



CUSTOMER STORY



HOW MOUNTAIN KHAKIS GAINED A 49% UPLIFT IN REVENUE IN JUST 22 DAYS



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MOUNTAIN KHAKIS IMPLEMENTED LEXER CDP...

to put a stop to declining revenue,
and claw back a revenue deficit of

16%

**In just 22 days they launched
new data-informed campaigns
just in time for Christmas,
the most important time of year,
launching with Black Friday Sales.**

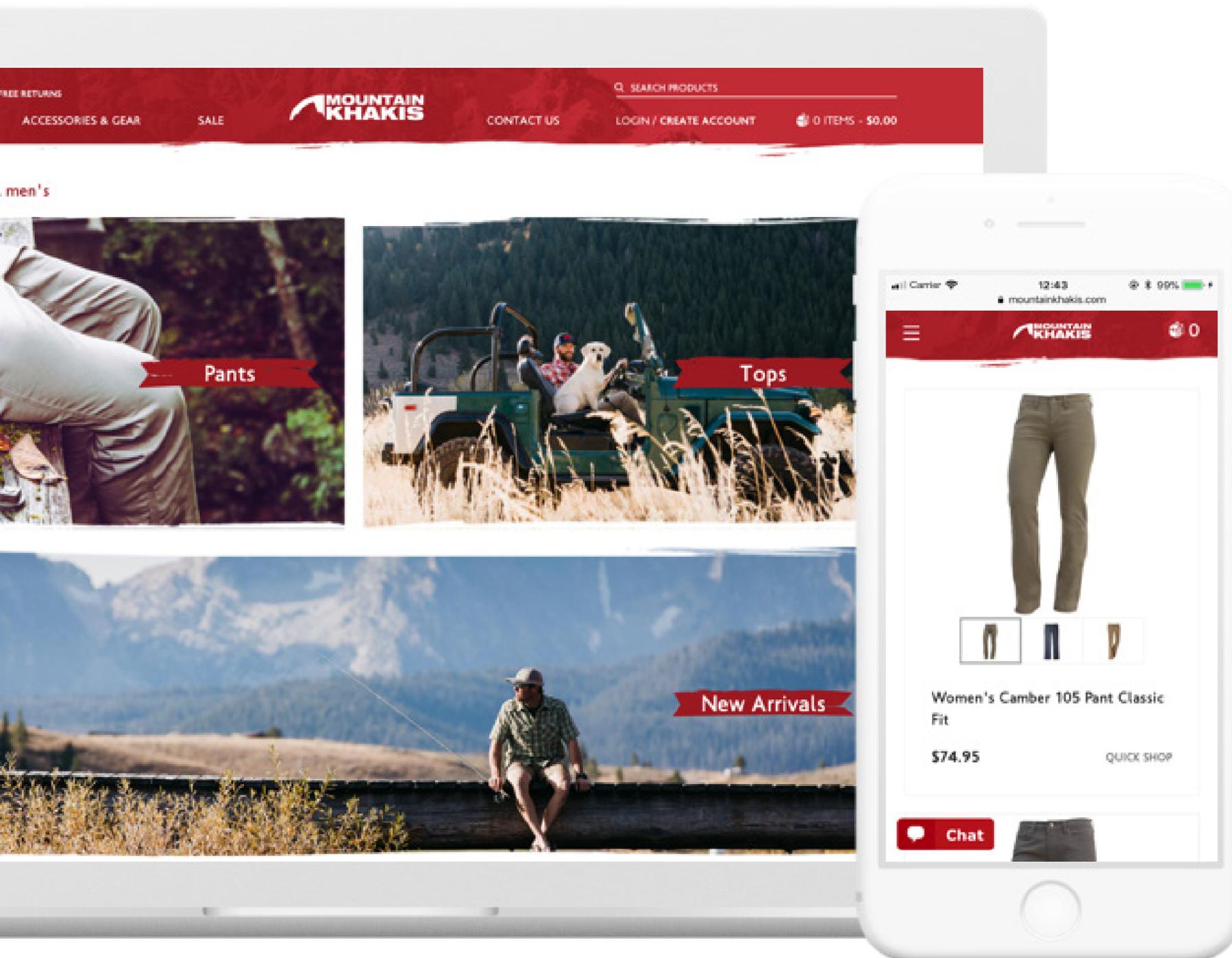
MOUNTAIN KHAKIS: MOUNTAIN-INSPIRED APPAREL FROM JACKSON HOLE

Legend has it that Mountain Khakis was born on the back of a napkin in a Jackson Hole bar.

They aimed to be a supplier of hard-wearing, mountain-inspired apparel.

“ The original concept was simple: to make a more durable outdoor pant, a pant that lasts longer, that fits well, and feels good. ”

Jeremy Hale, President



Since its inception, the brand has launched a host of new categories, including accessories, shirts, shorts and women's wear.

Mountain Khakis has a distribution model of 1/3 direct and 2/3 wholesale.

Whilst wholesale channel revenue was growing, direct eCommerce was going through a 3-year decline, and a 20% YOY drop in revenue.

“ This is where we are right now and that's not okay. We have to do something. ”

Jeremy Hale, President

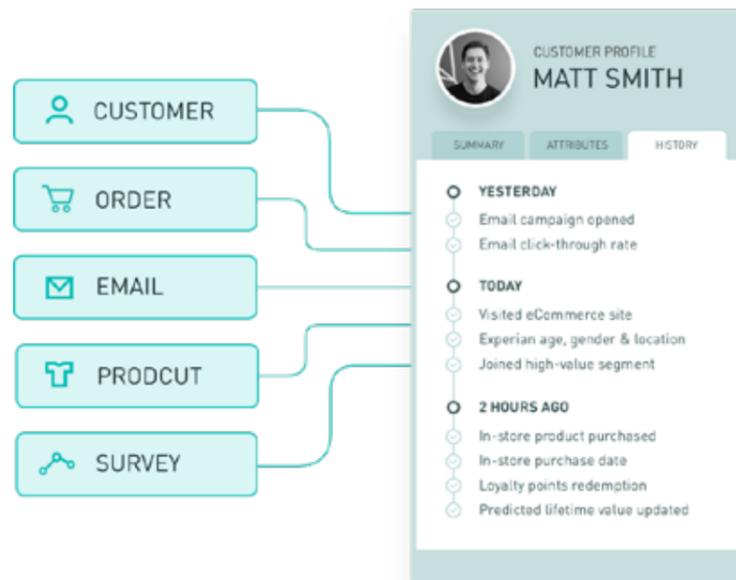
There was a need to step the decline and an opportunity to make retail a more profitable channel.

To seize this opportunity, it was vital they genuinely understood their customers.

This was the starting point for their CDP journey - to understand why they were losing customers and revenue, and how to turn it around - [fast](#).

A CDP EMPOWERED A BRAND TO UNIFY, SEGMENT AND ACTIVATE - FAST!

