

Pier 1 imports® CASE STUDY: PIER 1 IMPORTS®

Valpak® Offers Increase Consumers Spending and Drive Traffic



MARKETING OBJECTIVE

- To determine if the Valpak mailing program would provide a lift in sales, generate traffic and increase consumer spending for Pier 1 Imports® in three test markets.

STRATEGY

- Use a match store panel test to measure total sales generated from customers using the Valpak offer.
- Compare store sales, traffic, customer transactions and average ticket transactions between test stores and control stores during the test period.



THE VALPAK CAMPAIGN

- Test and control store groups with similar sales and traffic patterns were chosen to participate in each market. The test and control stores were geographically distant from one another.
- Selected neighborhoods within a 10-mile radius around the test stores were mailed based upon the Pier 1 Imports® customer profile.
- A total of 500,000 homes were mailed in the three test markets combined during the last two weeks of April 2004.
- A compelling offer of 20% off all transactions carried an expiration date of May 17, 2004 for all markets.

RESULTS

The test results were extremely positive, with over \$120,000 in sales generated from 1,440 Valpak consumers using the Pier 1 Imports® offer.

Strong consumer spending proved that the targeted Valpak audience is responsive and motivated.

- Valpak consumers on average spent nearly 56% more than the average consumer in the same store before the Valpak mailing.
- Average store sales increased by nearly 17% in test stores compared to control stores.
- Average transaction volume increased by nearly 11% in test stores over the control stores.



Customers Using The Valpak Offer Spent Nearly 56% More Than The Average Pier 1 Imports® Customer

Pier 1 imports®

