

# CRAI



**“dunnhumby has a strong competence on marketing levers, big data, and customer strategy. Others might also have this, but it’s dunnhumby’s commitment, passion and willingness to really understand client needs that adds value.”**

**- Mario La Viola, CRAI Marketing Director**

## About CRAI

- Established in 1973
- Central headquarters in Milan
- Cooperatives spread across 19 Italian regions and 2270+ stores
- [www.craireweb.it](http://www.craireweb.it)

## Objectives

- Help them to better understand their customers and their value
- Differentiate customers according to their habits and needs
- Create an individual and personalised dialogue with customers
- Drive greater loyalty over time and increase spend for the business

## Achievements

- 1% growth on LFL sales during CRM campaigns
- Average +40% incremental sales during the CRM campaigns and 11% in the postcampaign period

## Personalised communications: Increasing customer engagement and sales

CRAI had a loyalty program in place but had never studied their customers’ behaviour and needs, nor had they undertaken any personalised engagement activity. They recognised the need to improve their customers’ experience and saw how creating personalised communications could help drive their business objectives.

## Challenge

Very little work had been done with their customer base before, and quite a few challenges were uncovered. Although a rich customer database had been created from their loyalty program, the quality of data was poor in terms of contactable customers. From a CRM perspective, inconsistencies of technology & systems capabilities were identified across their stores. And usage of the loyalty card by customers was quite low.

## Solution

dunnhumby worked with CRAI from the assessment of their business (objectives, priorities, capabilities and resources) up to the design of the customer journey, resulting in a CRM plan. After a process of customer data validation to gain powerful customer insights, business & customer opportunities were identified and quantified. The plan was designed to engage customers in a personalised and relevant way, by activating the right content, through the right channel, at the right time. However, key to a winning plan was a cycle of tests to drive best customer engagement and ROI.

### 3 tests with different spend scenarios were activated:

#### Test 1 (Summer)

Customer group 1: target 60th percentile of basket spend & **15% off**

Customer group 2: target 75th percentile of basket spend & **20% off**

#### Test 2 (Autumn)

*\*Repetition of Test 1 but different season*

Customer group 1: target 60th percentile of basket spend & **15% off**

Customer group 2: target 75th percentile of basket spend & **20% off**

#### Test 3 (No specific season)

Customer group 1: target 75th percentile of basket spend & **15% off**

Customer group 2: target 75th percentile of basket spend & **20% off**

## Results

**75th spend percentile / 20% off was the best winning scenario.** With this mix, we identified the ideal combination to drive the right balance between level of customer engagement and incremental sales for CRAI. customers seemed to appreciate a higher discount even if having to spend more.

With this scenario, participation was 3% points higher in all 3 tests, while the incremental sales generated by the contact customers were 7-8% points higher.

After the test phase, CRM activities were consolidated driving an average of 40% sales uplift and 1% growth on LFL sales during campaigns.



Improved customer experience & customer engagement



**1%**  
Growth on lfl sales during crm campaigns



**+40%**  
Incremental sales during crm campaigns



**+11%**  
Incremental sales post-campaign period

# dunnhumby

## THE WORLD'S FIRST CUSTOMER DATA SCIENCE PLATFORM

dunnhumby is the global leader in Customer Data Science, empowering businesses everywhere to compete and thrive in the modern data-driven economy. We always put the Customer First. Our mission: to enable businesses to grow and reimagine themselves by becoming advocates and champions for their Customers.

With deep heritage and expertise in retail – one of the world's most competitive markets, with a deluge of multi-dimensional data – dunnhumby today enables businesses all over the world, across industries, to be Customer First.

The dunnhumby Customer Science Platform is our unique mix of technology, software and consulting enabling businesses to increase revenue and profits by delivering exceptional experiences for their Customers – in-store, offline and online. dunnhumby employs over 2,000 experts in offices throughout Europe, Asia, Africa, and the Americas working for transformative, iconic brands such as Tesco, Coca-Cola, Meijer, Procter & Gamble, Raley's, L'Oreal and Monoprix.



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