

# CR Vanguard



China Resources Vanguard, also known as CR Vanguard, is one of the largest bricks and mortar grocery retailers in China. It has the largest volume of customer data from domestic physical stores, but also encounters various challenges during the digitalisation process in this ever-changing industry.

## About CR Vanguard

Established in 1984, headquartered in Shenzhen, China

- State-owned holding enterprise group directly under the central government
- 3,234 shops in China (2019)
- One of the world's top 500 enterprises

## Objectives

- Increase number of loyal customers
- Reduce cost and improve customer acquisition
- Reduce customer lapse rate
- Streamline data integration into one source
- Turn customer data into valuable insights

## Achievements

- The time to deliver a report has been improved by more than 80%
- Closer collaboration between CR Vanguard and its suppliers when everyone is on the same page
- Sales are 2-5% higher with business decisions based on category-based customer insights
- Investment on dunnhumby Shop can pay back in 8-18 months to the retailer

## To enable in-depth customer insights with clean, integrated customer data; creating enhanced collaboration and communication efficiencies by ensuring both retailers and suppliers can access the same information

CR Vanguard has the largest volume of customer data from domestic physical stores in China but this poses various challenges in the digitalisation process. This meant they needed a solution to provide valuable data insights to ensure smart business decisions were made to meet customer expectations and so they could build win-win data strategy with its suppliers in the domestic retail market.

## Challenge

- Increased competition and the rapid increase in channel options has shown customer loyalty levels have decreased
- Customer acquisition costs increased and it is more difficult to attract new customers whilst lapse rates also continued to rise
- Data insights were not being applied effectively
- Data insights were being produced by multiple sources with limited integration so quality was not being optimised .

## Solution

dunnhumby China JV worked with CR Vanguard to digitalise sales data and embed into dunnhumby Shop platform by following this process:

1. Ingest full transactional data including from CR Vanguard's loyalty membership programme on a daily basis
2. Process the CR Vanguard data in the JV big data platform in China and export to the science engine and Shop products in UK
3. Develop a tool/mechanism called "Tokenization" to anonymize the sensitive information and export to UK servers whilst meeting both Chinese and British cybersecurity measures
4. dunnhumby Client leads train the retailers and manufacturers on dunnhumby Shop so they can access the data and insights to run reports themselves as needed

This meant :

- **Users can get data quickly and conveniently** - By integrating key metrics for business decision into shop platform, such as sales performance, consumer behaviour, store performance, new product performance, promotion evaluation
- **Personalised customer insights for various needs** - Users can customise the product range, store range, time range, etc. on the platform according to the reporting needs, which means they can more flexibly and efficiently manage to any level of the business
- **Scientific validation to ensure data accuracy** - All reports use customer data science methods to validate in the global retail market and are deployed locally, considering both technical iterations and localization needs. All updates and iterations can be pushed to all users simultaneously

## Results

We saw great improvement with CR Vanguard leadership within 8 months after the launch of dunnhumby Shop.

- **Improved Efficiency.** The report delivery efficiency has been improved by more than 80% - previously taking around 7 days, and now less than half day.
- **Closer Collaboration.** Information mismatch between CR Vanguard and its suppliers has decreased as they can use shop data as verified data to use with business deals and negotiations.
- **Increased sales.** Category-based dunnhumby Shop data insights for business decisions are 2-5% higher than before.
- **Fast return on investment.** dunnhumby Shop output can recover all costs in 8-18 months.

dunnhumby Shop will be made available to more users and to be used more widely throughout various business areas as retailer and manufactures are increasingly reliant on data science to compete in the China retail market. Upgrade projects for dunnhumby Shop, including expanding banner coverage, adding more customers segmentation, providing more detailed data insights for online and offline sales, etc are being designed to help them respond to this environment.

**"It is good to see the data down to customer level, especially for brand switching and cross-shop analysis, giving me a brand-new view of brand analysis."**

**– A senior manager from CR Vanguard"**



**>80%**  
increase in efficiency



**+2-5%**  
like-for-like sales uplift



**Closer collaboration  
with suppliers**



**8-18**  
months to recover costs

# 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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