

Smart home company achieves 283% ROMI using mover triggers to efficiently capture market share

Case Study

Business Challenge

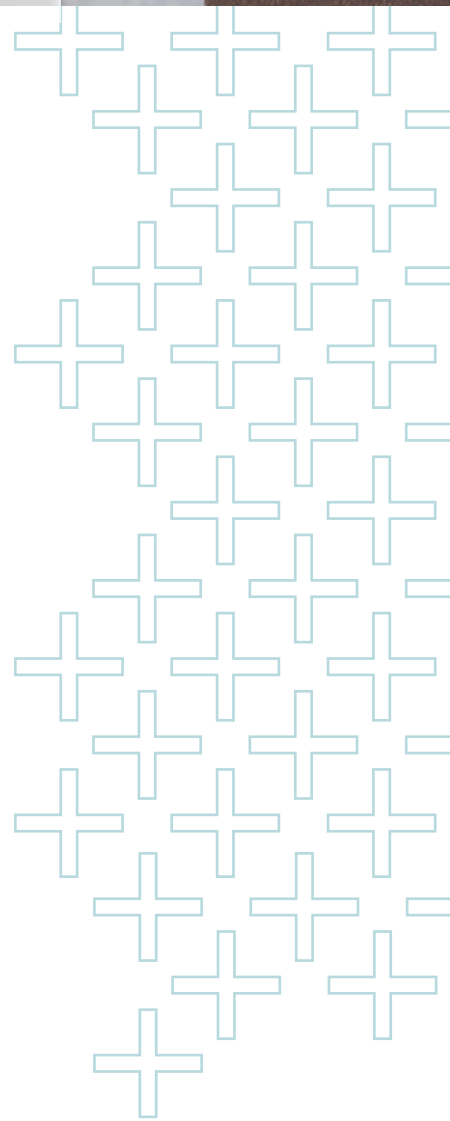
A U.S.-based smart home company offering a variety of award-winning smart home products (doorbells, cameras, thermostats, etc.) noticed many of their competitors using direct mail to win over new consumers. However, the client didn't want to mail just to mail—they were looking for a targeted solution that would allow them to contact consumers who were more likely to purchase. They were also looking for a marketing partner with great data coverage and fast speed-to-market.

Deluxe Answers

Consumers who are on the move are more likely to be in the market for smart home products for their new space. The Deluxe consumer mover trigger solution was a perfect fit. It allows home security companies to capture in-the-market relationships and effectively retain moving customers who might consider other brands.

Deluxe partnered with the client to deploy a 5-week pilot program that included mailing postcards to a national audience weekly, featuring a promotional offer. The first campaign focused specifically on “massively multi-sourced” new mover and pre-mover trigger populations by Deluxe. Deluxe strategists used industry insights and research, data analytics, previous marketing insights and the customer's own geographical density to build a customized targeting approach to select the most likely responders in the nation.

Deluxe also offered the client the option to finance the campaign via a pay-for-performance funding model. This meant that the client paid no money upfront for the marketing program (no data costs, no print costs, no postage costs, etc.) and only paid a fixed amount for each new customer that signed up for their service. Deluxe offers this as a value add to select customers because we know we can deliver profitable campaign results and are happy to co-invest with our clients. We want our customers to make it super easy to tie marketing spend directly to new sales.





Case Study: Smart home company achieves 283% ROMI using mover triggers to efficiently capture market share

Results

The initial pilot was a success as Deluxe was able to close 344 new sales for the customer. This resulted in a 283% return on marketing investment for the client and achieved 6x the established sales goal.

As with any pilot, Deluxe and the client were able to take away valuable learnings to help for future optimization. By testing into both new mover and pre-mover populations in the pilot, Deluxe was able to get a better read on what type of mover was more likely to want or need smart home products. Our initial results showed that pre-mover leads had a 2x higher response rate than new mover leads, suggesting that consumers are more likely to buy smart home products before they actually move than after—which makes sense. Consumers are more likely to want to have the product ready to go to their new place.

Our initial results showed that pre-mover leads had a **2x higher response rate** than new mover leads for this customer.

The initial pilot was a success and drove the following results for the client:

344

New sales

>\$525

Incremental lifetime value generated

283%

Return on marketing investment

The other major insight Deluxe was able to tease out was that movers who lived or moved within 1 mile of a high concentration of customers in a specific zip9 were more likely to respond. Based on these insights and more, Deluxe can optimize future campaigns to take advantage of higher response rates.

Based on the success of the pilot, the client decided to extend the pilot and continue to target movers with some additional tweaks based on the initial learnings.

Want to target movers in your market?
Contact us today.

DataDrivenMarketing@deluxe.com

877.214.2513

deluxe.com/ddm