



CASE STUDY



Placecast's collaboration with O2, the second-largest mobile operator in the United Kingdom, enables the mobile operator to attract premier brands that want to develop focused customer acquisition programs using location-based mobile marketing technology.

O² MORE PROGRAM

Telefonica O², one of the largest and most innovative operators in the UK, was an early adopter of location-based mobile marketing with Placecast. Leveraging its consumer media service called O² More in which customers opt in to receive relevant messages, O² licensed Placecast's ShopAlerts technology to create geofences and tie content to thousands of retail and event locations throughout the UK. The O² More program enables the mobile operator to attract premier brands that want to develop focused customer acquisition programs using location-based mobile marketing technology

PROGRAM

In October of 2010, O² began serving SMS and MMS messages from Starbucks and L'Oreal – the first of its network of brands to create location-based mobile offers – to more than one million customers who had opted in to receive messages. Placecast set up about 1,500 geofences across the UK for Starbucks and L'Oreal; the targeted locations extended beyond the immediate vicinity of stores to try and capture customers who were in the right mindset for purchases based on time of day, location, weather, and other contextual information.

Starbucks initially used the program to drive sales of its new Via instant coffee offering. To do this, O² and Placecast created geofences around both Starbucks stores as well as local grocery stores. When an opted in O² subscriber was found in a geofence, an SMS alert with a coupon for a discount on Via was delivered. L'Oreal used the program to promote sales of its Elvive brand hair products with geofences set up around Superdrug, one of the UK's leading health and beauty retailers.

RESULTS

O²'s program has been extremely successful in its first year, with a significant percentage of O²'s customer base opting into the program and illustrating strong receptiveness to this type of marketing. Research found that an astounding 93% of those in the program open their text messages within five minutes of receiving them. Both Starbucks and L'Oreal have continued to create and optimize new campaigns, having found the location-based mobile marketing efforts to be an extremely cost-effective way to develop customer relationships. Placecast now serves up millions of messages each week to O²'s opt-in customer base that grew to over 6 million users in just over a year as word of the value and relevance of mobile offers programs has spread. O² has since expanded the program into Ireland as well. More than 80 brands, agencies, and retailers have run mobile campaigns through the program – so there's something for everyone in the O² More program.

"The opportunity to deliver timely, relevant communications to L'Oréal Paris' various target audiences through the platform is very exciting for us and the learnings will be invaluable for our CRM initiatives going forward. In the future mobile will undoubtedly become one of, if not the key channel for developing consumer relationships..."

Hal Kimber,
Head of CRM for L'Oreal



STARBUCKS SINGLE CAMPAIGN RESULT

300,000

mobile coupons delivered

14%

redemption

93%

brand recall