



Gymboree trusts eGain

Children's Apparel Giant Implements Aggressive Marketing Strategy with eGain Campaign

Key results

- ✓ Following the launch of its first Campaign (October 2000), Gymboree reported a 53% response rate from customers using the click-through HTML link. Overall response was measured at 27% of targeted customers.
- ✓ The day after using Campaign to distribute an announcement about Gymboree's new Spring line, customers visiting the company's Web site accounted for the highest one-day total ever recorded by Gymboree, more than double the average daily hit count.
- ✓ The most recent Gymboree Campaign, initiated for Valentine's Day 2001, returned a 22% overall response rate.
- ✓ In January 2001 Gymboree announced total fourth quarter 2000 net sales were \$153.4 million, up 47% from the previous year.

Company

Headquartered in Burlingame, CA, the Gymboree Corporation designs, manufactures and retails high-quality apparel and accessories for children.

Chances are, even if you don't have a child, you've heard of Gymboree. The Gymboree Corporation sells clothes and accessories for toddlers and young children throughout North America and Europe. Some 580 Gymboree retail locations carry a wide variety of colorful, fashionable apparel and accessories for kids up to seven years. In addition, Gymboree offers parent-child developmental play programs at more than 440 franchised and company-operated centers in the U.S. and 16 other countries.

In 2000, as part of the company's rapidly evolving eBusiness strategy, Gymboree debuted its new Web site, which was redesigned to capture new customers and enhance the overall online shopping experience. Meanwhile, company executives began searching for a technology partner who could deliver a product to handle another core component of the marketing plan, which involved reaching out to the Gymboree customer base through a series of creative, outbound email programs.

Challenge

In early 2000, Gymboree executives began searching for a technology partner who could provide a tool designed for planning, targeting and executing high-volume direct email marketing programs.

One of the critical requirements for the marketing product was the ability to integrate with Gymboree's existing database. In fact, according to Online Program Manager Amanda Zielinski, it was Gymboree's database supplier who initially recommended eGain as the best source for an email marketing solution. "We had just launched the latest version of our Web site in May [2000] and we needed to move quickly," she said. "As soon as we saw what Campaign could do for us, we made the decision to go forward."

In addition to product performance, Gymboree executives were impressed by eGain's reputation for delivering world-class service. "The customer service we received [from eGain] exceeded our expectations," Zielinski declared. "You responded when we needed help either by calling us back quickly or coming on-site when it was necessary. The level of service and amount of attention we've received has been really nice."

According to Zielinski, the company's proximity to eGain's North American operations center in Sunnyvale, California, was also deemed a plus. "That really served us well during the implementation and early learning process," she noted. "The training was great. The trainers spent a lot of time with us and saw exactly how we wanted to do things."

Solution

Gymboree implemented eGain Campaign to handle its online marketing programs. Taking advantage of Campaign's friendly user interface and feature-rich design, Gymboree

“We’ve definitely seen an increase in traffic and orders, and we’re learning more about our customers. Campaign is doing just what we expected.”

Kelly Helthall
Online Marketing Coordinator

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began executing one-to-one marketing programs aimed at specific customer groups, tied to seasonal events and associated with special retail sales.

Gymboree distributed its first Campaign program in October 2000, a few weeks before the Thanksgiving holidays. Online Marketing Coordinator Kelly Helthall described the process: “We gather the customer data, such as email addresses and customer profiles, from the database, then import that information into Campaign.” Helthall then designs the message, converts it into HTML format and stores it on the Gymboree Web server, where it can be retrieved when the Campaign is actually launched. “Overall, it’s very easy to use,” Helthall said, adding that she especially likes eGain Campaign’s preview feature, which allows the user to view the HTML file before sending the email message. Helthall also appreciates the testing feature within Campaign, which ensures that a transmitted message will appear in a customer’s mailbox just as it was designed. “That’s really important with our AOL customers,” she emphasized, “because some HTML tags work for them and some don’t. It requires some extra maintenance, but after doing a couple of them, it’s become a lot easier.”

Results

Gymboree measures the success of its eGain Campaign programs by counting the number of “unique click-throughs,” which represents customers who respond by clicking on the HTML link within the message, as well as the number of customers who respond using an Internet browser that does not support the link.

“The first Campaign was one of our most successful,” Helthall noted. “Maybe it was because none of our customers had ever received an email from us before or because it was the holiday season.” Whatever the reason, Gymboree recorded a remarkable 53 percent click-through responses and a 27 percent overall response from its customer base. “We thought those were great numbers,” she remarked.

A Campaign message dubbed “Spring Trans,” announcing a new spring line of children’s apparel for 2001, was delivered in

mid-December. “We wanted to freshen up the Web site and freshen up the stores with new product,” explained Helthall. Seven different Campaign messages were sent, each one containing three or four products that could be purchased separately or as a gift set. The messages were further separated into categories corresponding to age and gender groups.

The day after the “Spring Trans” launch, Gymboree recorded the highest number of Web site visits the company had seen in a single day, a total that was nearly double the average daily hit count. “We don’t know how much of that traffic is a direct result of using Campaign,” noted Helthall, “but I think you can correlate the two [events]. You can look at the daily numbers for the month and see a huge spike.”

Future

According to Helthall, Gymboree is still developing its Campaign marketing strategy, taking into account the number of messages to be sent, which holidays to highlight and other factors. “We don’t want to overwhelm our customers,” said Helthall. “We know everyone is bombarded with emails, so we’re going to be carefully analyzing the way we use the product.”

“We’re starting to analyze what makes people click through a message,” she continued. “So far, the simplest messages have gotten the best response, but we haven’t drawn any definite conclusions. We’re in the early stages of the learning process.”

Companies looking to capture more customers and increase the browse-to-buy ratio need look no further than Campaign, yet another market-leading solution from eGain. Just ask Kelly Helthall. “We’ve definitely seen an increase in traffic and orders,” she noted. “We’re learning more about our customers, how to reach them and how to keep them coming back. We’re excited about the positive impact Campaign has had on our online business and we’re looking forward to using it even more effectively in the future.”