



moengage

Alfagift Boosts Monthly Transacting Customer Base to 45% with Connected Retail Approach



Highlights

2X

Boost in new installs

4%

Increase in email open rates

45%

Increase in monthly customer transacting base

75%

Retention rate from D0 to D90

29%

Improvement in install to sign-up to conversion

88%

Growth in MAUs in less than one year

16% Increase in push notification CVRs

From Alfamart to Alfagift - a connected retail strategy

Alfamart first started as a distribution goods company but changed its course over the years to rebrand itself as a convenient minimarket and community store. It is one of the popular convenience stores across Indonesia and the Philippines. After opening over 15,000 retail stores, Alfamart realized the need to have a digital presence as it observed changing buying patterns within its customers' base. So the brand decided to provide a more convenient option to its members to shop anytime, anywhere. That's when the digital app **Alfagift** came into the picture.

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Explains the purpose of creating this app

We built Alfagift because we realized that we have a huge opportunity to bring a new shopping experience to our loyal members. For this, we can utilize our omnichannel solution and utilize our store network spread throughout Indonesia.



Erick Alviyendra

Head of IT,
Global Loyalty Alfagift



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Alfagift app is the digital arm of Alfamart that provides retail shopping experience and membership benefits both online and offline. This arm allows customers to experience personal shopping with exceptional benefits and a wider range of otherwise nonexistent products in the physical stores. Alfagift app offers various offers and discounts along with loyalty points and ease in shipping. Currently, the app is one of the top 10 apps in Indonesia, with more than 10M downloads across Android and iOS.



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Reveals the importance of driving such initiatives

Seeing the latest developments, combining mobile transactional platform and membership was necessary. That's the beginning of Alfagift. Alfagift continues to expand My Groceries Solution initiatives that perfect its promotional activities. Also, these initiatives are combined with big data analytical features to provide relevant and personalized shopping experiences for customers.



Linda Valentin
Head of Marketing,
Global Loyalty Alfagift



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Closing the gap between offline and online engagement

Alfamart saw the usefulness of making their minimart more convenient. Hence the digital arm Alfagift was launched.

The app gained popularity instantly. Alfagift observes a steady increase in downloads, i.e., 14.5K daily downloads. The members of Alfamart were downloading the Alfagift app as the customer experience and benefits were similar, and shopping became more convenient. The app was intuitive as it offered products and discounts based on customers' purchase patterns and loyalty reward points.



Explains why Alfagift is such a hit with its loyal customer base

Alfagift app allowed customers to not only earn loyalty points but also transact using those points and exchange the points if needed. The personalized offer and connected approach are also some of our anchor features. When we were building this app, we had a clear vision of why our customers, especially our loyalty program members, should download this app and how it will be beneficial for them.

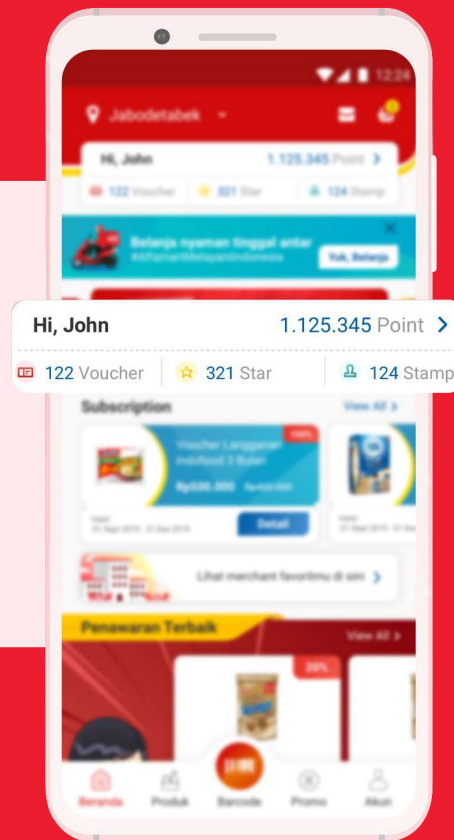
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From a marketing perspective, everything for the Alfagift app was in place. However, with the growing active customer base, the manual set-up of engagement was not working. The whole manual process was cumbersome and rudimentary. Erick observes, “earlier when we launched the app, and we were not sure of its growth in terms of downloads and DAUs/MAUs. But now we know its potential and the steady growth in its active user base.”

