

Schlecker - Chemist's

One of the largest European retailers of health and beauty goods successfully reaches its customers in a new revolutionary way using mobile technologies.

SCHLECKER GmbH
www.schlecker.cz

SCHLECKER

In cooperation with

T-Mobile Czech Republic PLC
www.t-mobile.cz

Tektronix, Inc.
www.tek.com

beevendo Ltd.
www.beevendo.com

Market segment

Retailers
Health and beauty retail

Issue

Getting new customers.
Customers targeting depending on the customer profile, time and location.
Increasing efficiency and supporting the marketing campaign.
Decreasing the costs of getting new customers.

Solution

The customer is informed about products via SMS message.
Advertising message is sent based on the customer profile defined according to the location and accurate timing for delivering SMS.

Advertising campaign conditions

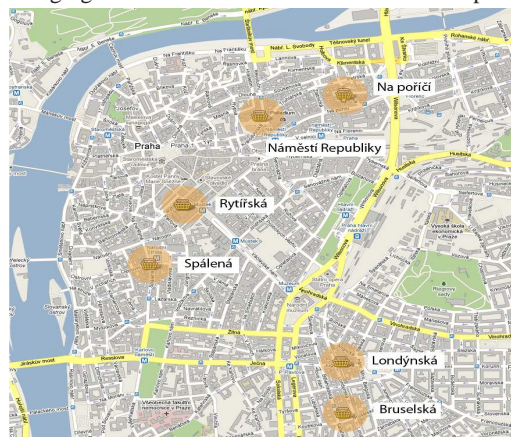
Venue: 7 stores in the centre of Prague
Location: centre of Prague
Timing: 14.12. - 21.12. 2009
Period of delivering SMS: 30 hours
Target audience: women 25-45

New customers' campaign

Schlecker is one of the largest retailers of dry goods in Europe. Turnover of the company varies around CZK 2.3 billion a year. The trade network consists of 170 stores which provide a service to a million customers a week.

The created campaign should support the Schlecker brand awareness as a supplier of dry goods and cosmetics. At the same time, the objective was to get new customers. "We have a wide range of permanent customers who know our products very well. However, we would like to welcome new customers who will discover the advantages of purchasing at our chemist's," says Petr Dolezal, Managing Director of Schlecker for the Czech Republic.

Schlecker selected Adidas shower gel as the promoted product and proposed a special price offer. The exclusive promotion was only by delivering via SMS messages, the shower gel was not promoted by any other advert vehicles. The sale price for the promoted product was only applied to customers who could show the received text message. If a purchase was made, the customer received a trial for free.



Campaign conditions

Area

Seven stores of the chemist's in the centre of Prague were selected for the pilot project. Customers were reached within a relatively small area of individual shops, i.e. a distance of less than 1 km from the location of the shop.

Campaign dates

Timing of the campaign was from 14.12. till 21.12.2009, from 11AM to 1PM and from 3PM to 6PM. The total time of delivering SMS was 30 hours.

Target audience

The target audience was women 25 - 45 years and this profile was represented by 51.040 telephone numbers provided by T-Mobile.

Text of the SMS message

"*Free gift with this SMS plus ADIDAS shower gel for CZK 49.90. The chemist's SCHLECKER wishes you a Merry Christmas, {address of the chemist's}. The discount is valid until 27.12.09." Each message was different by the address of the particular shop.

Motivating element

Each customer showing the SMS message received a cosmetics free sample as a gift.

Results

During the campaign 7.262 customers were reached.
1.583 customers purchased shower gel and received a gift.
Each fifth reached customer responded to the message.
The conversion rate was 21.80%.

Used systems

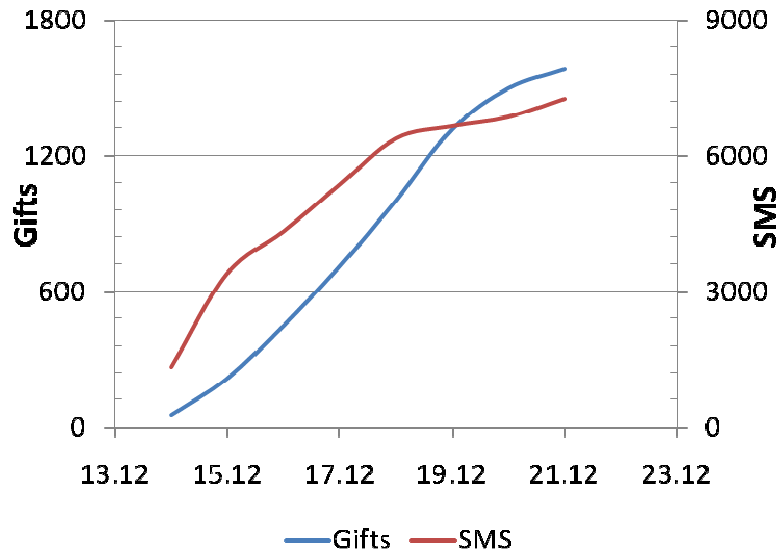
beevendo - Location Based Services
SMS Connect

Keywords

Location-Based Services
Location-Based Mobile Marketing
Push SMS
Advertising message

Evaluation of the campaign

During the campaign a total of 7.262 messages were sent and it makes 14.20% of the telephone numbers from the selected customer's profile. The maximum of sent messages per day was 2.064 messages and the daily average of sent messages was 908. The maximum messages delivering speed was 473 SMS per hour and the average delivering speed was 242 messages per hour.



Cumulative process of delivering SMS messages and giving out gifts during the campaign

1.583 gifts were given out together with the purchased promoted product during the campaign. This represents 21.80% of the total number of messages sent to customers. The customer only received the gift if the product was purchased. The maximum number of 315 gifts distributed per day was 315 on Saturday particularly and on average 198 gifts per day were given out.

Originally the campaign was planned for 14 days but it has to be cancelled after 8 days because of the great interest of customers. The gifts prepared for the campaign ran out so that the conversion rate could not be measured properly afterwards.

“Nobody expected each fifth reached customer to respond”.

Petr Dolezal,
Managing Director,
Schlecker GmbH

Conclusion

The campaign via SMS exceeded the expectations of the customers interest in the promoted product. Each fifth customer responded to the message and purchased the shower gel. The Managing Director of Schlecker was astonished: “We did not expect that interest in the sent SMS would be so high”, says Petr Dolezal and adds: “It is a new way for us how to support well established media vehicles and, at the same time, reach customers very effectively.”

The campaign was targeted to very small areas in the surroundings of stores and the content of the text messages was specific with regard to the address of the shop. This way of the campaign proved that very precise targeting to customers with suitable texts increases the conversion rate up to almost 22%. This will make the process of promoting products effective and cheap. The results confirmed the benefits of the beevendo system as a way of conducting a marketing campaign using mobile technologies.



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