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Column: "After the Phone Rings ..."

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Topic: **Continuity Concept Development**

Continuity marketing establishes a pre-defined 2nd sale at the time you acquire the customer via TV or radio. Of course the goal is a successful continuity – one where the customer doesn't cancel future continuity shipments after the 1st order or after the first follow-up continuity shipment. There are many contributing factors to a successful continuity, but the first is to develop a concept that makes sense and resonates with the consumer.

So how do you identify a successful continuity concept? The first important criterion is ensuring your continuity is something your customer actually wants or needs to receive in periodic shipments. If your brand is already established, you can survey customers about a variety of continuity ideas and have them rank these, allowing you to test the top 1 or 2 and have a better chance of success.

If your brand is new, the easiest way to ensure the continuity concept you've devised will resonate with customers is to develop something closely aligned (or identical) to the original order. In other words – if the prospect becomes your customer by ordering coffee, then ship coffee as your continuity. Simply put – auto-replenishment continuities are more likely to be of interest to customers on an ongoing basis than other types of continuities. This is why it's challenging to develop a successful continuity concept for hard goods – you just can't keep delivering hard goods repeatedly. But it doesn't mean continuity programs are impossible – for example, a BBQ grill with a BBQ sauce continuity, exercise equipment with an exercise video continuity.

The second critical factor in continuity development success is delivering value. Why? The very nature of continuity requires that a customer give up a certain amount of control over the purchasing process to the marketer. For a customer to willingly give up that control they want to receive something in return – better pricing, better service, add-on items, greater status, or some combination thereof.

Scrutinize the value of your continuity to ensure there is a clear advantage to participating. If that pound of coffee costs the same whether I get it automatically delivered or place an order, I'm not getting added value and it's unlikely I will join your continuity program. Related to value is the price point. Just remember your goal is for continuity customers to buy repeatedly, so consider not only the cost of 1 shipment but also the cost over the course of 6 months or a year. Be sure that after 3 or 4 shipments the customer doesn't look back and feel they've spent too much on this part of their budget. It's a measuring stick your customer will use, so you should consider your program from that angle too.

The third critical element is simplicity. Complicated continuity programs often fail for one of two reasons. First – confusion – if the shipping cycles aren't clear or the requirements for obtaining



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certain program levels (such as qualifying for free gifts) are hard to reach or uncertain, customers will not participate. Second, if the continuity is complicated due to too many component parts. It might seem like you are giving more value, but the more components, the more likely the customer will find an item they don't want or need and a reason to say "no" or cancel. A package of 3 cosmetics delivered every 60 days is easier to say yes to and stick with. than a package of 10 cosmetics delivered to you every 60 days.

There are plenty of operational and other areas to trip up with continuity marketing – give yourself at least a fighting chance by planning your concept carefully.

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