

Retailer Uses Email Append to Reach Customers Online and Increase Sales



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Chris Cruttenden, Vice President, Marketing

STROUDS Inspiring beautiful homes

The Company: Strouds

Since 1979, Strouds, a specialty retailer of bed, bath, tabletop and other home textile products in the U.S., has offered an extensive selection of high quality, brand name linens for the home at low prices. The company has grown into a chain of 47 full-line stores and outlets primarily in California, with locations in Nevada, Minnesota and Arizona.

The Situation

"With TowerData's Email Search Append Service, we were able to put our direct mail list to use for email marketing. We had over a million names and addresses in our customer file, but no way to mine those for the Internet. Now we have our customers' email addresses, and have successfully used them to promote our Website and increase revenue."

Chris Cruttenden, Vice President, Marketing, Strouds

The Challenges

Strouds wanted to improve its email marketing. To do that,

- Strouds wanted email addresses of people who were definitely interested in its products.
- Strouds did not want to rent a list. The company wanted email addresses that it could own and continue to use.
- Strouds wanted to make sure the list was permission-based.

The Solution

TowerData's append service, Email Search

The Results

- TowerData appended email addresses to 12 percent of Strouds' postal mailing list.
- The opt-out rate was only 1 percent.
- Over 95 percent of matched emails worked and were deliverable.
- Appended emails have resulted in \$35,000 to \$40,000 a month in increased revenue.

The Story

Strouds, a California-based specialty retailer of bed, bath, tabletop and other home textile products, wanted to promote its products using email marketing. The company already had a large direct mail catalog business that supported its 47 full-line and outlet stores, but it wanted to drive traffic to its Website to reduce costs and increase e-commerce revenue.

For Strouds, there were a number of advantages in communicating with customers through the online channel. With email marketing, Strouds would:

- Save money by communicating with its customers via email instead of postal mail,
- Improve its conversion rate by using a multi-channel marketing strategy,
- Deploy marketing campaigns faster and with more quantifiable results, and
- Improve customer service and retention.

Strouds

About TowerData

TowerData is a leading provider of email and data solutions. Covering the entire lifecycle of customer information, TowerData services help businesses acquire and retain customers, validate and enhance data, and deploy and analyze marketing campaigns. Since 2001, TowerData has improved customer communication for companies such as Reader's Digest, Brookstone, DIRECTV, Citrix Systems, Wine.com, and Cathay Pacific Airlines.

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Strouds did not want to rent a list—the company wanted to keep the email addresses and market to them on an ongoing basis. Strouds had a database of 1.5 million names and addresses from its direct mail campaigns and knew it should obtain the email addresses of these customers for best results.

“If we could do that,” says Chris Cruttenden, Vice President, Marketing, Strouds, “we’d be spending our marketing dollars on people who had already shown an interest in Strouds and the products we sell.”

Email Search, the email append service from New York City-based TowerData, was the perfect solution. TowerData could use Strouds’ customers’ names and postal addresses to find their email addresses quickly and cost-effectively.

Strouds decided to contract with TowerData for a number of reasons. TowerData offered:

- High match rates,
- Free match tests,
- Fast turnaround of 48 hours for matching and five days for results,
- No middle man—TowerData uses its own technology and is one of the few companies to provide email append services directly, and
- Email addresses that are tested for deliverability with its email validation service, MxValid.

Strouds sent its in-house postal list of catalog and store shoppers to TowerData’s secure system environment for processing.

TowerData matched Strouds’ customer names and addresses against its database of 80 million people who have opted in for third party mailings and retrieved the corresponding email addresses.

To ensure that the email addresses Strouds received were permission-based and deliverable, TowerData sent an email message preapproved by Strouds to

each matching email address. The message invited Strouds’ customers to receive online communications from the retailer.

TowerData appended the email addresses of the approving customers to Strouds’ customer file and returned it to Strouds.

“We were very pleased with the results,” Cruttenden says. “TowerData delivered a 12.2 percent match on our house file with results that worked. We can now improve our conversion rate with a multi-channel marketing strategy—coordinating email marketing with direct mail marketing.”

In fact, Strouds was so pleased that two months later it had the direct mail lists from its outlet stores (a total of 450,000 additional customers) processed using the same TowerData solution.

As a result of the email list that TowerData provided, Strouds’ email marketing was directed to existing customers who could be approached in numerous ways. “The email list gives us the ability to save money by creating email marketing pieces rather than direct mail pieces,” says Cruttenden. “Using email, we can deliver marketing messages to the customer much quicker and at a lower cost.”

The bottom line? Sales on Strouds’ Website skyrocketed.

“Email addresses appended by TowerData have resulted in \$35,000 to \$40,000 a month in increased revenue at our Website, www.strouds.com,” Cruttenden says. “The TowerData solution has paid for itself many times over.”