



CASE STUDY: **PIZZA HUT**[®]

Valpak[®] Delivers Results



MARKETING OBJECTIVE

- Drive customers to Pizza Hut[®] and assess redemption rates by offer, number of redemptions and weekly sales from a single Valpak mailing.

TEST STRATEGY

- A selection of offers was provided in flyer format for a single Valpak mailing, to test comparative redemption rates, overall lift in sales, and ROI.
- Pizza Hut[®] provided a summary of weekly redemption results by offer.



Valpak[®]

**Terry Hopkins, President
Emerald City Pizza, LLC
(Pizza Hut franchisee)**

"The Valpak test mailing went extremely well, producing results that were beyond our expectations.

The strong response from the Valpak audience met our

objective of driving

customers to Pizza Hut®

and provided us with

a relevant promotional

opportunity."



CAMPAIGN RESULTS

- The overall ROI was 61% when the cost of the mailing was taken into consideration.
- The Pizza Hut® coupons in Valpak generated \$34,265 in gross sales from the 2,659 known redemptions. (Note: redemptions may be understated as coupon collection was not obligatory at time of purchase, as is common in this industry.)
- The "One Large Pizza Any Way You Want It" offer generated the most redemptions (42.8%).
- Weekly sales as reported by Pizza Hut® were highest in Week 1 (35.0%) and Week 2 (34.5%).

CAMPAIGN ELEMENTS

- 560,000 flyers were distributed in the Seattle area inside the Valpak envelope.
- There were six customized Pizza Hut® offers on every flyer.
- Each offer carried a 35-day expiration date.

CONCLUSIONS

- Test results for the ad campaign were viewed as extremely positive by Pizza Hut®. Strong consumer spending proved that the targeted Valpak audience is responsive and motivated.
- Multiple offers is an effective marketing strategy in Valpak, with the top two offers producing more than 75% of total redemptions.
- Valpak coupons have a long shelf life, with consumers saving and using their coupons throughout the campaign period.
- The strong ROI resulting from the Pizza Hut® campaign is indicative of a well priced and cost effective marketing plan.

