

ANDREW FAULKNER

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Customer Acquisition & Retention

CASE STUDY

Learn how I designed and executed a customer acquisition and retention strategy for a leading dispensary in South Jersey. This case study details the strategies used to attract new customers, build loyalty through personalized campaigns, and achieve substantial revenue growth.

Get In Touch

andrewdavidsonfaulkner@gmail.com
(267) 664-7626

Customer Acquisition and Retention Case Study

Introduction

This case study highlights the strategies and results achieved in helping a leading South Jersey dispensary increase customer acquisition and retention through marketing and paid media. Operating in a competitive, deal-driven cannabis market, the dispensary needed to attract new customers and ensure they returned.

As the lead strategist and project manager, I worked closely with the client to design a multi-channel campaign, leveraging paid media, search engine optimization (SEO), email marketing, and a branded loyalty program. This case study outlines the processes, strategies, and results contributing to the campaign's success.

Project Overview

This project leveraged a multifaceted customer acquisition and retention approach, combining SEO, paid media, and a loyalty program to drive brand awareness, website traffic, engagement, and revenue. These strategies were integrated to attract new customers, generate sign-ups, and encourage repeat purchases.

Paid Media Strategy

The paid media strategy was a cornerstone of the dispensary's customer acquisition efforts, designed to target potential customers across multiple channels and move them through the purchasing funnel. This strategy incorporated detailed audience research, channel selection and allocation, creative messaging, and targeting parameters to maximize effectiveness.

I conducted thorough research to identify key customer segments based on demographic, geographic, and behavioral data. This research included analyzing existing customer profiles, local cannabis market trends, and purchasing behaviors to develop personas for targeting. The primary objective was to increase loyalty program sign-ups and first-time customer visits, with secondary goals of boosting brand awareness and encouraging repeat purchases. Collectively, we established KPIs to track performance, including impressions, CTR, conversion rate, and return on ad spend (ROAS).

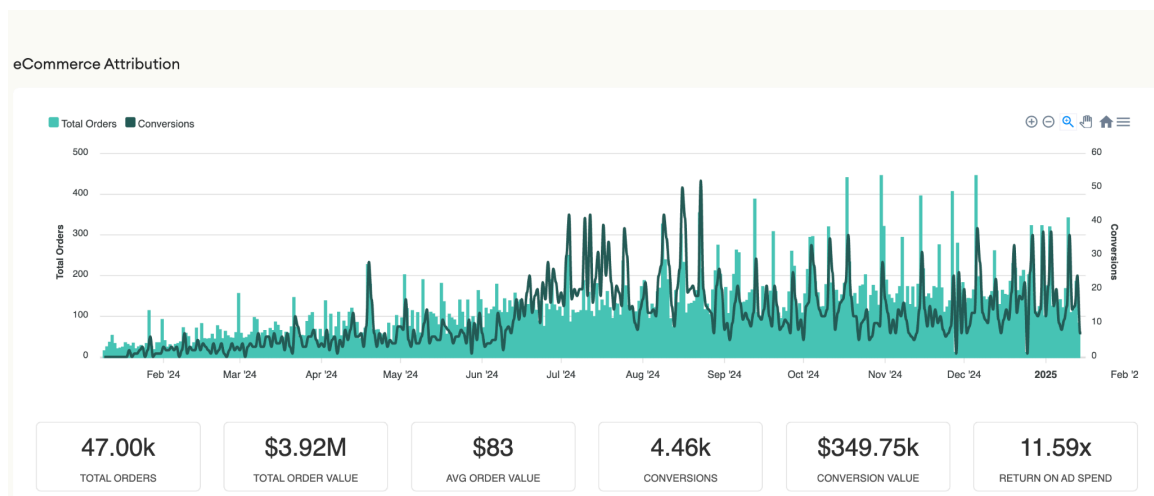
The overarching advertising budget was diversified across channels to reach the most customers while being cost-effective. We utilized direct mail campaigns to deliver personalized postcards that featured loyalty program sign-up incentives and first-purchase discounts, targeting residents ages 21+ within a 5-10 mile radius of the store.

