# CO-CREATION HELPS BOOST LOYALTY & SALES USING PROPENSITY NODELING

This is our story of co-creating a solution with a global retail chain



## AS WE KNOW...

The right insights enable companies to understand customer behavior, communicate more effectively and increase loyalty. Analytics can help companies glean such insights to develop the right cross-selling and upselling campaigns.

## THE CHALLENGE FOR THE Retail company was...

To drive the sales volumes of a seasonal product and enhance its visibility among loyal customers. Prior attempts to target previous buyers of the product with simple promotional campaigns had failed to deliver the desired results. The company leveraged WNS' analytics expertise to build an effective solution.

The retail chain rolled out hyper-personalized offers resulting in a 200% increase in sales

## HERE'S WHAT WE Co-created as a Solution...

WNS developed a sophisticated customer segmentation framework to enable the client to launch hyper-personalized campaigns for the product. Robust statistical tools were deployed to glean qualitative insights.

Through Exploratory Data Analysis on the previous year's transactions related to the product, WNS identified characteristics that differentiated the typical buyers from non-buyers. An analytical model was deployed across the retailer's entire loyalty base to predict purchase behaviors for the larger population.

The retail chain's entire loyalty base was divided into 17 granular segments. Targeted promotional offers, based on the revenue objectives, were identified for each segment. Keeping in mind the client's need to minimize the number of promotional e-mails, similar segments were clubbed and tailored offers were launched for each group.

Post the campaign rollout, parameters, including response rate, incremental revenue generated and the number of buyers, were measured using control and test groups.

## OUR LEARNINGS AND OUTCOMES FROM THE PROCESS OF CO-CREATION ARE...

That propensity modeling can achieve accurate customer segmentation, which can be effectively used to boost loyalty and sales.

The WNS approach enabled the retail chain to:

- Better target prospective buyers of the product
- Get stellar response to the personalized promotional offers
- Achieve a 200 percent increase in the loyalty purchase of the product compared to the previous year

WNS' proprietary model continues to be used to launch promotional offers for the product as well as another popular seasonal item. WNS also continues to support the retail chain in its marketing efforts.

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