

Challenge data & consulting

April 2021

DSBA SMIB

PARIS | LONDON | NEW YORK | HONG KONG

Ekimetrics.

Agenda

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01. Ekimetrics

Ekimetrics is a global consultancy, a pioneer and leader in Data Science

We help companies make brighter decisions **through the most advanced Data Science**, steering their **data opportunities**, **building data capabilities**, and deploying **actionable solutions**, to power up **marketing** and **operational performance**, as well as reenergizing **business models**.

Ekimetrics continues to grow & scale globally, and can handle all manner of scope from small assessments to enterprise level deployments.

14
YEARS
EXPERIENCE

+240
DATA SCIENTISTS
WORLDWIDE

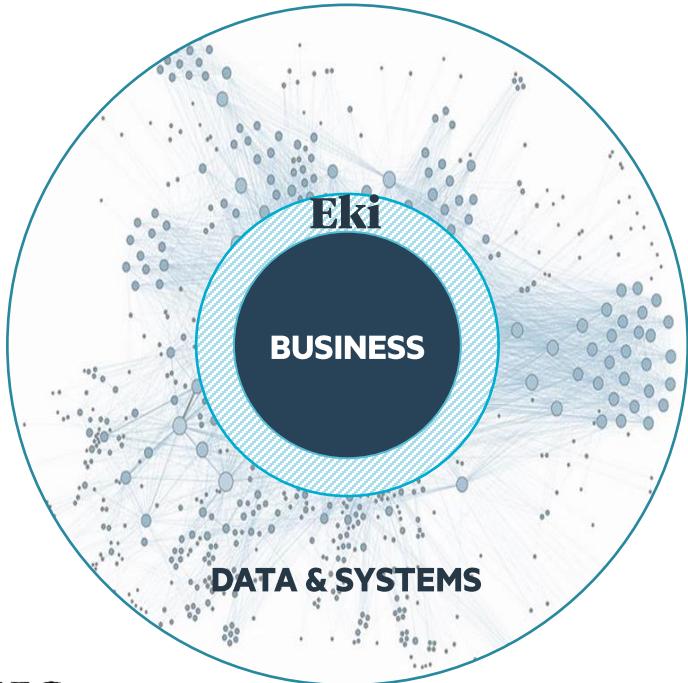
+350
CLIENTS

+50
COUNTRIES
WHERE WE HAVE
PROJECTS & CLIENTS

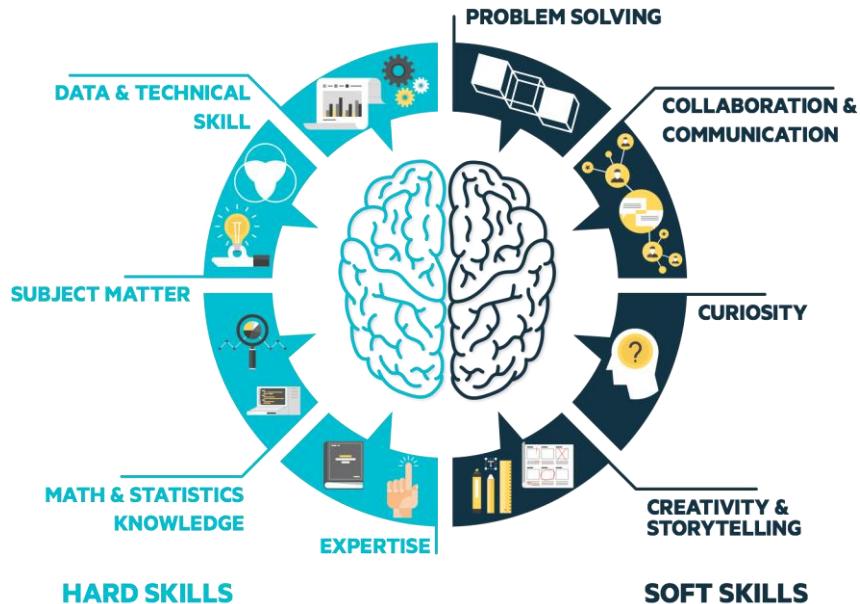


Creating the best translators of the market

Data Science as the interface between Data and Value



Our dual profiles From pleasure to differentiation



Diversity of profiles as a strength

Double Degrees

Business Schools



Engineering Schools



CentraleSupélec



Universities & Institutes

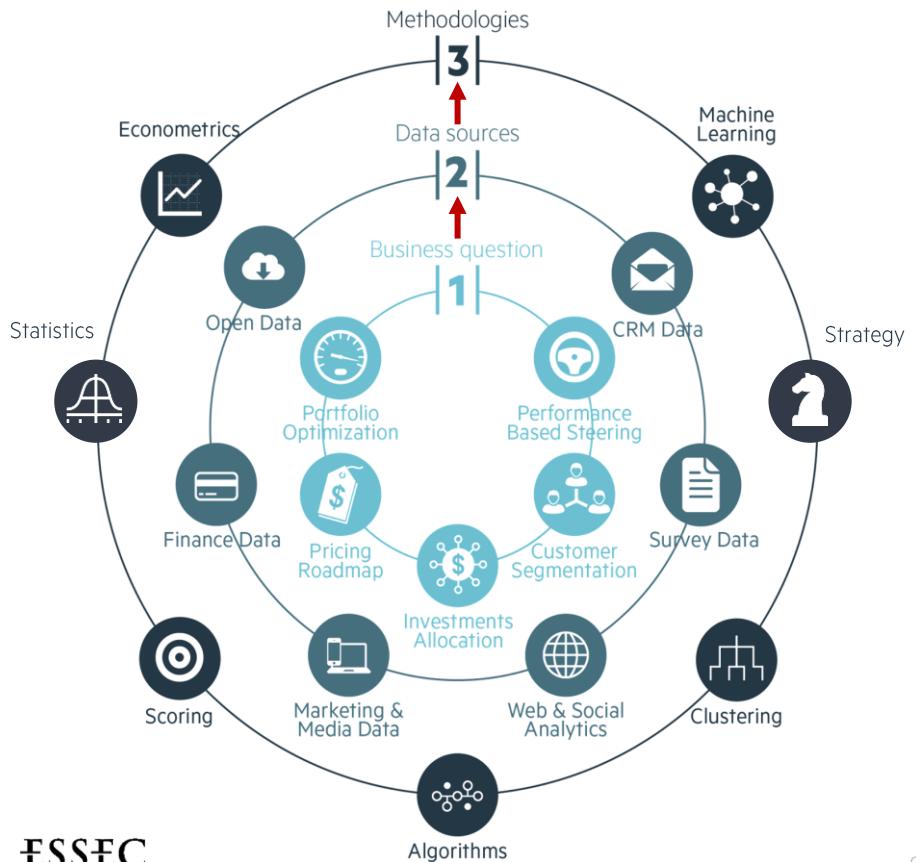


SciencesPo



Researchers

Empowering the business world to make brighter & faster decisions

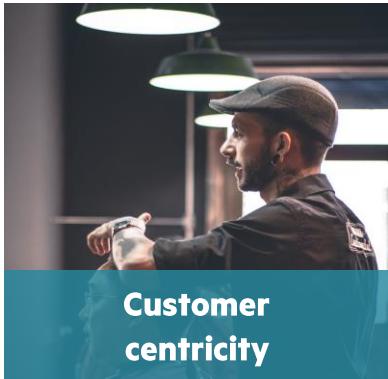


To tackle various strategic issues

A cloud diagram illustrating a network of business terms. The terms are arranged in a roughly circular pattern, connected by lines suggesting relationships or dependencies. The terms are:

- Finance
- Logistics
- Sales
- Customers
- Risk
- Maintenance
- Process
- Efficiency
- Routing
- Procurement
- Fraud
- Energy
- Personalization
- Products
- Network
- Operations
- HR

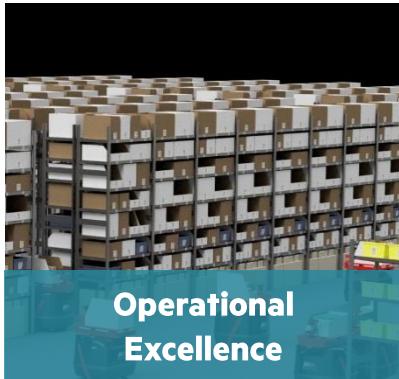
Data science transformation aims at enabling and driving business value creation thanks to data: We step in across the whole company



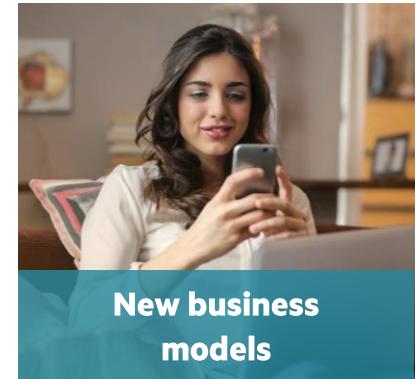
Customer centricity



Sales & Marketing Effectiveness



Operational Excellence



New business models

A deep client understanding through data to build tailored experiences

Measure and Boost marketing levers ROI
(Media, Pricing, Digital, etc.)

