

**Brief Summary:** Forte Partners collaborated with a leading apparel company to redefine its customer segmentation. Multifaceted macro/micro segmentation models were designed and developed to address strategic and tactical needs across various departments. Utilizing Forte Partners' proprietary accelerator, SegmentZ, these models were implemented to enable regular updates, provide segment-based insights, monitor customer segment migrations, and execute targeted actions proactively. The project has enhanced the company's ability to understand and respond to continuous changes in customer behaviors, preferences, and needs.



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Case Study: With a global reach extending across more than 30 countries and nearly 5,000 points of sale, the acclaimed apparel company stands as a leader in contemporary fashion. Its retail presence includes flagship stores, mono-branded shops, department stores, wholesale channels, and a thriving e-commerce platform. The company has been a front runner in customer value management with a robust CRM function and a mature loyalty program, both aimed at enhancing customer engagement. These strategies have earned the brand over 5 million devoted customers, reinforcing its reputation as a beloved fashion icon worldwide. The need for the project arose from the company's desire to understand and engage its customer base on a deeper level. The existing segmentation model was not fully capturing the dynamic nature of customer behaviors, preferences, and needs. The company sought to enhance its ability to target marketing efforts more effectively, create personalized experiences, and leverage data-driven insights to create a more agile, responsive, and customer-centric approach.

The project commenced with an in-depth design visioning phase. Meeting with stakeholders provided essential perspectives that shaped the project's direction. Access to customer data was secured, allowing for an understanding of customer behaviors, trends, and major groupings. This laid the foundation for a co-creation workshop, where the team defined the ideal state for segment-based customer management. To stimulate design and guide the next stages, a benchmark-driven use case library was prepared, leading to the finalization of the conceptual design of the segmentation.

Moving into the design implementation phase, the team focused on segmentation modeling efforts. This laid the groundwork for creating alternative segmentation models, where their performances were compared, and the optimal ones were selected for each macro-micro segmentation dimension. Implementing SegmentZ played a key role in maximizing sustainability and minimizing effort. The final steps involved understanding the distinct customer profiles of each segment, elucidating the differences, and solidifying the new segmentation structure. The benefits of this customer segmentation project extend far beyond mere categorization. The company has acquired a nuanced understanding of its diverse customer base, enabling more targeted marketing and personalized experiences. The alignment between various departments facilitates more effective communication and decision-making processes within the organization. Overall, this comprehensive customer segmentation project has not only empowered the company to adapt dynamically to changing customer behaviors but also fostered deeper connections with over 5 million active customers.

To learn more about how Forte Partners can support your customer segmentation needs, please contact us.

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