





#### **GRAND OPENING INCENTIVES**

It's a standard marketing move. A new store opens and customers are offered an incentive to be among the first 50, 100 or 200 to come in on opening day.

Cost Plus World Market ran such a promotion recently, but took it to a much higher lever by layering on more incentives to drive additional store traffic opening week. CPWM opened its latest location in Charlotte, NC, where it carries a wide selection of unique and affordable merchandise from around the world. From May 2 to May 5, the first 200 customers through the doors each day received a free reusable World Market tote bag.

Other incentives for shoppers later in the day included food and beverage sampling, live music and daily raffle drawings for prizes like \$100 World Market gift cards and gift baskets. On Saturday, May 4, Rebecca Gordon, contributing editor of Southern Living magazine, hosted a live cooking demo and food tastings inside the store. On Sunday, May 5, customers had the chance to receive in-store free-bies including two free movie tickets. —PATRICIA ODELL



## CONSUMER CONVENIENCE

7-ELEVEN OFFERS CUSTOMER SUGGESTED LOCALIZED OPTIONS IN MOBILE APP

Looking for pizza rolls at 11 p.m.? How about beer, an ATM, a Redbox location or even a place to redeem food stamps? 7-Eleven's recently launched mobile STICK IT TO ME

CUSTOMIZED PROGRAMS
FOR LOYALTY

Marrying an unexpected incentive with a catchy tag line is sometimes all a marketer needs. That's what JNR Inc. is using to introduce a new program that gives its customers innovative methods to get them to "stick around" forever. It paired that tag line with an offer of 10,000 tubes of free Super Glue for those who come knocking.

The 33-year-old company, which provides marketing communications and incentive programs that increase customer loyalty to Fortune 500 companies, is promoting customized packages that include travel incentives, debit card reward programs, customer loyalty services and other programs. Those who want the free glue either



call or email, which gives JNR the opportunity to gather quality leads.

"Think of us as the glue that puts all the pieces together," offers Kelly Woolsey, JNR's marketing manager.

The promotion is marketed through press releases, social media, email marketing and an ad in the Orange County (Los Angeles) Business Journal.—*PO* 

app has got you covered with a new products-and-services function that works in conjunction with its store locator.

"The app now has functions that work for users on a more local level, which really elevates the fact that they can search for items at different stores," says Steve Holland, chief technology and digital officer, 7-Eleven. "Most retail organizations in our space show general information but are not getting down to the level of detail to actually solve a consumer's problem."

7-Eleven also uses information like weather, location and time of day to customize the experience through information collected during the registration process, including opt-ins to location-based services like FourSquare and Facebook Places.

"If it's a hot day we might offer cool drinks; if it's morning, we would offer breakfast," he says. "Taking those dynamics and configuring them to who you are provides a much better experience to the user."

The app has been downloaded about 100,000 times since it made its debut in February. Its initial capabilities were selected based on comments received from 7-Eleven Facebook fans, with mobile couponing being the top request.

"It's local marketing," says Danielle Ivey, 7-Eleven's senior manager of digital marketing. "It provides a guest a convenient experience in their location and generates a stronger connection between the store and our guests."

In March, 7-Eleven debuted the Idea Hub, a spot on the app where consumers can share ideas about what functions they would like to see built into the app to enhance its usefulness. Suggestions are submitted in four categories–general, stores, events and coupons–and then voted on and sorted by the most recent or most popular. This allows the 7-Eleven app-development team to prioritize its work for future feature releases. So far, the top suggestions include mobile payment capabilities, more coupons, store reviews, a loyalty program, nutritional information and local gas prices.–*PO* 





### **3 MISSED OPPORTUNITIES IN CUSTOMER LOYALTY**



Brands understand the value of each customer, but there is a disconnect between

knowing what customers need and want and the ability to actually deliver in a way that creates an experience that builds long-term loyalty. Recent advances such as runtime modeling, location-based services and the increased use of smartphones as shopping devices have greatly improved marketers' capabilities to deliver exceptional customer experiences by anticipating customers' needs in near real time.

