



ADMA Forum
Thursday June 26th 2008
Sydney Convention & Exhibition Centre

“How data can change your business model
– Turning data into strategic marketing and
business insights”

Sandra Hogan,
Director of Strategic Modelling
and Analytical Capability



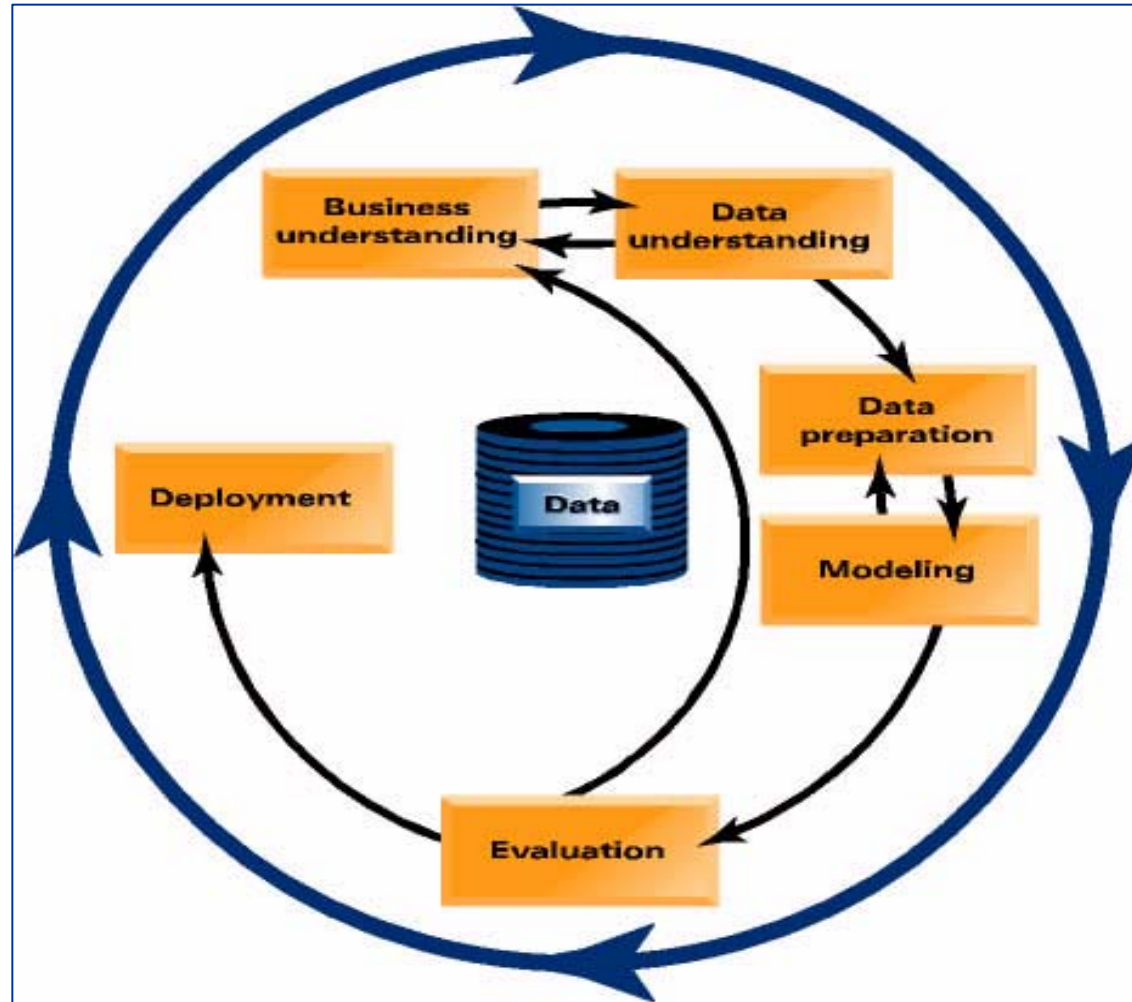
Vic Hodge
Head of Consulting



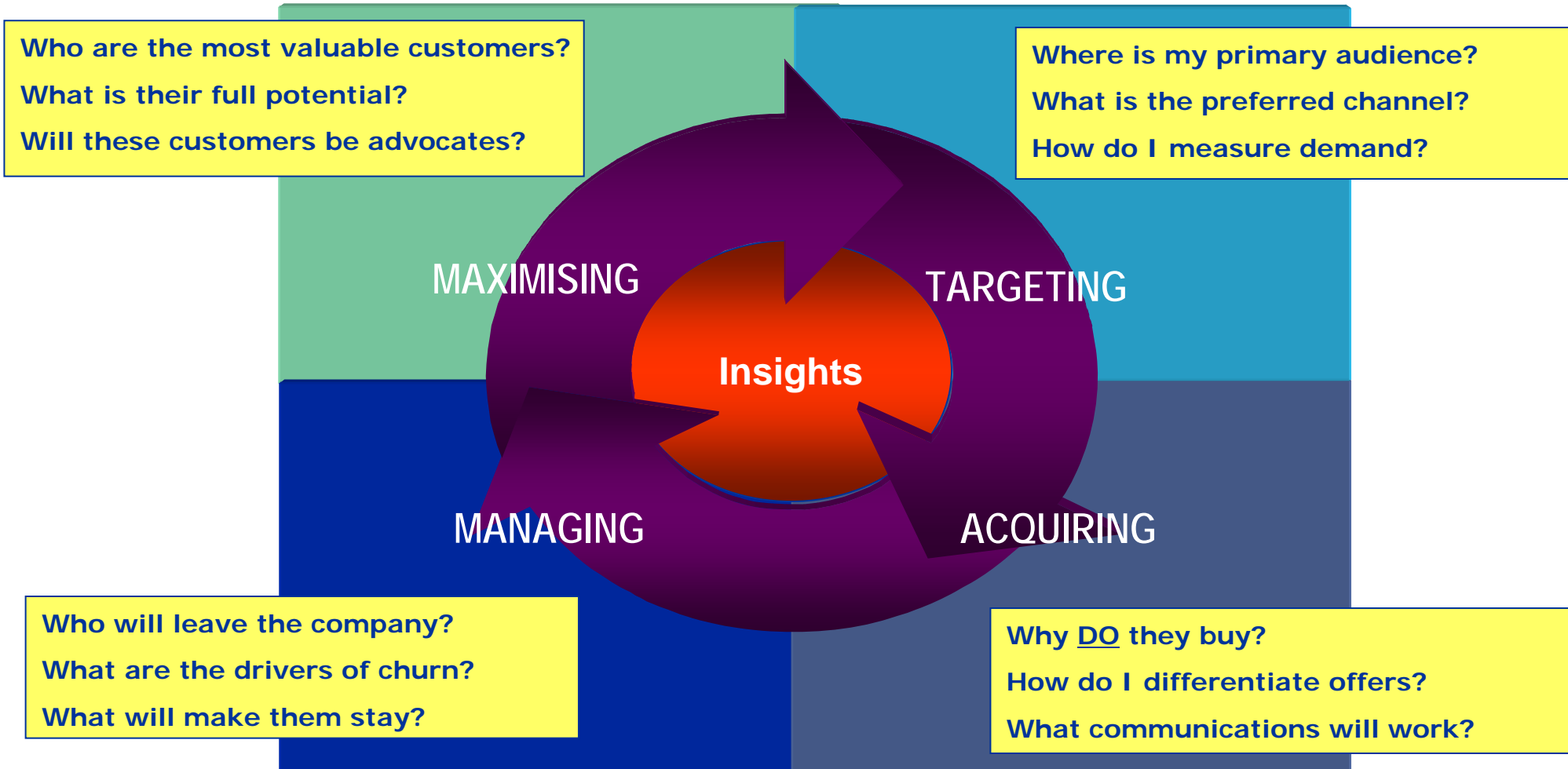
Agenda

- Introductions and Objectives
- Part I – The role of Customer Analytics
