



Sportmaster Understands the Value of an Omnichannel Customer

Leading Danish sporting goods retailer, SPORTMASTER, has a strong position in the market. Fierce competition and low customer loyalty means they need to increase sales to maintain their position. SPORTMASTER uses Agillic to increase the value of their customer base, pairing effective personalisation with omnichannel execution.

Sportmaster is Denmark's largest sporting goods retailer. With a sizeable e-commerce operation, and over 100 stores selling products from high-end brands such as Nike, Adidas, The North Face, New Balance, and Asics. Sportmaster also has one of the largest customer clubs with over one million members.

The Danish sporting-goods market is extremely competitive; there is more than three times the amount of sporting retail square footage per capita than in the UK. This coupled with the rapid growth of ecommerce in the space, estimated to reach 25% of sales by 2020, means that customer loyalty is extremely low and competition extremely high.

To stay ahead of the industry, Sportmaster decided to shift their strategy to focus on driving customer loyalty and repeat purchases. Their goal is to increase

revenue by attracting customers to both physical and online stores at the same time. Sportmaster have gathered profile, transactional and behavioural data across their customer base.



“Realising the true value of an omnichannel customer has been a turning point for the entire organisation to become customer centric”

Stefan Kirkedal,
Head of Omnichannel,
Sportmaster

Since Spring 2016 they have worked with Agillic to execute on their data-focused strategy. Agillic brings the software and analytical approach that has enabled Sportmaster to turn their rich data into insights, that drive personalized campaigns and automated flows.

The value of the omnichannel approach

Through analysing customer data, channels and purchases, Sportmaster learned that customers who buy both online and instore are 45% more valuable than a customer buying through a single channel. This learning has been used to change the incentive structure between physical stores and ecommerce, unifying otherwise competing departments in the interest of the business.

By combining content and data with the efficient execution of the Agillic platform, Sportmaster continuously run campaigns and communication flows focused on customised offerings and services. By segmenting and personalising an increasing share of their emails, the retailer has been able to increase email opening rates by up to 200%, get a staggering 500% increase in click rates and triple the conversion rates.

This has of course driven substantial revenue, and, increased the number of members in their loyalty programme, Klub Sportmaster, which has grown over 20% and now has almost 1.2 mil members.

With significant progress in the first year, Sportmaster is now leveraging the substantial insights generated with an ambitious omnichannel strategy that involves the entire organisation working together around a single-customer-view. Going forward, Sportmaster will achieve an even higher level of personalisation by leveraging the predictive analytics, and AI capabilities of the Agillic platform.

For Sportmaster, an automated omnichannel approach is not just a competitive advantage – it is key to their success in the sporting goods industry.

Challenge

- Highly competitive market of sporting goods
- Limited retail loyalty across the industry
- Increasing pressure from online retailers
- Low utilisation of customer data

Solution

- Focus on the customers before the channels
- Adopt a single-customer-view approach
- Data-driven execution by marketing department
- Personalised communication across channels
- Triggered and targeted email flows

Results

- Increased opening rate of targeted emails by 200%
- Increased click rates by 500%
- 3 x improvement of conversion rates
- Click and collect orders increased by 40%
- Omnichannel revenue increased by 15%
- 45% higher value on omnichannel customers

From May 2016 to May 2017 Sportmaster experienced:

- 38% increase in number of active Klub Sportmaster members
- 24% increase in number of value members
- 45% increase in repeat purchase for Klub Sportmaster members
- Awarded second prize in “Best omnichannel retailer 2017”



Agillic is a Nordic software company enabling marketers to maximise the use of data and translate it into relevant and personalised communication, establishing strong relations between people and brands. Our customer marketing platform uses AI to enhance the business value of customer communication. By combining data-driven customer insights with the ability to execute personalised communication, we provide our clients with a head start in the battle of winning markets and customers.