CASE STUDY

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COLRUYT

Belgian retailer Colruyt realised they needed to change their coupons in order to grab consumer's attention. They decided to transform their leaflets with personalised coupons to maximise consumer interest and boost customer spending.

Colruyt Group is a major discount retailer, with more than 200 stores across Belgium. Colruyt, like many retailers, rely heavily on print advertising to communicate sales and specials with their consumers. With their coupon leaflet comprising 32 pages of specials, these mass offerings were losing their effectiveness.

OBJECTIVE

The challenge was to customise coupon offerings, with the goal of increasing promotion effectiveness, relevancy and consumer uptake.

METHODOLOGY

Leveraging data collated on purchasing behaviour and demographics from their 1.6 million most active customers, Colruyt created highly personalised coupons for each customer. They were able to tailor offers that each household was likely to use, decreasing their previous 32-page leaflet down to just 4 pages. Each leaflet now contains about 30 personalised offers to each household, a drastic reduction from their regular 400 offers.

"A larger percent of households now use our promotional coupons, and the increase resulted in a larger average spent in our stores by cardholders. Equally important, it indicates a clear increase in customer loyalty."

Bruno Dirkx, Analytics Team Leader





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Colruyt's highly personalised leaflets were a huge success, largely increasing the promotion's effectiveness. Their loyalty card memberships grew from 50 thousand to 1 million. Retail locations experienced increased spending per capita due to coupon use, producing over \$360 million in revenue growth. Colruyt also benefited from this smart design through reducing annual paper usage by 665 million pages.

CONCLUSION

For Colruyt, less really is more. The power of their targeted approach was immediately apparent, as they realised significant revenue and loyalty program uptake. This campaign highlights the strength behind utilising purchasing behaviour and demographics to analyse and predict consumer choices. With most people's mailboxes stuffed with a plethora of promotions, the ability to cut through with customised direct mail is key. This campaign enforces the strength and effectiveness behind the direct marketing industry.

Produced €360M in revenue growth

Loyalty Card Memberships **GREW FROM** 50K TO 1M

Annual paper usage reduced by 665M

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