

Adobe solution boosts Fnac's marketing operations

Since 2004, Fnac, the leading French retailer in cultural and high-tech goods, has been using the Adobe platform for managing, optimizing, and analyzing its online and offline cross-channel marketing campaigns



Industry

Retail

Business need

Segment, personalize, and automate one-to-one communication campaigns on national and local levels.

Objectives

- Automate marketing processes
- Coordinate online and offline marketing
- Orchestrate national and local actions
- Increase revenue by using relevant communications and sending personal messages proposing customer-specific offers

Results

- 200% increase in ROI
- Between 2 and 5 times more revenue generated by one-to-one personalized email campaigns
- A significant increase in campaign productivity
- Campaign and marketing plan optimization across all communication channels

"Providing highly personalized communication has tripled our return on investment!"

Alexia Jubert, multichannel direct marketing manager, Fnac

A subsidiary of PPR Group, Fnac is the leading French retailer in cultural and leisure goods. It is the only company to offer an unequalled range of cultural and technology products under one roof: books, music, ticket distribution, video games, audio, video, computers, and cameras. Fnac has over 150 stores, including 85 in France and a significant online presence, www.fnac.com. In 2010, Fnac generated a revenue of 4,473 million Euros. The firm is one of the top 20 retail companies in France and one of the top 500 companies in Europe.

Challenge: A need to automate and personalize marketing campaigns

As is the case with many other retailers, the rise of e-commerce, as well as the changing distribution models for music and books, has had a dramatic impact on Fnac's business. The Fnac.com website has become an essential sales channel that cannot be separated from the traditional retail stores. For example, consumers are exposed to promotions and can compare product prices on the website before purchasing them in one of Fnac's stores. As a result, communication must be consistent on all the different channels, including store marketing activities that, controlled centrally, must be fully integrated into the global strategy. In this context, a cross-channel marketing strategy has become the cornerstone of the company's commercial activities.

Fnac quickly realized the importance of setting up a global marketing strategy, integrating both the online business and retail stores, to execute multi-touchpoint customer journeys. Moreover, to cope with the increasing volume of messages sent over the past few years, Fnac has had to automate its marketing processes such as registration, campaign execution, monitoring, and measuring.

"Direct marketing efficiency involves setting up personalized campaigns utilizing our in-depth knowledge of Fnac customers and members. Applying it on a large scale requires very considerable human and logistics resources. This is why retailers must acquire high-performance technologies that enable them to automate marketing campaigns that are increasingly segmented and personalized depending on customer profiles," explains Alexia Jubert, Fnac's multichannel direct marketing manager.

Solution: Customize campaigns, centrally manage cross-channel communications

To overcome the challenges of automating and personalizing campaigns, Fnac chose Adobe's conversational marketing platform as the base for its marketing operations. Fnac had big plans for using the solution. As well as automating the process of launching personalized campaigns, Fnac aimed at orchestrating national and local actions and coordinating messages efficiently on all available channels.

As early as 2004, Fnac chose the Adobe solution to manage all Fnac.com online marketing campaigns. In 2007, the system handling store marketing and loyalty program management came to the end of its working life. At that time, Fnac opted to manage all its online and offline marketing operations, as well as coordinate its customer loyalty program, with the Adobe solution. Message consistency among the different channels is a crucial element in Fnac's strategy: especially as the retailer sends out 11 million letters, 500 million emails, and 10 million SMS messages every year!

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By utilizing a single customer view based on a centralized data repository, the Adobe platform can manage all communication to customers, prospects, or members. Coupled with statistical algorithms, it sends out customized campaigns that correspond to individual customer preferences (books, music, and so on).

Using the Adobe platform, Fnac is able to set up innovative marketing programs, such as highly personalized one-to-one campaigns, as well as event-triggered communications for the three million members of its loyalty program. Events, such as birthdays, subscriptions, and inactivity, can be completely automated.

Results: Significant gains in productivity, sales, and the collaborative process

Fnac realized that personalized one-to-one emails and letters (such as invitations to a store for a specific event related to customer preferences) generate two to five times more revenue than other letters and emails. With Adobe’s unique technology capable of automating marketing campaign processes, Fnac has also been able to double the number of consistent campaigns on all the different channels and to generate considerable return on investment in this way.

“Thanks to Adobe, being able to handle very large volumes of campaigns has enabled us to triple our return on investment!” declares Jubert.

The elements related to marketing campaigns (specifications, targeting criteria, campaign contents, databases, campaign analysis, budget monitoring, and so on) are all centralized in a single tool accessible to the marketing team and the stores. The easy-to-use interface not only enables the team to work together efficiently, but also gives stores the possibility of creating their own campaigns, while requesting validation from central offices at the same time—all by means of an automated information flow. In this way, Fnac teams make significant gains in productivity thanks to having high-performance, collaborative processes available to them.

“Whenever we organize store events, such as book signings for example, we use Adobe for sending invitation letters and emails to literature fans or people who have purchased the author’s book. Besides sending invitations, we also use Adobe for measuring the impact of our actions, be it on sales of the dedicated novel, on the novel subsection, on the book section, or on the whole store”, explains Jubert. “In this way, the analysis teams no longer have to carry out all these analyses and both our marketing team and our stores are more independent, more reactive, and more efficient in managing their actions and the feedback that comes from them.”

Perspectives

Keeping to the cross-channel theme, Fnac is also thinking about using social networks by means of the Adobe Social Marketing application. Fnac’s objective would be to enable marketing managers to influence fans, qualify their profile, manage permission for communicating with them, and then begin one-to-one personalized dialogues—all consistently and in harmony with the campaigns carried out by Fnac on other channels.



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