CASE STUDY – CLIENT QUESTIONNAIRE

<u>Background</u>
Campaign or Strategy Title: Fratelli Rossetti's innovative online-to-offline Facebook local ads strategy
Campaign Dates: 11 - 24 December 2015 (The ads were live for 2 weeks, after which they were paused to monitor the performance and results for another 2 weeks).
Targeting of campaign: People living within 3 km around the store and in the municipalities nearby, male & female, age 35-50. Interests: High Fashion, Fratelli Rossetti, Luxury Goods, Shoes and Boutiques

FB Products used: Desktop Newsfeed, Local awareness, API, website conversions

Case Study Video: https://wegotu.wistia.com/medias/htmgk98s0z

<u>Creative</u>

<u>Goals</u>: **Increase in-store sales, Raise brand awareness**

1. **What were the business challenges the company was trying to address? How was Facebook uniquely suited to help tackle these challenges?**
   a. Fratelli Rossetti needed to increase store visits and sales in its store in Milan. They had tried Facebook advertising before, but only online-to-online with the scope of brand

awareness, social media engagement and ecommerce sales. Now, with a specific offline conversion goal in mind, Facebook's local awareness product seemed to be the perfect solution for the online-to-offline challenge. They wanted their advertising message to reach people near their store, at the right amount of frequency in order to drive action and bring people to the store. The campaign overall goal was to boost offline sales before Christmas. No other digital media could have tackled the problem so efficiently.

2. **What were the main goals and objectives of the campaign?**
   a. Increase store visits and sales in the store. We agreed on a fixed reach & frequency objective (40.000 users, 50% male and 50% female, with frequency 7). With GotU's optimisation technology and rich history of local knowledge, Fratelli Rossetti managed to obtain an extremely high online reach & frequency in a short period of time - just enough to drive significant in-store walk-ins and sales.

Approach
3. **Please provide a brief overview of the campaign/strategy?:**
   a. **What were your first steps?** The first steps were to define the key messages for the ads and to define the audience segment and location radius for hyperlocal targeting. Fratelli Rossetti has a well established target audience, so it was fairly simple to define the correct audience to target.

   b. **What were your targeting tactics?** The main strategy was to bid towards reach and frequency using only cpc and cpm bids. The campaign was split into several adsets, by gender, age, interests and distance in order to maximize the impact of the message & creative, and to observe and optimize the performance. The location around the store was defined at 3km to maximize the potential of the target audience to actually come into the store and to see real-life results. The age & interests were chosen to match the brand's target audience. The objective was reach and frequency, hence usual metrics of CTR, CR or CPA were irrelevant. We had to tweak the campaign intensively with our optimisation tool in order to obtain the required reach and frequency in the short campaign period.

   c. **Why did you choose the products and approach you used?** The combination of local awareness, post engagement & GotU's own reach & frequency technology were used to reach the right target audience, the exact right number of times within the defined timeframe, to maximize the impact of the ads for them to be effective enough to motivate real action and actual in-store visits and sales. GotU's technology took care of the optimization of the campaign.

   d. **Tell us more about the creative – what was the thought process behind it?** The creativity and ad copy used highlighted and focused on 2 main elements: 1)The precise address of the store, in order to increase the ad relevance on users living or working nearby, and to make it easier for them to locate it. 2) Reference to Christmas,

in order to leverage on the strong pull of seasonality.

e. **Had you run a campaign like this before?** Yes, GotU is helping other retail companies and food chains around the world to drive real results with Facebook advertising with its reach & frequency optimization.

4. **Did insights from previous campaigns inform the campaign strategy?**
Yes, we had ran similar campaigns for other brands before, and were confident that this strategy would bring great results for Fratelli Rossetti.

5. **How did Facebook marketing tools and technology play into or amplify any other media and platforms (such as TV, print, events, in-store, etc) that you were also using?** This was an independent Facebook campaign that managed to provide great results without any additional support from other communication channels.

