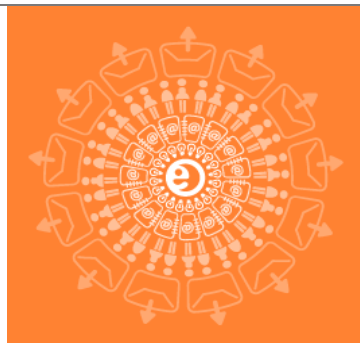

CASE STUDY

'Abandon Basket' Programme Reaps the Rewards for Halfords



→ "Following a programme of optimisation, open rates had increased to an average of 60% and click through rates reached highs of 25%. This yielded actual weekly sales that at times were in excess of 120% of the cost of the initial deployment. (Saj Bhojani, Digital Marketing Manager, Halfords)

 Email Marketing Software

Overview

Challenge:

- To move from a blanket email strategy to personalised emails
- To convert the increasing volumes of traffic to website into sales
- To re-engage customers who have abandoned their basket prior to purchase

Solution:

- To integrate eCircle and Coremetrics' (an IBM Company) technology to identify basket abandoners
- To cross reference abandoned product and provide 3 alternative, relevant products to encourage sales
- To send highly personalised targeted communications

Result:

- Average open rates of over 60%
 - Click through rates of up to 25%
 - Typical weekly direct sales in excess of 120% of cost of original deployment
-

Halfords

Location:	UK
Industry:	Retail
Website:	www.halfords.com
Products:	Email Marketing Software



Halfords started working with eCircle in 2008 and since deploying eCircle's email broadcasting system eC-messenger, the two organisations have worked closely together to seek ways of optimising the marketing resources available to Halfords.

Halfords is the UK's leading retailer (on the basis of turnover) in each of the key product markets in which it operates, including car maintenance, car enhancement and leisure. Halfords differentiates itself from its competitors through its national store portfolio, its broad product range, competitive pricing (achieved through scale of purchasing power), customer service offerings performed in-store by staff (e.g. fitting and repair services) and its strong brands. In 2011, Halfords' store portfolio comprised of over 469 stores across the UK, Republic of Ireland and Czech Republic.

→ Sending more targeted, customer-focused communications

Halfords' initial aim was to move from a blanket email marketing strategy, sending generic emails to every contact in their database to broadcasting highly targeted, personalised and most importantly relevant messages to segments of customers and prospects.

The key objective of this strategy was to drive customers to their online store (www.halfords.com) with particular focus on identifying and acting upon "moments of truth" in a customer lifecycle. Working alongside eCircle, and web analytics provider Coremetrics, an IBM Company, Halfords wanted to develop an email marketing infrastructure nimble and flexible enough for broadcasts to be quickly configured to send relevant marketing content, as their clients progress through the customer lifecycle.

→ Identifying and re-engaging lost customers

Thanks to Coremetrics, an IBM Company's web analytics technology, Halfords were able to see that despite increasing volumes of traffic to the website, that a significant number of people were abandoning the basket at certain stages of the purchase process. Consequently Halfords were keen to see if these lost customers could be re-engaged by email and persuaded to follow through with their planned purchase or enticed with other relevant offers that would ultimately result in a sale.

→ Echoing Pareto's Law

Halfords identified that, like many organisations, 80% of their sales revenue is generated from 20% of their customer base. Halfords believe that at specific stages in the sales process (from browsing to purchasing), the customer is emotionally committed to buying and will therefore be more responsive to direct marketing, particularly when the offer is tailored specifically to a product set they have previously demonstrated an interest in.

→ An integrated process to convert more sales

Using Coremetrics' Livemail facility, a feed of all registered customers (including previous buyers as well as those who signed up but never purchased) was created and fed through to eCircle. The abandoned product was then cross-referenced against a table of matching products (supplied by Halfords). eCircle then associated three similar, relevant products from the table against the abandoned item, including cheaper product, a matching product of a similar price, and a more expensive product. Using this information, a suitable

email template was put together for each recipient and automatically broadcast the following day.

“We took the decision to outsource our email communication programme because we wanted to utilise the expertise of eCircle in this area. The newsletter they are implementing for us is a great opportunity for us to communicate on a more personal level with our customers and where possible reward them. eCircle has an impressive reputation and understood our requirements fully.”

Saj Bhojani

Digital Marketing Manager, Halfords

halfords

Sat Nav & GPS In-Car Tech Bikes Teva Baby & Child Mobility Aids Travel & Touring Car Accessories Camping Car Maintenance

Hi Adam,

We hope you enjoyed visiting our website recently.

Halfords.com is always packed with the latest products at really great prices. If you have a moment, you might like to see just a few of the latest deals we have on the following great items.

Best Regards

The Halfords Team

>> Visit the website

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Rating: ★★★★★ Read all reviews Reserve or Buy

Boardman Mountain Bike Team - Medium 2011
The Boardman MTB Team offers fantastic XC performance featuring RockShox Recon Gold TK forks with 120mm travel and a lightweight triple butted aluminium frame.
Rating: ★★★★★ Read all reviews Reserve or Buy

Boardman Mountain Bike Pro Full Suspension Large 2010
The Boardman Mountain Bike Pro Full Suspension Large has 120mm travel with RockShox Monarch 3.3 rear shock and RockShox Reba Race fork and a 20" butted aluminium frame.
Rating: ★★★★★ Read all reviews Reserve or Buy

If you do not wish to receive further emails from Halfords please [click here](#) to unsubscribe.

Halfords Ltd, Icknield Street Drive, Washford West, Redditch, Worcestershire B98 0DE, UK
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A typical Halfords abandoned basket email

→ Updated campaigns lead to impressive results

Since Halfords upgraded their email strategy to include the integration of email and web analytics software to better understand the habits of their customers, leading to the broadcast of highly personalised communications, they have seen very impressive results since the campaign was launched in 2010.

By mid-June open rates had increased to over 25% and click through rates jumped to 8.5%. Further optimisation, including dynamic subject lines (featuring recipient name and the product abandoned) and changes to the timing of broadcast, uplifted open and click rates to over 60% and 14% respectively.

In terms of sales being generated, (and overall ROI) from the campaign, weekly sales revenues typically vary from 80% to 150% of the cost of the initial deployment.

→ Conclusion

Halfords have seen exceptional results from their 'abandon basket' programme, and have converted high-volume, low-cost products such as paint and spanners, through to £1000+ premium bikes. Thanks to the success of the campaign in its early stages, Halfords have now extended the scope of the campaign to include products 'browsed' as well.

Planning is now underway to further enhance the relevance and personalisation of the emails being broadcast. Areas of focus being considered include the addition of further product review data (16% of all sales generated came via product review links on the email), product bundle up-sell, and the inclusion of enhanced product information.

The retail sector benefits hugely from email marketing because it helps build customer loyalty and retention, allows the brand to send out heavily segmented offer-based content, generating a quick and measurable route to a sale. It's easy to qualify genuine conversions and overall ROI, providing complete transparency of email performance.



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➔ **About eCircle:** eCircle is one of the leading providers of online marketing services, providing state-of-the-art technology, permission marketing databases and professional services for email marketing to the world's biggest brands. Since 1999 eCircle has stood for innovative and efficient email marketing for customer acquisition and retention. Leading organisations including Asda, HBOS and Halfords trust eCircle's consistent customer care, long-term experience and, not least, its highly motivated and professional workforce. The company has more than 300 employees, with headquarters in Munich and additional offices in London, Paris, Milan, Utrecht and Madrid.
