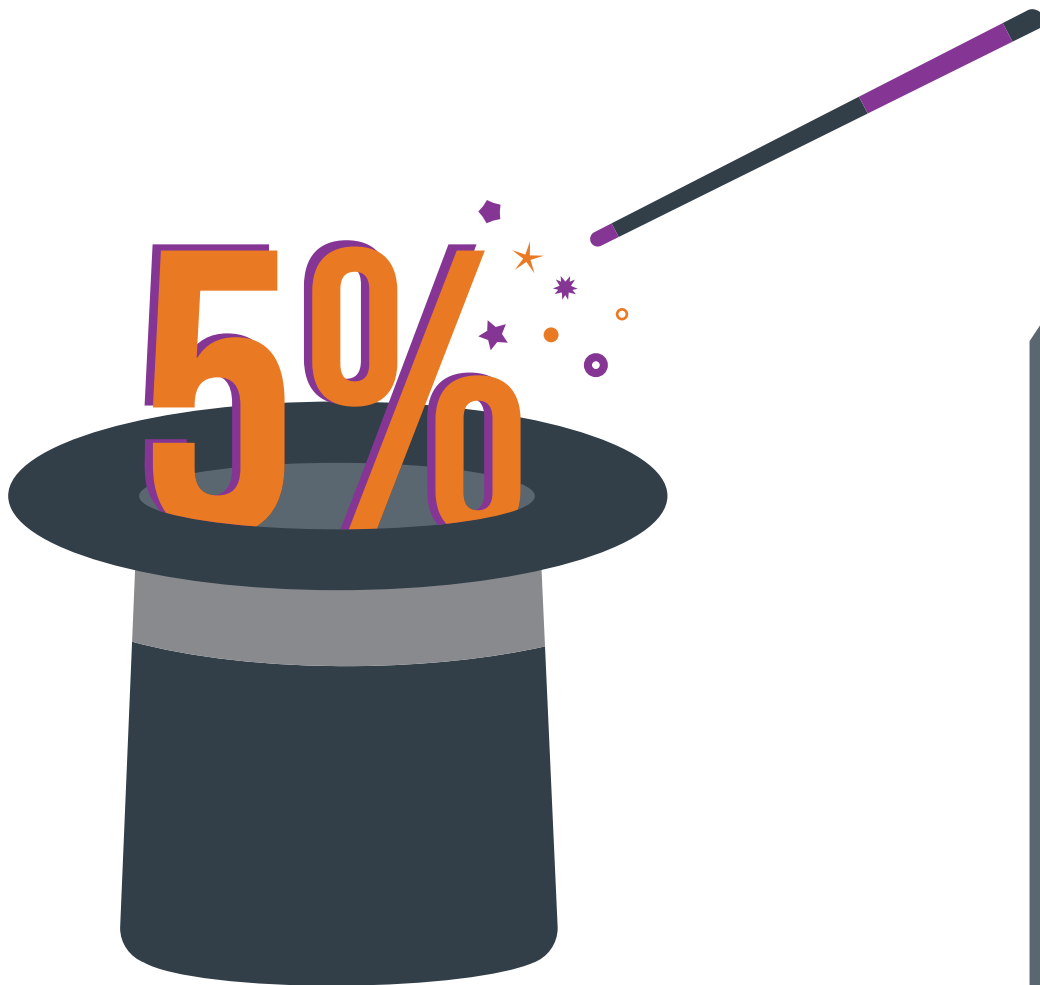




ARADIUS GROUP[®]
Print • Direct Mail • Creative

How can you achieve the magical 5% increase in customer retention?



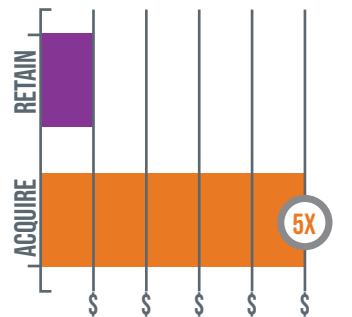
A clear path to RETAIN more customers.

