

Adrich helps pet-food retailer gain a competitive advantage by providing a more personalized after-sales customer experience through connected e-commerce and smart-replenishment program

REPLENISHMENT CASE STUDY

PROBLEM

As an independent retailer, Petagogy was faced with competition from both “big box” retailers and online retailers. They were looking for ways to drive consumer retention and increase shopper loyalty. In short, they wanted to keep their customers happy and coming back for more.

For today's consumers, convenience matters as much, if not more, than ever before. But like so much in the digital era, the meaning of convenience is changing significantly. Gone are the days when convenience simply meant “fast and easy.” It's become far more multifaceted and context dependent, and brands need to understand the nuanced trade-offs that consumers are willing to make to get the kind of convenience they're looking for. It may often about speed and simplicity: “Don't make me think.” Of increasing importance, however, will be precision and relevance in the moment: “Give me exactly what I need.”



SOLUTION

This is where Adrich comes in and provides contextual information to retailers and brands, helping them stay relevant to their consumers by engaging them at the exact time of need. Adrich has developed the next-generation connected e-commerce platform, where a smart label (affixed outside any product) tracks usage. This platform also detects when consumers run out and can auto reorder for them. The data is collect autonomously and logged into the Adrich dashboard, through which communication with consumers is also enabled. Real-time product life cycle understanding, along with personalized promotions through the communication platform, make never-before-seen, need-based replenishment a reality.

Petagogy partnered with Adrich to offer a smart-replenishment program to consumers as a value-added service and new loyalty program. Consumers who signed up were provided with pet food bins enabled with an Adrich smart label and asked to download Petagogy's app (with Adrich algorithm integrated). Customers were sent bags of pet food and used Adrich smart-labeled bin for pour out daily use. Adrich smart tracking technology monitored consumption and bin fill-level in real-time. Through the Adrich system, an automatic notification was sent to Petagogy when each container showed 20% remaining level of pet food. Petagogy proactively delivered the next bag of pet food, providing the convenience of just-in-time delivery and improving customer experience. Petagogy was also able to maintain digital connection with consumers, allowing them to educate on new products and provide tips for maintenance.

RESULTS

- Retailer saw 33% increase life-time value (LTV) of smart replenishment consumers through improved retention.
- Logistic optimization through real-time product status monitoring reduces Supply Chain costs. reduce inventory carry cost by 15% for tagged products
- Consumers continued to subscribe to smart replenishment program, loving the convenience of zero-touch shopping and auto-reorder.
- Retailer was eventually able to charge a convenience fee to the consumers.
- Superior customer service that increased store loyalty



FEEDBACK FROM CONSUMERS WHO PARTICIPATED IN THE PILOT

“It was so convenient, very user friendly (great customer service all around)”

“It was one less trip/errand that I had to run... didn't have to bother with parking or carry dog food around!”

“I'd like another one for cat food. Maybe a treat component that you could have delivered with the bag of food?”



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