QWASI

Innovation Realized™

FORDHAM UNIVERSITY

MSMI

APPLIED PROJECT 2017

ACTION POINTS

STATEMENT OF WORK

Key Assumptions:

1. Data files provided by QWASI were correct at the time of the SOW signing.

2. Non-Disclosure Agreements (NDAs)

Pricing: $250.00/Hour

Schedule:

1. Agreed on SOW by 6/28/2017.
2. Data analysis was completed by 7/4/2017.
3. Deliverables are presented 7/21/17.

Deliverables:

1. Customer analysis, insights, and marketing recommendations via PowerPoint.
2. Infographics on key segments.

FORDHAM
THE JESUIT UNIVERSITY OF NEW YORK
Gabelli School of Business

PROJECT SCOPE & HYPOTHESES

PROJECT SCOPE

1. Create a profile of loyalty program participant frequency and the characteristics of each student, alumni, faculty/staff and fan segments.

2. Analyze difference in points earned versus redemption based on the members demographics such as: year in school, gender, type of sports.

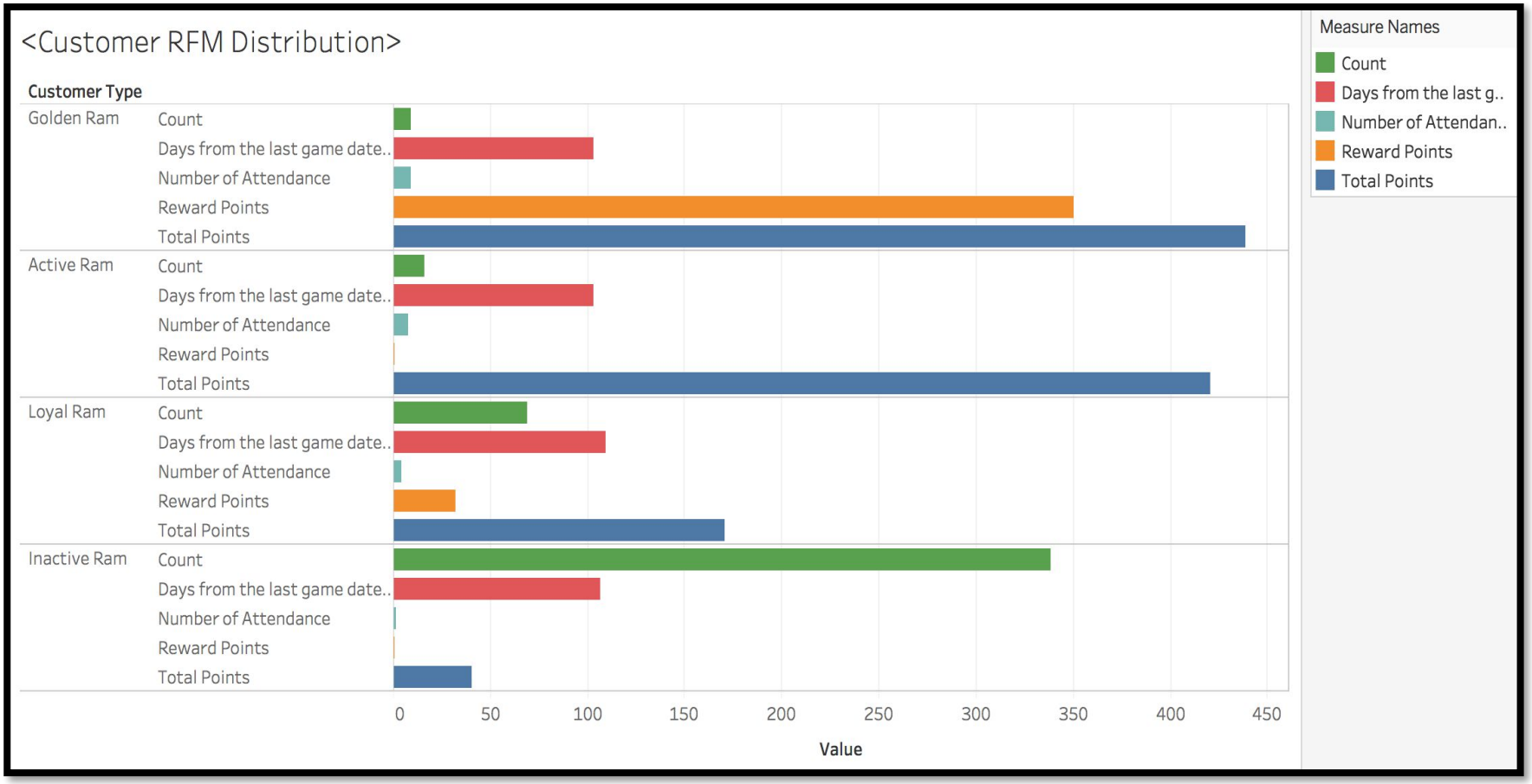
HYPOTHESES

1. Among customers who earn more points (400+ total points), 60% of them redeem their points.

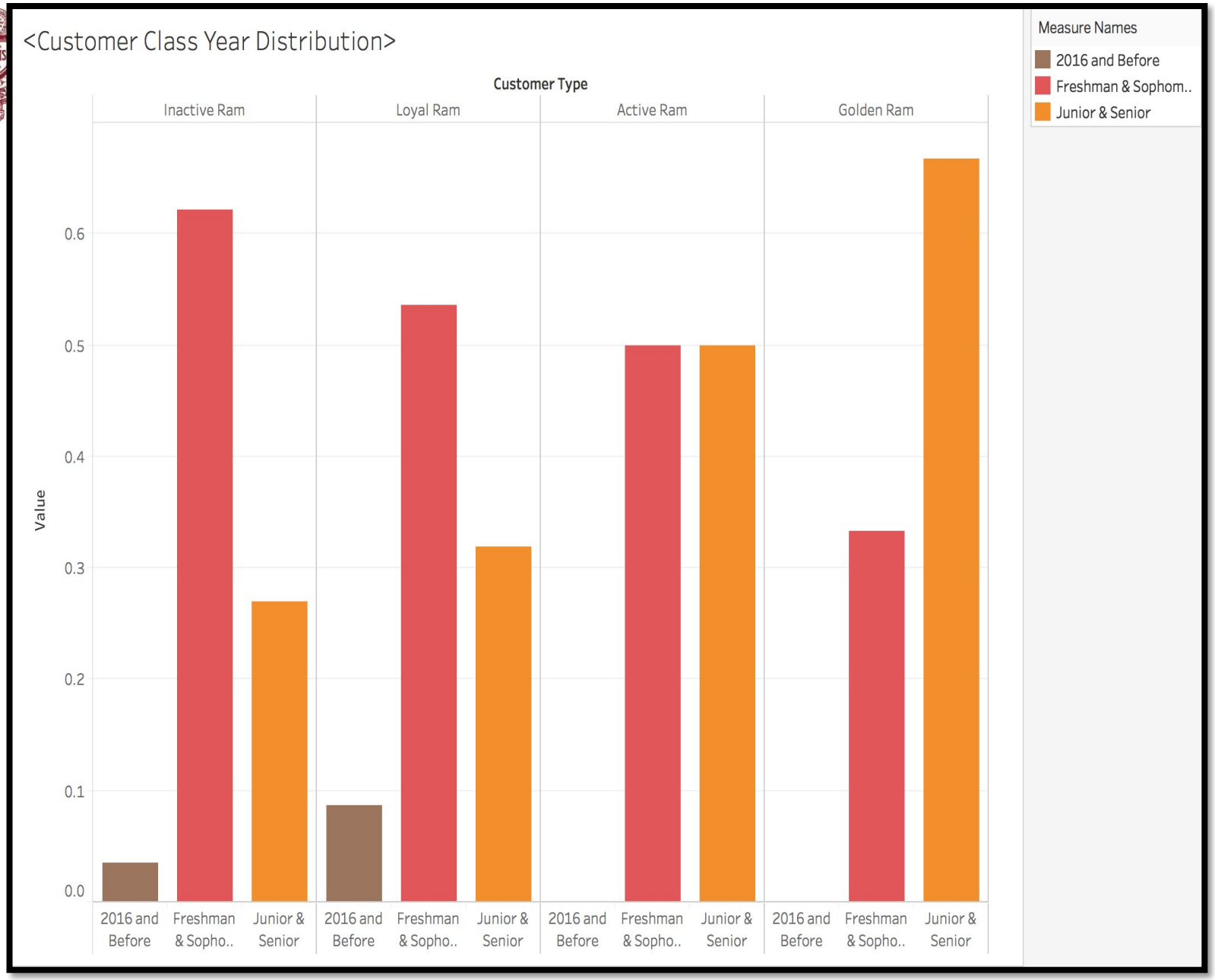
2. Compared to other students, freshmen and sophomores earn 30% more points than seniors and juniors.

