

# NORDSTROM

CASE STUDY

368% ↑

LIFT ENGAGEMENT BETWEEN BEST- & WORST-PERFORMING CREATIVE FOR FEMALE AUDIENCES

54% ↑

LIFT ENGAGEMENT BETWEEN BEST- & WORST-PERFORMING CREATIVE FOR MALE AUDIENCES

ACROSS PROGRAMMATIC DISPLAY  
AND VIDEO YOY

11% ROAS  
improvement

## Nordstrom Data Targeting/Creative Optimization Case Study

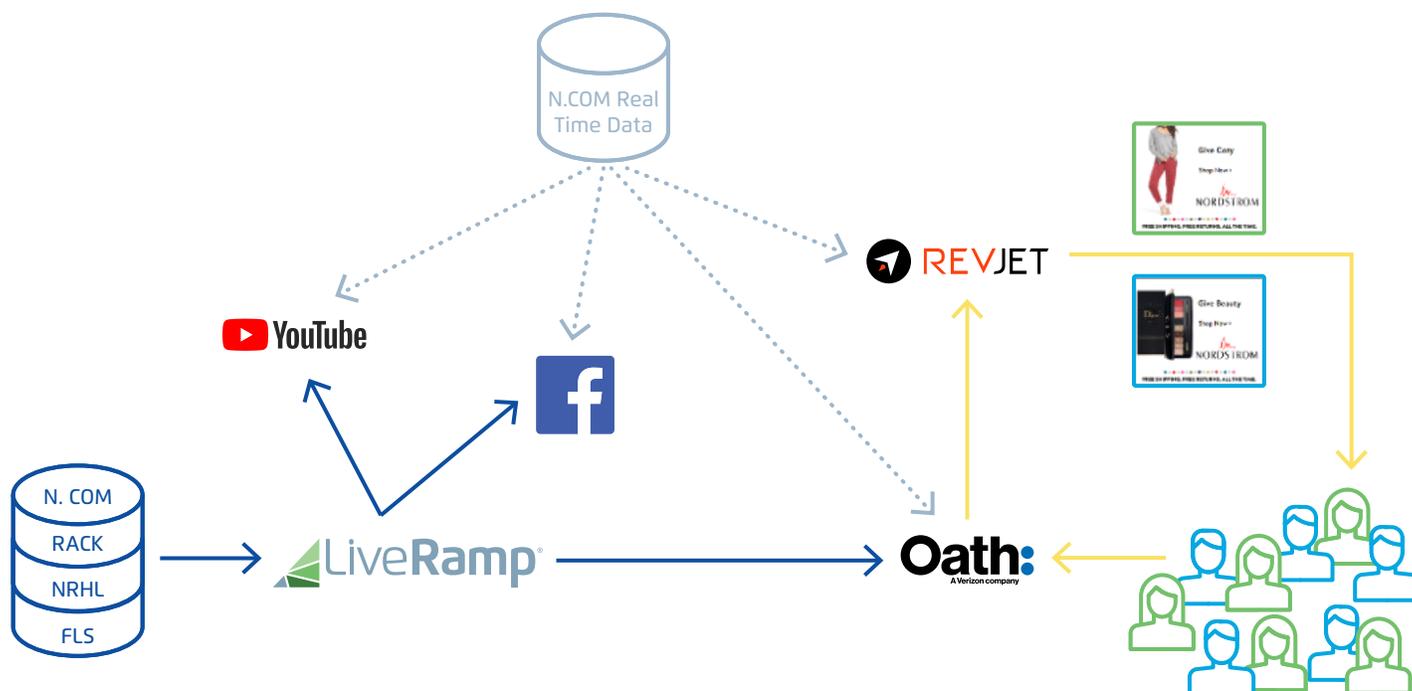
### > The Challenge

To delight and engage shoppers through personalized digital advertising during the holidays in 2017, Nordstrom needed to merge and leverage real-time data with offline customer insights. Combining this data set in a privacy-conscious manner would make it possible for them to define media targeting and tailor creative messaging.

### > The Solution

First, Nordstrom's marketing team defined a target audience of prospects. Using LiveRamp's identity resolution technology and data collected in real-time from Nordstrom.com, they suppressed all known customers and employees while building audiences modeled around key attributes of Nordstrom customers. During the campaign, their dynamic creative engine tested multiple creative assets within defined audience segments to determine the optimal customer experience.

