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Data, the ultimate marketing instrument

How a data exchange with Synchrony helps Sweetwater drive online growth, ensuring customers have a great experience on the website

Founded in 1979, [Sweetwater](#) is the No. 1 e-commerce provider of music instruments and audio gear in the U.S. The company is respected as the nation's leading retailer serving musicians, recording studios, broadcast, education and houses of worship.

Business Challenge

Synchrony and Sweetwater have been partners for more than a decade. Sweetwater collaborated with Synchrony to develop new ways to finance its products to help its business grow. Beyond the credit card, this also included collaborating on enterprise data sharing and digital transformation of payments.

In the early days of the partnership, Sweetwater found its credit approval rates were in the mid-30%. The company wanted to improve the credit program's approval rate and extend Sweetwater's customers' passion for the brand and products by offering seamless financing while building a relationship grounded in special experiences. Sweetwater also aimed to drive increased card acquisition, bigger credit lines, higher spend in reuse and a higher customer lifetime value.

Approach

Sweetwater has a unique business model that creates true relationships with its customers. The company gets to know the customers so well it can share information about the strength of the relationship with Synchrony and vouch for the customers.

The data exchange program in which Sweetwater shares anonymized data with Synchrony helps Synchrony make more informed customer financing decisions. By going all the way to the SKU level to understand what instruments customers purchase, the program helps Sweetwater better serve its customers.

Synchrony integrates four key Sweetwater customer attributes—first purchase, last purchase, customer since and total lifetime spend—into its ecosystem, a pool of data from credit, spending and shopping data. This ecosystem includes Sweetwater cardholder transactions, retailer data and third-party data, with more than seven trillion data points. Synchrony analyzes the performance of the Sweetwater credit program down to specific customer segments. The analysts also translate the data into action, helping Sweetwater better predict customer needs and create unique experiences and solutions to drive engagement, purchase and loyalty.

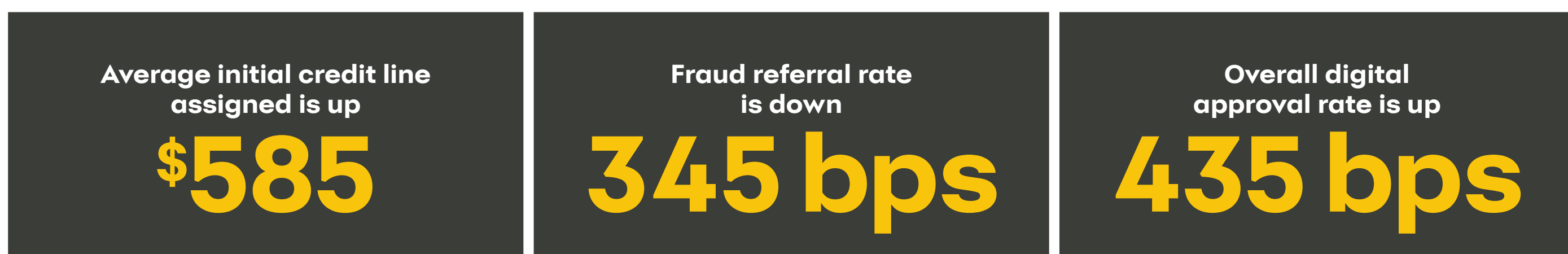
The pooling of data also helps Sweetwater enhance its personalized marketing campaigns, reducing fraud and helping to grow its credit programs. For example, the data share program enables Synchrony to track and predict Sweetwater sales growth and profitability trends by product category, region, customer segment and even coupon redemption. This allows Synchrony and Sweetwater to focus investment and resources on the biggest areas of opportunity.

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Mike Clem, Chief Growth Officer at Sweetwater

Results

The data share program has enabled personalization, optimizing the Sweetwater customer's purchase journey to drive lifetime value. This exchange enables Synchrony to say “yes” more often, hyper-personalize and drive Sweetwater's profitable growth. Results to date include:



The data exchange with Synchrony helped Sweetwater achieve a series of key milestones and record growth in 2021. Despite the challenges of another year in a global pandemic, Sweetwater served more than 1.6 million unique customers by remaining steadfast in its mission to support those who turn to music in their day-to-day lives.

Reaching \$1.43B in sales and facilitating four million orders in 2021, the company saw revenue growth of 25% over 2020. This marked the second consecutive year that Sweetwater has broken the \$1B revenue mark, illustrating that despite market volatility and uncertainties around the supply chain, a laser focus on customer experience—the ‘Sweetwater Difference’—continues to drive sales and customer retention and acquisition.

To learn more about how Synchrony can help make a difference in your business, please contact us at [gosyf.com/bizcontact](https://www.gosyf.com/bizcontact).

About Synchrony

Synchrony (NYSE: [SYF](#)) is a premier consumer financial services company delivering one of the industry's most complete digitally-enabled product suites. Our experience, expertise and scale encompass a broad spectrum of industries including digital, health and wellness, retail, telecommunications, home, auto, powersports, pet and more. We have an established and diverse group of national and regional retailers, local merchants, manufacturers, buying groups, industry associations and healthcare service providers, which we refer to as our “partners.” We connect our partners and consumers through our dynamic financial ecosystem and provide them with a diverse set of financing solutions and innovative digital capabilities to address their specific needs and deliver seamless, omnichannel experiences. We offer the right financing products to the right customers in their channel of choice. For more information, visit [synchrony.com](https://www.synchrony.com) and Twitter: [@Synchrony](https://twitter.com/Synchrony).