggering a response that will bring them back to why they searched for a product in the first place and the root cause of that original need. By calling on the specific data that is gathered through Artificial Intelligence, you can create a customized experience through hyper-personalized ads.





What interests me most about the Home & Garden category as both a marketer and a consumer is its pure seasonality. I always look forward to spring as there are so many new outdoor products to consider. It's an opportunity to identify and group shoppers based on first-party signals and develop campaign and message strategies. It's important that these precisely align, not just with specific buyer personas, but with each actual user—a living, breathing person with unique needs. Hyper-personalized, shoppable creatives speak more persuasively to an individual's preferences by way of technology that instantly scans user behavior and vast product ranges to provide more accurate upselling and cross-selling recommendations.



Jason Blom

Vice President of Sales, US, RTB House

Thanks to specifics such as location, preferences, and the online behavior of a consumer, hyper-personalized ads can be created to push the envelope further than just being in the right place at the right time. They bring together the best pieces of data to speak to the customer through a combination of relevant content, such as powerful imagery, emotionally engaging text, and video – again marrying trust with a customer journey to truly stand out.

Reemphasizing Promotional Periods



Seasonality greatly underpins promotional periods in Home & Garden, perhaps more than any other industry barring Travel.

Of course, it's the seasons and holiday periods that dictate the direction of many of the campaigns in this domain, but other variables also come into play; variables such as unpredictable weather, seasonal events, and lifestyle changes – as epitomized during COVID-19 – affect the Home & Garden industry.

Here are some tips that can help address key groups of user needs in a flexible way to better leverage and monetize key client decision-making factors.



Re-acquire customers using historical data that can be the basis of your upcoming campaign. If you've got inactive users whose passions you'd like to re-ignite before a promotional period, solutions based on Deep Learning, can be the key to re-awakening their emotions for Home & Garden.

Rejoice in your vast product range and implement solutions that can showcase items that are typically purchased alongside whatever customers are currently viewing through carefully selected creatives.

Re-emphasize promotional periods to create different flexible and granular campaigns for seasons, sales, and product lines while retaining high levels of revenue throughout the year.



The key to supercharging promo periods with online campaigns is flexibility with in-built granularity. In the days before revolutionary technologies like the internet and AI, organizations would plan campaigns, launch them, and have very little scope to a) measure how they were being received in real-time, or b) to adjust the campaigns, also in real-time, in quick response to either to live campaign KPIs or external, unforeseen circumstances. These days such capabilities, that track and measure and analyze campaign data are available, so too the ability to pivot a campaign at a moment's notice. This way any given campaign can be enhanced as it's rolling.



Sophia Schindler

Sales Manager DACH, RTB House

Revving up the Brand across All Channels



Omnichannel customer engagement is quickly gaining popularity as business owners, and marketers, seek to provide a seamless experience across all devices and touchpoints. The customer journey has significantly changed over the last few years through a combination of technology, social media influencing, and COVID-19.

More consumers are now willing to share their data if brands provide a better omnichannel experience.

Omnichannel solutions can offer a great way to shake up promotional and seasonal campaigns to re-engage and re-energize your customers before the competition does. Our advice is to:

Leverage touchpoints by analyzing and leveraging data gathered from different devices that consumers use to search for your products. A truly personalized journey can be mapped out based on consumer habits and preferences.

Assess early funnel behavior by knowing what motivates your customers early on. This will give you the best chance of delivering information at crucial times to reinforce the importance of why they initially searched for your product.

Embrace technology. Research shows that 59% of shoppers are likely to look at a product online before buying it in-store, and 54% will likely head into a store to see an item before purchasing online. There is therefore a massive incentive for brands to implement the best technology out there to accentuate the strengths of all channels and create a cohesive, consistent, and convenient omnichannel experience.



There's no longer any boundaries between online and offline, and most purchases don't happen any longer just in-store. One cohesive and consistent omni-channel experience is no longer the new gold standard; it's the new norm. There has to be no drop-off between the experience and personalized recommendations of the physical store, and those a consumer receives when they're online, in other words a seamless, holistic experience. Of course this is incredibly important as we're all spending more and more time online and engaging in e-commerce. But although such a consistent omnichannel experience is a must, by achieving this organizations can achieve many advantages and efficiencies.



Simon Trewavas

Country Manager UKI, RTB House

Recommending the Most Relevant Products

Personalization in the Home & Garden sector goes hand in hand with the emotional responses and triggers; for the products that consumers imagine, plan for, and ultimately decide on buying for their living spaces.

