



Case Study



nichii

## Keep customers coming back for more

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### Overview

#### Client

nichii

#### Industry

Retail

#### Profile

nichii offers an extensive range of apparel and accessories for women. It is a leader in fast and purse-friendly fashion labels sold at over 60 outlets in Malaysia, Singapore and the Middle East.

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Fashion chain nichii, with retail outlets in Malaysia, Myanmar, and the Middle East, incorporated Fusionex's customer loyalty and analytics technology to build a comprehensive shopper database and carry out targeted marketing, resulting in customer retention and growth.

### Introduction

nichii GROUP is a fast-fashion retail company that caters to the fashion-forward, reasonably-priced apparel and accessories market with over 60 outlets across South East Asia and the Middle East. The fashion retailer has a large presence, especially in malls, where they experience high foot-traffic of urban shoppers, particularly women. Its strength in manufacturing, designing, and sourcing should also hold them in good stead as they aim to expand their presence to Asia.

### The Challenge

Since its conception over 30 years, nichii was without digital and automated means of collecting customer data and consistently had to do things the manual way. By utilizing various legacy methods throughout the years, they collected a database of about 60,000 customer details but because this database was static, they could not determine more specific customer activity and insights.

Whether customers were coming back, how many were responding to its promotions, or how many were simply inactive – nichii needed a more robust system to improve its customer tracking capabilities. They also faced challenges in carrying out more targeted marketing as pinpointing

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**“We felt that Fusionex shares the same philosophy and manner of operations as us. That is why Fusionex is our choice as a solution provider for the loyalty system. It is our nature to look for a partner that we can work with in the long run and I think Fusionex definitely fits that bill.**

***Chow Tze Teng  
General Manager  
NFC Clothier***

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customer behavior was difficult. General sales periods and occasional promotions were rolled out to limited success in increasing the number of customers. When sales periods ended, they would be faced with the issue of not being able to accurately determine how many patrons became repeat customers.

Even when carrying out promotions via SMS or email blasting, nichii could not ascertain its customer response and take-up rates. The effectiveness of such customer interaction methods were also suspect as their compiled database of phone numbers and email addresses could potentially be inactive, which meant that promotional materials could be left unopened in spam inboxes.

During marketing campaigns where vouchers were given out, security issues arose as the vouchers used were physical ones. nichii needed to switch to electronic vouchers where the security and legitimacy of each and every voucher could be safeguarded and accounted for.

## The Solution

By employing Fusionex technology in the areas of customer loyalty and data analytics, nichii was able to put in place new, innovative methods of improving customer retention and targeted marketing. The first step was to recognize its existing database and incorporate their legacy data into the database of its new loyalty program – TRIUM Card.

A round of data-cleansing was done to weed out inexistent and inaccurate customer details, while a more proactive customer identification exercise was carried out in the form of an initial promotion period. Vouchers were given out to its members, allowing nichii to get an instant snapshot of who their loyal members were based on those who responded to the vouchers and entered their stores to use them.

The e-vouchers were given out via the TRIUM Card mobile-app which customer could download onto their mobile devices. As the customer loyalty management system in place was now automated, nichii could track all future customer shopping and learn how many repeat customers they had – excluding those who merely spent the voucher and did not return.

With its new ability to reach out to customers via its mobile app, nichii could instantly send out e-vouchers, invites to exclusive events, catalogues, and other marketing materials. It not only saved on cost as the materials were delivered electronically, nichii could now also carry out more targeted marketing with specific promotions sent out to specific customers based on their details such as age, gender, purchase history, and more.

## The Benefits

Through the implementation of a more robust customer loyalty management system, consolidating its data, and performing analytics, nichii got a clearer picture of who their customers were, as well as their spending habits, tendencies, preferences, and other such insights.

**Knowing who loyal customers are and rewarding them accordingly:** nichii enjoys high-spending customers with tendencies of purchasing larger quantities of pricier items. At the same time, they now had the ability to track shoppers who spent less but returned to nichii outlets more frequently. Based on this identification of top and frequent spenders, they could reward these groups accordingly to encourage further spending and build brand loyalty involving more active customer engagement.

**Boosting customer numbers and identifying real growth levels:** As a consequence of targeted marketing and the implementation of its new TRIUM Card program, nichii saw a huge increase in its member-base, which totalled to about 180,000 to date. By looking at their newly cleaned and efficiently-managed dataset, nichii could very quickly see that 85% of its newly added members spent 200% of the voucher cost, while a bottom percentage of customers only spent the maximum voucher value.

Armed with these insights, nichii could carry out newer promotional campaigns to target underperforming customer groups with the aim of encouraging future spending. This ability to carry out targeted promotions allowed nichii to weather economic downturns by being more strategic. Their franchisees too are looking at adopting the same loyalty platform.

**Clearer overview of retail outlet performance to direct group strategy:** With the retail industry becoming more competitive and more malls opening closer to one another, customer concentration is being diluted. However, by running their customer data through the Fusionex analytics solution, nichii can determine the actual, up-to-date performance of each outlet and whether any relocation is necessary. They are also able to analyze the shopper demographics of a particular mall and determine if the location is suitable or not.

## Summary

Fusionex's customer loyalty and analytics solutions allowed nichii to easily manage its massive customer database, design more alluring promotional activities, and develop more competitive strategies. By looking at up-to-date numbers on outlet performances and customer spending habits, nichii could act swiftly in adapting its sales and promotional methods to better suit the fickle and ever-changing fashion retail market.

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