CASE STUDY



V.S. Cellular

PURCHASE INTENT ANALYSIS PAYS OFF FOR U.S. CELLULAR



Cardinal Path led a purchase intent analysis for U.S. Cellular and uncovered the website actions that are most predictive of future purchases.

Armed with these insights, initial testing has already driven a 23% increase in visitors to the "Offers" section of the website and a 61% boost in customer lifetime value by improving the blend of higher-value customers in the mix and increasing response rates.

And the benefits don't stop there.

Goals

Discover the role of the website in driving in-store sales with two key questions:

- What are the most important, revenuedriving actions that take place on our website?
- How can we use this information to test what really matters for site optimization?

Approach

 Purchase intent analysis linking website visitor behavior to online and offline sales, new service subscriptions, and service renewals

Results

- Identified certain website actions, like Chat Now and Offers, that were more predictive (per individual action) of future purchases than other long-held indicators such as Add to Cart and Store Locator
- Initial testing has driven 23% increase in visitors to "Offers" and a 61% boost in customer lifetime value
- Foundation for a media optimization framework that guides decision-making using the actual dollar value that each website action is worth to the company's bottom line
- Established a quantified basis to prioritize site content testing opportunities

Predicting real value

U.S. Cellular is the fifth-largest wireless network operator in the United States with retail stores across the country in 23 states. Its primary revenue drivers are the sales of mobile phones and service plans. While almost all sales take place at the company's retail stores, a high volume of users interact with U.S. Cellular's online assets in significant ways at various points in the sales funnel as well as after purchase. U.S. Cellular invests in many different marketing channels, and needed to maximize the return on its advertising investment both online and offline.

The team had already tried matching online and in-store data, as well as assigning values to website actions that they thought were important, such as add-to-cart activity that didn't result in a sale, and how many people visited the store locator page. Unfortunately, it was nearly impossible to calculate just how much each of these actions was actually worth to the business, and these metrics didn't carry a lot of weight across the business when demonstrating the contribution of digital channels to sales. With a backlog of tests proffered by internal stakeholders and agencies, U.S. Cellular needed a way to prioritize testing.

With this in mind, U.S. Cellular turned to Cardinal Path for help in understanding two key questions:

How can we use this information What is the role of the website in
driving in-store sales?How can we use this information
to test what really matters for
site optimization?

Cardinal Path backed up opinions and ideas of which tests held the most potential value with a scientific approach and several dozen test ideas were prioritized from first to last.

66 Purchase intent research helped us move forward in two ways: showing us the site actions that did lead to offline sales, and definitively showing us which of those actions were most important, in order to help drive our testing efforts. 99

Katie Birmingham Digital Analytics Manager, U.S. Cellular

Demonstrating organization-wide value

Armed with the power to equate website actions to dollars, U.S. Cellular is positioned to better demonstrate the value of the online channel alongside retail and telesales channels.

Using purchase intent analysis – a statistical analysis in which information is extracted from data and then analyzed to identify patterns and make predictions about future outcomes/events – Cardinal Path set about identifying the site actions that lead to sales across any transaction channel offline and online.



A new take on testing

After learning this key insight, the digital team at U.S. Cellular was able to prioritize its long list of testing items, and started by working with messaging on the "Offers" section of the website. This way, the digital team knew how many new lines of service and how many current customer renewals were generated by their digital marketing efforts.

These findings empower the digital team to speak in terms of dollars and enable U.S. Cellular to put hard numbers against their return on marketing investment.

The results of initial tests have already driven a 23 percent increase in visitors to the "Offers" section of the website and a 61 percent boost in customer lifetime value by improving the blend of higher-value customers in the mix and increasing response rates.

66 This purchase intent analysis helps digital to level the playing field against cut-and-dry areas like retail or call centers, and really show the contribution of online in creating demand that leads to offline sales. Cardinal Path enables us to push the limits on our own digital data and surface insights that really matter to the business.

Optimizing media

Beyond aiding content testing with a scientific approach, the purchase intent analysis helps to create a roadmap to evolve U.S. Cellular's optimization framework. Instead of optimizing against digital-only metrics such as cost per store locator, they can now optimize against company-wide, sales-related metrics by having the key website actions equated to a total dollar value.

Next steps

Moving forward, U.S. Cellular will be updating the purchase intent analysis to keep current with changes in the business, available data and to adjust for natural seasonality in their retail calendar. The analysis will serve them well as they build on the success of the optimizations and enhancements they have already made as a result of the deeper insights.

Learn more about how data science techniques can give your marketing efforts a significant boost.

Set up some time with Cardinal Path's award-winning data scientists, analysts and digital marketers.

<u>Speak with</u> a purchase intent expert today.

Contact us:

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Cardinal Path is a premier digital data analytics firm that works with the world's most prominent organizations to create, implement and action advanced analytics. Named **Most Influential Agency/Vendor of the Year** by the Digital Analytics Association in 2015, Cardinal Path is known for its industry leadership and for tools such as the Online Analytics Maturity Model, a framework for assessing enterprise-wide analytics maturity. With dedicated teams of award-winning analysts, statisticians, data scientists, developers, and many of the top minds in the digital marketing space, we help our clients unlock the value of their data, sharing all that we know and empowering people to make confident business decisions for sustainable growth.