



Shannon Smith

Former SVP and Global CMO at JCrew

RISING STAR AWARD

Q+A on J. Crew with CMO Award Winner Shannon Smith

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No one said being a CMO is easy. In Jeff Goodby's recent post on Forbes.com he encourages CMOs to be bold and move fast given a likely tenure of 45 months describing their position as follows:

You've got some big fish to fry. The CMO's job responsibilities have expanded like a dumped-out bowl of TUMS. You are now responsible not just for advertising and research but also for all internal and external corporate communications, all social media, all PR, the company's Internet presence, countering snipey comments about the company's Internet presence, any and all stupid photos that go public, leaked documents and ill-advised blog posts by employees. You are doing more than anyone in the company, actually.

It is with all these responsibilities in mind that I reached out to Shannon Smith, former SVP and Global CMO at JCrew, and as you will see, we covered a lot of ground from repositioning to customer experience, email systems to customer loyalty programs. Shannon's hand in the success of JCrew's repositioning probably would have been enough for her to win a Rising Star award at this year's CMO Awards but it's only the tip of the iceberg as you will see soon enough.

Drew: The J. Crew brand seems to have evolved in last few years. Can you talk about how this evolution?

Shannon: J. Crew has evolved their brand position quite a bit over the past 5 or so years, from a more traditional, basics-driven retailer (think roll-neck sweaters, barn jackets, khakis and button-downs) to a much more fashion-forward brand with runway shows during NY Fashion Week. This has largely been driven by the design and merchant teams, with the evolution of the merchandise itself, and supported by the creative positioning of the marketing, including the

site, catalog and email. It is not easy to change a brand's position in the eyes of the consumer, but J. Crew is fortunate in that most customers love the new styles. One thing that has been incredibly successful in shifting the brand's image is creative collaborations with high-end designers, from Comme des Garçon to Alden Shoes. The direct marketing team's role is to get the most relevant product in front of the customer, and communicate that the brand offers tremendous product breadth with a wide range of styles and price points.

Drew: What changes has J. Crew made over the last year in order to improve the customer experience?

Shannon: J. Crew is constantly working to improve the customer experience, from the design and fit of the clothes to the services offered in stores to the website functionality. My role in this endeavor was constantly striving to deliver more relevant, personalized marketing communications to our customers, providing them with information about the products that would be of interest to them, whether it was our women's new arrivals, a new men's suiting line with a different fit, or great children's clothes. I worked towards this in our email marketing program, our catalog versioning and our rewards program, the J. Crew credit card.

Drew: I saw this quote on AdExchanger: "J. Crew is incorporating email engagement behavior into segmentation and targeting. 'We're setting up a much more triggered and robust marketing platform,' says Smith." Can you talk about this new initiative?

Shannon: In 2013, I led J. Crew through the transition onto the Responsys email platform (Responsys was subsequently acquired by Oracle and integrated into their Marketing Cloud). They are a best-in-class service plat-

form, enabling J. Crew with a much more robust set of capabilities around customer segmentation and targeted marketing campaigns. Our email segmentation strategy is now capturing not only customer purchase history, but also website browse and email engagement behavior (opens, clicks, etc.). In addition, we have launched a series of email triggers, including Abandoned Cart and “Category Browse” campaigns, that are driving millions of incremental dollars in email revenue.

Drew: So would you describe this as your single most important new digital tool?

Shannon: For my world, it was absolutely our transition to the Responsys email marketing platform. The capabilities they provide in bringing vast amounts of customer on-line behavior into our segmentation has allowed us to significantly improve the productivity of our email campaigns through better segmentation of our customer base. We are able to incorporate products customers are interested in – indicated by browsing and email engagement – in addition to past purchases, which is incredibly powerful.

Drew: Can you talk a bit about your experience with loyalty programs and what it takes to get them off the ground?

Shannon: J. Crew doesn’t have a loyalty program (our J. Crew credit card is our rewards program) but at Sephora I managed the Beauty Insider program for 4 years, growing it from launch to an active customer base of over 10 million members. In terms of getting it “off the ground”, it was an enormous company initiative involving everyone in the marketing, operations, store and technical organizations. It had a tremendously successful launch and grew quickly, but loyalty programs require significant effort and funding to keep them fresh, top-of-mind, engaging and meaningful. At Sephora, I led the launch of the VIP premium tier and new types of program benefits, including new point-level rewards. The Beauty Insider program has been invaluable in that it enabled the company to build a customer database and personalize marketing communications to their enormous base of retail customers. However, I was constantly working with our analytics team to measure the

ROI of the program holistically. It’s not an easy thing to do. I believe loyalty programs can have real value for companies, particularly when many retailers selling are the same products and competing for customers, like department stores. That said, I always caution a company considering a loyalty program to be very thoughtful and clear on the strategy for their program, how it aligns with their brand and how they will drive value from it, because it’s going to be a big investment.

Drew: What advice would you give to fellow marketers when it comes to building credibility with your CEO? Are there some things to be avoided?

Shannon: You need to know what’s important to the CEO, and to present marketing results and accomplishments in a way that will resonate with his/her values. If the CEO is an analytical, metrics-driven leader, the marketer would be best-served providing a numbers-driven communication about metrics and performance. If the CEO is more creative and emotional, the marketing leader should speak to results in terms of positive impact on the customer, building connection to the brand, etc., and how this supports the company’s growth. What I’d say is to be avoided is trying to communicate things in a way that is important to the marketing leader – but isn’t important to the CEO.

About the author

Drew Neisser is the CEO and founder of Renegade, the NYC-based social media and marketing agency that helps inspired CMOs cut through. He is the champion of Marketing as Service, a philosophy he espouses in his writings on FastCompany.com, PSFK, TheDrewBlog and The Cut, a much-appreciated monthly newsletter. If you have a CMO success story to tell, let Drew know at dneisser@renegade.com.

