

Case Study







## Program Highlights

## Challenge

A Luxury e-trailer was struggling to garner repeat business and inspire customer loyalty.

## Solution

Design and deploy a marketing analytics framework featuring RFM models to identify high value customers and market to them in a more engaging and personalized way.

## Results

In first executed market, the company saw a positive impact in the form of marketing ROI uplift and increased activity from the most coveted customers.

In the retail luxury business where products are expensive and purchases are usually discretionary, it's not uncommon for lengthy lag times to exist between individual customer purchases. It's the nature of the business.

For one Singapore-based e-commerce luxury retailer specializing in high-end designer brands, this problem was particularly pronounced. The company was enjoying success in the region and had grown its business operations across 8 neighboring countries. But its ability to earn repeat business from customers was lacking, even for a luxury retailer.

The company's engagement model requires customers to create free accounts or login using Facebook credentials, so availability of data was not a problem. The company was collecting and had at its disposal copious amounts of usable buying and activity data. But that data was lying dormant. They sought to implement an analytics program that could leverage the data and engage customers in a personalized way with an associated recommendation engine and tailored offers. They turned Antuit to design and deploy a marketing analytics framework and predictive

model that could improve customer engagement, identify members with the highest purchasing probability and inform a more impactful marketing function that would aid in boosting customer loyalty and optimizing revenue.

Antuit began by segmenting the retailer's customers using Recency-Frequency-Monetary (RFM) scoring — that is, ranking them according to the amount of time spent the site, frequency of site visits and money spent. From the RFM models, Antuit discovered and profiled four distinct customer clusters and created Purchase Propensity models to understand what and how much customers in those segments tend to purchase. They set up a Customer Migration Matrix, pinpointing the customers worth retaining. Finally, Antuit implemented a test and control framework to gauge and monitor effectiveness of the analytics solution.

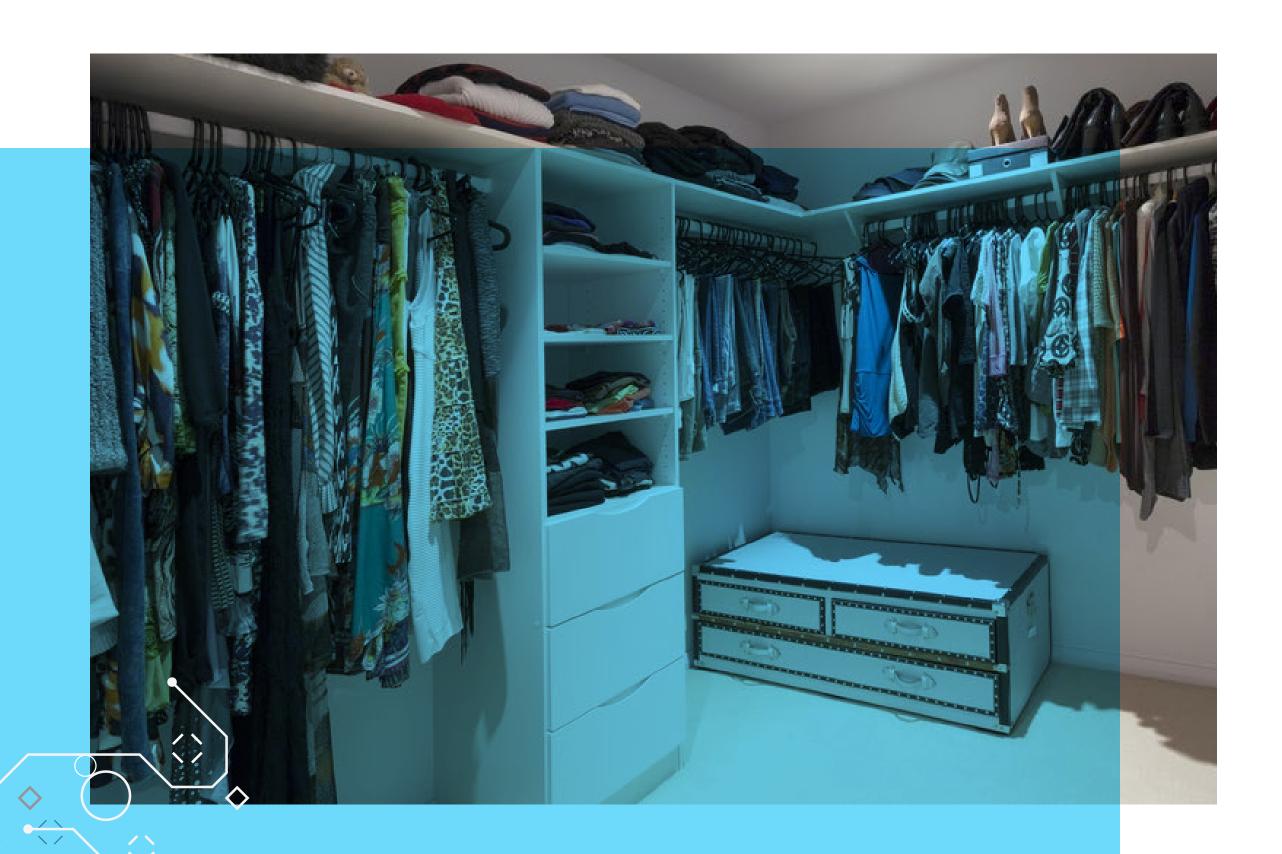
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Once the segmentation and profiling was complete, Antuit worked with the client to create new marketing campaigns with appropriate offers and promotions designed specifically for the various targeted segments. They advised the company as to the types of promotions they should extend to engage their most active customers, including offers to exclusively preview select items for its most coveted and valuable customers.

In the first market that went live in Singapore, the Antuit solution helped the company enjoy an improvement on marketing ROI in the range of 5-20% across their portfolio. The newly designed, analytics-backed campaigns have helped improve stickiness with customers and measure true lift of its promotional campaigns.



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