6. **Did you work with any creative agencies or development partners to bring the campaign to life? Please elaborate on any aspects (e.g. the creative concept or development tools) that was key to the success of the campaign.** NA - the managed service was carried out entirely inhouse with the brand and their agency 77agency.

Results
7. **What results did the brand see from Facebook?**
   a. **How did this effort drive business results for the brand?**
      i. Considering that an average sale is at € 200, the Hypertargeting campaign generated direct revenues for € 12.000, with a total investment of 1.900€.

   b. **How did the campaign perform in terms of marketing effectiveness?**
      i. Direct return on Ad Spent equal to 632%

   c. **What were the measurement results from this campaign if applicable?**
      i. **N/A**

   d. **What do you think made this campaign in particular a success?** The successful location & audience targeting and prioritising reach & frequency as goal (instead of online engagement), was the key to seeing real-life customers in the store. On top of that, the relevant timing and messages that leveraged on the right aspects contributed to the success of the campaign.

Looking Ahead
How might Facebook play a role in future plans for your brand? Fratelli Rossetti will use the same strategy for its future campaigns and is looking to see more online-to-offline results in its stores. Better insights - such as Physical Store visits being tracked and access to Local Insights API.

Client Quote & Testimonial

What were you and/or your agency most excited about regarding this campaign effort and its impact on the business? Please mention any Facebook tools used that were uniquely suited to achieve your goals (focus on specific tools, objectives).

"We believe that the fashion industry needs innovation to capture new trends and new digital opportunities. We've already done some digital marketing in the past, mainly campaigns to increase brand awareness or website traffic. The online-to-online connection between the campaigns and the results is an obvious strategy. With GotU we found a more innovative online-to-offline solution. We used hypertargeting on Facebook to reach clients nearby our store. And the results were real. In two weeks we reached a total of 25,000 women and 33,000 men, and our in-store sales increased."

Luca Rossetti, CEO of Fratelli Rossetti

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How well does your technology or service drive real results for clients?
GotU's reach & frequency optimization technology is built to drive real results for retails stores and SMB's. By assigning an effective reach and frequency goal per location, together with specific location & interest/behaviour targeting, we maximise the possibility of driving offline action among the target audience (store visits, phone calls etc.). The end client is also able to see the real results for themselves.

How easy is your technology or service to use?
GotU's Managed service is extremely user-friendly and easy to use. We work closely with our clients with all technical integrations.

How well does it solve a business challenge?
90% of global sales still takes place offline and GotU taps into that challenge of many businesses - getting real, offline results from their digital investment. Instead of focusing on clicks and impressions, we optimise campaigns for targeted reach and frequency - with the right creative message - aimed at getting offline conversions.

How unique is your technology or service versus what's in the marketplace?
GotU's technology and offer are unique and no other service provider to our knowledge is offering the same service offering facebook campaigns aimed solely at offline conversions at locations.

When compared to similar company's solutions, how differentiated is your technology or service?
N.A

Does your technology or service target a large opportunity or is it niche in scope?
GotU targets a large offline opportunity. Retail stores and SMBs still rely heavily on flyers, local print ads and local radio ads to get real store visitors, while their digital campaigns often focus on driving online engagement and website visitors. Retail stores are looking for new ways to advertise locally, and ways to get real results from digital investments.

GotU's technology is working with large retail enterprises and brands with stores worldwide because the local campaigns are centrally controlled and yet easily duplicable to different stores of the same chain, and can easily be localized to match each store's requirements.

Does your technology or service have a clear target audience?
Yes. Large retail enterprises and business directories helping SMB's grow.

Does your technology or service reach other countries? How so?
GotU is currently present in 6 countries around the world, and is about to launch in many others. The digital solution can easily be implemented globally.

Are regional nuances taken into consideration?
All regional and local nuances, including language, cultural aspects, and legislation have been taken into consideration. We have a large multicultural team consisting of more than 18 different native speakers across our offices in London, Milan and Riga.