

CASE STUDY

A European Fashion Retailer Improved Campaign Effectiveness and Sales by 3X Using a Retail Customer Segmentation Strategy



The Client

Owned by a Swedish **retail giant**, our client is one of the leading fashion retailers in Europe. The client has over 200 stores spread globally with over 50+ stores located in Europe.

The Business Challenge

Most retailers today categorize their customers into different groups based on demographic data and behavioral patterns. However, a major concern revolves around the use of top-level demographic data as it often offers inaccurate insights that fail to capture deeper insights required to analyze customer demand.

What does your average customer prefer? Though it's a simple question that every retail industry player must address, the growing customer needs and preferences have made it difficult to pin down a comprehensive answer. In reality, it is a major challenge as your customers are unique, and trying to find the common elements which unite them to define your 'average customer' inevitably leads a vague picture of the customer base.

Owing to the competitive retail scenario there exists a growing need to address customer demands and cut down costs by better understanding the focus groups. Facing similar challenges, our client was looking at leveraging custom-built retail customer segmentation models to enhance the efficiency of its in-house **segmentation solutions** and increase customer engagement by implementing a truly one-to-one retail customer segmentation strategy.

Solution Offered and Value Delivered

To help the retailer automate the marketing messages and boost conversion rates we put together a team of customer analytics experts who designed and implemented an effective retail **customer segmentation strategy** by integrating in-store data with customer data sets. Adapting to the new retail customer segmentation strategy not only helped them automate personalized communications but also helped them improve marketing campaigns and increase sales.

Retail Customer Segmentation Engagement- Business Outcome

Quantzig's retail customer segmentation strategy enabled the client to:

- Improve sales by 3X
- Achieve a 2X improvement in campaign effectiveness and customer satisfaction rates

Why Quantzig?

We understand the importance of retail customer segmentation strategies in driving business growth, which is why we focus on offering unique insights by implementing robust customer segmentation models. Quantzig's customer analytics experts can help you take customer segmentation to the next level by offering in-depth, granular insights into your customer base. Using these insights, businesses can design robust retail customer segmentation models to target niche audiences based on different criteria and demographic information.