moengage | LUXSTAY

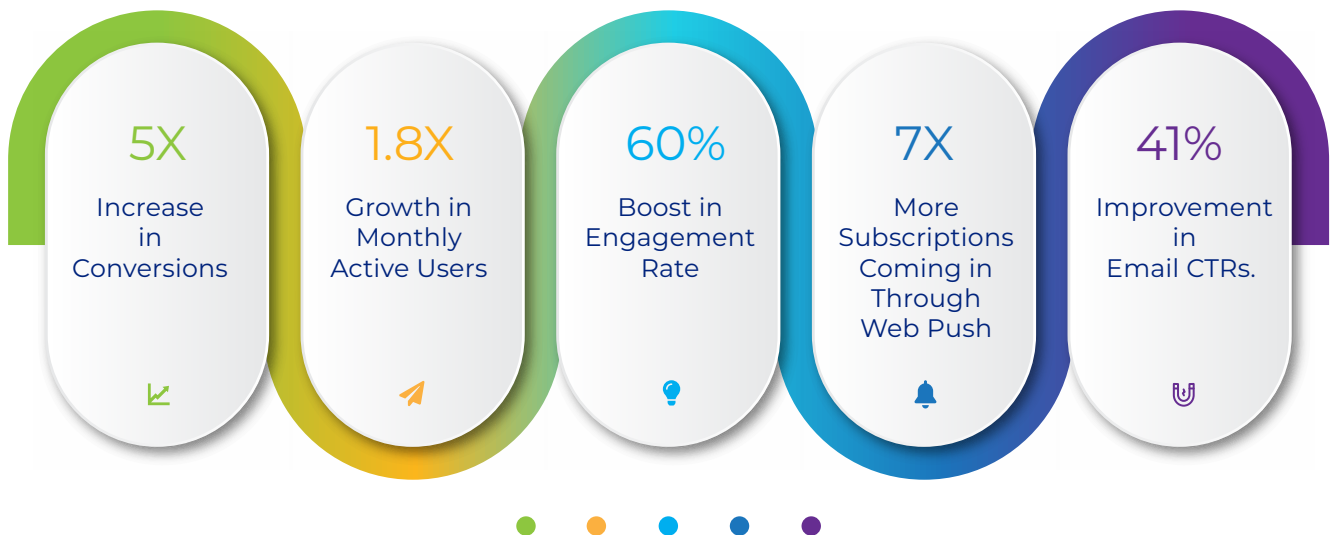## Luxstay Witnesses 60% Boost in Engagement Rate Using Segmentation and Personalization

ABOUT LUXSTAY

Headquartered in Ho Chi Minh City, Vietnam, Luxstay is an online short-term rental platform and hospitality service established in 2016. The hospitality service providers aim to bridge the gap between homeowners and travellers, making independent travel more accessible and helping homeowners generate more revenue from their properties. Luxstay's technology makes listing properties and finding accommodation easier while ensuring a safe and secure payment.

Luxstay provides a wide range of accommodation options like apartments, villas, studios, and houses across sought after Vietnamese holiday destinations. With over 15,000 listings, Luxstay records about 20,000 monthly bookings growing at a monthly rate of 20%.

HIGHLIGHTS

5X
Increase in Conversions

1.8X
Growth in Monthly Active Users

60%
Boost in Engagement Rate

7X
More Subscriptions Coming in Through Web Push

41%
Improvement in Email CTRs.

What They Say About Us

Being in the competitive home-sharing market, it's imperative to provide a personalized and consistent experience to users across channels. MoEngage's smart segmentation and personalization suite enabled us to better understand and engage our users, improve campaign targeting, and ultimately boost conversions.

Thinh Vu,
Head of Digital Marketing, Luxstay

CHALLENGE

While the home-sharing market in Vietnam is extremely competitive, a brand like Luxstay must cater to users with personalized and consistent communication across all channels.

Luxstay's marketing team had a basic engagement strategy that they were running using a marketing automation platform. However, this platform had its limitation due to which the brand observed different shortcomings:

- No user behavior analysis that hampered targeted segmentation;

- Connectivity gaps in channels with each one operating separately in silos; and

- No proper continuity in user engagement.

This incoherence and inconsistency in engagement channels were hurting the brand's active usage and conversions. The unexpected COVID-19 pandemic posed further challenges as a brand like Luxstay needed to touch base with users throughout the ongoing uncertainty consistently. The team wanted to understand user behavior, segment users based on various attributes, and unite all engagement channels.

As the current solution wasn't able to cater to these needs, Luxstay wanted to opt for a platform that offers a more unified engagement.