However, Alfagift's marketing team could not keep the DAUs/MAUs number steady due to the manual engagement approach. Eventually, that led to drop-offs and uninstalls.



Alfagift's marketing team decided to build a more intuitive and relevant engagement strategy. They wanted to make Alfagift the go-to E-commerce app for loyal customers and ensure they shop for their daily needs on this app. The team established some high-level business goals they would want to achieve using the new engagement strategy:

- Create customer journeys to improve engagement and retain customers on the app:
 - Boost DAUs and MAUs by encouraging customers to utilize the Alfagift app for all their daily shopping needs.
 - Improve app stickiness by offering relevant discounts using shopping insights and preferences.
 - Increase monthly transactions by providing similar experiences on the app.
- Offer a more relevant, journey-based communication across multiple channels by sending appropriate product recommendations based on past purchases.

The marketing team partnered with an engagement platform to execute the new engagement strategy. The initial engagement platform partnership didn't work out due to platform-level gaps. So the team decided to move to a more robust customer engagement platform. After exploring some competitive platforms, Alfagift's marketing team partnered with MoEngage customer engagement platform.

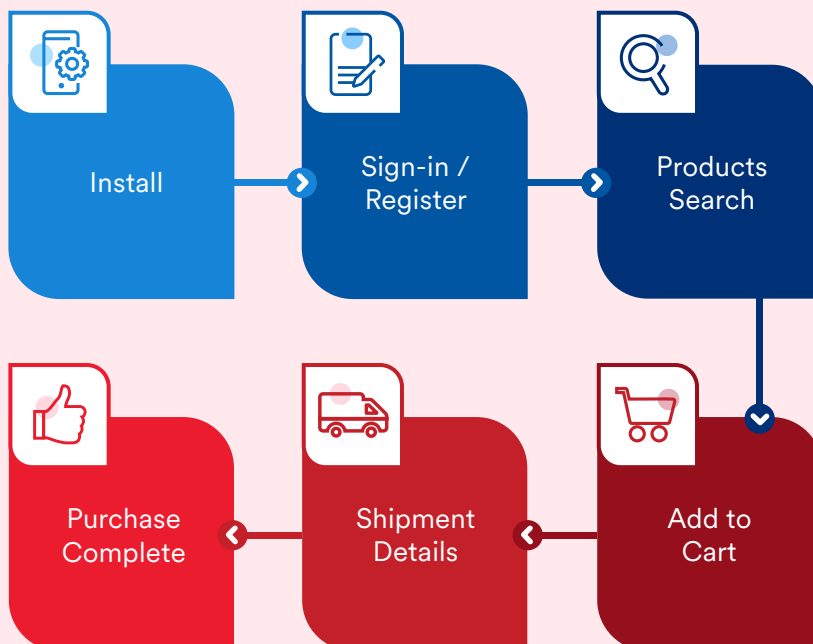
Connected retail engagement to boost active customer base and monthly transactions

Alfagift marketing team was familiar with the physical store's popularity. The reasons such as product availability, variety in categories, ease in shopping, and more led the customers to return to the store. The team wanted to offer the same experience on the app as well. "We understand the pulse of our customers i.e., ease in shopping. Our physical stores are stocked with products that remove the unavailability factor from the mix. Also, with 15,000 stores mapped across cities, we could easily ship the items to our customers without adding an extra shipment charge. Our focus was to provide everything the same way it's on the physical store, on the app without additional charges. This eased the whole app shopping experience," notes Erick Alviyendra, Alfagift's Head of IT.

The Alfagift app team had various elements to drive customers to use the app more. They had to follow the engagement strategy and create campaigns highlighting these elements.

Create customer journeys to improve engagement and retain customers on the app

The team wanted to engage customers from the time they sign-up on the app to their first purchase and then next purchase. The team creates customer journeys based on historical data to do this exactly.



Install to Register to Conversion

Alfagift marketing team utilized MoEngage's Flows to create journey-based workflows allowing customers to engage with the brand at every step of their purchase journey. The team focused on three critical stages—install, register, and first purchase. Using the workflows, the team sent out emails and push notifications to drive customers to install the app, register, and complete the first purchase. The utilization of channels was seamless as they focused on the 'actions to be taken' and then based the best channel on driving that action. One of the many reasons they started with sending out emails for app install, and once the installation was complete, they moved to push notifications to drive registrations and purchases.