FORDHAM
THE JESUIT UNIVERSITY OF NEW YORK
Gabelli School of Business

CONSUMER SEGMENTS



1.
2.


<Customer Class Year Distribution>
Customer Type
Inactive Ram
Loyal Ram
Active Ram
Golden Ram
Value
0.0
0.1
0.2
0.3
0.4
0.5
0.6
2016 and Before
Freshman & Sopho..
Junior & Senior
Measure Names
2016 and Before
Freshman & Sophom..
Junior & Senior

PROJECT SCOPE & HYPOTHESES

PROJECT SCOPE

1. Analyze the customer loyalty dataset to identify meaningful window contractor customer segments and improved targeting for Velux's target customers..

2. Identify impact of seasonality on submissions in order to identify inactive users.

HYPOTHESES

1. 80% of points are earned by 20% of customers.

2. Quarter 2 and 3 are responsible for more receipt submissions than Quarter 1 and 4.

HYPOTHESIS #1

80% of points are earned by 20% of customers.

Total Customers
12,958

2,954 (22%) Customers:
80% of Points

VELUX®

CONSUMER SEGMENTS

DELUXE VELUX

Argos

24%
Are Loft Converters

1,900
Avg. Total Balance

1,443
Avg. Reward Value

77%
of Jobs are New Installation

Retailers
Are best reward partners

MARKS & SPENCER

Total Balance + Submission Quantity + # of Months since Submission + Reward Value =

MOST VALUABLE CUSTOMER

FORDHAM
THE JESUIT UNIVERSITY OF NEW YORK
Gabelli School of Business

MARKETING RECOMMENDATIONS

Cluster 1 - **Loyal Ram**:

- Push notifications for games.
- Establish loyalty.
- Buy two tickets, get one free.

Cluster 2 - **Inactive Ram:**

- Free tickets 48 hours prior to mid-season games.
- 20% off first ticket purchase of the season.

Cluster 3 – **Active Ram**:

- Push notifications to remind users to redeem points.
- Ram stickers.

Cluster 4 **- G**
Free bu**olden Ram:**s transportation from Rose Hill Campus.

- Priority seating.

