



Case Study //
RECOMMENDATIONS

Orvis Increases Cross Sell Revenues by 70% with Coremetrics Intelligent Offer™

Savvy retailers are integrating the web with other channels to create a multichannel network that delivers a quality customer experience across the board. At The Orvis Company, for example, catalog and online sales are tightly linked. Many customers browse the company's print catalogs, and then place their orders at orvis.com. In fact, the catalog is the most important marketing vehicle for online sales at Orvis.



Once those catalog shoppers go online, Orvis merchandisers want to ensure the best possible shopping experience for them. To do this, they build upon Orvis' 150-plus-year history of customer satisfaction and quality products.

Providing useful product recommendations is a vital part of their effort to deliver a superior customer experience. As customers browse product pages or view items in the shopping cart, they are presented with other products to consider. Consequently, they quickly find the right product or combination of products.

Ratcheting Up the Level of Automation

Until recently, Orvis merchandisers were struggling to keep product recommendations up to date for the site's 4,400 products. To keep the cross sell effort manageable, they took the approach of populating best sellers at the subcategory level. They were concerned, however, about the time they had to spend keeping product pages current.

Merchants were also concerned that their approach was not delivering the optimal shopping experience. Moreover, they were "leaving money on the table" by not providing options that might drive additional sales and increase average order values.

To make recommendations more relevant and reduce the time spent on maintenance, merchandisers needed to ratchet up the level of automation. However, they were wary of fully

automated solutions because most solutions take a black-box approach that doesn't allow them to ensure that recommendations are both relevant and appropriate. For example, behavioral data might show a high statistical significance with respect to men's apparel being browsed or purchased in the same session as women's apparel. That doesn't mean, however, that a man's cardigan is a good cross sell recommendation for women's blouses.

Making Smart Choices

Orvis tackled the challenge with Coremetrics Intelligent Offer, which engages customers with timely, behavior-based product recommendations.

"We knew Intelligent Offer would lift revenues. We just didn't think it would provide this much lift. After the initial set up it runs by itself, constantly updating recommendations on our site based on new product introductions and changing customer interests. It's substantially more hands off."

—Senior Manager, E-commerce
Merchandising & Analytics
The Orvis Company, Inc.



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Merchandisers were particularly attracted by the solution's flexibility, which supports the delivery of different recommendation styles that address customer needs at different points in the sales cycle.

On the product page, for example, customers are trying to decide on a specific item. Recommending products that help in the selection process is appropriate at this point. If the customer is looking at men's hiking boots, alternative hiking boots or walking shoes are good choices for cross sell. When the customer is viewing the cart, however, complementary items make more sense. If the cart contains hiking boots, appropriate cross sell items might include socks, hats, or gloves.

More importantly, Orvis merchandisers liked the strong controls that Intelligent Offer provides. They can manage all recommendations through business rules based on category, price, inventory, margin, and other factors. A Coremetrics implementation specialist consulted with the staff to discover key business-rule needs and share best practices learned as a result of implementing solutions for more than 100 clients.

Doubling Cross Sell Revenues

The day Intelligent Offer went live, revenues from product recommendations increased by 70%, and the site has sustained that level over time. Product recommendations on the product details page as a percentage of total site sales doubled, rising from 3% to 6%.

In addition to the direct revenue lift, Orvis estimates that Intelligent Offer saves approximately 8 to 10 merchant hours each week.

About The Orvis Company, Inc.

For more than 150 years the Orvis name has stood for outdoor traditions, quality, and customer satisfaction. Orvis is the longest-running mail order business in the United States. In addition, the company has more than 44 retail stores in the United States and United Kingdom and more than 500 dealers worldwide, selling the company's world-famous fly-fishing gear, distinctive clothing, home furnishings, gifts, and dog products. Orvis moved into the eCom-merce space in 1998 with the launch of www.orvis.com. This award-winning web site offers not only products but also content, including Orvis-endorsed lodges information, free fly fishing tips, and expert articles.

To learn more about Coremetrics or to schedule a demo, please contact your account representative. Call 1.866.493.2673 or visit coremetrics.com



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