Boosting the performance of coupons in retail

<u>Business objective</u> Commercial Performance <u>Sector</u> Retail

Context & objectives

A **leading player in the retail industry** wanted to understand and boost promotional campaign performance based on various couponing initiatives.

The challenge in this type of analysis is to understand whether the coupon impacts sales: other factors come into play, some of which are easily measurable (competitors' prices) some less so (fashion and other macro trends).

Approach

First, we gathered and cleaned the data on sales and couponing initiatives (activation period, type of store, face value, presence of other promotions)

We then analyzed the impact of each variable on coupon campaign success and extracted the key insights. E.g., "What category of product works best in which chain?" "Does the volume of coupons really matter?" and "Where should a campaign focus its effort?"

Finally, we built a model with the most relevant variables to predict any coupon campaign's success and its impact on sales.

Results

In a matter of days, we helped our client improve its understanding of its couponing campaigns' critical success factors.

- We developed a model and a methodology that helped **determine the optimal coupon on variables such as size, period and geography**.
- We also delivered an **automation roadmap to enrich and industrialize the models** in the existing systems.

About Agilytic

Since 2015, Agilytic helps innovative leaders solve their biggest challenges through the smarter use of data. With over 150 successful projects to date, we have perfected a pragmatic approach to putting data at the service of business goals, be they commercial, operational, financial, or human. Reach out today for a quick introduction, we'd love to hear from you.