



Crazy Line quadruples 1:1 marketing revenue while decreasing marketing costs by focusing on opinion leaders

Crazy Line

About Crazy Line

Crazy line was founded in 1985 by Becky Lewin to satisfy a growing need for fashionable apparel by women over 35.

Now, Crazy line is a \$80M/year privately held retail chain business with more than 60 fully owned stores spread through Israel and a members' club of more than 600,000 members. Crazy Line continues to rapidly expand, recently buying a young women apparel retail chain.

Crazy Line was one of the first clothing retail companies in Israel to develop a loyalty program and a rich customer database. Crazy Line uses this database as a platform for their below the line marketing programs. "In the past, when we implemented technologies such as data mining and personalized printing, we saw that we could multiply revenues" said Ofra Lewin, Crazy Line's VP Marketing.

The Business Challenge

Towards the fall season of 2007, Crazy Line's management was determined to reach out to their customers while forcefully cutting through the clutter of competing marketing communication.

"We wanted to invest enough in each customer to create a real dialogue and still be able to reach the entire market" Lewin said, "Increasing marketing spending by 2-5 times to achieve this goal was not an option for us".

Benefits of Leveraging Opinion Leaders and Social Influence:

- Drive x5-x15 more effective churn-prevention, win back, retention, cross sell and up sell activities.
- influence customer to customer communication and measure it.
- Add a new world of key data on the organization's customers that will enhance customer analytics.

Research showed that up to 70% of buying decisions are based on recommendations from trusted friends, colleagues or family members rather than anything else. "We realized that we spend a lot of time and effort on people who we could not reach, and too little on the people who influence the market since we could not identify them", Lewin said.

Crazy Line sought a solution that will accurately identify the influencers in the market. Focusing marketing efforts on influencers would allow Crazy Line to put more resources on each influencer while keeping or reducing the overall budget. Winning the Influencers means winning their social network.



“We also needed a solution that will allow us to verify that the influencers are having an effect. We needed to know who they were influencing”, Lewin said.

The Solution

“We choose Datanetis because they were the only company who could identify opinion leaders, analyze social influence and measure who the influence affected”, Lewin said, “Since the company was founded by ex military intelligence officers, and has vast experience in data mining, there was really no other viable alternative”.

Datanetis proceeded to analyze Crazy Line’s database as is. “It took Datanetis only a few hours to deeply understand our data structure” said Yifat Toledo, Director of BI. Datanetis then proceeded to uncover the social network and accurately identify the influencers. On top of that Crazy Line received a set of social variables that describe each person.

“It opened a new world of opportunities we previously could never tap into”, Lewin said, “we could now better understand the market and harness the great power of word-of-mouth“. Crazy Line surveyed a group of opinion leaders identified by Datanetis to better understand their behavior. “Even though the influencers were similar to other customer in every way, there was distinct difference in response between opinion leaders and other customer in their respective groups in many areas. After we got the data, we knew we had to change several of our policies” Lewin said.

Crazy Line created a tailored campaign for influencers. The goal was to win the influencers’ support and have the positive effect spread to their friends and family. In 2007 the first campaign was launched. The effects were measured in the influencer target group and in the social group affected by the influencers. “Within 9 weeks we saw the influencers’ positive impact on the rest of the social network, with an average of 6 additional friends purchasing the targeted items. The results were remarkable: revenue generated from an opinion leader campaign was 4 times greater than the revenue of a normal campaign”, Lewin said.

Crazy Line routinely uses influencer campaigns as part of their marketing strategy. “We plan to expand our use of Datanetis’ social networks and opinion leaders technology to include every one of our BTL activity channels”, Lewin said, “We also plan to develop a unique dialogue outside the stores with opinion leaders”

The Results - Summary:

- ✓ Datanetis accurately identified Crazy Line’s opinion leaders and their social network.
- ✓ Tailored campaign for influencers consistently generates 4 times the revenue relative to regular campaigns.
- ✓ Crazy Line decided to change policies as a result of attitudes specific to opinion leaders.
- ✓ Crazy Line is developing a unique marketing program for influencers.