We were able to observe a **healthy 29% improvement in our install to sign-up journey** with the usage of smart-triggered push notifications. We engaged our customers as soon as they onboarded using relevant push notifications and re-engaged in case there was no activity after sign-up. Overall, our communication strategy was to use previously bought product history and send messages to purchase similar items.

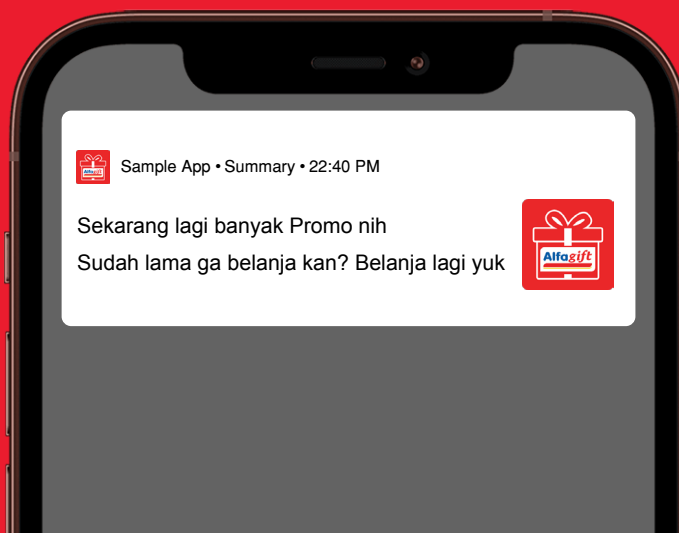
Linda Valentin

Head of Marketing,
Global Loyalty Alfagift



Using an intuitive and agile engagement strategy with a mix of channels based on actions and journey stage, the brand boosted **overall DAUs and MAUs to 214K and 1.4M, respectively**. Overall, the team observed a **2X jump in new installs** with a 45% uplift in DAUs.

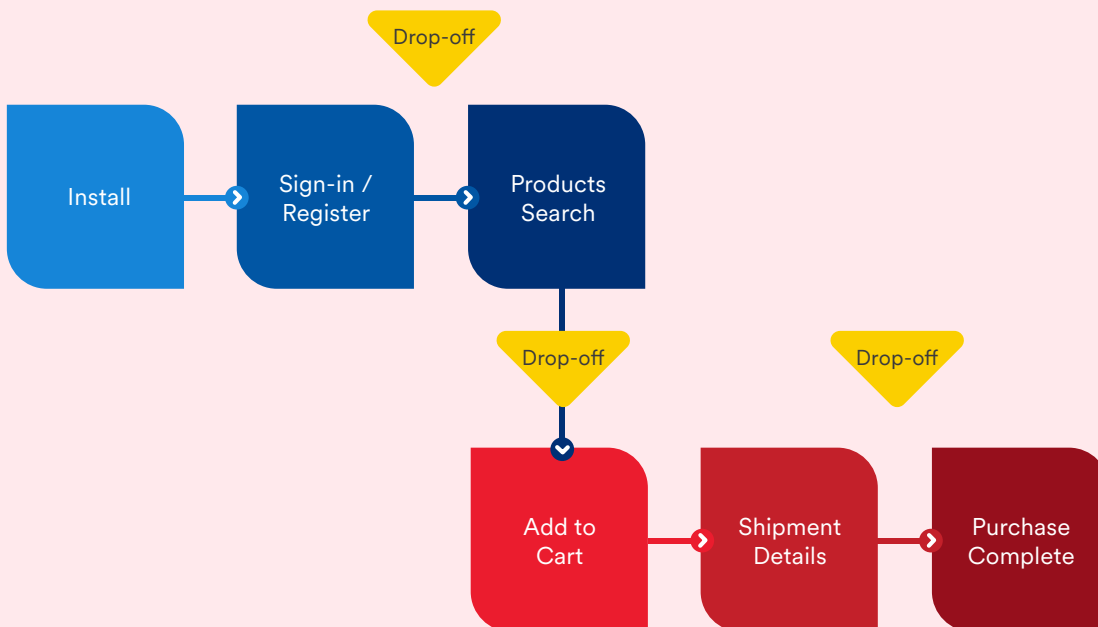
*Purchase push notifications sent by Alfagift marketing team to convert customers on their app.



Cart Abandonment and Repeat Purchase

Initially, the Alfagift team barely managed their drop-off and uninstall rate. The team observed that more than 50% of new installs dropped off mid-purchase or installed the app after the first purchase. “We were not sure about what element was not working, as our app experience was in sync with our in-store. Later, we realized it can be due to irregular and basic engagement,” says Salmon Aldo, Alfagift’s Marketing Specialist.

