How Paper Source leveraged CDP to drive eCommerce success
Yoav Susz
VP Revenue - Optimove

Elizabeth Owens
VP Marketing at Paper Source
Paper Source is a lifestyle brand that leverages four proprietary strengths to foster customer lifetime value:

1. Original content
2. Creative engagement
3. Enthusiast community
4. Passionate customers
GIVE

Paper Source believes giving is more than finding the perfect gift. It is the ability to share happiness, excite surprise, and show loved ones just how much they care.

Select Offerings
✓ Books & Journals
✓ Bath & Beauty
✓ Care Packages
✓ Toys & Games

LIVE

From capturing beauty in everyday moments to bringing inspiration to your day, Paper Source truly is a "happy place" in the lives of many.

Select Offerings
✓ Calendars
✓ Personal Accessories
✓ Home Décor
✓ Kitchen Essentials
✓ Journals
✓ Desk Items
✓ Art Prints
✓ Cookbooks

CREATE

Paper Source is driven by more than a passion for paper. It is a team of creatives helping other creatives do what they love most.

Select Offerings
✓ Art Supplies
✓ Specialty Paper
✓ Custom Stamps
✓ Crafting Classes
✓ DIY Craft Kits
✓ Journals
✓ How-To Projects

CELEBRATE

Paper Source helps celebrate the extraordinary and the ordinary to make every occasion, big or small, memorable.

Select Offerings
✓ Wedding Invitations
✓ Special Event Announcements
✓ Party Supplies
✓ Balloon Bouquets
✓ Rental Space for Private Parties
Paper Source Leverages a 360 Degree Approach to Story Telling With Physical and Digital Assets

Comprehensive In-Person and Digital Marketing Capabilities

Over 600k Social Followers

10.8M Website Visitors

160 Stores With Visual Merchandising

~2M views on YouTube

160 Store Visits

~2M Email Distribution

~4M Catalog Distribution

Interactive Digital Magalog Makes Product Stories Come to Life

Original Content

(1) Represents unique annual visitors
(2) Represents combined followers on Facebook, Pinterest, and Instagram (inclusive of any overlap)

LINK TO CATALOG ON SITE:
https://www.papersource.com/catalog.html
DIY Content Generation Through
Multiple Communities That Inspire Creativity

A DIVERSE, ACCESSIBLE COMMUNITY

DIY EXPERTS
- Host bi-weekly virtual workshops
- Keynote presenters for events & conferences
- Brand spokespersons for national opportunities
- Provide training for local experts in key markets

CREATIVE COLLECTIVE
- Ideate on creative programming
- Producers of omnichannel content
- Serve as internal experts on DIY trends

CREATIVE CONCIERGE
- Offer bespoke services & clienteling across DIY, gift curation, balloon styling, wrap services & project consultation
- Responsible for delivering product knowledge directly to customers

Original Content
Understanding Customer Journeys
Optimove’s System Architecture

- **Customer DWH/Data Platform**
- **Batch Data**
- **Data Enrichment**
- **Optimove**
- **Execution Details**
- **Campaign Metrics**
- **Optimail**
- **Optipush**
- **Email**
- **Social Channels**
- **Integrated Partners**
- **3rd Party Partners**

- **Track&Trigger SDK**
- **Real Time Event Streaming Data**
Customer Intimacy Gained Through Multiple Research and CRM Initiatives Spanning 38 Years

PSYCHOGRAPHICS

- Sophisticated, creative & discerning
- Value artisanal products & special touches
- Engage with brands & products that have a story

DEMOGRAPHICS

- Highly educated women / females
- High discretionary income with 88% having net worth of $100K+
- Home owners residing in the most desirable metropolitan areas in the US
- 60% under the age of 45 with high penetration of Millennials & Centennials
- Tremendous spending power & omnichannel engagement

Note: Epsilon
Throughout this life journey, Paper Source is a resource a customer trusts to curate the best of cards, gifts, party supplies and paper crafting techniques and supplies. Paper Source is not “all of” like its super store competitors, it really is the “best of”
Customer Journeys Demonstrate Where Paper Source Can Engage With its Most Valuable Customers - Wedding

**Wedding Customer Key Statistics**

- **~3.5x** Avg. Wedding Customer LTV
- **3.4x** Avg. Purchase Frequency per Year

**Customer Testimony**

“I love Paper Source! I’ve been a fan since designing my own wedding invitations 14 years ago. And now I use their envelopes for my greeting card business.”
Paper Source believes giving is about more than just finding the perfect gift. It’s the power to share happiness, excite with surprise, and show those closest just how much they care.

