

# Northern Tool Doubles Conversion Rates

## Projects \$3mm Revenue Boost with Data-Driven Cross-Sell

### The Challenge

Northern Tool & Equipment Catalog Company has been a major supplier of high quality products to do-it-yourselfers and businesses including automotive shops, grounds maintenance professionals, contractors and more for over 21 years. Their e-commerce web site at [www.northerntool.com](http://www.northerntool.com) has become a strategically important distribution channel for the company, offering customers a full range of tools and equipment via the web.

Northern Tool wanted to boost sales and customer satisfaction through the web site by adding a “Customers who bought this item also bought...” section to popular product pages. Given the 10,000+ SKU’s and large number of monthly visitors on Northern Tool’s site, it was a challenge to determine exactly which products sold well together based upon actual purchase behavior of specific customers.

### The Solution

Leveraging the ability of Coremetrics Online Analytics to track all products purchased by each LIVE Profile in the same session or over a lifetime, Northern Tool requested a custom

report detailing the top 3000 previously sold products and the top 7 related products that sold best with them. Northern Tool used this data to add and populate a “Customers who bought this item also bought...” section to select product pages, featuring related products most likely to be purchased by the same customer. After implementing these changes, Northern Tool worked with their Coremetrics Retail Analyst to perform an analysis of the increased conversion rates attributable to the “Customers who bought this item also bought...” feature. Northern Tool can now see the exact revenue and conversion performance of visitors who use this new feature versus those who do not.

### The Result

Leveraging this new data-driven product cross-sell capability, Northern Tool expects to generate more than \$3 million in additional annual sales. Customers that were exposed to cross-sell products based upon LIVE Profile data converted at nearly twice the site average rate, with a 5% higher average order value. If cross-sells were not deployed in this manner, Northern Tool projects that these same customers would have potentially generated nearly \$300,000 less revenue over the 27-day period evaluated.

### About Northern Tool

Northern Tool & Equipment Catalog Company has been a major supplier of high quality products to do-it-yourselfers and businesses including automotive shops, grounds maintenance professionals, contractors and more for over 21 years. Northern’s main product lines are generators, small engines, pressure washers and hand, air and power tools but it also carries a variety of hydraulics, pumps, trailer parts, seasonal equipment and much, much more.

*“By using a Coremetrics Custom Report to help us intelligently deploy cross-sell offerings throughout our site leveraging historical customer purchase behavior, we expect to generate more than \$3mm of additional annual revenues. Without Coremetrics, this detailed, in-depth analysis would have been impossible to perform.”*

*- eCommerce Marketing Manager, Northern Tool*

