

SILKTECH

SmartPrint

Customer Life Cycle Marketing

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Silk Technologies

Intelligent Marketing, on Prints & beyond



Customer Life Cycle Marketing

Marketing approach to acquire new customers, retain and grow them into loyal advocates through Continuous Customer Interactions and Customer Life Cycle Programs



Agenda

- **Life Cycle Marketing Concepts**
- **Customer Interactions – An Example**
- **Life Cycle Marketing Programs**

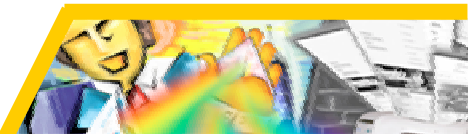


Customer Life Cycle Marketing

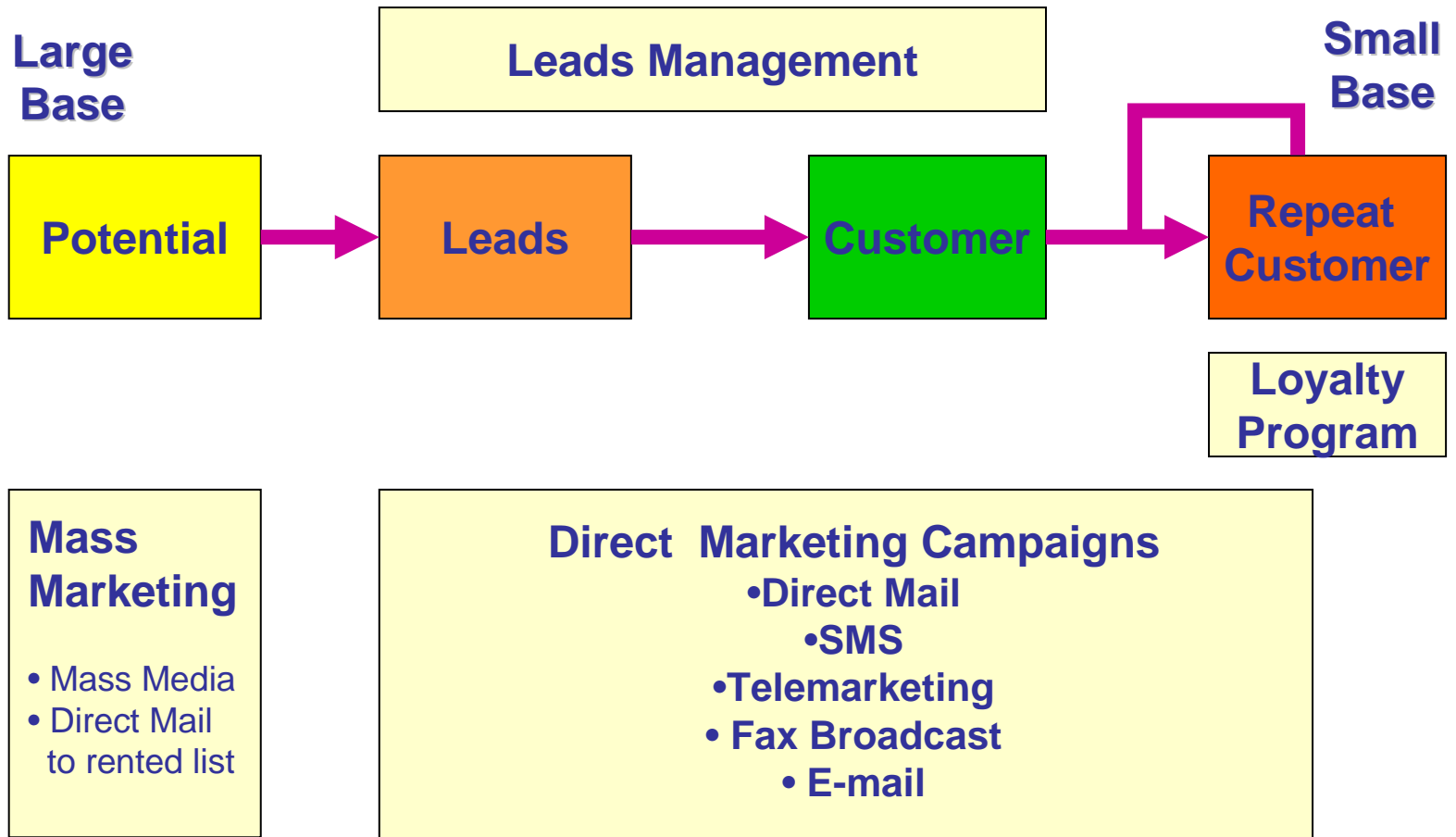
- **Customer Interaction**
 - Closed Loop
 - Personalised Communications
 - Track and Measure
 - Multiple Delivery & Response Channels
- **Life Cycle Marketing Programs**
 - Continuous learning & Profiling
 - Integrated and Multi-tier
 - Centralised Data Store