 - PMM methodologies on Customer Analytics
 - Developments in data driven analytics
 - Leveraging data for Customer Strategy Management
- Part II – Implementation and business applications
 - Transforming data into customer insights
 - Customer and market segmentation
 - Marketing Execution
 - Case study – Outbound Marketing

Customer Analytics Methodology - "CRISP_DM"



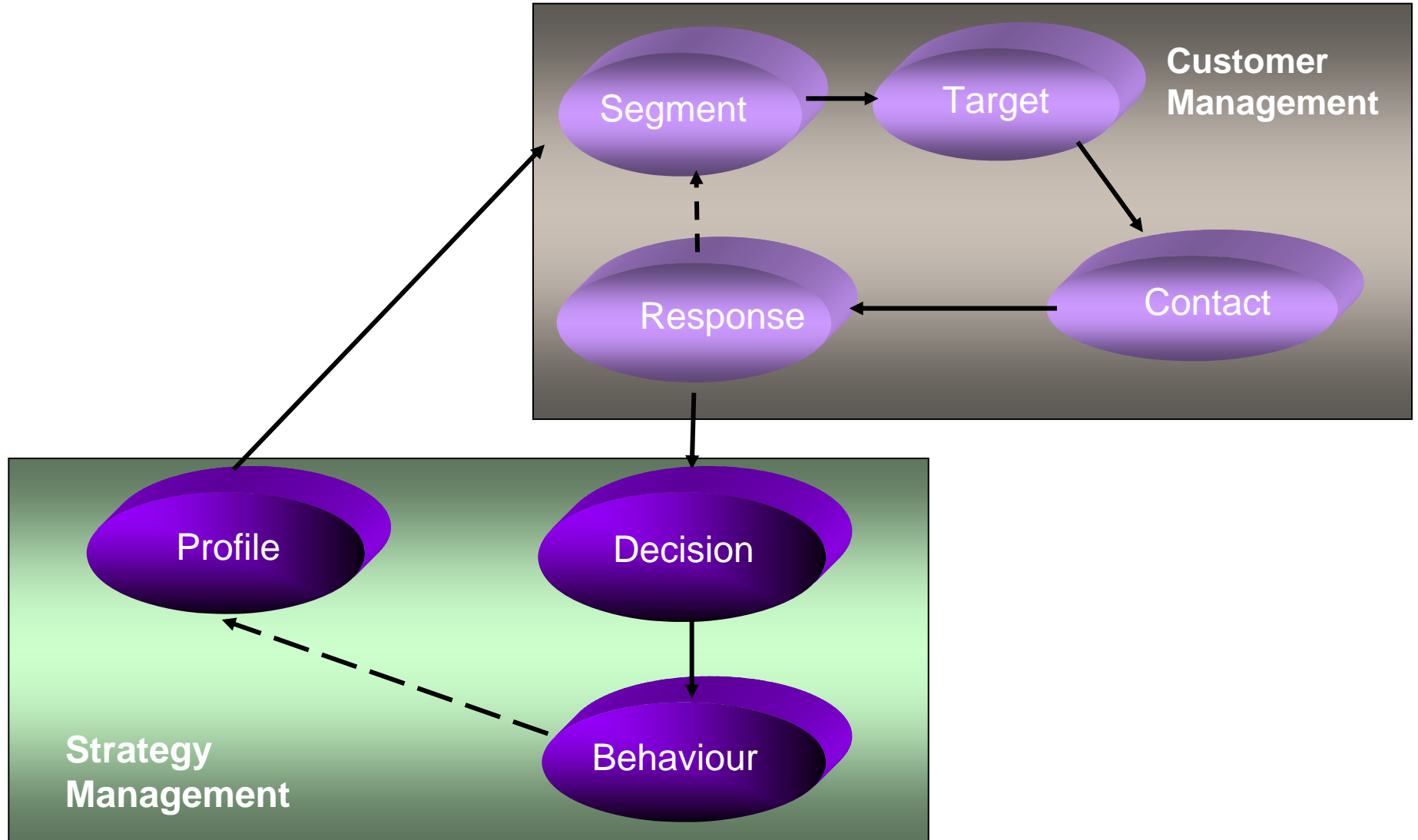
Leveraging Customer Insight from Analytics



