

From Stretched to Strengthened

Insights from the
Global Chief Marketing
Officer Study

FootSmart

Analytics help deliver cross-sell success

more than
90%

increase in sales of
cross-sell items

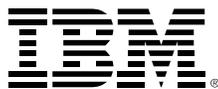
Online commerce provides empowered customers with the opportunity to conveniently shop for products and services that precisely meet their needs. At the same time, marketers are challenged by the sheer number of customers whose buying habits they must understand. Businesses can meet this challenge by applying automated customer interaction systems shaped by sophisticated analytics.

FootSmart, a direct-to-consumer retailer of foot and lower-body health care products with more than 1.9 million customers, knew there was untapped potential in online sales. But to capitalize on this, the company needed algorithms that parse both individuals' previous behavior and overall patterns in the firm's customer data.

To more efficiently identify the most relevant and profitable cross sells, while weeding out the underperformers, FootSmart engaged an analytics partner to capture the lifetime behavior of customers on its site and the comprehensive browsing, shopping and purchasing information stored in the system.

Carefully targeted offers are now generated automatically, resulting in online customers receiving relevant products much more likely to delight them. Analytics have helped FootSmart realize impressive numbers as a result: a 147 percent increase in cross sells as a percentage of total online sales; a 97 percent increase in sales for cross-sell items; a 31 percent increase in its cross-sell conversion rate; and a 19 percent increase in average order value when cross-sell products are purchased. Satisfied online customers now generate 65 percent of FootSmart's sales.

For more information about the IBM Global CMO Study, please visit ibm.com/cmstudy or send an email to the IBM Institute for Business Value at iibv@us.ibm.com.



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