We also placed billboards in high-traffic areas, such as major roads and commuter routes like I-95, highlighting the dispensary's unique offerings, including the loyalty program and

community-focused branding. New Jersey has stringent advertising regulations for cannabis businesses, and by taking out billboard space in Pennsylvania, we were able to reach a large number of Philadelphians within proximity to the store while staying compliant with advertising laws.

Under my direction, the client partnered with local news websites and publishers to run banner ads and sponsored content. These efforts included a branded content series that shared the dispensary's story, highlighted its community impact, and showcased its offerings.

Leveraging a programmatic advertising platform called Surfside, we used geofencing and lookalike audiences to target users most likely to convert. Ads were served to individuals based on behavioral data, featuring dynamic creative incentives such as discounts on first purchases or bonus points for loyalty program sign-ups.



The visual above showcases the results of the programmatic advertising campaign over the entire course of the engagement. As you can see, this campaign drove over 4,000 conversions and produced a substantial return on ad spend.

Local sponsorships and events were another key component, engaging directly with the community at craft beer festivals, fall fairs, and other gatherings. These partnerships increased brand visibility and solidified the dispensary's reputation in the local community.

Messaging across all channels was designed to resonate with audience segments, emphasizing loyalty program benefits, limited-time offers, and the dispensary's commitment to their municipality.

Results

The paid media campaign achieved the following results over one year:

- **Impressions:** 5.25 million

- **Reach:** 1.12 million unique users
- **Clicks:** 23,110 (CTR: 0.44%)
- **Conversions:** 4,460 orders, generating \$349,750 in conversion value
- **ROAS:** 11.59x
- **Average Order Value (AOV):** \$83

The advertising campaign drove significant traffic to the dispensary while establishing a strong foundation for ongoing customer retention and revenue growth.

SEO Strategy

SEO was integral in driving organic traffic to the dispensary's website and served as a critical channel for customer acquisition. With heavy restrictions on social media advertising and Google Ads, SEO is an essential part of any marketing campaign in the cannabis industry.

Having led over a dozen dispensary SEO campaigns and web design projects, I went into this project with a thorough understanding of how the website needed to be structured to organize information effectively, guide customers to the only ordering system, promote loyalty sign-ups, and ensure the website was crawlable and indexable by search engines.

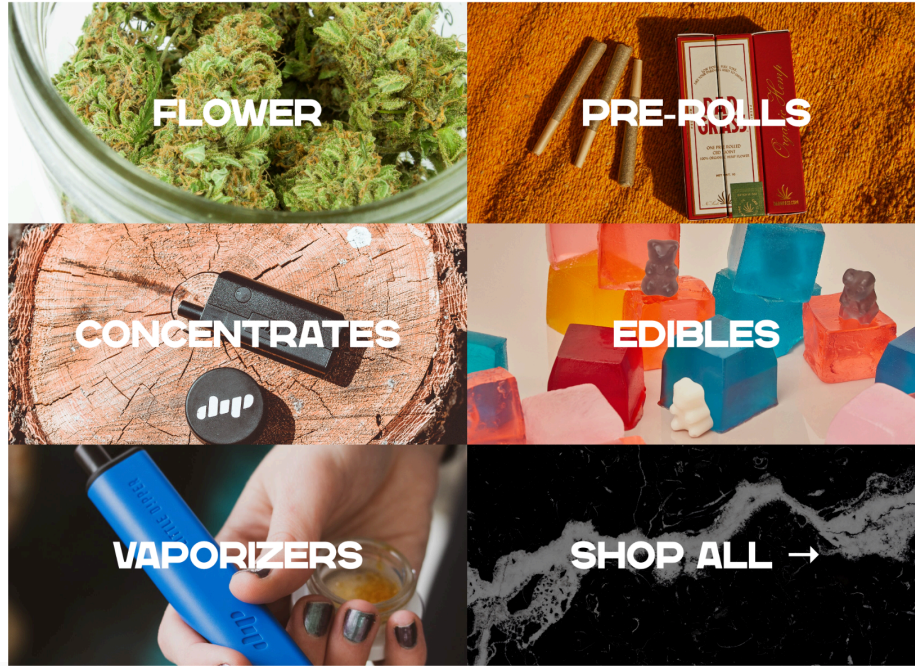
With the help of our Creative Director, I started the web design portion of the project with a sitemap and website wireframe, focusing on areas such as navigation, usability, and user flow. We restructured the site to ensure that essential sections like the deals page and loyalty program sign-up forms were easily located.



