



## How Rappi Is Constantly Experimenting to Improve Its Core Product and Offerings

10%

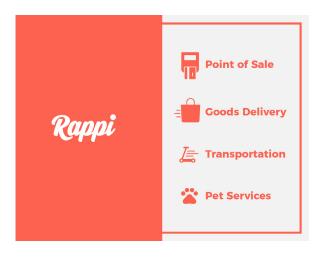
increase in first-time orders

15%

increase in average order size

30%

decrease in CAC



Colombian "super app" Rappi has a bold vision of improving the lives of millions in Latin America. They started as a restaurant delivery service but have now expanded to groceries, medicine, clothes, and electronics. They have also launched new services like RappiPay and partnered with companies to offer pet services and scooter ridership via the Rappi app. In less than four years, Rappi has become one of the fastest-growing startups in Latin America.

Prior to using Amplitude, Rappi struggled to understand how their product experience impacted all of their unique user segments. They could not drill into their conversion metrics to understand what types of users were converting through their critical funnels and why.

To scale their product and offerings effectively, Rappi partnered with Amplitude to:

- Identify their most important user segments, and
- Improve conversion by providing personalized experiences.

They are powering this process through <u>Amplitude</u> <u>Recommend</u>.

With Amplitude in place, Rappi went through a revolution. They created a new conversion team focused solely on driving users through critical funnels. And, they've built a machine capable of rapid iteration, with 240 people from ten different teams at Rappi using Amplitude on a weekly basis.

Using Amplitude, Rappi decreased the time it takes them to diagnose a bug from 3 weeks to 1 day. With Amplitude Recommend, Rappi increased revenue from first-time orders by +10%.

## Programmatically Targeting Niche Audiences with Amplitude Recommend + Braze Dramatically Increases Revenue

Rappi brings in millions of new users each month, growing an average of 13% month-over-month. The main goal of the Growth Marketing team at Rappi is converting these new users into activated users who complete one purchase. The team drives conversion by using targeted messaging to distinct groups of users. Before using Amplitude, however, this was a laborious, highly manual process.

Previously, Rappi would have to download a .csv of their user base and launch each campaign manually. This process resulted in a few mass campaigns sent out to all new users a couple times a month.

When the team started using Amplitude Recommend with Braze, their strategy changed for the better. The Rappi team can now identify high impact segments and target custom audiences with personalized campaigns at scale. Using Amplitude, Rappi now programmatically pulls cohorts of new users on an

"

Amplitude Recommend makes it easy to deliver relevant, targeted campaigns to our entire user base. It's the central place for our teams to interpret behaviors, manage audiences, and measure impact so we're able to move faster. As a result, we've been able to reduce our acquisition costs by 30% while also increasing first-time orders by 10%. We could not have achieved those results without Amplitude Recommend.

Guillermo Plaza Roche
Co-Founder & Product Lead



hourly basis and segments them based on factors that define their first-time user experience. The team then automatically sends these cohorts to <a href="Braze">Braze</a> via <a href="Amplitude Recommend">Amplitude Recommend</a>, and <a href="Braze">Braze</a> sends out four customized campaigns targeted to the right audience.

Rappi's real-time targeting to custom audiences drove a +10% increase in the number of users who complete a first time order. This initiative also resulted in a 30% decrease in their cost of acquisition and a 5% decrease in their activation costs for paid channels.



With these successes, Rappi's Growth Marketing Team is doubling down on their <u>Amplitude Recommend</u> initiatives and will be experimenting on how to drive more subscriptions for their loyalty program.

## Defining a Product Strategy That Monetizes Loyalty by Driving Frequency & Spend

One of Rappi's big bets was to create a Prime program which offers subscribers unlimited deliveries for a flat monthly fee. They experimented with this offering and pushed it to a subset of their total users. Leveraging Amplitude's cohorts, precision tracking, and user segmentation, they confirmed the success of their initiative: Prime users place 3x more orders per month relative to other users and their average spend per order is 10% higher.

The Rappi team then tracked Prime users with Amplitude <u>Cohorts</u> so they could understand the downstream impact of this experiment. Using Amplitude's <u>Retention</u> analysis, they compared Prime subscribers to Non-Prime users and saw a 2.5x retention rate increase for their Prime subscribers.

"

We have hired a bunch of PMs and POs who don't necessarily have an SQL background. But with Amplitude, we give them 1 week of training and they are good to go with the basics of understanding whether a feature worked or not and learning from each release.

Guillermo Plaza Roche
Co-Founder & Product Lead

Encouraged by these results, the Rappi team is now focusing on Prime. As part of that focus, one of their key product strategies is to monetize loyalty. Using Amplitude's AB Test View, Engagement Matrix, and Cohort Comparison to understand test performance, they now are running several experiments to encourage users to become Prime members.

## Why Rappi Switched from Mixpanel to Amplitude

Rappi's key analytics goal was to understand their conversion metrics. However, as a global company with multiple customer segments, Rappi has a very diverse audience. Mixpanel was limited to high level insights that were simply not powerful enough to help the Rappi team fully understand their conversion data. They needed a more granular and customizable analytics solution.

After testing out different analytics products, the Rappi team chose Amplitude because of its advanced funnel features (AB Test, Conversion over Time, Holding Constant) and the ease of use that empowers collaboration.

Ready to get started?
Chat with us at amplitude.com

