



DHC USA Dramatically Boosts Reactivation Results with NaviStone®

DHC USA has a vision – to produce beauty products rooted in the beneficial properties of virgin olive oil. The company has been using direct mail since 1997, and like many businesses, has accumulated a large list of inactive customers. In the fall of 2015, DHC tested the NaviStone® Reactivation product to help expand their reactivation program.

After selecting 80,000 reactivation names using their own house file segmentation process, and another 283,000 via an optimization model from one of the database cooperatives, DHC asked NaviStone® to identify another 25,000 test names.

The results were well beyond expectations:

- ✓ The NaviStone® names were 51% more productive than DHC's own reactivation selects,
- ✓ NaviStone® Reactivation outperformed the optimization model from the database cooperative by 146%
- ✓ In total, the NaviStone® Reactivation names outperformed the company's traditional selection process by 114%!

Customer circulation strategy relies on historical transaction data to predict future propensity to purchase. Recency of last purchase and purchase frequency are the primary drivers of that selection strategy. But as that purchase data ages, it becomes less reliable as a predictor of future buying behavior. The result is a large number of customers with similar purchase history producing mediocre results when mailed as a group.

Traditional Co-op optimization for house files involves using third party transaction data, from companies with "an affinity" to yours, to enhance reactivation performance. NaviStone®, on the other hand, harvests recent browsing behavior from your company's website to augment your own purchase history.

The result: a customer who has purchased from you in the past, and recently visited your website, indicating intent to do so again. Not surprising that the NaviStone® reactivation targets outperformed traditional methodology by such a wide margin.

Gary Gauntt, DHC's President, is quite enthusiastic about the test results: *"The NaviStone® Reactivation test results were a real eye-opener," said Mr. Gauntt. "DHC will definitely be increasing our use of the product in 2016."*

Learn more about how NaviStone® is changing the way companies reactivate customers at <http://www.navistone.com>.



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