What Makes a Loyal Customer?

Auto leader builds AI model to drive high customer loyalty

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Customer Loyalty for Auto Company

Companies have a lot of ways to define customer loyalty. Our client, a leading auto company, had a slightly different definition than just repeat purchases. For them, customer loyalty included how often the customers returned to their service department. In other words, they wanted to establish a lasting customer relationship by offering post purchase maintenance.

Understanding Customers' Vehicle Service Patterns

We gathered service details (type of service, vehicle mileage at the time of service, etc.) and customer information (type and category of vehicle, customer age and address, etc.). This was analyzed to determine customers' commitment to get their cars serviced on time, the number of times per year they brought their vehicles into the shop, and the dollars spent per service.

AI and ML were used to add geographic and demographic data to develop unique customer profiles. These were studied with the goal of discovering what would motivate customers to a deeper level of brand loyalty – one that extended to the maintenance of their vehicles.

Defining a Loyal Customer

With the additional insight this study offered into vehicle maintenance patterns, our client:

- Created a model which could segment their buyers into 'high repeat purchase' and 'low repeat purchase'

- Could use the information gleaned from this study to create marketing strategy designed to bump their 'low repeat purchase' segment up into the ranks of loyal customers

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