# Miles Kimball®
### Since 1935

# Case Study

# dynamic ACTION

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*Multichannel direct merchandise retailer, Miles Kimball, is propelling its omnichannel organization into the digital era with leading retail guidance system, DynamicAction.*

## CHALLENGE

Since 1935, the Miles Kimball Company has been a leader in the North American direct merchandise business – offering unique gifts and decor, helpful household items, exclusively designed Christmas cards and a wide variety of personalized products. Miles Kimball mails over 24 million catalogs per year and has built a loyal customer base through direct mail, as well as MilesKimball.com. Miles Kimball desired to overcome the restraints that commonly hamstring the traditional catalog business and sought to transform to a digitally-focused, data-empowered organization. They required a retail guidance system that had the ability to break down silos for a deeper cross—department understanding and bolster its extensive pools of data. Only then could the company profitably grow the business, with a special focus on the eCommerce channel. Moreover, Miles Kimball sought to create more efficient and lucrative pathways to decisive, profit-driven actions.

## SOLUTION

Miles Kimball has partnered with DynamicAction to empower digitization across the business and **identify data-backed opportunities** to change processes and planning that would grow the digital channel as a percent of sales, while also increasing multichannel profitability and customer base.

## RESULTS

Catalyzing a clear focus through a fresh, digitized-lens, the DynamicAction system and the DynamicAction Customer Success team enabled Miles Kimball's **digital transformation and pinpointed key profitable opportunities and practices**:

**SHIFTS IN PRICING:** Large quantities of post-holiday clearance product typically resulted in markdowns. Through using DynamicAction, the brand can now analyze and understand profit comprehensively (price changes, product profit per view, basket analysis) to enable more informed decisions on discounting, resulting in healthier profit margins.

*"With our partner, DynamicAction, we are transitioning to a new operational mindset that delivers a deeper understanding of our business with a focus on our bottom line, all while remaining true to our founder's vision: to provide our customers with unique products and an exceptional experience. Brands founded in catalog retailing have built their businesses on a wealth of customer information. DynamicAction has empowered our teams to be more effective with customer data via a precise profitable roadmap that offers vital insight, deep analysis and directional solutions to elevate our 'gut feelings' with data-backed expertise."*

*- Jennifer Heim*
*General Manager, Miles Kimball*

**INSIGHT:**
*Post 2017 holiday season, Miles Kimball made price changes to 19% of its products, which was in line with the previous year. However, this year, Miles Kimball raised prices for 22% of these products, which* **generated 54% of the profit won** *from price changes post-holiday. The retailer used DynamicAction to prioritize* **which products were good candidates for price increases** *and tracked the results of actions within the DynamicAction solution.*

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**PROFITABLY PAIRING PRODUCTS:** Utilizing DynamicAction's Affinities feature, Miles Kimball was able to identify previously uncovered cross-merchandising opportunities based on both revenue and profit impact.

### *INSIGHT:*

*The Miles Kimball team was able to discover that customers purchasing Cleaning and Laundry products were 250% more likely to also purchase Storage and Organization items, indicating a cross-merchandising opportunity that was tested then expanded into their catalog.*

**MOST VALUABLE CUSTOMERS:** Beyond loyalty, it is vital for organizations to determine who is their most profitable customer. One of the steps taken to better understand the most valuable customers is by shifting from measuring customer value based on revenue to potential profitability.

### *INSIGHT*

*DynamicAction identified the small percentage of customers that were generating an extraordinary amount of profit. Miles Kimball was then able to take swift action to ensure these customers were nurtured to retain their valuable loyalty. In addition, the Miles Kimball team is now able to understand which marketing campaigns, products and brands best attracted new profitable customers. Further, the retailer had a clear view to the products that most effectively lure back lapsed customers, catalyze a faster re-purchase rate and keep the most valuable customers engaged with the brand.*
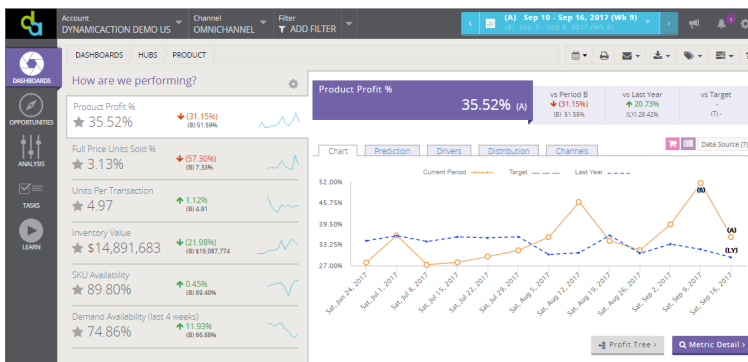
*The image above is from the DynamicAction Demo Account*

**VALUE OF YOUR DATA:** Through utilizing DynamicAction, Miles Kimball is now able to maximize the value of its data and forecast, plan and buy in accordance with the customers' true desires.

### *INSIGHT*

*Miles Kimball now has a direct sightline into the products with a higher than average demand that are in danger of running out-of-stock. They discovered that over 85% of their high demand products were in danger of being out-of-stock with no open purchase orders submitted.*

Through utilizing DynamicAction, Miles Kimball learned which low stock products would have the biggest impact on profit and can prioritize taking action.

In partnering with DynamicAction to navigate digital transformation, Miles Kimball is harnessing its data to drive realignment towards a more customer-centric organization – prioritizing profitable growth through viable opportunities. Utilizing data to determine products customers truly desire, the company can operate with a constant drive to deliver the personal touch and exceptional experiences on which the business was founded.

# DYNAMIC ACTION

## About DynamicAction

DynamicAction is a retail analytics guidance system that leverages cloud software and a proven success program to catalyze the new customer-first operating mindset in retail. DynamicAction empowers retailers with a clear path to navigate their transformational journeys with AI-powered metrics. It enables faster, better decisions to deliver profit, analytics and visualizations for immediate insights, prioritized opportunities and prescribed actions to take online and in-store.

Forward thinking retailers across the globe rely on DynamicAction's advanced analytics and retail-built practices to holistically run more efficient organizations and formulate laser target strategies to uncover their most profitable customers. Forrester Research recommended DynamicAction as the key prescriptive analytics technology to replace predictive analytics in retail, and the National Retail Federation awarded DynamicAction for its ability to "significantly improve or radically alter how retailing is done".

Headquartered in Silicon Valley, DynamicAction has offices in London, Sofia and Dallas.

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