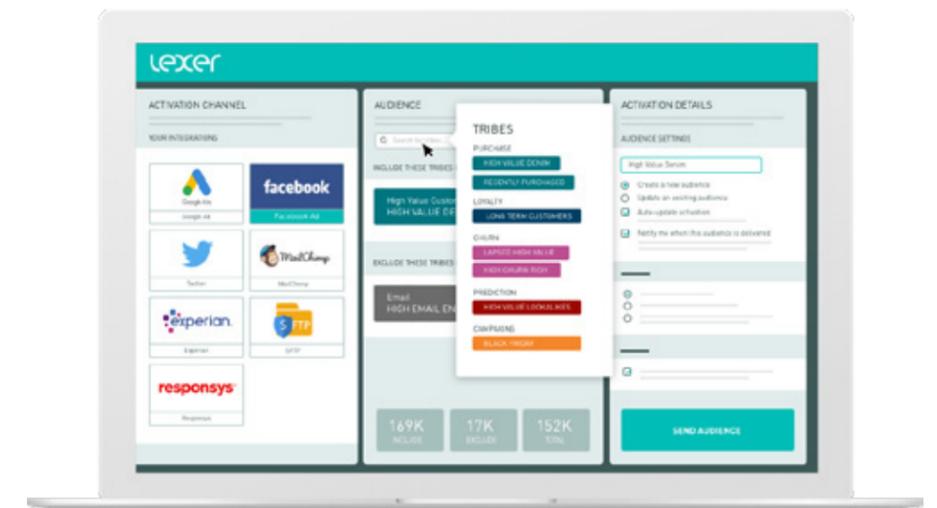
Mountain Khakis followed three key steps to achieve a single customer view and garner results that turned the business around. They were **Unification**, **Segmentation**, and **Activation**.



