



CASE STUDY:

# Helping Peak Performance realize their potential

**Founded in 1986, Peak Performance is Scandinavia's biggest sportswear clothing label with stores in fourteen countries across Europe and the Middle East. With a focus on a love of sports and nature, Peak Performance produces clothing for skiing, golf, running and outdoor activities as well as a casual wear collection.**

## Overview

Following years of investment in traditional and in-store marketing to build a loyal customer base, Peak Performance was ready to implement a digital customer marketing strategy. To complement this new digital marketing strategy and its highly successful chain of high street stores, Peak Performance also decided to build an ecommerce website, which would allow them to recommend products to customers online to boost sales and increase revenue.

Although Peak Performance had a large loyal customer database, they faced an additional challenge. All of their customer data was stored on spreadsheets. As a result all interactions with the customer data relied on very manual processes. This unwieldy approach was beginning to hinder their ability to effectively communicate with their customers and share the latest products and offers.

Working with SmartFocus, Peak Performance launched a powerful email marketing program, built an easy to use customer database and implemented a sophisticated recommendation engine on their website. From these initiatives the company immediately saw an increase in the value of transactions from customers who were exposed to and influenced by email offers and website product recommendations.

## The Challenge

Peak Performance needed a digital marketing solution that would enable them to continually engage with their loyal customer base. The sportswear company, very popular among skiing and outdoor enthusiasts, needed an effective way to reach these customers that would result in both increased transactions and revenue.

Historically Peak Performance relied on word of mouth and traditional marketing methods. Now the company was ready to engage with customers, via email and social media marketing to increase brand loyalty and prevent competitors' offers enticing customers away from the Peak Performance brand. Other outdoor clothing companies were starting to reap the rewards of a sophisticated digital communication strategy and Peak

Performance wanted to stay ahead of that curve. Communicating targeted messages to customers via digital marketing channels on a regular basis, to ensure those customers weren't enticed by competitive offers, became a top marketing priority.

While bringing their marketing up to speed for a digitally savvy audience, Peak Performance also wanted to give their customers a way to purchase their products online. In an effort to boost overall sales and revenue and cater to an audience already comfortable with buying outdoor clothing online, the company decided to upgrade its web presence from a simple informational website to a transactional ecommerce site to sell and recommend products online.

Once their customers had the ability to purchase their favorite products online, the next step for Peak Performance was to launch a program of highly targeted email communication that would include powerful calls to action that would direct customers to the new website. Goals included an increase in online sales, and an increase in average order value. The overall revenue increase would demonstrate the return on investment derived from their new digital marketing strategy.

However, the manual collection of customer records and data had become a barrier to success. As customer online interactions grew, multiple records for single customers started to appear in the plethora of spreadsheets that acted as a customer database. As a result, customers started to receive multiple identical marketing messages. This was slowly eroding Peak Performance's strong relationship with its loyal customer base.

### Smart Email – customizing and personalizing email

**Peak Performance's emails saw a 33% increase in click-through rate and a 7% decrease in website bounce rate**



## The Solution

**Working with SmartFocus to implement an email marketing solution and a website recommendation engine, Peak Performance was one step closer to ensuring their customers received regular, engaging messages in an effective and proactive manner.**

SmartFocus worked with Peak Performance to ensure they had a solution that met both their marketing needs and the needs of their customers.

1. The first step was the creation of one central customer database. Together SmartFocus and Peak Performance collated all of the disparate data sets on different spreadsheets into one online solution. This collected all of Peak Performance's customer data into one repository that is both easy to access and easy to update.
2. SmartFocus implemented a complete email marketing programme using Smart Email. This allowed Peak Performance to start engaging with their customers via a flexible and easy to use email platform, with phenomenal inbox delivery rates. Peak Performance marketers could now share new products, offers and news with their customer base. Using the simple yet powerful campaign builder in Smart Email, Peak Performance is now able to customize emails to include strong call to actions, that along with recommendations have resulted in a 50% increase in average order value per customer on their website, with a 33% increase in click-through rate and a 7% decrease in website bounce rate.
3. Finally, SmartFocus helped Peak Performance implement Smart Personalization Web, a web recommendation engine which gives customers who visit the Peak Performance online store a selection of recommended products. Peak Performance was able to use the flexibility of Smart Personalization Web to create a dynamic set of rules to offer recommendations. The rules set in this instance were recommending unique products to customers that had not been suggested in the last 180 days. This included products that were more expensive than those shown previously, in the same category, as the products being viewed by customers of the same gender.



### Recommendation engine:

If a female customer was browsing for ski jackets, the website would recommend a pair of women's ski trousers that are more expensive than the last viewed

**“We always seek to get to know our customers and their needs even better. Together with SmartFocus we explore the best path for us as a company to move within this fast growing market. We keep adapting and improving our recommendations and are witnessing very positive results that come from working with the market-leading products and services offered by SmartFocus.”**

**Anna Abrahamsson,**  
CRM Manager, Peak Performance

## The results:

- After implementing recommendations on their website, Peak Performance immediately noticed an increase in the amount that customers were spending after seeing and being influenced by the offers driven by Smart Personalization Web
- 7% of all sales in 2014 were generated by recommendations. This is a very encouraging number. This will continue to increase as more recommendations are served to customers and the recommendations engine offers more targeted products to more customers
- As engagement with recommendations increased, clicks increased while site bounce rate decreased – in the last 3 months of 2014, clicks on the website increased by 33% while the website bounce rate reduced by 7%
- Average Order Value (AOV) dramatically changed when Smart Personalization Web was introduced to the website. AOV from sales of products looked at and bought in different browsing sessions resulted in a 37% increase after the recommendations engine was implemented

### Sales:

**7% of all sales in 2014 per month were generated by recommendations, with a high of over 9% in November and over 8% in May**



### 50% AOV increase

**AOV from sales looked at and bought in the same browsing session resulted in a 50% increase from all visitors after the recommendations engine**



## Looking forward

After the very impressive results achieved, from implementing personalized product recommendations on their website using Smart Personalization Web, Peak Performance are now planning to extend personalized recommendations directly into the emails they send to customers.

This technology is the next step in email marketing. It will ensure that Peak Performance is able to continue to recommend products and personalize its marketing to its customers, and in the process increase overall revenue and brand engagement.

The company is also planning to segment and personalize their email marketing to provide customers with a contextualized and highly targeted experience. Personalizing content to individual customers will also be extended to the website and other digital marketing channels in the near future.

## About SmartFocus

SmartFocus is an innovator in messaging and communications. The Message Cloud solution enables our customers to better understand and connect more closely with today's connected consumers. To find out how SmartFocus can contextualize your digital marketing, get in touch at [smartfocus.com/more/contact](http://smartfocus.com/more/contact)