

[CASE STUDY]

## How Grofers uses the Kaleyra SMS platform for everyday ordering tracking and scaling to 200,000 orders per day



Vertical  
**E-commerce**



Location  
**India**



Client for  
**5 years**



Product  
**SMS**

Compared to a 20% open rate for email marketing campaigns, the average open rate for text message marketing campaigns is **98%**, making SMS one of the best and most effective means to reach customers today for promotional as well as transactional alerts.

SMS is used extensively for the purpose of communicating vital aspects of the e-commerce process, such as order status and shipping details, transactional messages, and so on. It is also used for promotional activities and gives one of the highest ROI as compared to digital platforms. Its potency is proven and it has been used successfully by many businesses.

Grofers, one of the largest online grocery delivery services in India, has been using Kaleyra's SMS suite for over 5 years now and has seen substantial returns arising from it. This case study showcases how Grofers uses SMS communication in various scenarios and the results in each use case.



The online grocery store business model has made its presence felt in India since 2011. Building on the convenience of sitting at home and ordering groceries, be it fresh, frozen, packed, or unpacked, the players in this field have been fiercely competitive, offering their customers some of the most enticing and cost-effective solutions.

Communicating with customers at the right time, with information about orders, offers, and discounts is a vital part of an e-commerce player's gameplay. For this, they need trustworthy and stable communication platforms that are able to handle the intricacies of exact timing, and deliver messages quickly and efficiently.

## About Grofers



Tapping into their customer's appetite for convenience and quality, Grofers reaches its customers via its app which has over 10 million downloads from the Play Store, and also via their website. They deliver in 25 cities across the country. Leveraging a lean business model that includes an in-house technology platform and a direct-to-consumer from manufacturer setup, they saved millions in start-up costs with virtually no overhead and by using the sharing economy model. The model includes 5000 partner stores which are not direct sales outlets of Grofers, but local shops that collaborate with them. In fact, all Grofers needs to operate is an integrated technology platform and a fleet of well-trained personal shoppers with smartphones and cars.



*When a business is based on the promise of fresh groceries delivered within an hour, seamless communications with their team and high levels of trust with their customers are mission-critical imperatives.*

## Grofers's Goals

Grofers needed a trustworthy and reliable platform that would work to handle and execute their daily communications requirement and also help them scale up when the need arose.

They needed an SMS and notifications platform to help them handle their end-to-end customer service, alert and inform shoppers, and manage their growing remote workforce. Along with the need for daily transactional messaging, Grofers also had to scale their communication volume up dramatically twice a year to supplement their mega discount Grand Orange Bag Day sale, popularly known as GOBD.

## Kaleyra's Solutions



Kaleyra was chosen by Grofers after intense internal and competitive evaluation. Grofers uses the Kaleyra platform for 2 main objectives.



## Transactional SMS

Transactional SMS is used to let their customers know the status of the order, the timeline of delivery, and other such event-based information. This process is real-time and requires a seamless blend of the processes employed at Grofers for order tracking, the easy and uninterrupted flow of this information between the two entities, and the rapid and efficient delivery of these messages to the end-user. Time is a critical element here and speedy SMS processing and delivery is a testament to Kaleyra's strong tech stack and operator connections respectively. The API codes used for transactional SMS need to be stable and error-free since the messages are sent in real-time and cannot be scheduled for later or delayed.

