

3 Customer Acquisition Strategies for Profitable Retail Growth



SheerID | RETAIL DIVE

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Introduction:

Unlocking more value from retail customer acquisition

Customer acquisition costs (CAC) have surged by 40–60% over the last two years, driven by global trade pressures, changing market dynamics, and greater scrutiny from finance leaders. As margins grow tighter, acquisition efficiency has become more important than ever.

The key to retail marketing success is not to spend more, but to spend better. Brands can unlock greater value and reduce wasted spend by moving beyond the broad reach and blanket discounts of the past and instead focus on qualifying the right customers earlier through precision, relevance, and trusted data.

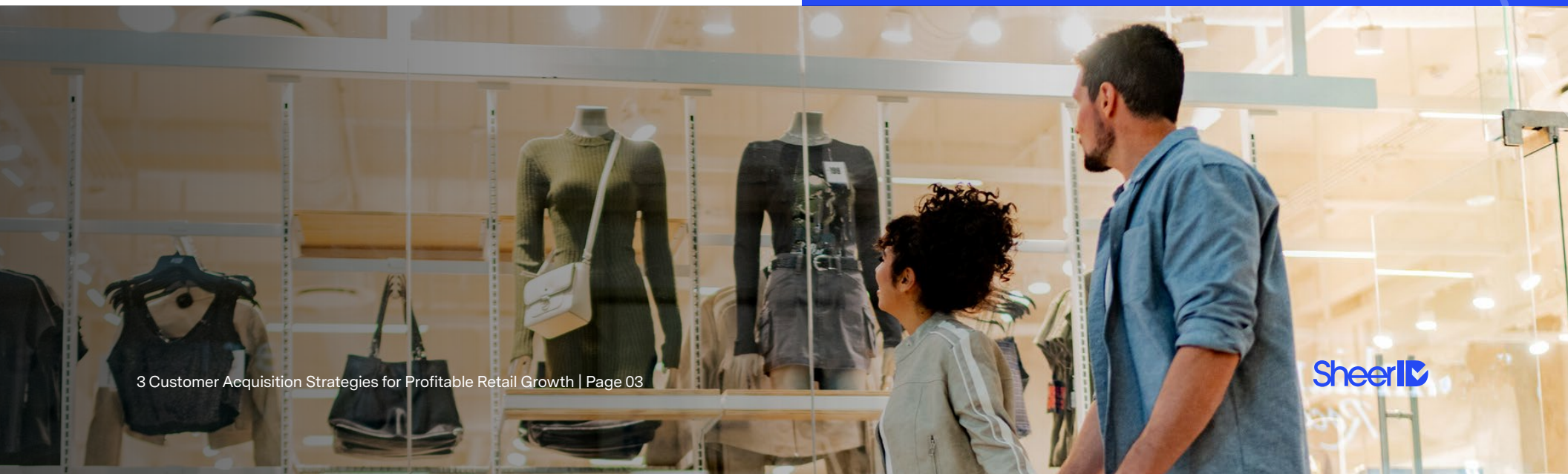
3 strategies to acquire new retail customers

Retailers' discount-led volume acquisition strategies are falling short and undermining long-term growth. The fix? Refocus efforts on offers built exclusively for high-value audiences and around a transparent data exchange, where verifying audiences and capturing permission-based consumer data serves as the bedrock of success.

Throughout this playbook, you'll see how qualifying demand before deploying discounts or committing media and fulfillment spend enables you to protect margins while acquiring new customers more effectively.

Here are three proven strategies to improve acquisition efficiency and reduce CAC:

- 01 Create a clear value exchange
- 02 Activate permissioned data
- 03 Share precise audience-specific offers



#1 CAC strategy:

Create a clear value exchange

The Why

Who you acquire as a customer matters. To create a value exchange and enable personalized engagement, you must figure out what drives your customers to respond and it's not blanket discounts. Those just show your customers that you're putting in only lukewarm effort to appeal to anyone and everyone. Your customers may respond, but they'll also be quick to move on to the next retailer's sale.