Close Loop Marketing



Customer Life Cycle



Delivery Channels



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Response Channels

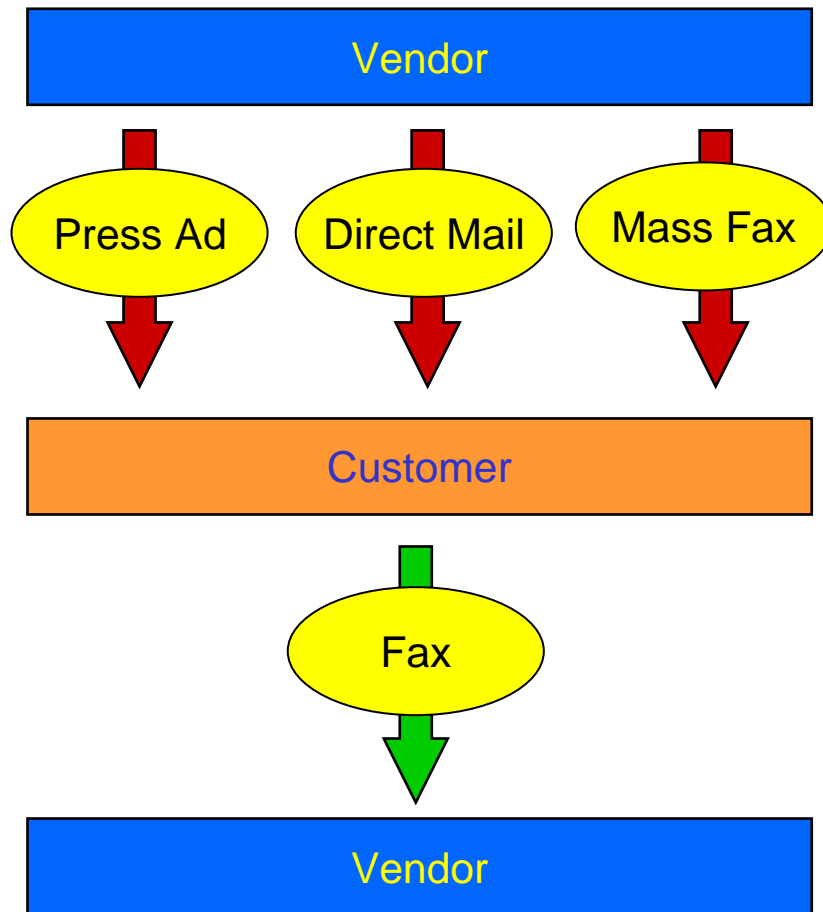


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Delivery & Response Channel

Multiple Delivery Channel with Single Response Channel



Advantage

- High Reach
- Consolidated data store

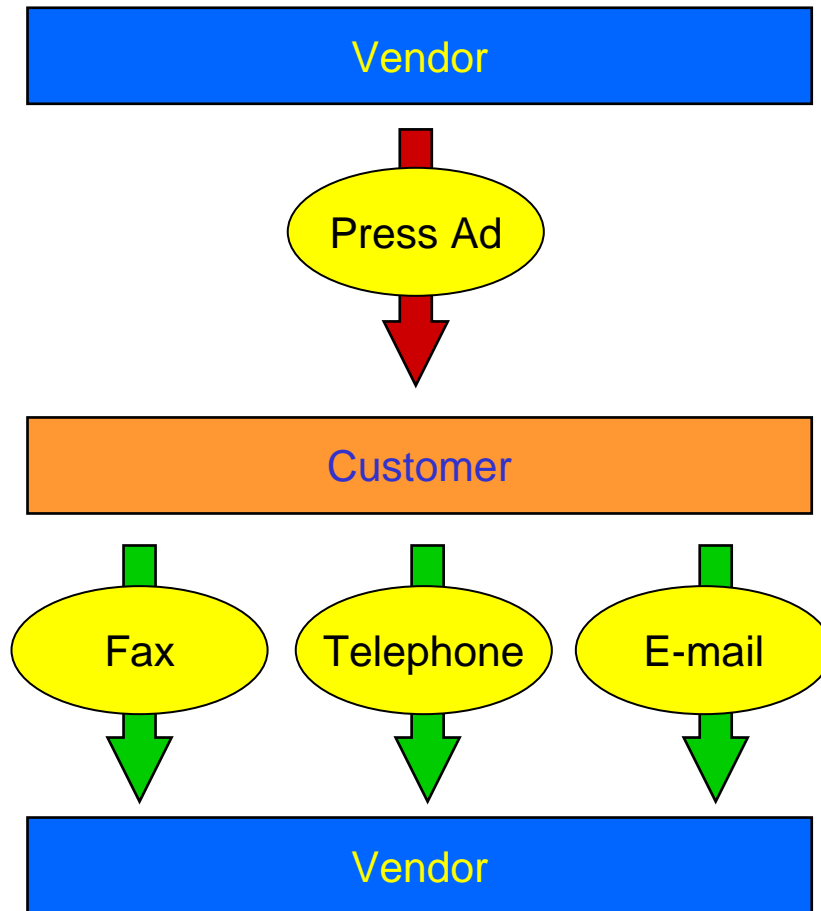
Disadvantage

- Inconvenient for Customer to response



Delivery & Response Channel

Single Delivery Channel with Multiple Response Channel



Advantage

- Convenient for Customer to response

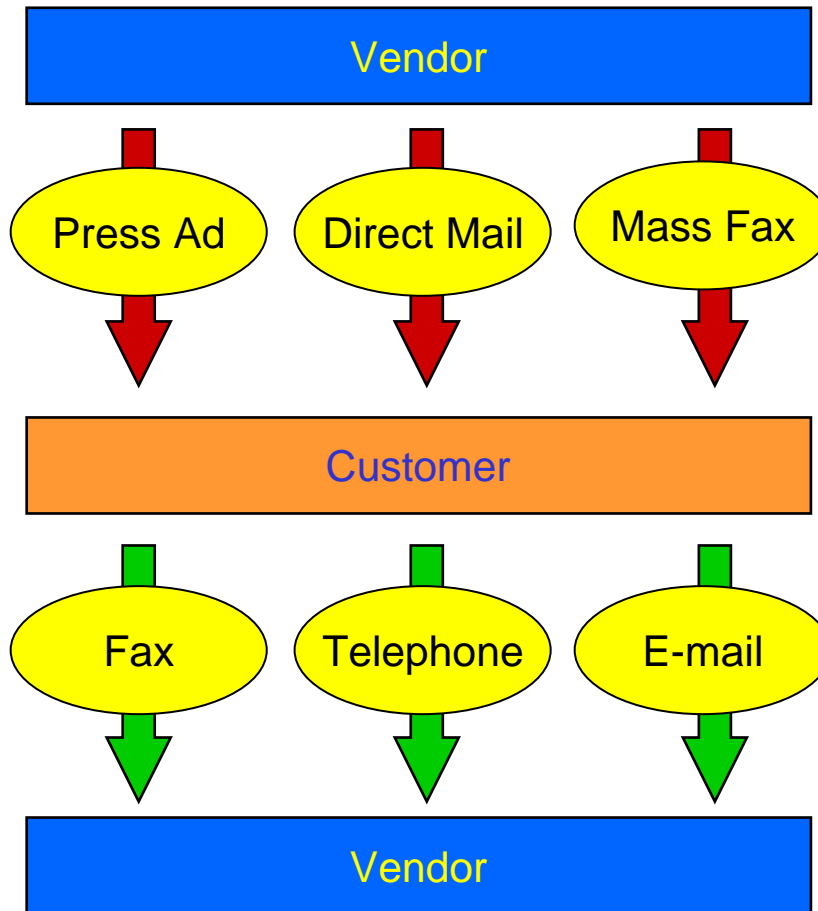
Disadvantage

- Low Reach
- Possibility of having different data store



Delivery & Response Channel

Multiple Delivery Channel with Multiple Response Channel



Advantage

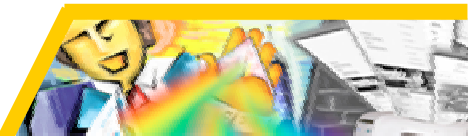
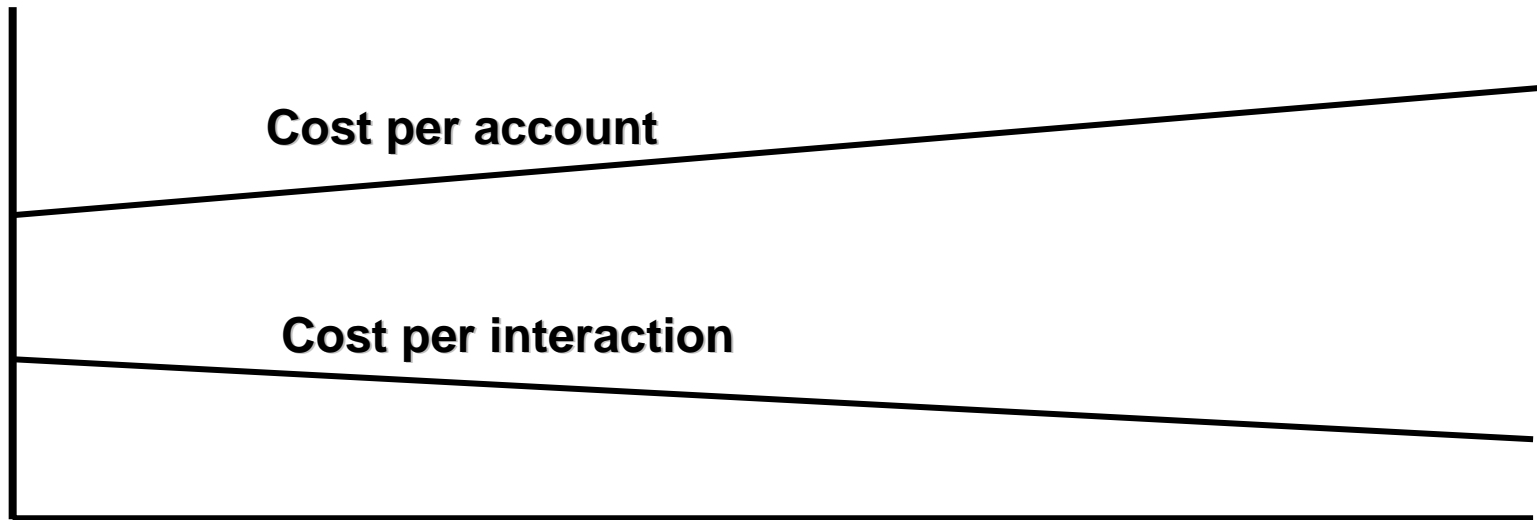
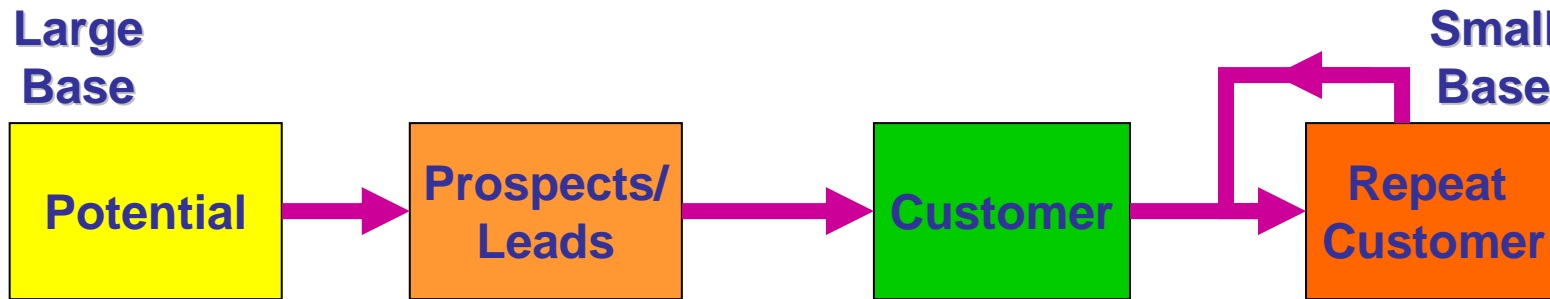
- High reach
- Convenient for Customer to response

