



Thanks for subscribing to the Rocket Feed e-Newsletter. I hope you find the tips and examples are useful thought-starters for your own direct marketing challenges and opportunities.

Tip – Use tailored communications to encourage loyalty through known trouble spots

Many businesses are prepared to spend a reasonable amount of money acquiring new customers, only to discover that they never get the second order. If these new customers were acquired at a cost, it means these costs are never recouped and what's worse, the costs add up as even more money is spent trying to reactivate them over time. The faster you can get the second order, the more loyal these new customers are likely to become. Once you get the third order, their behaviour is likely to reflect that of the rest of your active database.

A tailored welcome strategy is likely to help you to overcome the first trouble spot. This may involve a combination of things such as a special re-order offer included with the first product shipped (if they purchase within a certain time frame), a personalised letter or email thanking them for their first order and reiterating the special offer and perhaps even a customer service/sales phone call to check that they received their order and to invite them to take advantage of the special new members offer before it ends.

Tailored communications can be used very effectively to encourage loyalty through 'at-risk' stages of your unique customer relationship cycle.

Example

Australian Geographic were spending a significant amount of money each year on acquisition, only to find that subscribers in their first and second years were renewing their subscriptions at much lower rates than longer-term subscribers. Analysis revealed that the first tailored communication that new subscribers received was a negative one, advising them that their subscription was about to expire and to re-subscribe. As 10% of an Australian Geographic subscription is spent supporting Australian conservation, science, exploration and adventures, we decided to send new customers a stylish and heart-felt 'thank-you' card from the Editor. This was sent a few weeks prior to their last magazine being sent. The 'thank-you' card informed subscribers of all the important work that their subscription had contributed to throughout the year and invited them to renew early to continue their support. This initiative exceeded expectations by 39% and has continued to add value by increasing the overall renewal rate amongst subscribers in their first and second years and increasing the cost-efficiency of the program by bringing sales forward and by reducing the number of follow-up reactivation mailings required. [Find out more about my work with Australian Geographic.](#)

If you'd like to discuss how your business could use tailored communications to better engage your customers at different stages of your unique customer relationship cycle, contact me on (02) 9572-6636.

Until next time.

Mel, Director

[Rocket Science](#)