Automation, Prediction,
Data-driven staff empowerment

Market intelligence, new products & services

Experience across industries with world-class brands

FINANCIAL SERVICES

LUXURY

TRAVEL & TOURISM

AUTOMOTIVE

MEDIA, SERVICES & ENTERTAINMENT



CONSUMER PACKAGED GOODS

RETAIL

ENERGY

TELCOMS

HEALTHCARE & BEAUTY



02. The Business Case

A worldwide organization known for its numerous missions and positive impact



How can data science and marketing strategies be
applied and transferred to humanitarian purposes?



Your mission, should you choose to accept it

**The WW Marketing Director
of a well-known charity organization
calls on you:**

Issue

Donation growth has been slowing down in the recent years

Need

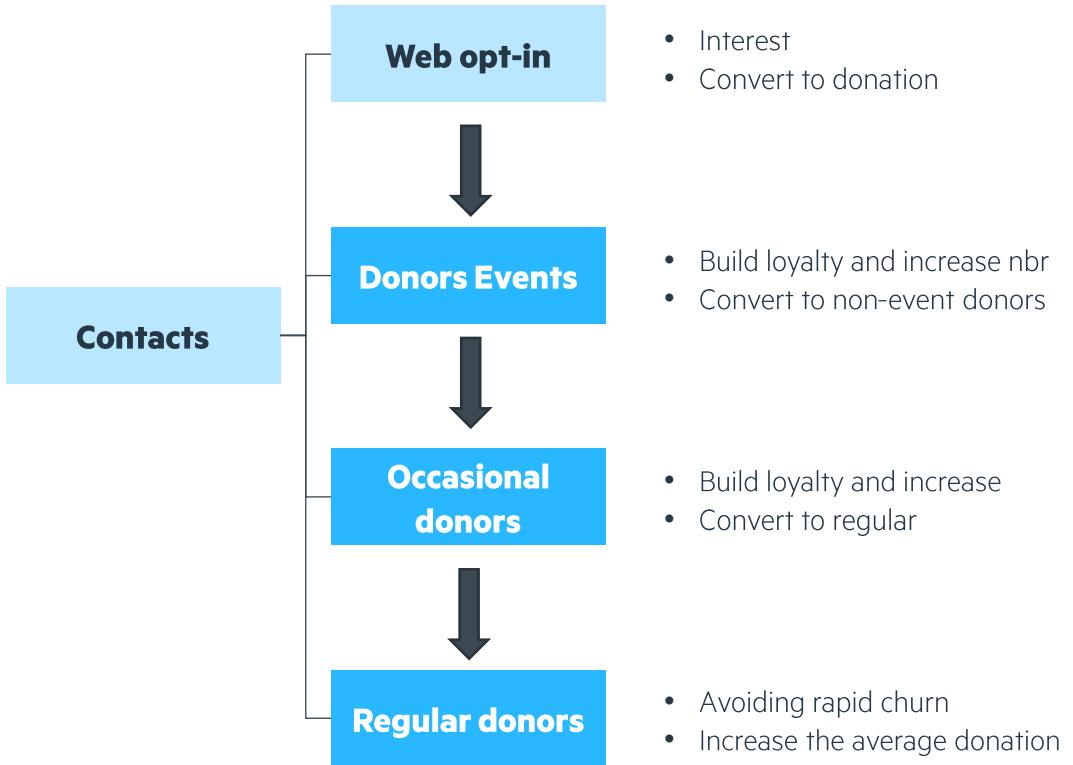
Finding new sources of growth, maximize donations and avoid churn

Resources

3 unused but very promising databases



Objectives



Objectives

Diagnose

Act

- Understanding existing data?
- Who are the donors?
- What is their profile?
- How much do they give?
- By what means?
- For what reason?
- Why do they leave?

- What to do in front of the diagnosis?
- What marketing actions?
- What contact strategy?
- What optimization is possible?



The databases

3 databases

Com.

- 1 file containing the emails sent, opened and clicked by the donors



Donors

- 1 file containing donor data



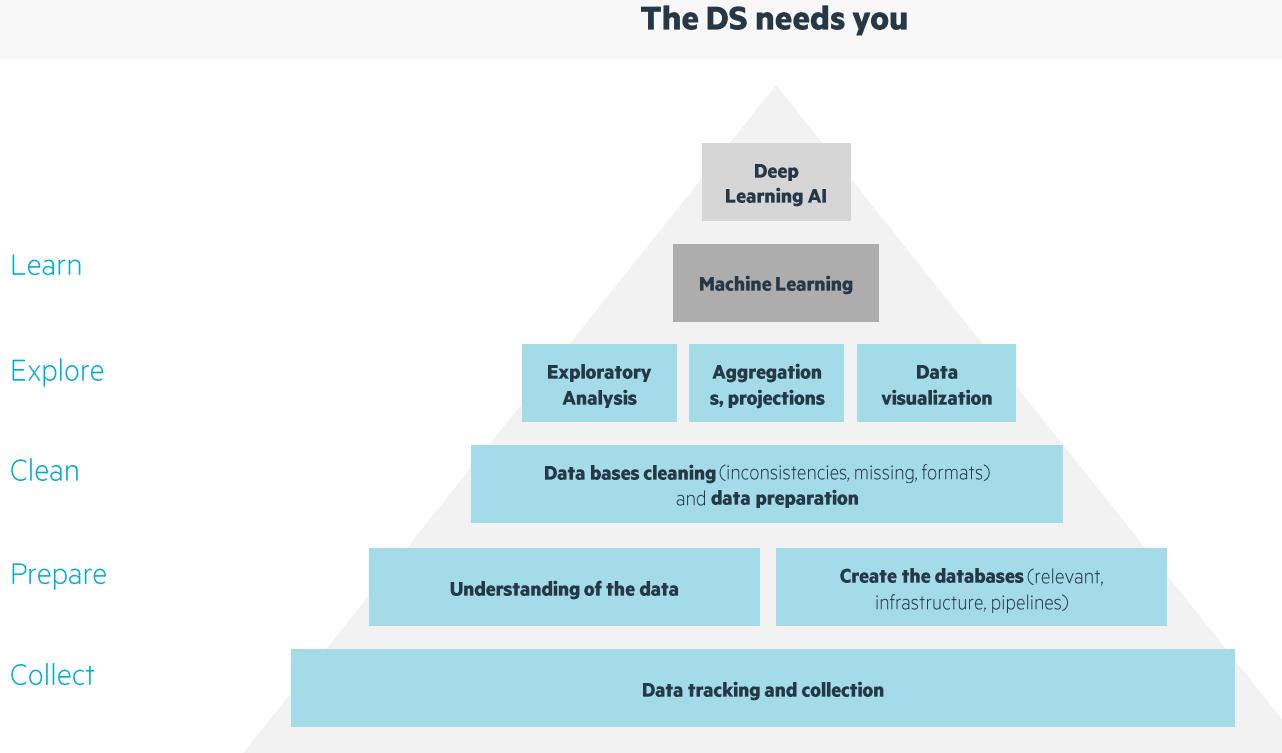
Donations

- 5 files from 2014 to 2018 containing donations/petition signatures and other donor actions to Oxfam



Data is coming from a real case. It has been modified for privacy matters but still contains all the business insights.

The process to follow



Donors database – How to start?

Some data needs to be cleaned up

ID_CTC	Type contact	E_NAISSANCE_CREATI	Décédés	resse post	PAYS	EMAIL	Email	Optin	Téléphone	Stop tél	top mailing	top généra
1	MORAL	19800101	oui	FR		non	/					
2	PHYSIQUE	19800101	Non			non	/				oui	
3	PHYSIQUE	19910501	Oui	FR	242e9b50	oui	non				oui	
10	PHYSIQUE	19920901	Non			non	/					
12	PHYSIQUE	19950101	Oui	FR		non	/					
16	PHYSIQUE	19931001	Oui	FR		non	/	oui				
22	PHYSIQUE	19910301	Oui	FR		non	/					
26	PHYSIQUE	19661017	19910501	Oui	FR	bce4650a	oui	non	oui			
34	PHYSIQUE	19180101	19891201	Oui	FR		non	/				
38	PHYSIQUE	19950101	Non			non	/					
40	PHYSIQUE	19950101	Oui	FR		non	/				oui	
45	PHYSIQUE	19950201	Oui	FR		non	/				oui	
50	PHYSIQUE	19960901	Oui	FR		non	/				oui	
55	PHYSIQUE	19500702	19940609	Oui	FR	a51af3ef9	oui	oui	oui			
59	PHYSIQUE		19910501	Oui	FR		non	/			oui	
64	PHYSIQUE		19911001	Non			non	/				
66	PHYSIQUE		19900501	Oui	FR		non	/				

03. Modalities

Restitution: 17th of May - Secure this deadline for your client to use your recommendations for his 2nd semester plan

You will have **15 minutes to make an impact** per team

Followed by **5 minutes of questions** and answers

Make sure to don't let the remote format penalize you

2 juries for 2 streams of presentations

1 selected team per group

1 final round to decide the winner



This project is on top of your clients' other topics. He/she won't be 100% available.

Your client has **other challenges / topics / projects** internally. He / she won't be reachable anytime to answer all your questions. You should **take that into account** by:

- **Regrouping your questions** within the fewer number of emails possible
- **Try to find the solution by yourself** before asking
- If not possible, **come up with some ideas of solutions** to show your proactivity in problem solving – **which could count at the end of the day.**



Key Success Factors (assessment criteria)



Some business questions to guide you

- ➔ What is the business state?
- ➔ Who are my clients?
- ➔ What is the business trend?
- ➔ Which segments drive this trend?
- ➔ What are the opportunities I should seize?
- ➔ How to make the most of it?

