

**COSTA USED MAIL
TO BRING
THE TASTE OF
THEIR NEW BLEND
TO THEIR MOST
LOYAL CUSTOMERS**

COSTA COFFEE



Royal Mail

MarketReach

BACKGROUND

Costa had been serving its famous Mocha Italia blend for 44 years. But the UK coffee market had become highly competitive, with customers' palates becoming more educated and competitors offering many different tastes and flavours.

To counter this, the brand used its expertise to create a new series of limited edition roasts. The new blend was named Old Paradise Street (after its roastery in Lambeth) to create a point of distinction and highlight that something new was happening.

Costa's next step was to get people talking about and trying the new blend.



SOLUTION

Costa took the bold decision to eschew all broadcast media and harness the power of their loyal customer base, members of their Costa Coffee Club loyalty programme.

Club insight segmented members into VIPs, Active and Occasional/Lapsed groups and further segmented their behaviour into Taste, for customers who prefer a more discerning coffee, Trial, for those who flit between drinks, and Loyal, for those who always have their usual.

To create a buzz amongst their most loyal and influential customers, VIPs were mailed a premium pack containing samples of the new blend to trial exclusively at home and a gift card inviting them to taste the new roast before it went on general sale.

All other targeted customer groups received a multivariable, personalised email programme informed by behaviour and preference to drive trial of Old Paradise Street in their favourite store. Follow-up emails, triggered by purchase, encouraged feedback via the campaign microsite, with double points offers and customer testimonials boosting further trial and re-purchase. Additional emails drove customers to stores with higher stocks of the product.

The campaign used an artisan look and feel, with photography from the roastery and content from the team behind the scenes. Headline messaging focused sensorially on the tasting notes of the new roast and customers were asked to share their own thoughts to drive real personal engagement.



RESULTS

By placing its Coffee Club loyalty programme at the heart of its launch strategy, Costa were able to harness the power of their customers' loyalty, match messaging to customer value and behaviour and all while promoting a sense of exclusivity.

In doing so they beat all their targets:

- 500,000 cups of Old Paradise Street were sold in the first two months of the campaign
 - With 870,000 in total.
- 68% of all sales were made to Coffee Club members
 - 28% more than the usual club contribution to sales.
- All segments demonstrated an uplift versus the control.

The campaign generated £387,685 incremental revenue with an impressive ROMI of 2.3.