GOALS

Grow user engagement by connecting all engagement channels

Increase conversions by offering more personalized communication

Boost DAUs/MAUs by improving user engagement

SOLUTION

With the increasing gaps in engagement and the COVID-19 pandemic's peak, Luxstay's marketing team decided to employ a different user engagement platform. They were clear that their platform requirements were to fulfil the scope of user engagement and subsequently improve active usage and conversions. In late April/early May, the unlock process in Vietnam further consolidated the need for a dynamic user engagement platform to boost user targeting and ramp up new user onboarding post a slump in business.

After careful consideration and rigorous research into available engagement platforms, Luxstay's marketing team chose MoEngage. Using this platform, the team wanted to automate engagement, segment users, and personalize communication all rolled up into one neat platform.

MoEngage would eventually help Luxstay:

- Grow user engagement by obtaining a better understanding of the user
- Increase conversions by segmentation and personalized communication
- Boost daily and monthly usage by running efficiently targeted campaigns
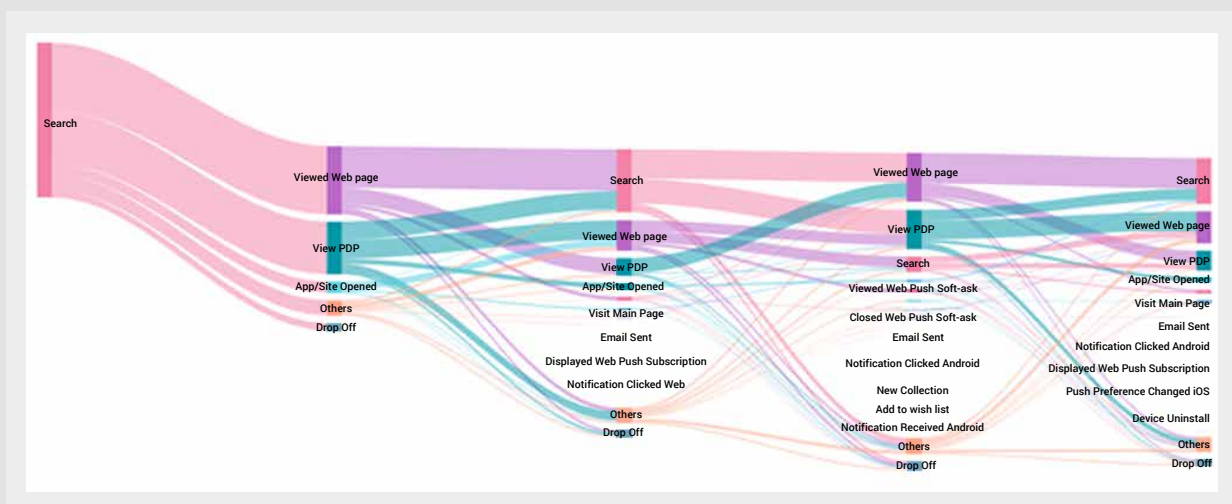
*User path analysis: Flow started with a Search action

### Better Understanding and Engaging the Customer

Luxstay's team wanted first to understand purchase behavior and user interaction with their app and website. So utilizing MoEngage's Custom Segment, the team was able to collate and analyze customer data. This helped the team curate and personalize the user experience by matching the customer demand to the available property. For instance, if the customer preference is either a villa or a homestay, Luxstay matches this preference at their side by contacting the property owners and providing the accommodation according to the guest's demand.

Once Luxstay established an in-depth understanding of the customer, the team moved on to segmenting and adding personalization to the campaigns.

Leveraging Segmentation and Personalization to Increase Conversions

The brand used data from MoEngage to segment users into four buckets viz. solo traveller, couples with no infants, couples with one or more children, and friends travelling together. The users were further segmented based on their behavior, i.e., the price range of accommodation, type of occupancy, location, etc.