Disadvantage

- Possibility of having different data store



Customer Interaction Cost

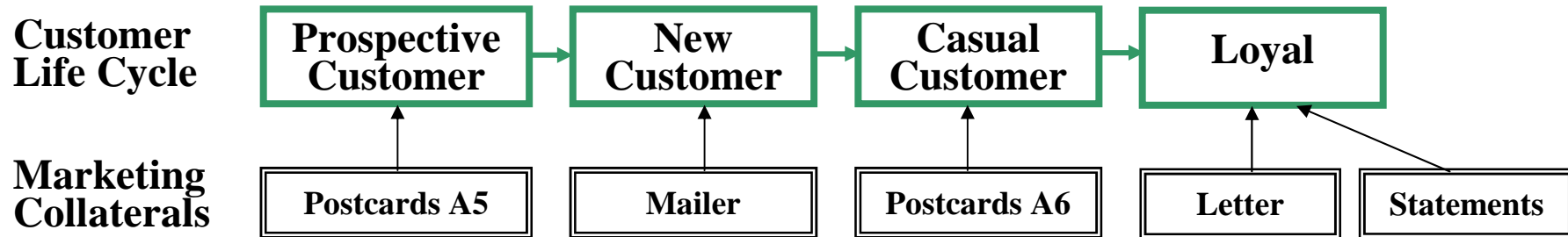


Marketing Collaterals Comparison

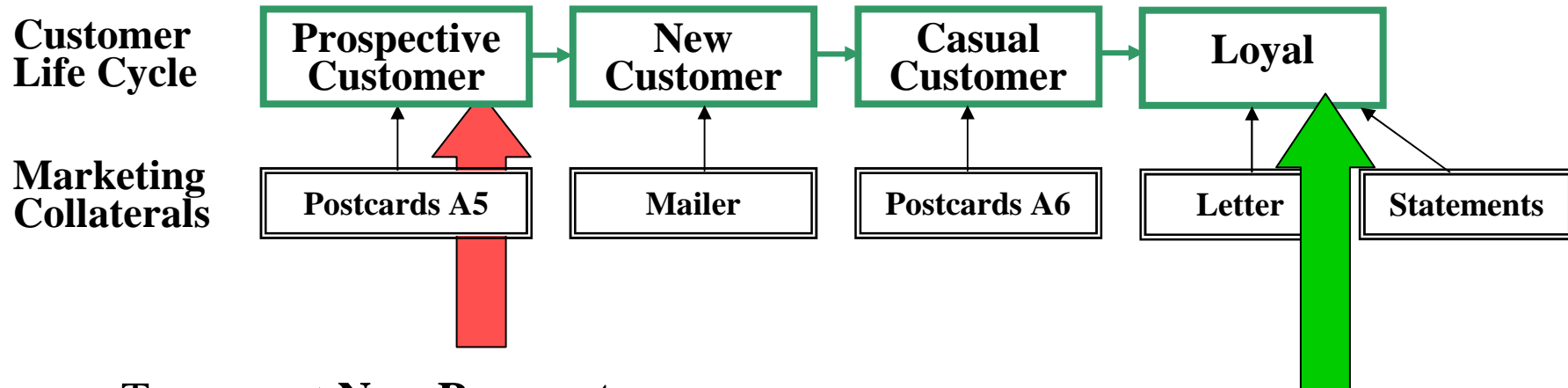
Type of Collateral	Cost	Amount Of Information	Perceived Reliability	Details
Letters	Low	Medium to high	High	Formal approach.
Postcards	Medium	Low	Medium	Short and sweet. Induce to take next step.
Mailers	Low	Medium	Medium	Mass Distribution.
Catalogue	Very High	Very High	Medium	For inducing direct order. Customers with high product category knowledge or low complexity goods. Weak brand or wanting to retain brand strength. Credence goods.
Cards - Greeting	Medium	Very Low	Medium	Higher rapport/goodwill
Brochure	Medium	High	Medium	High information need. High Involvement. Comparative advantage. Higher expenditure.
Info kit	Very High	Very High	High	High information need. High Involvement. Very High expenditure goods. High Brand consideration
Newsletter	Medium	Very High	High	High information need. High Involvement. Low knowledge buyers. Very High expenditure goods. High Brand consideration. Big market share. Induce customer loyalty.
Bills & Statements	Low	High	Very High	Loyalty programs, Wide range of products.



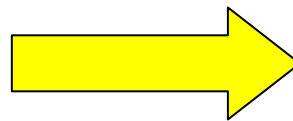
Customer Interaction Example



Goal of Customer Interaction

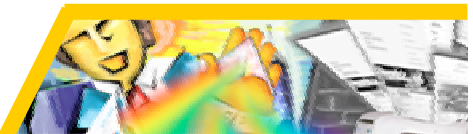


To convert **New Prospects** with no awareness of Silk Store and it's products...



...into **Loyal Customers** doing frequent repeat purchases

Employees at cash counter will ask customers to apply for membership.



Demographic info from mailing list



Name: Chris Balaji

Age: 40

Profile: Interest In Sports

Address: Blk 405 Bedok North Ave 3,
#08-01 Singapore 460405.

