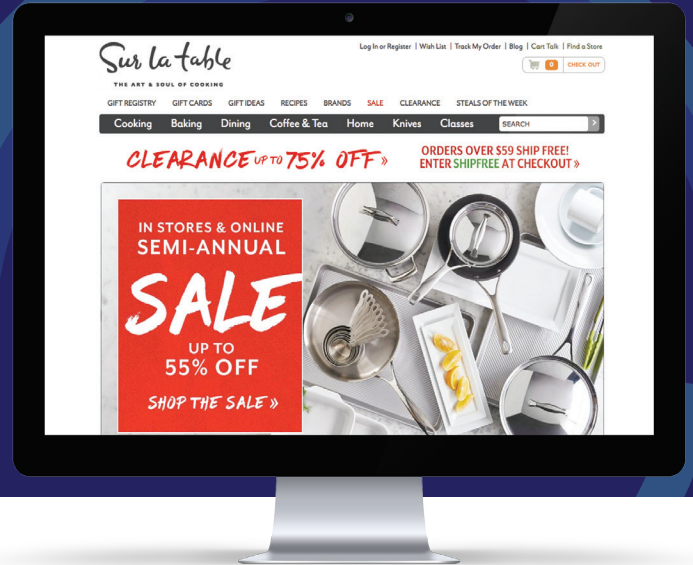




CASE STUDY

A Free Shipping Promotion that Delivers Results



The background

Few promotions get shoppers' attention like free shipping offers. But all free shipping offers are not equal. To make sure it improved response without sacrificing profit, premium kitchenware retailer Sur La Table knew it had to balance conversion and cost to find the winning combination for its customers.

"Looking at the marketplace, there were a lot of competitors that were running different free shipping offers, mostly with thresholds. And although Sur La Table had occasionally run some free shipping offers across the board or for specific items, we wanted to get an idea of how different thresholds might work for us," says Kevin Ertell, Vice President, E-commerce at Sur La Table.

To try out different merchandise order thresholds, find the appropriate level, and then determine the best way to message this offer to customers, Sur La Table used Monetate's powerful A/B/n testing capabilities to get quick and reliable answers.



“My favorite part of this campaign was that we were able to do it quickly without having to involve all of our IT resources.”

