Stein Mart Drives Store Traffic and Grows Customer Database

ANDERSON BROTHERS

Project: **Stein Mart Drives Store Traffic and Grows Customer Database**

Vertical Market: Retail

Business Application: Direct Marketing/Traffic Generation

Business Objectives

Stein Mart stores offer the fashion merchandise, service, and presentation of a better department or specialty store, at prices competitive with off-price retail chains. Stein Mart selected a regional area of stores from Kentucky, Ohio, and Indiana to participate in a cross-media direct marketing campaign with the following objectives:

- Increase store traffic through redemption of coupon offers

  - According to previous campaigns, Stein Mart expected a 2-3% redemption rate for this campaign, which would amount to 400-600 redemptions

- Build database of potential new customers

Results

Working with local marketing service providor, Stein Mart gained national exposure with a direct mail campaign incorporating viral elements.

- 150.1% visit rate – Over 20,000 postcards were sent out, and due to the integration of social sharing, the campaign drove 30,068 visits to the campaign microsite

  - The direct mail piece alone drove a 7.8 % visit rate, with 1,571 users logging on
  - Of the total visits to the microsite:
    - 5.2% of visits were responses to mail
    - 84.7% of visits were responses to social sharing (text, email, social networks)
    - 10.1% of visits were responses to direct sharing such as consumers posting the URL in a blog

- 7.8% response rate to direct mail alone - representing individuals who visited their Personalized URL and completed an online questionnaire

- Stein Mart added 13,868 additional customers to their database, thanks to social media, email, and text sharing

Source of microsite visits

Direct 10%
Mail 5%
Social 85%
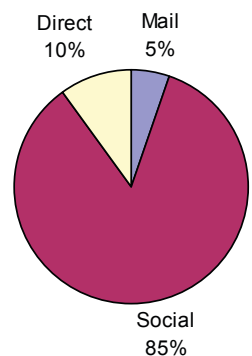
Source of data acquisition

Direct 4%
Mail 10%
Social 86%
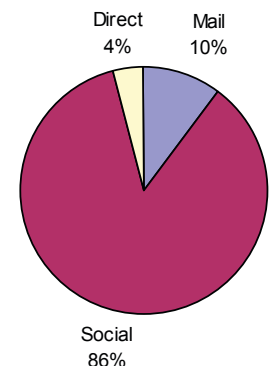
- The campaign's redemption rate was more than 13 times higher than their expected goal. Store owners reported over 8,000 redemptions from this direct mail campaign. Based on the initial customer database of 20,029 this campaign's redemption rate was 40%

Campaign Architecture

A total of 20,029 postcards were sent out to the selected Stein Mart stores' customer databases. Customers were instructed to log on to their Personalized URL to access and print their offer and be entered into a sweepstakes.

Upon visiting their Personalized URL, customers viewed a customized microsite for Stein Mart's campaign. Customers validated their information on the first page, answered a question about how often they shop at Stein Mart, and were given the opportunity to share the offer on up to 265 social networks, email, and SMS, so their friends could redeem the same offer.

Stein Mart customers' primary sharing outlet was email with 2,564 emails being sent to peers, bringing in an additional 22,155 users to the Stein Mart site. This accounted for 73% of the total response of the campaign. Customers also shared on Facebook, Twitter, and through SMS. An additional 2,623 users came into the site through 880 posts on Facebook. Twitter also brought in an additional 675 users, from only 89 tweets, a 1-to-7 response.

After sharing with friends, customers were able to print their offer and bring it into the store for redemption.

Personalized postcard

Personalized landing page

Survey page

Target Audience and Messaging

Stein Mart was not only able to reach their primary demographic of customers, but also extended their marketing reach beyond their traditional database. Their primary demographic was women between the ages of 41 to 50, although the demographics of women between the ages of 31 to 40, and women over 50 were close in response.

Customer data reported that 2,188 users, over 7%, were over the age of 60, with the oldest user being 92. The campaign spread across 11 age segments, shattering notions that social sharing is reserved only for a younger demographic.

Offer

Individuals who visited their Personalized URL and completed the online questionnaire were given a $10 discount coupon off a purchase of $25 or more. Those individuals who shared the offer with their friends through social media, email, or SMS were also entered into a sweepstakes for a $1,000 shopping spree.

List

The list for this campaign came from Stein Mart's customer database.

Creative and Outbound Piece

The creative and messaging for this campaign was developed by the marketing service provider in consultation with Stein Mart.

Reasons for Success

This campaign is an excellent example of how print, combined with interactive components, can drive tremendous response.

Best practices learned from this campaign are:

- **Use social media integration to drive response.** The results of this campaign prove that incorporating social media sharing into a direct mail campaign increases response exponentially.

- **Use automatic tracking mechanisms to analyze results.** This campaign was able to provide a wealth of information to Stein Mart about their customers including what media channels they use and respond to.