

Case Study: Customer Promotions

Telecommunications Hispanic Relationship Marketing

Are you talking to me?

Award winning loyalty program translates to increase of customer's value of telecommunication company.



Client Objectives

- Client sought to focus on customer retention in the Hispanic segment. Specific business objectives included:
 - Decrease customer churn
 - Increase retention of high-value customers

Strategies

- Capture Hispanic customers by strengthening their relationship with the client company
- Support the overall mission of the program to provide Hispanics with information on education, small business and entertainment
- Enhance brand positioning
- Reward and reinforce long distance use
- Measure program results and effectiveness

MotivAction Solution

- Long distance Spanish-coded customers received a quarterly custom publication (La Voz) with informative articles written in Spanish
- High-value customers invited to join La Plaza Milenio and receive a series of special appreciation gifts
- Custom reports on key customer metrics including revenue per customer per month (RCM), minutes of use (MOU), disconnects and churn
- Control group studied to test the effectiveness of various "customer touch" strategies and tactics

Results

- Over 50% of consumers who read La Voz said the magazine made them feel important to the client company
- High-value invitation response rate tracked at 28%
- Invitation acceptors retained for three months longer than non-acceptors, eight months longer than non-invitees
- Total customer value (during a two year study period) of acceptors was 13% greater than non-acceptors and more than six times greater than non-invitees
- 94% of customers surveyed thought the gifts were useful
- MotivAction and the client have been recognized ten times for excellence in campaign design, cause related marketing and writing (Latino Marketing Awards, SITE, Silver Quill Award)