

CASE STUDY: **SHERWIN-WILLIAMS®**

Paint Your Ad Campaign Successful With Valpak®



MARKETING OBJECTIVE

To measure the effect of a Valpak mailing program on incremental sales and number of customer transactions at participating Sherwin-Williams® locations.

TEST STRATEGY

- A matched store panel test was conducted in four markets – Houston, Pittsburgh, Miami and Minneapolis.
- The test involved choosing a matched pair of stores in each city that were split into test and control groups using data supplied by Sherwin-Williams®.
- The test and control stores were geographically distant from one another, but had a similar transaction and sales history.



Valpak®

About Sherwin-Williams®

The Sherwin-Williams

Company has been a

leader in the coatings

industry since 1868.

The Paint Stores Group

is the largest and fastest

growing business

segment of the company

with sales of over \$2.7

billion, generated from

2,200 company-owned

specialty paint and

wallcovering stores

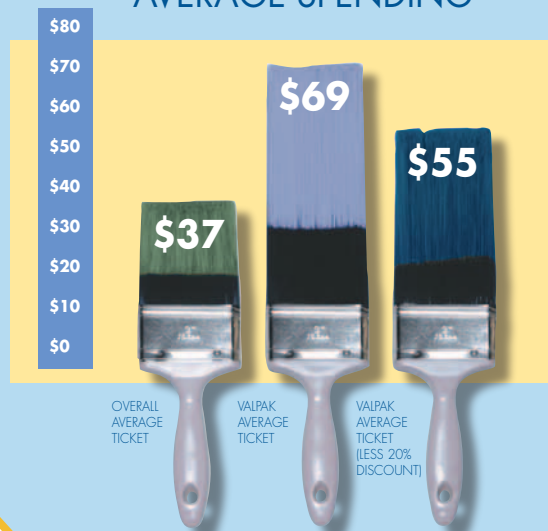
located in the U.S.,

Canada, Mexico and

Puerto Rico.



VALPAK® VS. OVERALL CUSTOMER AVERAGE SPENDING



*OVERALL AVERAGE TICKET BASED ON TEST STORES DURING TEST PERIOD (TEST STORE SALES/TEST STORES TRANSACTIONS). VALPAK AVERAGE TICKET BASED ON UPC SALES AND TRANSACTIONS.

THE VALPAK CAMPAIGN

- The Sherwin-Williams® offer was mailed to Valpak neighborhoods (NTA®s) within a three-mile radius around the test stores. No offers were mailed to areas surrounding the control stores.
- A total of 750,000 households were mailed in early to mid- October. The Sherwin-Williams® offer of 20% off the total purchase carried an expiration period from 44 to 58 days after receipt.
- During the test period, purchase patterns in the test stores were monitored and compared to the control stores.



RESULTS

The Valpak mailing generated positive results despite severe weather affecting two mailing areas; Hurricane Wilma struck the Miami area right as the envelope reached homes and Hurricane Rita affected Houston two weeks after the mailing.

- **Valpak consumers spent more than the average consumer.** The Valpak average ticket was nearly two times greater than the Sherwin-Williams® average ticket in the test stores (\$69 vs. \$37).
- **Valpak drove weekday traffic** with nearly 60% of all redemptions occurring between Monday and Thursday.