VELUX®

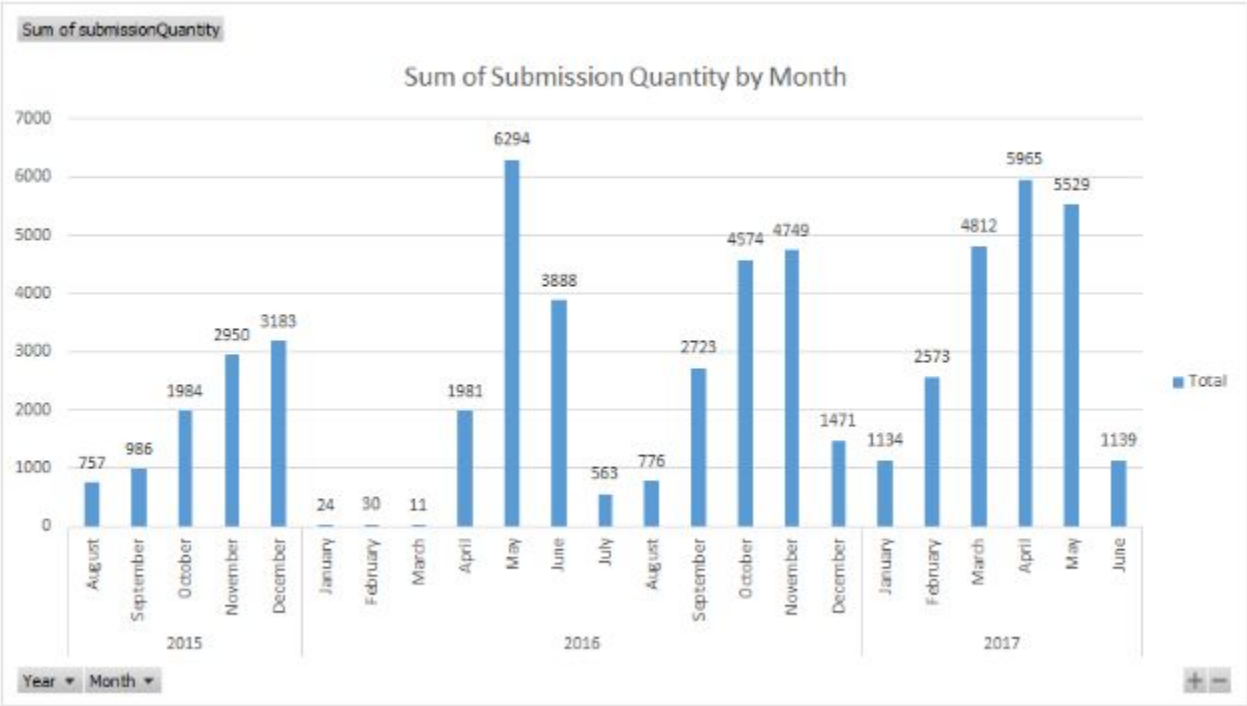
MAP

POPULATIONS

Cardiff 350,000
Oxford 150,200
Southampton 253,651
London 8.67 Million
Cambridge 123,900
Aberdeen 40,602
Liverpool 465,700

HYPOTHESIS #2

Quarter 2 and 3 are responsible for more receipt submissions than Quarter 1 and 4.



VELUX®

FINDINGS

1. 2,954 Customers (22%) Contribute 80% of Total Points.
2. 9,219 Active Customers
3. Mean (Active Users): 156 points
4. Median (Active Users): 75 Points

MARKETING RECOMMENDATIONS

1. Offer double points to reactivate inactive users (users with no points who have not made a submission in 6 months) via SMS text or e-mail.

2. Target customers in city, especially in CITY OF DISPOSITION HERE.

3. Emphasize rewards options from retail partners through featured weekly options.

4. Incentivize users to input job descriptions to mitigate the impact of “Other” and “None” options by offering 5 points initially upon account creation.

5. Multiply all points by a multiple of 100 to (submission and redemption) make the reward program more appealing to users.

6. Establish campaigns to drive business when demand is low (Q1 & Q3) to generate profit based on White Painted and 2016 Extended campaigns.

HARVEY NICHOLS

PROJECT SCOPE & HYPOTHESES

PROJECT SCOPE

1. Analyze the client's loyalty program tier and rewards data to understand customer behavior and propose a model to predict loyalty.

2. Identify key segments of customers, and provide recommendations to tailor messages and relevant personalized services.

