Driving Better Customer Relationships with Lytics

The relationship between cars and their owners has always been a special one. In an age when marketers are inclined to see consumers as being on a customer journey with their brand, surely car owners are the shining embodiment of that journey. From test driving a new car to trading in their old vehicle, the lifecycle of car ownership is an integral part of our own lives. And for one company, Regit, improving that relationship is what drives their entire business model.
CASE STUDY: LYTICS + REGIT

Regit bills itself as “Your Digital Garage.” Based in Manchester, UK, the company provides car services to more than two million motorists in the UK—everything from help buying and selling their car to Ministry of Transport (MOT) inspection reminders. While there are other companies on the market that help car owners with a portion of that journey (e.g., selling their car online), Regit is in it for the long haul. They want to build relationships that serve the lifecycle of car ownership, from one car to the next. Regit’s pursuit to help the car owner could do something productive with it.”
—Terry Hogan, Regit co-founder

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ACCELERATING GROWTH: GOING FROM 0 TO 2.2 MILLION REGISTERED CUSTOMERS

Regit has its origins in a popular information destination for UK motorists, motoring.co.uk. Recognizing a need in the industry for more personalized information, the company re-branded itself as Regit and began helping consumers using their vehicle registration numbers to serve up personalized offers and services. In the span of three years, the company grew to more than 2.2 million unique registration numbers and a wealth of customer data with over 300 fields of vehicle data per driver.

While Regit had a lot of accurate data, they didn’t have a good way to engage with their customers based on that data. As Regit co-founder Terry Hogan recalls: “We got to a point where we were overwhelmed with information and needed to organize it better so we could do something productive with it.” After looking at traditional data management platforms, the company opted instead for a customer data platform (CDP), eventually choosing the Lytics solution. “With a CDP, we felt we could orchestrate user experiences better and get customers the right offers at the right time,” Hogan explains.

CDP ELIMINATES CAMPAIGN “BLIND SPOTS”

Regit understands that they’re just one piece of the research puzzle. Their customers may check in at regit.com for the latest news or maintenance reminders, but they’ll then move on to Facebook, Google or another online destination. Staying connected to consumers when they’re off-site is an important part of Regit’s customer communications strategy. Their goal of personalization is to present the right message to the right person at the right place and time—a significant challenge when “the right place” is a moving target.

In the past, companies had to accept these customer blind spots, but not anymore. With the Lytics solution, Regit can target customers with ads from Facebook, Google, and other channels using the customer knowledge that resides in their CDP to personalize those ads. This is a significant step forward from the email-driven campaigns of the past, which were static and difficult to adjust as new customer data came to light. For example, if a customer sold a vehicle, the email campaign might not be “aware” of that change and would end up serving the wrong message as a result. These missteps negatively impact the relationship between the customer and the brand.

THE LONG AND WINDING ROAD

In order to individualize customer experiences, Regit has developed its own customer scoring system, which is fed into the Lytics database. These scores reflect when a car was purchased, the frequency and cost of recent repairs and other factors. Part of the goal of customer scoring is to better understand and predict car owner behavior over the life of their relationship with Regit—particularly important transitions such as ownership changes. “A customer may not always tell you that they’ve sold or purchased a car,” Hogan says, “so we sometimes have to figure that out from our data.”

The issue of customer data privacy is where companies often hit a bump in the road. Regit, like many companies, is impacted by the Global Data Privacy Regulation (GDPR), which dictates how personal data can be stored, used, and disseminated. Collecting data—and the consent to use it—is more complex in the post-GDPR world, and requires that companies provide a tangible benefit in return for that data. For Regit, free car valuations have proven a highly effective method for getting consumers to share information and sign up for their services. There’s a clear value exchange that happens between the customer and vendor and further deepens the partnership and brand loyalty.

Not every consumer, however, is willing to share their registration information for a free valuation. So the company made a sharp turn. With the help of Lytics, Regit identified users who appeared ready to exit before registration and engaged them with a pop-up screen, or modal, that let them take the valuation anonymously. The result? Thirty-three percent who would have exited in the past, clicked on the site to take the free valuation, while also taking that critical first step in their relationship with Regit. Terry Hogan sees the move as a game-changer for their business. “Registration, that initial sharing of identity, is the beginning of what we hope will be a life-long relationship,” Hogan says. “The longer we engage with customers, the more we know about them and the better we can serve their needs.”

HELPING CAR OWNERS NAVIGATE THE ROAD AHEAD

One of the most important decisions that a car owner will make is what car to buy next. There are many different data points that can help predict this, from past preferences and online searches to affinities between different brands. Ultimately, however, it’s the test drive that will trigger the sale. In order to help customers choose their next car, Regit connects car owners and dealers to arrange test drives. It’s one of their most popular services, yet also one of the most costly for Regit to deliver because of the amount of customer handholding it requires.

Regit gets many of its test-drive leads from ads on third-party sites such as Facebook or Google. Historically, these ads were loosely targeted to general demographic groups that Facebook provided (e.g., age, income, location), which yielded a number of leads but not necessarily qualified leads. As a result, about seventy percent of all test drive leads would end up contacting Regit’s call center to gain additional information and arrange the test drive, while the remaining thirty percent of leads would perform the follow-through on their own.

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Today, Regit has literally turned those numbers around with Lytics. Lytics has helped Regit amplify its own highly targeted audience on Facebook much further than the standard targeting options. By using its own successful customer segments created in Lytics to reach highly targeted “lookalike” customers on Facebook and other marketing partner sites, Regit has seen a dramatic improvement in the quality of its responses.

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“With Lytics, we don’t have to worry about managing our customers,” Hogan shares, “we just have to manage our segments. Lytics makes it much easier for us to do this at scale.” Approximately seventy percent of test-drive candidates now follow through on their own test drive arrangements, while only thirty percent require customer care from Regit’s call center—a complete reversal. As a result, they’ve generated more revenue at a lower cost and created more efficiency and tangible cost savings in their call center.

For Regit and Lytics, the road ahead is lined with opportunities. The trend in Europe toward electric and hybrid vehicles is just one area where Regit sees a chance to help customers by “plugging them in” to personalized content and services. Terry Hogan seems happy to hand the wheel to his new customer data platform. “At first, we struggled to let go of our traditional marketing processes,” Hogan concedes. “But you just have to trust your CDP to do the clever stuff. With Lytics, we’re investing in making our business better.”