It's a common scenario Jodie Thiel, Senior Marketing Strategist at SheerID, sees among her clients' customers.

"When your customer acquisition strategy intentionally uses a promotion to launch a direct relationship with customers and not just a one-off attempt to gather data, they'll feel more valued by your brand," Thiel said. "When you understand and verify who you're acquiring, you improve customer quality at the point of acquisition, which gives you higher conversions, more efficient CAC, and the ability to nurture customer loyalty and drive greater CLV."





The How

The key to providing a clear value exchange is to precisely define your audience, create offers you know they'll find appealing, and transparently indicate the data they need to share to redeem offers.

Be authentic, compelling, and uncomplicated by providing offers that create urgency, clarity, and differentiation. Exclusive offers are a great way to do this, but you can also give customers early access to products, VIP support, and exclusive content and recognition.

Once you've defined your audience and offer, make it widely available by:

- Creating a dedicated landing page.
- Promoting your offer at the top of your homepage.
- Encouraging word-of-mouth by leveraging referral campaigns and influencers from the target audience.
- Use multichannel engagement, such as email, newsletters and social media.

Your goal should be to service your audience with thoughtfulness and precision by offering what they want most, when they want it most.

14 non-discount ideas to build relationships with verified retail customers

Are you trying to ...

... make your brand synonymous with high quality and reliability?

1. Priority customer services
2. Free returns, shipping, or flat rate shipping
3. Free samples or complementary services
4. Bonus points

... strengthen brand affinity with access and recognition?

5. Unique product bundles
6. Early access to new products or special events like launch parties and pop-up shops
7. Product trials and feedback programs to test new SKUs or features
8. Behind the brand experiences, such as livestreams or Q&As with product developers

... build emotional connections through fun, purpose-driven experiences?

9. Sweepstakes and raffles tied to launches or seasons
10. Experience-based rewards, such as makeovers or factory tours
11. Gamification with points, badges, or entries
12. Giveback raffles to donate products in the winner's name
13. Surprise and delight moments for unannounced rewards
14. Interactive programs partnering with influencers for live-stream activities

#2 CAC strategy:

Activate permissioned data

The Why

Quick recap from strategy #1: The value exchange is important because your customers know exactly how their data is being used.

This type of data is called permissioned data. It comes directly from the customer who shares it to receive an explicitly defined value from a retailer. Permissioned data includes both zero-party data, which consumers intentionally share, and first-party data collected from interactions with your brand. The highest quality permissioned data is verified by authoritative data sources.

“Customers aren’t anti-data and sharing it. They’re anti-ambiguity,” Thiel explains. “They just want to know what they give and what they get. Clarity and consistency are what’s going to build their trust with your brand.”

By instilling consumer confidence through relevance rather than triggering skepticism or fatigue, brands can turn an initial discount into an opportunity to drive future purchases and nurture lasting loyalty.

“When customers understand the value exchange, they’re more likely to opt in and share accurate information, giving brands higher-quality first-party data that improves targeting, increases conversion, and reduces wasted media spend.”

[Jodie Thiel, Senior Marketing Strategist at SheerID](#)

The How

Thiel advises clients to enable transparent data collection for audience-based exclusive offers through consent-based actions, such as forms and account profile settings. “Transparency is going to increase engagement, and then that transparency is going to turn that data into trust,” she said.

The collected data must be verified so that certain offers work better than others. Try giving membership-based perks tied to your customers’ experiences and values. Foster loyalty, positively impact lifetime customer value, and continue to drive engagement with rewards programs by offering members first and early access to your products or events, points or tiered benefits.

“You have to continuously nurture that conversation, and as you do, you’re going to get to know more about that community and how it responds to your brand.”

Jodie Thiel, Senior Marketing Strategist at SheerID

In Action

Technology learning platform [Codecademy](#) by Skillssoft wanted to expand its exclusive discount offer to military, educators, healthcare workers, first responders, and audiences qualifying for government assistance. Using [SheerID’s Audience Network](#), Codecademy could verify eligibility but lacked a way to engage the new audiences throughout their journey.

