



HAUKUTUT HINNAT



Hyvinvointia
herkkävatsaisille!

Säästä
jopa 28 %

12 kg
50€

Sensitive
12 kg
60€

**Brit Care
-kuivaruoat koirille**

esim. Medium Lamb&Rice 12 kg (4,17 €/kg)
norm. 57,90 € (4,83 €/kg)

Musti Group Leaflet Postal Code Optimization

How the leading Nordic pet supply chain improved its leaflet marketing ROI by introducing new postal areas with Sellforte



*“We analyzed unaddressed direct mail efficiency on postal code level with our partner Sellforte. We piloted the results based on the analysis. The result was **best ever sales month**, driven by successful Haukutut Hinnat campaign and media. I am very excited about this!”*

Juhana Lamberg, Country Manager at Musti Group

*“I had a strong hypothesis that there are many postal areas that have potential customers for us but since we had not sent any leaflets to those areas before, we were unsure of their efficiency. Sellforte analysis gave us confirmation with data on **which geographical areas have biggest potential and why**, and thus improving our return on marketing investment.”*



Sami Tanner, Program Director at Musti Group



HIGHLIGHTS

- ✓ Sellforte found that **leaflet ROI is highest in postal codes** with...
 - High share of houses
 - High household median income
 - High sales per household in Musti stores
- ✓ The month the new postal codes were implemented was **the best month ever** in terms of sales and margin
- ✓ Musti Group achieved **+50% improvement in leaflet marketing ROI** by optimizing the postal code areas
- ✓ New postal code areas have created **+500k€ annual run-rate sales increase**



CLIENT CONTEXT

Musti Group is the leading pet supply chain in the Nordic countries

- The combined sales of Musti Group is more than EUR 200 million, including retail outlets and web shops in Finland, Sweden and Norway.
- There are about 260 stores overall.
- Musti makes the lives of pets and their owners easier, safer and more fun.

Musti Group sends a direct mail leaflet for monthly campaigns

- 16-page leaflet was sent monthly, excluding summer months.
- Leaflet was usually sent to city centers and densely populated areas close to where the stores are located.
- The amount of leaflets sent was close to 1 million monthly.
- The same postal codes were repeated with little time to varyate and test new areas.



CLIENT OBJECTIVES

Musti Group wanted to maximize their leaflet ROI within their current budget to better reach their current and new customers

- Musti wanted to understand **how their leaflet is currently performing**, i.e., how much sales and margin it is driving compared to the investment.
- Musti wanted to understand what **leading indicators drive the leaflet marketing return on investment (ROMI)**, e.g., proximity to nearest store, city vs. countryside, household income, share of postal code bans, etc.
- Musti wanted not only to optimize the current leaflet postal codes, but to actually grow by **finding new high-potential postal codes where the leaflet had been never done before**.
- The goal was to drive sales, but also to **steer the marketing investment toward new non-member customers** that weren't yet in their loyalty program.

SOLUTION OUTPUTS

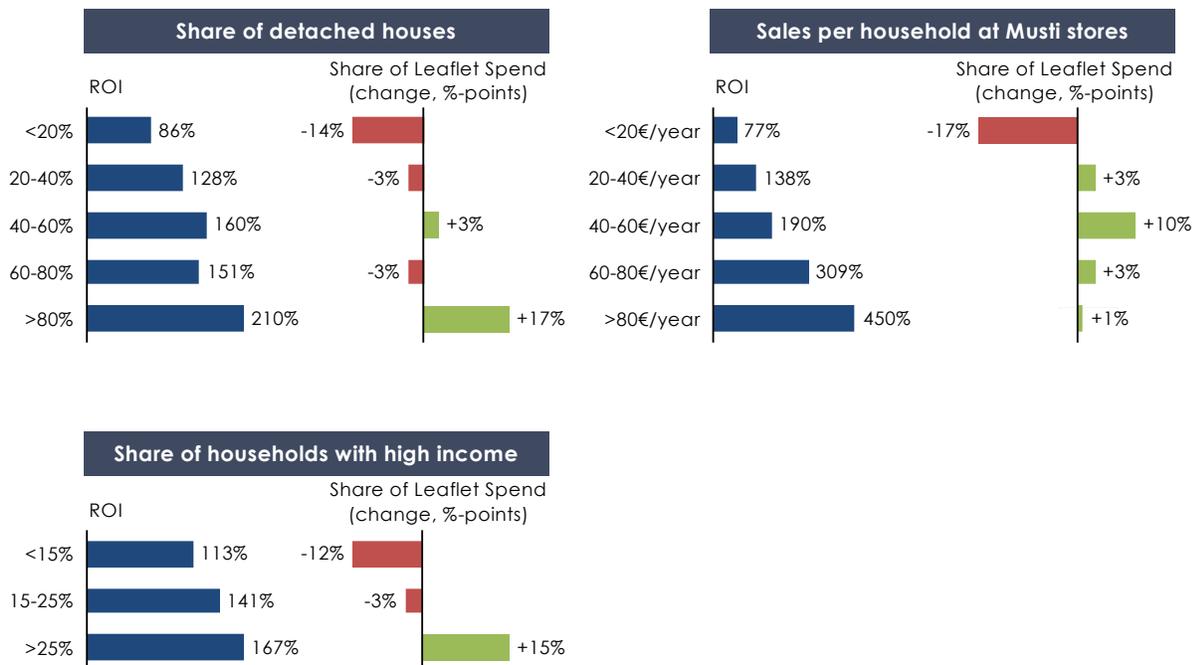
Sellforte developed a comprehensive view on what geographical areas work most effectively by visualizing store locations and ROIs on a heat map



- ✓ **Interactive heat map** allows drilling into desired areas and evaluating them visually in regard to store location and realized ROI.
- ✓ **Visualization of critical KPIs** (e.g. share of houses, median household income, number of households) eases strategic planning of future leaflet distribution.

