

Case study

Retailer

OBJECTIVE: A large clothing retailer wants to evaluate incremental value from their customer Loyalty (*Reward*) Program

SOLUTION: Experian's Custom Analytics team utilized the retailer's as well as Experian's demographic data to develop

- **High Value Models** – A targeting solution for sales in both the Reward Program as well as Non-Reward; customers were then modeled across both to predict their likelihood of being:
 - **High Value Reward's Program Customer** &
 - **High Value Non-Reward's Customer**

Both models were used to split customers into: **Low, Medium & High Value**

- **Segment Matrix** – Taking these three *Reward Segments* and matrixing against the *Non-Reward Segments* allowed them to maximize their incremental value for all customers

RESULTS: By directing the marketing budget based on likelihood of being a Reward vs Non-Reward customer **spend increased from +10% to +45%**

- **Preferred Channels** – Customer engagement also was directed toward a segment's preferred channel

