

Best Practices in Digital Print

FIFTH EDITION CASE STUDY



the Digital Printing Initiative

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In-depth Case Study

Project: Shoe Carnival Uses Personalized Mailing to Bring Customers Back

Vertical Market: Retail
Business Application: Marketing/Traffic Generation/Loyalty

Program objectives:

- Connect with customers who had not visited a Shoe Carnival store in sixty days or more
- Offer inactive customers an incentive to shop within a fixed period of time

Significant results reported by user:

- Response rate of more than 26%
- Net sales (after discounts) of more than \$200,000

SHOE CARNIVAL

Dear Shannon,

Our records show you haven't used your Savings Club card in a while so we want to give you a special **HOLIDAY Gift**. Below is a Savings Club Holiday Certificate for \$5. Bring it in with your card and spend it like cash. Just be sure to use it by January 31, 2005, because after that, it's history.

The holidays are just around the corner, so spread some cheer among friends, family and yourself (of course) with new shoes. We have the brands, the styles and the price is just right with the **2nd Pair 1/2 Price Sale** going on now! That's right, your second pair of equal or lesser value is half price (Excludes Super Values).

Great savings, great selection - so you can look your best this holiday season. Look for the Shoe Carnival insert in your Thanksgiving Day newspaper for incredible savings and great giveaways during our biggest sale of the year, **Friday, November 26th**. Don't miss the excitement! Save big on brand name shoes and boots throughout the store and great prizes will be given away every hour from 10am - 6pm.

Start your holiday season with your friends at Shoe Carnival!

See Store for Promotional Details. Selection varies by store.

Personal Activity Summary as of 10/30/2004
 Rewards received since joining: \$30
 Last recorded visit: 08/07/2004
 Current point balance: 7864
 You are 4339 points from your next reward
 E-mail address: No

\$5 SAVINGS CLUB

Coupon # 5400007123021

Certificate # Shannon C Moodspaugh
 Issued: 11/08/2004 Expires: 01/31/2005
 Certificate # 000003893210

Must present membership card when redeeming this certificate. Expired certificates will not be honored. Certificate has no cash value, no cash refund and may not be replaced if lost or stolen. Cannot be used with bulk sales, sales purchased for resale or purchase of Shoe Carnival gift cards.

Cashiers:
 • Press SaveClub Key
 • Scan Bar Code on SC Card
 • Scan Item(s)
 • Press Sub-Total
 • Enter Zip Code
 • Scan Bar Code Labeled Coupon #
 • Scan Bar Code Labeled Certificate #
 • Collect Balance Due From Customer
 • Place Coupon Under Till

SAVINGS CLUB PO Box 740 Wayzata, MN

Here's an early gift from Shoe Carnival!

42213437
 Shannon C Mood
 233 Paula Blvd
 Clarksburg WV 26301

Storewide Holiday Sale Going on Now!

SHOE CARNIVAL

Friday, November 26
 DOORS OPEN 6AM

a chance to win
\$10,000
 at 7AM, 8AM & 9AM

GIVEAWAYS ALL DAY
 Gameboy Advance
 Apple iPod
 Gamecube
 Home Theatre System
 & more
 See store for details

ONE SIZE FITS ALL!

GREAT GIFTS come in PAIRS

nike reebok new balance adidas converse sketchers vilager eastland timberland aerology dockers columbia rockport soda

Shoe Carnival Gift Cards

Start your holiday season with your friends at Shoe Carnival!

See Store for Promotional Details. Selection varies by store.

Personal Activity Summary as of 10/30/2004
 Rewards received since joining: \$30
 Last recorded visit: 10/30/2004
 Current point balance: 783
 You are 11717 points from your next reward
 E-mail address: Yes

savings and great giveaways during our biggest sale of the year, **Friday, November 26th**. Don't miss the excitement! Save big on brand name shoes and boots throughout the store and great prizes will be given away every hour from 10am - 6pm.

\$10 SAVINGS CLUB

Coupon # 5400007123110

Certificate # Ladonna K Stanley
 Issued: 11/08/2004 Expires: 11/13/2005
 Certificate # 000003678909

Must present membership card when redeeming this certificate. Expired certificates will not be honored. Certificate has no cash value, no cash refund and may not be replaced if lost or stolen. Cannot be used with bulk sales, sales purchased for resale or purchase of Shoe Carnival gift cards.