HYPOTHESES

1. Most loyalty program customers prefer to open push notifications at the weekend evenings from November to December.

2. Q4 generates more points than any other quarter.

HARVEY NICHOLS

CONSUMER SEGMENTS

		Style Seekers			Fashion Hispers			Star Customers			Passionate Loyalists		
		Mean	Count	% of Total	Mean	Count	% of Total	Mean	Count	% of Total	Mean	Count	% of Total
Monetary		6941			11,056			61,255			522,852		
Frequency		18	9,742	6.90%	69	997	0.71%	30	267	0.19%	247	6	0.00%
LastPurchaseDay		36			24			49			4		
Gender	N/A		9,332	95.8%		922	92.5%		239	89.5%		6	100.0%
	F		298	3.1%		54	5.4%		16	6.0%		0	.0%
	M		112	1.1%		21	2.1%		12	4.5%		0	.0%
Tier	N/A		9,332	95.8%		922	92.5%		239	89.5%		6	100.0%
	BLACK		159	1.6%		34	3.4%		25	9.4%		0	.0%
	GOLD		146	1.5%		26	2.6%		1	.4%		0	.0%
	PLATINUM		89	0.9%		12	1.2%		1	.4%		0	.0%
	SILVER		16	0.2%		3	.3%		1	.4%		0	.0%
Revenue		$	67,620,252	30.6%	$	11,022,765	5.0%	$	16,355,028	7.4%	$	3,137,109	1.4%

Notes:

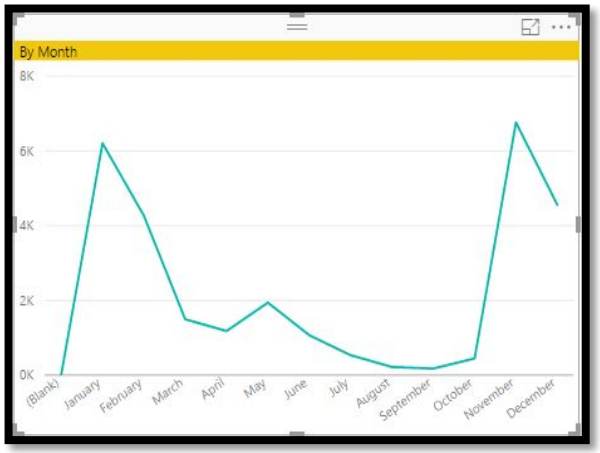
- Revenue generated by customers in the top four segments (7.8%) account for 44.4% of total revenue.

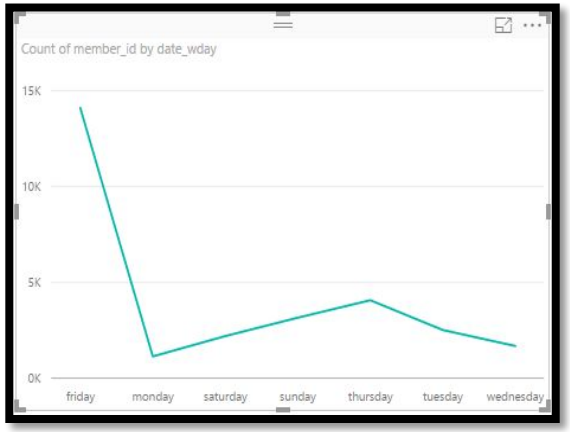
- Total number of customers: 142,232.