Unification



Segmentation

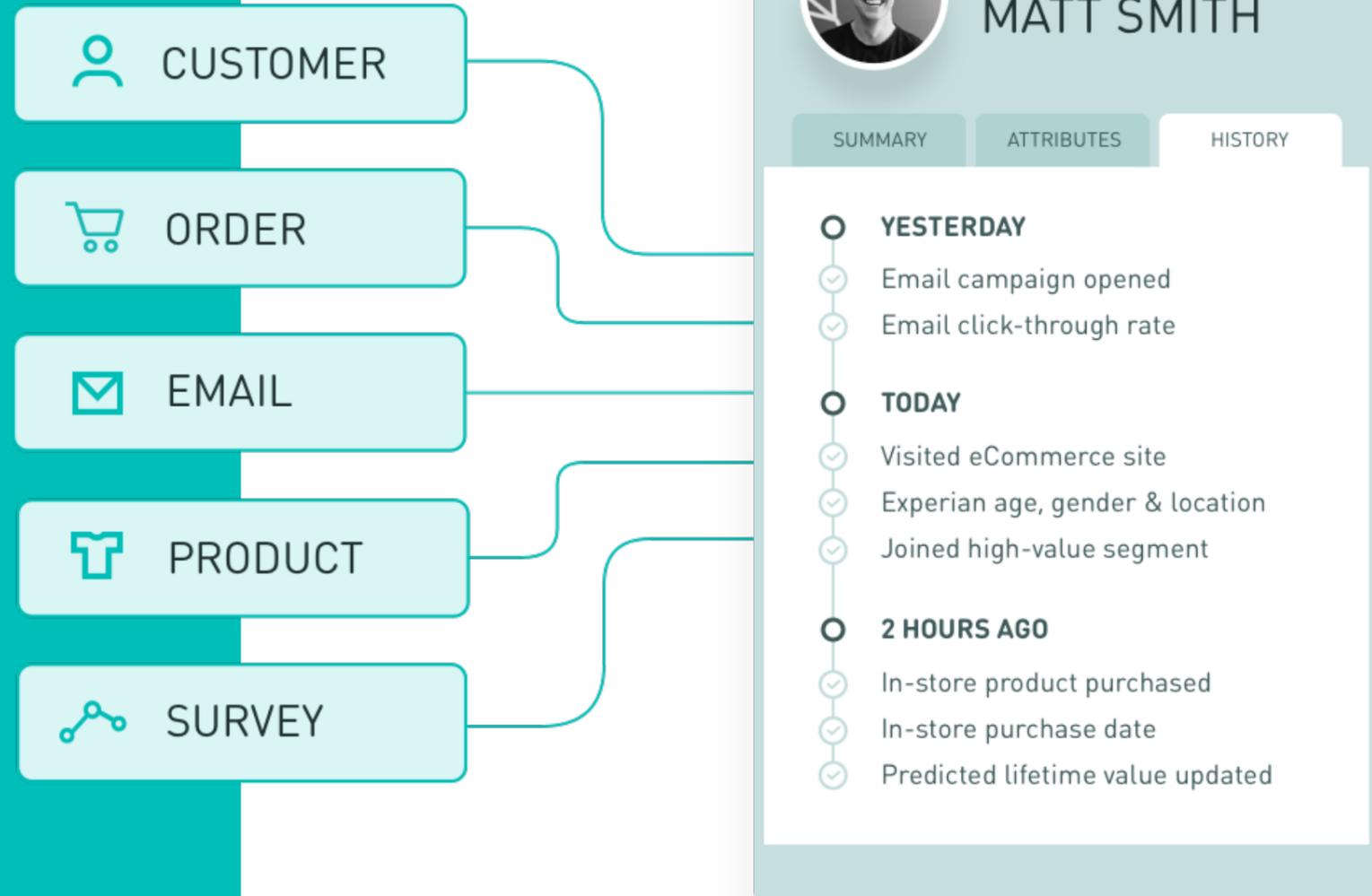


Activation

UNIFICATION

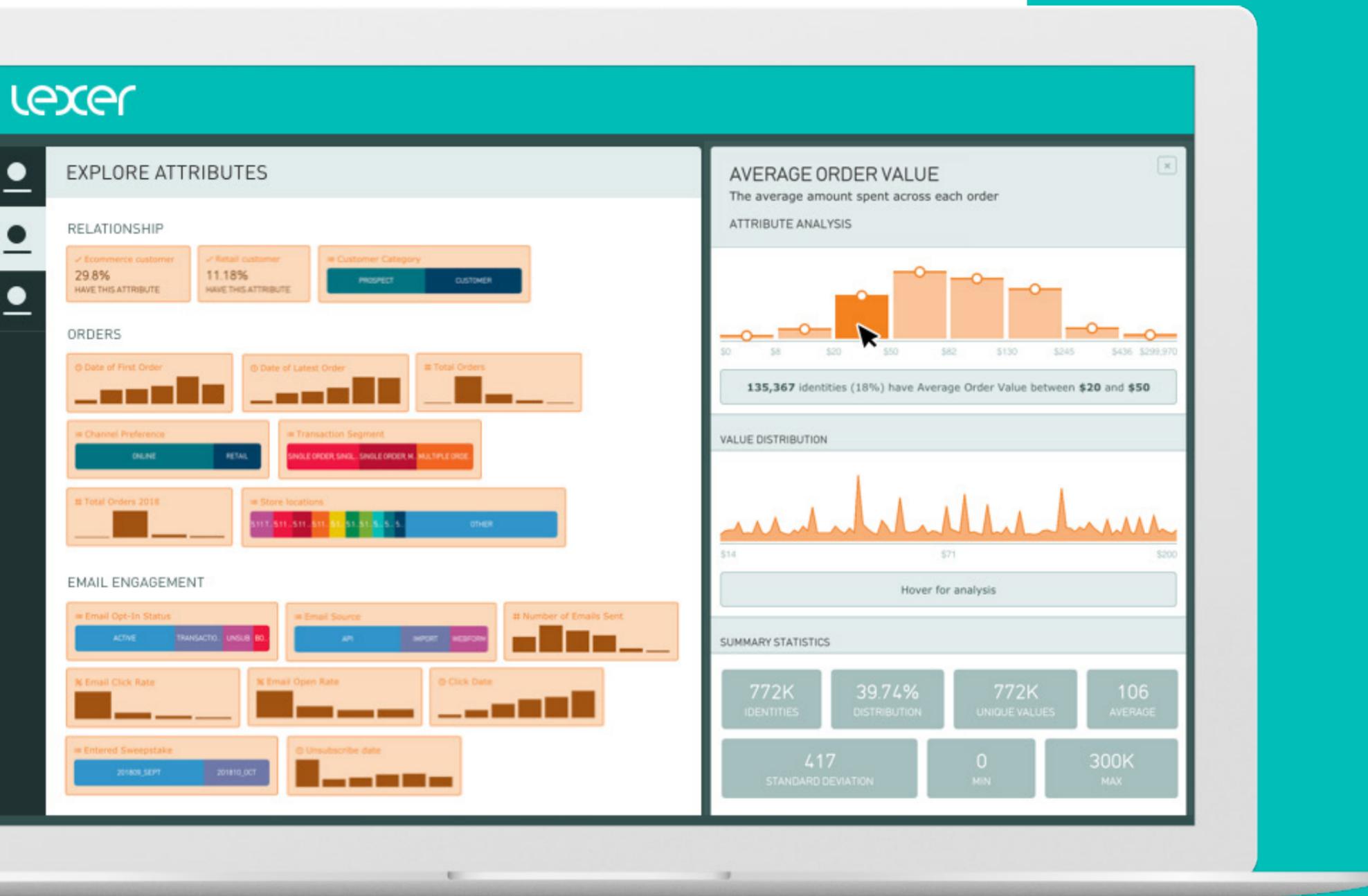
Mountain Khakis used Lexer to unify siloed and fragmented customer data that sits trapped in various systems. They on-boarded CRM, eCommerce transaction, order, merchandising and email data.

Lexer's CDP achieved this in days.



SEGMENTATION

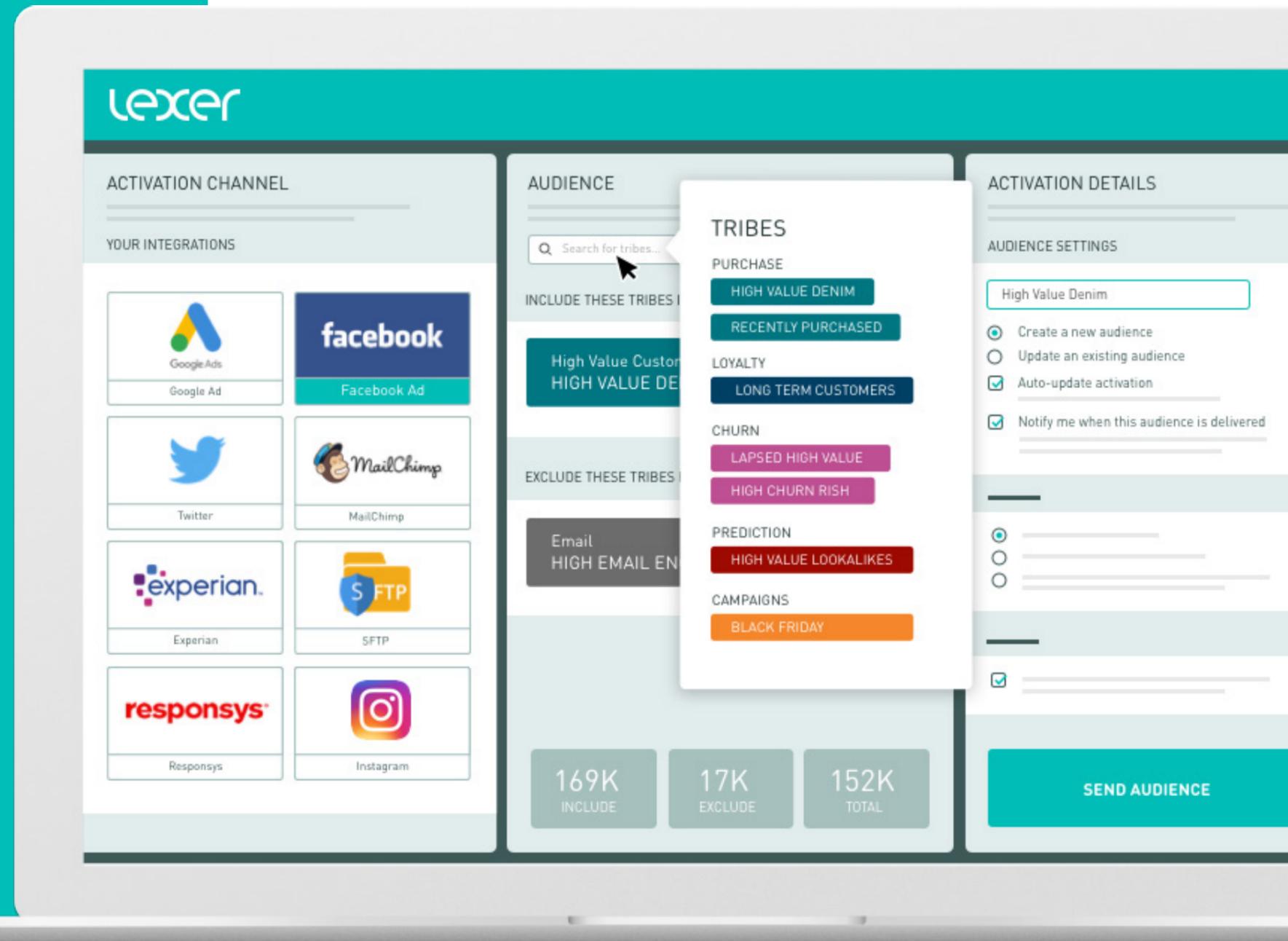
The unified view of each customer was enriched and made available to Mountain Khakis' marketing and eCommerce teams using Lexer Identify.



