CUSTOMER REVENUE MAX

Revenue Enhancement Program to Exploit the Full Potential of Your Customer Base

Organic growth in retail is detailed work.
Our methodology will instantly help you get your business on track.

Achieving and Sustaining Profitable Growth

90%
of Germany's pure online retailers will disappear from the market

39%
of the German stationary retailers register lower customer traffic in stores

88%
of our customers achieve the planned results of the revenue growth plan within the first year

Number of months to fulfill Customer Revenue MAX plan

12-24 months   > 24 months

< 12 months

The average revenue margin of German Online merchants was only about one percent in recent years. At the same time, brick and mortar retailers achieved just over 2 percent margin. When business operations are only marginally profitable and there is no significant revenue growth, industry experts are forecasting that many retailers will not survive and are predicting consolidations in the retail sector. The reasons for this are quite simple: Whether big or small - in ecommerce you need almost the same staff for marketing, IT, finance or procurement i.e. size matters. This also applies to stationary retailing and there only a few trade formats reach profitable size.

Our retail clients in media, fashion and jewelry, as diverse as they are, they have one thing in common: they achieve simultaneous revenue growth and substantial boosts in marketing efficiency and therefore they grow profitably. In fashion retailing for example, one client achieved 28 percent revenue growth with a 35 percent increase in marketing efficiency. „We are growing so fast that we can now focus our efforts on our existing customer base and acquire only "desirable" customers," says the marketing director of this fashion retailer.

Sustainable growth
To simultaneous optimize both levers – internal growth potential and internal marketing efficiency, we have developed the analytical methodology Customer Revenue MAX. This methodology determines the current business performance within the customer base and helps to create an actionable road-map to increase sales. Cloudspace Analytics supports corporate and marketing management in the task of achieving a sustainable, healthy and profitable growth.
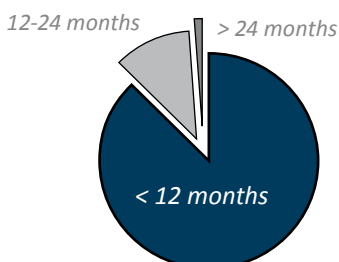
Why
Customer|Revenue MAX?

Insights to Action

Take advantage of a proven analysis for the evaluation of your current and future customer profit potential and benefit immediately from an actionable growth agenda. At the same time improve the efficiency of your marketing activities based of your own current strengths and invest in profitable areas of optimization.

Customized solution

Our methodology is tailored to the unique challenges that your business faces: We investigate the manner how you acquire customers, how they are managed, and what products you offer. Of course, we consider your specific competitive situation and geographical presence in your markets. Because, when it come to gaining a real competition advantage, questionable assumptions or best practices from „similar" competitors offer little guidance into your specific investment decisions.

Ready to use

Your detailed plan for growth can be implemented from day 1 and builds on your existing resources, incorporates the expertise of your employees and service providers, and can be flexibly adapted to sudden changes. You are thereby not dependent on new technologies or applications that may introduce delays or additional complexity.

Performance Control

Take advantage of customized goal oriented performance metrics (KPIs) that provide you with a continuous monitoring of your growth initiatives. This allows you to concentrate on short-term success but stay focused on long-term customer value.

Typical problems with retailers are often separate and counterproductive optimization of customer acquisition or cost reductions

Revenue Potential	Efficiency Potential
• *Maximize value in customer base*	• *value-oriented budgeting*
• *Stimulate customer sales*	• *marketing-oriented focus*
• *Increase customer loyalty*	• *performance-based control*
	• *modernized structures*

Customer|Revenue MAX
Growing Revenue Profitably

Traditionally-minded retailers first grow by entering new markets and/or attracting new customers and realize existing customer revenue benefits later in projects to improve efficiency. This mindset is increasing risky given the increased dynamic nature of present day retailing. The basis for a profitable growth strategy is to simultaneously extract all existing customer revenue potential and marketing efficiency optimization and to prioritize, monitor and evolve necessary initiatives based on appropriate KPIs.

To capture the maximum effect from growth agenda, an implementation should be accompanied by permanent action monitoring and controlling. There are several reasons for this approach:

- Focused action plan briefing and loss-free implementation

- Coherent picture of the actual results achieved by the implemented initiatives revenue gains, ROI improvements and value added contributions

- Creation of a permanent fact-base and therefore more targeted marketing and greater operational efficiency

- Positive, transformation decisive impulses within the organization

100%
focus of marketing investments on sales and earnings targets

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