



## Case Study: Applying MatchPoint™ Analytics to Rustic Sports Bar & Grill's Promotional Campaign

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**Company: Rustic sports bar & grill**

### Overview

Sports bar & grill applied MatchPoint™ analytics to their annual direct mail campaign. The result: a **234%** improvement in response rate, **\$12,266.79** savings in mailer preparation and postage costs, and a **39%** increase in the number of paying guests, and higher revenues.

### Background

The regionally-famous sports bar & grill has conducted an annual direct mail campaign for several years. The direct mail pieces feature the same promotion each year: a complimentary food item with the purchase of another entrée of equal or greater value.

In past years, the bar & grill's marketing team has selected campaign recipient households by leveraging standard demographic indicators such as age and household income. However, recently they wanted to take a different approach in order to boost the campaign's response rate and reduce campaign costs – all while bringing in more guests than in previous years. In order to do so, they enlisted the assistance of MindEcology, specialists in leveraging data mining and hyper-targeting techniques to help businesses locate and reach their best customers.

### Tactics

MindEcology recommended applying their flagship product, MatchPoint™. This is MindEcology's hyper-targeting solution which leverages advanced database analytics and targeting techniques in order to help companies to achieve a higher return on their marketing and advertising investment.

MindEcology started the process by building a profile of the bar & grill's historically-best customers. The profile leveraged the unique MatchPoint™ methodology, which combines decades of market segmentation research with cutting-edge analytical techniques. The result was a research report that included a direct mail strategy featuring step-by-step instructions and tactics. The report specifically pointed out where and how the establishment could reach their best prospective household most likely to respond to their promotion, while skipping over those households less likely to respond.

### Key Point

The MatchPoint™-powered mailer featured the same creative execution and promotional offer as did the prior year's mailer. The only salient difference in the recent campaign versus that of the prior year was the process used to select the direct mail recipient households.



## Results

### Mailer Redemption Rate

Prior year: 1.96%

Recent campaign, with MindEcology analytics: **6.54%**

***234% improvement in redemption rate***

### Guests per Redeemed Mailer

Prior year: 2.35

Recent campaign, with MindEcology analytics: **2.47**

***5% improvement in number of guests per redeemed mailer***

### Reduction in Mailer & Postage Costs

Due to the advanced expectation of a markedly-improved response rate, the establishment prepared and mailed **60%** fewer mailers (**28,845** mailers sent) for the recent campaign than they did in the prior year (**72,684** mailers sent). The ability to prepare and send out far fewer mailers resulted in a direct savings of **\$12,266.79** in mailer creation and postage costs.

***\$12,266.79 savings in mailer creation and postage costs***

### More Paying Guests

Given the much-improved response rate due to the application of MatchPoint™ analytics, the campaign attracted **39%** more paying guests in the current year (**4,659** guests) than it did in the prior year (**3,350** guests). Key finding: despite having sent out far fewer mailers than in the prior year, the campaign earned significantly more revenue for the bar & grill.

***39% more paying guests***

### Return on Investment for MatchPoint™

Given the very strong results of the campaign over that of the prior year, the bar & grill concluded that their decision to invest in MatchPoint™ was economically-justified. Taking into account the direct cost savings due to preparing and sending out far fewer mailers than in the prior year, along with the much stronger response rates the campaign garnered, the return on investment (ROI) for the restaurant's investment in MatchPoint™ was **150%**. The long-term actual ROI for MatchPoint™ to be realized by the bar & grill will likely be much higher, given that results of the recent analysis can be applied to their future direct mail campaigns without requiring additional investment in further analytics work.