



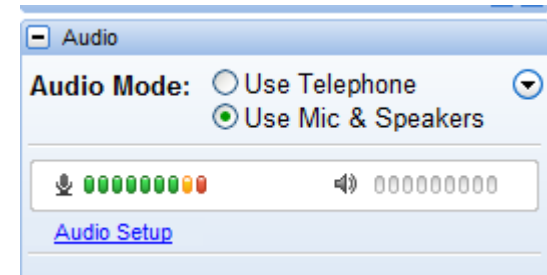
Put Your Sales on Autopilot with Purchase Cadence Optimization

Ross Kramer
Listrak CEO
Aug. 25, 2010

Before we get started

Audio

- Select “Use Mic & Speakers” for VOIP or
- “Use Telephone” to get the dial in number and access code



Questions

- Use the Question and Answer panel on the right

Additional Info

- **This webinar is being recorded – it will be available on demand in 3 business days**
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About Listrak

700 customers & thousands of users worldwide



Leader in interactive marketing organizations



Technology partnerships



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Today's Presenter

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Current State

1-1 US online retail sales will reach \$248.7 billion by 2014



Source: Forrester Consulting

The Challenge

Maximizing customer lifetime value in a competitive landscape



It's much easier and more economical to sell to a customer who has previously purchased from you than it is to acquire a new customer.



What is Purchase Cadence Optimization?

Intelligent, proactive purchase prompting





Three Things Drive Cadence

1. Need



Three Things Drive Cadence

2. Convenience



Three Things Drive Cadence

3. Brand Loyalty



Influence repurchase via predictive behavioral retargeting

When to engage, for which products, at what frequency



Further monetize existing customers

Enforce brand loyalty, increase lifetime value, lower cost of sale,
increase cross-sell and upsell



DISCOUNTBEAUTYCENTER

Case Study

Read the full case study here:
www.listrak.com/CaseStudy/Discount-Beauty-Center-PCO.aspx

DISCOUNTBEAUTYCENTER 0 Items In Shopping Basket

hair products | cosmetics | appliances | skin care | nail care | fragrances | bath products | gift certificates

Special Offers & Sales
 Search [] GO
 Choose A Brand Name []

SAVE UP TO 70% AND MORE
 everyday on your favorite beauty products

ups **FREE!** shipping on orders of \$55 or more*
NEW! flat rate UPS ground shipping: \$7.49* (order under \$55.00)
*Continental United States only

Orders received by 12PM ET M-F ship that same day.

One n Only Moroccan Argan Oil Treatment Retail Price: \$24.00 Size: 3.4 oz Sale Price: \$9.99 BUY NOW more info>>	T3 Featherweight Luxe Hair Dryer Retail Price: \$250.00 Size: 73888 Your Price: \$250.00 BUY NOW more info>>	Ralph Lauren Polo Red White + Blue for Men EDT Spray Retail Price: \$57.00 Size: 2.5 oz Your Price: \$48.43 BUY NOW more info>>
Mixed Chicks Shampoo Retail Price: \$50.00 Size: 33.8 oz Your Price: \$39.99 BUY NOW more info>>	Coach Legacy Women Perfume Spray Retail Price: \$75.00 Size: 1.7 oz Your Price: \$67.49 BUY NOW more info>>	Hot Tools Pink Titanium Hair Dryer Ionic AC Motor Retail Price: \$70.00 Size: HPK03 Sale Price: \$49.99 BUY NOW more info>>

Featured Sales
 Marc Jacobs Women EDP Spray **Sale Price: \$29.99** [more info >>](#)

Best Selling
 Jingles Mega Hold Hair Spray
 Aqage Finishing Spray
 Clairol Luminize Ash Aqage Transforming Paste-Pump
 Nucleic A Proteplox Shampoo
 Nucleic A Botanical Hair Spray
 Clairol Instant Whip Lightener
 Colora Henna Powder Red Sunset
 Jerome Russell Temo'ry Hair Color Spray- Coffee Brown
 Aqage Transforming Paste 30% Free

Welcome Back T3!!!
 T3 has done an entire re-design of their best-selling hair dryers, flat irons, and curling irons. The upgrades have...

Atopaln Skin Care is now Paraben Free!
 Atopaln Skin Care has re-invented their line, making all 7 of their new products Paraben Free. Many people are...

