De Bijenkorf

Major Dutch department store reduces mailings while optimizing business management

Situation
De Bijenkorf, part of Vendex KBB N.V., is a trend-setting department store with outlets in 12 major Dutch cities. Each store offers approximately 750,000 different items from the fashion, cosmetics, accessories, home, media, sports, and food sectors.

Solution
SPSS solutions enabled de Bijenkorf to efficiently analyze sales and customer data, making it possible to develop customer profiles and group similar customers. Now de Bijenkorf accurately maps customer preferences and uses this knowledge to improve operational and strategic processes.

De Bijenkorf recently launched a customer cross-selling program. “Based on the monthly invoice, we determine a personalized proposal for each customer. With the help of data mining, we make general suggestions and less obvious ones, which produce a high conversion rate,” said Rudi Meijer, a business analyst at de Bijenkorf.

Like other department stores, de Bijenkorf uses different prices, and certain prices may be applied for a specific period. Meijer explained, “The price is often lowered. But when you reduce a price, it is important to know what effect this has on the article itself, as well as on all other articles. By using a price elasticity model from SPSS when a campaign is launched, we can calculate the impact precisely.”

De Bijenkorf also uses data mining during advertising campaigns, such as the distribution of BIJmagazine, which it sends primarily to its loyal BIJcard customers. To control high printing and distribution costs, de Bijenkorf uses postal code segmentation to decide whether to communicate with those who do not yet hold loyalty cards.

Results
“We often see that the response to ‘untied’ distribution is higher than with BIJcard holders. This clearly indicates that segmentation works,” said Michael Pieffers, a CRM business analyst with de Bijenkorf. He explained, “By using SPSS we were able to reduce the print run of our communication materials by an average 30 percent last year, while keeping the same turnover figures. This provided us with substantial cost savings.”

At a glance
- Country: The Netherlands
- Industry: Retail
- Date founded: 1870
- Company type: Private
- Revenues: € 4.1 billion ($4.85 billion, parent)

Application
- Predicting customer behavior
- Campaign optimization

Solutions used
- SPSS for Windows®
- Clementine®

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