

Pizza Hut achieves strong incremental growth with Capillary solution

SINGAPORE: [Capillary Technologies](#), a leading provider of cloud software solutions that help businesses to engage intelligently with customers through mobile, social and in-store channels, has announced that its Multi-Channel Intelligent Customer Engagement solutions are helping Pizza Hut improve profitability and increase store sales.

[Pizza Hut](#), reputed to be the world's largest pizza chain with over 12,500 restaurants across 91 countries. In Singapore, the brand serves over 1.1 million households defined by unique tastes, behaviours and consumption habits.

Pizza Hut uses Capillary's Customer Intelligence solution to incrementally capture, structure and leverage large quantities of customer data. Capillary's unique solution enables the brand to break down its massive customer base into numerous clusters and micro clusters based on expressed characteristics, purchase tendencies, and behavioural indicators. Resulting fact-based insights about each customer cluster is fed into [Capillary's Lifecycle Marketer](#) solution where engagement programmes are designed and deployed across thousands of targeted consumer engagement workflows using campaign automation. The combination of solutions allows for seamless communication with Pizza Hut's customers across all channels - in-stores, via tele-ordering and through Pizza Hut's online portal, ensuring effective engagement no matter which channels customers choose.

Enhancing engagement

Juliana Lim, Senior Marketing Director for Pizza Hut says, "We now run targeted campaigns built with intelligence around customers' preferred product categories, typical purchase times and channels of choice. Analytics-driven offers lead to more effective responses amongst both loyal as well as new users and have generated higher sales returns for us. We also leverage on Capillary's automated Lifecycle Marketer programme to engage every customer pre-emptively to prompt future purchases and retain their loyalty. With better knowledge on our customers, we are able to do a better job on cross-selling and up-selling to customers, increasing returns per loyal customer."

[Capillary's Lifecycle Marketer](#) has created 6,000+ customer behavioural groups for Pizza Hut, empowering the brand to predict future purchases and execute campaigns at preferred times via customers' preferred engagement channels (direct mail, email, text message and more), yielding incremental sales growth across its restaurants and delivery business. As model complexity has evolved over the past year, Pizza Hut has witnessed successive increases in campaign performance, sales and overall customer experience with the brand.

"Through Capillary's analytic capabilities, we can now identify our customers' responsiveness to different product segments and their repeat purchase tendencies enabling us to better design our customer engagement and product-launch campaigns, driving incremental sales and better marketing ROI for our business," added Lim.

In comparison to Pizza Hut's former bulk promotions, [automated lifecycle marketing](#) with personalisation has yielded:

- A 200% jump in average campaign hit rates across customer segments,
- A 38% improvement in Pizza Hut's customer retention rate,
- A 9% increase in customer visit/purchase frequency in just seven months, and
- Up to 6% extra sales generated every month since the program was started.

"Within the Asian markets, the restaurant and food delivery businesses are extremely saturated and dominated by a wide variety of organised retail brands plus a plethora of single and independent retail outlets. High discount margins are prevalent, consumers are prone to impulse buys and repeat business is difficult to earn and predict," observes [Anant Choubey](#), Vice President and Regional Head, Asia-Pacific for Capillary Technologies. "To tackle the increasing

competition and difficult economic conditions, we help consumer brands transition from generic marketing campaigns aimed at a wider populations to highly segmented, targeted and personalised campaigns leveraging the best that technology can provide. Pizza Hut is one of our key customers in Singapore, and we look forward to continuing to work together to create better engagement programmes for the brand's customers."

Capillary's fast-growing success in Singapore is due to its ability to bring trade expertise from collaborating with leading global retail brands. Capillary works diligently to demonstrate measurable business outcomes and guarantees impressive returns for each client initiative, leading to long-term working relationships. Capillary's customers typically witness 5-7 per cent increases in sales and 4-6X ROI on margins from their customer engagement investments.

More about Capillary Technologies [here](#).

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