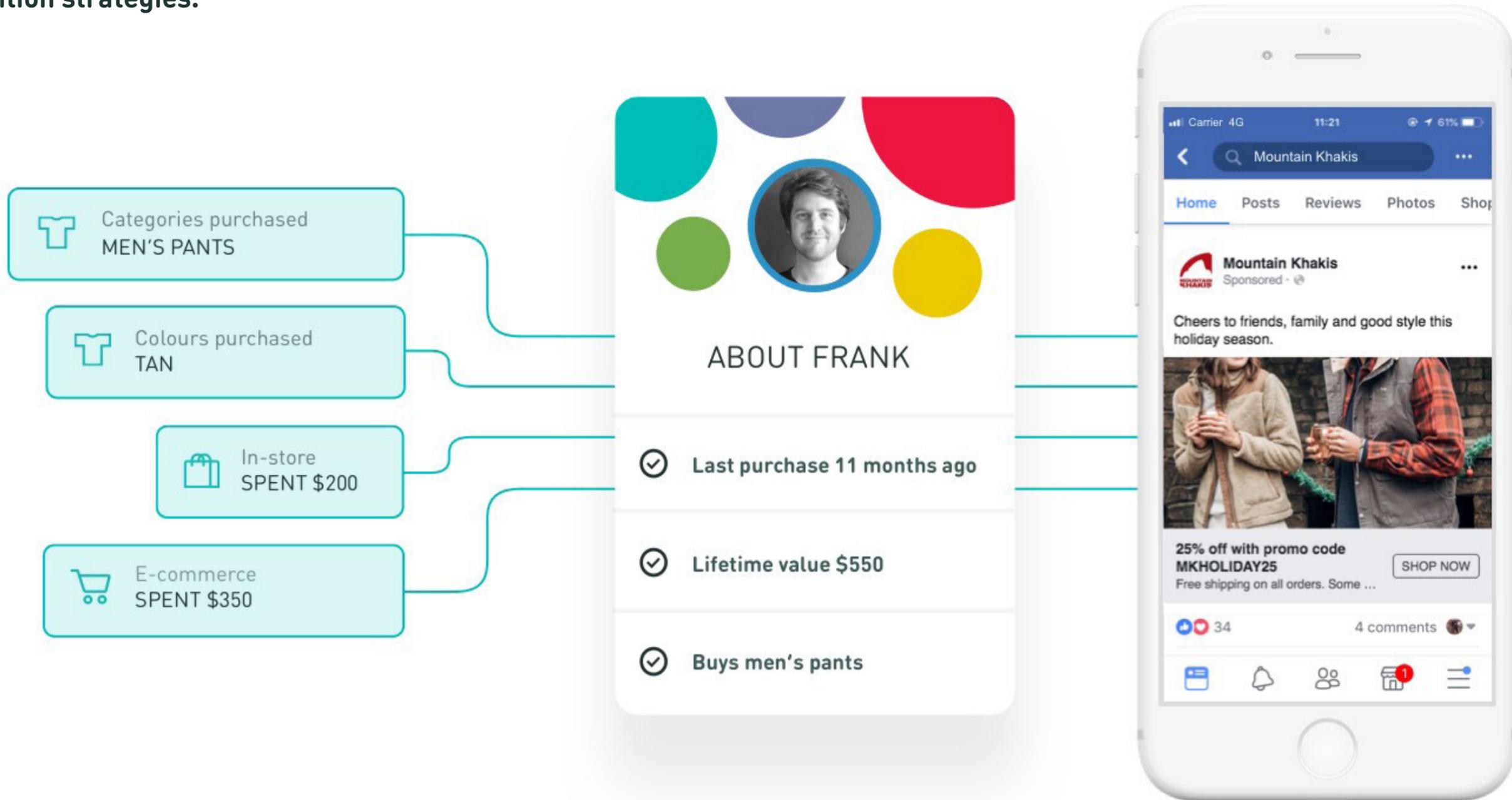
ACTIVATION

Mountain Khakis activated on paid social channels Facebook and Instagram, using Lexer Activate feature to seamlessly transfer newly created audiences across to Facebook's ad manager.

Activating their data was the last step in the journey.



Once their data was unified, Mountain Khakis could start to interrogate this asset to find opportunities that would **increase the efficacy of acquisition and retention strategies.**



CUSTOMER INSIGHTS LED TO 3 STRATEGIES: ACQUISITION, RE-ENGAGEMENT & HIGH-LIFETIME VALUE

With their data in one place, they could test their hypotheses, to better understand their existing customer base, and uncover the causes for a year-on-year decline in revenue.

The next most critical step was to identify where this decline was coming from and to correct it.



WHY IS ECOMMERCE REVENUE DECLINING?

Transactional data revealed that the drop in revenue was coming from both a decline in new customer acquisition and customer retention.

The CDP also revealed that 43% of customers were contributing to 67% of all revenue. Identifying a huge opportunity to build a healthier customer base.

WHO ARE OUR HIGH-LIFETIME VALUE CUSTOMERS?

The RFM segmentation showed that **64% of all customers had lapsed**, meaning they hadn't purchased for over one year. Additionally, **50% of high lifetime value customers had also lapsed.**

WHAT ARE OUR CUSTOMERS BUYING?

Insights revealed that **pant buyers were worth more than 154% than non-pants buyers.** More so, customers purchasing bright colors, shorts, larger sizes, accessories held a higher lifetime value.

THE KEY CHANGE IN THEIR STRATEGY WAS...

to not only acquire new customers, but increase the spend and frequency of past customers.

CUSTOMER INSIGHTS LED TO 3 STRATEGIES

They created **ten segments for acquisition and six segments dedicated to driving repeat purchase** which were then exported to Facebook to create robust lookalikes.

1

REINVIGORATE NEW CUSTOMER ACQUISITION

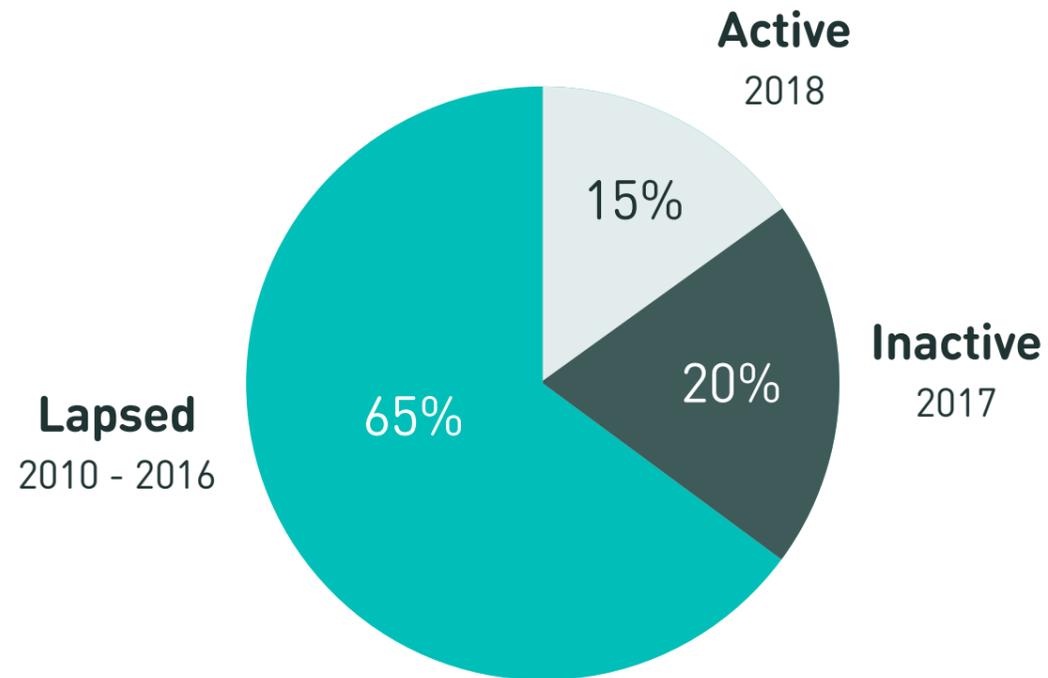
New acquisition was down in 17 & 18



2

RE-ENGAGE LAPSED CUSTOMERS

65% of customers were lapsed



3

FOCUS ON HIGH VALUE CUSTOMERS

Repeat customers represented over 75% of revenue



A HUGE UPLIFT IN REVENUE AND CUSTOMERS FOR BLACK FRIDAY

Targeting lookalikes of high value customers led to a 49% increase on 2018's Black Friday period.