04. Data Viz

***“A picture is worth
a thousand words”***

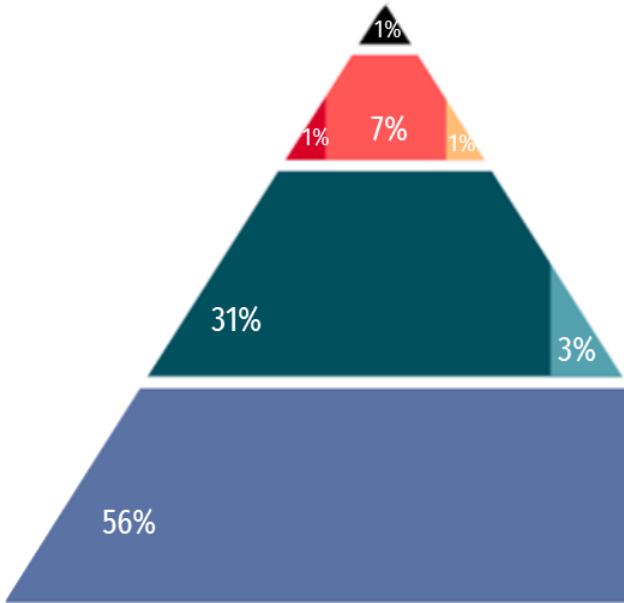
What insight can you spot?

	2018	
	Clients	Turnover
Occasional	3 2839	9 06 600€
Regular	9 444	4 846 003€
Small baskets	56 432	3 855 777€
VIPs	1 028	2 404 503€

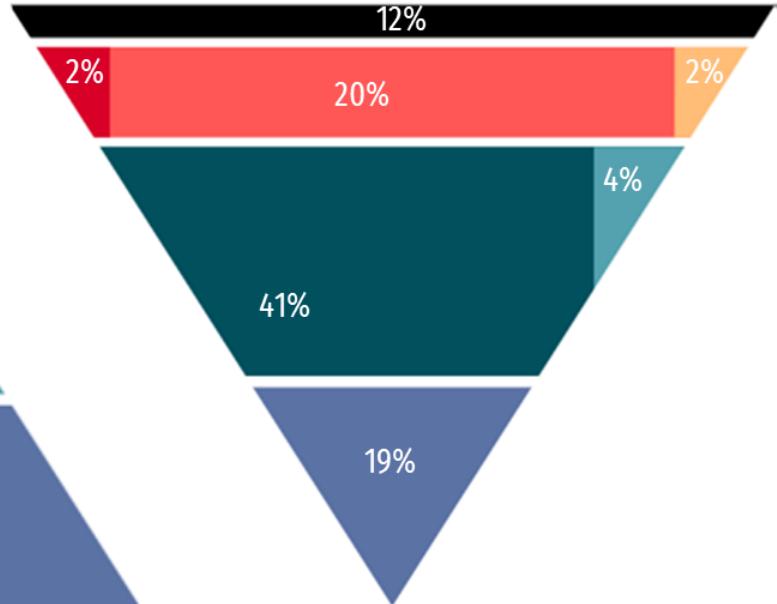
What insight can you spot?

- VIP Clients - €€
- Regular Clients A - €
- Regular Clients B - €
- Regular Clients C - €
- Occasional Clients A - €
- Occasional Clients B - €
- Small basket Clients - €

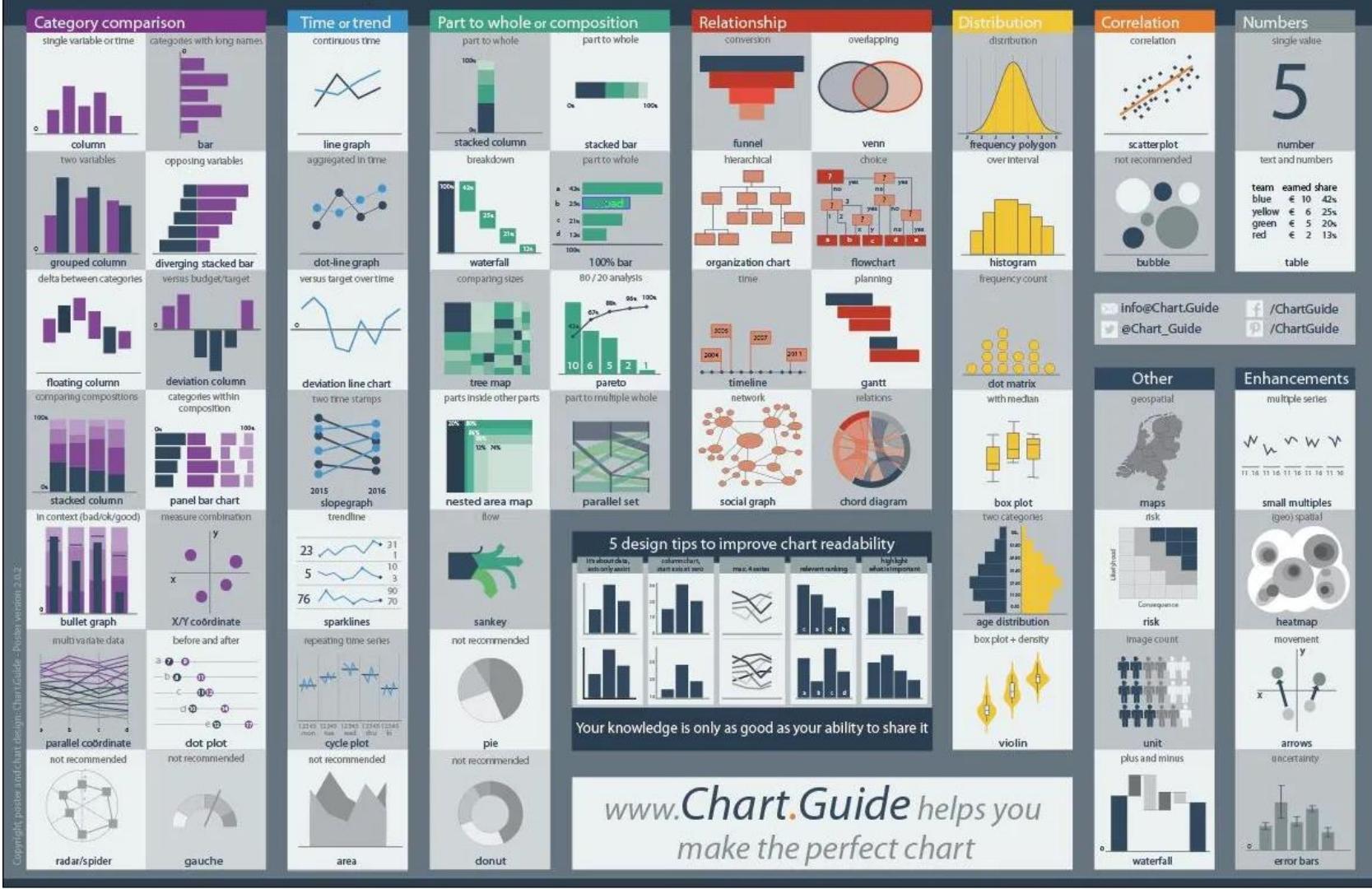
Breakdown by number
of customers
2018



Breakdown by
turnover
2018



**State
your
case
and
make
sure
you're
heard**



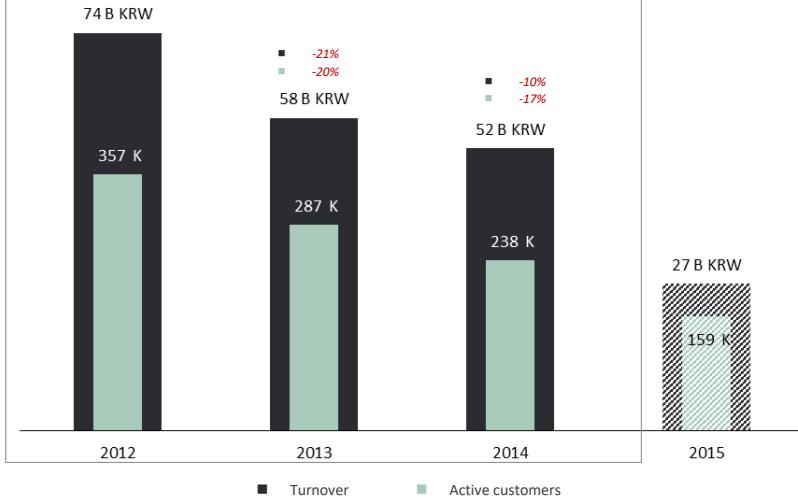
05. CRM analysis examples

Exploratory analysis

Market overview

EVOLUTION OF THE GLOBAL BUSINESS

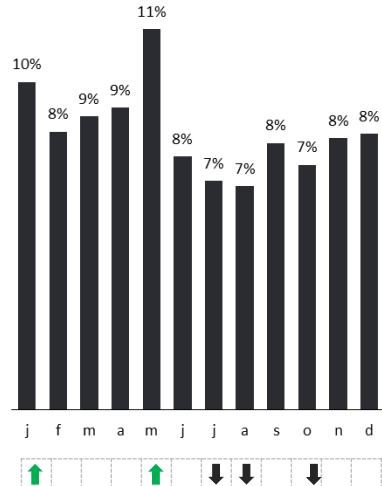
Important decrease of the business since 2012 in terms of Turnover and also in terms of active customers : -29% of the TO / -33% of the active customers*.



