CLIENT SPOTLIGHT

Retail Circular Gets a "Smart" Digital Makeover

Macy's engages Yahoo! audience with interactive and targeted Pullover Ad

How do you breathe interactive life into a print circular and drive in-store traffic with an online campaign? Macy's found the answer by becoming the first retailer to launch a Pullover Ad in Yahoo! Mail, taking over the entire page of the user's inbox with an engaging digital version of its Memorial Day circular. Using Yahoo!'s Smart Ads technology, the campaign dynamically generated creative for different audience segments according to their interests and location.



The Challenge

Macy's wanted to break new ground with its successful annual Memorial Day Sale circular by tying it to an innovative online campaign. The department store's online goals included enhancing Memorial Day Sale awareness, driving in-store traffic and engaging target audiences in new dynamic ways. But America's best-known department store was faced with the challenge of displaying its print circular in an online medium. How can a sales guide filled with an array of products and discount offers be translated into a standard online ad unit? Which creative do you display when your audience is so broad? How can a traditional brick and mortar brand rise above the online noise in fresh, interactive ways? "We quickly realized we needed a large, attention-grabbing canvas to tell this story," says Martine Reardon, executive vice president of marketing at Macy's. "We also wanted to capitalize on online targeting technology to be able to display the right products for the right shoppers and drive stronger engagement."

The Solution

Macy's augmented its yearly Memorial Day print campaign with Yahoo!'s Pullover Ad — a large ad that rolls over an entire page when users mouse over it — combined with Yahoo!'s Smart Ads, which customizes ads for users based on their interests. Yahoo! partnered with online advertising rich media provider, Pointroll, to build never-before-seen interactive ads that recreated the print circular.

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Ad expands upon rollover



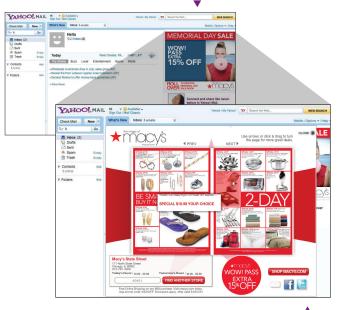
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based on Smart Ads technology

When a user logged into Yahoo! Mail and rolled over the ad, a digital version of Macy's Memorial Day Sale Book took over the entire page. To keep the Web experience consistent with the print campaign, users could flip through the online Sale Book just like the print version. But unlike print, consumers could click on products in the catalog — and buy them online. Users could also share the circular with social networks like Twitter or Facebook.

Using Yahoo! Smart Ads, Macy's leveraged demographic and behavioral data from Yahoo!'s extensive database along with local product and pricing data. For example, based on which behavioral targeting category a customer fell into, the circular would open to one of seven sections of the Pullover Ad targeted to the particular customer. The seven customized versions of the ad included: the front page, women's swimwear, men's



Expanded ad

swimwear, kid's swimwear, pots/pans, luggage, and bedding. Yahoo! used geo-targeting technology to help drive in-store traffic by showing consumers where to find the nearest Macy's store.

The campaign also served up specific creative based on where the consumer was viewing the ad. For example, a customer living in the Northeast who has searched for home repairs on Yahoo! might be served a version of Macy's catalog that highlights home products on the cover. Or a customer living in the Southwest where the weather is already beach-worthy might be shown the swimwear cover. In short, Macy's used Yahoo! data to influence the creative and deliver a more relevant user experience.



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The Results

The two-day Memorial Day campaign garnered high engagement rates for Macy's. Users spent an average of 14 seconds engaging with the Pullover Ad, significantly higher than the brief once-over that users usually give to a static display ad. The top engagement action for the online circular was scrolling over featured products.

"The large canvas that took over Yahoo! Mail was striking and definitely captured our audience's attention," says Reardon. "Using Smart Ads to display pricing and products they were most interested in, increased the ad's personal relevancy which directly affected engagement." The campaign also uncovered some interesting insights about its customers: Women 45-54 generated the highest interaction and click-through rates and Pennsylvania, New Jersey and New York showed some of the best engagement rates.

"We wanted to leverage the popularity of our Memorial Day circular to do something new and creative," says Reardon. "The first-ever retail Pullover Ad on Yahoo! Mail was an innovative solution with an added bonus: it provided invaluable insights about our customers that we can use in future campaigns."

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- Martine Reardon, executive vice president, marketing, Macy's

About Macy's

Macy's, Inc. operates department stores under the names of Bloomingdale's and Macy's which are among the best known in the world. They have been a frequent destination for hundreds of millions of Americans and international visitors alike since 1929.



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