In real life:
- Word of mouth
- In-store visit
- Direct mail
- Email
- Google/search
- Blogs

Customer Journeys Demonstrate Where Paper Source Can Engage With its Most Valuable Customers - Crafter

**Legend:**
- Eye: In real life
- Mouth: Word of mouth
- Store: In-store visit
- Mail: Direct mail
- Email: Email
- Project: Gifting project to others
- Search: Google/search
- Blogs: Blogs

**Stage**
- Trigger / Inspiration: Gets inspired to start a new project
- Research: Researches the different ways to implement their project
- Evaluate: Evaluates the tools required to complete their project
- Purchase: Purchases the items they need, usually in one trip
- Crafting: Uses their supplies to work on their project
- Advocacy: Tells their friends about their project or gifts their project to a friend

**Touch Points**
- Gets inspired to start a new project
- Researches the different ways to implement their project
- Evaluates the tools required to complete their project
- Purchases the items they need, usually in one trip
- Uses their supplies to work on their project
- Tells their friends about their project or gifts their project to a friend

**Crafter Customer Key Statistics**
- Avg. Crafting Customer LTV: ~1.3x
- Avg. Purchase Frequency per Year: 3.3x

**Customer Testimony**
"My online purchase experience was perfect, but I don’t want to talk about that. I always enter a Paper Source whenever I see one. It’s like a magnet to me because I know I’ll always find something fun or something beautiful. I would like to live in a Paper Source store. It would make me very happy."
Value Creation for Omnichannel Success
Attracting New Customers

2020 NEW CUSTOMER GROWTH

Limited marketing spend April – July (Email & PR Only)

New growth primarily driven by brand authority as a lifestyle influencer in key categories

YoY Comparable Growth
Paid Social Campaigns

- Social campaigns launched on Instagram 7/10
- We tested a birthday card-only image and now have a composite image with several birthday and other cards
- Acquisition ads on the whole have driven **1.7M impressions**
  - 4 ROAS
- Card acquisition ads have driven **200K impressions**
  - 5.5 ROAS
Kits Across Departments

Web Sales

YoY Comparison of % Contribution to Total Sales for Jan - Mar

Jan 2019: 4.6%
Feb 2019: 4.5%
Mar 2019: 4.3%
Apr 2019: 2.4%
May 2019: 2.0%
Jun 2019: 1.1%
Jul 2019: 1.0%
Feb 2020: 4.5%
Mar 2020: 7.8%
Apr 2020: 3.2%
May 2020: 2.2%
Jun 2020: 2.3%
Jul 2020: 1.4%
Bundles & Packages – Revenue Trend
now available
CURBSIDE PICKUP
We are working to offer safe solutions for purchasing at Paper Source stores. Currently, we are offering curbside pickup at select locations.

LEARN MORE

YOU CAN ORDER CURBSIDE PICKUP IN 2 DIFFERENT WAYS:
Loyalty Light Results (MTD)

Intro, Tiered based on spend and Last chance
Loyalty Light Results (MTD)

- 2 weeks into August, 3% offer redemption rate vs. <2% in past loyalty tests
- 1.2X frequency during campaign period (7/1-8/15)
- Loyalty emails after the intro: 28% open rate and 7% click rate
  - Our baseline emails are 10% open rate and 5% click rate
  - Those choosing to engage with the program are highly engaged
- Customers in the Loyalty stream have driven $XXM since 7/1 launch
- Redemption is 70% in stores and 30% online → program has legs as omni-channel initiative
The New Normal
The brand ethos matched with content distribution leads to a community of creators who deliver binge-worthy experiences in multiples.

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<th>VIP PERSONAS</th>
<th>Jody High Tier A</th>
<th>Asch High Tier B</th>
<th>Adrienn Mid Tier A</th>
<th>Jona Mid Tier B</th>
<th>Nina Mid Tier C</th>
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<td>Favorite Department</td>
<td>Craft Kits &amp; Everyday Gifts</td>
<td>Everyday Gifts</td>
<td>Wedding</td>
<td>Everyday Gifts</td>
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<td>Seasonal Stationery &amp; Everyday Greeting Cards</td>
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<td>Average Long-Term Order Value</td>
<td>$4.1X</td>
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<td>$1.3X</td>
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Tapping Insights to Drive Business Strategies

• Supports the broader organization

• Merchandising to support product strategies

• Omnichannel promotional plans

• Partnerships and other expansion plans

• Furthering eComm growth
Thank you!