

Empowering Retail Success with AI/ML-Driven CLV Insights

How we optimized sales strategy and marketing budget using AI/ML by developing and implementing a customer lifetime value (CLV) model

A leading luxury fashion retailer headquartered in the United States, our client boasts a vast customer base exceeding 6 million individuals and annual sales surpassing 4.5 billion USD.

Challenges

The client's primary challenge included the need to enhance customer segmentation methodologies to gain deeper insights into diverse customer behaviors and preferences.

Enable a granular understanding of customer behaviour with customer segmentation

Accomplish precise revenue forecasting by projecting accurate customer spending for upcoming quarter

Streamline acquisition spending to maximize ROI and cultivate customer loyalty

Solution

Xoriant with its strong domain knowledge and expertise proposed a solution that leveraged industry-recognized and widely accepted statistical and AI/ML modeling methods in development, validation, and deployment of the solution to enable the customer's end goals.

Implemented

AI/ML based models to assess CLV to optimize sales strategy and marketing budget

Enabled

Pre-processing of 60 million transactions involving six million unique customers

Produced

6,000 customer attributes & applied SVD-based feature extraction for noise reduction

Implemented

A modular modeling approach allowing the addition of new attributes in the future.

Delivered

version-controlled and well-maintained codes for production-ready models

Supported

An end-to-end pipeline and ensuring fully automated implementation

Business Value



Enabled

Enhanced decision making with streamlined customer segmentation and CLV prediction



Boosted

Operational efficiency drastically with pre-processing of vast transactional data



Empowered

With adaptability to evolving business needs through tailored offerings

Technology Stack

AWS SageMaker | Snowflake | SQL | Python | AI/ML and Statistical Models |

Xoriant provides advanced technology solutions and software development services for global banks, software product companies and F500 market leaders. Based in the U.S. with 18 global offices and 5000+ engineering professionals, Xoriant demonstrates exceptional experience in banking and finance infrastructure modernization and cloud migration. We deliver expert digital engineering, as well as offsite and offshore services, across high tech, healthcare, pharma, industrial manufacturing, telecom, and automotive sectors. Customers credit technological innovation and delivery excellence for our shared success over three decades.