

ARTEFACT

From Retail Cost to Competitive Advantage

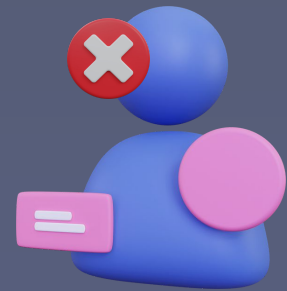
Activate Customer Data to Optimise
the **9 Metrics** That Drive Loyalty.



The Competitive Advantage You're Overlooking

Retailers are sitting on a **gold mine** of customer data, but too often, it's treated like an operational cost rather than a strategic asset.

97%



of customer data in Retail remains unused

Retailers who harness customer data insights **outperform** competitors by

85%



in sales growth

25%



in gross margin

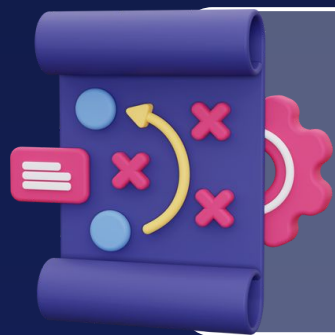
Top-performing retailers don't guess. They activate.

The secret is a Customer Data Ecosystem (CDE), a connected system that turns fragmented data into revenue-driving insights.

What is a CDE?

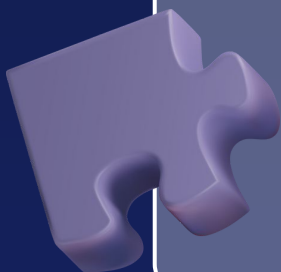
A Customer Data Ecosystem captures, connects, and activates customer data across your entire business.

How it works?



1. Capture

Collect customer data from every channel, including online, in-store, CRM, and service interactions.



2. Connect

Unify data into a single customer view to enable accurate insights and personalisation.



3. Activate

Use data to deliver targeted campaigns, smarter experiences, and stronger customer loyalty.

CDEs Turn Metrics into Money

A strong CDE drives measurable improvements across the metrics that fuel growth, loyalty, and profitability.

The 9 KPIs where retailers see real, measurable impact



Customer Acquisition Cost



Cart Abandonment Rate



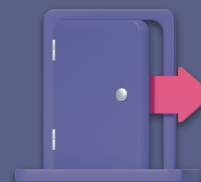
Add-to-Cart Rate



Average Order Value



Repeat Purchase Rate



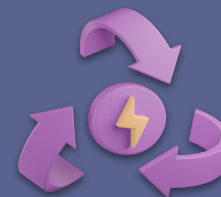
Customer Churn Rate



Customer Lifetime Value



Loyalty Program Engagement



Circular Economy Services

From Guesswork to Growth

Use your data to cut acquisition costs and hit the right audience.

What is Customer Acquisition Cost? (CAC)

CAC tells you how much you spend to **acquire a single new customer**.

It's one of the clearest indicators of **marketing efficiency**, and one of the first places margin gets lost if you're not data-smart.



How is it measured?

$$\left(\frac{\text{Total marketing \& sales spend}}{\text{Number of new customers acquired}} \right)$$



How a CDE Unlocks Value?

Identifies high-intent audiences using existing customer data, enabling precise targeting and personalised campaigns that reduce wasted spend.



Up to 50% reduction in Customer Acquisition Cost

Retailers using a CDE target smarter, spend less, and acquire higher-quality customers.


Stop Losing Carts at Checkout

Reduce friction, re-engage abandoners, and boost conversion rates


What is Cart Abandonment Rate?

This measures the percentage of shoppers that add items to their cart but leave before completing the purchase. A high abandonment rate signals friction in the buying journey and lost revenue opportunities.

How is it measured?


$$\left(\frac{\text{Number of abandoned carts}}{\text{Number of shopping carts created}} \right) \times 100$$

How a CDE Unlocks Value?



A CDE empowers retailers to recognise shoppers, streamline checkout, and personalise the customer journey - helping to recover abandoned carts



87.4%

**Average Online cart
abandonment rate**

Source: Retail Week


Turn Browsers into Buyers

Personalise product discovery to turn interest into action.


What is Add-to-Cart Rate (ATC)?

This measures the percentage of visitors who add at least one product to their shopping cart. It indicates how effectively your site or store drives buying intent.

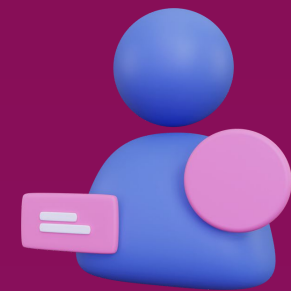
How is it measured?


$$\left(\frac{\text{Number of sessions with an item added to cart}}{\text{Total number of sessions}} \right) \times 100$$

How a CDE Unlocks Value?



A CDE uses customer behavior and preferences to surface the most relevant products, improving personalisation and driving more add-to-cart actions.



Personalised product recommendations can boost add-to-cart rates and drive

Up to 35%
of total sales

Source: [McKinsey](#)

The real **advantage** is not in having data.

It is in **activating** it through a
Customer Data Ecosystem.




Unlock More Value from Every Customer

Turn insights into bigger baskets and higher profits.


What is Average Order Value (AOV)?

AOV measures the average amount a customer spends in a single transaction. It shows the size of the basket and is a direct lever for growing revenue per customer.

