THE EDGE®

Postcard Marketing Strategies

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Introduction

The Edge has a sophisticated customer data management system that allows The Edge user to identify very specific customer segments within your customer data base. The Edge postcard program allows you to target these segments and increase sales and profits.

For example, this capability enables The Edge user to quickly and precisely target those customers with occasions occurring within the upcoming weeks. Marketing Research has shown that 20 percent of your customer base drives 80 percent of your sales. Doesn't it make sense to target those repeat customers that have a gift-giving event in the next few weeks? A timely placed postcard can be an important factor in reminding your loyal customer that their gift buying dilemma can be expertly resolved by visiting his or her favorite jeweler.

Let us develop a marketing plan to help achieve your goal of increased sales and profits with the use of The Edge Postcard program. The following sections will outline how the program can be used to achieve these goals.

Establish an Advertising Budget

We establish budgets based on all aspects of our business: inventory buying, salaries, utilities etc. but very few of us establish an annual advertising budget. A carefully developed advertising plan can establish a game plan on which a marketing strategy can be put in place.

The first thing to do is determine is an annual advertising budget. The typical Edge user allocates seven percent of annual sales towards advertising. A monthly budget should be determined based on a percentage of sales that is established for your store. The typical Edge user's annual budget allocated to customer retention ranges from $3,000 to $8,000.

As a store owner and operator, we recognize that you need to always be acquiring new customers, but at the same time we encourage you to maximize the purchasing power of your most loyal and better customers. With this in mind, we recommend that you allocate your limited advertising budget as follows:

- Allocate 90 percent to acquiring new customers
- Allocate 10 percent to maintaining and developing customer loyalty among your existing customers.

A sample advertising budget might be laid out as follows:

> Annual Sales $1,000,000 x 7% = $70,000 Annual Advertising budget

> $70,000 x 10% = $7,000 Annual Customer retention Budget

This would equate to a monthly budget of $583.33 earmarked towards monthly birthday, anniversary, thank yous, missing you, and service postcard mailings.

Focusing on customer retention and consistently communicating with your base will reduce your marketing costs and increases your store's profitability because satisfied, repeat customers will come back time and time again and refer like-minded friends to do the same.

The Edge Postcard Program is all-inclusive and easy to execute because we will do ALL of the work for you for just one low price of 89 cents per piece (including standard rate postage):

• Develop the professional creative design
• Personalize the direct mail piece with your customer's name
• Customize the message with your store logo, contact information, and promotional offer
• Print on oversized 5.5" X 8.5", high-gloss, 4-color on both sides using the latest in variable data and digital printing technologies
• Apply postage and mail the direct mail pieces to as little or as many customer as you specify.

Using The Edge Marketing Program, there is:

• NO MORE working with multiple agencies (ad, print, fulfillment, etc.)
• NO MORE applying address labels
• NO MORE affixing stamps
• NO MORE generating, uploading, and emailing customer lists
• NO MORE meeting minimum quantity volumes at the printer
• NO MORE wasting your time!

Please go to The Edge Postcard Program website at www.drive-media.com to view our postcard Design Gallery!

How to Achieve Increased Sales and Profitability

1. Setup a consistent Edge Postcard schedule.
    i.   Set up a weekly birthday and anniversary mail out schedule. This will ensure that the postcard arrives in the recipient's hands in the most timely manner
2. Setup Weekly Postcard Presets
    i.   Tie an offer to each Postcard type
    ii.   Set a time limit to redeem each offer
    iii. Assign one person (with a backup) to run the Edge Postcard Program
    iv.   Establish a set time and day to run your weekly mailings
    v.   Stick with your schedule; consistency pays dividends
3. Setup procedures to capture occasion data
    i.   Capture birthday and anniversary data at point of sale
    ii.   Establish monthly contest to reward the sales person with the most captured data
    iii. iii. Establish a Monthly Gift card Giveaway to capture occasion data
4. Thank You Program
    i.   Send Thank You Postcards to clients with large purchase in the last month
    ii.   Send a postcard with a dollar amount savings on their next purchase
    iii. Set a time limit to redeem the offer
5. Missing You Program
    i.   Send Missing You Postcards to clients who have spent a certain dollar amount during the past three years (by category and /or vendor or a combination of the two) but have not spent anything in the last year

       ii.   Send a postcard with a dollar amount savings on their next purchase
      iii.   Set a time limit to redeem the offer

6. Service Reminder Program
       i.   Send a Service Reminder to all Engagement Ring purchasers at 6 months after purchase
      ii.   Check and clean their ring and prospect potential add on sales: wedding band sales, wedding gift and attendant's gifts
      iii.   Make Wish List with Wedding Gift while cleaning her ring
      iv.   Note finalized Wedding Date on customer's record
      v.   Send reminder to fiancé/ husband for Wedding Gift one month before wedding date

Summary

Consistency translates into increased sales and profits. Follow the plan on a weekly basis with an emphasis on the importance of The Edge Postcard Program at weekly staff meetings. Implement and follow through and you will reap the benefits of a successfully engineered customer retention program through the use of The Edge Postcard Program.