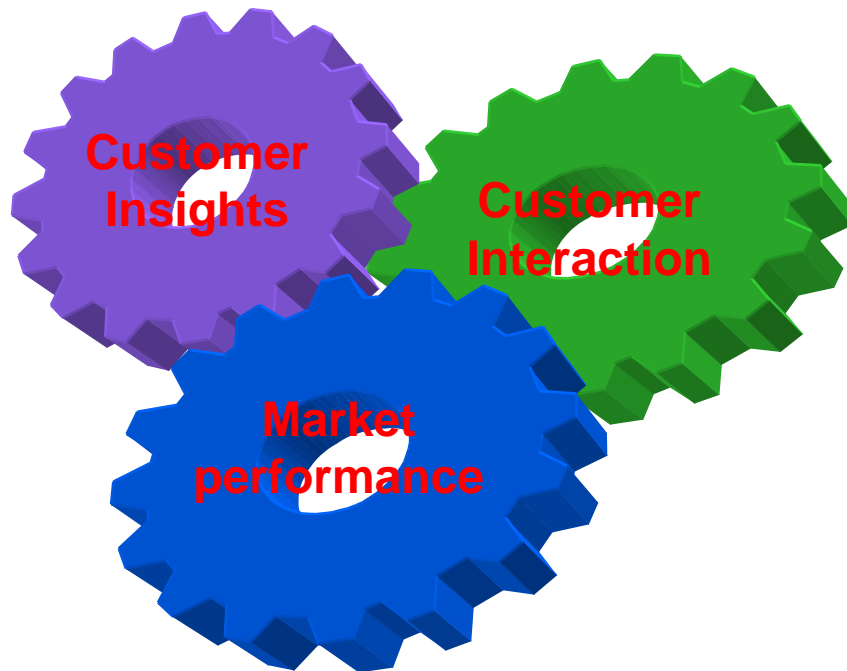
Importance of Customer Analytics

- **Customer and Market Insight**
 - Market penetration /share measurement
 - Strategic planning and resource allocation
 - Development planning, understanding market potential for new products
- **Potential to Increase Revenue**
 - Increase number of targeted marketing campaigns
 - Increase campaign effectiveness
 - Customer satisfaction and retention
- **Optimise Marketing costs**
 - Realignment of marketing functions
 - Reduce campaign cycle time
 - Substitute more effective marketing channels
 - Reduce number of mass campaigns

