

# Sun-Sentinel

## your business

THE WEEKLY GUIDE TO YOUR MONEY, ENTERPRISE AND CAREER

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### EQUILIBRIX DELIVERS E-MAIL RESULTS

**Ace Educational Supplies** recently held a sidewalk sale.

But instead of marketing solely through direct mail fliers targeting the local community, Ace executives tried something different. Using e-mail announcements, Ace contacted around 2,000 existing or prospective customers who had registered their names and e-mail addresses in the company database.

"We did less advertising dollar-wise and got a better response," said Rick Ludwig, vice president with the Davie-based retailer.

First, there was advertising. Then came direct mail and telemarketing. Now, customer-focused e-mail is turning prospects into customers, and customers into repeat visitors.

**Equilibrix** is a permission-based e-mail marketing system that delivers offers to customers who ask to be notified. Participating companies share customer e-mail databases with each other, which enlarges the network among complementary, non-competing businesses, said Myriam Cohen, founder and CEO of Equilibrix. Those recipients then receive special offers and other promotions.

"We are helping business owners leverage their network

of clients and prospects," she said.

Many companies have turned to e-mail marketing to target new customers, and the market is growing. By 2003, permission-based e-mail marketing could top 150 billion messages annually, notes **eMarketer.com** an online marketing firm. While "opt-in" - or lists composed of recipients who have elected to receive the information - is important, targeting existing customers can lead to even greater success, according to **IMT Strategies**, an online market research company.

In a September study, 77 percent of e-mail users delete unsolicited commercial e-mail without reading it, but 48 percent of respondents said they read those e-mail for which they gave permission. The study also found that e-mail delivers better customer retention at a lower cost than direct mail and banner advertisements.

Here's how a permission-based service like Equilibrix works: A company posts a subscription box on its Web site asking visitors if they would be interested in receiving special offers. And customers at a retail location can enter their e-mail addresses into a wireless data collector near the checkout counter.

The data is transmitted to Equilibrix's central database. Cohen and her staff then design full-color e-mail promotions and announcements featuring store coupons and special offers, each containing a link to the client's Web site.

Clients can send a full-color and animated flier to their existing customers, or they can team up with other Equilibrix businesses in their area to send a flier to a combined list of customers. The e-mail and fliers are sent out twice a month.

This is a way to gain new customers who already frequent businesses in the participant's area and have personally signed up to receive the e-mail promotions, Cohen said.

To date, more than half of Equilibrix customers note that recipients report they open and view their Equilibrix e-mails, and participating businesses are receiving incremental sales from the online promotions, Cohen said. Equilibrix clients include **Contour Day Spa, Quizno's Subs, Karen's Tack, University Car Wash and Twin Lakes Pool & BBQ.**

To gather names for Ace Educational Supplies, Equilibrix installed a Motorola two-way pager near

Ace's cash register. Shoppers enter their names, e-mail, ZIP code and phone number, and the information is sent to Equilibrix's database for use only in Ace marketing efforts, Cohen said.

Ludwig knows the service works. Some 85 percent of his recipients opened his last message to view the ad, and ad codes that shoppers mention at check-out tell him that customers heard about the sale from the e-mail.

While the direct mail industry standard is less than 2 percent response, 12 percent clicked on the e-mail link to visit his Web site. And Ludwig likes the cost: around \$300. a month, compared with a single 2,000-piece direct mail promotion that will run almost \$1,000. to print and mail.

"A 1 to 2 percent direct mail response is considered good," he said. "But when you e-mail 2,000 people and you get 85 percent to open up and view your ad, that's phenomenal."

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