* The TURNOVER is calculated based on all the transactions made by the active customers over the year. An ACTIVE CUSTOMER is a customer who made a least one visit over the year.

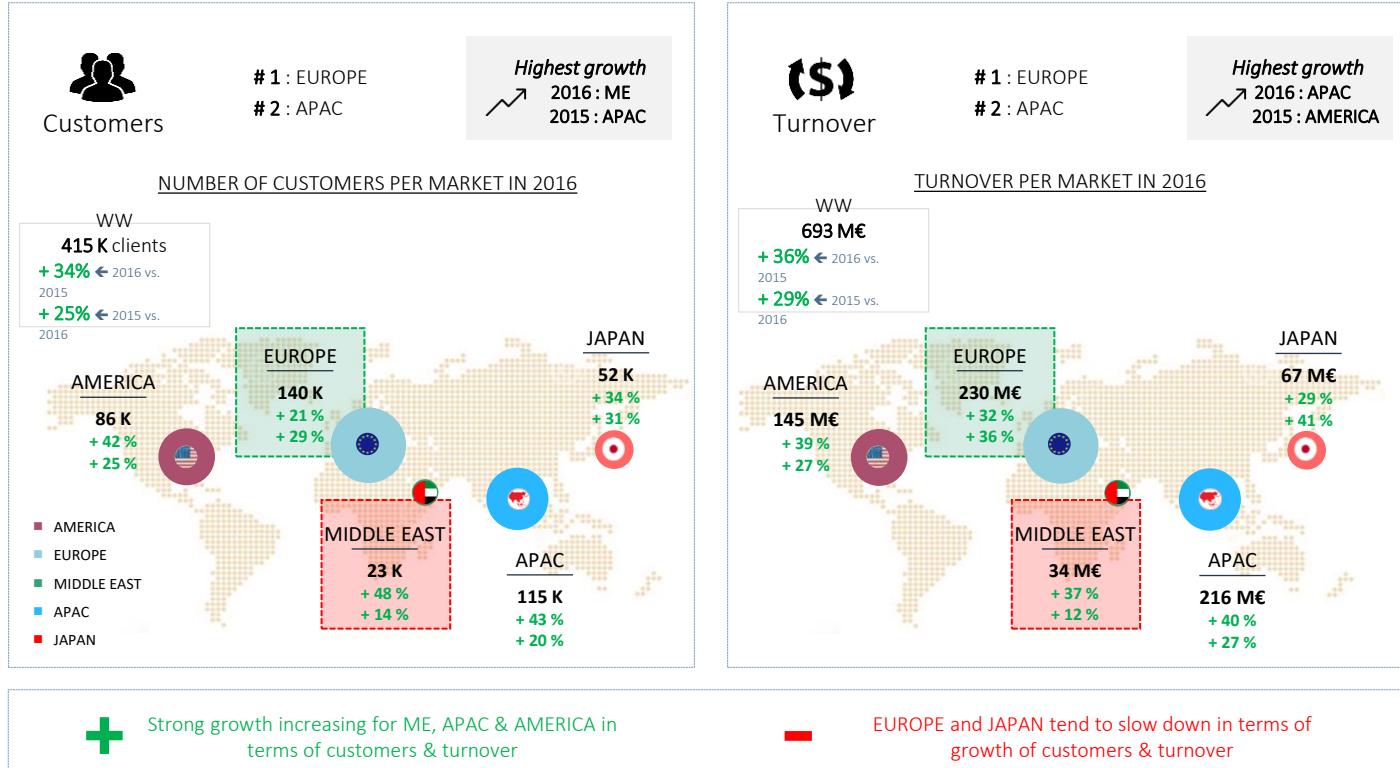
SEASONALITY OF SALES*

High activity in **May & January** while the activity is lower during the **summer & October**.

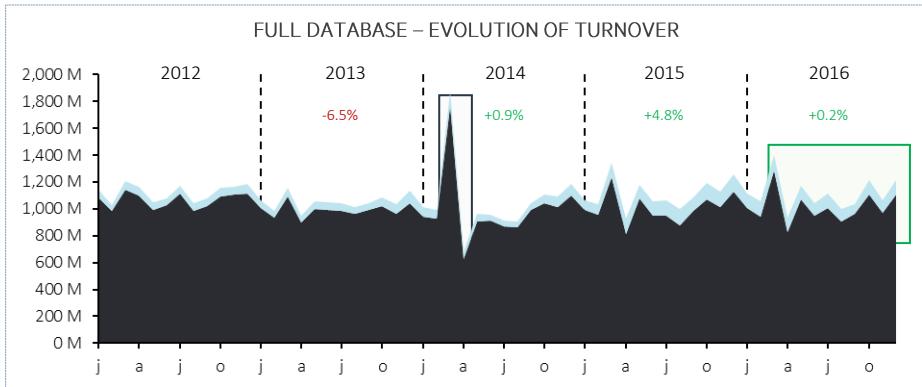


* Share of yearly turnover per month among 2011-2014.

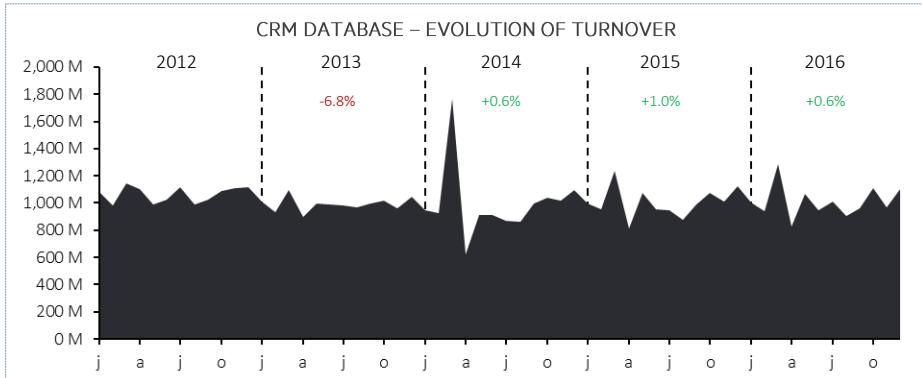
Market overview



Scope analysis : work on the “CRM database”



- Full database includes the transactions linked to the Generic customers.
- The Generic customers are identified via empty Customer_ID.
- 7.1% of turnover is generated by generic customers over the 5 years of transaction.
- Increase in capture rate of customers – decrease in generic customer turnover by 7% from 2015-2016.
- The Generic customer would be excluded in following analysis, as inclusion causes **bias in the analysis on customers behavior**.
- The CRM database on which we run the analysis excludes 9% of the turnover in 2016.



■ Identified Customer
■ Generic Customer

Market overview



Retention is increasing in every retail zone in 2016.
At worldwide level it **grew faster** than in 2015.



EUROPE has a **low (37%)** share of local customers.
92% of customers in JAPAN are local.



