

CHARMING SHOPPES

RETAILER PROJECTS NEARLY \$1 MILLION BOOST TO GROSS MARGIN WITH TARGUSINFO

Women's Apparel Retailer Seeks Revenue From Better Data Accuracy

Charming Shoppes, Inc., a leading multi-channel apparel retailer specializing in women's plus-size apparel, operates 2,269 retail stores in 48 states under the names LANE BRYANT, FASHION BUG, FASHION BUG PLUS, and CATHERINES PLUS SIZES.

The chain captures contact information in its retail stores for remarketing and modeling, so the accuracy of its customer data has a deep impact on its bottom line.

Charming Shoppes' Crosstown Traders also operates catalogs for apparel, accessories, footwear and gifts, including the following titles: Old Pueblo Traders, Bedford Fair, Willow Ridge, Lew Magram, Brownstone Studio, Regalia, Intimate Appeal, Monterey Bay Clothing Company, Coward Shoe and Figi's.

The Problem

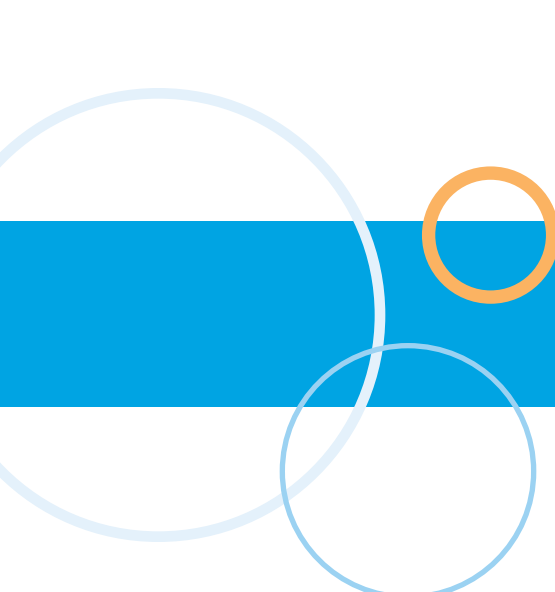
Retail stores losing remarketing targets to low match rates for consumer data

The Solution

TARGUSinfo On-Demand IdentificationSM for CRM & marketing

The Result

Projected gross margin increase of nearly \$1 million for first year in new sales



Charming Shoppes anticipates huge growth from boosting its remarketing through TARGUSinfo. 'It's not unreasonable to say that we ought to be able to earn nearly \$1 million in gross margin from those customers during the next year,' said Robert O'Connell, Manager, CRM.

When match rates on mail-deliverable addresses gradually plunged 50% from previous totals, Charming Shoppes became alarmed. The company was unable to obtain 12,000 to 15,000 customer addresses each week because of incomplete data coverage.

The cost in lost sales was multiplied exponentially. Charming Shoppes uses its customer addresses for a weekly direct mail list and sends out several hundred million pieces of direct mail per year.

Choosing A Trusted Name In Retail

Charming Shoppes sought a new data capture solution and was impressed by TARGUSinfo's client base, including prominent chain stores such as Domino's, Carter's and Meineke.

The solution had to reliably serve Charming Shoppes with the most accurate and current consumer data available. So Charming Shoppes chose the solution with the flexibility to fit its needs for data capture: TARGUSinfo On-Demand Identification for CRM & marketing.

"One of the things that we liked about TARGUSinfo over the other providers was that TARGUSinfo has a much more tailored process for picking up phone numbers," said Robert O'Connell, Manager, CRM for Charming Shoppes. "We were able to choose the criteria for matching a customer's phone number to her address."

With the potential for future sales tied to each customer's address, Charming Shoppes needed data that was not only easy to implement but also comprehensively up-to-date.

TARGUSinfo uses 60-plus sources that provide over 600 million records every month to verify its On-Demand DataSM. Charming Shoppes noticed the difference in currency from other solutions that relied too heavily upon White Pages listings.

CHARMING SHOPPES

TARGUSinfo Provides 'Insight' On Customers

Charming Shoppes put just as much importance upon the precision and relevance of TARGUSinfo On-Demand Data. The solution provided information that was immediately actionable.

“When TARGUSinfo did a review of what we sent to them, they gave us more insight into the type of phone numbers that we were collecting,” O’Connell said. “They provided back to us what percent of the phone numbers were cell phone numbers, what percent of them were home land lines, what percent were businesses and so on.”

Charming Shoppes chose TARGUSinfo over its incumbent consumer data provider as well as two other competitors.


And with On-Demand Identification, Charming Shoppes found that part of its problem stemmed from a rising tendency of customers to give cell phone numbers, which currently have lower match rates than land lines. Charming Shoppes now has its salespeople ask, specifically, for home phone numbers.

Charming Shoppes takes the phone numbers that it collects at the point-of-sale and matches them against its existing customer telephone number database. New phone numbers get sent to TARGUSinfo, which appends names and addresses and returns the On-Demand Data.

Setting Up A Return On Investment

After it learned of the need to increase the percentage of home phones that it collected, Charming Shoppes saw its point-of-sale matches rebound past 40,000 customer addresses a week. The weekly decline of addresses was erased.

‘When TARGUSinfo did a review of what we sent to them, they gave us more insight into the type of phone numbers that we were collecting,’ O’Connell said.



“It’s a pretty significant increase and it doesn’t take a lot of math to figure out what impact that could have on the company,” O’Connell said.

Now direct mail campaigns can target an estimated 250,000 customers that Charming Shoppes was previously unable to identify each year. The chain can factor in a conservative estimate for its response rate and still expect to see a huge benefit.

“It’s not unreasonable to say that we ought to be able to earn nearly \$1 million in gross margin from those customers during the next year,” O’Connell said.

Improving View Of Customers

Beyond that immediate payoff, TARGUSinfo will help with Charming Shoppes’ planning as well as customer modeling.

“We get a better profile of our customer,” O’Connell said, “because the more transactions that we can

match up to an individual customer, the better we can find out what she is buying, how often she visits us and what different departments she shops in. If we can match that transaction up to a customer, well then, we can aggregate everything for that customer.”

Given Charming Shoppes’ recent acquisition of Crosstown Traders Inc. and its 11 catalog brands, the chain is poised to reap great benefits for the new accuracy in its customer database.