



**Creating Actionable Knowledge Via Analytics**

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customer  
segmentation resulting  
in increased sales of  
up to 21%.  
Client**



### **Client**

A regional retailer

### **Problem/Challenge**

One of the big challenges in the retail environment is the targeting of promotional offers.

### **Solution**

Analytex compiled data over one year of transactions in retailer's locations. The vast amount of data was organized by customer key and several dimensions for segmentation were analyzed.

## CUSTOMER SEGMENTATION

**Analytex develops customer segmentation resulting in increased sales of up to 21%**

**Client:**

A regional retailer

**Challenge:**

One of the big challenges in the retail environment is the targeting of promotional offers. In many cases, the promotions are product specific driving the volume of a particular merchandise. In other cases, the promotions are generic such as \$20 off or 15% off on any merchandise in the store. The retailer wanted to understand the key customer segments to improve the marketing strategy.

**Solution:**

Analytex compiled data over one year of transactions in retailer's locations. The vast amount of data was organized by customer key and several dimensions for segmentation were analyzed. Segments were developed by distinctive shopping behavior such as frequency and recency of visits and spending levels. Segments were also developed based on profitability of the customer to understand premium customers.

The work enabled the client to convert purchase pattern segmentation into customized marketing communications, improving customer response and driving incremental sales and profits. The segmentations offered priorities for future marketing efforts based on understanding of segment product preferences, cost and profitability of various products and product mixes and cross-sell/up-sell opportunities. The ability to identify its most and least profitable customers led to an enhanced focus on serving the customers in a targeted manner.

