

CASE STUDY SUBWAY'S CUTTING-EDGE MAILING PRODUCED TASTY RESULTS

BACKGROUND

Subway, which has the most locations of any fast-food chain on the planet, with more than 42,000 restaurants, wanted to encourage customers back into stores and to co-promote awareness of the SUBWAY™, Rewards App.

Previous campaigns – while successful - had used national door drops in a generic, approach. As each

store is a franchise, this approach didn't have the flexibility to promote the individual store or provide feedback at store level.

Subway set out to create a localised campaign that increased footfall, drove voucher redemptions, and rewarded app downloads.

SOLUTION

Subway's marketing agency Precision set about creating an innovative campaign that would make an instant impact for the franchise owners through a national direct mail campaign, centralised on a hyper-local delivery model. It was designed to support each franchise by targeting a typical Subway customer within a 10-minute walk-time of each store, while also localising the message and uniquely tailoring the price point for each outlet.

Precision took Subway's 'Little Book of Big Savings' (a physical voucher booklet, distributed by door drop), and set about improving its performance by updating its format to make it targeted, localised, interactive, trackable, dynamic, and tailored for all the individual franchisees.

With the use of Precision's household data and scientific approach to audience targeting, the agency could also ensure the mailing would reach the right people for the individual Subway franchises, rather than all the people. While cost-per-household might initially be higher than digital marketing, Precision knew they would save Subway money by ensuring a better ROI through the use of data and targeting.

The postal incentives by Royal Mail enabled Subway's 'Little Book of Big Savings' to switch from door to door to Partially Addressed mail. By doing so, Precision was able to include unique QR codes per address.

The mailing was sent to people who fitted a typical Subway customer profile and lived within 10-15 minutes walking distance of each store. It also included content tailored to the local franchisee-operated outlet. Multiple dynamic, personalised QR codes made the mailing digitally connected and 100% trackable.

Each booklet had six unique, data driven QR codes that included the household address, the local store details and the offer featured on the mail piece.

- Two QR codes linked the consumer to the Subway Rewards app to gain 250 free points
- Four QR codes (one per voucher) enabled Precision to track which households redeemed a particular voucher in a specific store and the date and time they did so

This game-changing mix of direct mail & digital - phygital - reignited the tactile with the digital, providing the customer with more choice and the client with a localised and highly relevant campaign. By introducing enhanced QR technology, Precision was able to deliver seamless offline to online journeys - and vice versa. The mailings drove people both to the app and into the stores - a truly connected and intelligent 360° consumer experience.

A challenge of this campaign is that it was crucial for each franchise owner to have the ability to customise their mailer, while still retaining brand consistency and the economy of scale. To solve this, Precision set about building a bespoke Subway version of their innovative Precision Connects™, platform, adapting Precision Connects™, to suit a nominations process over a self-serve, self-create solution to make interaction by the franchise owner as quick and painless as possible

Subway™, Connects was born!

SOLUTIONS CONTINUED

This user-friendly, forward-looking technology meant Precision could easily deal with the practical aspect of customising hundreds of artworks with localised store information including personal details and per store price points per meal deal.

As well as being a sophisticated web 2 mail solution, Precision Connects™ offers users access to 27 million, geo-demographically profiled household records. Using this data, Precision tagged each store with local walk time consumer data to create localised print files and enable all participating stores to make their selections for the mailing and audience.

RESULTS

The campaign was a huge success from the very beginning. Precision started with a trial of 198 stores and when Subway saw those initial results, they quickly expanded it into a nationwide campaign with 1,946 participating stores.

The results speak for themselves

- Voucher sales tripled.
- The average weekly UK sign-up to Subway's rewards app shot up by nearly 200% (compared with digital marketing alone).
- The mailing had a 5.4% in-store voucher redemption rate
- 36% of people who scanned a personalised, trackable QR code to receive a free side order, went on to sign up to the Subway Rewards App.

Since then, the campaign has proved so successful that Subway plans to repeat it twice a year, reaching 6.5 million letterboxes each time.

There are also plans to innovate and expand the campaign even further, to create a "menu mailer" from which customers can order their food directly in advance of collection.

Through this campaign and through the combination of data and technology, Precision have proven that mail - more importantly, connected mail - has a place alongside digital marketing and should be considered as an essential and cost-effective way to win new customers.

In total, 1,946 stores came on board and were able to create personalised-to-store and personalised-to-household, print-ready files, each with six personalised and connected QR codes - simply by answering a handful of questions taking no more than five minutes. In total Subway Connects generated 1,865,000 individual QR Codes on the fly!

The platform allowed Subway to seamlessly introduce mail into their marketing efforts, whilst also providing enhanced targeting, segmentation, and speed to market for franchise owners.

This cutting edge QR mailing is a powerful example of how to make phygital work to deliver truly exceptional results. By marrying mail's superpower, with the dopamine hit that an online reward gives you, Precision and Subway created an intelligent, omnichannel brand experience for customers that also delivered invaluable customer data and insights for the company.

"We are an organisation made up of local franchise owners and we wanted to enable each [of them] to be able to customise the mailer for their store. We also liked the idea of converting mailers into menus that, in time, and once our mobile platform is ready, will enable consumers to order a meal directly from the mailer and collect from their local store within minutes."

Calum Johns, Subway's Digital and Loyalty marketing manager, UK & Ireland.

