

Acquisition + Retention: Case Study

This personal case study takes a deeper look at acquisition and retention strategies. I am focusing on Prose, a beauty and hair care company I've had a long-term relationship with. The goal is to better understand how they acquired my business (acquisition) and why I continue to stay loyal (retention).

Awareness

I first became aware of Prose through word of mouth and social media ads. However, several months passed between learning about the company and making my first purchase. So, how did they successfully acquire my business?

Acquisition

My first purchase was influenced by a combination of ads and social proof. Social proof is particularly effective when we feel the person enjoying the product is similar to us in some way. For example, I was only convinced to buy after seeing an ad that featured someone with hair similar to mine. The ad described the exact problems I was experiencing and showcased the results I wanted. This level of personalization made the ad feel more relatable and targeted toward me or people like me.

Retention

Within the first week or two of using the hair products, I began to see the desired results. This confirmed the value of my purchase and motivated me to buy again. If Prose had been dishonest about the results, retaining customers would have been more difficult.

Prose also makes it easier to stick around than to stop using them. Once you subscribe they send you another bottle after x number of weeks. This allows you to form a habit of using their products consistently. All while eliminating any friction to get more of their product. Furthermore, they send out promotions for their accessories or skin care which keeps current customers interested in the company. By offering new products or deals it ensures customers don't get bored and actively engage with the company.

Key Takeaways

- **Use psychological triggers:** Psychological tactics, like social proof, can move customers through the acquisition and retention stages.

- **Strategize ad placement:** For a beauty company, platforms like Instagram are ideal because of their visual nature.
- **Know your audience** - having different ads for different hair types means that you are sending out more personalized messages.
- **Be honest:** Long-term relationships with customers are only possible when the product delivers on its promises.
- **Reduce friction:** Make it easy for customers to stay subscribed and continue using your product.
- **Encourage habits:** Retention is more effective when customers form a routine around using your product.
- **Keep them engaged** - once you acquire a customer keep up communication and interactions.