



Proving return on investment with email marketing for bricks-and-mortar businesses

The importance of tracking the effectiveness of digital marketing campaigns in terms of ROI across digital channels cannot be understated. With an incredible variety of tracking mechanisms for eCommerce, it's easy to measure how effective an email offer is at selling a product online, but what about tracking sales in a physical retail location? As customers hop between channels - reading an email, visiting your website to find open hours and then stopping by a retail location, it becomes increasingly harder to attribute sales activities to their source and effectively determine the ROI of digital campaigns. It also becomes increasingly important.

Our client - a retail B2C with several physical locations around their city but no online shop, wanted to understand how their email updates, sale notifications, and newsletters were driving sales in their retail locations. Touchpoint Group used its digital marketing platform, TouchpointMX, to systemise the reporting of email campaigns, track users, and overlay this tracking information on activity from the client's POS in order to attribute ROI to each email campaign. Using this information, our client was able to apply what they learned from their highest-performing campaigns to improve the performance of those that had traditionally lagged, increasing ROI across the board while providing a clear illustration of the importance of email marketing to their management team.

The Opportunity:

The TouchpointMX team worked with the client after recognising a gap in their reporting framework. Using the Loyalty and Email modules of the TouchpointMX system, we gave the client the ability to match transactional data from their retail locations against the execution of digital campaigns, specifically email.

The objective was to give them the tools necessary to see in detail, exactly what email campaigns were motivating customers to purchase, and which products were purchased as a result. Moving beyond tracking the redemption rates of offer codes to focus on database segmentation (by interest, location, demographics, and shopping behaviour), execution periods and A/B message testing.

Our client was executing multiple, highly engaging emails weekly and measuring them against standard email response rates - all performed well, with superior open rates and retention, but they couldn't pinpoint the campaigns that were actually driving transactions in-store. They had some assumptions, but they couldn't prove the theory or demonstrate it with concrete data.

The Solution:

The team linked TouchpointMX's 'Message ROI' report to their email reporting dashboard. The report automatically calculated the ROI of individual email messages by overlaying a daily feed of transactional data directly from the client's POS system against emails opened within a specified reporting period. This captures the consumer behaviour of receiving and opening an email followed by a visit to the retail store within, in this example, three days.

The client implemented the TouchpointMX loyalty module, offering a points-based purchase rewards system which served the dual purpose of capturing customer information at the till as they completed transactions. The report is set for a rolling period so Kings is able to measure the ROI as and when campaigns are executed.

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By measuring transactions against email behaviour, the client gained a clear understanding of what motivates immediate sales. The tracking system helping them to understand what segment in the database is more prone to action via email, what products and offers are of greatest interest (and that will drive tangible ROI, not just superficial metrics like open rates), and what products are driving those sales specifically. By knowing this, not only can the client segment their database further, but they can also A/B test the effectiveness of the messaging based on purchase behaviour. The results of the report were interesting and unexpected.

The Conclusion:

As an example, we compared two emails, both sent to the same segment of the client's audience. One campaign offered a look at special products and sales in advance of a three day weekend, and the other offered practical advice on seasonally relevant items, providing educational information and suggestions to newsletter subscribers that were relevant to the month in which the newsletter was sent. In doing so, we discovered the following:

Both campaigns had a similar open rate - the Newsletter at 27.3% and the Long Weekend Specials at 26.9%.

While the open rates were similar, the campaign offering sales and special products returned a much higher ROI - nearly 7 times that of the newsletter.

However, the individual product tracking capabilities of TouchpointMX demonstrated a clear correlation between products offered in the newsletter (at full price) and an increase in purchases of those products by email readers, demonstrating the value of customising content to segmented audiences and making it time relevant - in this scenario, a discount wasn't needed to return sales.

TouchpointMX has an in-depth reporting function, making tracking and reporting on buyer behaviour easier than ever before. As an omnichannel automation platform, the ability to combine all your digital marketing results across email, SMS, loyalty and web in one report had already streamlined the process for hundreds of clients in the FMCG and Retail sector. The work, however, is far from done. Traditionally, marketing and customer experience teams needed to work with finance to manually match in-store and online transactions up with marketing efforts, resulting in a rough calculation over a set period as to what motivated customers to spend.

If you are a single operation or doing targeted, small marketing campaigns, this is a relatively easy activity. However if your business has grown to a multi-site operation with tailored campaigns and a segmented database that sends high volumes of emails weekly - this becomes a challenge. By implementing TouchpointMX to execute and measure digital campaigns across all channels, the manual processes are removed and you're free to focus on planning your next successful campaign.

Get in touch to find out how TouchpointMX can help with your omnichannel reporting and tailor a solution to suit your business needs.