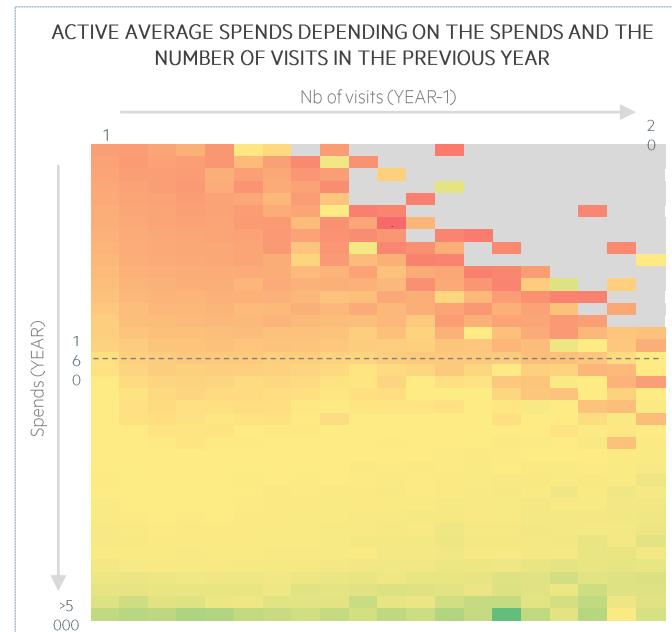
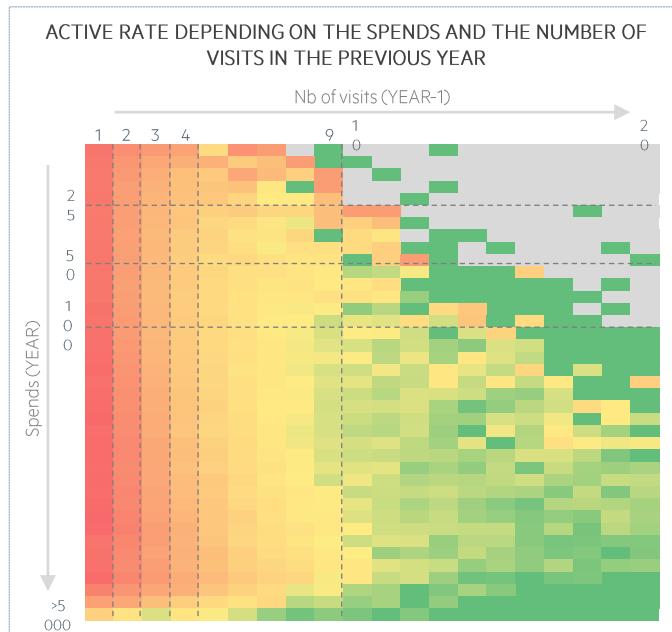
	CUSTOMERS	415 K +34% / +25%	140 K +21% / +29%	86 K +42% / +25%	115 K +43% / +20%	52 K +34% / +31%	23 K +48% / +14%
	TURNOVER	693 M€ +36% / +30%	230 M€ +32% / +36%	145 M€ +39% / +27%	216 M€ +40% / +27%	67 M€ +29% / +40%	35 M€ +37% / +12%
	RETENTION RATE	14% +1,3 pts / +0,7 pts	15% +0,5 pts / +1,9 pts	15% +1,9 pts / +3,4 pts	12% +1,7 pts / -0,6 pts	11% +0,8 pts / -0,2 pts	16% +2,4 pts / -
	FREQUENCY	1,26 +0% / +1%	1,31 +3% / +1%	1,28 +0% / +1%	1,23 -2% / +3%	1,23 -1% / +2%	1,16 +0% / -3%
	CROSS SELLING	11% +0,3 pts / -0,1 pts	13% +0,9 pts / +0,2 pts	12% +0,3 pts / +0,4 pts	10% -0,5 pts / -1,1 pts	7% +0,2 pts / +0,7 pts	10% +2,2 pts / -1,3 pts
	SHARE OF LOCAL CUST .	62% +3,7 pts / +1,1 pts	37% +4 pts / -1 pts	78% +0,1 pts / +4,8 pts	64% +3,7 pts / +3,9 pts	92% +1,6 pts / -3,7 pts	80% -1,6 pts / +4,6 pts

 First zone	Value in 2016
 Last zone	2016 growth / 2015 growth

Market overview

When the number of visits and the spends are crossed, the identified thresholds determine the customer potential:

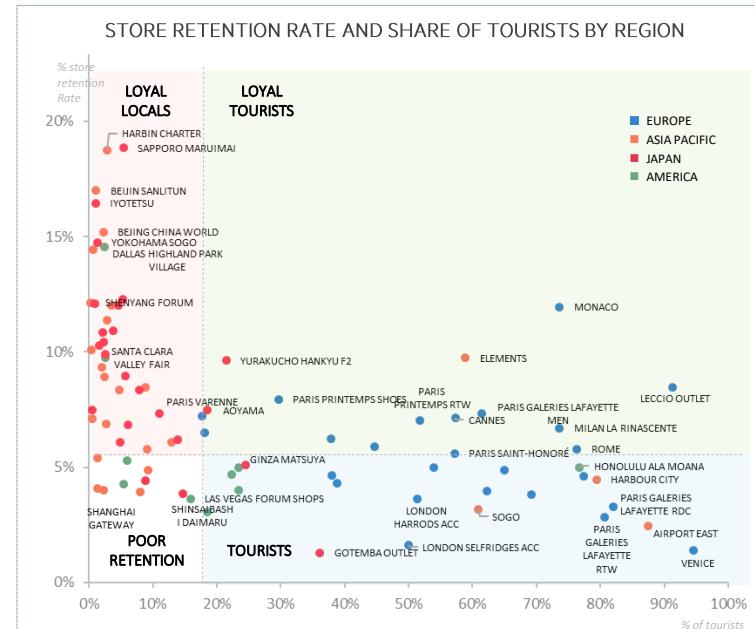
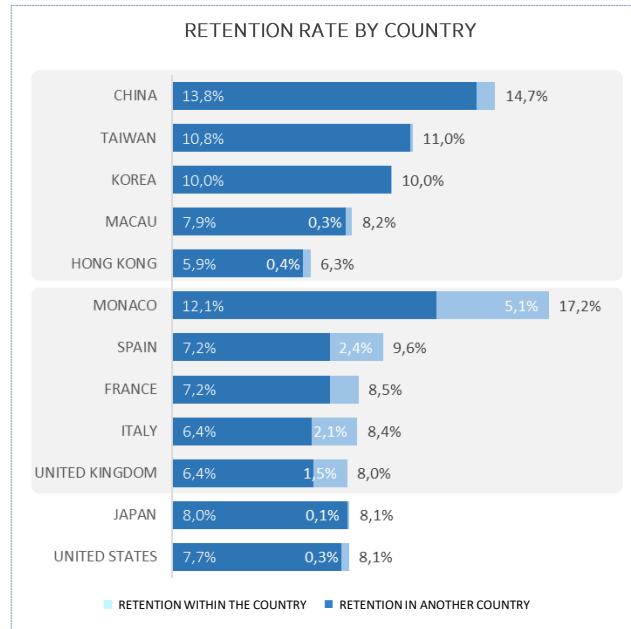
- Number of visits: 1, 2, 3, 4 et 10.
- Spends: 25, 50 100 et 160.



Monaco and China have stronger retention rates retention rates depend a lot on the local vs tourist proportion

Retention rate is very linked to the proportion of local clients:

- In Japan and APAC, clientele is mostly local and retention rates vary from 4% to 20%.
- European stores have a strong proportion of tourist clients, with retention rates between 2% and 12% with cross-country retention



Commercial equation



Great **global evolution** of business in 2016



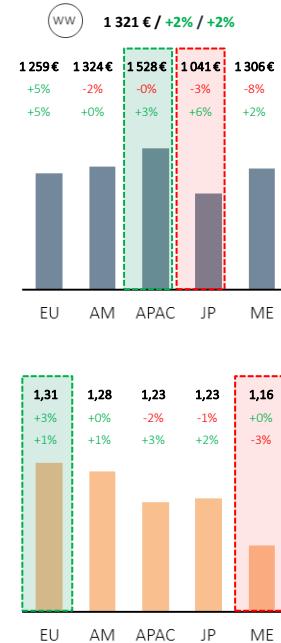
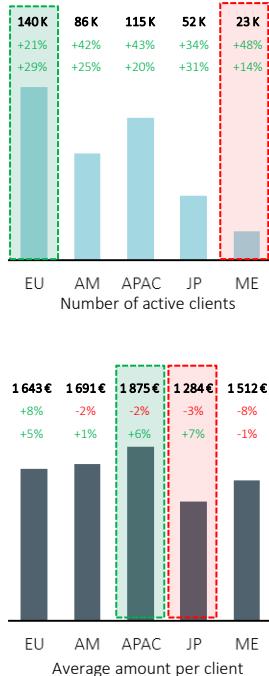
Value in 2016

Growth between 2015 and 2016

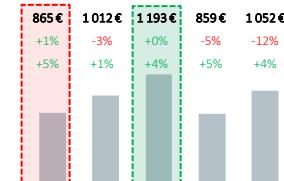
Growth between 2014 and 2015

#1

In EUROPE people buy the **least expensive products but with the highest frequency**



On a worldwide level KPIs stay **below 3%** of evolution (except Clients & Turnover)