Gender: Male



Name: Jessica Lim

Age: 28

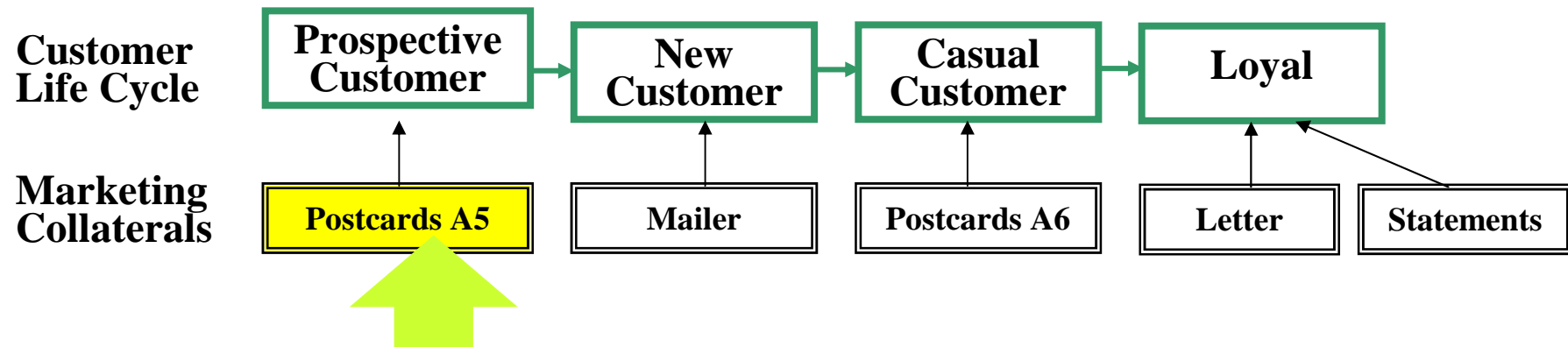
Profile: Interest In Fashion

Address: 66 East Coast Road, #01-01
Singapore 428778.

Gender: Female



Customer Life Cycle



Step 1: Send A5 postcards to mailing list

Added Space - A5 rather than A6 to provide more info.

Personalization - of Greeting, Name & Address.

Variable Offer & Background Image - based on **Gender** and **Interests**.



Personalized



Chris Balaji,

Personalized Name

Fashion/**Sporting Goods**/Electronics & Compu

Relevant department highlighted



Jessica Lim,

Personalized Name

Appliances /**Fashion**/Sporting Goods/Electronics & C

Relevant category highlighted



Targeted Offers

Sporting Department
 Catering to serious as well as occasional athletes, offering tremendous selection of top brand names at competitive prices.
 We supply the means for you to make the best of sports.

Relevant Messages

Targeted Offer

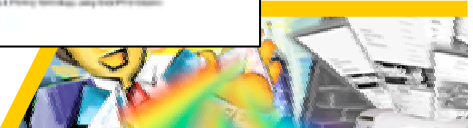
15%
 discount** in a single purchase at our Sporting Department. Pick up the latest equipment for that competitive edge!

Fashion Department
 From the latest trends to classic styles, fashion is in full bloom at our Fashion Department.
 Helping you to capture more beauty and vibrance in your lifestyle.

Relevant Messages

Targeted Offer

20%
 discount** in a single purchase at our Sporting Department. Pick up the latest eye-catching fashion!



Behaviour info from initial purchase



Name: Chris Balaji

Age: 40

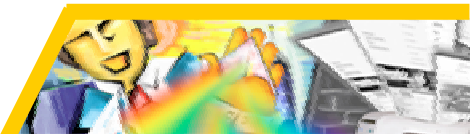
Additional Profiling: Initial Purchase using discount coupons at Children dept



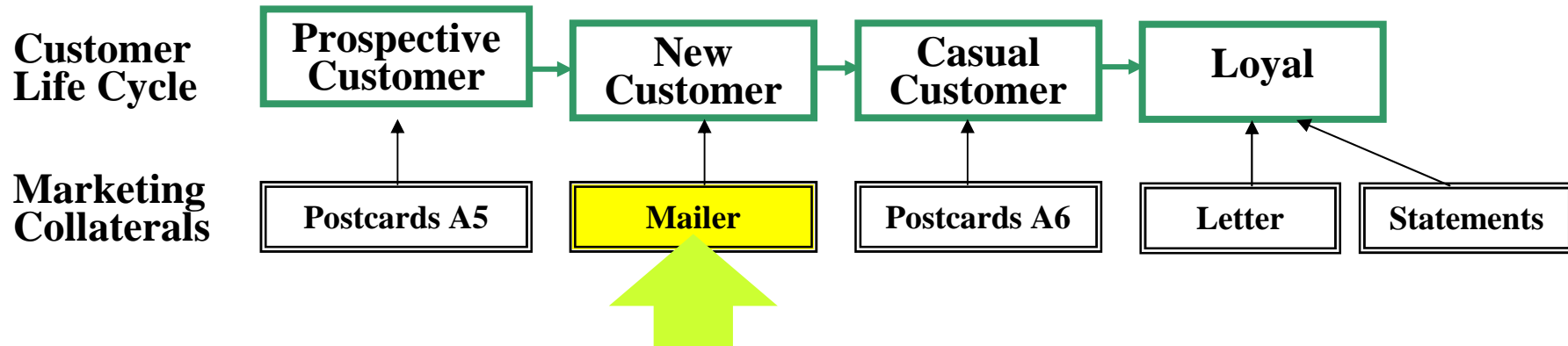
Name: Jessica Lim

Age: 28

Additional Profiling: Collected Free samples from Cosmetic dept



Customer Life Cycle



Step 2: Send A5 Mailer

Mini Catalog – Feature products from Customer's **Interest & Initial Purchase**.

Sign-up form – for Silk Store Card Membership. SMS info & collect card at the next visit.

Voucher – to encourage more purchases, thus customers are more inclined to not miss out on maximizing benefits by gaining membership points.



Self Mailer

SILK Chris Balaji
 The best golf equipment at 20-70% Off!
 Easy to apply Membership Card

Chris Balaji
 210 East Coast Road #01-01
 Singapore 428775

Available at all Singapore & Malaysia Retailers
 Singapore 428775

SILK Jessica Lim
 The best dresses for a romantic evening!
 20-50% Off!
 Easy to apply Membership Card

Jessica Lim
 210 East Coast Road #01-01
 Singapore 428775

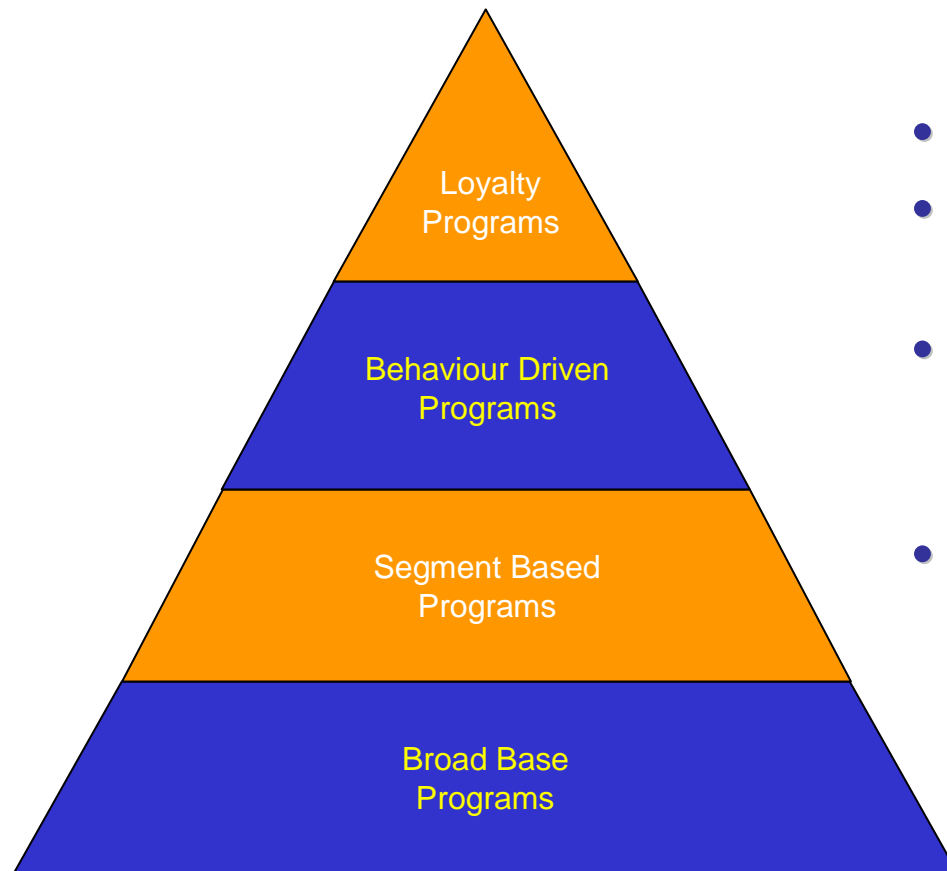
Available at all Singapore & Malaysia Retailers
 Singapore 428775

