Transforming Email: How DSW Uses Email to Drive Real-Time Decisions & 1-to-1 Experiences
WE INSPIRE SELF-EXPRESSION
IT'S OUR MISSION
DSW CUSTOMER

Gen Z + Millennials = 36%
Gen X = 32%
Boomers+ = 32%

Super High Retention: 29% have been loyalty members for 10+ years.
THE MOST INVENTIVE
LOYALTY PROGRAM (SHOPIFY)

30M
LOYALTY MEMBERS

56%
RETENTION RATE

90%
OF TOTAL REVENUE

+3%
GROWTH IN FILE TO ELITE
CONSUMER SHIFTS
In the midst of crisis, consumer behavior has shifted

**Search Volume (Y/Y) on Google**

Source: Google search week on week, Dec 29' 2019 to Apr 11, 2020 compared to same date range prior year
WFH = Athleisure

<table>
<thead>
<tr>
<th>Category</th>
<th>Indexed Demand</th>
<th>7 Day Trend Demand</th>
<th>14 Day Trend Demand</th>
<th>21 Day Trend Demand</th>
<th>30 Day Trend Demand</th>
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</thead>
<tbody>
<tr>
<td>Athletic Shoes</td>
<td></td>
<td>25.8%</td>
<td>22.3%</td>
<td>18.95%</td>
<td>15.21%</td>
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<tr>
<td>Casual Shoes</td>
<td></td>
<td>5.51%</td>
<td>-5.56%</td>
<td>18.44%</td>
<td>1.25%</td>
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<tr>
<td>Boots</td>
<td></td>
<td>0.48%</td>
<td>-0.9%</td>
<td>7.73%</td>
<td>-10.24%</td>
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<tr>
<td>Sandals</td>
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<td>4.82%</td>
<td>7.65%</td>
<td>32.86%</td>
<td>21.5%</td>
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<tr>
<td>Running Shoes</td>
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<td>6.26%</td>
<td>15.31%</td>
<td>36.2%</td>
<td>54.78%</td>
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<tr>
<td>Dress Shoes</td>
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<td>4.9%</td>
<td>-5.69%</td>
<td>-1.4%</td>
<td>-37.46%</td>
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<tr>
<td>Slippers</td>
<td></td>
<td>-28.96%</td>
<td>12.52%</td>
<td>38.24%</td>
<td>81.69%</td>
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<tr>
<td>Footwear Accessories</td>
<td></td>
<td>-16.74%</td>
<td>-6.28%</td>
<td>15.55%</td>
<td>-8.7%</td>
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</tbody>
</table>
Digital Distortion

Screen Time on the Rise

<table>
<thead>
<tr>
<th>Media</th>
<th>Net Increase/Decrease in Time Spent Since the Outbreak</th>
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<tbody>
<tr>
<td>Streaming video services</td>
<td>+49</td>
</tr>
<tr>
<td>Online news</td>
<td>+46</td>
</tr>
<tr>
<td>Social media</td>
<td>+46</td>
</tr>
<tr>
<td>Video chat or messaging</td>
<td>+42</td>
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<tr>
<td>services</td>
<td></td>
</tr>
<tr>
<td>Online video</td>
<td>+41</td>
</tr>
<tr>
<td>Live TV</td>
<td>+40</td>
</tr>
<tr>
<td>Streaming music/audio</td>
<td>+32</td>
</tr>
</tbody>
</table>


Leading Mobile App for Total Time Spent

3 Comscore, “Mobile Metrix,” March 2020 (mobile P13+)
NEW NORMAL

“It’s just easier, and safer, to have things I need brought to me.”

Over **55%** of DSW customers plan to make their next purchase on dsw.com or the app.

Fewer Resources

**36%** of consumers bought via a website or an app they had never used before.*

**85%** of these consumers expect to use the websites or apps same or more in next 12 months.*

Intra week marketing adjustments

Source: Garner Consumer Pandemic Attitudes and Behaviors Survey (8-18 May 2020)
CHALLENGES

30 DAYS
Current email process kicks off 30 days prior to customer facing send, not allowing flexibility to react without absorbent amount of rework.

HIGH TOUCH
Each email was highly designed causing resource constraints.

CUSTOMER CENTRIC
Challenge to prioritize highly relevant content with evolving business changes.
LEADING WITH PARTNERS

INTERNAL PARTNERS
- Marketing
- Digital
- Creative
- Merchandising

EXTERNAL PARTNERS
- ESP
- Live Content Provider
- Trigger Provider
DESIGNING 4 AGILITY

THE WORKOUTS FROM HOME SALE
25% OFF
ATHLETIC SHOES

MORE SNEAKERS TO LOVE

WILD AT HEART
All your favorite styles from the best brands are here in new animal prints and colors. Totally wild.

