

# Klaviyo Launches B2C CRM, Targeting Customer Service and Data Ownership

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## IDC'S QUICK TAKE

Recently, Klaviyo launched its B2C customer relationship management (CRM) platform, marking a significant expansion beyond its marketing roots. This platform, which is made up of Klaviyo Marketing, Analytics, and Service, powered by the Klaviyo Data Platform (KDP), aims to provide a unified offering for B2C brands. The launch positions Klaviyo to compete in the broader CRM market, focusing on data ownership and the transformation of customer service into a revenue driver.

## PRODUCT ANNOUNCEMENT HIGHLIGHTS

On February 20, 2025, Klaviyo announced its [new B2C CRM platform](#), marking a significant shift from its commerce marketing-centric roots to a comprehensive customer relationship management solution. Klaviyo aims to address the unique needs of B2C brands by unifying their customer data and streamlining their operations, boasting that it is supplying the "only CRM built for B2C." The new platform comprises Klaviyo Marketing, Klaviyo Analytics, and Klaviyo Service, all powered by the Klaviyo Data Platform:

- **Klaviyo Data Platform:** Central to its B2C CRM strategy, the KDP unifies customer data from various sources to provide a holistic customer view. With over 350 prebuilt integrations and open APIs, the KDP aims to give customers seamless data access, eliminating traditional silos. This robust integration is key to Klaviyo's goal of centralizing B2C customer relationships, enabling brands to connect existing service/support platforms such as Zendesk and Gorgias directly into their Klaviyo platform. This unified platform strives to reduce reliance on multiple disconnected point solutions, a common pain point for B2C brands.
- **Klaviyo Service:** Perhaps the most important introduction was that of Klaviyo's service offering. Customer Hub aims to provide seamless order tracking, subscription management, returns processing, personalized product recommendations, and support access — as well as offering an AI-powered shopping agent on product pages, which can provide instant answers to common customer questions. Klaviyo shared positive results from early beta users such as Happy Wax who claimed a 75% reduction in order tracking inquiries. If replicated

generally, this would help enterprises improve the order experience, leading to repeat purchases.

- **Klaviyo Analytics:** This tool delivers AI-driven insights into customer behavior, allowing brands to identify high-value and at-risk customers and automate outreach. The upcoming Custom Objects feature (due in 2Q25) will enable the storage of customer data for more personalized marketing.
- **Klaviyo Marketing:** Evolved beyond basic campaign management, the latest version of this tool offers a more sophisticated omni-channel experience. While retaining core functionalities such as automated SMS conversations, Klaviyo has added a focus on deeper customer understanding and more personalized two-way interactions. The addition of AI-enabled Channel Affinity later in March 2025 should help brands optimize channel selection based on individual customer preferences. Mobile in-app messaging (due in 1Q25) will focus on enhancing customer engagement through targeted interactions within a brand's app. And the Omnichannel Campaign Builder (due in 2Q25) should enable more complex and personalized customer journeys with a unified approach to campaign orchestration across email, SMS, and push notifications.

B2C customers highlighted at the launch event in New York described already seeing tangible benefits. The Ministry of Supply, for example, described the new Klaviyo Customer Hub as "the future of shopping — a very curated 1:1 experience rather than traditional ecommerce." Similarly, Daily Harvest commented that it now "views Klaviyo as our CRM, a platform that enables us to build more meaningful relationships with customers at scale."

## IDC'S POINT OF VIEW

Klaviyo's claim of being the "only CRM built for B2C" is a bold assertion that will undoubtedly be debated within the industry. Defining what constitutes a B2C CRM is complex. Does CRM necessitate extensive manual data entry and human-agent interaction? Is a B2B tool, if highly customized, genuinely "built" for B2C? Does acquired, well-integrated functionality qualify as "built," or must features be developed in-house? Is CRM a database or simply any tool that facilitates customer relationships?

While these semantic discussions are interesting, ultimately what matters is end-user adoption. Regardless of the precise definition, Klaviyo has captured market attention with a compelling tagline and delivered a user-friendly platform specifically designed for B2C use cases, bridging the gap between commerce and customer service. Regardless of whether this makes it the "only CRM built for B2C," it clearly addresses a set of needs often overlooked by other vendors.

As Klaviyo enters the customer service space, its positioning of customer service as a revenue driver — rather than a cost center — will be a compelling story for many enterprises and underpins its new B2C CRM go-to-market plans. In the B2C context, where dedicated sales agents are often absent, service teams are uniquely positioned to influence sales. Recognizing the reality of flat service budgets, Klaviyo's focus on presale engagement, proactive self-service, and the transformation of service into a revenue-generating function has the potential to be disruptive. This approach, built on the company's stated belief that customer service begins before the sale, that self-service is critical, and that customer service should be viewed as a revenue generator, should resonate well with commerce brands that are constantly seeking to differentiate themselves and drive growth.

Customer service platforms are historically complex and are often seen as suitable only for large organizations. Klaviyo looks to have identified a valuable opportunity for growth within high-growth, B2C, and midmarket organizations with simpler service requirements and limited resources. These companies will likely find value in Klaviyo's ease of use and the company's streamlined approach to transforming Klaviyo's service departments into revenue-generating engines. Given Klaviyo's substantial customer base of over 167,000, many of whom are likely small to midmarket businesses, the launch of this new offering set should resonate strongly.

In the longer term, the question remains as to whether this launch will help Klaviyo broaden its customer base or if it will mostly be confined to upselling the new offering to existing clients. While the initial launch emphasized meeting clients where they are (e.g., integrating with existing systems such as Zendesk to layer on customer engagement functionality), Klaviyo's trajectory may well involve displacing these customer service incumbents. Not to mention, this move may also open up new areas of competition (or partnership) with larger customer experience (CX) vendors like Medallia or Qualtrics. Interestingly, we recently saw ServiceNow's foray into the CRM space that raises related questions about market convergence and which side of the equation — marketing or service — will dominate the future converged landscape.

Klaviyo's established role within the Shopify ecosystem is clear, yet the company's January 2025 partnership with WooCommerce signals a strong ambition for broader market reach beyond Shopify. Sustained growth, however, requires more than simply expanding channel integrations; it demands a strategic evolution of core functionalities. This launch, focused on the historically underserved customer service domain, presents a significant revenue opportunity for Klaviyo.

Ultimately, Klaviyo's success will hinge on the crucial battleground of data ownership. In the competitive CDP market, where vendors struggle to differentiate themselves, Klaviyo

positions its KDP as an action-oriented alternative, emphasizing its ability to translate data insights into revenue-generating interactions. By surfacing actionable "next steps" in the UI, Klaviyo demonstrates clear value to marketers, especially those with limited resources, showing that KDP is more than just a rebranded data lake.

Nonetheless, the question remains: Will brands consolidate data within Klaviyo's ecosystem and maintain a fragmented mix of specialized platforms, or will service and commerce platforms evolve to incorporate engagement functionalities, resisting Klaviyo's expansion? Klaviyo's claim to encompass the majority of relevant customer data through the company's offerings will be tested, determining in part the traction of Klaviyo's KDP offerings. This enterprise data ownership struggle will define the evolving landscape of customer experience — sales, service, marketing, and commerce.

Capitalizing on the growing demand for unified customer data and integrated engagement platforms, Klaviyo's launch of a B2C CRM platform positions the company ahead of many competitors and expands its go-to-market reach. By bridging the crucial gap between commerce and customer service, Klaviyo solidifies its position as a key player in the evolving B2C market space.

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