## Promotional SMS

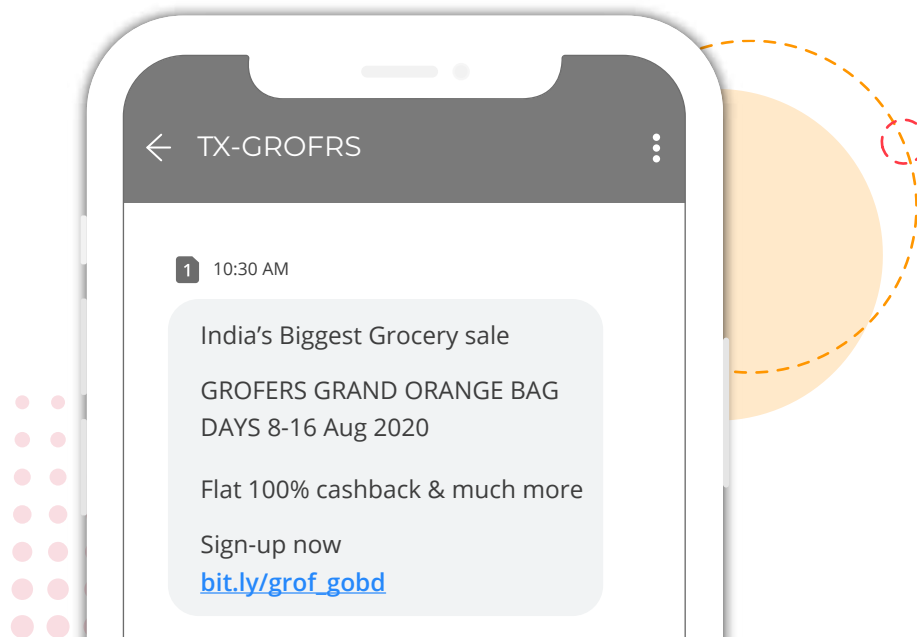
Along with the transactional SMS service, Grofers uses Kaleyra SMS for the purpose of sending promotional messages to its customers, which has resulted in resounding success for them. Kaleyra has not just been able to help Grofers send conventional and scheduled promotional messages but also assisted in getting the word out about their massive Grand Orange Bag Day Sale.



The GOBD Sale is a biannual discount campaign that Grofers has been running for 2 years now. It is one of the largest and most popular campaigns of its kind in India. The sale attracts a large user base and is primarily lucrative because of the great discounts Grofers offers, leading to guaranteed savings for customers if they make purchases during the sale period.

*During the GOBD Sale week in August 2019, Grofers saw sales worth 4 billion Indian rupees - approximately 55 million dollars. They processed over 200,000 orders in a day, with each order requiring at least one SMS for confirmation.*

To generate this level of sales, Grofers also needed to run promotional campaigns with broad coverage. They used two mediums to reach their target audience and promote the GOBD sale: digital ads and SMS. As Grofers had already seen gains with Kaleyra while using the SMS messaging platform for order tracking, Grofers activated the promotional SMS suite within the platform and entrusted Kaleyra with the massive responsibility of sending out promotional messages to their customers and prospects.



## Results of the Collaboration



Peak order  
processing  
**200,000/day**



Promotional  
message **95%**



Transactional  
message **5%**

Grofers has seen phenomenal success from their SMS campaigns using Kaleyra. Users were segmented based on the frequency of purchase and campaign volume was set based on this parameter. Kaleyra's cloud platform worked seamlessly with the marketing automation tool that Grofers used to run their campaigns, connecting via API keys. They used URL analytics to gauge campaign performance and were able to determine that SMS was the channel with the highest ROI.

From the first-ever GOBD Sale to the last one that happened during the COVID lockdown period, Grofers has been able to effectively use SMS for promoting the sale to their customers. Despite the downturn during this uncertain time, demand was healthy and the sale was able to reach its targeted audience comfortably. The team at Grofers worked closely with Kaleyra to set up and execute these high volume campaigns and were pleased with the proactive nature of the front line execution team of Kaleyra.

*Grofers has been able to achieve high LTV and they have turned profitable in 3 major Indian cities: Delhi, Kolkata, and NCR.*

Grofers has been able to achieve high LTV and they have turned profitable in 3 major Indian cities: Delhi, Kolkata, and NCR. One of the major factors that influence customer LTV is the prompt communication of order status. Using Kaleyra's SMS offering for 5 years now, Grofers has been able to not just communicate with their customers, but also delight them.