Aradius Group **RETAIN**

Remember when you were a child how important you felt when you received a piece of mail. Something that was actually addressed to you. My grandmother would send me a “cookies with grandma” coupon for my birthday and every holiday. It was a simple gesture to acknowledge special events during the year. A personalized piece of mail showed that she was thinking about me. This is actually a form of retention marketing in its simplest form. Maybe it’s time to get back to basics with your customer retention program.



In the last decade, many marketers have been transforming their printed pieces into some form of digital delivery. Instruction manuals, glossy brochures and many other printed pieces have been replaced by a combination of web content, email and on-demand digital downloads. This transformation has been driven by the way we consume media. We get our news, entertainment and various information via computers, tablets and phones. The white paper you are reading right now is an example of this shift.



ACQUISITION VS RETENTION

According to Investp, acquiring a new customer is five times as expensive as retaining an existing customer.

We certainly aren't going to see a massive shift back to paper content anytime soon. However, it's time to look at some statistics that point to the value of a multi-channel approach rather than an exodus from paper. We are beginning to see a new emerging trend of digital detox “retreats” where people unplug from their phones and computers. Tech is a never ending barrage of new shiny objects. The irony is much of this tech didn't exist 10 years ago. How are marketers supposed to break through the clutter and get their message noticed? I think it's time to move back to the basics.

The simplest path to a solid retention strategy is to deepen your relationship with existing customers. It is more cost effective to retain your existing customer base than it is to acquire new customers. According to Bain & Company, increasing your customer retention by 5% can lead to a growth of profits between 25% to 95%. Think of customer retention like tending to a garden, you wouldn't just plant a seed and leave it up to chance.



How can you achieve the magical 5 % increase in customer retention?

There are a few different strategies you can trust.

Do an internal audit of your existing customer base. Find out which of your customers are repeat customers versus one-time buyers. Then find out which factors are most important to your repeat customers and make those areas a priority for improvement. For example, a repeat customer might care more about order fulfillment and service, whereas the one-time buyer might be focused on price alone.



Reward the loyalty of your repeat customers. More and more companies are moving to a multi-channel approach to reward their existing customer base. Acquiring a new customer can cost five times more than to keep an existing customer, according to Foster Research. Leveraging your customer data in a direct mail campaign can be a powerful tool to present a relevant offer. For example, your data says that a customer has been to your store 3 times in the last month, send them a personalized thank you card with a discount.

Personalized content is not just a nice to have, it's expected. There is a direct correlation between customer satisfaction and personalization. A study by Bond Brand Loyalty, showed that 79% of existing customers surveyed indicated that high levels of personalization in marketing efforts made them feel special and recognized. Leveraging customer data can allow you to make personalized recommendations, offer relevant promotions and up-sell and cross-sell relevant products to your customers. One of the most powerful strategies in marketing is to appeal to a customer's ego. Let's face it, we all like to see our name in print.

A PERSONAL TOUCH

Existing customers surveyed indicated that high levels of personalization in marketing efforts made them feel special and recognized.



In the end, customer retention is the holy grail of a successful business. Think of how powerful your retention marketing efforts can be when using a multi-channel approach. The true power is leveraging your customer data to create a more personalized relevant message.

Maybe my grandmother was one of the greatest marketers to have ever lived, because her tradition still carries on to this day, even though she is no longer with us. Her secret was consistency and nurturing.

Maybe it's time to take a look at the way you retain your customer base.



MEASURE & REPEAT

About Aradius Group

Since 1858, Aradius Group has been reinventing itself to meet the evolving needs of clients throughout the United States. By adapting to changes in the marketplace, and adopting new technologies and best practices, Aradius Group has grown to become a leading full-service provider of digital printing, offset printing, mailing, fulfillment, direct mailing and creative services. To find out more about our Aradius Group RETAIN product contact us today.