We gave special attention to creating a seamless user experience, with improvements to the menu and e-commerce functionality. This included streamlining the checkout process and clearly defining product categories. Additionally, we added educational resources such

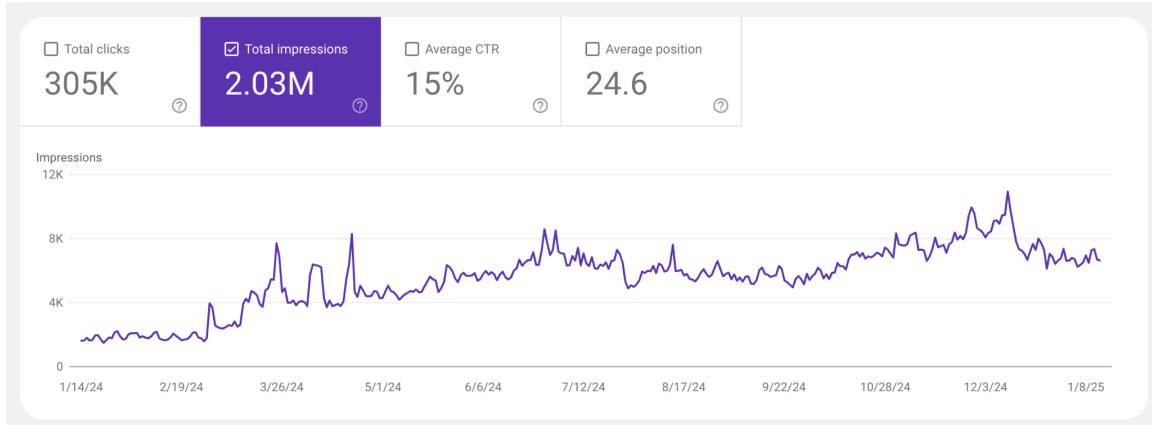
as FAQs, blog articles, and cannabis guides designed to answer common customer questions and establish the dispensary as a trusted source in New Jersey.

SHOP BY CATEGORY



Through keyword research, I identified terms that would attract users searching for dispensary deals, cannabis products, and loyalty program benefits. The team developed targeted content, including geo-specific landing pages optimized for local searches and blog posts addressing topics like “How to Choose the Right Cannabis Strain” and “The Benefits of Joining a Dispensary Loyalty Program.”

The results of these efforts were substantial. Organic traffic increased dramatically, with the website achieving 36,000 monthly visits and maintaining a 17.6% average click-through rate. Rankings improved for over 250 keywords, including 98 in the top three positions. Key pages, such as the loyalty program sign-up and deals pages, saw significant engagement, with the most-visited page receiving thousands of visitors in the past month. Additionally, the site’s authority was strengthened by a 36% increase in referring domains, further increasing its visibility in search results.



The visual above shows the organic impressions increase from search engines over the last 12 months.

Similarly to the paid media campaign, the SEO campaign provided a foundation for customer acquisition and retention by driving consistent traffic to the website and ensuring that visitors encountered relevant information.

Email Marketing and Loyalty Program Integration

Integrating email marketing with the loyalty program was essential to the customer engagement strategy I developed for the client. We needed to have a way to effectively communicate with customers without being intrusive.

