

# How Dixons Carphone bucked trends, broke ROI records, and redefined CRM expectations

*Insight-led Black Tag Event campaign for the UK's largest electronics retailer sets a new benchmark for CRM. The combination of a data-led strategy and a team of advanced tech led to a 102% increase in campaign revenue.*



Artificial intelligence.  
Human language.  
Awesome.



### The backdrop to a market-beating business transformation

Dixons Carphone's vision is to **help everyone enjoy amazing technology**. It is committed to an easy end-to-end customer experience for everybody – however they want to shop. As a **leading omnichannel retailer** of technology products and services, it operates through **939 stores and 16 websites in eight countries**.

Dixons Carphone has never been afraid to **adapt its business model** as consumer attitudes and behaviors shift. Its broader business transformation plan, announced by its CEO in 2018, was no different.

The company saw an opportunity to play an **important, valuable, and central role** in its customers' lives beyond that of traditional retail and adopted a new strategy of **taking care of customers throughout their entire journey** while focusing on Dixons Carphone's strengths and the service it offers through the **quality of its team**.

For its part in the company's ambitious transformation, the CRM team re-evaluated its entire strategy, **redefining its role within the business**. With an extensive range of products, Dixons Carphone has something for everyone. The team began by obsessing about **understanding what its customers value**, in order to build the foundations for a better multi-channel experience at scale.

In the face of challenging marketing conditions, including a global pandemic, Dixons Carphone's focus has been **to keep its people safe**, serve its customers, and ensure the business is in the strongest possible position for the future. Thanks to a strong online performance **it remains the market leader in every country in which it operates**.

**This is the story of how Dixons Carphone's CRM team used advanced technology to accelerate its digital transformation.**

### The importance of CRM

**The customer is central to Dixons Carphone's new model**. The aim is to provide customers with a seamless and personalized experience where **convenience, ease of navigation, and simplicity are key**. By making customer relationships stickier and more valuable through customer experience and through the entire end-to-end experience, Dixons Carphone can focus on helping everyone enjoy amazing technology.

With innovation in its DNA and data at its heart, Dixons Carphone was ready to overhaul its CRM strategy.



## Kick-starting the journey



*Every good digital strategy should start  
with a few quick wins.  
Prove yourself, then go bigger.*



Saul Lopes, Head of CRM, **Dixons Carphone**

The effort and digital transformation required to shift away from using the incumbent CRM approach to an approach focused on consumer needs was huge. The initiative was led by Saul Lopes, Dixons Carphone's Head of CRM.

Initially, the focus was on **aligning the highly skilled team** behind the plan. From this point, Dixons Carphone looked at the 'quick win' technology that was easy to onboard but also capable of underpinning such an ambitious strategy and showing commercial results quickly.

**Phrasee's AI-Powered Copywriting technology** was the first step in the plan and remains at the heart of the transformation today. Phrasee requires no third-party data exchange, so it's **quick to implement** and won't 'alarm the guys in IT'. To kickstart the journey, Dixons Carphone initially used Phrasee's AI to write and optimize the email subject lines across all its campaigns, seeing an immediate uplift in **email open rate of 10%**, **click-through rate of 25%**, and **conversion rate of 21%**.

Dixons Carphone then introduced Movable Ink to **improve personalization and content automation**, which in turn freed up internal creative resources. This enabled Dixons Carphone's existing team to **double its campaign output** (over 30 hours a week). The team could then use time previously spent on admin functions to **focus on improving the customer experience**.

Movable Ink's technology harnesses data to create **compelling visual experiences tailored for every customer**. By pulling information directly from Dixons Carphone's website – like pricing, product recommendations, stock, even hero messaging – Movable Ink automates the creative process, **saving the CRM team precious time and energy**. Additionally, Movable Ink uses customer data to include the most relevant information, effectively taking out the guesswork.

And with email content updating at the moment of open, customers are **always guaranteed** to see the most up-to-date information.

Both Phrasee and Movable Ink have been critical to the successful execution of the CRM strategy. The use of these technologies highlights Dixons Carphone's continued focus on **innovating its customer experience** and, in turn, driving continual improvement in performance and **market-beating online revenue and growth**. Overall the CRM function ended its year with a **28% growth in revenue YOY**.

