

# Case Study

## Nationwide retailer

**OBJECTIVE:** A nationwide retailer wanted help defining the ideal contact cadence & frequency for all their customers

**SOLUTION:** Analyzed historic activity to develop various contact cadence metrics (e.g. last contact prior to renewal, average rest, consecutive rest)

- Determined that new customer contact was too uniform & tenured customer contact too sporadic
- Defined key factors used to vary contact strategy:
  - **RFM** (i.e. active customer, average customer & inactive);
  - **Tenure** (i.e. new & tenured customers); &
  - **Type** (i.e. consumer or business customer).

**RESULT:** Determined an optimal cadence strategy to substantially boost incremental revenue:

- **+\$5B** Incremental member spend; &
- **+\$13MM** Incremental member fees

RFM	New Consumers: Ideal Strategy				Performance Impact	
	# Contacts	Avg Rest	Consec. Mth Rest	Prior to Renew	Retention	Spend
Inactive	4 - 6 Contacts	30 - 75 Days	Max 5 Months	Last 9 Weeks	+ 15%	+ 15%
Average	5 - 7 Contacts	30 - 60 Days	Max 4 Months	Last 5 Weeks	+ 2%	0%
Active	10 + Contacts	< 30 Days	Max 3 Months	Last 4 Weeks	- 1.6%	+ 19%