To ensure that customers were not abandoning cart and dropping-off from the app, the team analyzed customer purchase paths and understood where the drop-offs and uninstalls were occurring. The team utilized MoEngage’s Analytics suite to understand User Paths and Behavior Trends and then create Retention Cohorts.



*Drop-offs stages to know when and where abandonment was occurring.

The team created workflows concentrating on drop-off stages during a purchase to curb drop-offs. The logic behind these workflows was to focus on high drop-offs stages and send automatic smart-trigger push notifications to the customer to complete the purchase.

Then to reduce uninstalls, the brand decided to focus on loyalty-based aspects in their communication. So the campaign workflow for this concentrated on highlighting loyalty-related benefits like using loyalty points, stamps, and vouchers to buy any product. The team started observing a steady improvement in the retention rate with relevant messaging. Eventually, it **retained 75% of customers from D0 to D90**.

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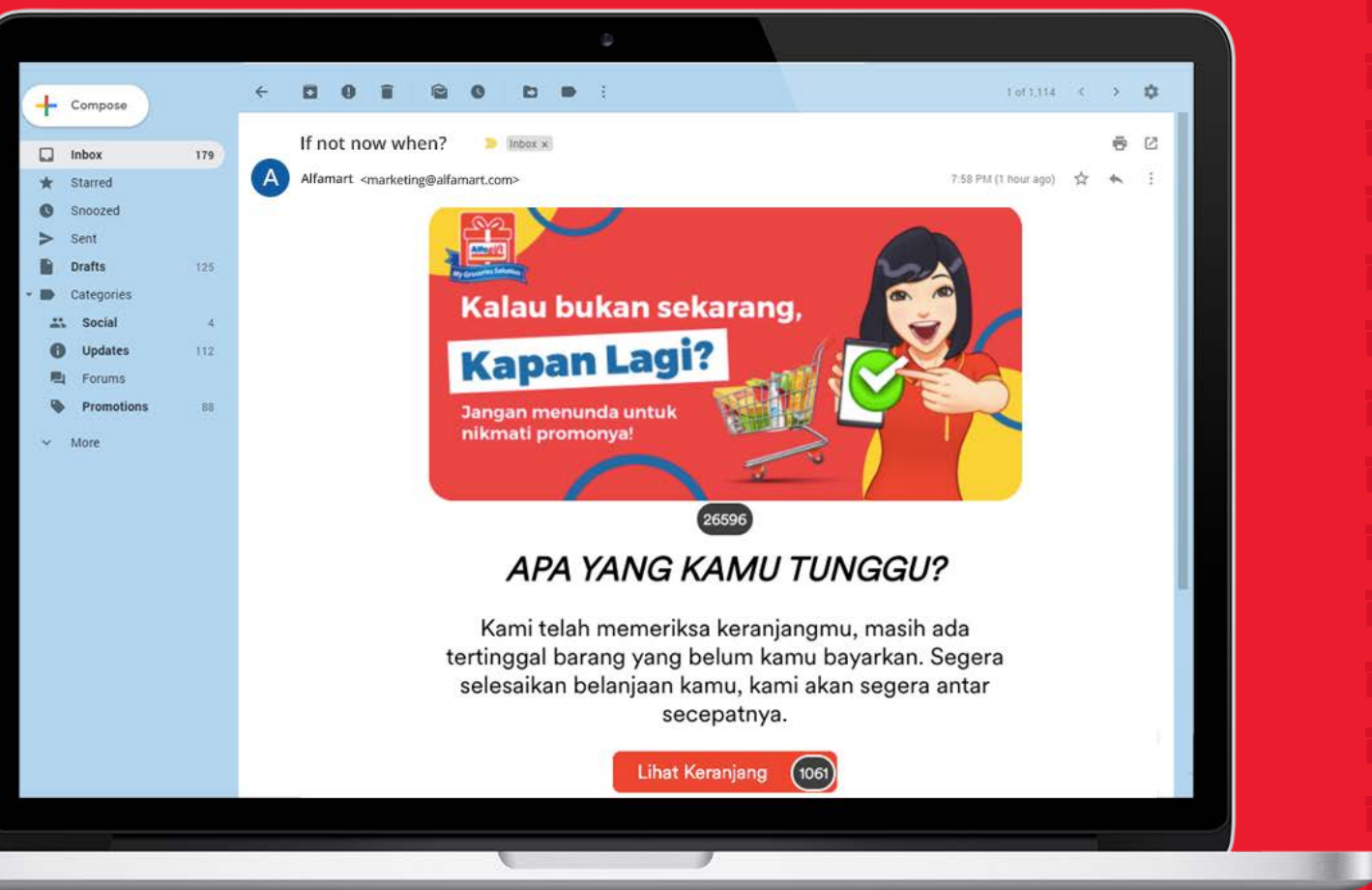
For all the customers who installed E-commerce apps between D0 -D30, you'll see that only 27.36% of customers retained at the end of the 90 days. So retaining more than 50% of customers is a big deal for our brand and us. Not only that but having **45% of customers transacting monthly** is a huge win. This only goes to show that what we're doing is working, and we should continue to build on this approach.