Deep Learning can analyze many customer touchpoints in real time to connect the dots and create a more precise picture of what an individual needs in a given moment and even what they don't yet realize they need.

Infusing leading-edge technology into your campaigns will mean that hyper-personalization encompasses the entirety of your vast product range for cross-selling opportunities. It will create the ability to scan a dizzying multitude of factors, such as buyer type, funnel position, product range, product margin, surplus stock, the season, time of day, and even inclement weather in the blink of an eye. Deep Learning technology serves personalized and appealing recommendations that statistically have the highest probability of being converted.





The more accurate the ad, the more effective it will be. Simple. The more tailored the ads, the more effectively you can turn first-time visitors into first-time buyers and returning buyers into more frequent and loyal customers.

A truly effective ad that is acted upon by the user is still effective long after it disappears from the buyer's screen. A user who receives a careful and accurate recommendation from a brand will feel well-guided on their purchase journey and remember it. Such an ad will echo beyond the moment; it will become much more than the sum of its parts and will foster that most precious and invaluable of commodities – loyalty.



In the Home & Garden industry, only the best recommendations, fed by the best technology, can turn an extensive product range into a significant cross-selling advantage. Seasonality, promo periods, and where a consumer is within their own purchase journey are all integral factors that must be examined. With RTB House's Deep Learning technology, they are able to combine this information, along with many other layers of vital unstructured data, all of which can be processed in a split second. The net result is the ability to deliver highly engaging and relevant ads to consumers while simultaneously increasing sales velocity for retailers.



Victoria Smith

Agency Sales Director, US, RTB House

Thriving by Driving Results and Revenue

With the Home & Garden growing apace, it is becoming a more competitive and dynamic sector. It's only natural that a fertile environment will attract agile start-ups and other newcomers who are looking to take root and win their own slice of market share. So, rather than hitting cruise control, the legacy giants of Home & Garden are under as much pressure as ever to drive results and revenue and are seeking every opportunity to make the most of the current uplift in the sector.

Of course, it's always tempting to sit back and enjoy the healthy results of digital campaigns during sectoral surges in sales. If it isn't broken, why fix it? But what Deep Learning does is enhance already good results, whatever the weather. Greater accuracy in serving ads quite simply means more engagement and boosted metrics regardless of sector health. Applying Deep Learning to online ad campaigns doesn't have to equal a major overhaul of the marketing stack. It can easily be accommodated as part of a multiple retargeting strategy providing greater reach with limited cannibalization or overlap.

Whether you're a home improvement, home furnishing, or garden organization, our personalized retargeting, powered by Deep Learning algorithms, can help you achieve better results. With over 400 active Home & Garden campaigns in +40 countries, we're well positioned to help you drive growth.



1.52%
of site sales

0.70%
conversion rate

5.00
ROAS

Source: RTB House data

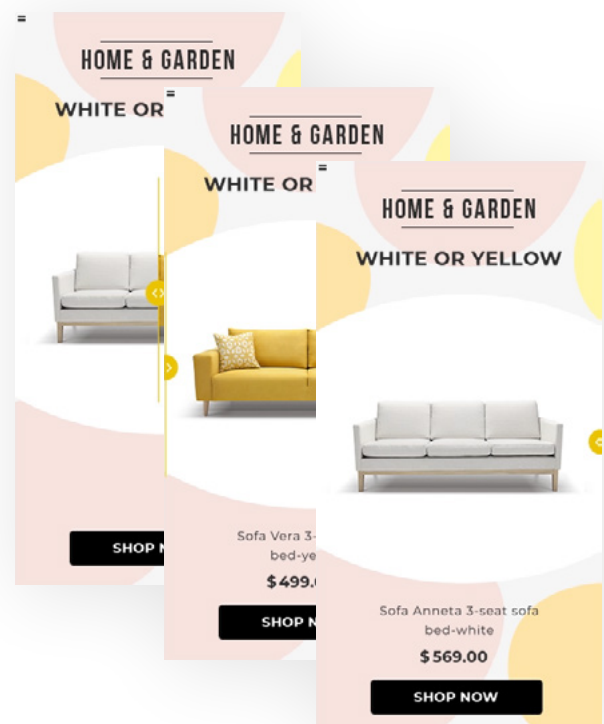
Quick Redecorating Tips for Home & Garden Organizations



Re-energize the customer journey

One major influence on client loyalty is physical store proximity; however, apart from ROPO sales, it doesn't come into play with e-commerce. It's personalization that wins the day.

