

ZENREACH



Zenreach brews up a new way to bring back lost customers

The coffee business is competitive. Every city has dozens of coffee shops competing for customers. They offer everything from traditional espresso to nitro-brewed iced coffee. New cafes pop up all the time, outdoing each other with the latest and greatest specialty beans and brewing methods.

Once a coffee shop has a customer, it wants to keep them coming back. But what can you do when they don't?

Pouring over numbers

One of Zenreach's customers identified lapsed customers as a top growth opportunity. The challenge was finding a way to bring them back in that made financial sense. The brand uses

Highlights

13k

customers visited within 30 days

47%

visited within one day of seeing the ad

2.9

average number of times a customer returned



retail advertising campaigns featuring new products to attract new customers and bring loyal ones back. But they couldn't directly target the large majority of lost customers who weren't members of their loyalty program.

Measuring the success of these retail campaigns in dollars and cents was also impossible. There was no way to connect online ad impressions with store visits and transactions. The chain had to evaluate success using online measures like clicks and engagement rather than return on investment (ROI) or return on ad spend (ROAS).

Their marketing team wanted to use targeted digital advertising to bring back as many lapsed customers as possible at a cost of less than \$5 per visit. They wanted to measure success in actual customer visits, not just online engagement. And they wanted to deliver clear, measurable ROI of at least 1.1, meaning for every ad dollar invested they would see at least \$1.10 return in revenue.

Brewing more buzz

This coffee chain uses Zenreach to collect customer visit data through their free guest WiFi access points. Visits are recorded automatically when guests enter a location with their mobile devices.

The visit record allows them to identify customers who have not returned for specified periods of time, even those who haven't signed up for the loyalty program. For the lapsed customer campaign, they chose to target customers who visited one of their locations, but didn't return for 30 days or more.

Results would be measured using Zenreach's Walk-Through Rate™ which connects online marketing campaigns with in-store results. It provides an

accurate measure of bottom-line business impact by counting the customers that return after seeing an ad.

Targeting lapsed customers, they ran a campaign featuring two new products, a flavored latte and a specialty quiche. No special offer or incentive was used. It was simply a new product announcement.

Perked-up sales

The campaign was a startling success. Nearly 13,000 lost customers responded to the campaign by visiting in the 30 days following the campaign. Forty-seven percent of them visited within one day of seeing the ad. Impressively, the cost per visit was just \$1.23, well below the goal of \$5.00.

The average ticket for these visits was \$5.11 for a single visit ROAS of 4.2, nearly four times the goal of 1.1. The business results got even better. Returning customers didn't come back just once. They visited an average of 2.9 times and spent a total of \$14.60 in the 30 days following the campaign. The \$16,000 advertising investment returned \$91,000 in just 30 days for a whopping overall return of more than 6x.

Direct measurement of the in-store results allowed them to accurately assess the bottom line. The digital engagement measures used previously proved to be inaccurate. The ad campaign registered just 2,529 clicks and 1,876 engagements even though 12,981 customers walked in after seeing the ad.

This campaign proved that clicks can be very misleading indicators of success. Connecting online marketing with in-store results is the only way to get the most from your digital advertising.

About Zenreach

Zenreach created Walk-Through Marketing to help businesses with physical locations dramatically improve customer acquisition and lifetime value by connecting digital marketing with in-store results. Zenreach Engage automatically tracks customer visits, effortlessly builds rich customer profiles and keeps them up to date. Zenreach Attract improves ad performance 4x by targeting audiences based on your best customers. Results are measured with our Walk-Through Rate™, a proprietary metric that shows when someone exposed to an ad visits a location. Founded in 2012, Zenreach serves thousands of independent merchants and leading brands like Peet's Coffee, Ruth's Chris and BCBG Max Azria.

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