



Convert Returns from Lost Sales to New Revenue and Profits

You have demanding objectives—increase margin, maximize sales, develop consumer insights, and do it on a budget. What if you had a new, self-funded tool to help you achieve those goals while increasing the loyalty and market baskets of your best customers?



**BRICK-AND-MORTAR
OR ECOMMERCE
SHOPPER**



Returns Product In-Store



EMPLOYEE



Completes Transaction



**REAL-TIME
OPTIMIZATION**



INCENTIVE



Receipt



Text



App

Incent Increases Customer Value

Incent™ version 5 creates intelligent, customized incentives in real-time and delivers them at the end of a return transaction. The incentives are optimized to keep shoppers in the store to meet your specific objectives for the short-term and the long-term. They are effective—consumers using the offers increased their incremental spending by more than 34 percent the day of the return and continued to shop more frequently and spend more money during the following weeks. Why? The proprietary, patented solution uses sophisticated analytical modeling and individual consumer's purchase and return data to identify the incentives most likely to influence the shopper's future purchase behavior. This unlocks new margin and rewards customer loyalty, regardless of whether the original purchase was made in-store or online.

Incent offers begin with your objectives. Focused on improving margin? Need to get the attention of online shoppers making returns in store? Have markdowns or seasonal items to clear out? From these requirements, Appriss Retail's analytics team works with you to design offers and build statistical models. Artificial intelligence is used to predict the incentives that will achieve your goals. These statistics are based on millions of consumer, store, product, and transaction attributes—comprising billions of scenarios—and form the basis for our Incent margin-optimized decision process. It intelligently delivers the right incentives to the right consumers and measurably increases your incremental sales and gross profit.

Proven Results and Guaranteed ROI

The complex science behind Incent delivers outstanding results today and for months after a return. Retailers have seen the following improvements immediately after a return:

- **39+** percent increase in purchase after a return
- **34+** percent increase in revenue after a return
- **25+** percent increase in gross profit after a return

The consumer loyalty created by the incentives affects key metrics for weeks after:

- **8+** percent increase in shopping trips
- **9+** percent increase in spending per trips
- **8+** percent increase in gross profit per trip

Advantages

Operational

- Rewards issued at the point-of-sale or point of return enable associates to say, "We value your business."
- Converts more BORIS returns into new sales.
- Achieve objectives from existing foot traffic: Goal attainment, conversions, SKUs, basket size improvement, margin dollar increase, and repeat business.
- The limited duration encourages the customer to purchase soon.
- Activity is monitored to prevent misuse.
- Increases chance of purchase while minimizing discount offered.

Merchandising/Marketing

- Reward the right customers, those with profitable histories.
- Personalizes incentives for individuals to purchase items befitting their buying behavior or for cross-marketing as your objectives dictate.

Technical

- Implements as an ASP and operates independently either directly through your existing POS or via Verifone terminals.
- Programs are maintained by the Appriss Retail support team and can be changed in just one business day.
- Contains a complete reporting solution.

Financial

- No financial risk, guaranteed ROI. You pay only for success.
- Measure impact in increased revenue, gross margin dollars, and operating income.
- Vendors can fund the incentives.

How Incent 5 Works

While a bounceback will reward your present shoppers, it is typically created in a mass, unintelligent fashion. Incent uses the information available at the time of purchase or return to deliver targeted, relevant incentives that will quickly drive new revenue—within hours of a return or within days of a new purchase. It works by itself or with Appriss Retail's Verify® return authorization to evaluate and act on each transaction in real time.

1. **Determine your objectives and funding source.** Goals can be based on the need to increase margin, drive traffic, make Buy-Online-Return-In-Store (BORIS) returns more profitable, move soon-to-be-discounted items, or other critical initiatives. They may be common across the chain or unique to a region, district, or individual store. Incent supports both retailer-funded and vendor-funded incentives.
2. **Identify the variables that drive your sales.** Working with your CRM system or by itself, Incent intelligently delivers rewards to the consumer making the purchase or return, both in thanks for continued patronage and to drive new sales and margin (or other objectives) based on shopping behavior. Targeted rewards are driven by items purchased or returned, identified customer, loyalty program membership, store location, transaction date/time, and many more variables.
3. **Select the right targeted incentive.** Incent's scientific models predict the shopper's chance of purchasing and extend the appropriate, optimized reward—dynamically selected to get that specific consumer to act in a manner that meets your objectives while maximizing margin.
4. **Make the incentive flexible.** Incent can include multiple reward types.
5. **Deliver the incentive.** The reward may be delivered via receipt, mobile phone, or gift card, and is valid for a specific time period, encouraging fast action. Performed as an extension of the sale or return transaction, Incent requires little additional training for your store staff.
6. **It's under your control.** This entire process can operate in automated fashion, or you can take a more hands-on control over the offers, products, segments, and other levers that are used to generate incentives.

Margin-Positive Returns and Long-Term Value

Returns are a crucial component of the shopping experience in any channel. They help build loyalty, drive more foot traffic to the store, and encourage larger initial purchases. The refund, however, negatively impacts the store's profits. The pain is especially sharp when the store must accept merchandise it never sold initially, as in a BORIS transaction.

Incent changes that dynamic. Its targeted incentives increase conversions and incremental gross profit and revenue within hours of the return, helping the store's performance statistics that day. The lasting impact on consumer behavior is distinct as shown by fully attributable increases in visits, spend, and margin contribution for weeks after receiving the incentive. You gain insights and the consumer gains a truly differentiating experience.

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