



Food Service Industry Case Study

Direct Mail Campaign Wins Back Customers

Introduction

A leading brand offers consumers a snack subscription service to send high quality ingredients to make delicious snacks that are delivered conveniently to a subscriber's doorstep. The company wanted to win back customers that had cancelled their subscription service by trying to reengage them through a direct mail campaign. The test strategically evaluated the effectiveness of a postcard campaign compared to an email campaign, as well as testing different promotional offers.

The Challenge

Due to growing competition, the brand needed a measurable way to win back customers who had been subscribers but had cancelled their memberships. The goal was to encourage former subscribers to rejoin and reactivate their subscriptions.

The Strategy

The snack brand decided to kick off their win-back strategy with direct mail. They developed their first-ever postcard test campaign that would enable them to test not only the effectiveness of two promotional offers, but also the impact of direct mail itself. An email with the same offers was also sent to another group of cancelled customers, so the brand could measure the response from those who received a postcard versus those who received an offer via email. To entice former customers to rejoin, two offers were included in the campaign:

- Group 1 received offer A: "50% off the first and second snack box."
- Group 2 received offer B: "Two free snacks in the first and second snack box."

Vanity URLs were included on the postcards and in the emails to redeem the offers so that rejoins could be easily tracked via click-through traffic to the website. Once measured, the brand would send the more successful offer to the rest of their inactive customers in the phase-two mailing.

The Results

The direct mail test campaign delivered a significant jump in response and rejoins compared to customers who received an email only. The campaign results showed that:

- Sixty percent of the customers that received offer A via direct mail re-subscribed, compared to 26% that received offer A via email. In total, more than 3,000 customers visited the vanity URL to redeem offer A.
- Forty-one percent of the customers that received offer B via direct mail re-subscribed, compared to 24% that received offer B via email. In total, more than 2,000 customers visited the vanity URL to redeem offer B.



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