Mixed Chicks: A Curly Revolution!
 You've no doubt heard a lot about Mixed Chicks. It

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The Pain

103,000 customers

88% were one-time purchasers

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Opportunity to increase life-time value

103,000 customers

3,000 replenishable SKUs

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The Process

1. Calculate Benchmarks – CTR, AOV, \$/Email Address, etc.
2. Set Goals
3. Mine order history data for replenishment insights
4. Automate – *wash, rinse and repeat!*

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Calculate Benchmarks

2010 Averages

Click Through Rate:	1.5%
Open Rate:	8.2%
Conversion Rate:	10.4%
\$/Address/Campaign:	\$.10
Email AOV:	\$65
Site AOV:	\$59

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Set goals

If we...

1. Serve customers by meeting their needs
2. Offer a convenient way to replenish items
3. Cater to their brand affinity

Our customers will respond by...

1. Interacting with our emails
2. Transact
3. Brag about their purchase via on-site reviews, social networks, etc.

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Mine order history data for replenishment insights

1. Determine replenishable SKUs
 - a. Same SKU purchased multiple times by multiple people

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Mine order history data for replenishment insights

1. Determine replenishable SKUs
 - a. Same SKU purchased multiple times by multiple people
2. Determine SKU Cadence
 - a. Population Cadence



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Mine order history data for replenishment insights

1. Determine replenishable SKUs
 - a. Same SKU purchased multiple times by multiple people
2. Determine SKU Cadence
 - a. Population Cadence
 - b. Individual Cadence









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Mine order history data for replenishment insights

1. Determine replenishable SKUs
 - a. Same SKU purchased multiple times by multiple people
2. Determine SKU Cadence
 - a. Population Cadence
 - b. Individual Cadence
3. Respect quantity of orders

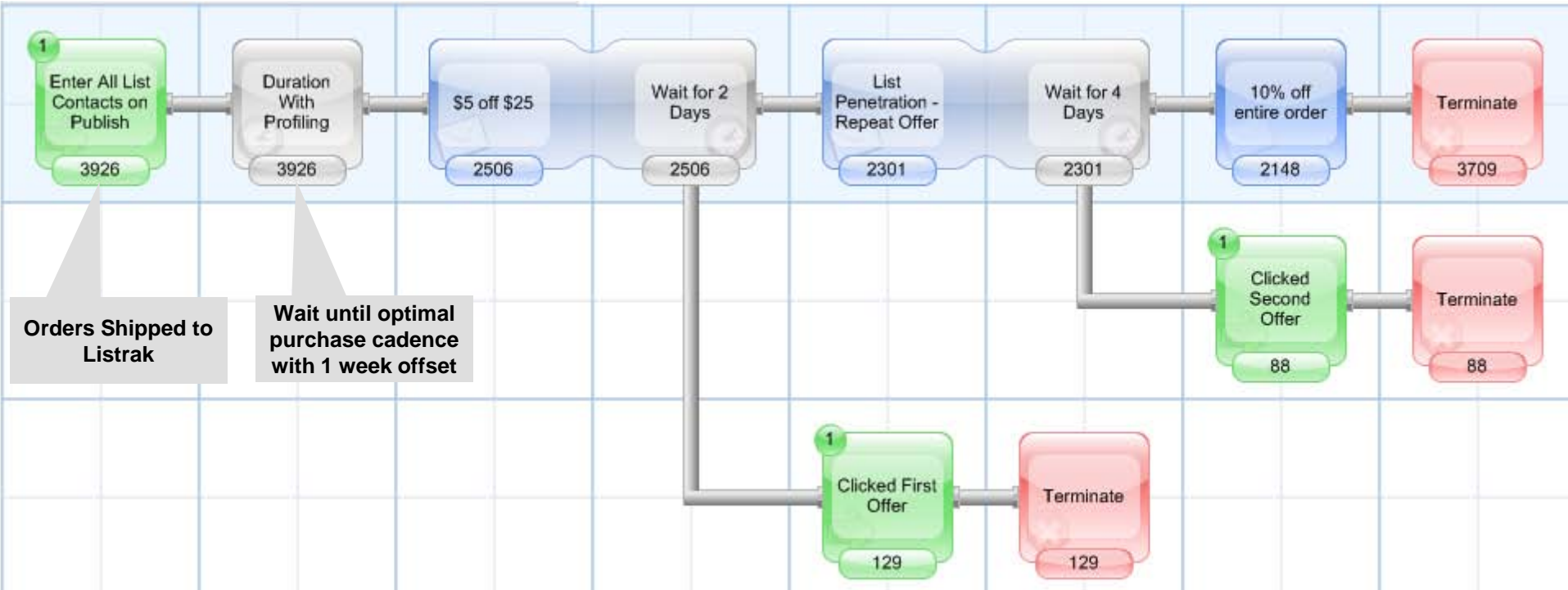
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SKU	Title	Size	Purchase Cadence	Repeat Customers	Unique Customers
49674	Kenra Volume Spray	10 oz	149 Days	833	2390
40920	Kenra Volume Spray	16 oz	112 Days	189	791

