**Multi-National America-Based Clothing Manufacturer, Distributor, and Retailer Catering with 20000+ SKUs to Their Customers Across Globe**

**Key Highlights**

100%: Transparency with customer behavior insights

45%: Accuracy in estimating pricing adjustments based on target audiences

85%: Boost in customer engagement through predictive modeling

**About the Client**

The client is a multinational, America-based clothing manufacturer, distributor, and retailer offering over 20,000 SKUs to customers across the globe. With a wide product range and extensive market presence, they aim to provide premium pricing strategies tailored to their diverse clientele.

**Challenges**

Operating in a competitive retail environment with a traditional approach to data analysis, the client faced significant hurdles in managing dynamic pricing. Key challenges included:

1. Difficulty setting unique and competitive pricing for premium customers.

2. Lack of a dynamic pricing policy to address the ever-expanding SKU inventory.

3. Limited insights into customer behavior, leading to inefficiencies in pricing decisions.

The client needed a robust solution leveraging machine learning to optimize pricing in real-time, enhance decision-making, and maintain a competitive edge.

**What We Did**

DXFactor implemented a comprehensive solution that included:

1. Data Acquisition: Collected and organized extensive data (customer and product) from multiple customer touchpoints.

2. Predictive Analysis: Used machine learning algorithms to forecast pricing trends.

3. Classification and Clustering: Organized SKUs based on performance and attributes for precise insights.

4. Data Cleansing and Optimization: Ensured data accuracy and relevance for analysis.

5. RFM Analysis: Analyzed customer value through Recency, Frequency, and Monetary metrics.

6. Deep Learning: Developed sophisticated models for pricing predictions.

**Solution**

DXFactor's team of Data Scientists and Machine Learning engineers developed and deployed a Dynamic Pricing Model to empower the client with smarter pricing strategies. Key components of the solution included:

1. Dynamic Pricing Policy: Designed policies based on customer behavior and medium-performing SKUs to optimize pricing decisions.

2. Real-Time Pricing Suggestions: Developed a pricing model to automatically suggest optimal pricing policies for real-world scenarios.

3. Predictive Pricing Model: Built a predictive model leveraging user feedback, RFM analysis, and historical pricing data to predict optimal pricing.

4. Advanced Monitoring Algorithm: Implemented algorithms to monitor SKU characteristics, including category, quality, description, usage, availability, and shipping parameters, to forecast the appropriate price dynamically.

**Benefits**

Transparency in Consumer Insights: Improved understanding of customer behavior, leading to data-driven decisions.

Accurate Pricing Adjustments: Achieved 45% accuracy in price adjustments tailored to the target audience.

Increased Customer Engagement: Boosted customer engagement and satisfaction by 85% through predictive pricing models that align with customer expectations.

Operational Efficiency: Automated and streamlined pricing workflows, reducing manual effort.

**Results and Outcomes**

DXFactor transformed the client's pricing strategy, making it dynamic, scalable, and results driven. Outcomes included:

100% Transparency: With customer behavior insights, enhancing trust and engagement.

45% Accuracy: In estimating pricing adjustments based on target audience needs.

85% Increase: In customer engagement driven by predictive modeling and tailored pricing.

Building on this success, the client has extended the solution to sub-vendors to maximize its impact.