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Global Loyalty Alfagift



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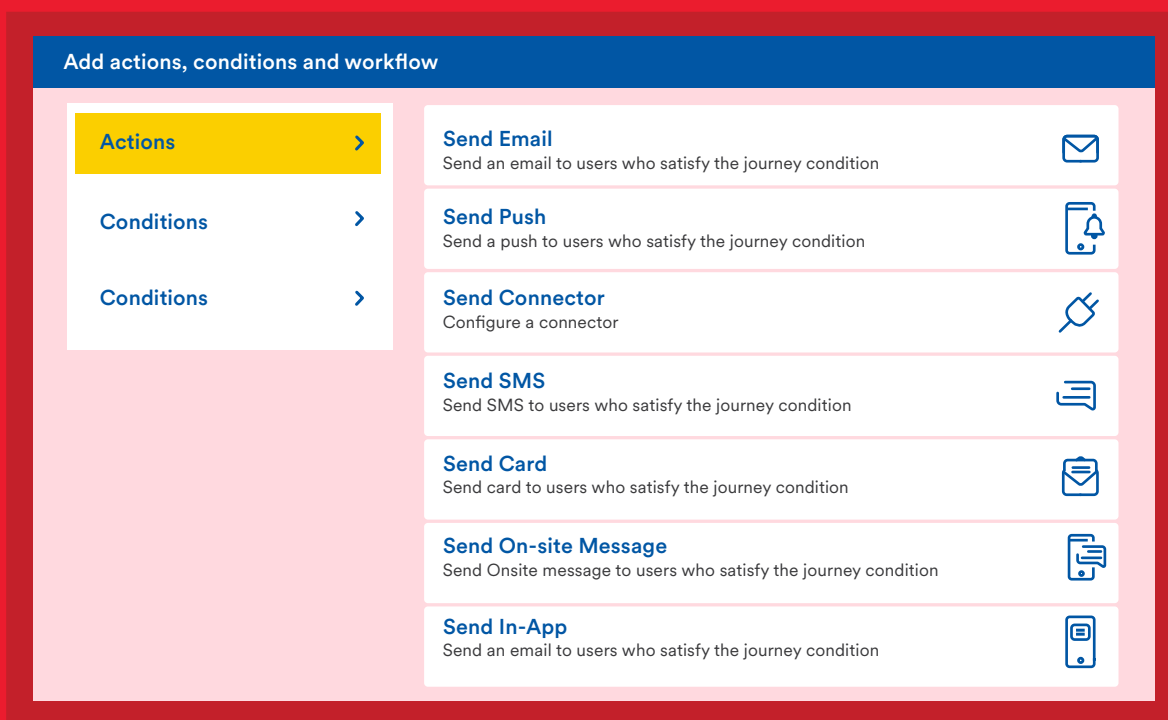


*Cart abandonment email(s) sent by Alfagift marketing team to bring customers back on their app or website.

Relevant and journey-based communication across multiple channels

Apart from running journey-based campaigns, the team strategized to modify channel usage and messaging based on the customer purchase journey stage. The team utilized multiple communication channels such as Push Notification, Emails, In-app Messages, and SMS. Under these channels, there were many messaging and template variations that the team adapted to make the communication more effective.

The team strategized to create a mix of generic and smart-triggered workflows that utilized push notifications and emails as primary channels. The smart-triggered campaigns focused on action-based conditions. Whenever customers completed or abandoned an action, a message was triggered to nudge customers to either complete or opt for a different action. This strategy improved **overall CVR for push notifications is 16%**.