The audiences were so effective because they targeted their highest value customers and people like them.



47% ↑

TOTAL CUSTOMERS

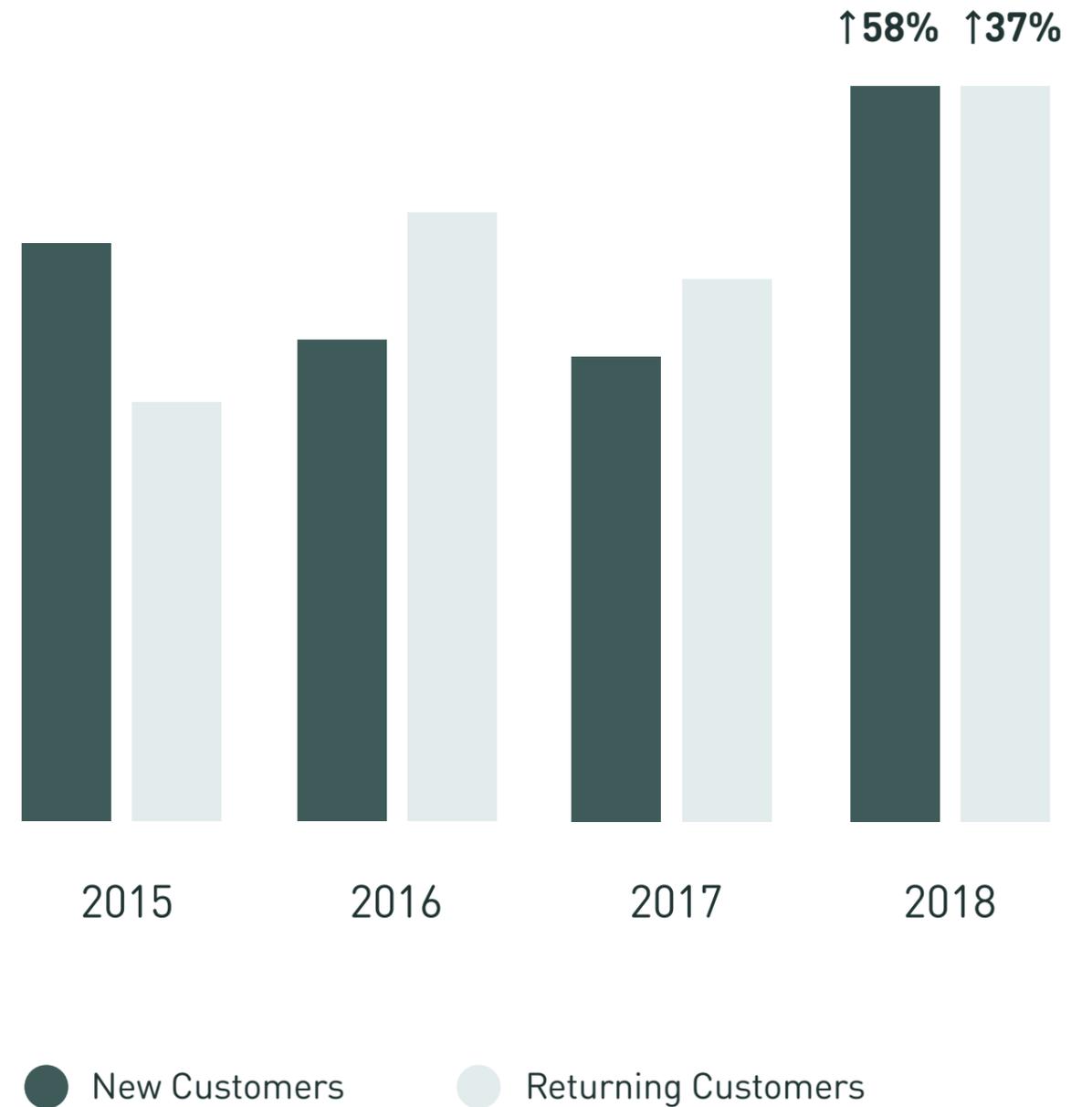


49% ↑

TOTAL REVENUE

The resulting lookalike was **a close match to Mountain Khakis original high-value customers profile**, they shared the same social interests and demographic attributes. This yielded the best return on ad spend ever for Mountain Khakis.

BLACK FRIDAY RESULTS



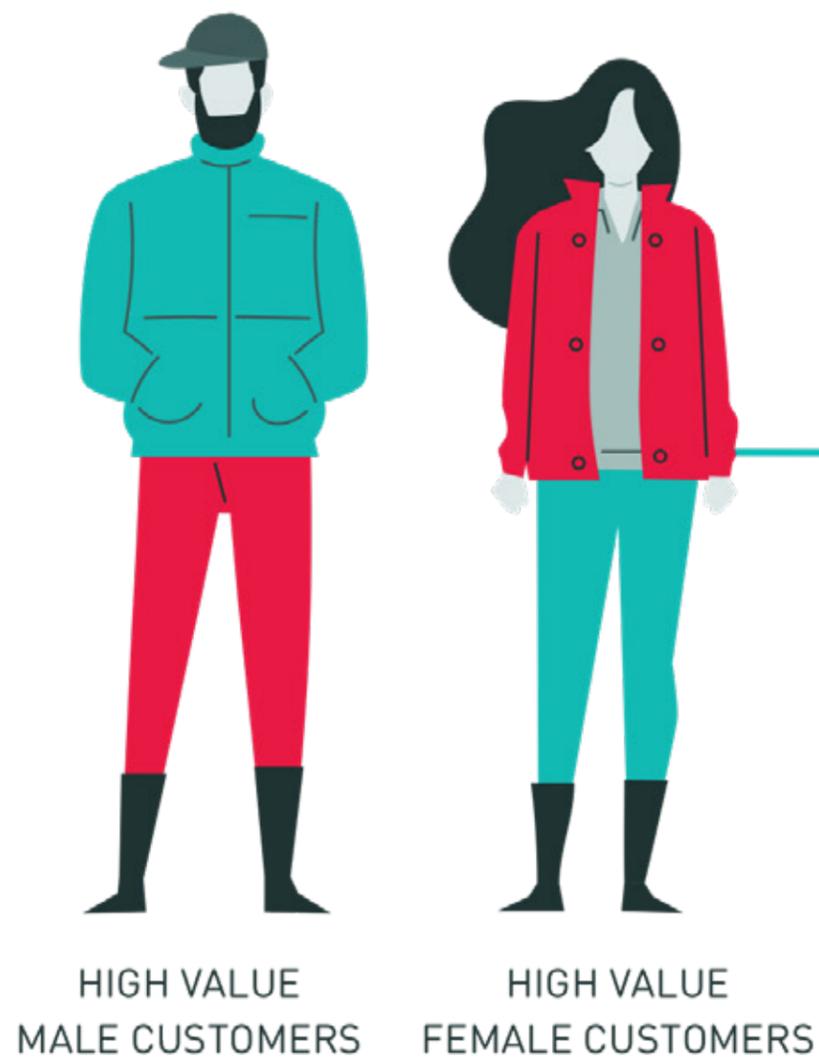
AN UNEXPECTED 5X UPLIFT FROM MOUNTAIN KHAKIS' FEMALE CUSTOMERS

By splitting by value, gender and recency, Mountain Khakis were able to learn which variables for future campaigns will deliver the biggest impact to ROAS.

