

*Moving Targets New Resident Direct Marketing*  
**SUCCESS REPORT #12**

**Charlie's Restaurants, a 40-year-old, five-unit chain  
of casual-dining family restaurants/diners  
located in Eastern Pennsylvania and Delaware...**

**PROMOTION:** Moving Targets mailings (personal letters with Gift Certificates) sent to 4,789 carefully screened new movers over a 4-month period.

**OFFER:** One \$15 Dinner Entrée, absolutely *free*, with a 3-month expiration date.

**BACKGROUND:** Concerned about stagnating sales, Charlie's retained a leading foodservice marketing consultant to conduct Customer Attitude Profiles and other research. This revealed that Charlie's needed to stimulate New Trials by prospects. The "purest" kind of prospects, unsullied by competitive advertising, were deemed to be new residents.

**OBJECTIVES:** (1) To drastically increase New Trials; (2) To generate immediate add-on sales and profits; and (3) To transform just-moved-in newcomers into loyal, long-term customers—by catering to their special needs and desires, thus forging a special *bond* with Charlie's.

**ACQUISITION COST:** 898 Gift Certificates were redeemed—at a promotional per-customer acquisition cost of about \$5.18.

**REDEMPTION RATE:** Almost 19%.

**ADD-ON SALES:** \$15,421.

**GAINS:** After deducting all promotional acquisition costs, Charlie's showed an incremental sales gain of \$10,680 and a 115% return on their investment. In addition, immeasurable value was gained by further plus-sales to *new*, returning guests.

**ANALYSIS:** A written poll of Gift Certificate redeemers showed that 96% were very pleased and intended to patronize Charlie's frequently in the future. That extremely high favorability rating and repeat sale likelihood suggests that over a two-year base period, this *one* Moving Targets promotion will generate additional sales of at least \$108,937!

Note: To protect confidentiality, the name of the restaurants cited has been changed; all other information is factual.