



modern analytics

TURNING DATA INTO DOLLARS

San Diego, February 2006

“CUSTOMER INTELLIGENCE MANAGEMENT IS ABOUT TRANSFORMING CUSTOMER INFORMATION INTO REVENUE”¹

We have always maintained that customer data is not information. We find that customer data is usually collected by businesses, or departments within businesses, on a piece-meal basis according to their particular narrow interests. For example, demographic data, credit data, affinity card data, product usage data, warranty data, point of sale data, account data, and so on.

More often than not, the larger the organization, the greater the tendency for this data to be silo-ed in individual departments. It is rarely shared and often used in isolation to provide the basis for questionable departmental research and decision-making. Frequently giving rise to ‘those are not my numbers’ inter-departmental debates.

However, businesses with industry leading performance have recognized that by merging, modeling and sharing this data across the enterprise, they can gain unique customer intelligence and insight that can be leveraged into revenues, thereby turning customer data into dollars.

They use advanced analytics to fully understand and predict the needs and behaviors of their customers, and all customer-facing functions share one comprehensive view of the customer. Relevant opportunities are presented to customers in the way that customers prefer and are done in real-time at any point of contact. This dramatically increases the opportunities for cross-selling and up-selling in a highly personalized and permissible way that builds customer retention.

According to recent Aberdeen Group research², *“companies exemplifying best-in-class customer intelligence management practices reported greater than 25% year over year improvement in each of these key performance metrics: annual revenues, customer acquisition and customer retention rates. These leaders are more likely to centralize management of customer intelligence at the corporate level, utilize both operational and strategic analytics to better understand and respond to high value customers, and take a long term approach to growth by defining customer value according to lifetime value models.”*

Modern Analytics advises on the most effective use of marketing analytics, undertakes advanced analytical modeling and automates the data marts that create the fact-based environment for enterprise decision-making and business performance breakthroughs. The firm is known for its quality, speed and affordable solutions.

¹ Aberdeen Group, Customer Intelligence Management Benchmark Report, December 2005

² Aberdeen Group, Customer Intelligence Management Benchmark Report, December 2005