Kika/Leiner increases customer engagement using Vynamic® Engage as their cloud-native promotion platform

Overview

Kika/Leiner

Part of SIGNA Retail Group
Head-quartered
in Austria, St Poelten

Product: **Furniture**

Visitors: **5 million / yr**

Stores: **42 in Austria**
(2nd largest furniture retailier in Austria)

Employees: **4,500**

CHALLENGES

- **Multichannel -** Kika/Leiner uses various channels such as radio and TV commercials, paper vouchers in newspapers, mailings, and in-store advertisements as well as its own web shops to promote its products. Promotions need to be well-aligned across channels for an optimal customer experience.
- **Time & Cost –** Kika/Leiner used three different promotion systems. With frequently changing discount definitions, creating multichannel campaigns was a time-consuming, error-prone process. It involved multiple marketers to create and deploy multichannel promotions.
- **Consistency -** Coupons need to be consistent in what they offer,

regardless of which channel or touchpoint they have been promoted or will be redeemed. This requires a highly flexible yet unified discount and promotions process.

- **Future-ready -** Kika/Leiner wants to position itself for growth by using open and future-ready technology components running in the cloud that can be leveraged as soon as new business opportunities arise.
- **Time-to-market –** To avoid the hassle of never-ending software implementations and ever-increasing costs, Kika/Leiner demanded that technology vendors guarantee a working deployment within six months from project start date.

"Diebold Nixdorf's Vynamic Engage helped us achieve our strategy of creating a future-proof promotion platform. The cloud-based solution has improved efficiencies and reduced complexities for us when integrating new promotions so we finally have a single source of truth."

—**Gaby Schwarz**, Kika Leiner, CIO

DieboldNixdorf.com

SOLUTIONS

- **Centralized campaign definitions –** A new platform for marketing to define and deploy promotions across all channels, giving consumers a seamless online-2-offline (O2O) journey experience. Instead of creating the same definitions in three separate engines, by using Diebold Nixdorf's Vynamic® Engage this now only needs to be done once.

- **Single point of truth –** With a centralized basket calculation engine, discounts can be applied in a uniform way regardless of channel or touchpoint. No matter where the transaction was started, the customer will benefit from the same experience. As such, Vynamic Engage serves as the single point of truth for all promotion and discount calculations for all channels.

- **Central cloud deployment –** Since Vynamic Engage is 100% cloud-native, it runs centrally in the cloud, guarantees fast updates with reduced downtimes, and is available on a subscription basis. It connects with touchpoints in various stores and lets marketers deploy the latest marketing promotions with the push of a button.

IMPACT

- **Time savings –** Marketing staff can now focus on designing new campaigns to increase Kika/Leiner's brand value by using a flexible campaign solution that has improved efficiency and reduced time and complexity to deploy new promotions.

- **Better cost control –** Thanks to a unified campaign management solution, the marketing team now has an integral view of all campaigns across all channels. This allows them to understand actual spend and results per promotion, in order to finetune and optimize future campaigns.

- **Future-proof loyalty platform –** Designed following an API-first approach, Vynamic Engage seamlessly works with any POS and ERP system. Using technology that is highly modular, easily upgradable and runs straight from the cloud, Kika/Leiner is well-prepared to add future extensions and third-party retail solutions using smooth and reliable upgrade paths.

Part of SIGNA Retail Group, Kika/Leiner is a home and lifestyle company, and one of the major players on the furniture market in Austria. The Austrian retailer owns 42 stores and offers high quality, well-known brands at reasonable prices with numerous extra services, such as express delivery within 48 hours.
The aim to constantly provide great customer service to their growing customer base led to expand the partnership with Diebold Nixdorf from supplying checkout (POS) solutions to the area of promotion management.