You have to take visitors on a carefully curated customer journey. The aim is to create predictive relationships with customers instead of reactive ones – taking you from “just another player” to a “trusted advisor.”



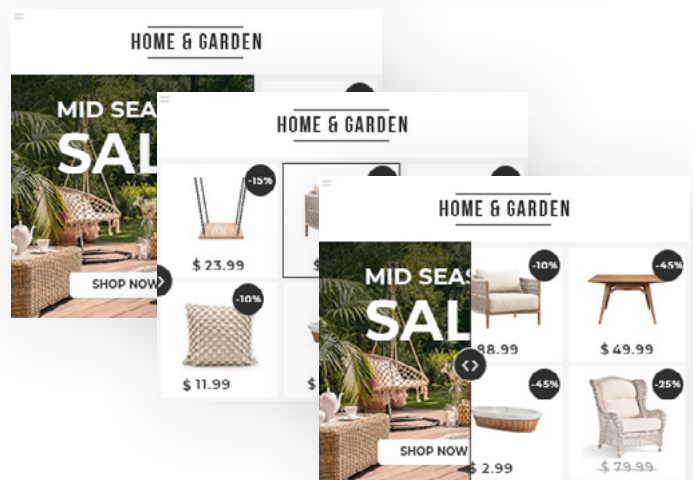
Relate to your user with hyper-personalization

Research has found that about 88% of shoppers are more likely to buy from a brand that offers a personalized experience. This means if Home & Garden brands can mirror the kind of personal and friendly experience customers receive in-store thanks to online ads, they can drive results. Employing behavioral segmentation and highly targeted product recommendations based on the users' exact preferences is a great start.



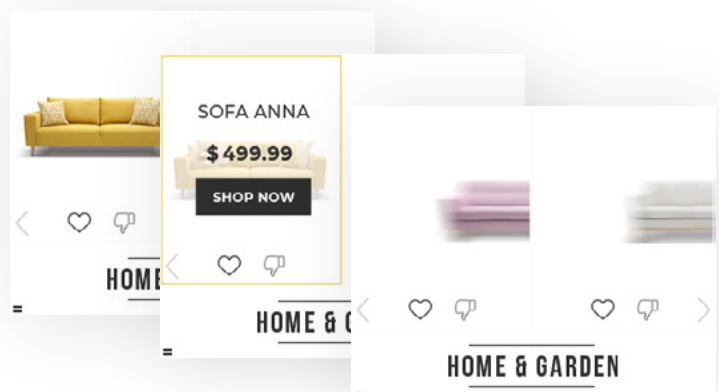
Reemphasize Promos and Seasonality

Boost results from promotional activities by creating different campaigns for seasons, sales, and product lines. A more granular and focused segmentation will allow you to offer recommendations based on trending products dependent on weather and season to retain high levels of revenue throughout the year.



Revel in huge product ranges

With Deep Learning, having a vast product range is turned into a superpower. Creatives hyper-personalized by the most advanced forms of AI can help the shopper discover items that are typically purchased alongside whatever they're currently viewing or promote particular brands to customers, i.e., those with a higher margin.



Room to Improve

A fresh touch of paint, an adjustment of furniture, a throw pillow here, a new potted plant there, all applied in the best possible taste and with a deft and careful touch. It's a feeling most of us have experienced – delight at how a simple redecoration can bring extraordinary results.

We invite you to do the same with us and boost the results of your online ad campaigns. Our leading-edge Deep Learning algorithms can be applied to your marketing stack quickly and seamlessly, and our extensive industry expertise will ensure that the technology is leveraged to its fullest potential – plug us in, play, and redecorate.



About RTB House

We are a global company that provides state-of-the-art marketing technologies for top brands and agencies worldwide.

Our proprietary Deep Learning-powered recommendation engine will reequip you with much more precise recommendations to revitalize your retargeting, and therefore brand, across all buying personas, channels, and devices.

Deep Learning is the blueprint of our success and is a step beyond Machine Learning; it's the most advanced AI technology known to humankind. It's capable of analyzing many more touchpoints and consumer patterns in an ultra-flexible and efficient way to better reach registered users who are yet to make a purchase, re-engage customers at a high risk of churning, and reactivate high-value customers who have stalled into inactivity. It will bring an increase in revenue, AOV, and loyalty.



Deep Learning is not your revolution; it's your evolution.

Redecorate.

Contact

At RTB House, Deep Learning solutions are the foundation of what we do because of their precise ability to deliver across all buying personas, promo periods, channels, and devices – a game-changer for the Home & Garden industry.

Learn more about how we can help your brand redecorate and evolve.

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