Developments in Analytics

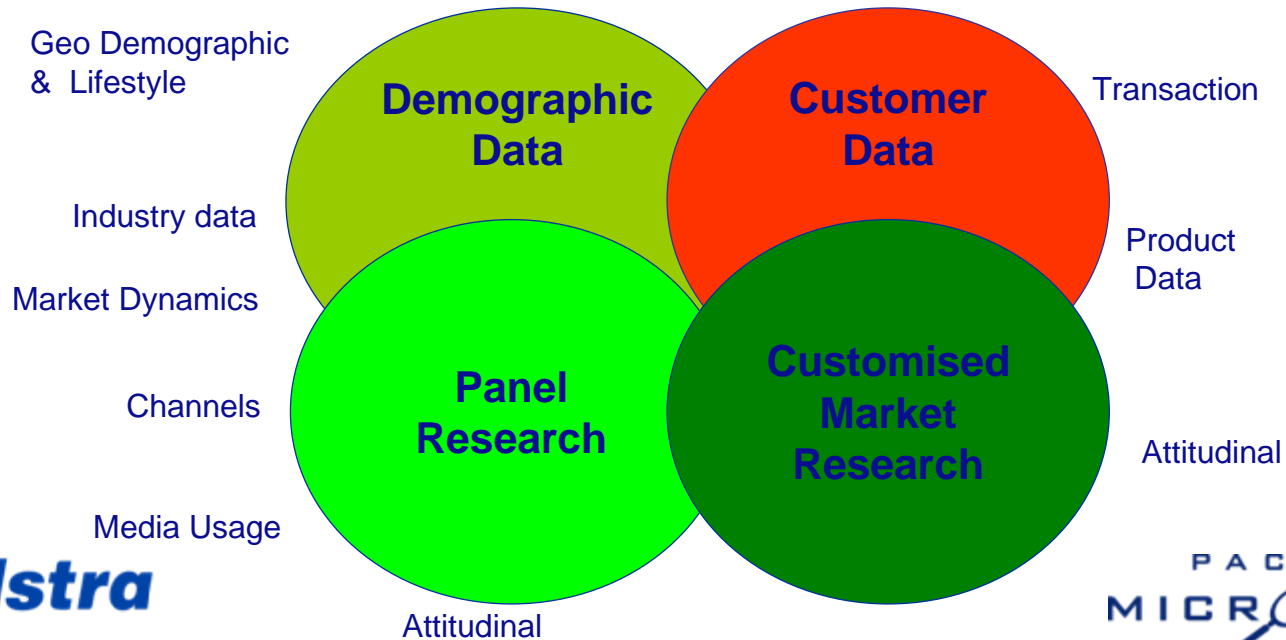
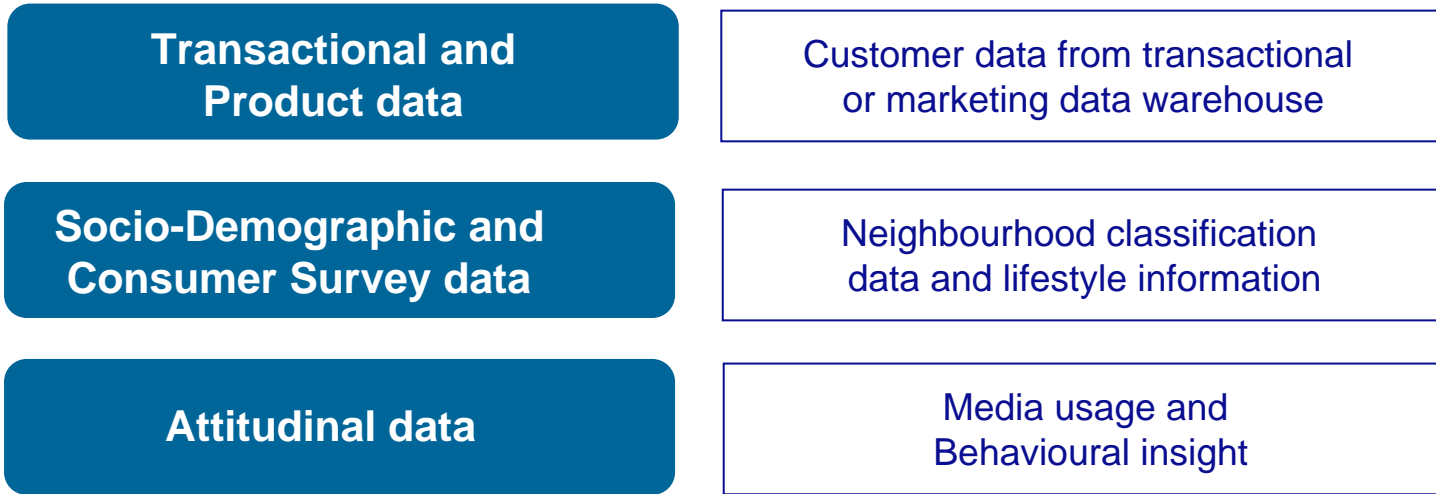


