

## MARKETING STRATEGY

BY PAUL MCCONVILLE

## Case Study: Murad Captures Lost Leads with Remarketing Solution

**The company.** If you watch TV at all, there's a good chance you've seen an infomercial featuring Murad's products. With more than 85 consumer and 45 professional products sold around the world, the company offers a solution for virtually any type of skin-related concern among consumers.

Founded in 1989 by dermatologist Howard Murad, the company has grown through a savvy, multi-channel marketing strategy spanning everything from television and online advertising to catalogs and national consumer print advertising.

**The challenge.** For nearly 20 years, infomercials have served as the foundation for Murad's marketing efforts. Today, approximately 65 percent of the company's customer leads result from infomercial-based television advertising. As customers rush to purchase products they've just seen on TV, outsourced call centers handle a significant spike in activity.

With roughly 70 percent of inbound customers placing an order on a first call, these call centers enjoy a substantially high level of conversion. But what about the other approximately 30 percent who don't immediately convert?

For years, Murad had an aggressive, multi-touch strategy in place to remarket to non-purchasing customers, which included placing an outbound phone call within 24 hours of initial contact, followed by an e-mail one week later. Unfortunately, the plan had one imperfection: recovering what had been deemed "dead" leads.

In Murad's case, dead leads surface when call center agents are unable to gather a complete record on inbound callers. It is standard routine for agents to collect contact information including name, tele-

phone, and address on callers, regardless of their intention to purchase.

Yet despite best efforts, the process isn't flawless. From customer hang-ups to incorrectly transcribing data, there are many factors preventing the capture of a customer record in every case.

"Accurate customer data is essential to increasing our conversion rate," says Carey Grange, Murad's executive vice president, direct to consumer. "Without this critical information, our ability to engage a potential customer is lost, making our remarketing efforts virtually impossible."

**The solution.** With the average cost of a missed customer estimated at approximately \$140, the potential earnings for reviving dead leads were high. As Murad sought a fresh solution to boost sales of its acne line, the company turned to SecondApproach services, an automated remarketing solution capable of a 24-hour remarketing turnaround. Powered by TARGUSinfo, the services append a verified name and address to a lost caller's phone number in order to automatically send a direct mail offer.

"Our customers' time is valuable and we understand that the less they have to divulge about themselves, the more comfortable they'll feel about their overall experience," Grange explains. "With SecondApproach services, we have the ability to obtain the information we need without being intrusive. As a result, we can continue the customer dialogue and convert more leads."

SecondApproach services have also proved beneficial in increasing Murad's marketing velocity. Once the contact information has been verified, TARGUSinfo automatically sends out personalized

direct mail pieces to customers within 24 hours of initial contact. The mailer is produced on demand using customized artwork provided by Murad, including relevant offers and special promotional codes.

“There is a limited window of opportunity to engage a customer,” says Grange. “Now, we can execute at record pace while our products are fresh in prospects’ minds.”

**The results.** SecondApproach services are proving to be the lift Murad needed to rejuvenate its already sophisticated remarketing efforts. As soon as the company started its pilot program to test out the services, it saw an immediate improvement in customer conversions.

Murad officially rolled out the service in Fall 2008, and is now converting customers at about double the rate of what it would expect from a traditional direct-mail campaign focused on customer acquisition. Additionally, it is enjoying a three percent increase in overall customer conversion.

“If you have someone who has already expressed interest in your product, the value of capturing contact information from them is far greater than a lead

rented from any list.” notes Grange. “TARGUSinfo has helped us unlock the door to an entirely new base of customers. What we once thought was a lost cause is now becoming a force for sales.”

SecondApproach services provide a way to convert leads in a timely manner, while significantly increasing Murad’s return on existing sales and marketing efforts. “Beyond the automatic postcard mailings, we’re doing a lot more with the SecondApproach data to fuel ongoing marketing efforts,” says Grange. “It’s really expanded our customer database.”

Initially, the service was introduced for Murad’s acne line, but it has quickly become part of the company’s ongoing strategy to convert customers across additional product lines.

“In today’s economy, all companies are looking for cost-effective ways to stretch dollars,” says Grange. “With this simple solution, we have the power to open up a new source of hot leads and act on them quickly, improving our accountability. Bottom line: It makes sense.”

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Paul McConville is executive director of consumer facing services at TARGUSinfo ([www.targusinfo.com](http://www.targusinfo.com)).

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