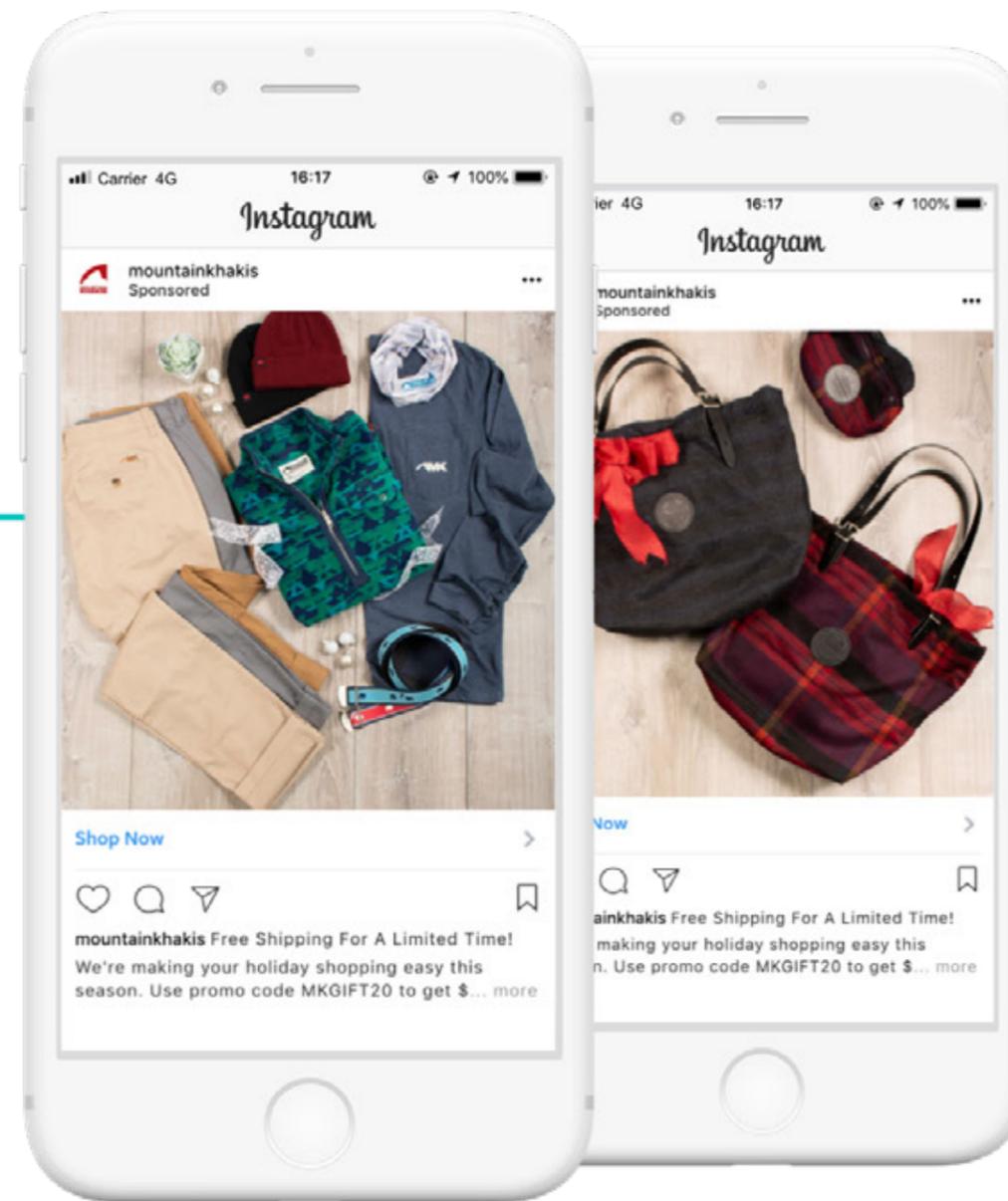
IT WAS FOUND THAT...

lifetime value had the largest material impact on ad spend, with **high-value females proving to be the most overall successful audience.**

Targeting high value recent female customers achieved a 5X ROAS, where men achieved 3.5X.