Bringing Customer Analytics to Life

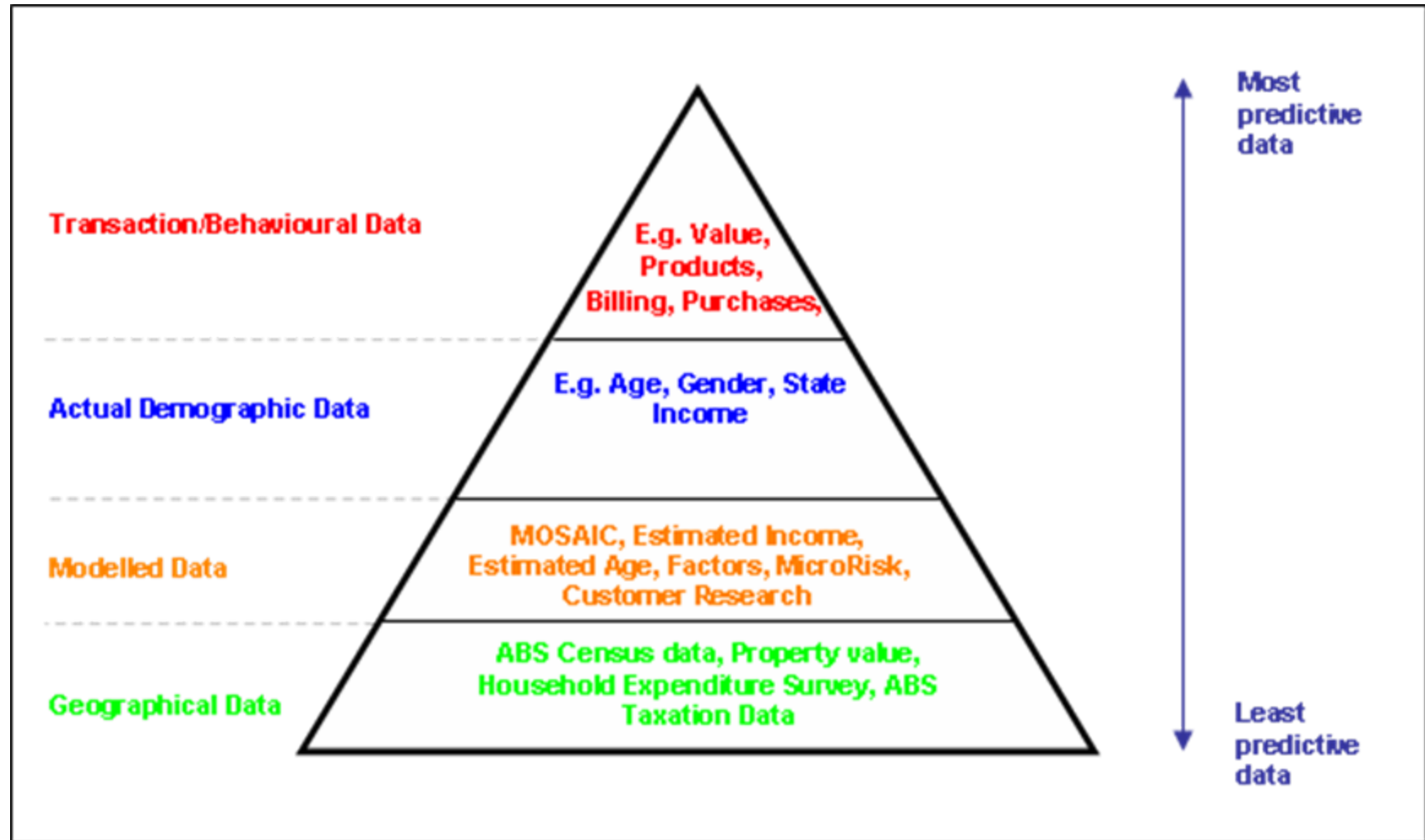


- Alignment of analytics into business processes
- Measurability and accountability – linked to performance measures
- Continuous improvement – “Test & Learn”
- Drive customer behaviour to deliver measurable business outcomes
- Maintain “collaborative” stakeholder management
- Optimise resources to meet opportunities identified

