Using consumer insight to drive marketing results
An overview of Experian’s strategic insight and analysis offering
Brands wanting to maximise the effectiveness of their business strategies and make intelligent marketing decisions need to have a detailed and clear understanding of their customers and prospects. Consumer insight allows organisations to maximise profitability by ensuring that the right resource is focussed on the projects and consumer segments that offer the greatest return.

With the growth of the internet, and the introduction of search and comparison sites, the need for consumer insight has become even more vital as it has given rise to a savvy, more empowered consumer who now expects much more from brands before purchase commitment. Consumers are demanding to be seen as individuals and therefore careful consideration must be taken to satisfy and understand each individual consumer taste. Never before has the need for relevant and timely targeting of the right message to the right person via the right channel been so important.

Experian Integrated Marketing is uniquely placed to help organisations use consumer insight to make better business decisions which, in turn, will have a fundamental impact on marketing revenues and results.
Overview

Experian’s insight and analysis can be tailored to all industry sectors and to any business that has a requirement to leverage customer value – both from its existing customer base or the entire UK target population.

We help marketers return the most from every pound and deliver results through powerful combined expertise:

Our team, of highly skilled analysts and consultants blend statistical, marketing, strategic, and consultative knowledge to help clients achieve their business objectives profitably and efficiently. We work closely with clients to understand their business issues and then ensure we develop the optimum solution to solve them.

In summary, we:

We constantly review the client’s desired objectives and work in partnership to proactively identify new ideas to determine how further value can be extracted from the data. This is achieved through assessing:

- Data and targeting strategies
- Customer contact strategies
- Customer value management
- Customer insight functions (benchmarked against best in class)
- Use and implementation of analytics
- Analysis and modelling roadmap planning

Any solution supports one or more of the following:

- Assessment of customer profitability
- Profitable customer acquisition
- Profitable customer cross-sell/up-sell
- Profitable customer retention
- Assessment of overall marketing profitability
Ingredients

Experian has five key ingredients that it utilises for the delivery of every successful marketing insight project:

**People**
The team, many of whom have client side experience, consist of consumer insight and analysis experts who have in-depth knowledge of the development and implementation of customer acquisition, retention, segmentation, and lifetime value management systems. Their extensive experience spans across a range of vertical sectors including financial services, telecommunications, home shopping, media, travel, retail, and utilities.

**Data**
Experian has access to over 450 variables for consumer insight profiling and we utilise several robust datasets:

- Credit / Financial Data
- Marketing Data
- Segmentation Data
- Suppression Data

**Knowledge**
Experian has over 100 years of combined industry knowledge and experience:

- 40+ years in the credit industry
- 40+ years in home shopping
- 20+ years in data hygiene
- 15+ years in database solutions

**Technology**
Experian always uses the best-in-class external technology. Additionally, we have also developed our own leading marketing software, Experian Elements, which enables marketers to analyse, understand and market to their customers and prospects utilising the full array of Experian data. The technology we use includes:

- Experian Elements
- SPSS
- Clementine
- KXEN
- CHAID
Our extensive experience and knowledge of customer insight projects have allowed us to develop a proven approach to understanding our clients’ specific issues and needs.

The diagram below gives a high level description of the typical approach adopted by the analysis team when engaging with clients:

**Process**

1. **Project start-up**
   - Agree scope and insight requirements
   - Understand data sources and formats
   - Agree measurements of value to be used

   **Typical timescale:** 1 week

2. **Data enablement**
   - Receive and check data sets
   - Load data sets into Experian Customer Lab environment
   - Create SCV – (single customer view) from data sets and Experian logic

   **Timescale:** 2-4 weeks

3. **Analysis and insight**
   - Conduct analysis
   - Generate insight and deliverables
   - Determine value of customer portfolio assets

   **Timescale:** 1 week

4. **Conclusion and roadmap**
   - Develop roadmap for realising the value identified
   - Create key findings presentation

Experian’s analysis team works in partnership with clients throughout each of the four phases to adopt a co-operative consultative approach.

- **Project start-up** – A team of analytical specialists will gain a full understanding of the business objectives and then ensure that they are achievable.

- **Data enablement** – We will work closely with the client to define and manage what data needs to be extracted in order to deliver results, ensuring that it is robust and fit-for-purpose.

- **Analysis and insight** – Assumptions need to be defined and best analytical approaches and techniques need to be selected, such as segmentation, customer profitability, and RFM analysis, in order to ensure that actionable insight is delivered and that it can be effectively monitored.

- **Conclusion and roadmap** – We will provide recommendations for contact plans and propositions, alongside potential business change and development activities, to ensure insight is turned into actionable marketing strategies.

"Experian helps organisations to turn consumer insight into actionable marketing strategies"
Client Examples

Example One – Provision of consultancy to a major financial services provider

We identified that lapsed customers were costing the client in excess of £2m in profit per year. Our challenge was to understand the client’s current and future strategic goals and then produce a data driven strategy to extract intelligence from their existing customer database. A customer value management model was developed and implemented.

The issues that faced the organisation were:
- The need to identify customers most at risk of attrition
- The need to identify the key stress points in the customer lifecycle
- The need to provide a tailored offering
- The need to understand customer profitability
- The need to prioritise customer contact strategy

Our role was:
- To assess the client’s current procedures and processes
- To generate the right solution for current and future needs
- To unlock value in the data
- To manage the development of customer behavioural, value segmentation models and key performance indicators
- To manage automation of management system

The outcome was as follows:
- Identification of business and customer profiles
- Development of a number of propensity models allowing the client to make knowledge-based decisions on customer behaviour
- Reduction of losses by £900K in just one year

“Experian helped one major financial services provider reduce losses of up to £900K in just one year”
Example Two – Optimising customer value and improving marketing performance.

As a result of the recession one financial institution was shifting its focus from acquisition to profitable customer retention. Our challenge was to work in partnership with the client to help identify and drive further value from the existing customer base. Utilising our vast array of demographic, lifestyle, and credit data, we developed a tailored solution that enabled the organisation to identify the future potential value of each and every customer.

The goal was to create a number of dynamic segments to allow the organisation to proactively market to individuals who had the best chance of delivering additional revenue to the business and minimise costs to those where revenue was diminishing or negative. Powerful insightful profiles were built for each segment to allow the organisation to combine this with their above the line marketing to promote true one-to-one tailored marketing.

The issues that faced the organisation were:
- The need to understand their existing customer base and report on the current profitability of each customer, whilst also identifying growth opportunities
- The need to develop a best in class marketing strategy to ensure the maximum potential could be realised from each customer
- The need to identify key discriminating variables between low value and high value customers
- The need to prioritise a customer contact strategy

Our role was:
- To help the organisation understand, target, reach and interact with their customers more profitably
- To assess and understand the organisations key business metrics and business model
- To build and implement a current value metric model and identify key traits of loss making customers
- To build and implement a dynamic customer value management solution that would enable the organisation to understand the realistic possible growth within its own customer base
- To unlock value in the data
- To transfer knowledge to the organisation’s in-house teams

The outcome was as follows:
- A comprehensive roadmap enabling the organisation to develop their long term strategy for future growth
- Ongoing development of a contact strategy enabling the branch and indirect networks the ability to market more effectively to the customer base
- Creation of a comprehensive set of customer profiles and pen portraits by segment for above the line activity
- Potential to increase current customer value by up to 74%
Our clients

We are trusted by some of the UK’s largest organisations.

The below gives an example of just some of the clients that we work with:

Contact us today
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