

## Case Study: Bang and Olufsen

Applying geodemographic analysis to better understand customer profiles and identify target locations for expansion



### Client

Bang and Olufsen are one of the world's strongest brands built on more than 80 years of Danish craftsmanship and innovation. With stores across the world in over 80 countries, and with 92 in the UK, they are a company whose reputation is based on the development of their own unique technologies, beautiful design, creative solutions, outstanding quality and never failing to pursue perfection. Bang and Olufsen's vision is to continue to let products seduce the consumer by the impressive technologies on which they are based.

## BANG & OLUFSEN

### Challenge

Bang and Olufsen have been steadily growing their business across the world and now specifically want to focus on their UK development. Management set a goal of opening five new stores per annum and had a framework of the types of areas they required based on previous sites. In order to complete this expansion Bang and Olufsen needed assistance in implementing a robust methodology to select the target areas. To identify the target locations within the UK, Bang and Olufsen needed geodemographic analysis that would allow them to understand and improve their customer profiles as well as search for new target areas with high precision.

### Solution

Experian completed a 'Store Location Analysis Project'. This consultancy project provided Bang and Olufsen with a detailed understanding of 'who' their current customers are as a whole but also by purchase value, number of products purchased and spends frequency.

This customer analysis was based on the leading segmentation tool Experian Mosaic UK, which consists of 15 Groups and 67 Types that share demographic characteristics. This analysis defined their target customers which were then applied in selecting the target towns.

Prospective towns were screened against criteria such as the customer target profile, type of town, social mix of catchments, cannibalisation and mix of shops. From this information the top 50 'gap' towns were established.

### Implementation

Experian delivered a consultancy presentation using the segmentation analysis. This included supplying the raw data analysis to enable Bang and Olufsen to complete further investigation in-house. Full support material and account management was provided to ensure that Bang and Olufsen used the output to its full potential.

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**“Working alongside Experian has given Bang & Olufsen a real insight into who our customers are, and more importantly, where they reside and how they shop.**

**As this was a new project for Bang & Olufsen it was important that we established one point of contact who could provide consistent communication and support us through the project, Experian were able to provide this through a Senior Business Development Manager. Whilst with every new project there can be stumbling blocks, Experian were able to provide solutions that met our needs and that added value to the end product.”**

**Jason Roberts  
Regional Development  
Manager  
Bang and Olufsen**

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#### **Outcome**

The geodemographic analysis combined with site location rankings provided an in-depth view of the Bang and Olufsen customers and target locations in order to develop a medium to long term store opening plan. By understanding their customer type Bang and Olufsen can now better plan these locations and plan as well as manage franchise distribution accordingly.

The Experian solutions provide Bang and Olufsen with a unique ability to approach the market with a consistent strategy for expansion in the UK with increased sales and a growing market share.

#### **Future Developments**

Experian could help in the future with providing a full consultancy service including 'Store Performance Audits'. Retailers can also complete such analysis themselves through implementation of the Experian Micromarketer Suite of products, which would allow Bang and Olufsen and other retailers to be able to do detailed data analysis and mapping on an unlimited basis. Experian Micromarketer is easily accessible across the business from areas such as site development to marketing departments.

Prospecting and marketing data can also be supplied by Experian as new campaigns are established.

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**For further information, please contact us:**

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