

# Social Email White Paper

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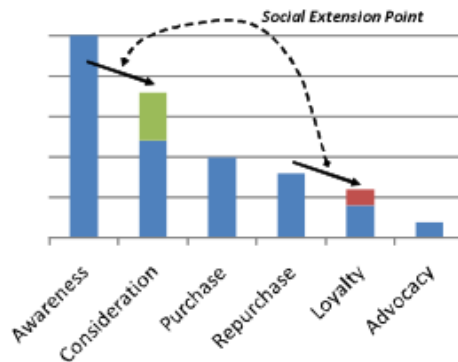
## 1 Purpose

Social Email is a program by Confluence Media geared toward increasing overall sales, gaining more wine club members, and improving brand affinity among members of a winery's email list. Social Email draws on your winery's existing purchase history database to identify customers at different stages of the consumer life cycle. Social Email campaigns are targeted at consumers at each stage, and designed to move them to the next stage, eventually carrying them from Awareness to Advocacy.

The stages in the consumer life cycle are:

- Awareness – the consumer is aware of their need for a product
- Consideration – the consumer adds your brand to their array of choices
- Purchase – the consumer purchases your product on a trial basis
- Repurchase – the consumer becomes a repeat purchaser
- Loyalty – the consumer becomes a habitual repeat purchaser, prefers your brand
- Advocacy – the consumer promotes your brand to others

Confluence has identified a need for transition programs at each of these phases (note that it does not make sense to try to convert a “considerer” immediately to a “loyal”). Based on our research on marketing best practices and previous social media campaigns across hundreds of brands, we have identified the strategies outlined in the document below as actionable and successful for moving customers through the cycle.



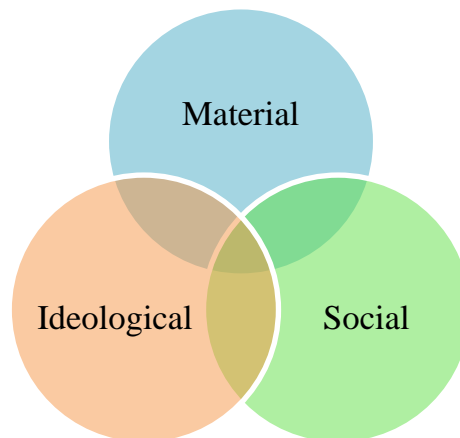
## 2 Anatomy of a Campaign

In its simplest form, an email campaign gives its recipients an **incentive** to complete a **call to action**. In the following sections we focus on calls to action that are cost-effective and fairly easy to implement; certain strategies will also involve a social media component designed to drive awareness, positive associations, purchase, or advocacy, depending on the phase of the consumer.

At Confluence Media, we have adopted a simple incentive model (Schipul, 2008)<sup>1</sup> that categorizes human motivations as being:

- **Material**, where people receive some sort of material reward for completing an action, such as discounts, free products or prizes.
- **Social**, where people are motivated by a sense of belonging, improvement of their self esteem, or other effects on the way they are perceived by themselves or others.
- **Ideological**, where people are motivated by such things as their political or religious beliefs, or their own morals and values.

We use this incentive model to consider the various ways in which your customers can be motivated. Based on the campaign we make recommendations on what social media marketing methods that link customer incentives to the appropriate call to action. From there we can make predictions on performance.



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<sup>1</sup> Schipul, E. (2008, January 2). *The 3 Motivations of People, Material, Social and Ideological*. Retrieved November 28, 2010, from Schipul: <http://www.schipul.com/en/art/562/>

### 3 Consideration to Purchase

For this program, we use information from your winery's email list; we can therefore assume that all customers in this program are already at the "Consideration" phase at minimum. They are aware of their need for and interested in purchasing wine, and they have already added your products to their array of choices, as evidenced by their presence on the email list.



We consider a customer to be in the consideration phase if they have signed up for the email list but have never made a purchase. The goal of the methods in this section is to drive a first-time purchase.

- Discounts and first-time offers: Simple but effective, discounts for first-time customers often help individuals decide to commit to a purchase.
- Free events: Events draw people to your tasting room, a point of sale.
- Tastings nearby: Is your wine being featured at an event outside your winery? Allowing a customer to taste takes the guesswork out of buying wine and can help drive a first-time purchase.
- Holiday gift reminders: Take advantage of the fact that wine is a popular host/hostess gift and encourage a first time purchase as a gift.