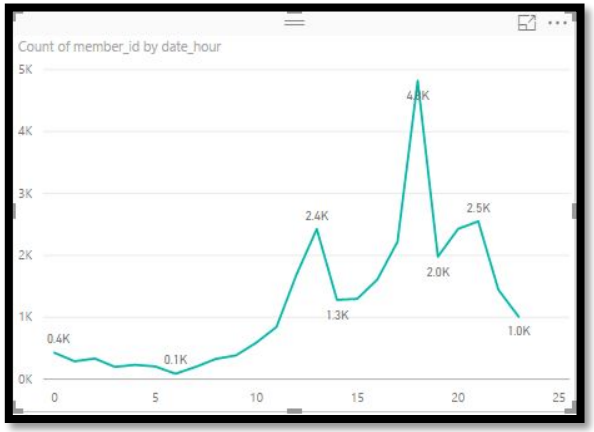
HARVEY NICHOLS

FINDINGS

1. Most loyalty program customers prefer to open push notifications at the weekend evenings from November to December.



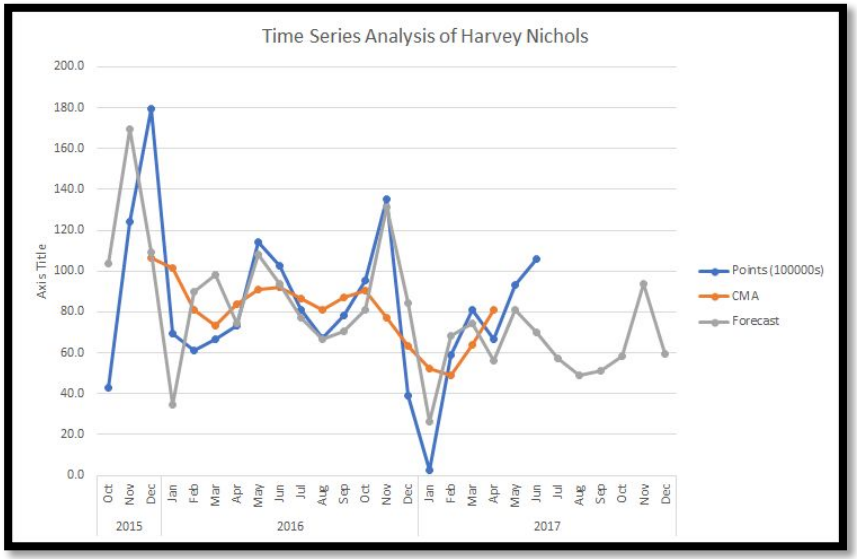


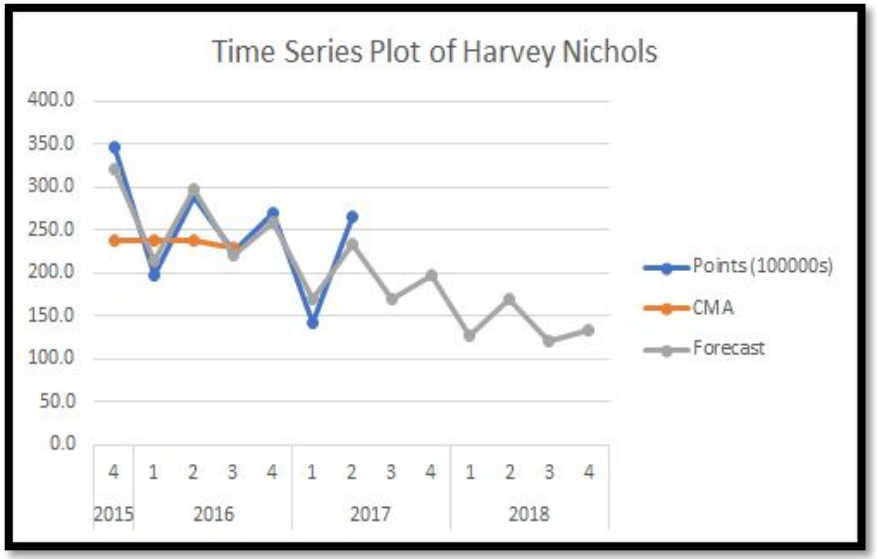


HARVEY NICHOLS

FINDINGS

2. The highest number of points are generated in Q2 and Q4.





HARVEY NICHOLS

FINDINGS

2. Infrequent Visitors and Moody Shoppers make up more than 90% of total customers.

		Infrequent Visitors			Moody Shoppers		
		Mean	Count	% of Total	Mean	Count	% of Total
Monetary		781			1,059		
Frequency		2	53,483	37.87%	3	76,737	54.33%
LastPurchaseDay		270			56		
Gender	N/A		51,008	95.4%		75,391	98.2%
	F		1,920	3.6%		942	1.2%
	M		555	1.0%		404	0.5%
Tier	N/A		51,008	95.4%		75,391	98.2%
	BLACK		60	0.1%		23	0.0%
	GOLD		1,671	3.1%		799	1.0%
	PLATINUM		142	0.3%		93	0.1%
	SILVER		602	1.1%		431	0.6%
Revenue		$	41,780,199	18.9%	$	81,274,553	36.7%

HARVEY NICHOLS

MARKETING RECOMMENDATIONS

1. Increase push notification to users between 1pm to 5pm on Fridays from November to January.

2. Reward Infrequent Visitors and Moody Shoppers with bonus points based on frequency of visits.