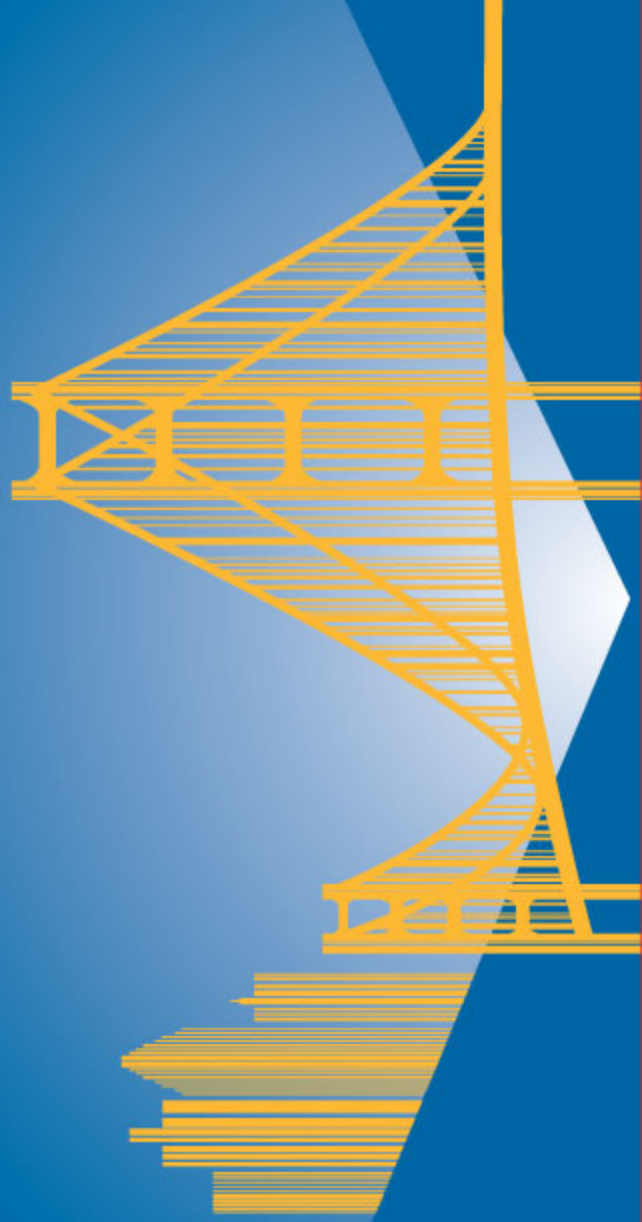


# DMA·06

Direct Marketing Association  
CONFERENCE & EXHIBITION ◀



CUSTOMERS ARE ON A JOURNEY ▶

BE THE DESTINATION

# Retention Strategies and Proven Tactics for Continuity Marketers

Shari Altman, President

Altman Dedicated Direct

DMA·06  
Direct Marketing Association  
CONFERENCE & EXHIBITION



# Simplistic Strategy for Improving Retention

- Add or increase the number of tactics that are retention drivers
- Reduce or eliminate actions that are retention killers

*Simplistic strategy, yes.*

*Simple implementation, no.*



# Retention Drivers

Policies, promotion tactics and procedures that increase the length of time customers gain meaningful value from retaining their relationship with the marketer.



# Retention Driver #1

- Be Flexible: Allow customers choices that enable them to design what works for them.
  - Customize shipment components
  - Installment payments
  - Changes to shipping frequency
  - Vacation and moving suspend and restart
  - Load-up with payment plan



Flexibility is the most  
effective tactic for  
avoiding a potential  
cancellation.



# Retention Driver #2

- Web based shipment notification. Put customers in the driver's seat
  - Shipment notifications can become additional cross-selling and upselling opportunities



Dear Jane,

Your regular shipment of make-up will be sent out on October 30. You can add our new Magic Concealer to your order without any additional shipping handling. Just click here to find out more.

Member Services

**DMA·06**  
Direct Marketing Association  
CONFERENCE & EXHIBITION





# Retention Driver #3

- Unannounced Gifts
  - Wow your customer by sending bonus items they didn't expect.
  - Especially important in the first few months/shipments to solidify your relationship with your continuity customer



# Retention Driver #4

- Remind your customer of the value they are receiving
  - Spell out the savings they get off regular pricing on their invoices, statements and any catalogs
  - If your program offers points, show them what they've earned every time they receive a shipment or make a purchase



Try our Fall Colors  
**RISK-FREE**  
for  
**60 days.**

MEMBERS SAVE  
27% or more  
ON EVERY KIT  
SHOWN

**NEW Just Lips Kit**

A \$54 VALUE if purchased individually — members save over 50% with the kit! Everything you need for gorgeously pouty lips! Lip Liner, Lip Stain, and Lip Gloss are all coordinated for one perfect look ... and all nestled in our exclusive mesh evening out bag.