By leveraging the Alpine IQ platform, I designed automated and weekly campaigns to personalized messages and deals to customers who opted into email and SMS communication.

Strategy and Execution

I designed the email marketing campaigns to integrate with the dispensary's loyalty program, incentivizing customers who visited more frequently, purchased certain product categories and reached certain spending thresholds.

I developed the following automation and campaigns in Alpine IQ:

- 1. Win-Back Campaigns**

For lapsed customers who had not visited in a specified timeframe, I set up automated email and SMS campaigns offering incentives to bring them back. Offers ranged from discounts on favorite products to bonus points added to their loyalty accounts to be redeemed on future purchases.

- 2. Birthday Rewards**

Customers received a \$10 off reward via email and SMS during their birthday

month, redeemable in-store or online for one week. This gesture strengthened customer relationships and encouraged loyalty program usage.

3. **Abandoned Cart Campaigns**

Customers who added products to their carts but failed to complete their purchases received a reminder email within a few hours. This email included a personalized incentive, such as a 10% discount or bonus points, to encourage conversion.

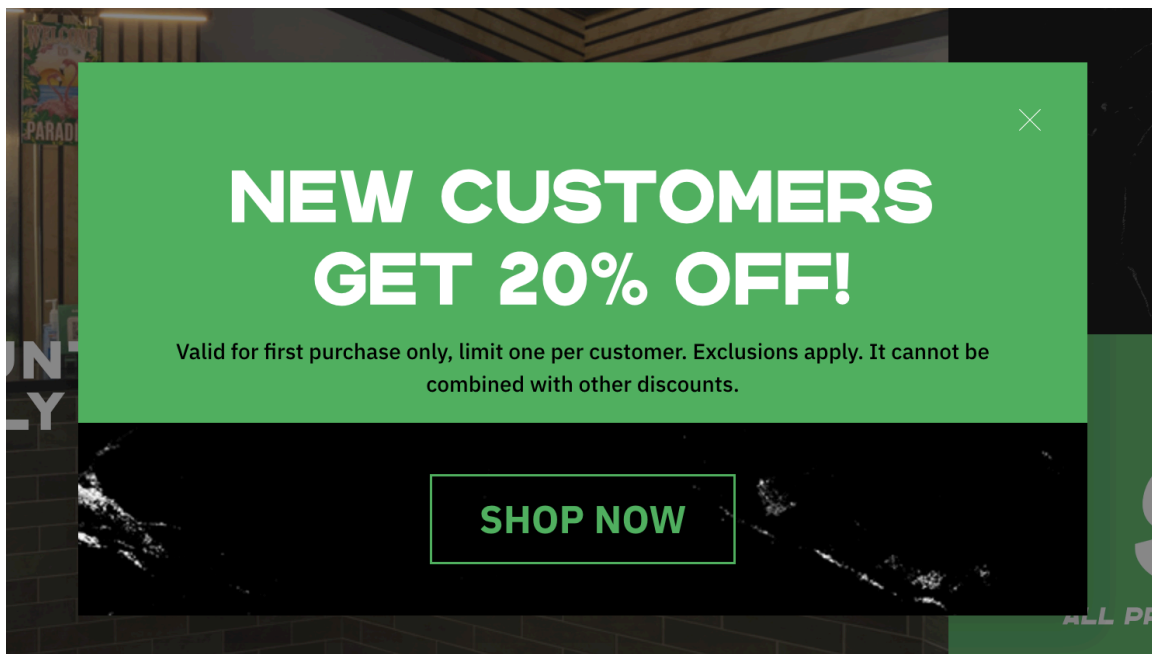
4. **Weekly Deals and Updates**

Weekly emails highlighted the latest promotions, new product arrivals, featured brands, and loyalty program benefits. These campaigns also served as an effective channel to promote in-store events and exclusive offers for loyalty members.

5. **Special Promotions and Announcements**

Event-driven emails, such as grand opening reminders and holiday sales, created excitement and drove online orders.