Lexer

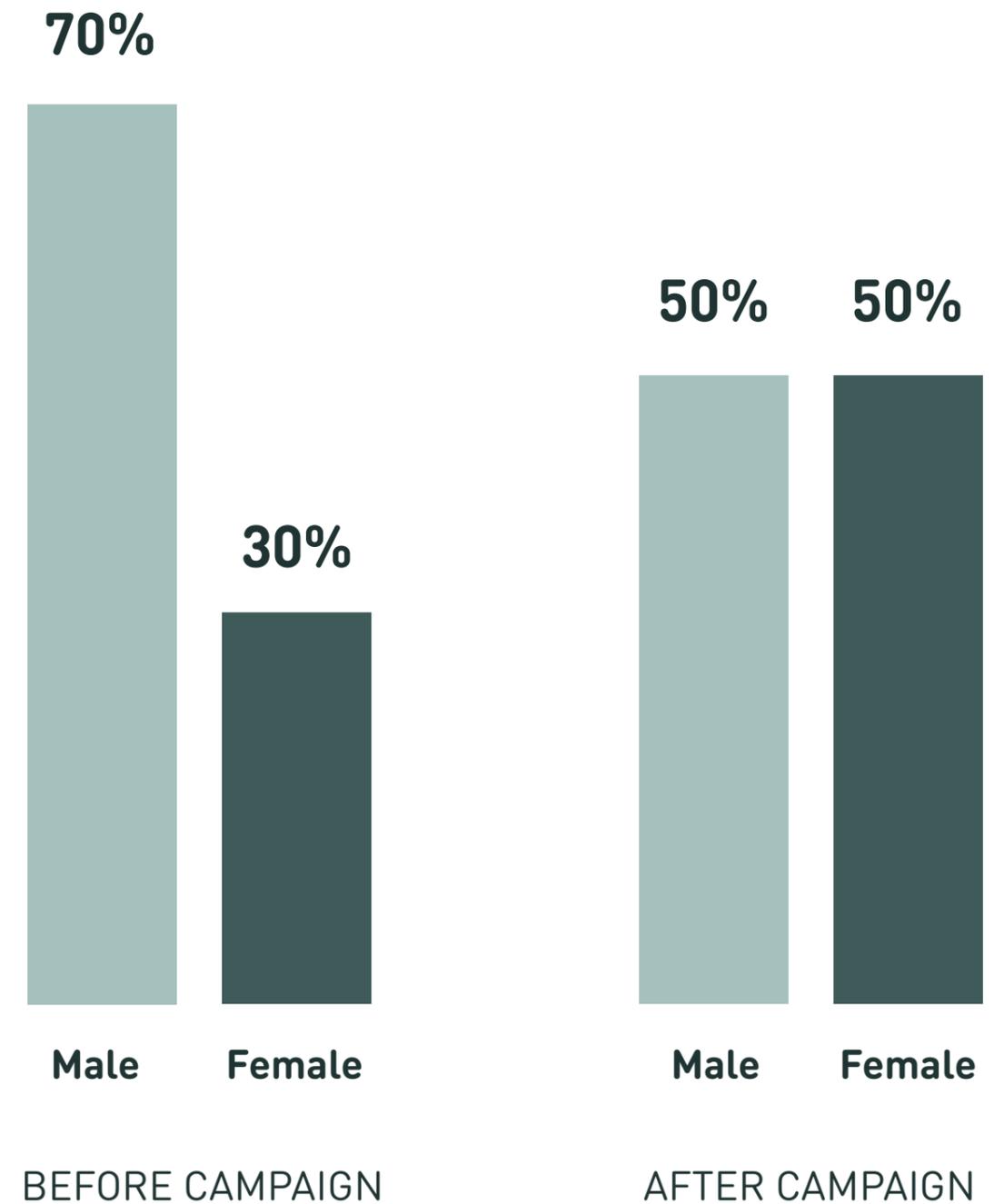


At the start of the journey we discovered that originally only 30% of Mountain Khakis customers were female.

By the end of the campaign period, thanks to improved targeting, they had achieved a 50/50 male/female split.

A huge win opening up the previously hard to crack market of female customers.

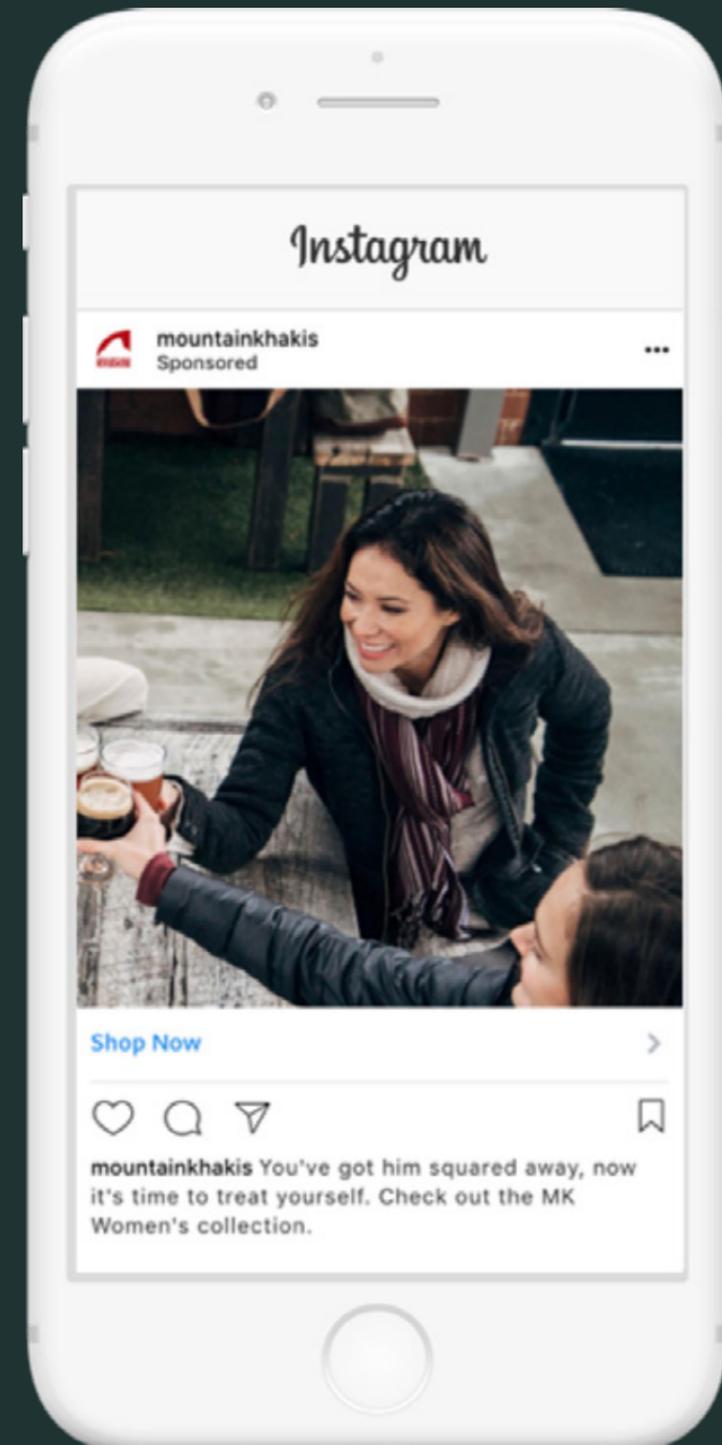
CUSTOMER MAKEUP BY GENDER



YOU'VE TREATED HIM, NOW TREAT YOURSELF

From the initial campaign they learnt that high value females were 1.5X more engaged than men, and they were buying men's clothes for christmas - this was a huge opportunity.

They spun up a new campaign with the message to drive purchases for themselves.



The campaign achieved a 7.1X

ROAS. The goal of this campaign was to encourage females who had purchased mens clothing to purchase for themselves, which many did and within 30 days of another purchase - an outstanding result.

“ These insights influence how and who we message, our tone and our voice. ”

Jeremy Hale, President

“ Invariably, I saved half of what I was spending, and I can bank that to the bottom line or I can reinvest. ”



JEREMY HALE

President, Mountain Khakis

THEY INCREASED REVENUE BY 16% & SAVED \$150K IN COSTS IN 22 DAYS

Using Lexer, Mountain Khakis saved \$150,000 by bringing agency work in-house.

RESPONSES HAVE ALREADY...

helped Mountain Khakis to personalize messaging to customers which has led to an uplift in sales and lifetime value.

The insights are helping the product development align with customer preference.