**Regular Price: \$49.00 per kit**  
**Members Pay: \$37.50 per kit**

Evening Out Bag  
comes with each kit

**Sassy** Lip Kit 1154AVE  
Evening Out Bag: Silver

Gloss: **Sassy** Liner: **Spirited**



Stain: **Pouty**

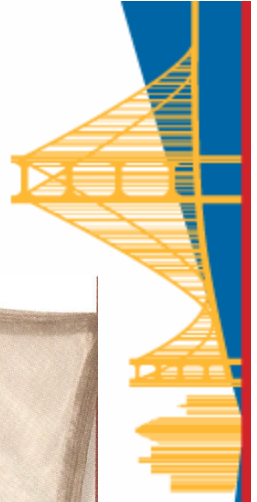


**Feisty** Lip Kit 1155AVE  
Evening Out Bag: Silver

Gloss: **Feisty** Liner: **Jubilee**



Stain: **Cherub**



# Retention Driver #5

Add a loyalty program

- **Soft Benefits**
  - Advice from experts
  - Member only sites and phone lines
  - Exclusive access to new items or sales
- **Hard Benefits**
  - Discounts on non-continuity items
  - Faster shipping without incremental cost
  - Premiums for every nth shipment
  - Points for every purchase



## Sneak Preview

### **NEW** Our new Alexis Vogel Membership Program

As this catalog was going to press, we were still putting the finishing touches on our membership program. Though we can't officially announce our club until later this Fall, we just can't wait to let you in on the fabulous benefits, starting today ... for FREE! Go ahead and take advantage of our Member prices right away. Then check with our website for the latest developments in this exciting new program: [www.AlexisVogel.com](http://www.AlexisVogel.com).

#### **Enjoy a FREE 12-month membership!**

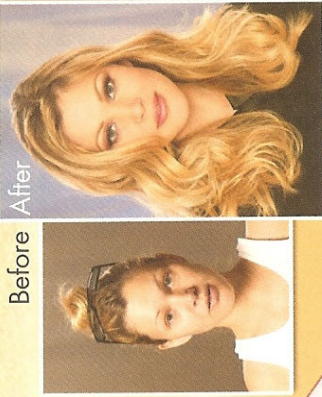
If you've purchased the Alexis Vogel System your automatically a member for a full year, absolutely FREE. You can order anything at the special AV Member Price. If you don't already own the System, you can purchase it now (see page 16-17) and enjoy instant membership - and savings.

#### **Membership entitles you to the best selection, best prices ... and more!**

- \* Save at least 15% off our regular low prices for individual items
- \* Save an extra 10% off the already-discounted prices for kits and collections
- \* Receive Alexis' newsletter filled with tips, seasonal treats and members-only offers
- \* Enjoy many MORE members-only benefits all year long

#### **Plus, it's easy to get an EXTRA YEAR FREE!**

After your first free year, annual membership is \$49. But you can also continue, FREE. Just purchase \$50 of Alexis Vogel products in the next three months and we'll give you 12 extra months of free membership. Or, sign up for our Continuing Beauty Program (page 4) and retain free member status for as long as you remain with the program.



Before



Shanna-mother

Enjoy FREE Membership!



# Retention Driver #6

- Survey Members
  - Likes and dislikes
  - New product suggestions
- Take action on survey results!



# Reactivation Strategies

- Reason for cancellation?
- Saving Cancels – Provide sufficient value so customers want to stay
  - Add flexibility
  - Offer added value gifts and discounts
  - Respond to concerns
- What can you afford to retain customers **BEFORE** you need to reactivate?



# Retention Killer #1

- You can't polish sneakers - If your concept is bad, no amount of retention tactics will keep people in your continuity program





# Retention Killer #2

- Slow or delayed delivery on the first shipment
  - Experience shows that a 3-4 week delay of the 1<sup>st</sup> follow up shipment can DOUBLE cancellations



# Retention Killer #3

- Sticker shock on first follow-up shipment.  
A large price difference between shipment #1 and #2 can cause large number of newly acquired customers to cancel



# Retention Killer #4

- Making it difficult for your customer to deal with your company
  - No added value benefits – member phone lines, early sale notices, etc.
  - Don't provide instant and 24/7 communication tools via your web site, inbound call center, etc.