Additionally, I designed and configured a website pop-up promoting the loyalty program, offering new customers 20% off their first purchase. This initiative resulted in 380 new sign-ups with a form conversion rate of 59%.



Results

The email marketing campaigns, combined with the loyalty program, delivered the following results:

- **Total Conversions:** 5,467
- **Campaign Revenue:** \$403,832.24

- **Open Rate:** 29.81%
- **Click Rate:** 1.98%
- **Website Pop-Up:** 380 new loyalty program sign-ups with a 59% conversion rate.
- **Engagement Highlights:** Birthday reward emails maintained high open and redemption rates, while weekly deal updates consistently engaged over 112,000 unique customers.

In conclusion, the email marketing campaign increased customer engagement and contributed significantly to the client’s retention efforts.

Conversions	5,467
Campaign cost	176,085.98 credits
Rev generated per sent msg	\$2.05
Revenue generated total	\$403,832.24
Return on investment	155x 15,483% ^ \$401,224.02

Creating an Effective Sales Funnel

I attribute the success of this campaign to the integration of SEO, paid media, email marketing, SMS campaigns, and the loyalty program. Together, these strategies created a sales funnel that attracted new customers, engaged them through personalized communications, and retained them as loyal customers.

Top of the Funnel: Building Awareness and Driving Traffic

At the top of the funnel, SEO and paid media efforts worked hand-in-hand to build awareness and drive traffic to the dispensary’s website. The SEO campaign established a strong foundation by improving the website’s visibility for high-intent search terms such as "dispensary deals near me" and "best cannabis loyalty programs." This was complemented by the paid media campaign, which utilized channels like programmatic advertising, direct mail, OOH, and display ads to reach potential customers across multiple touchpoints. These efforts ensured a steady stream of qualified leads entering the funnel.

Middle of the Funnel: Engagement and Conversion

When traffic came from the advertising campaigns, the website provided a user-friendly interface to direct people to the essential pages, such as the menu, deals, loyalty, etc. To capture their interest, I created landing pages highlighting the loyalty program’s benefits,

special offers, and educational content. Features like a 20% off first-purchase pop-up for new customers further incentivized sign-ups, while direct mail and event sponsorships reinforced the brand locally.

At this stage, email marketing and SMS campaigns were critical in nurturing these leads. Automated workflows such as abandoned cart reminders, weekly deal updates, and birthday rewards kept customers engaged and encouraged repeat visits.

Bottom of the Funnel: Retention and Lifetime Value

The loyalty program served as the primary channel of the retention strategy, giving customers tangible benefits for their continued engagement. Working collaboratively with the client, I developed points-based rewards, tiered incentives, and exclusive discounts to ensure customers returned to the dispensary for future purchases. Regular email and SMS communication informed loyalty members about their rewards and upcoming deals, solidifying their long-term relationship with the business.

The integration of these efforts created a seamless feedback loop: SEO and paid media brought customers in, email marketing and SMS campaigns guided them through their purchasing journey, and the loyalty program provided a reason for them to stay.

Results and Impact

My campaign strategy and execution approach delivered results through all stages of the funnel:

- Increased website traffic to 36,000 monthly visitors, with a 17.6% click-through rate driven by SEO.
- Achieved 13,782 total conversions through email and SMS campaigns, generating \$403,832.24 in revenue over the last 90 days of the campaign.
- Added 380 new loyalty program sign-ups via the website pop-up, with a 59% conversion rate.
- Boosted brand visibility through paid media campaigns, generating 628,800 impressions and an 11.29x ROAS throughout the programmatic advertising campaign.

Final Thoughts

This project and case study demonstrate my ability to align customer acquisition and retention strategies in a highly regulated industry. By combining customer segmentation, personalization, and a well-structured loyalty program, I was able to drive results for the dispensary through increased engagement and revenue.

I'm proud to have contributed to a project that supported a local business through increased visibility and revenue.