

CASE STUDY

# Resideo drives growth and revenue with new marketing strategy

resideo

HIGHLIGHTS

**78%**

The acquisition campaign drove a 78% higher number of activations when compared against previous years.

**19%**

The campaign to upsell current customers drove a 19% lift in new product activations by existing users.

**20%**

The updated communications strategy and welcome series has helped Resideo grow its customer base by 20%.

**30%**

Over the past three years, Resideo grew its revenue from retained customers by 30%.

## Challenge

In October 2018, Honeywell (NYSE: HON) spun-off its residential technology business into a separate, stand-alone company called Resideo (NYSE: REZI). Historically, the residential technology division had built success in the home heating, security and fire technology markets by focusing their marketing efforts on contractors who sell and install products in consumers' homes and businesses. To position Resideo as the go-to brand for powering the connected home with smart technology, the team knew they would need to update their strategy to engage consumers and homeowners while continuing to drive sales towards professional and retail partners. They also knew they needed to utilize real-time data to monitor and optimize their efforts.





# Solution

The Resideo marketing team worked with Data Axle to leverage data and develop a strategy that would boost demand by marketing to end consumers – a new approach and a deviation from the legacy approach of focusing only on communications with professional installers. Marketing to end consumers would help the brand drive consumers to contact professional installers and retailers – increasing the brand’s customer base while also increasing sales for professional and retail partners. The plan included multichannel campaigns to acquire new customers, upsell existing customers and a new communications strategy to guide consumers on their journey from new customers to loyal brand advocates.

# Execution

Data Axle and Resideo created multi-channel campaigns to acquire new customers and encourage additional revenue from their customer base.

## Boosting acquisition

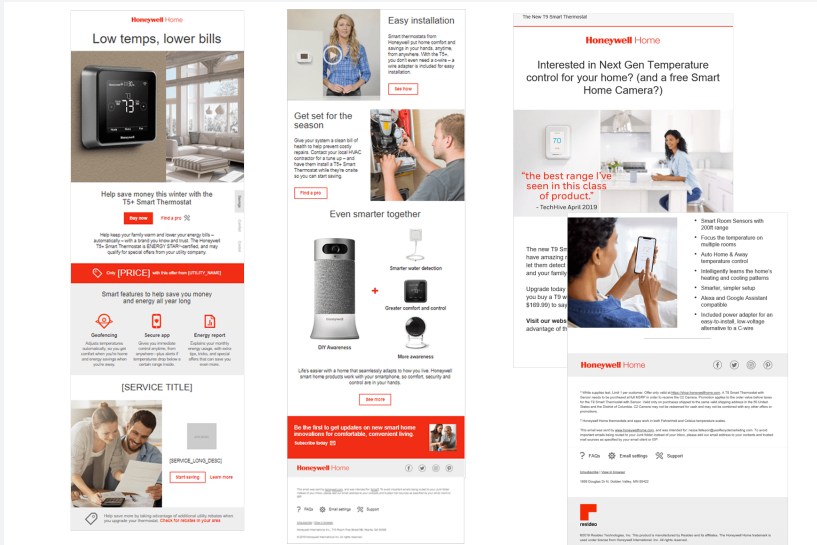
Winter is a key time for consumers to purchase new thermostats. To drive new purchases in the lead-up to the high season, Resideo worked with Data Axle to develop an acquisition campaign across multiple media channels. Data Axle helped Resideo analyze their existing customer data to create lookalike models – identifying high value consumers who look like existing customers. In addition, to reach those who were most likely to buy, they honed their targeting based on geography, weather, and other key data points like a recent move.

## Extracting value from existing customers

By analyzing customer data, Data Axle helped Resideo understand that consumers were ready to upgrade their existing thermostat much sooner than the brand initially thought. With this insight, the brand created a campaign to target consumers who hadn’t upgraded their thermostat recently and were most likely to be in the market for new technology.

## Establishing end-user communication strategies

To help on-board and activate new thermostat customers, Data Axle and Resideo developed a four-message welcome series. The email series gave new owners tips for setting up their thermostat, encouraged product reviews, and finally promoted other products that thermostat buyers might be interested in. In addition, new thermostat customers received consistent and relevant communications including a personalized monthly energy report (with savings), quarterly newsletter with tips & tricks, and relevant partner offers.



*“Data Axle’s analysis allowed us to redirect our efforts and reach consumers when they were most engaged and ready to consider a new purchase – resulting in a 19% lift in activation from existing users.”*

**Lorrie Mizuko**  
Director, Digital & Ecommerce for Consumer Products  
Resideo



## Results

The increased focus on engaging the end-user consumer has paid off for Resideo.

The acquisition campaign drove a 78% higher number of activations when compared against previous years. In addition, 40% of the activations came from professionally installed devices, proving to internal stakeholders and partners that consumer marketing drives demand across all paths to purchase – including professionally installed revenue.

The campaign to upsell current customers drove a 19% lift in new product activations by existing users, and successfully drove purchases from customers who might not have otherwise upgraded their thermostat.

The updated communications strategy and welcome series, developed with Honeywell and Resideo over the past three years, has helped the brand grow their customer base by 20% and their revenue from retained customers by 30%.

*“Data Axle’s database solutions and services have helped us build a strategy that ties audiences, marketing, and activation data to create a great digital experience across multiple touchpoints. Through this partnership, we’ve designed targeted digital marketing programs that convert and retain consumers and help build revenue for our network of distributors and installers.”*

**Lorrie Mizuko**  
Director, Digital & Ecommerce for Consumer Products  
Resideo

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