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Automate – *Wash, Rise and Repeat!*



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COUPONS BELOW!

DISCOUNTBEAUTYCENTER

COSMETICS : FRAGRANCES : HAIR PRODUCTS : BATH PRODUCTS : SKIN CARE : APPLIANCES : NAIL CARE : GIFT CERTIFICATES

Save today when you reorder
Product Name?



Image here
(dynamic)

Product Name, Size
Get 10% of your entire order when
you reorder & use coupon code
apr20for5 today!
Reorder Now!

REORDER NOW & SAVE ▶

HURRY! Reorder Now & Receive an extra discount!

Get \$5 off your order of \$25 or more!

Use code **apr20for5** during checkout
(not valid on sales items)

expires midnight ET date : limit 1 coupon per customer : not valid on prior sales

Dynamic Content

Personalization

Dynamic merchandising

Promotional offers

Deployed 1 week before avg.
reorder date

Subject Line:

<<Info\First Name>> Restock your <<Product Info\Title>> & get \$5 off today!



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SecondPass

Deployed 2 days later to non-openers

Offered a larger discount as an incentive to purchase

Sent automatically through Listrak

COUPONS BELOW!

DISCOUNTBEAUTYCENTER

COSMETICS ; FRAGRANCES ; HAIR PRODUCTS ; BATH PRODUCTS ; SKIN CARE ; APPLIANCES ; NAIL CARE ; GIFT CERTIFICATES

Don't forget to reorder your **Product Name.**

Image here (dynamic)

Product Name, Size
Hurry and receive 10% off your entire order when you reorder & use coupon code apr20for5 today!
Reorder Now!

REORDER NOW & SAVE

Didn't Reorder Yet? Get an Extra 10% off Today!
Get 10% off your entire order!
Use code **apr20for10** during checkout
(not valid on sales items)
expires midnight ET date : limit 1 coupon per customer : not valid on prior sales

Subject Line:

<<Info\First Name>> Don't forget to restock your <<Product Info\Title>> & get \$5 off!



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Message	Subject Line	Open %	Click %	Conv. Rate
Initial email (\$5 Off Coupon)	<<First Name>> Restock your <<SKU\Name>> & get \$5 off today!	23.24 %	9.8%	22.4%
SecondPass (Non-openers -\$5 Off Coupon)	<<First Name>> Don't forget to restock your <<SKU\Name>> & get \$5 off!	17.68 %	7.5%	22.6%
Last Change (10% Off Coupon)	<<First Name>> Get 10% off when you restock your <<SKU\Name>> today! Last Chance!	14.60 %	5.9%	26.4%
		18.46%	7.73%	23.8%

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Results

2010 Averages

Click Through Rate:	1.5%
Open Rate:	8.2%
Conversion Rate:	10.4%
\$/Address/Campaign:	\$.10

Email AOV:	\$65
Site AOV:	\$59

Purchase Cadence Optimization

Click Through Rate:	7.7%
Open Rate:	18.4%
Conversion Rate:	23.8%
\$/Address/Campaign:	\$1.07

Email AOV:	\$60
Site AOV:	\$59

Use the Q&A panel to ask a question

Reminder – this session is being recorded and will be available for download in Listrak's resource center on 8/30



Join us for our next webinar



Bridging Email and Social Media to Stand Out From the eTailing Crowd

Special Guest – Paul Gillin

Sept. 21– 1:00 ET

www.listrak.com/Webinar/pgillinwebinar/

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