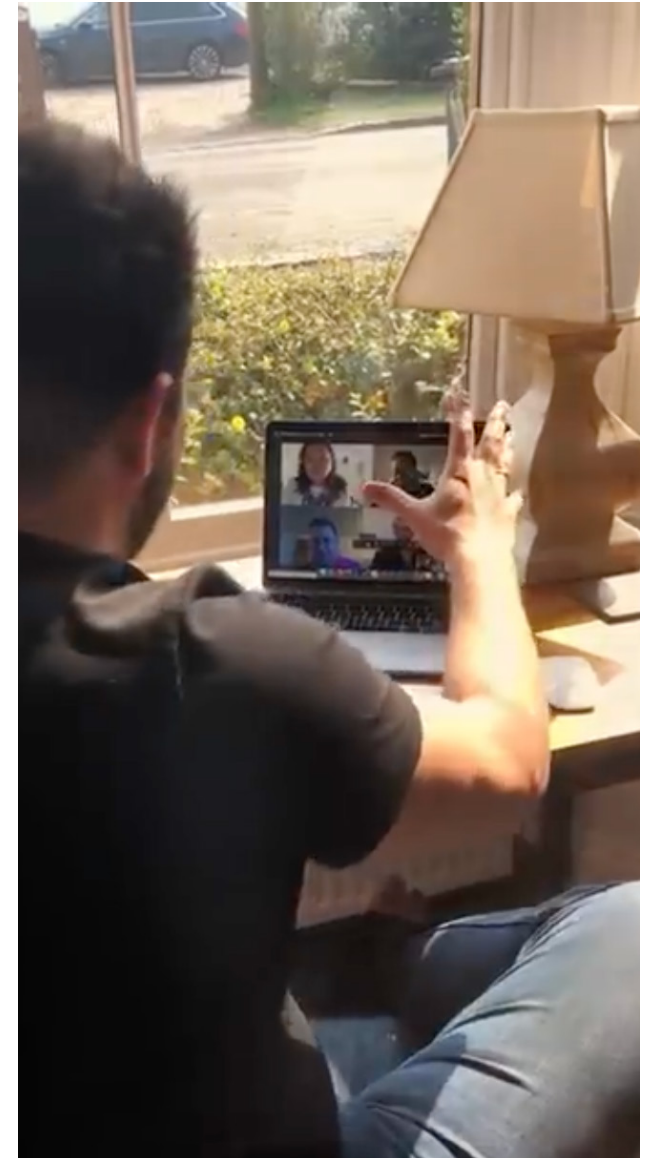
### Introducing the 'Black Tag Event'...

Of all the campaigns delivered throughout the last 12 months, there was one example that stood out from the rest, not just for the way it amplified Dixons Carphone's new brand mantra and its commercial results, but because it set a new benchmark for CRM projects across the industry. **That campaign was the 'Black Tag Event'**, Dixons Carphone's 2019 Black Friday campaign.

Enter Proximity, Dixons Carphone's trusted customer experience agency. It undertook a **massive consumer insight project**, surveying over 17,000 people in the UK for quantitative and qualitative data to give the most robust segmentation selection in the company's history. This segmentation allowed the brand to create a cohesive Black Tag Event campaign around **customer intent and personalization**.

The consumer research project gave Dixons Carphone insight into beneficial previous data (e.g. who are the target customers, how do they shop, and how did they respond in 2018's Black Tag Event) and, crucially, **actionable segmentation possibilities** looking forward (e.g. what categories and products are relevant, and what campaigns and messages will resonate for Black Tag Event 2019). This huge undertaking to collect vital data gave **rich insight into seven different aspects of purchasing behaviors**, motivations, proof points, and barriers to carry out sophisticated segmentation.

**This project equipped Dixons Carphone with key knowledge** such as how Millennials saw Black Friday as an opportunity to replace broken products or upgrade, whereas the High-Affluence segment and Families, key targets for Dixons Carphone to reach, prioritized gifting in their Black Friday purchase. Armed with this data, Dixons Carphone was also able to tackle the High-Affluence segment's noticeably low NPS score while **understanding their product drivers and brand loyalty**.