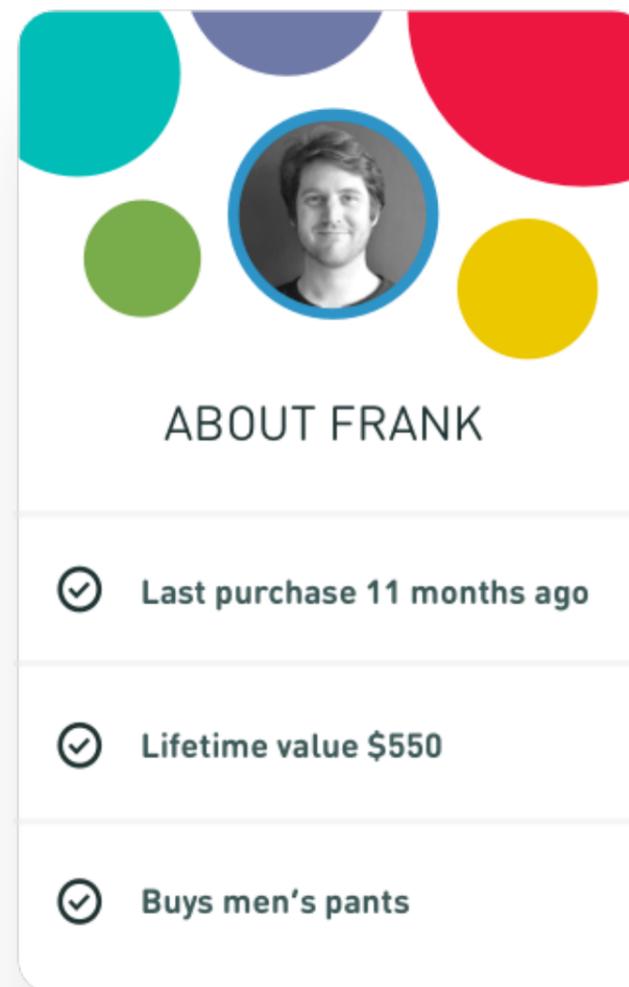
THIS IS JUST THE BEGINNING

Mountain Khakis used Lexer to conduct a fit study. This is being used to answer three questions:

How many sizes should Mountain Khaki stock?

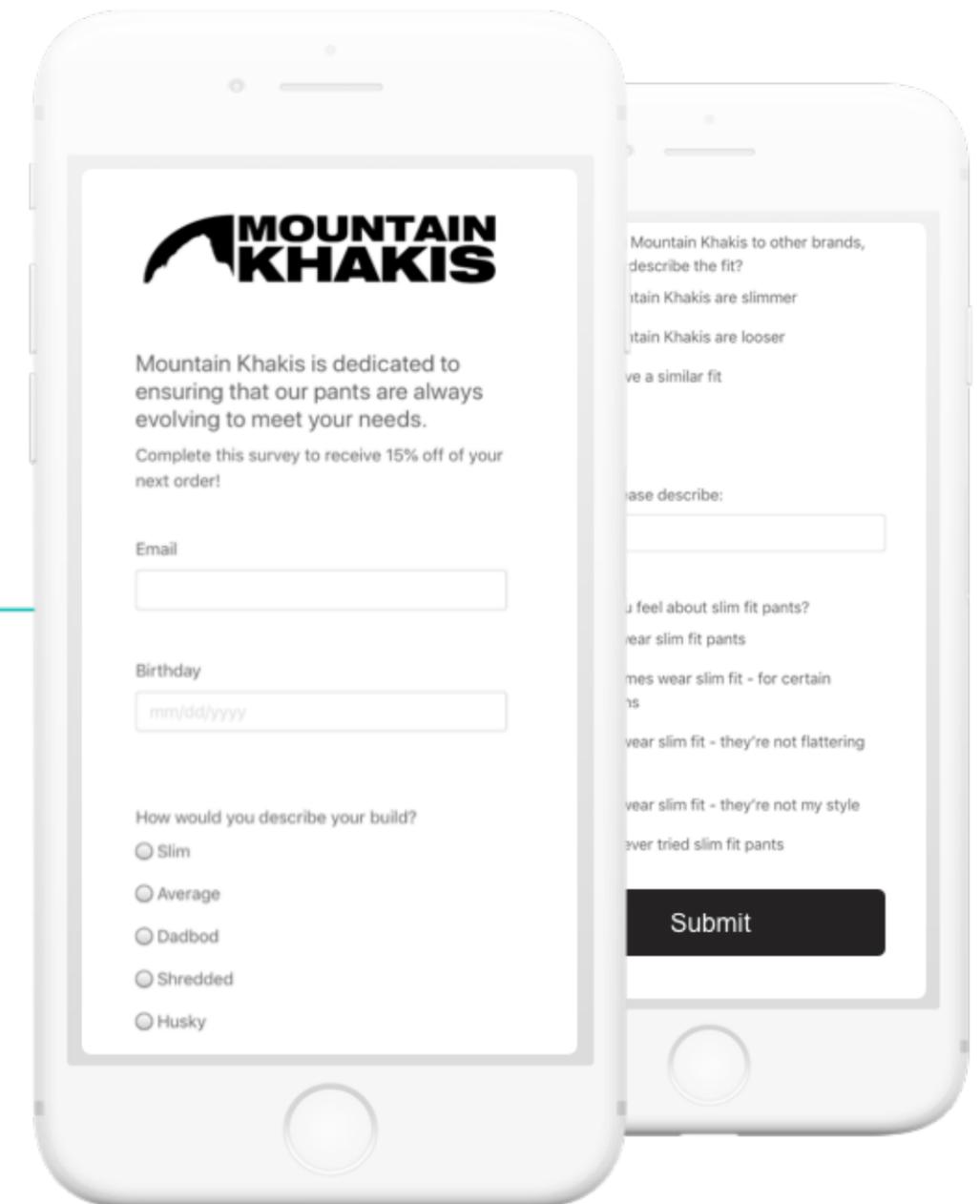
What should the fits be named?

How should the fits, actually fit?



A customer profile card for Frank. At the top, there are five colored circles (teal, purple, red, green, yellow) surrounding a circular profile picture of a man. Below the picture, the text reads "ABOUT FRANK". Underneath, there are three rows of information, each with a checkmark icon in a circle:

- ✓ Last purchase 11 months ago
- ✓ Lifetime value \$550
- ✓ Buys men's pants



A survey form displayed on a smartphone screen. The form is for Mountain Khakis and includes the following sections:

- MOUNTAIN KHAKIS** logo
- Text: "Mountain Khakis is dedicated to ensuring that our pants are always evolving to meet your needs. Complete this survey to receive 15% off of your next order!"
- Form field: "Email"
- Form field: "Birthday" with a placeholder "mm/dd/yyyy"
- Section: "How would you describe your build?" with radio button options: Slim, Average, Dadbod, Shredded, Husky.
- Section: "Mountain Khakis to other brands, describe the fit?" with radio button options: Mountain Khakis are slimmer, Mountain Khakis are looser, I have a similar fit.
- Section: "Please describe:" with a text input field.
- Section: "How do you feel about slim fit pants?" with radio button options: I wear slim fit pants, I sometimes wear slim fit - for certain occasions, I never wear slim fit - they're not flattering, I never wear slim fit - they're not my style, I have never tried slim fit pants.
- Submit button

“ I've got a richer and more complete dataset which is showing me more information about my customer. ”

Jeremy Hale, President

As for what the future holds, Mountain Khakis are looking forward to applying insights to the wholesale business. For example, knowing the product preferences of customers in certain geographies, will inform what to stock and where - saving cost, driving purchase and relevance.

Jeremy says, "the CDP is solving multiple things for me at the same time."

"I'm going to know where my customers live, how they transact, what their interests are in my collection."

BE A DATA ROCKSTAR

Brands like Mountain Khakis are taking more action from their data, and they are accessing it themselves.

Mountain Khakis are true Data Rockstars.

Ready to improve ROAS for good?

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