

CASE STUDY: A NATIONAL MEXICAN RESTAURANT

Using The Right Offers To Drive Traffic And Sales



MARKETING OBJECTIVE

- Drive traffic and generate sales through a variety of offers.
- Measure offer redemptions to locate key drivers to audience response. Determine offers with highest value through study of each dining party's purchases.
- Monitor daily traffic to determine peak days, day-parts and offer retention (shelf life).

CAMPAIGN

- A direct mail campaign was designed with six different offers amid four versions.

STRATEGY

- The insert was delivered in the familiar blue Valpak envelope to 500,000 households in the Tampa/St. Petersburg area. The offers expired in 30 days.



Valpak

Valpak®



RESULTS

The campaign exceeded sponsor expectations in traffic and sales generated with more than 5,600 redemptions and over \$156,000 in sales reported.

Consumer response proved that offers are key drivers to response.

- The two versions of the “Buy One Get One Free” offer generated nearly 75% of all sales (\$116,700) for a return of \$486 for every 1000 households.
- “Buy One Get One Free” accounted for two-thirds of all redeemed offers and out-performed all other offers by 4-1/2 times.
- The version with the stronger offers saw a 1.84% response rate, while the weakest version had a 0.39% response rate.

CONCLUSIONS

The mailing drove traffic, even during off peak days, as the Valpak audience saved and used the offers over the entire shelf life of the offer.

- Weekdays averaged over 120 responses, while weekends saw an average of 243 per day. Saturdays had the highest response.
- 240 offers were redeemed on the last day of the offer.

Offers can be used to drive sales for day-parts and party size:

- Parties of one and two redeemed almost 80% of the “Buy One Get One Free” offers.
- The “10% Off” offer was most appealing to larger parties (three or more) and lunch parties.

We were thrilled with the knowledge gained by the research. Initially, we were skittish about couponing, but the test campaign produced such great results that we are now moving forward with Valpak in other markets. Valpak made it easy to reach our consumers' homes.

Director of Marketing

