



Success stories in predictive analytics in Retail and CPG

Top 50 Best Companies to Work for in
India 2016 – Silicon Review Magazine

Predictive Analytics Company of the
Year 2014 – CIO Review Magazine

Top 20 Company in India - TiE Lumis
Entrepreneurial Excellence Awards 2013

Top 50 Big Data Analytics Companies in
India 2013 – CIO Review Magazine



An online and on-air retail and distribution client predicted repeat customer behavior with an accuracy of 87% and increased its ROI

Objectives

- Understand the repeat purchase behavior of customers by:
- building a predictive model to identify variables driving repeat purchase
 - profiling repeat vs. non-repeat customers

Our Approach

- Developed a Random Forest trained on 80% of dataset
- Variables such as demographics, transactional, product category, CRM (complaints, queries...), campaign type TV/ Web/Both

Impact

- Predict customers with high propensity to purchase in next month with an accuracy of 87%
- Customers with vintage > 6 months and made last purchase within 52 days are highly likely (64%) to repurchase in the next month
- Customers with only 1 transaction in past 3 months have significantly lower (12%) repeat purchase than those with multiple transactions (36%)
- Females tend to repurchase more than males

Variable	Mean Decrease in Model Accuracy
Recency of purchase	0.1067
Tenure of customer	0.0882
Transaction in past 3 months	0.0768
Items purchased	0.0678
First product purchase category	0.0490

Based on model results, above table summarizes the importance of different variables



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