Cashiers:
 • Press SaveClub Key
 • Scan Bar Code on SC Card
 • Scan Item(s)
 • Press Sub-Total
 • Enter Zip Code
 • Scan Bar Code Labeled Coupon #
 • Scan Bar Code Labeled Certificate #
 • Collect Balance Due From Customer
 • Place Coupon Under Till

Share your holiday season with your friends, and, the styles and! That's right, your (values).

Shoe Carnival Gift Cards make perfect stocking stuffers!

Postmaster: Please deliver 11/22-11/23.

42479734
 Ladonna K Stanley
 RR 6 Box 507
 Clarksburg WV 26301-9581



Shoe Carnival Uses Personalized Mailing to Bring Customers Back

VERTICAL	Retail
BUSINESS APPLICATION	Direct Marketing/Traffic Generation/Loyalty
CLIENT	Shoe Carnival http://www.shoecarnival.com Shoe Carnival is a multi-state discount shoe retail chain with more than 250 stores located in the South and Midwestern United States
PRINT PROVIDER	MaximumGraphics, a Consolidated Graphics company http://www.cgx.com Maximum Graphics is a high-quality printer with mailing and fulfillment operations.
AGENCY	Group 3 Marketing http://www.group3marketing.com Group 3 is a relationship marketing company that helps its clients create customized customer acquisition and retention programs.
HARDWARE	NexPress 2100
SOFTWARE	FoxPro, Datalogics DR Formatter
FINISHING	Polar cutter
TARGET AUDIENCE	Shoe Carnival customers who were members of the chain's Savings Club but who had not shopped in the stores in the previous 60 to 90 days.
DISTRIBUTION	10,200 post cards
DATE	November 2004



DESCRIPTION	<p>Group 3 Marketing maintains a database of high spending customers who have opted into a promotional program called the Savings Club for Shoe Carnival. Members of the Club earn points on their purchases and receive extra bonus points for participating in incentive programs such as shopping on Tuesdays.</p> <p>SALES PROCESS</p> <p>Through a professional contact that knew one of the chain's buyers, Bart Foreman, President of Group 3 Marketing, was able to set up a meeting with Shoe Carnival's Marketing Vice President. The sales process to launch the Savings Club took about four months from the time Group 3 made its initial presentation until the first Letter of Agreement was signed. Then, the program moved into the development stage, and the pilot campaign was launched three months later.</p> <p>Foreman says that today he works with a contact in Marketing at Shoe Carnival who reports to the Vice President of Marketing. He also works with the Creative department, Information Technology and Finance. Since Group 3 gathers the response information for the campaigns, much of that information goes to the finance contact.</p> <p>VARIABLE DATA ELEMENTS</p> <p>The variable data elements on the postcard included the member's Savings Club ID number, the name, mailing information, the point balance, date of last visit, and the number of points needed to earn the next reward. The card also contained a bar code to help Group 3 track the response from the mailing.</p> <p>PRODUCTION DETAILS</p> <p>The mailing design profiled in this case study was a 4"x6" high gloss full-color postcard with a note to each recipient, a summary of their recent shopping activity and related points, as well as a savings discount valid until the end of January 2005.</p> <p>PRICING</p> <p>Foreman says the postcard projects such as the one in this study cost about thirty-three to thirty-six cents each, including Standard Class A postage, depending upon the number mailed.</p> <p>RESULTS</p> <p>Ten days after the mail date, 1,120 recipients had shopped in the stores, and 80 had shopped in more than one store in the chain. The shoppers had spent an average of \$55.88. By early January, the number of returning shoppers had increased to 2,679, bringing the response rate to more than 26%. By the end of the promotional period, after subtracting the money allocated to the discounts, the chain's sales attributable to the campaign were more than \$200,000. The total cost of the project was \$3,400.</p> <p>This mailing was the first time Shoe Carnival had reached out to inactive customers in a formal way. Nick Blessinger, the chain's Marketing Manager, says the promotional campaign's success was enough to encourage the company to try other such promotions in the future.</p> <p>Foreman says Group 3 continues to work closely with Shoe Carnival and "every day is a new adventure. We are constantly analyzing results and working with their marketing team to better communicate with the Savings Club members. What we have learned is that no two programs are the same, and each model needs to be carefully designed to meet the needs of the client, which are driven by many interrelated factors."</p>
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