CONVERSE
Chuck Taylor All-Star Hi Top
$64.99

ANIMAL UNDER $40

ANIMAL UNDER $50

ANIMAL UNDER $50

OUR TOP PICKS FROM CROWN VINTAGE
This brand is about to take over your closet. Don’t say we didn’t warn you.

DSW DESIGNER SHOE WAREHOUSE®
WHAT THEY WANT
OUTCOME

2-5 days out

-75% design time

3X reduced rework

1to1 foundation
READING, REACTING, & ITERATING
COLLECTIVE INSIGHTS

01. **Subject Line Performance** including A/B testing & variance

02. **Clicks – Total & By Asset** to understand customer interest

03. **Google & DSW Search Terms**

04. **Site, App, Social Content Trends**

05. **Buying Trends** – sell thru, available inventory
### SL INSIGHTS

#### Scenarios

<table>
<thead>
<tr>
<th>Scenarios</th>
<th>Actual SLs Used</th>
<th>Open Rate</th>
<th>January Week 3</th>
<th>Scenario A</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old</td>
<td>ALERT: The boots you want are 25% off &gt;</td>
<td>Old</td>
<td>New</td>
<td>ALERT: The boots you want are 25% off &gt;</td>
</tr>
<tr>
<td>New</td>
<td>New</td>
<td>New</td>
<td>New</td>
<td>New</td>
</tr>
<tr>
<td>Category</td>
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<tr>
<td>Offer</td>
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<td>Offer</td>
<td>Offer</td>
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<td>No Offer</td>
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<td>No Offer</td>
<td>No Offer</td>
<td>No Offer</td>
</tr>
<tr>
<td>Customer Mindset</td>
<td>Customer Mindset</td>
<td>Customer Mindset</td>
<td>Customer Mindset</td>
<td>Customer Mindset</td>
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<tr>
<td>Product</td>
<td>Product</td>
<td>Product</td>
<td>Product</td>
<td>Product</td>
</tr>
<tr>
<td>Socks + slides</td>
<td>Socks + slides</td>
<td>Socks + slides</td>
<td>Socks + slides</td>
<td>Socks + slides</td>
</tr>
</tbody>
</table>

#### Winner

<table>
<thead>
<tr>
<th>Scenario</th>
<th>Winner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Old vs New</td>
<td>ALERT: The boots you want are 25% off &gt;</td>
</tr>
<tr>
<td>Old Sunday Send vs Old</td>
<td>Old Sunday Send</td>
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<tr>
<td>Old vs New</td>
<td>Old</td>
</tr>
<tr>
<td>Old vs New</td>
<td>Old</td>
</tr>
<tr>
<td>Advertisement Text: This email is just for you, [First Name].</td>
<td></td>
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**Top Performers Highest Open Rate - Jan Wk 3**

- Like good deals? Open this.
- If your $10 is about to disappear!
- This email is just for you, [First Name].
- TODAY ONLY! Get $10 OFF!
- ALERT: The boots you want are 25% off >
- TODAY ONLY!
- Something "real" good is in here.
- FINAL HOURS
- Slip on and go.
- Best-sellers up to 40% off >
- [First Name]! Clearance sale!
- Your weekend look is inside.
- [First Name], your fave shoes are back in stock.
- The color that goes with literally everything.
- Hundreds of NEW clearance styles >
USE CASE: Boots vs Athleisure
PERSONALIZATION
Build an emotional connection by anticipating his/her needs before they know it, allowing them to feel seen & heard.
Top Traits of Shoppers’ Favorite Brands

#1 Caters to my unique needs
#2 Offers exclusive shopping Experiences/promotions
#3 Offers limited-edition products
#4 Engages me in the places I prefer
#5 Truly understands who I am

Source: Salesforce: 4 Trends Redefining the Retail Industry
FOR YOU
BRANDS THEY LOVE
TRIGGERS
How’d We Do…
EMAIL DEMAND

1. Nimble on our Feet
   - 2016: [Value]
   - 2017: +35%
   - 2018: +18%
   - 2019: +30%
   - 2020: +48%

2. Rapid Insights & Application
   - 2016: [Value]

3. Personalization
   - 2016: [Value]
THANK YOU
&
QUESTIONS