



Retailer Increases Sales with Data-Driven Direct Mail Campaign

Challenge: A well-established retail jeweler had tried many ways to attract new and repeat business, with varying results. He had a loyal customer base, particularly with top-tier clientele, but needed to reach new prospects and stay top-of-mind with current customers. He wanted to achieve both of these objectives while promoting the store's annual anniversary sale.



Solution: The store owner wanted to host a "preview" sale for his top customers, and he wanted to purchase a list of "clones" of his top customers who would most likely be good prospects. We developed the following data-driven direct mail campaign:

- A special invitation to a preview sale for their top customers. An A/B test was conducted to see which kind of invitation received a better response. Half of the list received a letter from the owner in a #10 envelope. The other half received a formal invitation that looked much like a wedding announcement. Both versions contained messaging emphasizing the exclusivity of the preview sale, and encouraging the recipients to attend before the sale opened to the public.
- We also profiled their top customers to reveal which demographic clusters were most prevalent in this group. The results were used to obtain a data list of prospects for the public sale announcement.
- An oversized postcard announcing the 3-week public sale was sent to three groups: the top customer list, a purchased prospect list and the remainder of the jeweler's customers.
- One week before the sale ended, another oversized postcard was sent to all three groups, with messaging that created a sense of urgency.
- All mailers:
 - ~ Announced up to 50% off jewelry storewide
 - ~ Had an offer stating that the store would pay the sales tax for anyone who brought the mailer in at the time of purchase
 - ~ Contained a QR code that took respondents to the store's website

Results: Total revenues from the anniversary sale increased 77% over the prior year anniversary sale. The most significant increase was the first week of the public sale. Revenue from that period increased 192% over the previous year. The jeweler reported that, in the A/B testing, the formal invitation outperformed the letter by 8 to 1.