<p>SPORTS DEPARTMENT - Golf Equipment</p> <p>"The right gear for a great game!"</p> <p>Golf Club Sets \$199 (was \$299) \$212 (was \$312)</p> <p>Golf Drivers \$260 (was \$399) \$125 (was \$199)</p> <p>Free Silk</p>	<p>TOYS DEPARTMENT</p> <p>"Don't miss it!"</p> <p>Plush Toys \$10 \$21 \$25</p> <p>Disney Toys \$30 \$31 \$31</p> <p>Free Silk</p>
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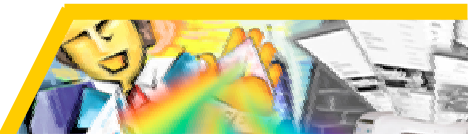
<p>FASHION DEPARTMENT - Evening Gowns</p> <p>"Look... gorgeous!"</p> <p>Evening Dresses \$150 \$160 \$123</p> <p>Elegant \$275 \$230 \$145</p> <p>Free Silk</p>	<p>FASHION DEPARTMENT - Beauty Products</p> <p>"He said I look... beautiful!"</p> <p>Facial Creams \$175 \$90 \$110</p> <p>Fragrances \$64 \$73 \$60</p> <p>Free Silk</p>
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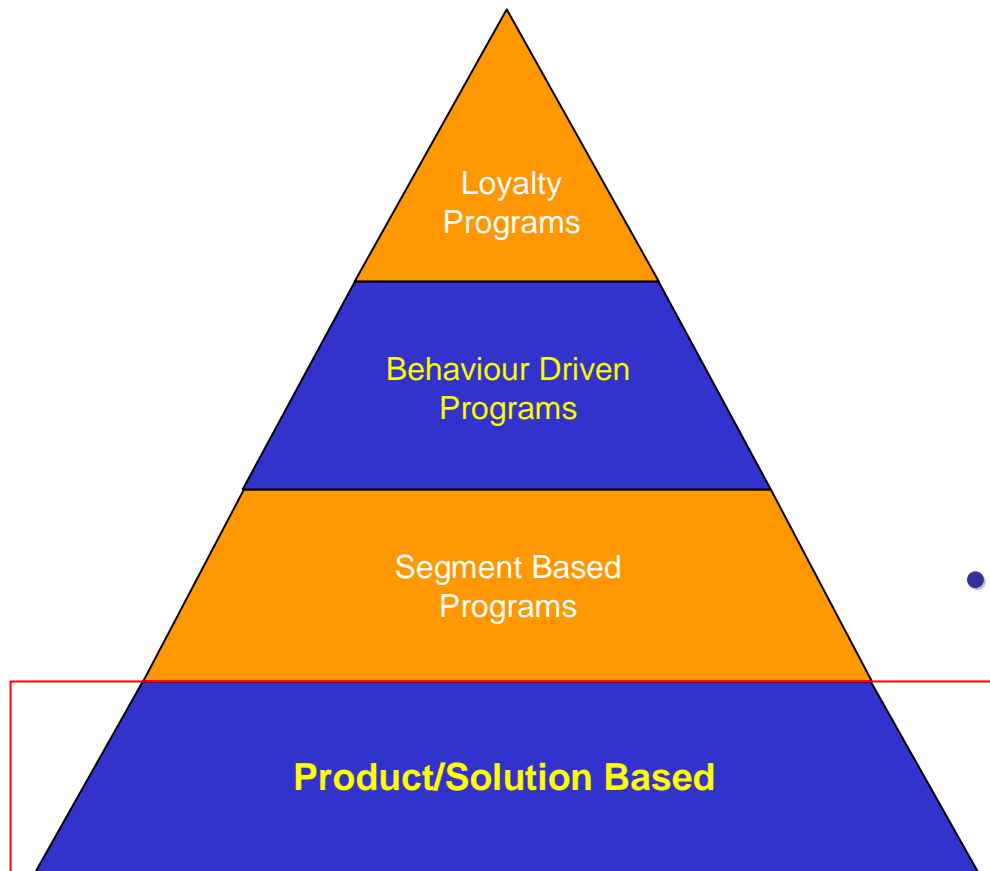
Customer Life Cycle Programs



- **4 Tier of programs**
- **Each targeting at different stage of customers' life cycle**
- **Learn from programs in different tiers to develop and fine tune programs in other tiers**
- **Supplement with Customer Surveys and Focus Group**



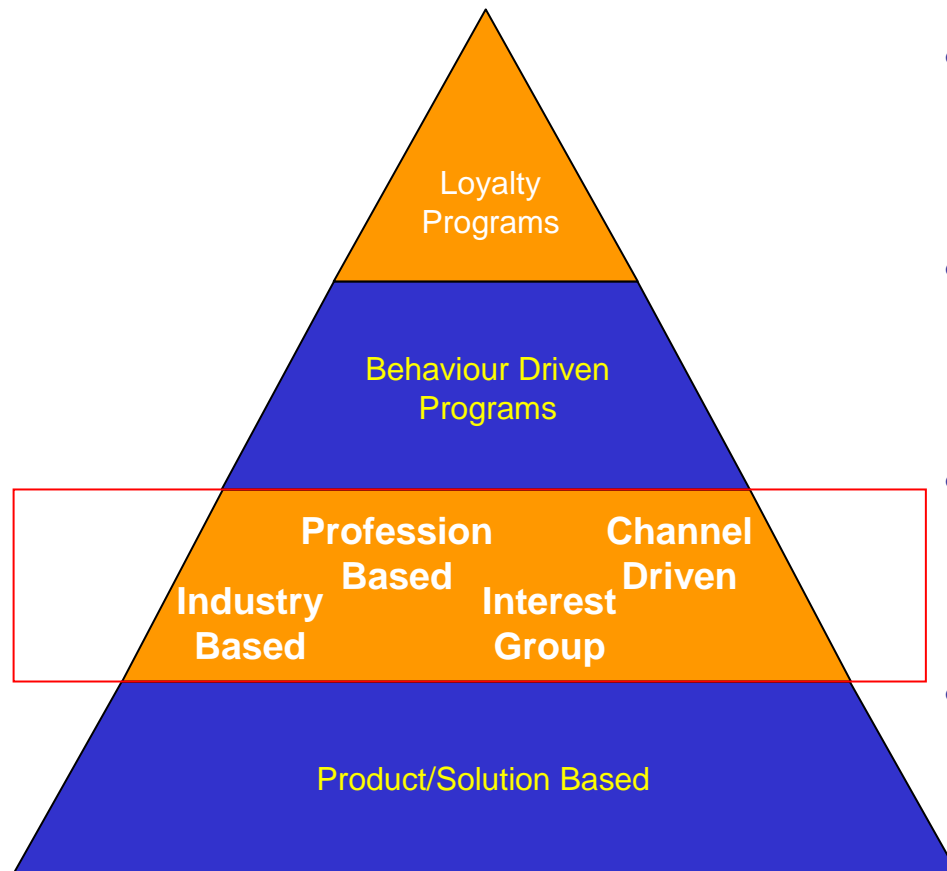
Broad Base Programs



- **Product/Solution Based Programs**
 - Build a base of customers and channels
 - Customer & Channel Profiling



