Chal-Tec Creates Specialized Experiences in a Marketplace World

German eCommerce giant employed Multi-Touch Campaigns to personalize entire user journey

Summary

Boasting over €100 Million in annual revenue from the online activity of its 45 retail brands, Berlin-based giant, Chal-Tec, started as a single store called Electronic-Star, specializing solely in DJ equipment. But in the age of Amazon, niche stores like this found themselves expanding into multi-category online malls in order to survive – a move that increased revenue and online conversions, but left brand loyalists feeling confused about their go-to place for all things Audio / Visual. Reeling from the loss of customer trust, Chal-Tec, resorted to various strategies, but to no avail. At last, Chal-Tec turned to personalization, leveraging Dynamic Yield's Multi-Touch Campaign solution to create a specialized niche-like experience for DJ lovers. By camouflaging the rest of their website, the retailer ultimately increased conversion rates by 27.6%!



Results

27.6%

increase in conversion rate From driving a sub-shop experience across the whole website using a single Multi-Touch Campaign 37%

uplift in performance Among the DJ lover audience in comparison to the rest of the website traffic

Chal-Tec

"I worked with several personalization tools, but Dynamic Yield really fits the needs of huge online shops. We chose Dynamic Yield because we have forty shops to control, and as shop managers we have to be able to transfer one successful experience to the other, a capability that only Dynamic Yield offers. And now that Dynamic Yield released Multi-Touch Campaigns, they offer me everything I need."

Philipp Schröder, CRO Manager & Developer at Chal-Tec



Challenge

With the rise of Amazon, Chal-Tec's first independent shop, Electronic-Star, decided to expand its single-category store into a multi-category mall, selling products from a wide variety of categories, including household appliances, sporting goods, garden equipment, kitchenware, and more. Although this move opened up the store's gates to the general public, alleviating the Amazon threat, Electronic-Star had lost the faith of its core loyalists, who no longer counted on the brand's expertise regarding all things DJ equipment. After several attempts to win back their core audience, such as increasing their advertising spend and lowering prices, Electronic-Star sought after the right personalization technology, requiring a platform that could:

- Identify customers primarily interested in DJing with high precision
- Provide a consistent personalized experience across the entire website
- · Drive revenue uplift by automatically identifying the ideal experience for these visitor

That's when they turned to the end-to-end personalization capabilities of Dynamic Yield.

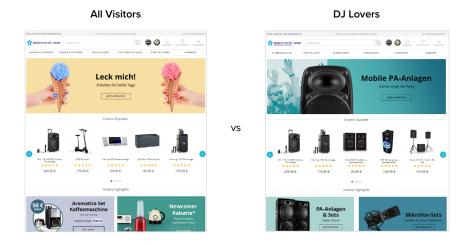
Execution

1. Electronic-Star leveraged Dynamic Yield to identify all DJ lovers and then camouflaged every element of the original website for this audience

This dedicated experience resulted in the DJ lovers segment performing 37% better than the general population, which in turn translated into a 27.6% increase in conversion rates overall.

Depicted below, find every step of the website as experienced by the general population vs. the DJ-Lovers segment:

HERO BANNER & TOP SELLER PRODUCT RECOMMENDATIONS



HERO BANNER & TOP SELLER PRODUCT RECOMMENDATIONS

All Visitors DJ Lovers

HIGHLIGHTED PRODUCTS & POPULAR CATEGORIES





NAVIGATION MENU

All Visitors - full navigation with all categories

ALLE KATEGORIEN SOUND &	LIGHT MULTIMEDIA & AUDIO	HAUSHALT & WOHNEN	GARTEN & OUTDOOR	SPORT & FITNESS		
HAUSHALT & WOHNEN	GARTEN & OUTDOOR	SOUND & LIGHT	MULTIMEDIA & A	AUDIO S	SPORT & FITNESS	ANGEBOTE

VS

DJ Lovers - audio/visual focused menu

ALLE KATEGORIEN	SOUND & LIGHT	MULTIMEDIA & AUDIO	HAUSHALT & WOHNEN	GARTEN & OUTDOOR	SPORT & FITNESS		
PA BESCHALL	UNG	EVENT & LICHT	DJ EQUIPMENT	INSTRUME	NTS	MIKROFONE	ZUBEHÖR

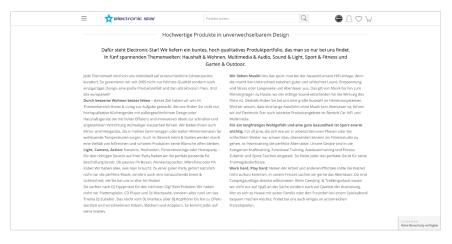
MOBILE NAVIGATION

	$\mathbb{S} \oslash \mathbb{Y}$		= 📩 electronic.star
NGEBOTE	+		PA Beschallung
HAUSHALT & WOHNEN	+		PA Anlagen & PA Sets PA Sets nach Leistung
GARTEN & OUTDOOR	+		PA Boxen PA Subwoofer
OUND & LIGHT	+		PA Verstärker & Endstufen
/ULTIMEDIA & AUDIO	+		Event & Lichttechnik
NULTIMEDIA & AUDIO	T	VS	Lichteffekt Sets
PORT & FITNESS	+		Effekt- & Nebelmaschinen
			Discokugeln
			LED Lichteffekte
			Show Laser
			DMX Controller
			DJ & Studio Equipment
			DJ Sets
			DJ Controller
			DJ Mixer & PA Mischpulte
			DJ Kopfhörer
			Studio Monitore
			DJ Plattenspieler - DJ Turntable
			Sampler & Drumcomputer