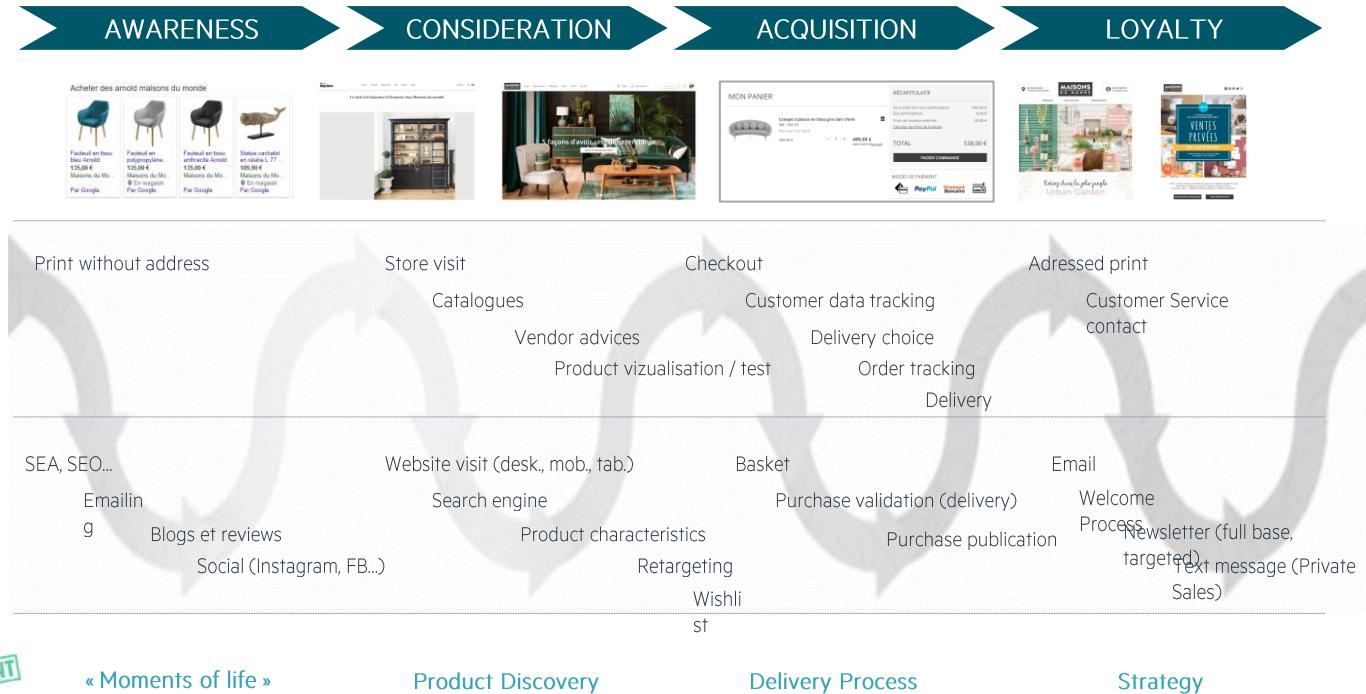
Socio-demographic profiles

- The distribution of customers between men and women is balanced. Women have a strong age peak around 55 years old. However, for men, age distribution is much more constant between 30 and 60 years old.
- The customer profiles for Gold, High Jewelry and Timepieces are very similar, there is an opportunity of cross sell amongst these high-end categories.
- Wedding customers are mainly young men, and their profile is quite remote from other high-end categories.

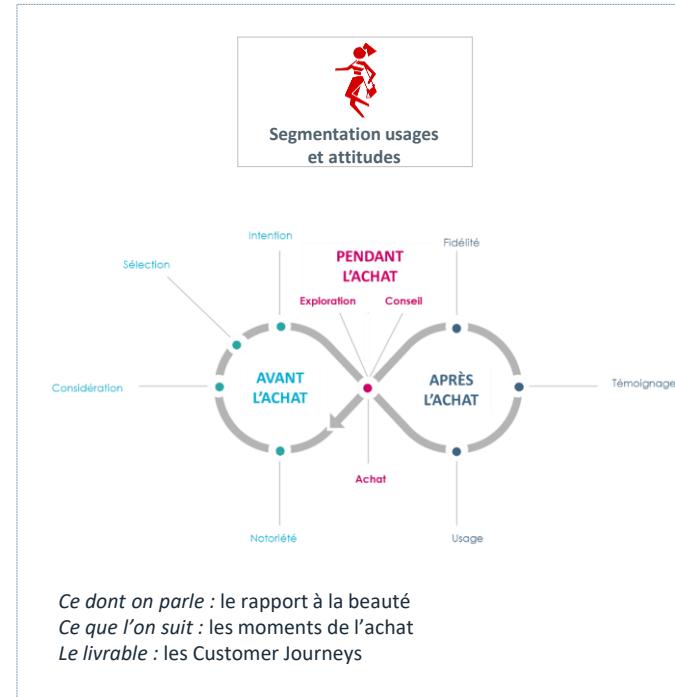
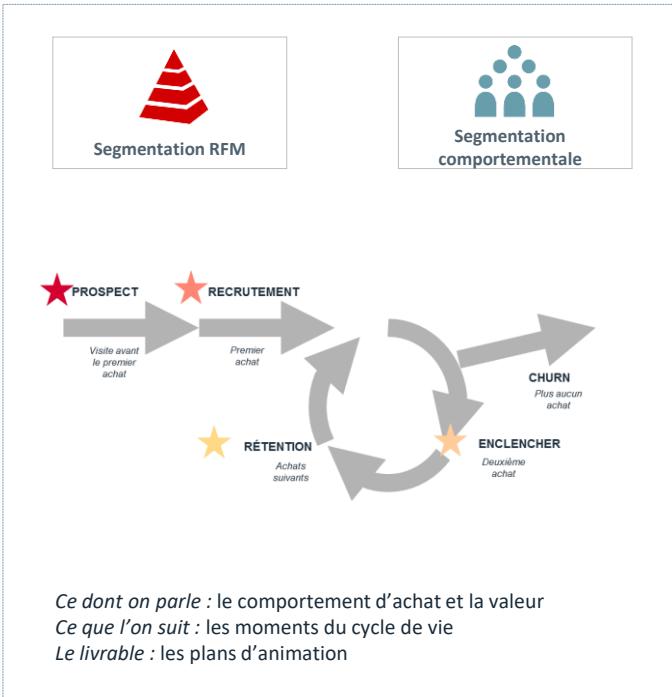


Customer journey

Macro Customer Journey



Structurer les Moments de la vie et les Moments de l'achat



Key learnings on customer behaviors

 Customers value	51% of clients bought only Accessories&Repairs . They represent 4% of the WW TO (FY12-FY15) 	49% of clients who bought a watch brought 96% of WW TO 	Top 3% clients bring 19% of WW TO : 82% of them bought watches& accessories (FY12-FY15) Point of attention : Half of them did not come in FY15 	Tourist clients spend more than local ones 
 Recruitment & retention	Christmas : peaks of TO and recruitment. Opportunity to catch new High potential clients, and to reactivate former ones. 	Reactivated and active Y-1 clients base is growing from one year to another. 	Clients who come back for watches tend to spend more than previous year. 	Even after 2 years of loyalty, clients still have more than 2 chances out of 3 to inactivate 
 Building loyalty : client's lifecycle	A client starts being loyal after 3 transactions on all categories, and 2 Watches transactions 	The faster clients come back (<150 days), the higher is their potential to become multi purchasers 	50% of repurchasers come back less than 7 months after their 1st transaction 	Peaks of comeback : 1yr and 2yrs after a transaction 
 Building loyalty : key products	Pilot watch is the watch model bringing the best optimum between recruitment, value and retention to clients. 	Accessories are the most frequent 2 nd products purchased, whatever the 1 st product purchased. 	Decrease of Watch&Accessories purchasers : this category of clients is as loyal as Watches only clients (25% of retention rate) and brings more value (25% of clients bringing 50% of turnover vs 40% for only watch clients). 	Watches only : strongest affinities with the watch of 1st purchase and with Pilot (key point : Aquatimer clients repurchase more Pilot watches than Aquatimers). 
Other triggers	No strong loyalty to a watch collection 	Strong loyalty to a boutique 		

Transition matrix

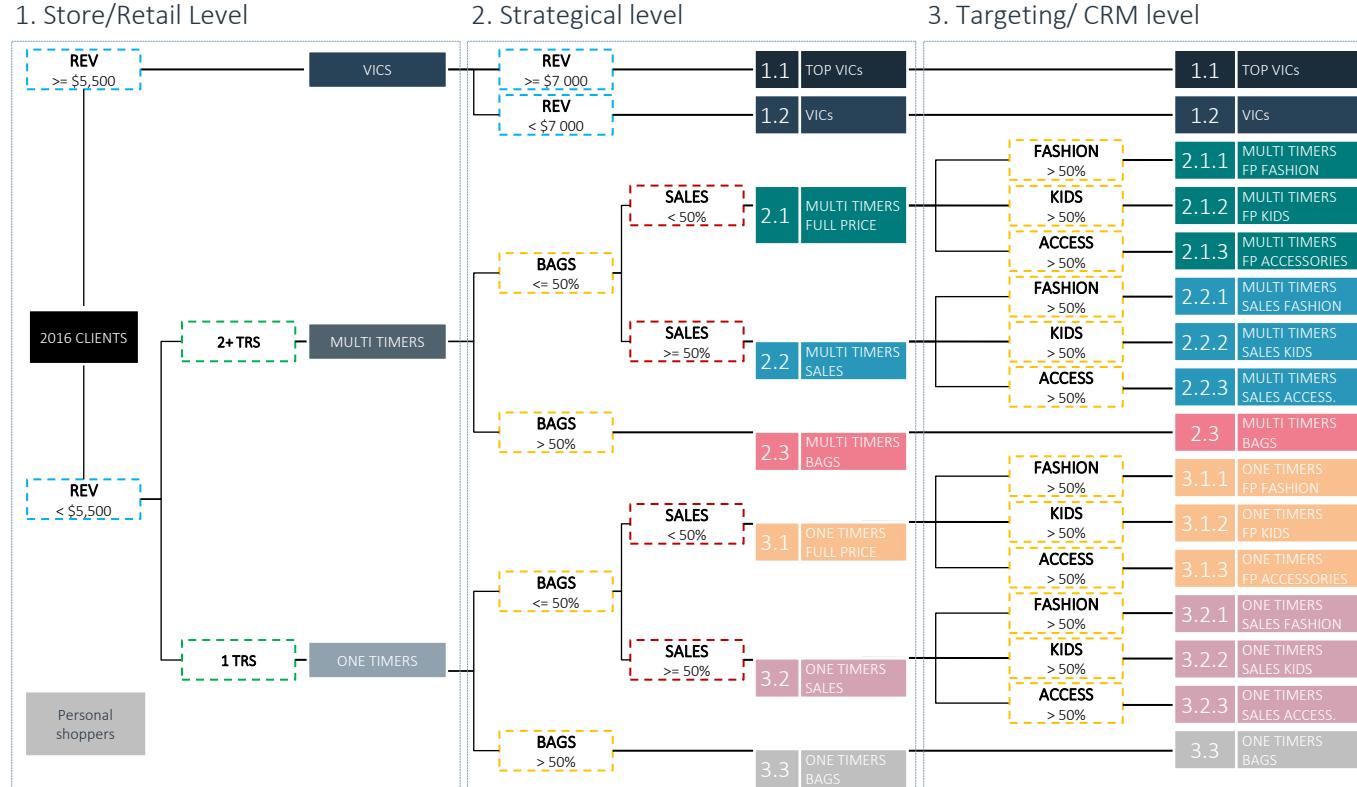


	2018					
	V\$\$\$	R\$\$	O\$\$	R\$	O\$	Inactifs
VIP €€	44%	34%	8%	0%	2%	12%
Réguliers €	3%	20%	7%	4%	10%	57%
Occasionnels €	0%	2%	3%	0%	3%	91%
Réguliers petit budget	0%	8%	1%	15%	19%	57%
Occasionnels petit budget	0%	2%	2%	2%	8%	86%
Inactifs	0%	1%	2%	0%	3%	93%