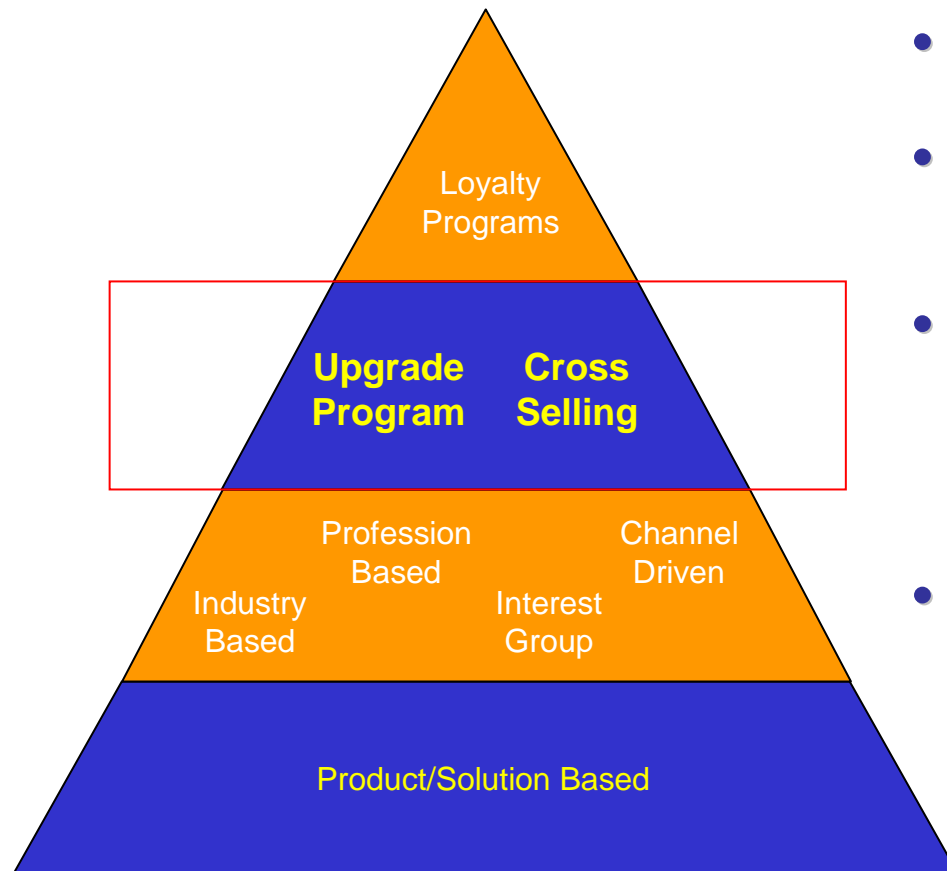
Segment Based Programs



- **Industry Based Program**
 - Use profiling to select target industries
 - Industry Focused Seminars
- **Profession Based Program**
 - Use profiling to select target professionals
 - Professional Seminars
- **Interest Group Program**
 - Use profiling to select target interest group
 - Promotions and Workshops
- **Channel Program**
 - Recommend channel



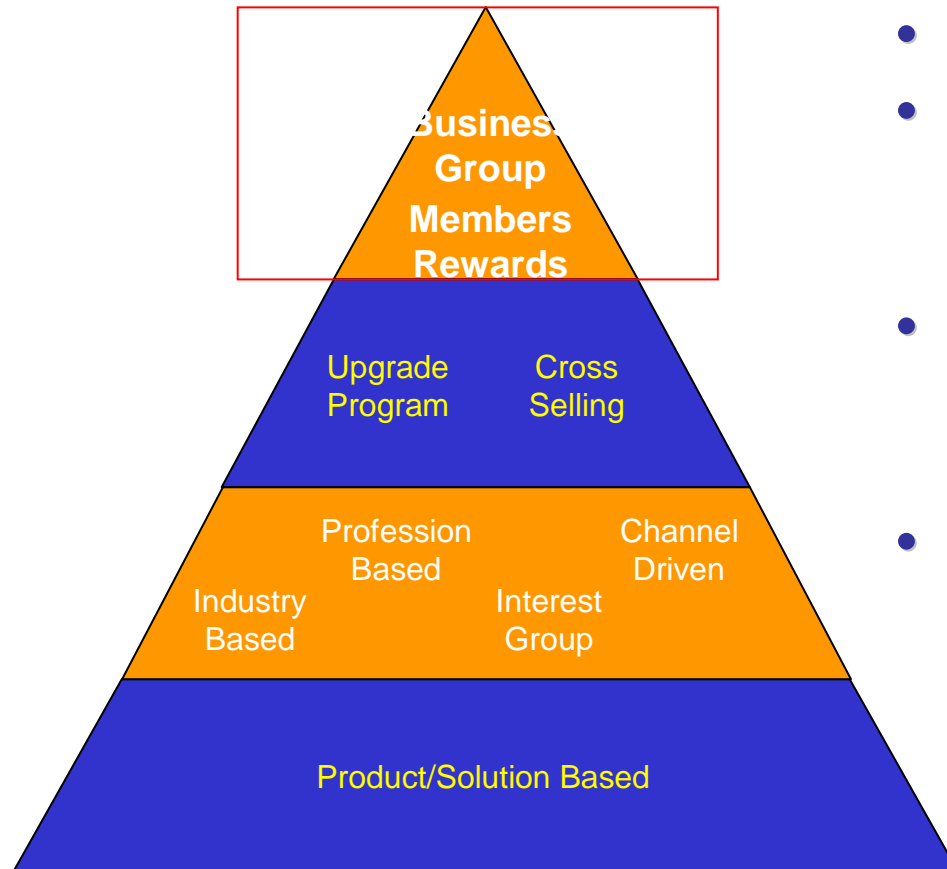
Behaviour Driven Programs



- Use data collected in earlier campaigns
- Recommend Target Industry, profession, interest group and channel
- Upgrade Programs
 - Recommend Replacement Product
 - Recommend Volume or Long Term Purchase Commitments
- Cross-Marketing Promotions
 - Recommend Complementary Products



Loyalty Based Programs



- **Recommend Product Mix**
- **Business Group Program**
 - Recommend Business Groups
 - Recommend Seminar Type
- **Membership Rewards Program**
 - Recommend Target Members
 - Recommend Channel Mix
- **Customer Referrals**