## 4 Purchase to Repurchase

Repurchase is an intermediate phase between initial purchase and loyalty. Rarely do consumers become loyal customers after a single purchase or experience. Before attempting to transition members of the email list to the “loyalty” phase, encouraging a repeat purchase can drive familiarity and engagement with the brand, paving the way for the development of a loyal relationship.



A customer is in the “purchase” phase if they bought one or more bottles on a single occasion. In this phase, the customer should be reminded of their experience of your brand. If they felt positively about it, encourage further positive experiences through a repeat purchase; if they felt negatively about it, encourage giving the brand a second chance, or soliciting feedback about what could have improved their experience.

Note that some customers may appear to be purchasers rather than repurchases if they later bought wine through a retailer. In either case, customers ought to be encouraged to buy directly from the winery.

- Taste-matching reminder emails: About to release an '07 Cabernet? Email one-time purchasers who bought the previous vintage and prompt them to buy.
- Deals on repurchase: Let your customer base know you appreciate their business, and offer bulk discounts or free shipping if possible.
- Surveys: Not everyone will become a repeat purchaser; take this opportunity to find out why, and whether their reasons are within your control to change.

## 5 Repurchase to Loyalty

There is an obvious monetary advantage to converting a sporadic purchaser to a wine club member or consistent purchaser. It is also easier to convert a repeat customer, who has established that they enjoy your product, into a consistent customer than it is to make a customer immediately loyal.

We consider a customer to be in the “repurchase” stage if they have bought at least one bottle of wine on at least two separate occasions. The goal of this stage, broadly speaking, is to involve the customer more deeply with the *brand*; since every vintage year will be different, the key to gaining customer loyalty is to make them identify with or feel positively about the brand.



- Advertise aspects of the brand other than the product itself: Is your wine organic? Does your winery support a charity? Play up the relatable or appealing facts about your winery to create an image with which customers can identify.
- Newsletters and events: Done well, and not too frequently, newsletters and “what’s going on at the winery” events can help customers feel included in the winemaking process, and feel a part of the brand.
- Incorporate social media extension: Ask your followers for feedback on your brand, and be sure to respond to them publicly. Invite everyone to join the conversation!
- Introduce your team: Profiling your owner, winemaker, vineyard manager, and tasting room or other staff helps people feel like they “know” your brand.
- Product naming or other customer-centric contests: For example, invite your friends and customers to submit photos, videos, stories, or any other media related to your brand; offer to support a charity based on how many votes your customers send in.

## 6 Loyalty to Advocacy

A consumer who loves your product enough to tell their friends and be a voluntary brand advocate is a powerful, free marketing force, especially as the use of social media becomes more and more prevalent across all age groups. A brand advocate is often more capable of convincing other potential consumers to try your product than any marketing message that comes directly from you.

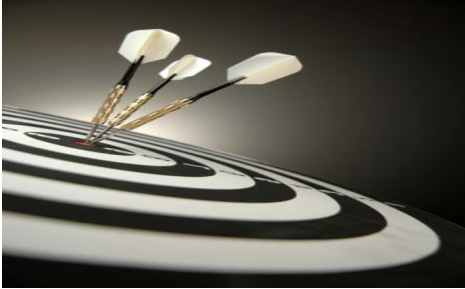
We identify a loyal consumer as one who has made regular purchases from your winery, or who is a member of the wine clubs. The goal of the methods in this section is to leverage your loyal customer base to introduce the brand to other consumers that will then enter at the “Consideration” phase.



- Offer incentives for people to publicly “Like” your brand or otherwise feature it on their page, such as “Like” and be entered to win a free bottle or case.
- Refer a friend deals: give an incentive for people to share discounts with their friends for additional discounts or free shipping.
- Prompt your customers to tell you why they love your brand: photo contests, caption contests, and any kind of user-generated content costs your winery nothing to produce, but can be reused as promotional material. Further social media exposure is also helpful.
- Create shareable content: Wish lists, product reviews, quizzes, videos—any of these are candidates for being shared over social networks and email. The more interesting your content, the more likely a user will be to share it. Sharing can also be incentivized.

## 7 Summary

Social Email is a cost-effective way to improve the returns on traditional email campaigns by simply leveraging the data that already exists in your winery's CRM system. As your customers move through the sales cycle from Awareness to Advocacy, the types of incentives and calls-to-action used will vary. In the later stages of the



consumer decision model, your customers can be motivated to become promoters of your winery, allowing you to reach a brand new audience with the endorsement of someone they already know and trust. These social extensions are an important new dimension in email marketing and can be taken advantage of with little additional cost or effort.