

BRAND HOMEWARE

CASE STUDY

piglet
in bed

Epsilon®



**CRAFTING A REMARKABLE BRAND NARRATIVE:
HOW A CHALLENGER BRAND LEVERAGED DIRECT
MAIL FOR EXPLOSIVE GROWTH**



INTRODUCTION

Piglet in Bed, the renowned luxury brand offering exquisite Bedding, Sleepwear, and Homeware, had already harnessed the power of paid digital channels like paid search. However, at a pivotal stage of their high-growth journey, the realisation was crystal clear: to continue their upward trajectory, they needed to diversify their approach.

Their existing digital channels were powerful, but amidst the challenges posed by digital behemoths such as Meta and Google's 'walled gardens,' Piglet in Bed sought a channel capable of not only navigating these obstacles but also proactively seeding a pipeline for future demand. It was time to cast a wider net, one that could connect with a high-value and more diverse incremental customer base. That's where Epsilon stepped in.



STRATEGY

The idea was twofold: they aimed to use catalogues as a potent tool for both acquiring new customers and elevating revenue streams while deepening engagement with their existing customer base.

This bold step to explore the previously uncharted waters of direct mail, signified a commitment to the future of the brand and marked the beginning of a fascinating chapter in their brand evolutions





The journey began by tapping into the rich data of the Abacus Alliance, hosted by Epsilon, to drive new customer acquisition through lookalike modeling. The collaboration determined the right customer profiles, lookalike audience models, and optimal mailing times, starting outside of sale periods to test the channel's potential.

Armed with the ability to fine-tune their audience targeting efforts, along with the creation of a beautiful and cost-effective mailing piece, Piglet In Bed could make sure they reached out to the best possible prospects at the right time in order to maximise the conversion and average order value from their acquisition campaigns as well as the lifetime value of the new customers they recruited.



MEASURING DIRECT MAIL'S IMPACT

PROOF, NOT PROMISES

Piglet in Bed emphasised the importance of measuring direct mail's impact, especially when it comes to justifying the investment. While direct mail might be more expensive than some digital channels, Piglet in Bed looked at the long-term value (LTV) versus customer acquisition cost (CAC) ratio.

Through their data warehouse they had the ability to run real-time name and address level match backs to show an accurate read on performance which helped them make confident decisions on future campaigns.



EARLY RESULTS SHOWED A 25% HIGHER AVERAGE ORDER VALUE (AOV) AND A WHOPPING 35% HIGHER LIFETIME VALUE (LTV) COMPARED TO DIGITAL CHANNELS OVER THE FIRST SIX MONTHS.

This was attributed to the targeting of individuals based on their actual buying behaviours, the trust in the brand engendered by providing a tactile story-telling experience to people in their homes and the ability of the catalogue to showcase Piglet In Bed's full range, encouraging new customers to come back and buy for all the rooms in their home.

SCALING THE HEIGHTS

Epsilon's propensity modelling allowed Piglet In Bed to test for future growth. Less than a year after their first campaign, they were already testing for **ten times the volume** of their first campaign.

The scalability of direct mail marketing serves a pivotal factor in its effectiveness as a growth channel.



It's not merely about sending catalogues in abundance; it's about assessing incremental demand and achieving a nuanced understanding of your customers' behaviours and preferences. Our ultimate measure of success is not just increasing the volume of responses but also enhancing profitability. In the ever-evolving landscape of marketing, we're focused on persuading potential customers who may not have considered us previously, making it an artful endeavour. – **Jake Newbould, CMO, Piglet in Bed**

TEST & LEARN

Piglet In Bed embraced continuous testing and learning, conducting A/B testing across various areas in early campaigns. They tested different Epsilon propensity models and creative elements, identifying key improvements. Highlighting the 90-day free returns policy and showcasing the hero product, bed linen, proved crucial in attracting new customers. Balancing brand and performance marketing voices, they created content with a long-term impact while driving website traffic. Premium paper stock, validated through testing, enhanced the catalogue's appeal, proving that the extra cost was offset by improved performance.



THE VALUE OF THE CHANNEL

Firstly, the calibre of customers brought in through direct mail campaigns stands out. These customers exhibit a remarkable lifetime value (LTV). When we assess these customers on a cohort basis, we're positively bullish about their lifetime value in comparison to customers acquired through other channels. But here's where it gets even more exciting – the impact doesn't stop at direct mail itself. We've witnessed noticeable halo effects that ripple out to other channels. It's like a domino effect – one success fuels another – and aside from serving as a performance channel first and foremost, the impact of direct mail from a brand perspective means in practice it's also serving as a first step towards more above the line activity for us.”

Jake Newbould– CMO, Piglet in Bed

