



CASE STUDY

A man in a dark quilted jacket and work gloves is standing in a warehouse, looking up at a large stack of wooden planks. The background shows more stacks of wood and industrial equipment.

HOW PERSONALIZED OFFERS IMPROVE ECOMMERCE PROFITABILITY

A large home improvement retailer was searching for new tools to boost online revenue in a way that minimized margin erosion. Like the door crashers of brick and mortar stores that drive foot traffic but really bring in bargain hunters, mass promotional events online were training online consumers to wait and only buy if merchandise was discounted. The retailer was also trying to mine the revenue opportunity in abandoned carts, which they estimated to be about half a billion dollars in total missed opportunity.

This retailer was looking for ways to achieve profitable online sales without simply giving away deep discounts that ate into their margins. Reducing cart abandonment and increasing conversions would also contribute positively to their KPI measurements for their online sales.

When this retailer heard about ES Engage, Exchange Solutions' personalized offers for ecommerce, they were intrigued by the concept and agreed to a 3-month pilot.



During the 3-month pilot, Exchange Solutions demonstrated to the retailer that incremental revenue and profitability could be attributed to results driven by their consumers' interactions with ES Engage personalized offers.

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Improved Conversion

- 15% lift in conversion rate
- Average AOV improvement by \$35 per order

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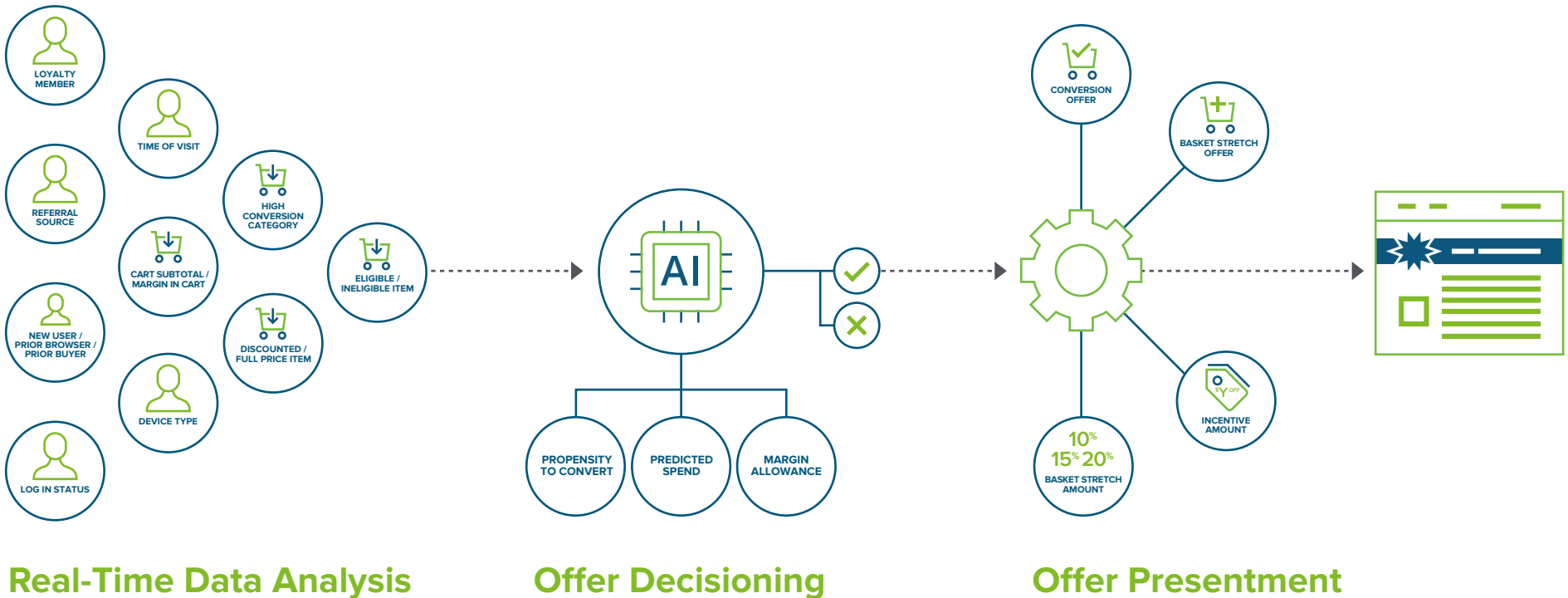
Increased Revenue at Profitable Margins

- Every \$1 of ES Engage Offer incentive yielded 2x the revenue when compared to \$1 of BAU promotional spend

3/

Efficient Channel for Conversion

- Average offer performance exceeded the client's benchmark for Return on Advertising Spend by 25%





Having the right tools and the right partners in building for profitability pays off.

After almost 5 years of using ES Engage's personalized offers, this home improvement retailer has achieved:



Significant reduction in cart abandonment from unknown browsers



Attributed monthly revenue increased 36%



Converted baskets increased up to 25% per month



Average Order Value stretched past the target ask by 8%, including on baskets where target ask might already have a 20% stretch to begin



Consistent Return on Advertising Spend between \$13-\$50

Maintaining results like the above while weaning themselves off the problematic solution of heavy and deep discounting means this retailer can continue to offer their consumers value without the brand-diluting effects of frequent mass promotions.

This retailer is looking forward to continuing to build out their ecommerce profitability using the intelligence of ES Engage's personalized offers to boost online revenue, secure sales and minimize margin erosion.



About Exchange Solutions

Exchange Solutions is a cloud-based marketing technology company that delivers personalized loyalty solutions to retailers that enable them to build deeper and more profitable engagement with their consumers. With more than 20 years of experience in the industry, Exchange Solutions transforms loyalty programs and promotions from being costly applications to productive and profitable capabilities for clients across various verticals in the US and Canada. Current clients include Esso™ and Mobil™, Sobeys Inc., Lowe's, Safeway and Today's Shopping Choice.

To learn more, visit exchangesolutions.com
Give us a call, 1.888.992.0521.