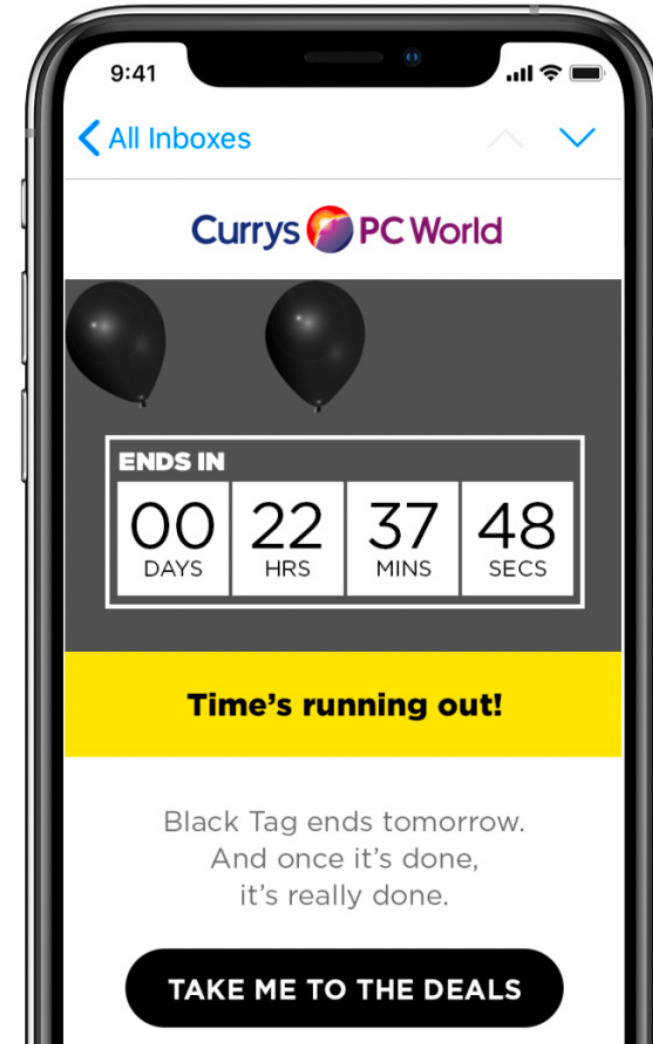
## The email campaign

Using this newly discovered data, the team developed a **customer-centered approach** to comms and implemented a tailored campaign execution approach for the Black Tag Event, and **every email sent in the campaign was personalized with highly targeted creative**. The consumer research project gave Dixons Carphone insight into the different ‘gifting anxieties’ the gifting process throws up for Dixons Carphone’s different audiences. In order to ease those anxieties, it combined the seven different segments into three main groups based on commonalities. The agency then **tailored the messaging** to each of the groups to maximize engagement.

Using modular blocks within the email, Dixons Carphone changed the personalized hero messaging, product recommendation, Black Tag Event categories, and reason to buy based on every different customer’s intent and need states.

To support this revolutionary new segmentation, Dixons Carphone **implemented a whole new contact strategy** for its Black Tag Event campaign. Aware of data learnings in 2018 that overcommunicating drives opt-outs, the new contact strategy focused on **promoting meaningful engagement** with the frequency of email sends determined by engagement.

With customers looking for the best deal during the Black Friday campaign, Dixons Carphone increased frequency from two emails a week to once a day. The new contact strategy saw the **highest open rates ever**. To avoid fatigue in communications, Dixons Carphone used real-time intelligent creative to count down to the Black Friday event.



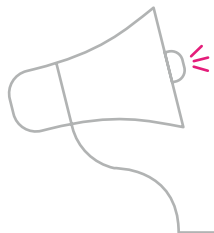


## The Content Hero

It was down to Movable Ink to create the visual experience within the emails. Through **data-driven creative and real-time content automation**, Movable Ink enabled Dixons Carphone to build out a **sophisticated email campaign** with targeted messaging – **no extra work required** from the CRM team.

Movable Ink started with a modular email containing dynamic creative blocks, drawing from Dixons Carphone's massive catalog to create hundreds of thousands of possible variations. These modules showed **highly relevant information based on unique customer behavior**, ensuring each message was highly compelling to its recipient.

Drilling down into the segmentation, Movable Ink enabled Dixons Carphone to send **personalized hero messaging and real-time pricing** based on the customer's need states. **Entirely automated**, the campaign pulled information directly from the website, **freeing up the CRM team's time and creative resources**. The team could also rest assured that customers were seeing the most accurate information, as emails automatically updated at the moment of open.



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## The Language Pioneer

Phrasee®, the AI-Powered Copywriting pioneer, was responsible for ensuring the emails had **maximum reach and revenue impact** by optimizing the language with its advanced technology.

Phrasee ensured every carefully built email had the required reach and impact. Using **natural language generation and deep learning models**, Phrasee generated marketing copy **in Dixons Carphone's brand voice** and continually optimized performance.

With the transformation towards customer-brand relationships, marketing language that inspired was critical. Phrasee balances the most advanced copywriting tech with **human control** – this creates a unique trust in the language generated while ensuring it has the **reach and impact to generate ROI**. Dixons Carphone used Phrasee's AI-Powered Copywriting **across every email subject line** in the Black Tag Event campaign to maximize opens, clicks, and conversions.

In busy sales and high conversion periods, it's difficult to find different ways of saying 'BUY NOW' while **retaining your brand voice**. Phrasee was able to create that variation, improving email engagement, frequency, and reach. **Phrasee lets the audience dictate what and how it wants to be communicated with**. No assumptions here, it's important to let the data do the talking and carry on putting the customer at the center of the campaign.

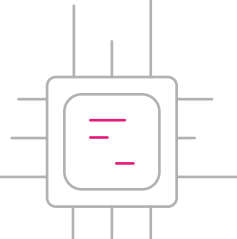
## The bottom line – driving record-breaking results

Combining Phrasee's AI-Powered Copywriting with Movable Ink's real-time testing **brings together advanced technologies** to generate more engagement through a combination of optimized subject lines, calls to action, body copy, and dynamic content. An integrated API solution has **empowered Dixons Carphone** by enabling it to connect digitally with consumers at scale, while offering the internal team a **seamless experience**.

By employing customer insight, sophisticated segmentation, and highly personalized visual experiences, Dixons Carphone has **optimized for scale and efficiency**. This, in combination with the maximum reach achieved through AI-Powered Copywriting, has delivered **record-breaking results** for this type of campaign.

This was a story of profit, clever data, revenue, brand growth, and how to use successful partnerships to thrive in marketing. Dixons Carphone considers every tech partner an extension of the CRM team.

**This is the new standard for CRM.**



42%

uplift in open rate



93%

uplift in click rate



102%

increase in campaign revenue

Driven mainly by:

21%

uplift in conversion rate

16%

increase in online conversions

29:1

total campaign ROI