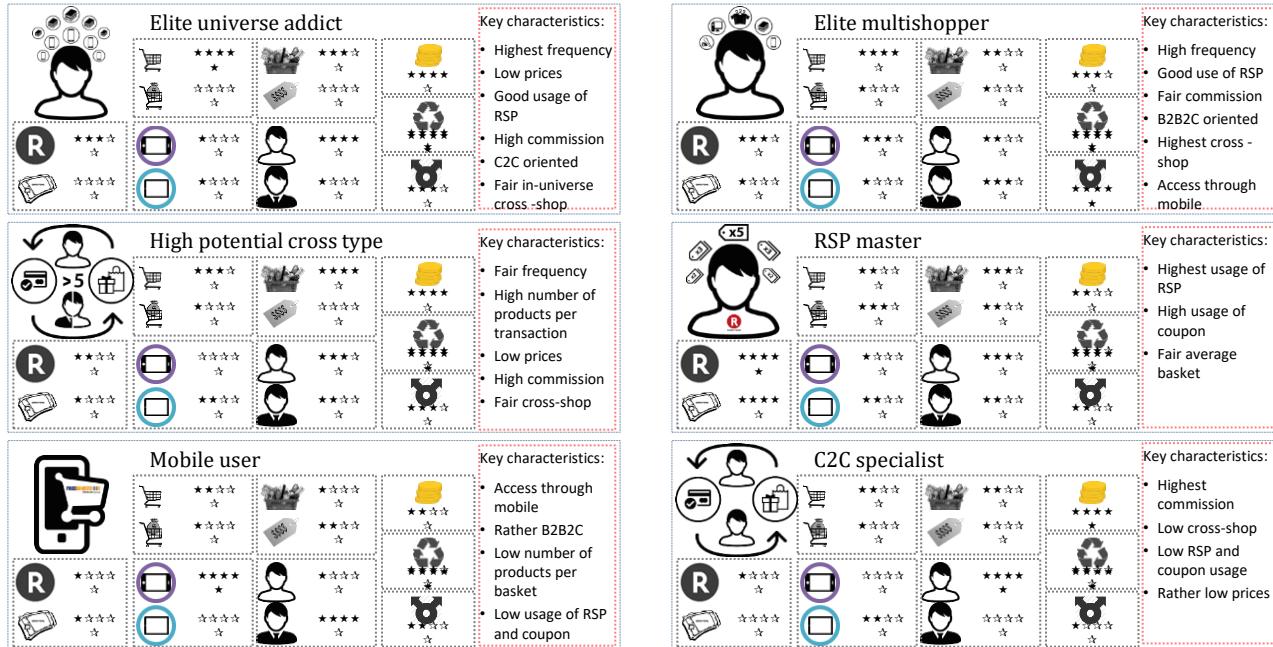
Réactivés	4%	7%	3%	8%	5%
Nouveaux	13%	48%	89%	56%	83%

Segmentation

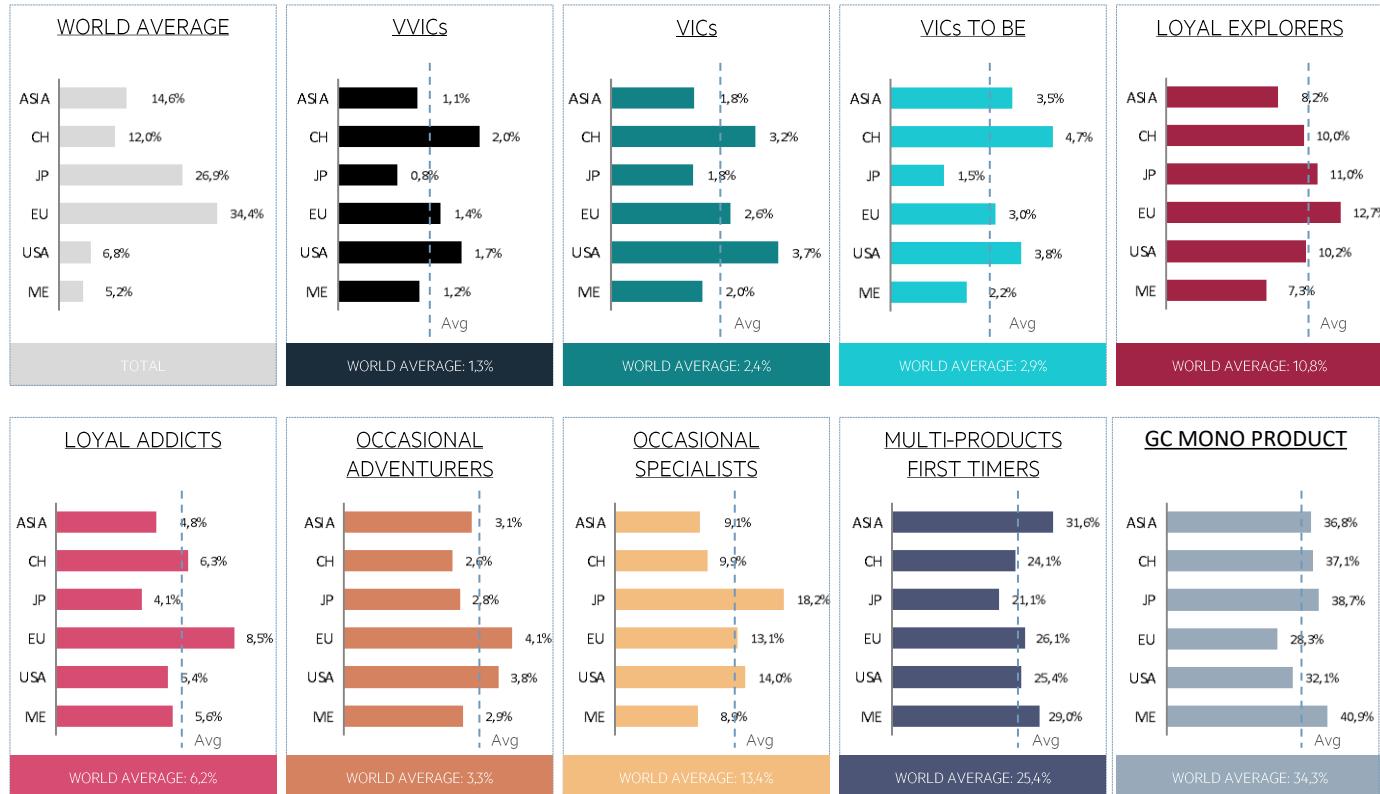
Using a tree format for easy appropriation