All Visitors

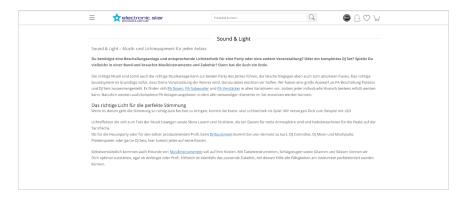
DJ Lovers

All Visitors



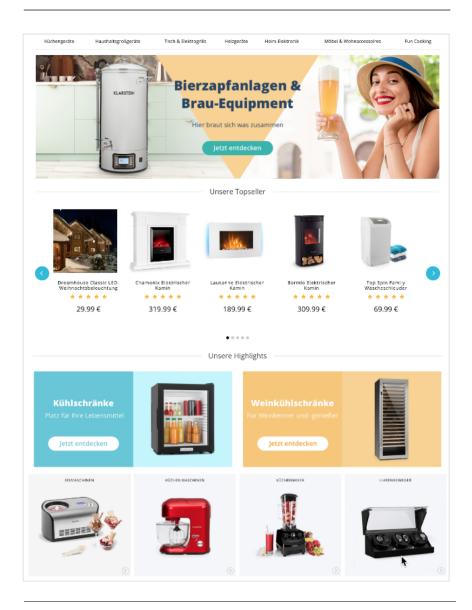
VS

DJ Lovers



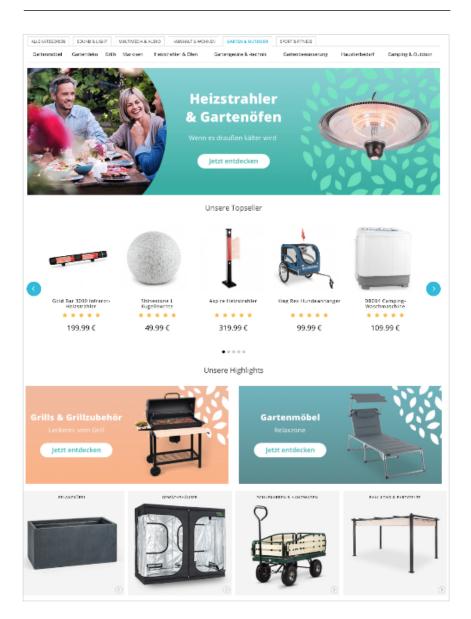
2. Chal-Tec created a personalized experience for every one of Electronic-Star's sub-categories

Due to the incredible success of the DJ lovers experience, Chal-Tec created a camouflaged version of the website for every one of its audiences based on their preferred category, as depicted below.

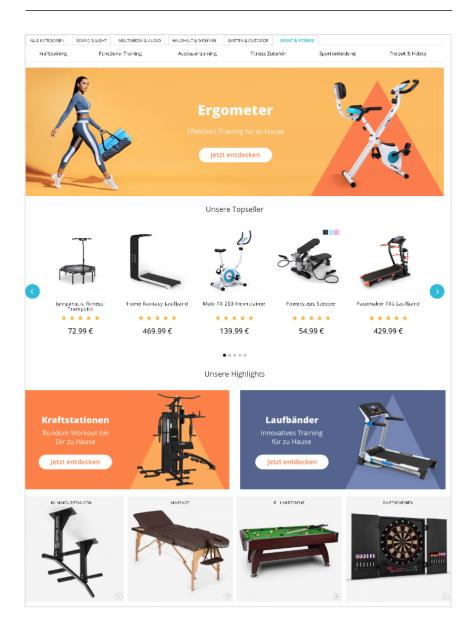


HOUSEHOLD EXPERIENCE:

GARDEN & OUTDOOR:



SPORTS & FITNESS:



Key Takeaways

For Electronic-Star, a once niche store specializing in DJ equipment, combatting Amazon meant becoming a multi-category online mall. But when faced with disappointed brand loyalists and falling revenue, creating a tailored customer journey for those with highly specialized interests proved brands can still deliver niche experiences in a marketplace world. By deploying Multi-Touch Campaigns, one store could become several sub-shops, each targeted at a different segment of customers and personalized to their needs and preferences. Chal-Tec managed to successfully pull this off with a single Multi-Touch Campaign, built in less than a day, to achieve an unbelievable 27.6% increase in conversions, setting an example for the entire industry.



dynamic yield

Dynamic Yield is an Al-powered Personalization Anywhere[™] platform that delivers individualized experiences at every customer touchpoint: web, apps, email, kiosks, IoT, and call centers. The platform's data management capabilities provide for a unified view of the customer, allowing the rapid and scalable creation of highly targeted digital interactions. Marketers, product managers, and engineers use Dynamic Yield daily for launching new personalization campaigns, running server-side and clientside A/B tests, leveraging machine-learning for product and content recommendations, and employing algorithms for smartly triggered email and push notifications.

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