Another thing that worked for the brand was the utilization of MoEngage Cards to promote e-wallet payments and special offers. The Alfagift team realized that sending multiple product recommendations would work better than sending a single push notification. So the team created weekend offers and special offers zones on the app to highlight weekend and special discount promotions. Overall, the team saw **20% CTRs on Cards campaigns**.

The team also analyzed the time and frequency of messaging for all their channels and revised their campaigns accordingly.



Why personalization is crucial for them as a brand

We realized that sending random emails and push won't help us drive better engagement. It's always quality over quantity. Hence, we have been working on following a set pattern to ensure we reach a maximum number of customers with a minimum number of messages.

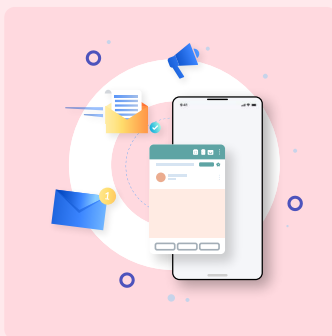
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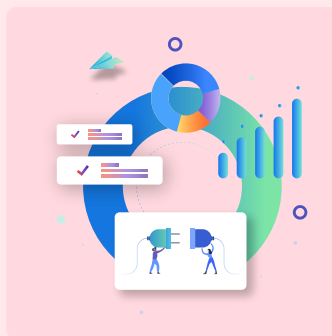


Based on the data, the team found that most campaigns were sent at the beginning of the week, i.e. Monday. The highest engagement (clicks) and conversion came on Monday as well. They plan to follow this trend to make their channel engagement more fool-proof. Overall, the team sends at least one push notification per day (i.e., seven messages per week) and five custom segment-focused emails per week. Because of targetted emails, the team **increased the email open rate to 4%.**

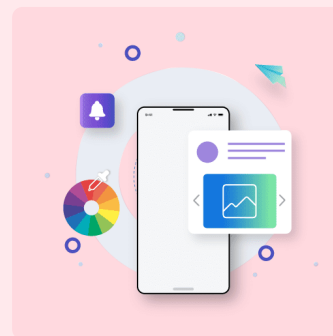
MoEngage products used by Alfagift



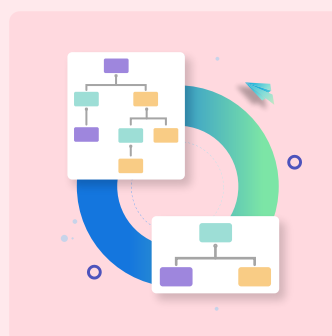
Email suite



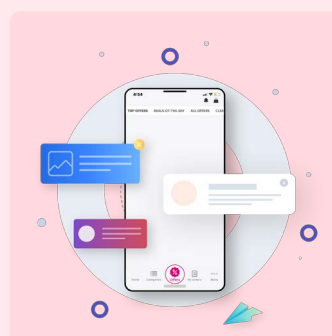
Analytics



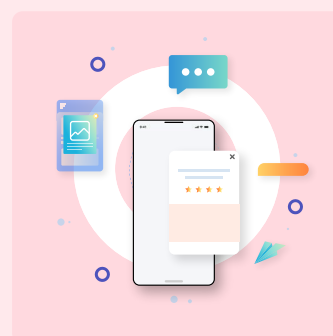
Push Notification



Flows



Cards



Nativ Messaging

About moengage

MoEngage is an insights-led customer engagement platform, built for the user-obsessed marketer.

With AI-powered customer journey orchestration, personalization capabilities, and in-built analytics, MoEngage enables hyper-personalization at scale across mobile, email, web, SMS, and messaging channels.

Fortune 500 brands and Enterprises across 35+ countries such as Deutsche Telekom, Samsung, Ally Financial, Vodafone, and McAfee along with internet-first brands such as Flipkart, Ola, OYO, Bigbasket, and Tokopedia use MoEngage to orchestrate efficient customer engagement.

MoEngage was recognized as a Leader in the [Gartner Magic Quadrant 2020](#) for Mobile Marketing Platforms and a Strong Performer in [The Forrester Wave™ Report](#) for Cross-Channel Campaign Management (Independent Platforms), Q3 2021. G2 also named MoEngage a Leader in the [Fall 2020 Grid® Report](#), and the #1 Mobile Marketing Platform in the [Spring 2021 Momentum Report](#).

Get a demo of MoEngage today!



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