SOLUTION OUTPUTS

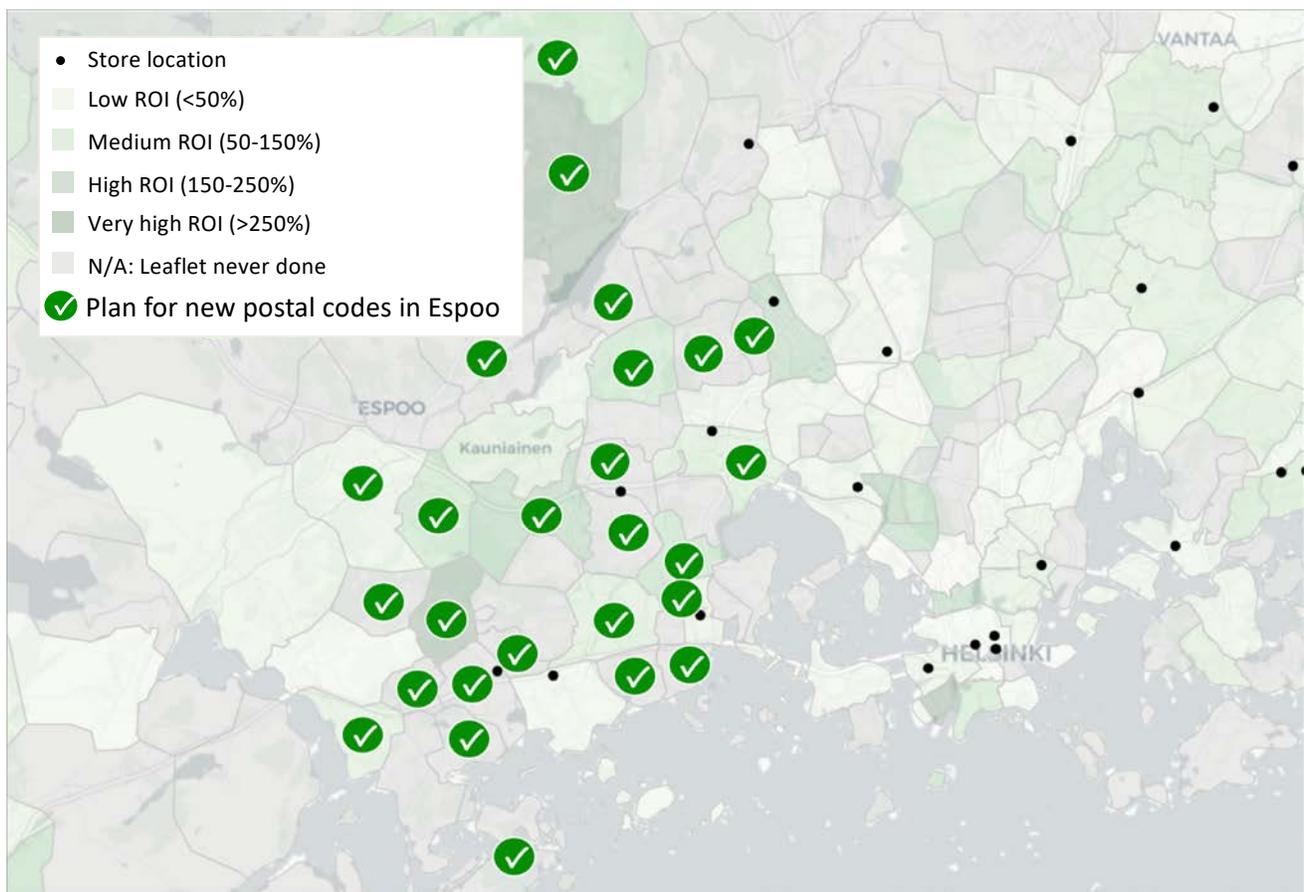
Sellforte forecasted the leaflet ROI for each postal code area based on three independent criteria and presented a recommendation on new leaflet areas.



- ✓ Sellforte analyzed the **historical leaflet performance** of postal code areas.
- ✓ Further independent **external criteria were recognized** which had a strong dependency on ROI performance.
- ✓ By using multiple criteria, we estimated the total **forecasted potential ROI for each postal code**, even the ones where leaflet was never done before.
- ✓ **Increasing leaflet distribution in high ROI areas** and reducing it in low ROI areas allowed +50% increase in leaflet ROI.

SOLUTION OUTPUTS

Recommendations for new postal code areas for each municipality



- ✓ **Postal-code level recommendations** for the new unaddressed leaflet distribution areas
- ✓ **Gathering of feedback from the sales team and store managers** to take into account local knowledge of new pet-friendly areas and competitive situation

RESULTS

- ✓ The month the new postal codes were implemented was **the best month ever** in terms of sales and margin
- ✓ Musti Group achieved **+50% improvement in leaflet marketing ROI** by optimizing the postal code areas
- ✓ New postal code areas have created **+500k€ annual run-rate sales increase**





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