

Context

- They have a channel specific heritage and name yet want to migrate their business to the Internet
- They have a category specific heritage and name, but had acquired 3 new non-floral companies and organically expanded their product offering
- Their business was extremely seasonal
- Less than 30% of customers ever had a repeat purchase and the average annual frequency was 1.2
- Over 40% of all orders had some type of customer issue
- They have had 16MM customers in the last 5 years
- No channel integration; 120 retail outlets, catalogs, Web sites & call center

Activities

- Underwent massive operational overhaul
- Developed an umbrella brand and positioning strategy
- Conducted customer touch point audit
- Redesigned Web site; navigation, products, look & feel
- Integrated channels at a high level
- Constructed a comprehensive customer database including senders and recipients
- Trained top 150 employees in CRM principles and how they apply to their business and role within it

Impact

Customers

- Customer service issues were cut in half
- Internet and non-floral items now account for the majority of sales
- Active marketing to recipients resulted in significant customer acquisition
- Repeat rates are beginning to improve

Processes

- Integrated and rationalized product assortment
- Established merchandising criteria, processes and protocol

Technology

- Call center computers have Web access and are integrated with the customer database
- Customer datamart being actively used for modeling, forecasting and marketing
- Improved florist fulfillment system with real-time feedback loops