

DATA SCIENCE IN THE UK RETAIL INDUSTRY

ESSENTIAL INSIGHT FOR MARKETING DEPARTMENTS





INTRODUCTION

In today's hyper-competitive marketplace, it's never been more essential for retail businesses to find ways to cement their hold on the market. Within the UK, it's becoming all too common to hear of yet another retailer who has succumbed to the mounting pressures faced on the UK high street and online.

We all understand the importance of data for informing data-driven decisions. But, are you truly confident that you're getting maximum value from your data? And, without it, can you be truly confident in those decisions you make for the future of your business on a daily basis?

Data science holds exciting potential for retail businesses worldwide and across all departments. Over the following pages, we've looked in more detail at just some of the potential opportunities open to Marketing Departments.



**PRODUCT
RECOMMENDATION
ENGINES, BASKET
ANALYSIS & NEXT
BEST PRODUCTS**

These techniques together can maximise the value of your marketing activities in terms of your business objectives by honing in on your customers' priorities and key interests.

The algorithms score products and services against the individuals' own interests and purchase history and according to your business' targets and goals. This allows the identification of optimal additional or next products, as well as opportunities for cross and up-selling. These help marketing teams meet their targets by maximising the value generated through individual customers.

**Maximise the value of your
marketing activities in terms of
your business objectives**



IDENTIFYING NEW CHANNELS TO TARGET NEW CUSTOMERS

It's no secret that reaching out to new customers is a key function within any Marketing Department. But do you know which additional channels hold most potential for your business? And how they would compare to your existing channels?

Knowledge such as this is vital to ensuring you maximise the value of your marketing activities by reaching as wide an audience of receptive potential customers as possible. If you're only ever speaking to the same people, you're not going to reap the rewards. This insight can help you understand which channels offer the greatest value potential for your business.

Maximise the value of your marketing activities by reaching as wide a receptive audience as possible

The background of the slide features a dark teal color with a faint, glowing blue and orange grid pattern. In the top left corner, there are some financial numbers: '32,250.50' and '6,586.87'.

IDENTIFYING PATTERNS IN CUSTOMERS' PURCHASE BEHAVIOUR

How well do you really understand your customers' behaviour when purchasing from your business? Do they spend a lot all at once, or do they make lots of low value purchases? Are there trends in their purchasing behaviour?

These insights can help you to better understand the individuals interacting with your brand, as well as enabling you to monitor how their behaviour changes over time. This insight can be critical.

One application is the identification of those customers at risk of churning, allowing you to reach out to them with a targeted offer corresponding to their priorities with the aim of reinvigorating their brand loyalty.

**Better understand the individuals
interacting with your brand**



SEGMENTATION OF THE CURRENT CUSTOMER BASE

All too often businesses make unfounded decisions about customer segmentation based on little more than intuition. Whilst this may work in theory (and a lot can be said for first-hand experience of your business), segmentation should be an evidence-based process.

There are four standard categories for segmentation: geographic, demographic, behavioural and psychographic. By identifying your key customer segments, decisions about how you reach out to them and particulars of the customer experience can become more fact-focused. In turn, this helps you to tailor their experience to encourage maximum value generation per individual.

**Enable fact-focused decisioning for
reaching out to your key customer
types**



6 CASE STUDY 9

Following the implementation of advanced propensity modelling techniques, our customer, a global entertainment firm, maximised the Return on Investment (RoI) of their email campaigns to realise the following benefits:

More targeted email marketing

Statistically significant uplift in ticket sales

Profit maximisation within that business branch

Reduced costs of email marketing campaigns.

DATA SCIENCE AS A SERVICE

Three easy steps

Remember, there are so many applications of data science depending upon your team's objectives and goals. Discuss your challenges with our experts and follow the three steps below to achieve data-driven decisions to empower your business' future.



STEP 1. SHARE YOUR DATA



**STEP 2. ASK YOUR QUESTIONS
AND CHOOSE YOUR METRICS**



**STEP 3. WAIT TO RECEIVE THE
INSIGHTS FROM OUR EXPERTS**



DATA SCIENCE AS A SERVICE

What are the benefits?

- 1 Short payback period – no large upfront costs or expensive license fees
- 2 Outsourced expertise to avoid a training-based delay
- 3 Brand new insight that wasn't previously available focusing on business-critical questions to help you hit your targets
- 4 Your new environment can be stood up within a day, ready to take your data and begin modelling
- 5 Instant productivity – no need for up-skilling staff or recruitment, models ready to use within days.

**THERE ARE SO MANY EXCITING OPPORTUNITIES
FOR FURTHERING YOUR MARKETING ROI WITH
DATA SCIENCE MODELLING.**



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INFORMATION OUR WEBSITE AT**

WWW.AMADEUS.CO.UK/DATA-SCIENCE

