



**Ivona Piper**  
Vice President of  
Database Marketing

# Staples attracts and retains great customers with SAS®

## Industry

Retail

## Business Issue

Staples needed to automatically segment customers in a way that could not only determine the most profitable customers, but could also predict when top customers were starting to shop elsewhere and lure them back with the right offers.

## Solution

SAS Marketing Automation gives Staples a quick means of segmenting customers, sending appropriate offers and helping merchants stock stores.

## Benefits

Attrition of the most profitable customers has fallen, merchants are stocking stores and specialty centers with the right mix of products for maximum profitability, and customers are getting offers that don't drag down profitability.

Staples Inc. invented the office super-store concept in 1986, and today it has more than \$18 billion in annual sales, 2,000 stores and a presence in 22 countries on four continents. The company wanted to personalize its service and make Staples the one place customers go for office supplies, technology, furniture and business services. With SAS Marketing Automation it fine-tunes its marketing campaigns to build loyalty among its most profitable customers.

Staples knows that successful campaigns depend on personalizing communications and offers. "There's that old rule that 20 percent of your customers generate 80 percent of your revenue, and it's still true in office supply," says Ivona Piper, Staples' Vice President of Database Marketing. "Our core customers are the most profitable, and we need to nurture and protect these customers."

Over the years, the company has discovered that the best way to grow its business is to watch the purchasing patterns of the core customers – from online, mail order and in-store purchases. If the spending for those customers drops, the company sends personalized offers to help bring them back. Before choosing SAS Marketing Automation, the company's marketing tool didn't have the level of sophistication that Staples needed. Piper had to divert staff to combing the databases to select candidates. "I want to use our resources to

gain insight into our customers, not to simply execute campaigns. We needed something that not only streamlined the process, but also automated campaigns to specific customer segments."

In selecting a marketing automation provider, Piper knew she wanted a company that did more than sell a tool. "We were looking for a partner that would innovate and grow with us, someone who would keep up with our progressive thinking." Having used SAS for many years, Piper knew "that SAS always brings to the table a team of experts, and they deliver on time and on budget, which is very important in today's environment."



that was easy.®

### Keeping good customers

Today, Piper and the marketing staff not only quickly track spending attrition of Staples' core customers, but also forecast it from the most subtle changes in their buying habits. "With analytics we can actually predict which customers are going to leave. When we see the changes in their pattern of purchasing, when they stop buying certain products from us, we know that these customers are on the way to a different provider. At



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this point we can intervene and bring them back, so to speak,” Piper says.

The intervention typically comes in the form of an offer that is automatically generated. With the powerful analytics SAS brings Staples, the offers are carefully calibrated to increase spending rates, rather than drag down profitability. “We know our most profitable and our least profitable customers,” Piper says. “So we can vary the offers based not just on customer segments, but also on individual customers. These are very, very complex campaigns.”

The information is also broadly shared with merchants and operational staffs, helping them choose which products to stock. Certain products attract customers that don’t spend much, for instance, and might be discontinued. And in the specialty divisions – such as

copy centers – analytics helps the merchants choose products they hadn’t thought to stock that were big sellers in other centers.

While Staples is focused on getting the best mix of products into the hands of its best customers, it also uses SAS to avoid aggravating those customers. E-mail marketing is a critical component of Staples’ general marketing. Marketing automation helps Staples know in a flash which e-mails are getting high responses, “so we don’t annoy our customers with a barrage of irrelevant, inconsequential communications,” Piper says.

With a busy workload, SAS delivered for Piper in another way: “The deployment of SAS Marketing Automation was one of the easiest I’ve ever experienced in my career.”



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