



FABRIC.COM

Online retailer increases conversion rates by 50 percent with customer lifecycle marketing campaigns

The Company

Fabric.com is the world's leading online fabric store selling customer-measured fabric. Founded in 1999, it has a loyal customer base of sewing enthusiasts. In 2008, Amazon.com bought Fabric.com to expand its selection of sewing and craft products.

The Challenge

Several years ago, Fabric.com had a fairly basic email program in place. Emails were sent from an in-house solution to the entire list with no customization or segmentation. Fabric.com recognized that it was not communicating with its customers in an optimal way given its knowledge of how its customers tend to make purchases. "Depending upon the type of product being purchased, each type of Fabric.com buyer purchases their products differently, so it was important to take into account individual buyer purchasing behaviors when communicating with them via email," said Melanie Coombs, e-mail marketing manager, Fabric.com.

Fabric.com's "batch and blast" approach was also causing significant issues with email deliverability. The in-house email solution provided limited reporting capabilities and no detailed analysis on the success of the company's email delivery. Understanding list maintenance best practices and data reporting analytics was vital to its online success. "Using an in-house solution meant that we were not getting the reporting metrics we needed to track email impact and conversions," Coombs said. "We had little insight into the success of our email program at the time."

The Solution

Fabric.com considered several email solution providers before selecting Silverpop's Engage solution. "We decided to select Silverpop because of its strong reputation, email industry expertise, and its proven success with retail clients," Coombs said. "Engage would allow us to create constant touch points with our customers and prospects throughout the purchasing lifecycle."

Fabric.com decided to take a strategic approach with its emails by focusing on lifecycle marketing campaigns to help keep customers engaged. Using Engage, Fabric.com was able to segment its list into several different groups ranging from its most loyal customers to those considered inactive. Based upon different levels of purchasing behavior, Fabric.com sends out specialized offers. These lifecycle emails offer enticing purchase discounts with the goal of keeping loyal customers engaged and renewing relationships with inactive customers.

The customer lifecycle emails include:

- **"Happy Anniversary" emails** celebrating the anniversary of a customer's first purchase with the company
- **"Happy Birthday" emails** celebrating a customer's birth date
- **"We Miss You" emails** for those customers that purchased previously, but had not done so in the past year
- **"We Want You Back" emails** for those customers that purchased previously, but had not done so in the last 12 to 18 months
- **"Secret Sale" emails** for all other customers who do not fit into the above categories plus all prospects

“ Today, our click rates are 350% higher, our average order value is 10% higher, and our conversion rates are 50% higher than broadcast emails. ”

Melanie Coombs
E-mail Marketing Manager
Fabric.com

Business challenges

- In-house solution prevented segmentation and customization of emails
- Limited reporting capabilities provided little insight into the success of email program

Benefits

- 140% increase in conversions through lifecycle marketing campaigns
- 50% annual growth in email revenue
- 350% increase in click rate on cart abandonment emails
- Email opt-outs cut in half as a result of relevant messaging

In addition to its automated customer lifecycle emails, Fabric.com regularly sends out broadcast emails regarding sales and promotions, new products, sales reminders and “Deals of the Day.”

Fabric.com recently implemented a Coremetrics LIVEmail integration with Engage to send out two different series of triggered emails. The first automated campaign is a cart abandonment series. Sent to people who abandoned their shopping carts within the last two days, it includes a strong one-click call to action for recipients to return to their carts. The second automated campaign is a two-week follow-up on those customers that bought a swatch and have not made a purchase yet. It creates a sense of urgency by reminding recipients that the fabric they were interested in may not be in stock much longer. “We decided to integrate Coremetrics LIVEmail and Silverpop Engage because we saw an opportunity to further engage with our customers and drive additional revenue,” Coombs said.

Finally, Fabric.com developed a robust preference center to help ensure customers only receive relevant content in their emails. When consumers sign up for email, they are asked about the types of emails they would like to receive (“Deals and Steals,” “Just Arrived” and “Deal of the Day”), as well as other questions such as their birthday, types of sewing preferred and sewing expertise level. Fabric.com even includes a reminder for subscribers to add its email address to their contacts or address book, which most companies only do within their mailings.

The Results

Fabric.com’s automated lifecycle marketing emails did so well, Fabric.com decided to make them a regular part of its email strategy. “We are very pleased with the results of our customer lifecycle email campaigns,” Coombs said. “These automated lifecycle campaigns more than doubled open and click-through rates and increased conversion by more than 50 percent.”

For Fabric.com, one of the benefits of implementing triggered campaigns is that they can help bring in a steady revenue stream throughout the week and generate orders on a more even basis to help with warehouse workflow. “Our automated campaigns enable us to plan better,” Coombs said. “They allow us to accomplish a lot in the most hands-off manner possible. The power we have with Silverpop is fantastic. As a result, more than 35% of our revenue now comes from email.”

Much of Fabric.com’s success is a result of its best-practices approach to segmentation and list maintenance, which all starts with its preference center. Understanding the preferences of its customer at a detailed level has helped the company send consistently relevant messages. As a result, Fabric.com has halved the number of opt-outs on its email.

Fabric.com has also had success with its cart abandonment series using Silverpop Engage and a Coremetrics LIVEmail integration to alert shoppers when they have left an item in the shopping cart. “Our cart abandonment campaign showed positive results immediately,” said Coombs. “Today, our click rates are 350% higher, our average order value is 10% higher, and our conversion rates are 50% higher than broadcast emails.”

To find out more about Silverpop’s Engage platform and how it can benefit your company, please contact us toll-free at 1-866-745-8767

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