



Schwan's Taps Intellivent for Product Sampling Program

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Schwan's, the world's largest frozen food home delivery service, has partnered with marketing start-up Intellivent to create an advertising and product sampling program for qualifying brands.

The deal, announced this week, allows potential advertisers to tap into Schwan's frozen-food customer network of three million members via customized inserts, catalogs and home delivery bag promotions. InfoDish was the first to join the program. In January, the broadband service provider will start offering several different promotions of its HughesNet satellite service to 250,000 households. The ones that yield the best results will be expanded into the national Schwan's network, said Intellivent CEO Paul Corvino.

Other advertisers that have confirmed their participation in the program include DirecTV, Proactiv and two major insurance companies. The program is slated to launch in January.

Rates are as follows: 75 cents per sample, \$75 for every 1,000 envelope mailings and \$30 for inclusion in 1,000 circulated copies of Schwan's new catalog. The catalog is issued six times a year, and reaches a combined audience of 4.2 million.

"Right now, marketers have to be efficient with their ad dollars more than ever. They have to see results. And this is a way to reach that desired demographic and you're reaching them one-to-one in their homes," Corvino said.

Schwan's Home Service president Scott McNair said the partnership reflects the company's commitment to "delivering quality products and great customer service." "Intellivent Group is going to expand upon the marketing and advertising pieces of the business to add even greater value to our customers' daily lives," he said in a statement. (Schwan's frozen food service is made up of about 6,000 customer sales managers who deliver groceries in 48 states each week.)

Denise Lee Yohn, who runs her own brand consultancy in San Diego, said the advertising service is "spot on" for marketers that want to target consumers more effectively. "Compared to FSIs and direct mail, which rely primarily on zip codes for targeting, this program can offer advertisers the opportunity to target by past purchases, household size and monthly expenditure," she said.

But there's a risk the mailings could be viewed as spam if brands without a logical tie-in to frozen food place ads, according to Yohn: "In the short term, Schwan's customers may tolerate some degree of spam, but over the long term, customers may grow resentful and this would erode their relationship with the Schwan brand."

Schwan's spent \$32,000 on U.S. advertising in 2007, and \$53,000 through September of this year, excluding online, per Nielsen Monitor-Plus.