

CASE STUDY: **WAL-MART**[®] VISION CENTER

Has an Eye-Opening Valpak[®] Experience

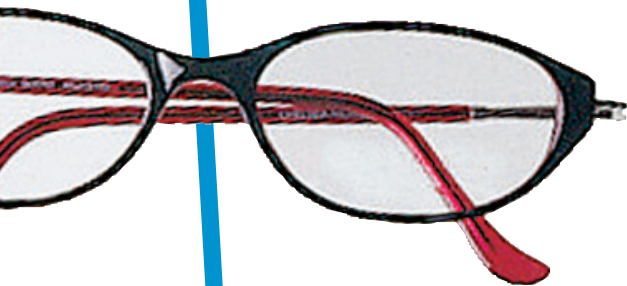


MARKETING OBJECTIVE

Test the effect of a series of Valpak mailings on the sales and total number of units sold for selected Wal-Mart[®] Vision Centers.

TEST STRATEGY

- A matched store panel test was created for select Wal-Mart[®] Vision Center locations in Orlando, FL and Seattle, WA.
- The test considered the sales and traffic of the control and test stores before and during the promotional period. Results were tracked for eight weeks following the first mailing.
- Using data supplied by Wal-Mart[®], the test and control store groups in each market were identified as having similar Wal-Mart[®] Vision Center sales dollars and units sold in 2004.
- The test and control stores in each market were geographically distant from one another.



Nancy Slate
Optical Marketing

"Wal-Mart® Optical centers ran a Valpak case study in two of our markets over a two month period and tracked sales lift. At the end of the test period we did see a nice lift in sales and traffic for the stores which featured our priced-pointed products versus the stores which did not mail in Valpak."



Conclusions

Even though no specific discount was offered, the test results showed that Valpak was instrumental in driving both increased sales and units sold for Wal-Mart® Vision Centers during the promotional period. The targeted Valpak audience was motivated to respond to the Wal-Mart® ad message, delivering an impressive ROI.

In addition, the second of the two mailings produced higher sales and number of units sold than the first mail drop, indicating that advertising frequency affected the overall campaign outcome.

CAMPAIGN ELEMENTS

- Homes mailed were within a 5-mile radius around the four test stores in Orlando and three test stores in Seattle.
- A total of 200,000 homes were mailed twice during the test period, for a total circulation of 400,000 households.
- Consumers received an everyday Wal-Mart® Vision Center low price point message with no expiration date.

TEST RESULTS

- On average, optical department sales increased 14.9% in the test stores versus the control stores during the eight-week promotional period.
- Number of units sold in the test stores increased an average of 16.2% compared to the control stores during the campaign.
- The average return on investment (ROI) using the matched store panel test was 288%.
- The Seattle program demonstrated exceptional results with the average Seattle test store showing a 24.5% increase in sales and a 25% increase in number of units sold.