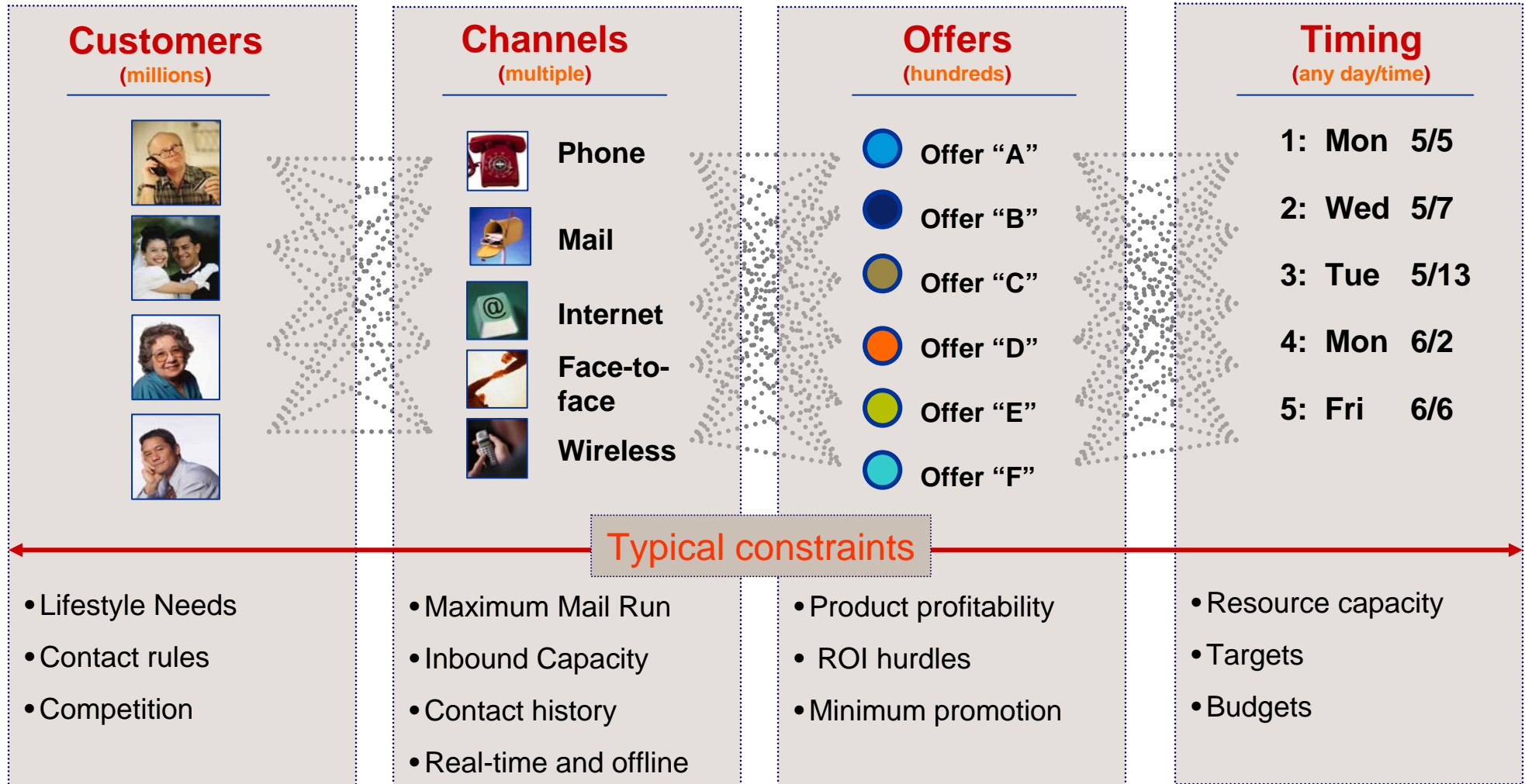
Integrated Data Sources



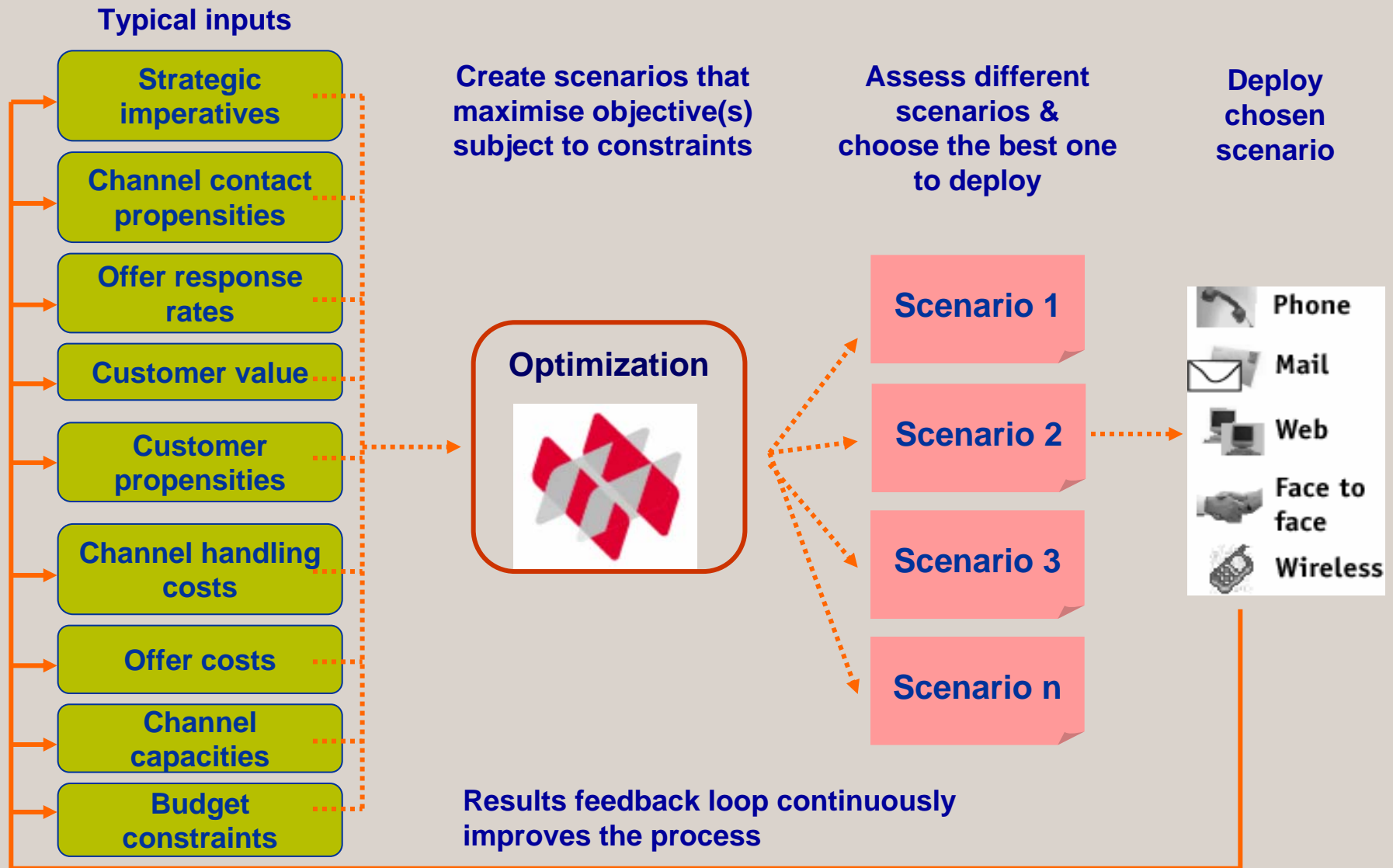
Leveraging Data



The Customer Management Dilemma



High-level Optimisation Process



In summary

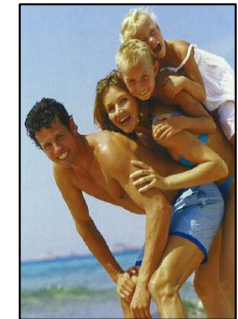
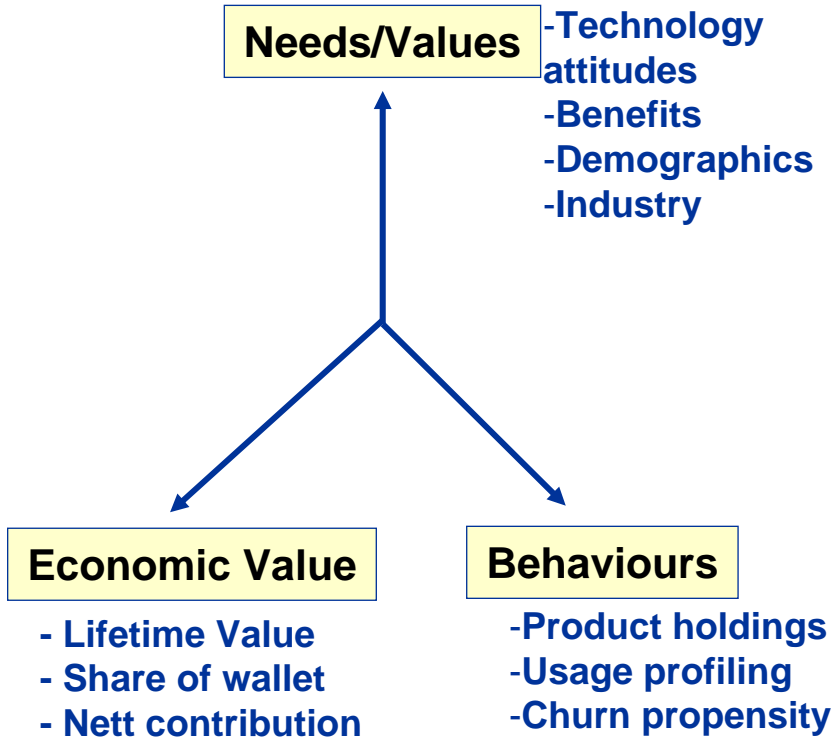
- The role of analytics will differ dependent on the critical business objectives
- Marketing is increasingly more scientific in planning and execution
- Analytics is a critical input for 'Dynamic Decisioning', which provides the platform for marketing execution
- Ensure integration of analytics into the business process
- Ensure alignment of analytics leads to the customer "touch points" to maximise its value
- Data can change your business model – turning data into strategic marketing and business insights"



Case Study
– Turning data into strategic marketing &
business insights

Sandra Hogan, Strategic Marketing Telstra

Know Your Customer!

