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PERSONALIZATION AT SCALE DURING THE BUSY HOLIDAY SEASON

How using Sagarmatha's personalization software yielded basket uplift for 2 large US based retailers.

INTRODUCTION

November and December bring about holidays one after another (Thanksgiving, Black Friday, Cyber Monday and of course Christmas), and with it a surge in sales (The NRF says that 20%[1] of all sales come during the holiday season).

2 large US retailers, clients of ours, had different requests for their holiday campaigns.

One, a large US supermarket chain, wanted to increase sales lift by targeting their shoppers with highly relevant holiday offers, bearing in mind it is a very busy season.

The second, had an overall objective to grow basket size, units and trips.

1 https://nrf.com/topics/economy/state-retail

PERSONALIZATION STRATEGY FOR THE HOLIDAYS

Our approach to personalization during the holiday season is similar to the three way approach that Sagarmatha implements during the year - one that uses behavioral and predictive data to build a unique personalized experience for each shopper.

fig 1 end to end personalization

EXAMPLE 1:
PERSONALIZATION AT SCALE → INCREASE SALES LIFT

One of our clients, ran a personalized holiday campaign on a regular basis as part of yearly "themed campaigns" throughout the year.

- In 2021 the "holiday themed campaign" ran in parallel to the regular personalized monthly campaign, was mostly funded by CPG's and supported additional marketing activities in the stores.

- Offers were characterized by "holiday categories" such as "Baking and Cooking" or products that are specific to hosting like "Cheese & Crackers", "Appetizers", "Snacks" or "Coffee".

Using personalization software is not just about the use of such technology but also the ability to take the data, understand it and take action, and that is exactly what the team did:

- Overall, the Dec 21 personalized campaigns achieved **20% more incremental sales and 14% more incremental visits** compared to the yearly average of the "themed campaigns".

- Dec 21 had a remarkable sales lift within the year compared to previous months due to all personalized campaigns running during this period.

- This contribution is remarkable also due to the fact that in the EOY most of the budgets are depleted due to campaign activities throughout the year which raises a challenge.

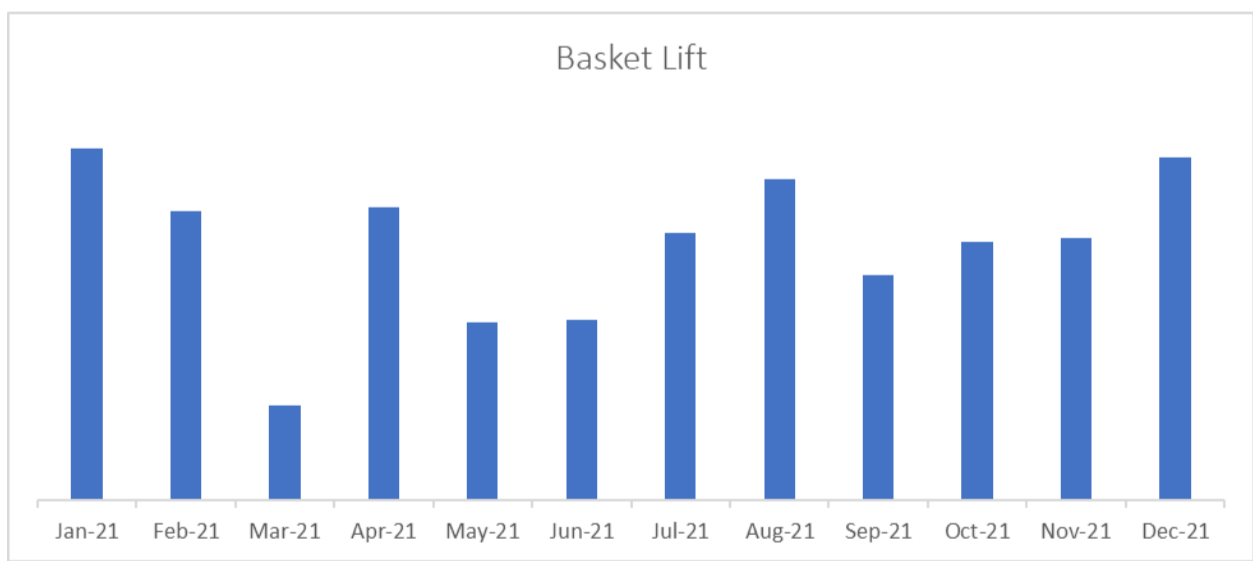- The holiday campaign, alone contributed to 24% of the total lift of the month.

fig2 Basket Lift through 2021

EXAMPLE 2:
PERSONALIZATION AT SCALE → GROW BASKET SIZE, UNITS AND TRIPS

The client runs monthly themed campaigns, the purpose of these campaigns is to retain loyal and engaged customers and to increase basket lift for customers who visited less frequently through personalized offers. Their overall objective is to grow basket size, units and trips.

Using our platform, the 2021 holiday campaign achieved amazing results:

- 23% of the customers participated in the campaign

- Sales lift was the highest since the beginning of the year. **42% more lift per targeted customer in themed campaigns.**

- This campaign was relatively more profitable compared to other themed campaigns.

- Coupon redemptions were the highest since the beginning of the year.

STRATEGY AND TECHNOLOGY LEAD TO RESULTS

Personalization provides the much-needed differentiation factor to stand out during the holiday season. The right mix of yearly strategy and holiday strategy with the right ML software is what makes that difference.

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FOR MORE INFORMATION
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