Behaviour info from purchase history



Name: Chris Balaji

Age: 40

Additional Bought golf club

Profiling: In sports dept

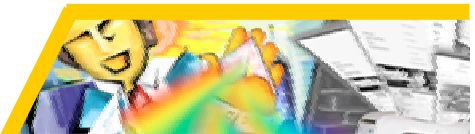


Name: Jessica Lim

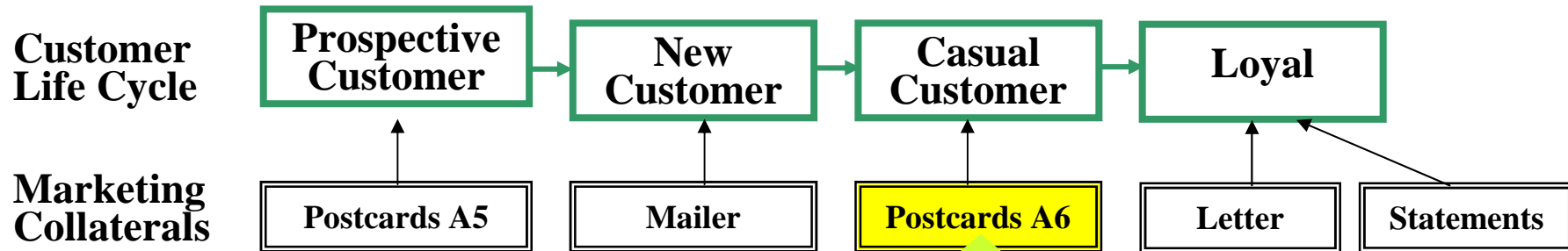
Age: 28

Additional Bought dinner dress

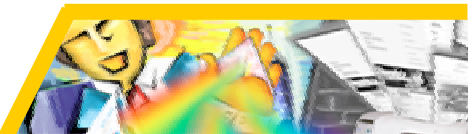
Profiling: In ladies dept



Customer Life Cycle



Step 3: Reminder Postcard to apply for membership
Incentive to apply – Feature an exclusive members only discount on products based on customer’s **Interest & Recent purchases**.



Reminder Postcard



Personal Particulars In Application Form



Name: Chris Balaji

Age: 40

Additional Celebrates birthday

Profiling: In March

Name: Jessica Lim

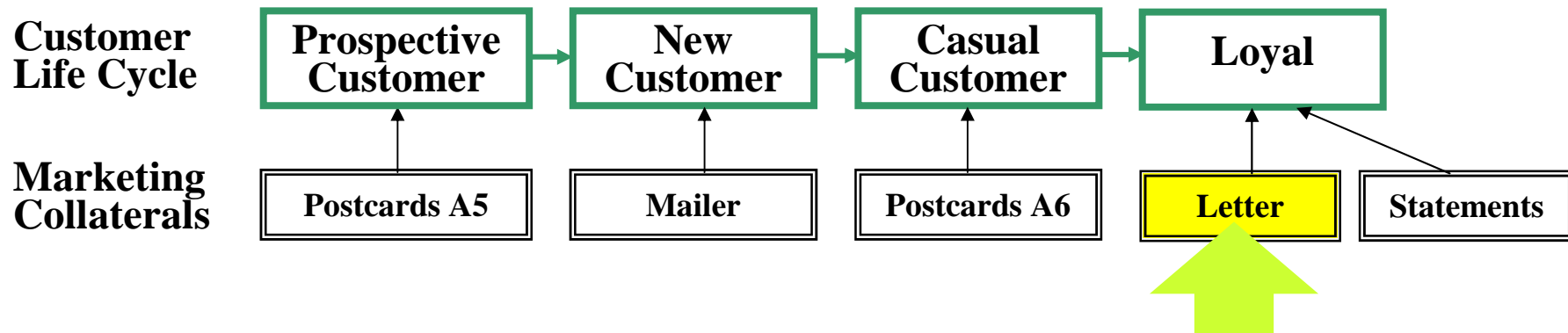
Age: 28

Additional Celebrates birthday

Profiling: In July



Customer Life Cycle



Step 4: Send welcome letter to increase customer satisfaction

Highlight Benefits

- Welcome customer to the loyalty program
- Offer time limited discounts based on **Interest** & **personal data** to get customers to start using their card.
- Upcoming events relevant to **Interest**.
- List of membership privileges.



Welcome Letter



Loyalty Statement



For Chris Balaji

Account Number: 011 011 0100

Silk Card
Monthly Statement

Mr. Chris Balaji
26, 402, Devasi North Ave 2
020-01
Singapore
Tel: 90776677

Dear Mr. Chris Balaji we are proud to announce that a big and loyal customer, to receive this month's **Silk Store** Gift. This \$1 points are entered for this wonderful opportunity month. Call us **TODAY** at +65 63461150 for information on how to convert your gift!

Transaction History For May

Statement No.	Card No.	Points Update	Reward Points Spending
4747	0111000000000000	May 2006	000
Date	Description	Points Earned	
12-05-2006	Bonita Men's Belt	83	
	Oronville Macks	125	
	30 Juvakice Golf Hat	256	
15-05-2006	Surban T-Shirt	70	
	Kingston 25600 Secure Digital Card	54	
18-07-2006	Harmony 011-011 1140-Based Universal Learning Penalis	700	
26-07-2006	Sony Cyber-shot 711710847 30" 71000 LCD TV	1700	
	Canon PowerShot Pro 1 Digital Camera	540	
	Be Lively Soundtrack	53	
	Wilson 400 Official Beach Volleyball	34	
	Columbia Sportswear Hip Frunch	10	
	Tamaraika L31 Football Case	29	
	Rolling Stone Magazine	10	
29-07-2006	Def Jam Fight For New York: PG2	49	
30-07-2006	iboo Console	149	
		Total: 4544	

Your current Reward Points balance is 7994

Silk Card Rewards



FootJoy
Men's Golf Shoes, Custom Service
• Full Customization Labels
• Same Day Pick-Up
Reward Points: 2000

For more information on product and service contact us at:

Silk Store
80 Marina Parade Road
011-011 Singapore 440268
Tel: (65) 63461150

Silk Card Rewards



Ralph Lauren
Ralph Lauren T-Shirt
Logo: Ralph Lauren 100 Polo Club
Color: Blue
Reward Points: 3700

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For Jessica Lim

Account Number: 011 011 0100

Silk Card
Monthly Statement

Ms Jessica Lim
18 East Coast Road
01-01
Singapore 450778
Tel: 90003602

LET'S LAUGH WHEN PRINCE R's Dancer whenever you go promotions
To see your Andrew Blomax go to see **RUTHER LAUREN** number on the second floor and register.

Transaction History For May

Statement No.	Card No.	Points Update	Reward Points Spending
4874	0111000000000000	May 2006	000
Date	Description	Points Earned	
12-05-2006	Bonita Women's Belt	70	
	Daily Traveler	80	
	Kita Pressure Cooker	390	
11-05-2006	Eveready Pillows	124	
	Holloway Gas Mains	190	
24-05-2006	Eveready Bedding	40	
		Total: 884	

Your current Reward Points balance is 2381

Promotion



Winners of 1st Singapore Best Pressure Cooker
Get the rewards of 011 Harbour View Pressure Cooker. Now for only 220.00. Limit Price is 220.00.
Reward Points: 2000

For more information on product and service contact us at:

