

Boden: Data-Driven Approach Reduces Customer Churn and Boosts Revenue for Boden

The Opportunity

Boden, a British clothing retailer with a strong online presence, faced the challenge of high customer churn, with many online customers not returning after their initial purchase.

To address this, the company aimed to proactively identify at-risk customers and implement personalised interventions to reduce churn and improve retention.

The focus was on increasing revenue by optimising customer retention strategies and understanding key behaviours driving churn to inform targeted marketing and product efforts.

The Solution

Reducing Customer Churn with Machine Learning and Behavioural Insights

Beyond worked with Boden to develop a data-driven solution aimed at reducing online customer churn. The solution included:

- 1. Machine learning models:** Beyond ran over 40 machine learning models, varying customer features, historical data, and predictive models, to identify the factors most strongly correlated with customer churn. This allowed for precise identification of at-risk segments.
- 2. Seasonal profiles and key behavioural traits:** Using customer segmentation and seasonal profiles, key behavioural traits driving churn were identified. These insights allowed Boden to better understand when and why customers were likely to leave.
- 3. Churn prediction model:** A packaged predictive model was developed that identified key features driving churn, such as optimal page views (10-30), optimal price range (£20-£60), and behaviours like returning too few or too many items.

The Results

With the insights from the churn models, Boden was able to implement more effective customer retention strategies, reducing churn and driving long-term loyalty. The implementation of machine learning models and behavioural analysis delivered substantial results for Boden:



£9.6m revenue increase through reducing churn



£149m potential net revenue increase identified