By leveraging SheerID’s DataConnectors, Codecademy appended the verified, permissioned data it collected during the verification process to its CRM and created personalized customer journeys to keep its platform top of mind. Having permissioned data enabled Codecademy to improve user engagement, including email open rates exceeding 55%.

“SheerID helps us bring our learning platform to an audience we could not have previously reached at this scale. It’s inspiring to see how many people from different industries and walks of life have used Codecademy to pursue their passions and find a new role,” said Amy Yeh, Integrated Marketing Lead at Codecademy.

#3 CAC strategy:

Share precise audience-specific offers



The Why

Today's consumers are savvy with marketing efforts and seek offers that make them feel seen and heard. By using verified audience data to tailor unique offers and experiences for customers, retailers can speak to specific audiences and engage them authentically.

Thiel says that when offers are personal, they feel more earned and less promotional.

"There is a lot of noise in the marketplace, so making the right offer will capture a customer's attention and make them lean in," she said. "It will make an even stronger impression if it becomes part of a nurture campaign that builds a relationship with a customer by reflecting their interests and where they're at in their life."

By replacing generic programs with targeted recognition around a shared purpose, retailers can amplify brand credibility. One way to do this is to connect verified audiences with philanthropic and brand partnerships, such as having verified educators nominate schools or organizations for donations from a retailer. Delivering these relevant offers to verified audiences improves conversion at acquisition and drives higher lifetime value.

The How

A solid place to start is by looking for audiences that may not be accustomed to being rewarded for their data, such as recipients of government assistance or veterans. Design an offer that aligns your loyalty benefits with what specific audiences desire most and respond best to.

Gen Z likes offers centered on authenticity and personalization, and tends to value online and in-store shopping equally.

- Cashback/points for purchases
- Early access to drops and collabs
- Eco points for sustainable choices
- Referral bonuses and birthday perks

Military and veterans respond strongly to recognition, exclusivity, and consistency.

- Priority access
- Recognition-based status
- Points or rewards
- Surprise-and-delight perks

Educators are drawn to offers that respect their time, recognize their role, and deliver practical value without requiring constant re-verification or effort.

- Recognition and appreciation perks
- Early access
- Points or rewards
- Community-based benefits

Healthcare workers and first responders engage most with loyalty programs that prioritize access, acknowledgment and simplicity over discounts.

- Ease and respect
- Frictionless access
- Priority treatment
- Loyalty tied to reliability

The magic of sparking a connection with your audience lies in how you do it and in the timing of the offer, using what you know about their habits, interests, and life milestones.

In Action

Ulta Beauty, a major retailer for beauty products, was a 2025 winner of the SheerID Customer Loyalty Leader Award. Its Student Perks program has created a community of lifelong brand advocates through immersive campus experiences and personalized rewards.

Ulta integrated student verification into Ulta Beauty Rewards®, moving beyond a simple online discount. As part of its back-to-school campaign, Ulta launched a multi-market campus activation with Her Campus, engaging students across six universities through an immersive, share-worthy tour experience that drove brand discovery and engagement.

Ulta's Homecoming Gift with Purchase campaign ignited strong engagement and new student acquisition, with organic excitement from students fueling social momentum on TikTok.

By verifying student status, Ulta Beauty can directly engage student guests through the Student Perks program, strengthening relationships and driving meaningful growth with this audience.



Improve customer acquisition with precision, confidence, and audience verification

Thiel concludes that it all comes back to establishing trust in the very first interaction a retailer has with a customer.

“Instead of trying to make that first-year customer behave like a five-year customer, a brand should put effort into understanding who they are to create brand affinity and trust.”

[Jodie Thiel, Senior Marketing Strategist at SheerID](#)

By creating clear value exchanges, activating permissioned data, and delivering audience-specific offers, retailers can reach high-value customers earlier in their journey—improving engagement while reducing wasted acquisition spend.



SheerID helps retailers verify customer eligibility at the point of acquisition, enabling brands to qualify demand earlier, protect margins, and turn one-time buyers into long-term customers. [Learn how audience verification can support your profitable retail growth.](#)

Learn More





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