

Case Study: Data mining application for a Sports Goods Retailer

The Client:

A chain of sports goods retailer, with over 25 branches in UK.

The Challenges:

They captured data about their customers on their POS systems. Nothing was done with this data other than awarding their customers points which they redeemed in store as money off future purchases.

They turned to BIRetail to help them with mining the data on customer interactions.

The Solution:

BIRetail solution was deployed with a robust Extract-Transform-Load (ETL) interface, scheduled to auto-run post midnight every day, which uploads the MS-Access databases containing POS transactional data from each store. Subsequently, the data was loaded into a centralized data warehouse. Stock valuation calculation and profit per transaction calculation algorithms were implemented.

BIRetail “mined” their customer interactions and identified several trends within their stores.

They identified their strongest customers (the ones who produced them the most profit).

They also identified the customers who were more likely to purchase the latest items and targeted them with an email campaign.

Customers who liked to wait for promotions were told of relevant special offers.

They also identified those customers who returned a high proportion of their purchases.

Benefits:

- After a successful implementation of BIRetail, they were able to target the customers in different ways and at different times resulting in a vast increase in sales per customer
- They are now so customer focused that they are currently working on introducing a RFID membership card what will bring up customer histories as soon as a customer walks into one of their stores.
- The Company now plans to win back customers who they have lost in the past by identifying such customers using BIRetail.
- They ran standard reports (preconfigured and included within BIRetail) on their customers, suppliers and inventory and discovered some inefficiencies in their operational processes within their company and are working on their internal processes to improve efficiencies and reduce costs.

Technologies:

- MicroStrategy
 - Microsoft .Net Framework 2.0
 - MS-SQL Server
 - SQL Server Integration Services
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