



Goodmail™
CREATING TRUST IN EMAIL™

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CASE STUDY

PETCO

Industry: Retail, Pet Supplies

Email Type: Promotional and Transactional



“CertifiedEmail provides us with the flexibility because we can be sure that every message is delivered promptly and completely intact.”

John Lazarchic
Vice President of e-Commerce
PETCO

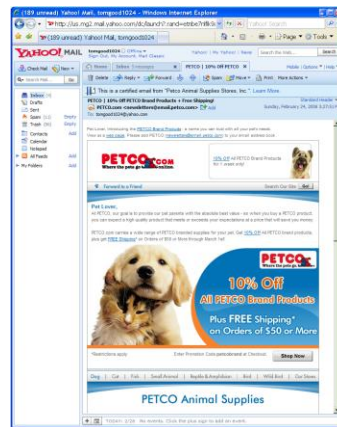
PETCO saw an increase of 38% in click-through rates in their 2006 test and over 40% later.

Customer

PETCO is a privately held specialty retailer that provides products, services and advice that make it easier for our customers to be great pet parents. The company operates over 900 stores in 49 states and the District of Columbia, as well as a leading pet products and information destination at www.petco.com. Its nonprofit organization, The PETCO Foundation, has raised more than \$34 million since its inception in 1999 to help promote and improve the welfare of companion animals. In conjunction with the foundation, PETCO works with and supports more than 4,200 local animal welfare groups across the country to help find homes for more than 200,000 adoptable animals every year.

Challenge

Much of the PETCO’s marketing success depends on its open rates and purchases. However, this presented a continuous challenge because while click-throughs are easy to track, open rates are not. This is because the open report is triggered by a small image file in the e-mail,



and many types of e-mail software in use today do not open images as a default, only rendering images if consumers change the setting. Therefore, unless the recipient clicks to make the images appear, a consumer can open an e-mail without the sender knowing it.

“Deciding to remove someone from an email list is not as simple as determining whether or not they opened an email. We had to look at other data,” said John Lazarchic, Vice President of e-commerce at PETCO. “We check to see if a customer has made a purchase or visited the Web site—registered users would be identified by cookies - before concluding the individual has lost interest.”

In summary, PETCO identified the following areas they required assistance:

- Improve open rates on email marketing
- Assure delivery of email to their consumers
- Ensure email delivery with the message and images intact
- Removing them from blacklists with ISPs
- Prevent email from being caught by spam filters



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“CertifiedEmail’s blue trust seal will convey to customers that PETCO’s email is safe.”

John Lazarchic, Vice President of e-Commerce, PETCO

PETCO sends about 7 million promotional and informational messages each month.

Solution

In the fall of 2006, PETCO tested Goodmail Systems’ CertifiedEmail. The results were dramatic, including an increase of 38 percent for click-through rates. PETCO elected to go live with the technology and completed the implementation in September 2007. CertifiedEmail is the only system of its kind where messages are routed automatically to the inbox, bypassing spam filters and guaranteeing delivery.

PETCO is planning to add some marketing messages to its order confirmation emails in early 2008 as it moves to a service provider that can add HTML code - including images - to those transactional e-mails which now are plain text. “It is a great opportunity to reach out one more time or promote other products,” said Lazarchic. “In text it’s hard to get across, by moving to HTML it becomes a better marketing channel. CertifiedEmail provides us with this flexibility because we can be sure that every message is delivered promptly and completely in tact.”

Overall, PETCO anticipates that CertifiedEmail’s blue trust seal will convey to customers that PETCO’s email is safe, whereas “emails from another pet supply retailer without that icon may or not be,” said Lazarchic.

PETCO also plans to use its e-newsletter as a means of educating customers about CertifiedEmail so they become familiar with the significance of the blue ribbon icon.

Results

PETCO has experienced the following benefits from their adoption of CertifiedEmail:

- An increase of 40.5% in click-through-rate
- An increase of \$0.0354 in profit per email sent
- PETCO’s email is identified as safe by the CertifiedEmail blue trust seal
- PETCO’s email bypasses spam and content filters at participating ISPs and mailbox providers and their email won’t be caught by blacklists at participating ISPs and mailbox providers
- PETCO enjoys assured delivery of their CertifiedEmail to their customers at participating ISPs and mailbox providers
- PETCO’s email will have images and links active and intact

For More Information

Please contact sales@goodmailsystems.com