

# Blue Apron Customer Lifecycle 2.0

Optimal customer actions with relevant suggested incentives

Customer lifecycle stage	What success looks like at this stage	Recommended incentive to motivate this	Why this works
Acquisition	Customers sign up for a Blue Apron subscription (discounted or full price).	Free/discounted box offers.	New users require an incentive to lower the risk of trying a new product for the first time -- especially one asking for a recurring financial commitment.
Activation	Customers start to realize the value of receiving a Blue Apron box each week and are getting hooked on the value it brings.	Usage goals to earn rewards (ie. buy 3 boxes get one free).	Cooking with Blue Apron a few times isn't enough to realize the value. Customers must meet the activation threshold to turn it into a habit.
Revenue	Customers spend more money by taking advantage of Blue Apron's additional offerings and making more frequent orders.	Accrued rewards that increase the value of being a customer over time (ie. reward tiers).	Users need a reason to extend their subscription for an optimal lifetime value that exceeds CAC. It's the only way Blue Apron will make a profit.
Retention	A customer has cancelled their subscription or skipped a significant amount of orders and needs to be re-activated.	Win-back offer to entice re-activation (ie. \$\$ off, free shipping, free gift).	Even if a customer has cancelled, you still have a 60-70% chance of success to sell to them again, and remind them of the value they're missing out on.
Referral	A customer invites their friends, family, colleagues and social network to try Blue Apron.	Customer referral program with rewards (ie. \$\$ off) for both new and existing customers.	With both parties on a level playing field, existing customers will be more likely to refer, and new users will feel better about accepting offers.