

Threadless T-shirt's customer acquisition and retention initiatives

A new approach to cull valuable customer input to increase both customer acquisition and retention that is gaining popularity is something called crowdsourcing. Crowdsourcing is plugging into the collective intelligence of the public to complete business-related tasks that a company would normally perform itself or outsource to a third-party provider (Alsever, 2007). This relative "free" benefit is only a small part of crowdsourcing's appeal as it enables marketers to expand the size of their talent pool while gaining deeper insight into what customers truly want (Alsever, 2007).

What has made such feedback so readily accessible has been the rise of user-generated media such as blogs, Wikipedia, MySpace, and YouTube. Soliciting customer input is not a new concept but today's technology makes it possible for companies to enlist ever-increasing numbers of people to perform ever-more complex and creative tasks at a reduced cost in capital and time. These tasks range from user designed ad campaigns and the testing of new product ideas. In return, participants usually require some level of recognition, a sense of community, or sometimes a small financial incentive (Alsever, 2007).

Another example of crowdsourcing put to good use is the Threadless T-shirt company. Threadless built themselves around customer participation by allowing the company's online community to submit their own T-shirt graphics. The community votes on up to 1,000 different designs each week, indicating whether the designs are market worthy or not (Alsever, 2007). T-shirts designed by customers put into production have sold out within 6 months, compared to the 80% failure rate common at many traditional T-shirt shops (Alsever, 2007).

Companies can learn from this example, to involve customers to design product and solutions. Customers who help companies design product and services will very often develop strong association with the companies and help act as agents for sales and marketing.

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