USE CASE: PROPENSITY MODELLING

Predicting Who Will Spend More After a Great Customer Experience

CHALLENGE

A large pet supplies retailer measured customer satisfaction after store and grooming visits, but could not tell how that satisfaction translated into future purchases, or which customers held the biggest revenue opportunity.

HOW AI WAS APPLIED

Joined data: Post-visit satisfaction linked to each customer's omnichannel purchases, across 268K store customers and 75K grooming customers.

Spend prediction: Regression models forecast future spend, controlling for past behaviour.

Uplift scoring: Customers ranked by expected spend gain if their experience improves.

Revenue sizing: Every 0.1 OSAT point converted into annual revenue at stake.

OUTCOMES

24.4%
Higher spend from best- vs. worst-experience customers

$5.6M
Annual revenue per 0.1 OSAT point in store

$1.3M
Annual revenue per 0.1 OSAT point in grooming

Source: client-reported outcomes from the engagement. Figures are rounded.

Material is a global growth intelligence company.

For 50 years, Material has built behavioral science into the insights, strategies, brands, experiences and platforms that move markets. Its culture-shaping design studio, Aruliden, gives that work form, from identity and product to packaging and environments. Material is building the intelligence layer ambitious companies use to understand demand and act on it faster.

Learn more at materialgrowth.com