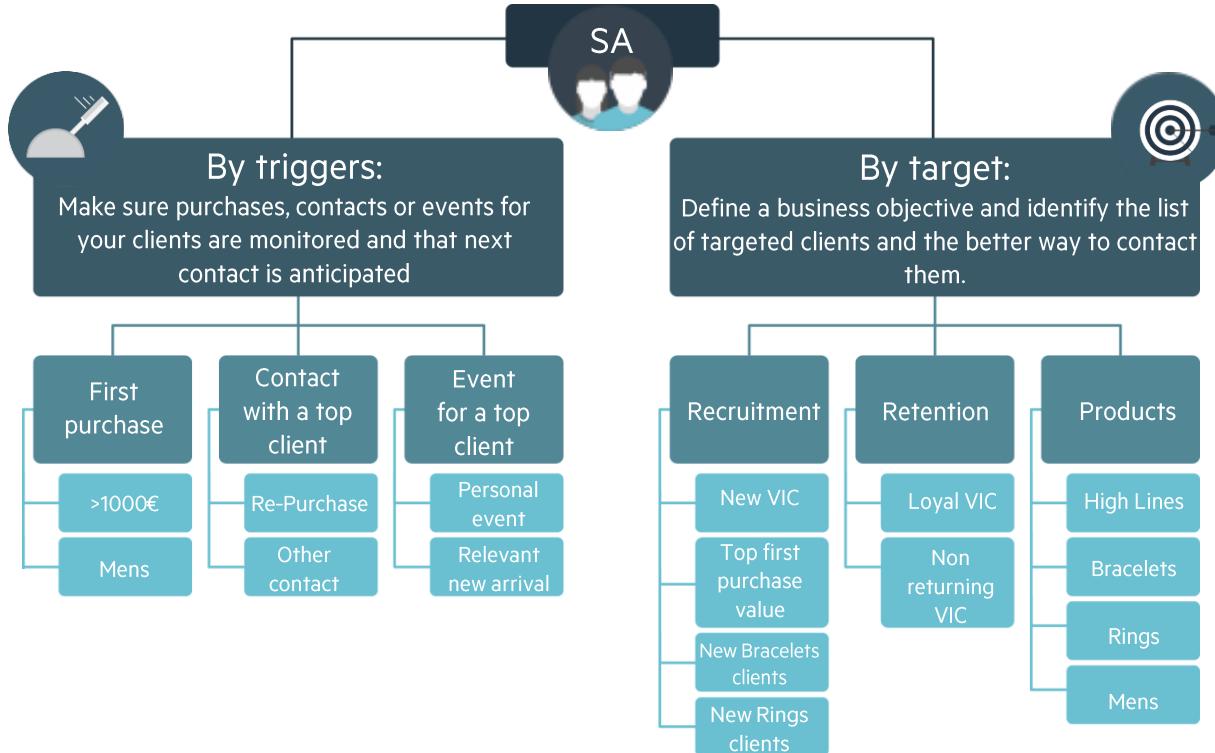
Facebook – Multi-timers ranked by value



Strategical segmentation – Clients repartition per zone



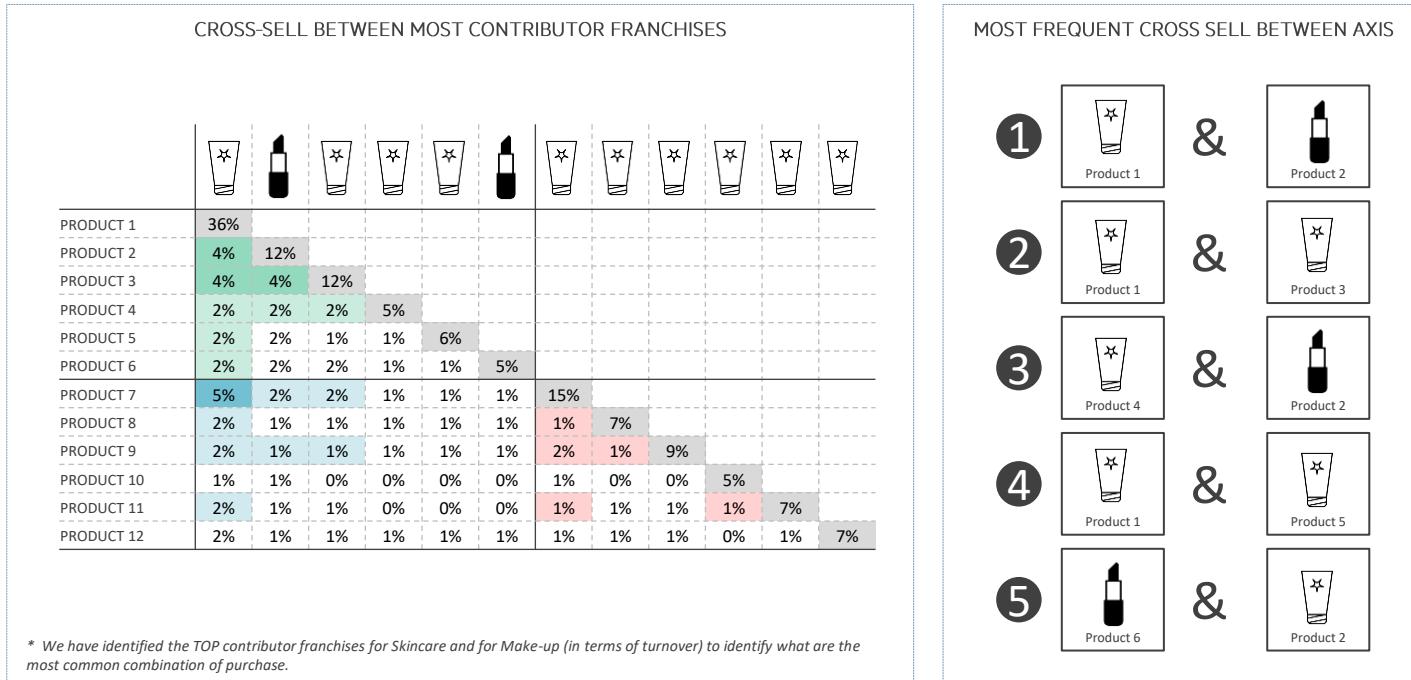
How to build a contact strategy?



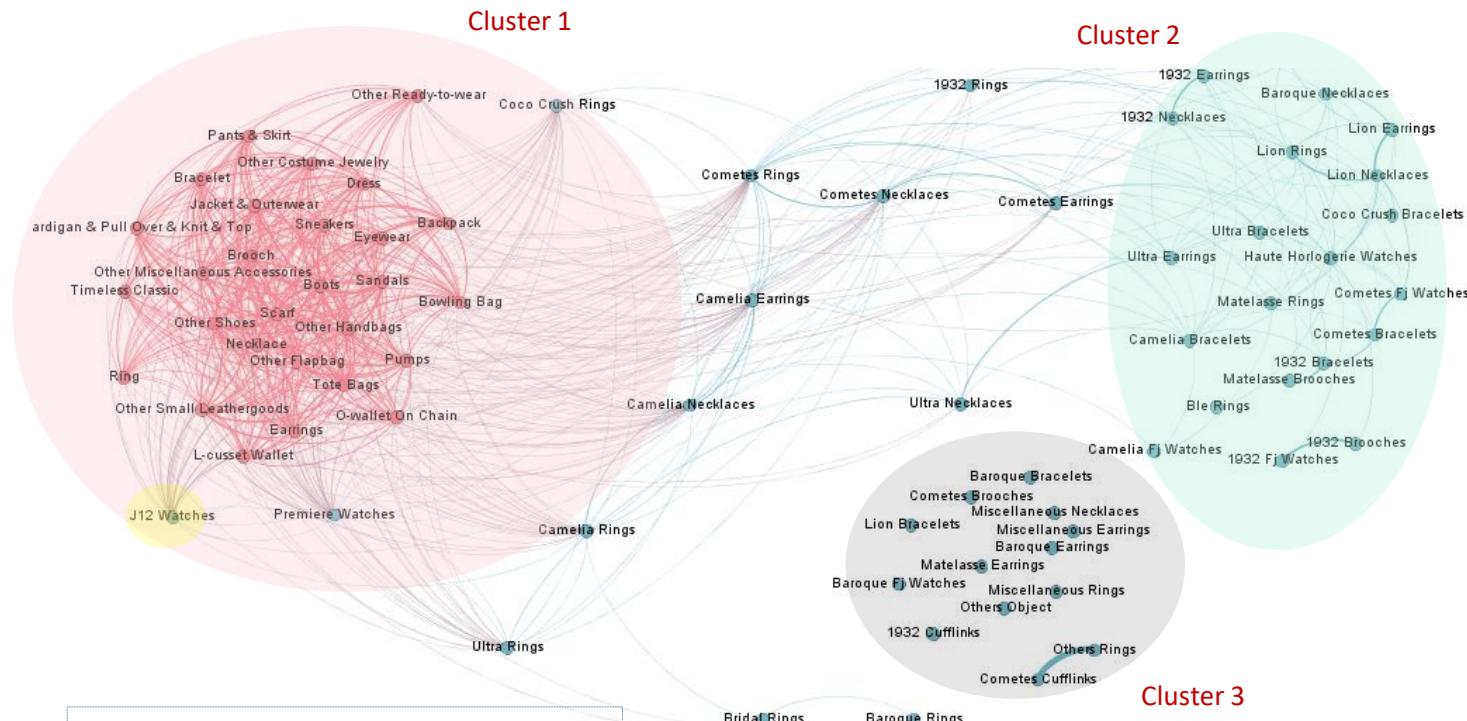
Categories & cross-selling

5 mix of products identified to improve the cross-sell between Skincare and Make-up axis.

The three Make up franchises that should be pushed to improve the cross sell between axis are product 1, product 2 and product 5.
 The Skincare franchises that call for cross sell are product 3, product 4 and product 2



3 main clusters of products linked with some bridge products



J12 is closely linked to the fashion cluster (cluster 1), hence J12 should be leveraged as the **entry products to push cross-division for fashion clients**.

06. Tools

You are fully free to choose but don't loose yourself

No prerequisite for the tools to be used during this hackathon

NEITHER for the PRESENTATION nor for the ANALYSIS



REMINDER

IMPACT = ANALYSIS + DESIGN

Don't lose sight of the business objectives

07. Next Steps

Next Steps

- ➔ You will receive **this brief deck and the data base by email**
- ➔ Discover your team and get in touch
- ➔ Your client is quite busy at the moment because of the covid-19 crisis but if you face a big issue you can send him an email as a last resort : hackathon.essec@ekimetrics.com
- ➔ You will receive a zoom invitation for the final restitution of the **17th of May**
- ➔ Make sure you are ready to convince the CMO in **no more than 15 minutes** remotely + 5 minutes of Q&A

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Ekimetrics.

Thank you

Ekimetrics.