How is it measured?


$$\left(\frac{\text{Total revenue}}{\text{Total number of orders}} \right)$$

How a CDE Unlocks Value?



A CDE personalises product recommendations, cross-sells, and upsells based on customer data, encouraging shoppers to buy more and upgrade.



Up to 26%

**increase in AOV when
customers engage with
personalised product
recommendations.**

Source: Bain

From One-and-Done to Loyal and Returning

Use customer data to turn first-time buyers into repeat shoppers with personalised follow-ups and timely re-engagement.

What is Repeat Purchase Rate?

Repeat Purchase Rate shows how many customers return to buy again. It reflects the strength of your post-purchase experience and your ability to build loyalty over time.



How is it measured?

$$\left(\frac{\text{Number of customers who made multiple purchases}}{\text{Total number of customers}} \right)$$



How a CDE Unlocks Value?

A CDE uses customer behaviour and timing to trigger personalised follow-ups, offers, and rewards that drive repeat purchases.



**A 5%
increase**

**in customer retention
can boost profits by 25%
to 95%**

Source: The Loyalty Effect, Frederick Reichheld


Stop Customers from Slipping Away

Use customer data to detect risk early, personalise re-engagement, and keep high-value customers coming back.


What is Customer Churn Rate?

Churn rate measures the percentage of customers who stop buying or engaging with your brand over a set period. It is the flip side of retention and when it rises, it signals lost revenue, declining loyalty, and deeper cracks in the customer experience.

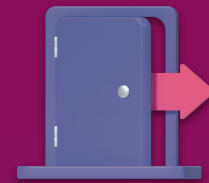
How is it measured?


$$\left(\frac{\text{Number of churned customers}}{\text{Total customers at start of period}} \right) \times 100$$

How a CDE Unlocks Value?



A CDE identifies at-risk customers by spotting early signs like reduced purchase frequency or disengagement. It then powers personalised win-back offers and loyalty nudges to retain them before they churn.



**Twinset deployed a CDP
and focused on
anti-churn omnichannel
marketing campaigns
leading to**

up to 54%
**increase in conversion
rate in Google Ads**

Source: Tealium

From One Sale to Lifelong Value

The next era of retail is built on loyalty, lifetime value, and sustainability **powered by customer data.**



Make Every Customer Worth More

Use customer data to increase how long customers stay, how often they buy, and how much they spend.

What is Customer Lifetime Value?

CLV measures the total revenue you expect to earn from a customer over the entire relationship. It's the ultimate indicator of long-term customer value, combining average spend, repeat purchases, and retention.



How is it measured?

CLV can be measured using simple historical formulas or advanced, predictive models powered by machine learning.



How a CDE Unlocks Value?

A CDE unifies customer data to deliver personalised journeys, smarter targeting, and stronger long-term value.



**49% more profit
and 51% better
retention**

**for brands that put
customer data at the
heart of their strategy**

Source: Forrester

Make Your Loyalty Program Worth Joining

Use customer data to personalise rewards, boost engagement, and turn loyalty into long-term value.

What is Loyalty Program Engagement?

This measures how actively customers interact with your loyalty program, from point redemption and rewards usage to program-driven repeat purchases. True engagement goes beyond sign-ups to reflect real brand connection.



How is it measured?

Percentage of loyalty members who regularly earn, redeem, or respond to loyalty communications.



How a CDE Unlocks Value?

A CDE uses customer data to personalise rewards, offers, and experiences that keep loyalty programs relevant and engaging.



71%

**of consumers expect
brands to deliver
personalised loyalty
experiences**

Yet most belong to 10+ programs and engage with only a few, making data-driven relevance the key to cut-through.

Source: BCG

Build Loyalty Through Repair, Reuse & Responsibility

Use customer data to personalise circular services and grow loyalty through sustainable value.

What are Circular Economy Services?

These include repair, refurbishment, trade-in, and resale programs that extend product life and reduce waste. They support sustainability goals while deepening customer trust, satisfaction, and repeat engagement.



How is it measured?

Revenue generated through repair or resale services, participation rates in circular programs, and repeat purchases tied to sustainability initiatives.



How a CDE Unlocks Value?

A CDE pinpoints customers for circular services and personalises repair offers and incentives based on behaviour and product data.



64% of consumers

say they repair items when they break, but many struggle to find relevant information which is a gap that smart retailers can close with data.

Source: EU Study on Circular Economy

£676M in revenue

was generated by Currys' repair and refurbishment services in 2022–2023 alongside increased customer loyalty.

Source: Retail Gazette

If you're not **activating** your data, you're leaving money on the table.

Customer Data Ecosystems are not a nice-to-have. They're the **growth** engine.



Conclusion

Customer data is not a cost. It is your most underutilised asset.

Every metric in this report shows that investing in a Customer Data Ecosystem delivers real business impact. From acquisition and cart conversion to retention, loyalty, and lifetime value, the returns are clear and measurable. A CDE helps retailers move faster, target smarter, and build stronger customer relationships that last.

Retailers who ignore this opportunity will keep spending more to get less. They will miss the chance to turn insights into action and will continue to lose customers they could have retained.

Those who treat customer data as a strategic advantage will win. They will create richer experiences, drive more value from every customer, and build a foundation for sustainable growth. They will make every interaction count and turn data into a competitive edge.



ARTEFACT

Ready to **activate** your customer data?

Email us:

info@artefact.com