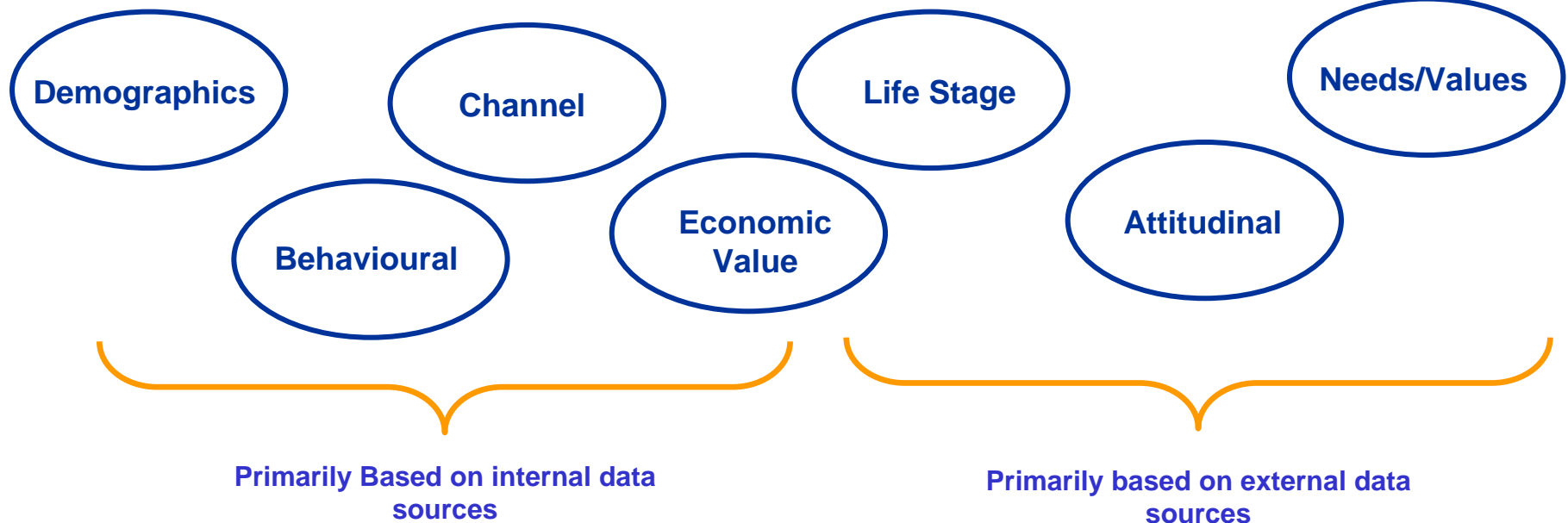


Deep Insights through internal & external data sources

Supported by Segmentation

Simple

Complex



Segmentation approach must leverage both Market Research and internal customer insights to capture appropriate depth



Targeting via detailed Analytics

**Inputs/
Outputs**

Customer Propensities

- Churn risk/Retention
- Up sell/Grow

Event Driven Triggers

- High Missed calls/offer m/bank
- Contract end/re-contract

**Event based/
real time**

- Download ringtone/offer wallpaper
- No/low SMS/offer free trial

Baseline Targeting
Every customer

Triggers
Time dependent drivers

Events
Real time behaviour

Customer Analytics becomes more refined and individual specific as you progress along the spectrum

Customer Contact Optimisation is required to manage the complexity
What is the best contact(s) for the customer and for the companies bottom line?

Cost/Benefit

- Campaign ROI
- Customer ROI
- Margin

Analytics

- Insights
- Business rules
- Refresh cycle

Channel Capacity

- OTM Capacity
- SMS/MMS
- Restrictions

Alignment across all touch points

- Inbound
- Outbound
- Online, etc



Translating deep customer insight into practical application



Customer Analytics & Insights

- Predictive modelling
- Market Research
- Data integration
- Profitability
- Segmentation
- Usage Profiling
- Market Share
- Brand affinity

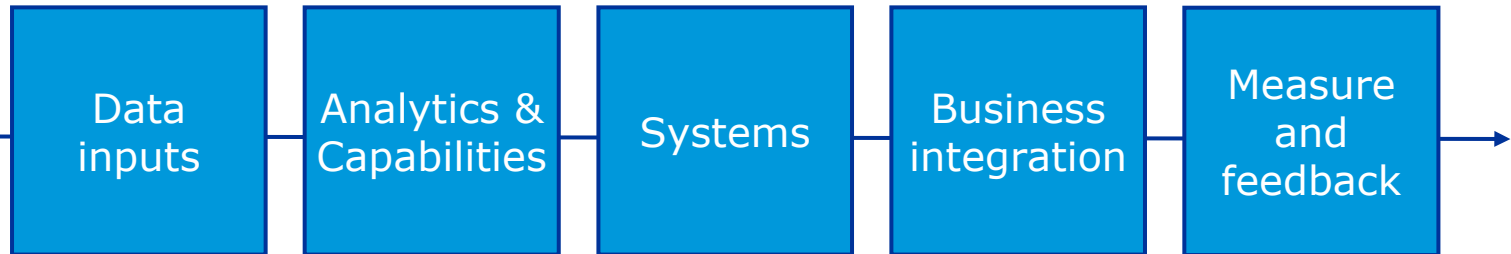


- Sales process
- Marketing systems
- Call Routing
- Direct Marketing
- Loyalty Programs
- Acquisition
- Customer growth
- Digital/online

Business goals/objectives

Alignment to systems, business processes and people capability

End to End Integration delivers results



Integration	Accurate & timely for purpose	Skills & knowledge	Present insight in useable way	Align to Business processes	Measure outcomes in systematic way
	Integrated for analytics & execution	Systems to execute & deliver analytics	Integration for timely execution	Incentives/metrics in alignment	Feedback loop

Mastering Execution



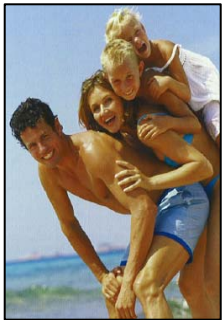
When and how to contact

Older customers call in the mornings/younger ones via SMS/MMS
Professionals; use a Direct mail piece or call on Saturday
Families; call in the afternoon or evening but not at school pick up time



Tone & Manner

Elder customers request more formality – “Good morning Mr Jones”
Younger customer more casually – “Hi Tom”



Language appropriate to customer profile (e.g.; sell Broadband)

- | | |
|--------------------|---|
| Young Adults | - Download music and games |
| Executive | - Do your banking at a time that suits you |
| Families with kids | - Give whole family access to information at fingertips |
| Sports enthusiast | - Access exclusive sports coverage |





Case example: outbound marketing