Kika/Leiner uses a mix of traditional and online channels to promote its products and to foster loyalty among its customer base. Promotions, typically in the form of paper or digital coupons , are communicated using radio, TV commercials or in-store advertisements and distributed via printed media or mailings and its own web shops. These coupons can be redeemed in-store or online. The benefits for Kika/Leiner to engage with their customers using coupons is that it is an easy way to introduce new products and to encourage customers to try out other brands and services. In addition, customers always appreciate discounts, which can serve as an incentive to buy more – or buy it now rather than in the future.
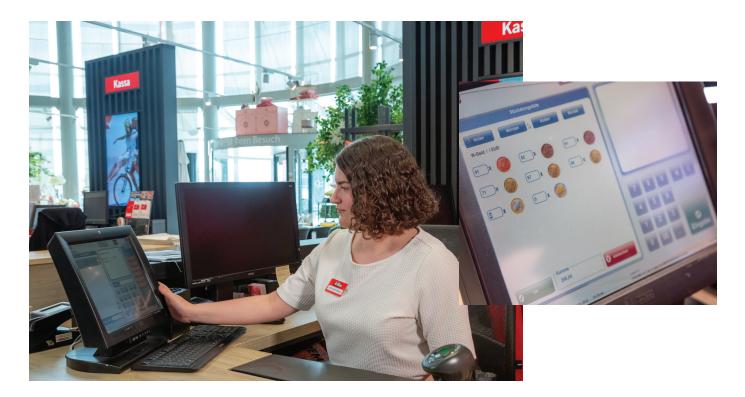
In order to simplify the process of creating and managing multichannel (O2O) promotions and coupons, Kika/Leiner decided to implement Vynamic Engage, Diebold Nixdorf's loyalty platform or retail.

Kika/Leiner serves around five million customers per year and offers a wide range of furniture brands and products. Its marketing team has to define, create, distribute, and manage the lifecycle of several hundreds of promotions each month. Due to past acquisitions resulting in a merger of different technology stacks, the marketing staff had to create promotions in three different and decentralized campaign systems each using its own basket calculation engine. This was a very time-consuming and error-prone process and made it difficult to guarantee consistency in promotions across all channels and customer touchpoints. Since the data was managed and stored in three separate systems, the campaign results, which included the number of coupons redeemed and actual spend per campaign, were difficult to analyze. That is why Kika/Leiner decided to turn to Vynamic Engage as a one-stop solution to replace the existing three campaign systems.

MORE LOYAL CUSTOMERS AND ENGAGING JOURNEYS WITH VYNAMIC® ENGAGE

Vynamic Engage is a cloud-native, customer engagement platform serving both online and offline channels. It's comprised of three specific modules: one for loyalty management, one for couponing and vouchers, and one for advanced promotions. Each module can be used stand-alone, while integrating via its documented APIs with already existing POS and ERP systems in the retailer's IT ecosystem. Given its business challenges and technology infrastructure already in place, Kika/Leiner was most interested in the advanced promotions module.

One of the benefits of Vynamic Engage is that it is centrally hosted in the cloud. Marketers can create advanced, multichannel promotions only once and then easily deploy these onto all customer touchpoints in real time. This way, consistency across channels and touchpoints is guaranteed at all times, and the flexibility to add or update promotions is dramatically increased. Time saved by marketing staff could now be used for other marketing activities to further promote the Kika/Leiner brand.

Vynamic Engage's advanced promotions module is comprised of a highly robust promotion calculation engine that is capable of handling high transaction volumes, which was a requirement by Kika/Leiner given its more than five million visitors annually. The platform also has the ability to run in offline mode, so store staff can continue to apply discounts and in-store offers and promotions, in case of poor network connectivity in the store.

The entire implementation and roll-out of the project took less than six months since the cloud software did not require any on-premises installations. Moreover, Vynamic Engage now gives Kika/Leiner a jumping board for future customer initiatives, such as introducing a multichannel gift card. Since Vynamic Engage is a 100% cloud-native solution incorporating the latest cloud standards and built using an API-first design, it offers many opportunities for growth, no matter what software solutions are already installed. In addition, Vynamic Engage gives Kika/Leiner more control and better predictability over future expenses since it is hosted as-a-service in the cloud by Diebold Nixdorf with a monthly subscription fee.

"Diebold Nixdorf has been a trusted business partner to Kika/Leiner for more than a decade. We are very pleased to extend this trust and work together on streamlining their marketing campaigns by leveraging our cloud-native platform Vynamic Engage."

—**Bernd Kraus**, DN Senior VP Retail Software

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