# Retention Killer #5

- Not thanking new customers – show your appreciation for their membership early and often!



# Retention Killer #6

- Not explaining continuity benefits
  - Before AND after the purchase



Make the most of your membership in the  
**ALEXIS VOGEL™**  
 Continuing Beauty Program

Dear Charter Customer,

We're delighted to have you in our Continuing Beauty program - and to save you more than 50% off the regular price of Alexis Vogel basics you use the most! This is truly your program. You can customize when your regular orders arrive and even what's in them right from the Alexis Vogel website. Or, just give us a call.

**Here's how to enjoy complete control - and great savings:**

**You save on everything.**

Each Continuing Beauty shipment saves you over 50% off the regular pricing of the items included. Plus, you enjoy FREE membership in the Alexis Vogel Lifetime Makeover Club, entitling you to save at least 15% on any Alexis Vogel item and receive the monthly newsletter, special offers, and much more.

**Make changes any time up to 4 days before a shipment.**

Check the website at any time to see when your next regular shipment is scheduled. Or, give us your e-mail address, and we'll notify you automatically, 11 days in advance of each shipment, with a hotlink that makes it one-click easy to add extra items and make any changes. Unless you indicate it's a one-time change (like a vacation or adding an item), we'll apply the change to all future shipments.

**Anytime you like, you can ...**

- \* Change your Continuing Beauty kit
- \* Add extra items - at member-only savings and without additional S&H
- \* Change how frequently your Continuing Beauty kits arrive
- \* Change to RUSH shipping on any order
- \* Activate your 60-day Money-Back Guarantee

See other side for complete detail.



To make any changes in your  
 Continuing Beauty Program

www.AlexisVogel.com  
 Available 24/7

Or call Customer Service at (800) 390-3994  
 Monday-Friday, 7:00 AM - 4:00 PM, PST

1. **You can change what's in your Continuing Beauty kit.**  
 We offer eight options based on which foundation you prefer. Change your selection whenever you wish. You may, for instance, want a darker shade for summer. Or, you may find you prefer a three-shade trio to a one-shade single foundation. When you change your foundation, we'll send that particular kit until you make another change. No matter which kit you choose, you receive the same contents: foundation, fresh sponge wedges, Shadow Shammy, Remove and Replenish, 2 sets of eyebrow stencils, and Duo Wand mascara with lash conditioner.

2. **You control how often shipments are sent.**  
 We've designed the kits to last an average of two months so shipments arrive every 60 days. If you need shipments more often or less often, just let us know. We can also accommodate one-time changes as often as you like at no charge for vacations or moves. You can have shipments arrive as frequently as every 35 days or space them out to every 90 days or more. Just be sure let us know whether you're requesting a one-time or permanent change.

3. **You can add extra items at member prices & FREE shipping & handling!**  
 Want a fresh lip or eye color? Need more concealer or blush? Add anything to your Continuing Beauty shipment. It's so convenient! Plus, as a member of our Lifetime Makeover Club, you save at least 15% on these items. And best of all, you pay shipping & handling only on the regular Continuing Beauty kit - shipping & handling on all extra items is FREE.

4. **You can request RUSH shipping**  
 If you're in a hurry for a Continuing Beauty shipment, we can send it RUSH! Rush delivery changes are in addition to regular shipping & handling.

5. **You enjoy FREE Lifetime Makeover Club membership**  
 Regular membership costs \$49. But as long as you're part of our Continuing Beauty program, it's yours FREE. You can buy any Alexis Vogel product at Member-Only prices that save you 15% and often much more. Plus, you receive Alexis' monthly e-mail newsletter packed with fresh tips, fascinating makeovers, special offers, and more.

It's easy to make any of these changes by accessing your account on our website (by clicking the "My Account" link), or by phoning our helpful customer service team.



# Retention Killer #7

- Not treating continuity customers with respect and reverence – These customers chose to become customers in your continuity. They are VIP customers, not “widow shoppers” or even average buyers.  
Don't forget it!



Remember -- To be defection proof you need to have a concept that customers want AND also have retention drivers in place as well as eliminate retention killers. Without any three of these elements you will not reach your lifetime customer value goals.





# Questions?

Contact: Shari Altman

Email: [Saltman@AltmanDedicatedDirect.com](mailto:Saltman@AltmanDedicatedDirect.com)

Web: <http://www.AltmanDedicatedDirect.com>

**DMA·06**  
Direct Marketing Association  
CONFERENCE & EXHIBITION

