

CV Villas

Direct mail lets CV Villas chart a new route to customer acquisition

We recognised the potential of direct mail as an avenue to explore new opportunities and reach out to prospective clients. The results have exceeded our expectations, as utilizing this channel has significantly contributed to acquiring new customer bookings, marking a pivotal shift for us. In fact, our average booking value increased by 10% compared to returning customers. With Epsilon's assistance, we successfully targeted the ideal audience, leading to notable successes during our peak seasons in September and January. The positive outcomes prompted us to incorporate an additional late-season campaign in April, which also yielded impressive returns on investment. Direct mail has truly proven its value, and we couldn't be more satisfied with the results it continues to deliver.

Hannah Marshall
Marketing Manager, CV Villas

CV Villas Part of The Kuoni UK group, CV Villas was the UK's first specialist villa holiday company. With over 50 years of experience, today, it offers hand-picked properties across 10 regions worldwide that have all been chosen for their location, quality, and facilities.

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Using direct mail as an acquisition channel resulted in:

20:1

ROAS over the key January period

X3

increase in mailable prospects

10%

uplift in booking value vs returning customers

CHALLENGES

While holidays for many households remain a priority, the cost-of-living crisis and inflationary pressures on prices mean they are rethinking their travel plans and often trading down.

For CV Villas, this meant addressing the dual issue of finding new customers in the market for travel that reflected its target audience and who had the disposable income to afford its holidays.

To date, most of CV Villas' customer acquisition has been digitally driven, focusing on Google and Meta. However, the increasing demand for digital advertising and the resulting skyrocketing prices have diminished buying efficiencies and made digital more expensive for it to reach the right audiences.

SOLUTION

Seeking to reduce its over-reliance on the walled gardens, CV Villas turned to Epsilon Abacus to help diversify its acquisition strategy. Epsilon Abacus worked with the holiday specialist and developed a direct mail campaign to test direct mail's value as an acquisition channel while complementing its online activity. Although already carrying out mailings, CV Villas, like most of the travel industry, only used it to target existing customers and enquirers rather than generate new business.

Epsilon Abacus took a file of CV Villas' best customers and ran it against the Abacus Alliance, the UK's most comprehensive transactional database of actively buying consumers. This revealed insights into CV Villas customers' buying behaviours beyond the travel brand. These were used to identify prospects across the Alliance with similar buying patterns who could afford a CV Villas holiday. And before mailing, the prospects were run against the full CV Villas database to exclude any it already had to guarantee the campaign only reached a brand new audience.

Two direct mail campaigns were then carried out in September and January to coincide with CV Villas' peak acquisition periods.

Epsilon Abacus tested randomly selected sample audience segments to identify the rollout potential for future campaigns that would still deliver an acceptable level of performance. Different mailing formats were also tested to improve campaign effectiveness further, with CV Villas' mini brochure showcasing its key destinations proving to drive the best conversions and average booking value.

RESULTS

Far from being a more expensive channel, the cost of recruiting new customers via direct mail proved to be comparable to digital. Additionally, it also attracted a higher-value spender compared to CV Villas' returning customers.

Within the year, CV Villas was able to expand the size of its prospect pool threefold, and its ongoing commitment to test and learn means it continues to look to improve performance and reach.

The success of direct mail saw CV Villas introduce a third late-season mailing to its plan, allowing it to grow its customer acquisition further towards the back end of its season.

Commenting on introducing direct mail as a channel to support its acquisition activity, Hannah Marshall, Marketing Manager at CV Villas, said: "We felt direct mail was a great opportunity to try something new and get to the forefront of new prospects. We've had such great success with it – using the channel to drive new customer bookings has been a game-changer for us and become a bit of a no-brainer! Our average booking value increased by 10% compared with our returning customer bookings. Epsilon was able to help us get to the perfect audience, and because of the success during our September and January peaks, we've been able to add in another late-season campaign in April, which has also driven a really good return on investment. We're really happy with what direct mail has been delivering!"