As a result, based on the data analysis, Luxstay concluded that the main customers are primarily couples who book homestays. Based on this segmentation, the brand was able to personalize their communication and improve conversions. One surprising fact that emerged was these bookings made by couples were largely unaffected even during COVID-19.
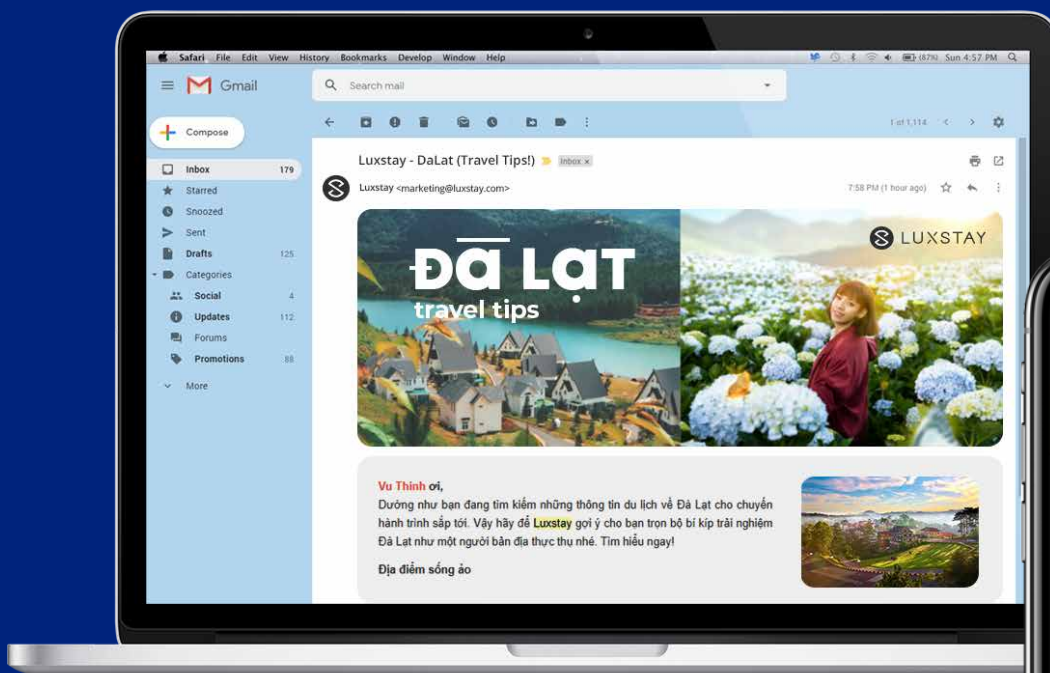
*Triggered emails sent after a user searched for a property in Da Lat.
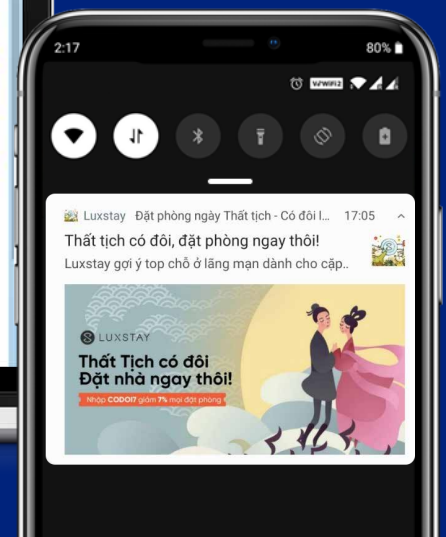
*A push notification sent to a defined segmentation of couple users.

For personalization purposes, Luxstay utilized the full name personalization feature. They also sent a personalized list of best-rated hotels with images to users showcasing what they're missing out. The language localization efforts were restricted to Vietnamese as per the majority of the user base's demand.

Apart from segmentation and personalization, Luxstay utilizes MoEngage's User Path Analysis in the form of purchase path and uninstall path analysis to understand steps taken by a user before making a purchase and the pattern of users who uninstall the app respectively.

Next, the Luxstay's team utilized MoEngage's channels such as push notification, email, and in-app push, to reach and engage the said user.

Improving Targeting and Campaign Efficiency

During the COVID-19 pandemic, Luxstay paused all paid ad campaigns. Instead, they focused on channels like email, in-app push, push notification, and on-site messaging to connect with users; the situation was quite different before and after.

Before and after the global health crisis peak, Luxstay ramped up on paid ads to acquire new customers and retarget customers. MoEngage's Smart Triggers helped effectively target users by providing customer insights from the moment they land on the Luxstay website. The information on who exactly the users are and how to connect with them helped the team run connector campaigns. This campaign allowed targeting the right audience on Facebook and excluded customers who have already invested in any accommodation.

Post the nationwide unlock in April end that marked the public holiday May Day, Luxstay ran a promotion campaign to announce the reopening of booking for homestays. This mass campaign was run using MoEngage Flows using channels such as Connectors for Facebook along with Email and Push Notifications.

*Connector campaign ran by the brand on Facebook.

Similarly, they ran a targeted website campaign to showcase a curated collection of properties in safe locations available for booking. These properties followed the government's safety guidelines and were double-checked by the brand to ensure all protocol was maintained.

During the second wave of COVID-19 in Vietnam, Luxstay launched an in-app campaign urging and reminding the users to assess and declare their health report on the government regulated COVID-19 tracking platform.

The brand's team also wanted to improve its experience using customer feedback. For this, the team utilized Connectors in conjecture with MoEngage Flows to run campaigns requesting reviews from customers who have stayed in villas and homestays about their experience.