

Optimizing a referral program for a diamond and engagement jewelry retailer

JamesAllen.com is the fastest-growing online retailer of engagement rings and loose diamonds. Founded in 2006, James Allen has revolutionized the way consumers shop for bridal jewelry online. Their mission is to offer online consumers the largest selection of the highest-quality diamonds at the best price.



100X

Return on investment

15%

advocacy rate (higher than benchmark)

Client objectives

James Allen had a referral program before starting with Talkable, but it wasn't actively managed, effectively promoted, or optimized for rewards. They wanted to leverage their powerful word-of-mouth promotion to its fullest potential. Because they thought their customers would prefer a wide choice of bonus options, the original program rewarded customers with discounts as well as reward options from third-party retailers.

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We wanted to take advantage of the word-of-mouth referrals that our customers were already making by incentivizing, tracking, and ultimately expanding the process.



Johanna Breman Tzur
Chief Marketing Officer



★ Challenge

The main challenge for James Allen was to find the right rewards to get their customers engaged with their referral program. As a retailer of high-priced items that are bought rather infrequently, James Allen had to consider several things in designing a referral incentive:

- 1 Providing a variety of reward options (like gift cards) so that customers could choose what works for them
- 2 Including an in-store reward option (like a discount) to keep customers coming back for products like anniversary gifts
- 3 Testing out different reward options to find the best possible solution.

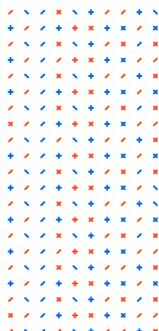
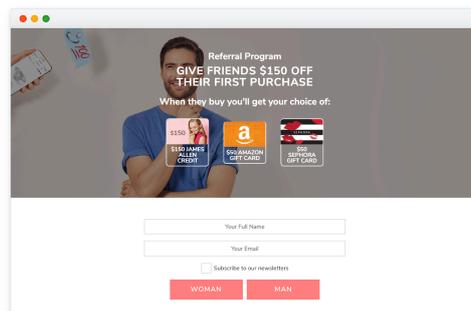
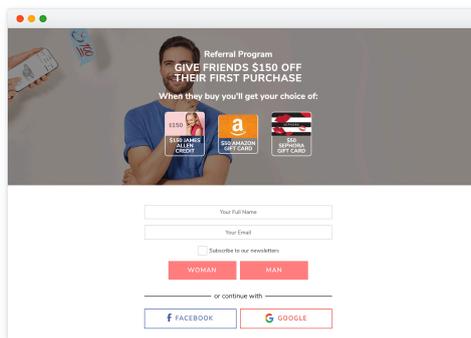
▶ Solution

James Allen surveyed their brand ambassadors to find their favorite online retailers. Based on the information gathered, they decided to offer three different reward options:

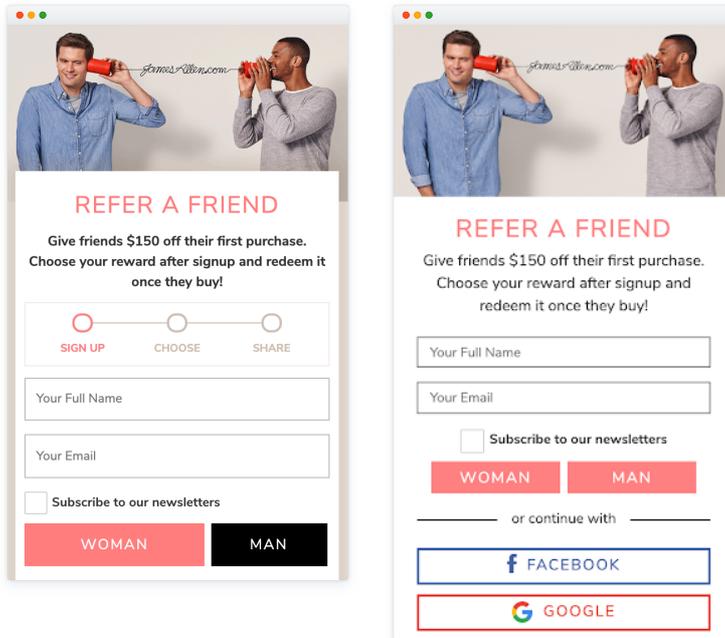
- A James Allen discount
- An Amazon gift card
- A Sephora gift card

Talkable launched James Allen’s new optimized referral campaign in November 2017, doing A/B testing for every stage of the referral funnel. After analyzing the campaign’s performance and making adjustments, we achieved outstanding results.

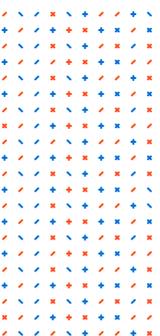
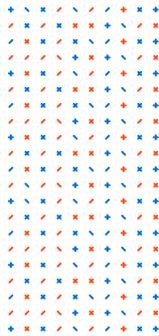
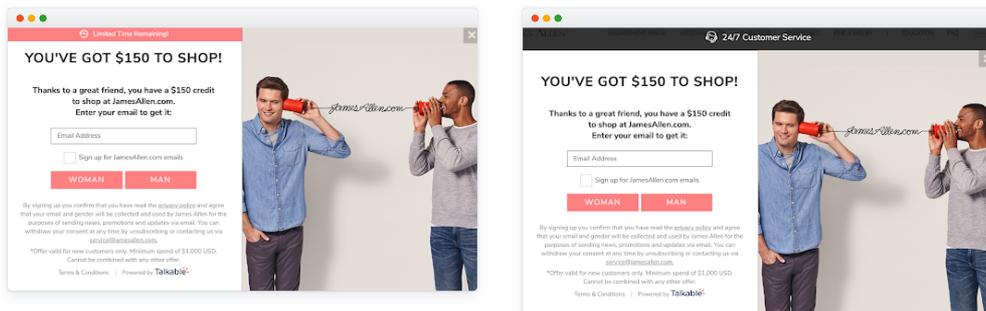
Our tests showed that the version of the referral page with Facebook and Google login options proved to **increase program signup by 8%**.



We gamified the referral experience by offering customers a choice of rewards and signup options. On mobile, the referral program’s gamification features included a widget that tracked the customer’s purchase progress. In contrast to the normal layout, **the progress tracker prompted customers to share 15% more often and resulted in 30% more purchases!**



Once a referred friend arrived to claim their discount, they were presented with a landing page. When this page included a message of a limited-time offer, JamesAllen.com saw **62% more site visits from these referred friends.**



 **Results**

Talkable's referral program allows James Allen to take advantage of already-occurring offline behavior by bringing it online to be tracked and expanded. Now, people raving about their products are funnelled into the referral program.

“ *This program is cost-effective, and it's even more impactful since the referrals are coming to us through friends.* ”

+ As a result of both the optimized rewards and the referral gamification, the program's advocacy rate has reached 15%, which exceeds our benchmark. Thanks to the high value of social proof, referred users also spend more than users from other channels. The program's ROI has now reached 100x.

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Talkable manages the program seamlessly. They handle all the complicated smaller details and routinely suggest improvements to the customer journey flow, allowing us to focus on our macro-level strategy. They handle everything—from fulfillment to tracking to testing—and we've seen a consistent increase in referrals since we began working with Talkable.



Johanna Breman Tzur
Chief Marketing Officer