Silk Store
80 Marina Parade Road
011-011 Singapore 440268
Tel: (65) 63461150

Silk Card Rewards

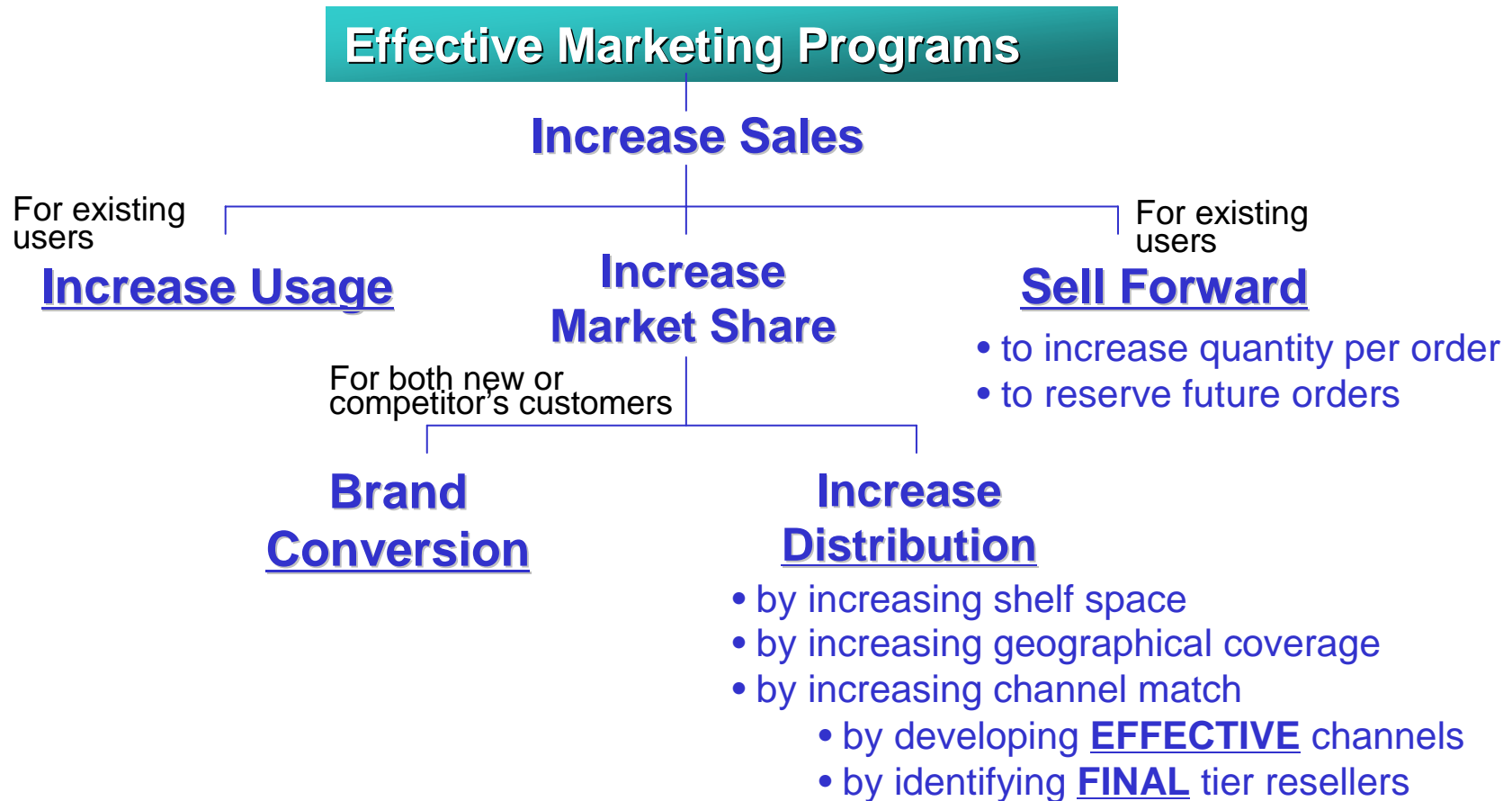


Winners of 1st Singapore Best Pressure Cooker
Get the rewards of 011 Harbour View Pressure Cooker. Now for only 220.00. Limit Price is 220.00.
Reward Points: 2000

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Marketing Program Objectives

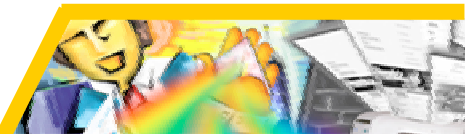


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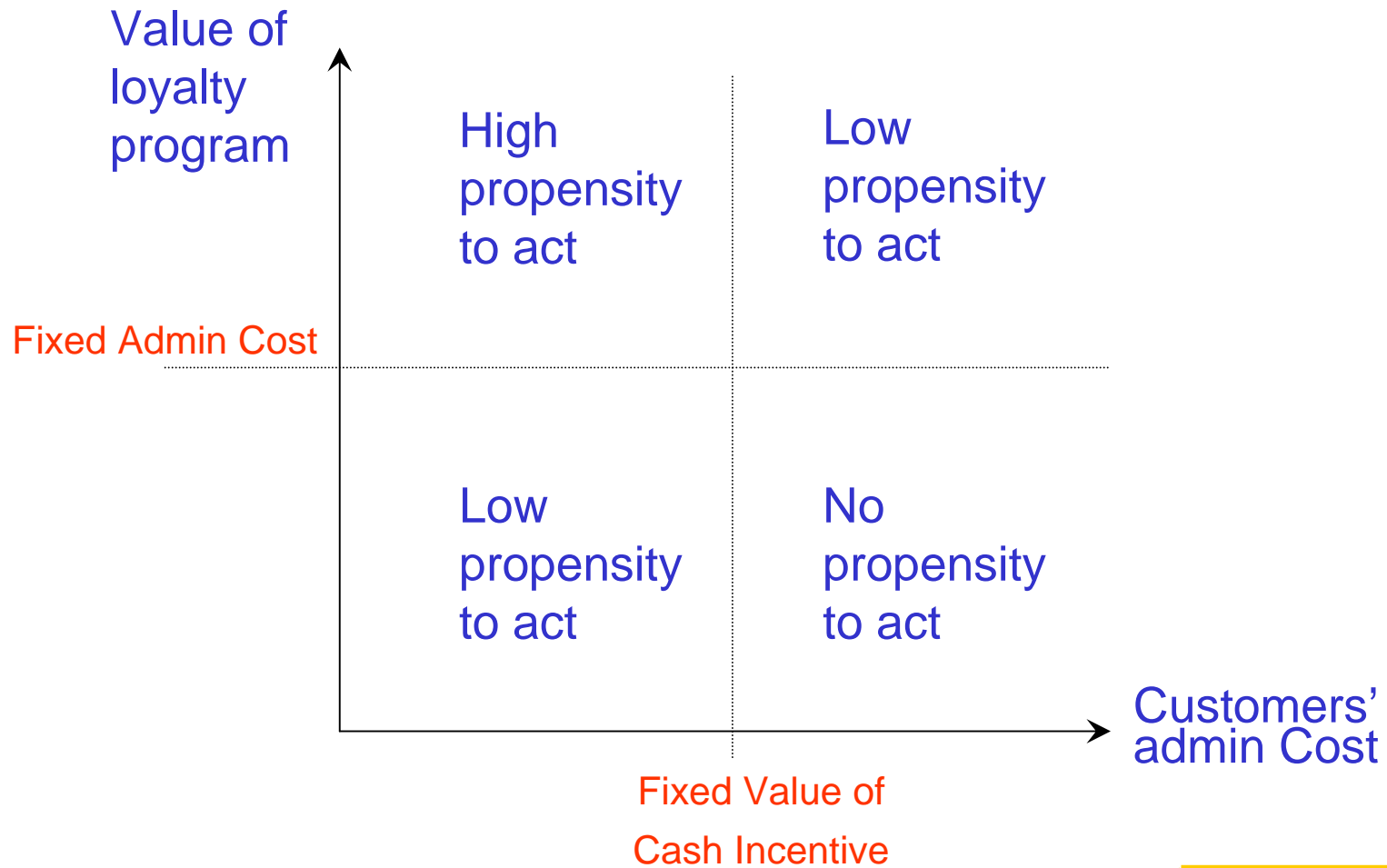
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CUSTOMER FOR LIFE

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Customer Propensity To Act



Value Cost Equation

