



Five Ways to Perfect Your Promotions

A Strategy Toolkit from Clutch

Are your promotions doing more harm than good?

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Every retailer knows that promotions are a double-edged sword. A well-orchestrated promotion will drive sales, retain your best customers & eliminate undesirable stock. However, promotions are only truly successful when both the retailer and the customer benefit. Many promotions leave retailers bleeding revenue because they lack a clear strategy that protects margins while encouraging customers to purchase.

For the foreseeable future, price-focused shoppers are here to stay as are the promotions that motivate them to return to their favorite stores time and time again. So how can retailers create promotions that are as valuable for the business as they are the consumer?

Whether you are using a loyalty program, mobile, email, direct mail or social to share promotions, you can take steps to perfect your promotions by evaluating your current promotion strategy against these 5 criteria:



"A synchronized promotions strategy must focus entirely on optimizing margin. We are using Clutch to manage our promotions across channels, incorporating customer data into web, email, and mobile content. Our goal is to get to a point where we know who our highest value customers are and have a promotions strategy to match."

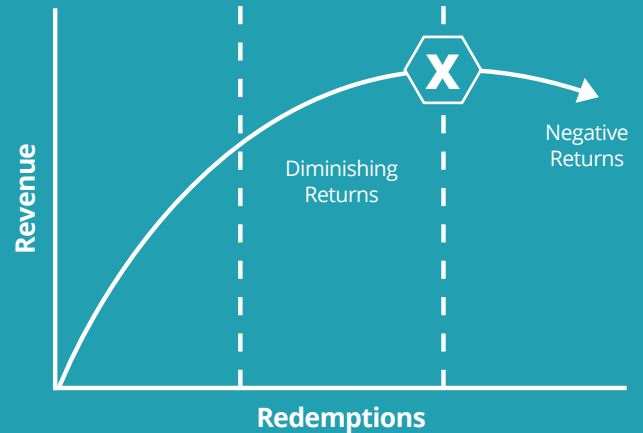
-Director of CRM for National Specialty Retail Chain

1

Capture Data at the Start

Capturing new customer intelligence is a powerful benefit of a smart promotions strategy and should begin at the start. Yet numerous opportunities to do so are often missed by marketers, limiting follow-up and future personalization of offers.

Know when your promotions start hurting your profits



- **Gate Promotions**

Requiring an email or phone number to receive a promotion sets the stage for customization down the road.

- **Opt-In**

Include a check box for customers to join your loyalty program or simply agree to receive future communications on a specific channel.

- **Web Pixel**

Add a pixel during opt-in and link browsing behavior to a persistent ID like email or phone number.

2

Test & Optimize

Just like any other marketing effort, promotions are an opportunity to learn—both about your audience and your offer—so you can improve KPIs over time.

- **Audience Segmentation**

Segment your audience by known attributes (gender, location, age, interest, past purchase behavior) and test personalized content to see what resonates.

- **Personalize Offers**

Optimize conversions by A/B testing content, like Free Shipping vs. Free 2 Day Shipping.



3

Minimize Promotion Abuse

The multi-use codes included in many promotions don't expire after a redemption, so customers can use them repeatedly and share with family and friends on social media or larger websites.

- **Try Single Use Codes:** Single use codes expire after use, controlling redemptions and maintaining share of margin on each purchase.
- **End the Opt-In Game:** Don't let customers opt in and out of your program to get the same discount. Clutch clients Carol's Daughter and Ashley Stewart set a limit of 6 months between opt ins.
- **Manage Validity:** Invalid offers inevitably find their way to your point of sale. A content management system that allows you to change details or expiration on the fly can fix this common problem.



4

Keep the Conversation Going

Use redeemed promotion as a jumping off point for future communications. Customers say content pushes them to convert more than any other factor, so make it part of your promotion strategy.

- **Expiration Reminder:** Trigger an email to remind your customers to use their offer before it's too late!
- **Abandonment Cart Communications:** Convert abandoned carts or ignored promotions with a triggered email and onsite/in-app push notifications.
- **Redemptions:** Conversions point to messages, actions or behaviors that cause your offer to be redeemed. Use your customers conversion points to personalize your next offer and increase promotion redemptions.
- **Content:** Use browsing history to send relevant reviews or additional product images to increase conversions.

5

Connect Channels Together

As every retailer knows the customer journey doesn't start when the customer enters your store nor does it stop upon the customer's exit. The intricate customer journey takes place across email, mobile, social media, other digital channels as well as traditional mediums like direct mail. Integrating promotions onto a singular platform eliminates siloed promotions and enables marketers to develop data-driven, result-focused promotion strategies that can effectively influence promotions.

- **Diversify Your Offers:** Treat segments differently. Why send everyone 20% off when many customers will buy at 10%? Don't assume everyone should get the same offer.
- **Track Customer Response:** If someone converts on the web from email but in-store from mobile, use this data to craft your next engagement. Send your offers via the channels your customers engage in the most boosts redemptions.
- **Treat Subscribers Differently:** Loyalty program members should not receive the same offer as non-loyalty members. This level of personalization may require additional coordination among channels, but when you make your loyal customers feel appreciated you will be rewarded with a happier customer and conversions.
- **Integrated Platform:** A single platform to manage offers and reporting lets marketers see what's working and what isn't, so they can continually optimize variables like content and segments across channels.



Want to learn more about how to build efficient promotions that won't kill your margin?

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