Lasting loyalty is built on three basic strategies: acquisition, retention and engagement. Here are three commonly missed opportunities and how brands can best address the needs of an increasingly mobile and connected customer to foster loyal and lucrative relationships.

## 1. Acquisition: Connecting on a customer-by-customer basis

The classic CRM approach of defining segments, setting up automation based on those segments, then watching for certain things to occur and responding is still the right mindset. However, marketers' models and understanding of non-transactional behavior and the whole context of the customer interaction needs to come into play. It's no longer good enough to know that someone has bought a particular product in the past. Marketers need to move beyond basic segmentation and start looking at how to construct models they can calculate on the fly and estimate lifetime value quickly. Marketers need to be able to do these things in very short periods of timein milliseconds as opposed to minutes.

Marketers have a very short window to change the experience for customers, get the right products in front of them, and show what offers might be relevant to that product. Armed with that knowledge, marketers can change the experience on

a customer-by-customer basis, adjusting the product, pricing and offer and content that's relevant to the individual. For example, if you know enough to predict a high lifetime potential for a customer, you should be much more willing to spend more aggressively to acquire that customer-whether through discounts, human follow-up or differentiated service.

# 2. Retention: Nurturing a higher-value relationship

What are the pathways to higher value relationships? Marketers may be able to identify and correct misallocations of capital around email, direct mail, website, SEM or elsewhere. Yet when a customer is in front of you, engaged right now, how do you best take advantage of that slice of attention you are getting?

In many cases it's smarter to think in terms of the longer-term customer relationship, instead of focusing on maximizing the immediate transaction to do a better job meeting your customers' immediate needs. For example, by waiving shipping charges (which reduces revenue but increases customer satisfaction), extending a reward certificate past the cancel date, or sending your tier two support to handle a Twitter complaint (instead of tier one) for an elite customer. Treating elite customers as average is a missed opportunity. Treat these

customers differently to gain their loyalty with an eye on the long term relationship.

While operating in this mindset may mean less revenue in the short term, the revenue brought in over the life of the customer relationship can more than make up for it.

#### 3. Immediate engagement

Marketers need to think about the same things they've been thinking about in marketing for a long time, but frame them in a different way. Don't miss the opportunity to learn more about your customer at interaction points.

We know that 50% to 70% of purchasing decisions are made on the spot, while the customer is standing in a store. So how best can marketers tell when they are there and influence a purchase decision at that very point in time? Mobile applications are getting much better at using geofences to know when a customer is near or inside a location. It's only a matter of time before customers expect real-time suggestions, coupons, or other notifications during their shopping experience. And when a customer raises their hand and interacts with your mobile app directly, they're primed to share more information that will let you serve them better, now and down the road. -MICHAEL GREENBERG, DIRECTOR, GLOBAL SOLUTIONS STRATEGY. TIBCO LOYALTY LAB

## 40+40=Smart Marketing

Marketers love to play the numbers and Red Roof is no exception. March marked the hotel chain's 40th anniversary and it is churning out a host of incentives and events through October tied to that number. Are you a player? Here's some ideas to steal from Red Roof:

- Anyone turning 40 can rent a room for \$19.73 that day.
- Any guest can enter the 40 & Fabulous Sweepstakes, prizes include:
  - 40 free room nights
  - \$40,000 grand prize
  - 40 37-inch flat screen TVs
  - 7-day, six night trip for four
  - 40 NextGen Mattress Sets
- 40 NextGen Flooring Packages
- 40,000 RediCard Points
- 1973 classic car
- Dedicated website, www.redroof40andfabulous.com



It's all being promoted on social, through email to the brand's Redicard members and as the brand hits the road this spring showcasing its \$120 million NextGen remodeled rooms via a tricked-out semi-truck.—*PO*