

How Boscov's is winning in the department store industry

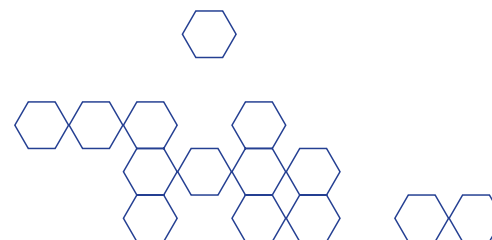


While traditional department stores are having to reinvent the customer experience to compete with today's booming online commerce, Boscov's department store is setting the bar. They're thriving, with increased sales and growing accounts, and are opening additional stores each year. The reason: they put building customer loyalty first.

It all started with a corner store. Now in business for more than a century, Boscov's operates 45 stores across 7 states in the East-Coast region and has \$1.2 billion in sales. Boscov's is one of the nation's largest privately held, family-owned department store chains. With its wide range of quality merchandise, Boscov's offers an impressive mix of styles from private labels and national brands, providing exceptional value for its customers, whom they call Friends.

A POWERFUL PARTNERSHIP

To build on their success, Boscov's partnered with Alliance Data to learn more about their current and potential customers' needs, and how best to reach them to boost brand loyalty and drive sales. They needed an innovative approach to their credit card program — and Alliance Data's collaborative strategy helped them build it.



OPPORTUNITY



Better leverage timely and relevant data and analytics

ACTION

In partnership with Boscov's, Alliance Data's Analytics and Insights Institute used data and predictive modeling to identify customers who weren't yet shopping with Boscov's, why they weren't shopping with them, and how best to communicate with them to get these customers in the door.



Utilize new technology and capabilities

Boscov's implemented new technologies and capabilities (e.g. real-time prescreens, paperless applications, etc.) to reach more cardmembers. They also incorporated more mobile touchpoints for cardmembers to manage their points, pay bills, and track their spending and rewards.



Enhance the Loyalty and Rewards Program

Alliance Data's Marketing Strategists and Analytics and Insights Institute leveraged Boscov's transactional data and research to enhance the Loyalty and Rewards Program. Using a five-phase approach, they identified and implemented enhancements, ultimately making it easier for their Friends to say "Yes" to the program.

Re-branded

Simplified rewards

Expanded welcome

Always-on bonus

Special recognitions



↑ New accounts and activation

↑ 2+ buyer rate

↑ Active buyers, making more trips

↑ Cardmembers earning rewards

RESULTS

Boscov's not only saw increased sales, but was able to continue delivering on its promise to put its Friends first. And that's led to increased customer loyalty and greater engagement.



More accounts

New accounts grew +23%



More buying power

Initial credit lines up +9%



More rewards

49% of cardmembers are now earning rewards vs. 24% previously



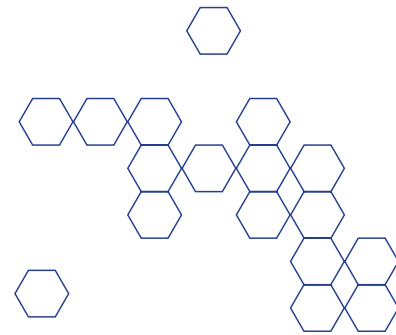
More omnichannel sales

+70% of Friends opened accounts online, but shopped both channels (in store and online)



More credit sales

Experienced an increase of +13%



“With Alliance Data, we have surrounded ourselves with the best company in the retail card services industry – great talent, valuable customer behavior insights and analytics, and industry-leading technology and innovation.”

— *Toni M. Miller, Senior Executive Vice President,
Chief Financial Officer and Chief Administrative Officer, Boscov's, Inc.*



To know more about your best customers, connect with us at KnowMoreSellMore.com



@KnowMoreSellMore



@Know_SellMore



@KnowMoreSellMore