

HANDBAG GIANT

USES ACXIOM TO GET A HANDLE ON CUSTOMER INSIGHTS

LULU GUINNESS

The modern retail customer is constantly changing, in particular how they use different channels and methods of engaging with brands online and in store. Often retailers find it difficult to connect these insights, as well as understand just who these audiences are and what they look like, especially if they only interact with a brand online.

Founded in 1989, the distinctive and quirky handbag business Lulu Guinness has grown into a British style icon, and an affordable luxury brand which is recognisable the world over. As a stalwart of British handbag cool, it is imperative that the business constantly keeps an eye on customer needs to ensure it is continually appealing to new audiences through brand extensions and offerings, while also keeping its core group of dedicated fans happy.

“As an affordable luxury accessory brand, it is core to the strategic objective of the business to keep in tune and updated on our customers, and their behaviours across channels. We needed to understand the current status of our existing customers in more detail, before we can look to grow and identify more fans beyond this base,” comments Paul Spinks, Lulu Guinness’ Managing Director.

The brand approached Acxiom with the objectives of serving its existing customer base better, while also identifying opportunities based on that understanding which would allow the brand to grow, serve their existing customers more effectively, and build a base of new potential fans.

THE CHALLENGE

To understand the customer better and to identify the correlations between the online and in-store shopper.

OUR RESPONSE

Profiling existing customer data using InfoBase and Personix to provide a rich and comprehensive understanding of current and potential customer profiles.

THE IMPACT

Social media strategies have already been optimised, understanding the customer better will continue to inform marketing strategies, brand partnerships, and keep the business focused on its customer needs.

MOVING FORWARD

Lulu Guinness is using InfoBase’s detailed customer profiling and Personix segmentation across all business areas to drive insight-led development and support business decision-making.

The brand approached Acxiom with the objectives of serving its existing customer base better...and build a base of new potential fans.

Clarity on customers

Acxiom began by profiling Lulu Guinness' existing customer base and running a Data Quality Audit report to ensure the data was robust. Cleansing, deduplication of these records, and removal of non-UK consumers from the database removed nearly 40,000 out-of-date or irrelevant pieces of information. The audit also updated addresses logged with errors and replaced them with fresh, accurate information, and identified email addresses which were inaccurate.

Based on this now clean database, using Personix Acxiom profiled the customer segments to identify the most over- and under-represented customer demographic clusters. Lulu Guinness' customer names and addresses were matched against the Acxiom InfoBase universe, allowing the business to understand more about their existing customers in terms of criteria including lifestage, affluence, and digital activity.

Building more in-depth insights

Personix profiling was also undertaken to understand the demographics of current customers in more detail – adding additional insight to the existing list of names and addresses by grouping different customers into profiles or types. From these profiles, Lulu Guinness could easily understand the similarities between their customers and common interests, as well as the kinds of people their data represents – and the people for whom the brand was less relevant.

Finally this information was also represented to Lulu Guinness in a heatmap of the UK, showing their proportions of customers by postcode versus population, along with a top ten ranking of popular postcodes where the greatest numbers of their customers are clustered. This helps to bring the data to life, as well as inform geographical densities and media planning strategies for the handbag brand.

Personix identified that the brand over-indexed with empty nesters and the established elite, successful families – ranging in age from 25-70 years old. Lulu Guinness was less popular against less affluent demographics in the UK, pensioners and families with less disposable income. Paul adds, "We knew that a key attribute for fans of our product range was affluence, given we have an average price point per bag of £400. But this proved a starting point for greater understanding to grow our audience base. Acxiom also helped us to understand the function of this affluence in more detail."

Tapping into key characteristics for prospecting

To this end, Acxiom used to profile the Lulu Guinness customer base in more detail, allowing the business to identify the key characteristics of its customers, painting a picture of their lifestyles

and behaviours. This helps to broaden their knowledge of hobbies, likes and dislikes among their customers, as well as defining profiles and characteristics of new potential customers for the brand.

Part of the significant learnings for Lulu Guinness came from this detailed breakdown of their customers' likes and preferences. For example, their customers were found to index highly for skiing, travel, fine food and cultural events. InfoBase also discovered a strong preference for email communications, mail or online ordering. The analysis also identified that many of their customers were regular users of price comparison websites – a highly useful piece of information to assist with the brand's online media buying, as well as potential brand associations or partnerships with financial brands.

Acxiom presented these findings back to Lulu Guinness' senior management team, which included heads of a wide range of business areas. Paul explains, "It is critical that this information is front of mind for everyone in the business, so we can all work together to keep the customer at the heart of every decision we make."

The strategic imperative to be customer-focused

Following Acxiom's presentation back to Lulu Guinness, the insight has been shared again at the company's senior leadership away day, and has informed the media spend, especially in social media, for the brand.

Paul comments, "It has informed our thinking about the best ways to engage with fashion-forward younger customers. Acxiom has shown us that these people can be moved by focusing on our individuality and the quality inherent in our product lines. This has already been plugged into our device strategy for the brand, pushing mobile further up the agenda. It has also been used to assess how we group our customers when it comes to spending on social media as an engagement tool.

"As Lulu Guinness assesses opportunities to move into other product categories and creates new brand affiliations, we will keep returning to Acxiom's customer insights to inform our decision making about the best ways to engage with new customers. The clear way that Acxiom presented a comprehensive picture back of our customers made it accessible to a range of people within our business, and it is likely we will revisit this analysis as the brand moves forward."

Andy Hooper, Account Director at Acxiom comments: "Personix consistently outperforms for our clients as it is the only true individual level behavioural segmentation in the market. Clients increasingly need more granular 'person level' information to be able to enhance and also create new 1-2-1 relationships and this cannot be achieved using more generic household information. InfoBase with its rich insight then enhances these findings to help inform marketing strategy and media spend".

WANT TO KNOW MORE?

To find out how Acxiom can accelerate your business, visit acxiom.co.uk or call us at **020 7526 5265**

Acxiom, 17 Hatfields, London SE1 8DJ
acxiom.co.uk

acxiom™