—Kevin Ertell

Kevin Ertell, Vice President, Ecommerce, Sur La Table

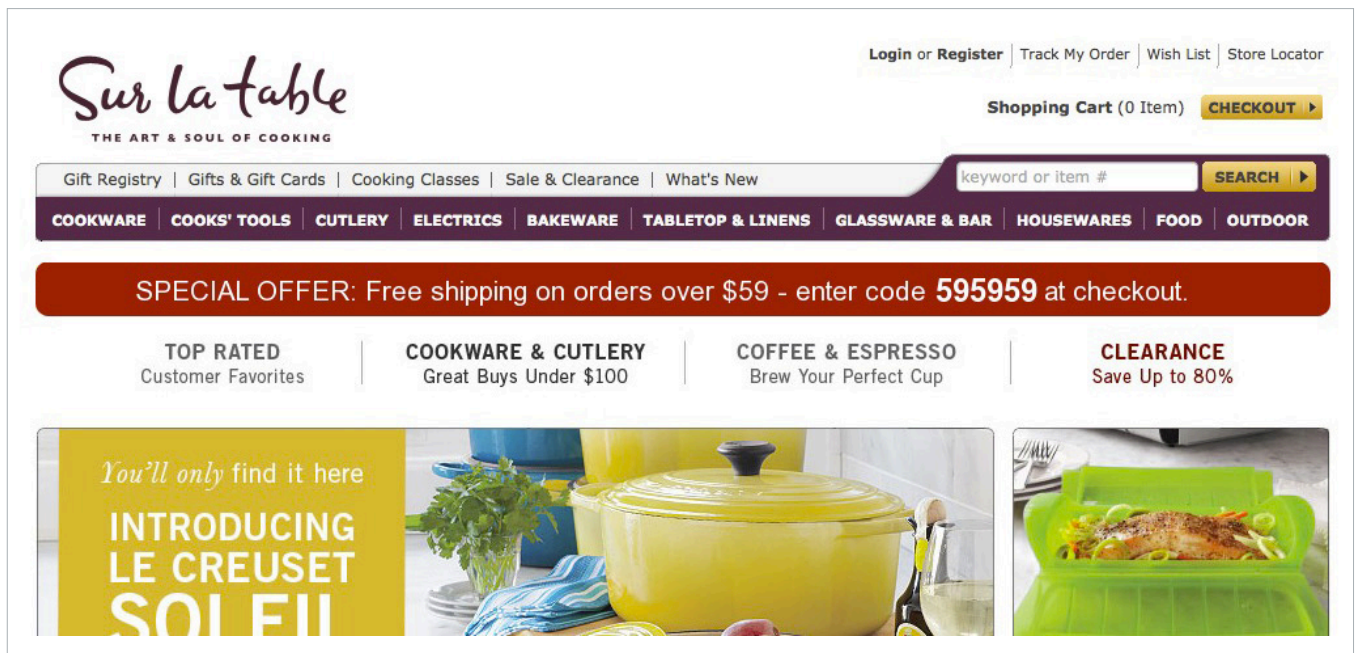
Testing into the right offer

Based on online sales data, Sur La Table decided to launch an A/B/n test with four different free shipping thresholds. The retailer chose to present the offers in a site-wide banner to a percentage of overall traffic, and kept the creative the same across all test panels in order to isolate results on the threshold variable only.

About a week into the campaign, says Ertell, Sur La Table reviewed test data, and saw that two of the free shipping thresholds were outperforming the other two test panels.

To capitalize on this insight, the retailer refined the test to pit the two top-performing thresholds against each other, and each of these offers against a control group that received no offer. Again, Sur La Table was able to look at results across various key performance indicators for each test panel, determine the impact, and use this information to further improve its efforts.

Next, Sur La Table narrowed its free shipping campaign to the winning offer—a \$59 threshold—against the no-offer control group, trying different creative approaches to see what would best connect with visitors.



Through the [testing data], the ecommerce team was able to build a solid financial case that we used to present the idea not just internally to the rest of our executive team, but to the board as well. ”

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At this point in the campaign, the holiday shopping season was in full swing, and that presented Sur La Table with an opportunity. “For most retailers,” says Ertell, “the holidays drive such a massive amount of sales and traffic. Trying to optimize that traffic is huge, because little changes can have a significant impact on the overall financials of the company for the year.”

The retailer decided to push its free shipping threshold effort to 90% of website traffic, taking advantage of the holiday rush to drive revenue and customer acquisition, while still gathering constructive insight about the campaign's value to the business.

It proved to be a good call. In addition to a double-digit lift in conversion and new customer acquisition, Sur La Table saw significant improvements in average order size and median order size.

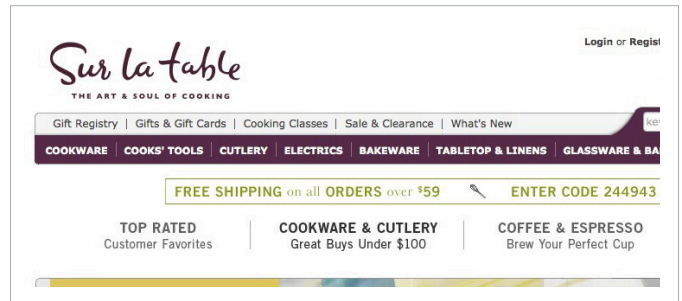
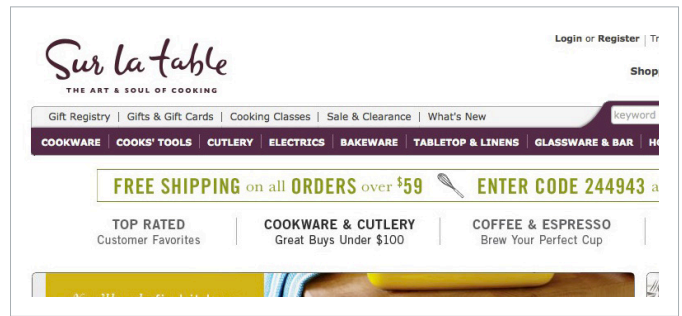
Using data to crown a champion

With a few months of performance data leading up to and including the holidays, Ertell started to match the test results with Sur La Table's other financial metrics to develop a full analysis of the free shipping threshold campaign results. Armed with these numbers, Ertell was able to show Sur La Table's leadership that the offer was generating great results.

"Through the data we got from our thorough testing" says Ertell, "the ecommerce team was able to build a solid financial case that we used to present the idea not just internally to the rest of our executive team, but to the board as well."

In response to the successful campaign, Sur La Table has made the \$59 threshold for free shipping a site-wide promotion for all customers.

Without Monetate, Ertell says, this campaign would never have been possible. "My favorite part of this campaign was that we were able to do it quickly without having to involve all of



After proving the \$59 threshold performed best, Sur La Table's next step was to optimize the presentation by trying out different banner creative.

our IT resources. We were able to make in response to each new piece of insight we learned throughout the process. We could just go into the Monetate tool and make things happen—that's fantastic."

And, he adds, it was really helpful to have the expertise of the Monetate Client Success team there for support, making sure each successive wave of tests was executed properly.

Sur La Table is French for "on the table." Judging by this website optimization campaign, the retailer intends to leverage Monetate to leave no revenue sur la table!



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