1. Nordstrom merged data across all Nordstrom Brands: Nordstrom.com, Nordstrom Full-Line Stores, Nordstrom Rack, NordstromRack.com, and Hautelook.com. By using LiveRamp's identity resolution technology to protect the anonymity of Nordstrom's customer records, the team was able to connect their 1st party data to their programmatic display advertising (Oath) and dynamic content optimization (RevJet) partners to reach their audiences at the right moment.
2. Using onboarded data segments as seed audiences, they built look-alike models targeting non-Nordstrom customers with holiday messaging. The team's goal was to learn which product and customer service messages resonated best with potential customers.



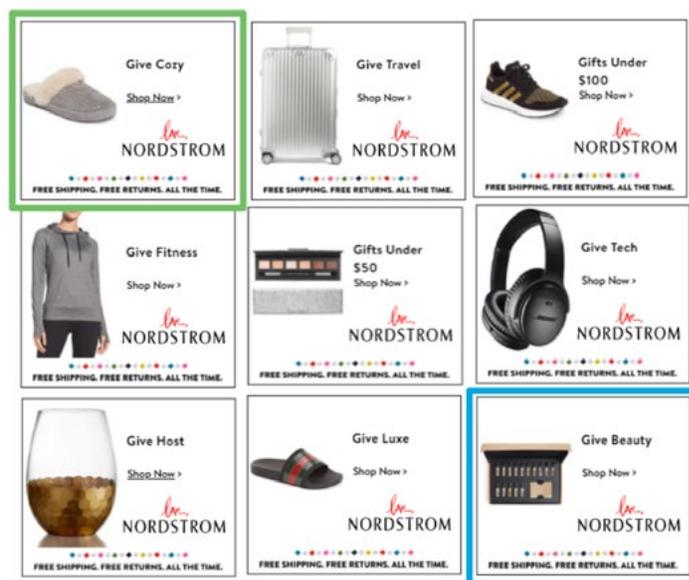
3. Nordstrom then suppressed existing customer segments to ensure that they were only targeting potential customers. With LiveRamp's identity resolution, they were able to recognize their customers in the digital space, whether they shopped with them in-store or online, for full-price or off-price offerings. LiveRamp and Nordstrom's ongoing efforts to improve match rates allowed them to maximize focus on potential customers.
4. The performance data from this campaign flowed into a feedback loop to improve bid decision making, audience segmentation and modeling, and creative design and experimentation. Nordstrom was able to use what they learned in the first days of the campaign to optimize the creative served to their target audiences for the balance of the campaign.
5. Their dynamic creative engine personalized messages based on target audience. Won impressions from demand side platforms were split into audience segments where they tested ten different holiday messages and imagery to determine lift in performance against campaign KPIs.

## > The Results

With their female audience, Nordstrom generated a 554% lift in site engagement between the best-performing creative “Give Cozy” and the worst-performing creative “Give Beauty.” “Give Cozy” also outperformed the experiment control message of “Gifts Under \$50” by 368%.

Interestingly, “Give Beauty” was the top performing creative message for their male audience, generating 185% lift in site engagement compared with the worst performing creative “Give Tech.” “Give Beauty” also outperformed the experiment control message of “Gifts under \$50” by 54.5%. It outperformed the women’s best-performing creative, “Give Cozy,” by 5.6%.

Program-wide, Nordstrom improved ROAS efficiency by 11% in Q4 YoY across programmatic display and video.



## > Takeaways

By honing their data-driven targeting during the holiday shopping season, Nordstrom was able to optimize media and gain a deeper understanding of what delights their prospects and compels them to convert. With the technical solution between Nordstrom and LiveRamp in place, the retailer can continually learn more about the content their target audiences find meaningful and engaging, and offer delightful experiences to both types of customers: those they aim to acquire and their loyal existing ones.

## Next Steps

- 1 From analytics to media buying, Nordstrom brought a lot of their marketing operations in-house and will continue to connect all of their technologies with Identity Link as the basic customer identifier between them.
- 2 They will continue to better understand what delights and engages their customers so that they can provide the personalized customer experiences Nordstrom is known for at scale.
- 3 They will use these learnings to reach out to prospects in a cost-effective and scalable manner, letting them know what Nordstrom has to offer them.