RedPoint Global helps a leading specialty retailer transform its loyalty program by cutting campaign creation time from four weeks to days, simplifying execution, reducing costs, and improving ROI.

Overview

A leading US specialty retailer knew the best way to engage its customers was to reflect and anticipate their unique needs as individuals. However, it could not individualize communications with its enormous customer base, especially its best customers: its loyalty program members. After three failed attempts to shift towards individualized marketing, the retailer called upon RedPoint Global.

With RedPoint, the retailer built a single, up-to-date, 360 degree view of individual customers: one that brings together all available data sources, including massive point-of-sale data feeds that were previously extremely difficult to integrate.

Using its new "single view of the customer," together with RedPoint's cutting-edge marketing planning and execution capabilities, the retailer cut the time it took to deliver campaigns from four weeks to just a few days. It gained full visibility into campaign performance, establishing a closed-loop marketing system that can accurately attribute sales to individual marketing programs. Finally, since RedPoint's open architecture makes changing data sources trivial, it can now do so based solely on business objectives, not technical constraints. With these improvements in place, the retailer can now craft personalized interactions and offerings that fully capture what it knows about every customer.

Background

A leading specialty retailer and distributor, our client operates thousands of stores throughout the US, Puerto Rico, and Mexico. With annual revenues of approaching ten billion dollars, it has served almost fifty million customers, and has billions of store transactions each year.

The Challenges

The retailer faced multiple marketing and customer engagement problems all stemming from the fact that it was extremely difficult to identify individuals and develop continuous interactions with them.

Several technical and process problems made it maddeningly difficult for the retailer to market to individual consumers. First, creating targeted lists required a labor-intensive and time consuming manual process – which, unsurprisingly, limited the number of targeted campaigns that could be executed, and made them less timely.

Second, the retailer struggled with significant data quality issues, and poor data quality was translating directly to poor campaign delivery rates. Third, the retailer

NATIONAL SPECIALTY RETAILER

OBJECTIVES

➤ Deepen engagement with an enormous customer base, especially members of its massive nationwide loyalty program.

➤ Create an up-to-date and reliable "single view of the customer" in order to move aggressively towards individualized communications and offers. (Three previous efforts to do so had failed.)

RESULTS

➤ RedPoint successfully integrated all customer data feeds, overcoming difficult "nitty-gritty" problems such as merging point-of-sale records for customers who shop in multiple stores.

➤ Using RedPoint's powerful campaign planning and execution tools, the retailer successfully implemented individualized messaging to its loyalty program members, reduced campaign creation time from four weeks to just days, and established full visibility into marketing performance for the first time.

possessed no ability to integrate across campaign channels, or to manage opt-outs and unsubscribes.

Finally, the retailer lacked a central repository for source data and campaign response data. Without such a central repository, it was difficult or impossible to "close the loop" by accurately linking sales and customers to the marketing campaigns that generated them.

These challenges especially manifested themselves in connection with the retailer's large nationwide loyalty program. Individual customers would accumulate points that could be spent at the store – and when customers visited to redeem their points, they often made additional purchases. But the retailer had no way to individualize communications for relevance to each purchaser. What products would they be most likely to return to purchase? The retailer could not tell – and it knew that this lack of visibility was costing it significant sales.

Arguably, an even worse problem existed. The retailer's loyalty program was designed to include expiration dates for customer points. But, since the marketers' campaign execution process was slow and cumbersome, it could not always remind its customers that their points would soon expire. Instead of using their points and making additional profitable purchases, customers were discovering too late that they had lost points. Instead of engaging its customers, the retailer was alienating them.

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The Solution

The retailer clearly understood that data was a critical part of its customer engagement problems. If all of its data from multiple sources could be seamlessly integrated, everything else could get easier – from customer analysis and campaign development to execution and post-campaign ROI analysis.

However, it had already experienced three failed attempts to unify its data into a complete 360° view of its individual customers. One especially difficult problem: to collect and integrate point-of-sale data from all stores. If one customer made purchases at different stores, this information often failed to make its way into the same customer profile.

As thorny as its data problems were, the retailer knew they simply had to be solved. Otherwise, they would only get worse, and its marketing would become increasingly uncompetitive. After considering multiple options, it partnered with RedPoint to implement the Convergent Marketing Platform™.

RedPoint's customer engagement platform did what previous attempts could not: it integrated all of the retailer's customer data feeds, including previously problematic point-of-sale data from thousands of individual stores. Along the way, RedPoint solved many problems that had resisted previous attempts – including successful matching and merging of purchase records when customers visit multiple stores.

Together with a single up-to-date customer view, RedPoint also provided advanced campaign planning and execution tools. Using these, the retailer can now quickly build and execute campaigns either in batch or real-time – both to its base of loyalty program customers and to other promising customers and prospects.

The Results

With RedPoint's customer engagement platform in place, the retailer finally achieved its core strategic goal: to deepen customer engagement by maximizing the relevance of every communication, based on every customer's individual needs and behaviors.

In connection with its move towards greater relevance and personalization, the retailer

reduced its campaign creation cycle time by more than 75%: from an average of four weeks to just a few days.

As with most retailers, resources are seriously constrained and costs are paramount; the RedPoint technology's lights-out automation and monitoring has permitted these remarkable improvements in execution efficiency despite very limited staff.

RedPoint technology also made possible several additional benefits and process improvements. For example, the retailer can now accurately measure customer churn. It has immediate visibility into campaign performance, and can measure and optimize marketing ROI more quickly and effectively.

Moreover, RedPoint's open architecture ensures that new inbound and outbound data sources can be integrated at will. Now, when the retailer considers new social channels, service providers, or third-party data sources, it can decide solely on business advantage, without worrying about integration. For example, when the retailer chose to replace its email service provider, RedPoint's open architecture made this change easy.

About RedPoint Global Inc.

RedPoint Global offers a comprehensive set of world-class ETL, data quality and data integration applications that operate in and across both traditional and Hadoop 2.0 / YARN environments. The company also offers data-driven customer engagement solutions that help companies derive insights from customer behaviors and create consistent, relevant and precise messaging across any and all channels required. All RedPoint applications offer a unique visual user interface that eliminates the need for programming skills, allowing enterprises to utilize all data to achieve their strategic business goals. For more information please visit www.redpoint.net or email contact.us@redpoint.net.

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