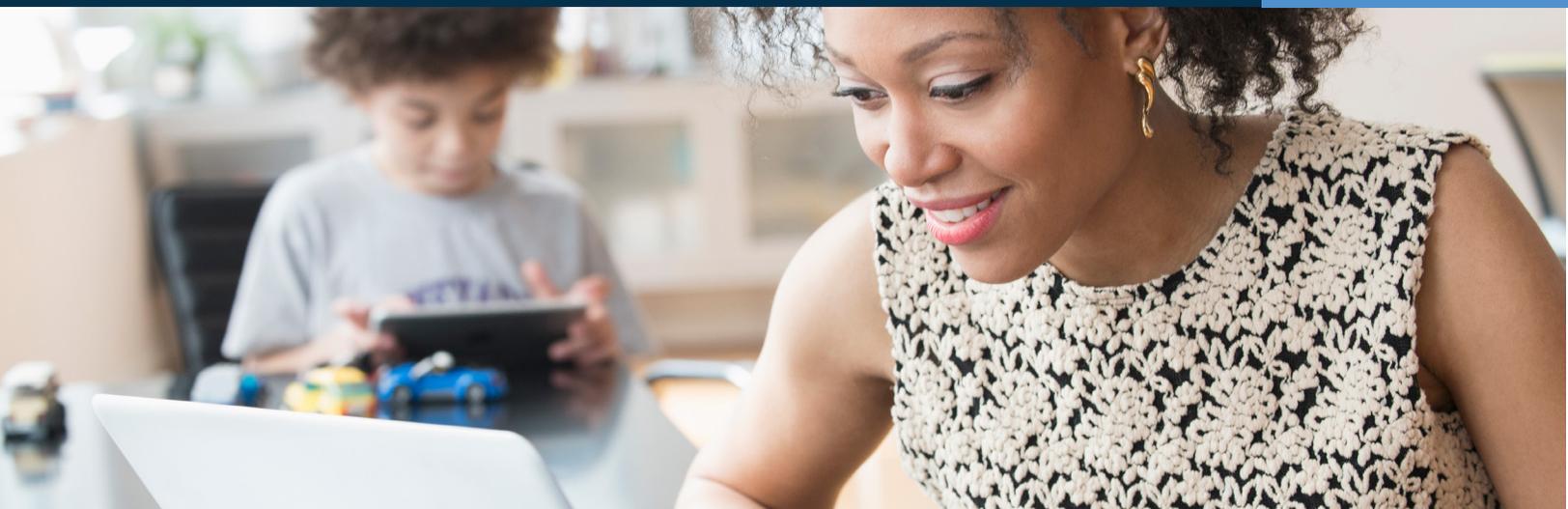# Harness audience data to minimize churn and grow content viewership and ad revenue

Business Impact

"By 2018, more than half of large organizations globally will compete using advanced analytics and proprietary algorithms, causing the disruption of entire industries."

Gartner Magic Quadrant for Advanced Analytics Platforms, Q1 2016[1]

Challenges

- Driving sales and customer retention. Churn continues to plague communications providers. Offers and content must be more relevant, and churn risk must be identified and addressed earlier.

- Optimizing programming. Identifying target audiences for new and existing programming is difficult. Carriers need to optimize carriage fees for a network based on accurate viewership data and audience profiling.

- Identifying new and unknown targets for ads. Carriers need to identify valuable viewership segments, produce more accurate forecasts and improve advertising revenues by optimizing inventory and rate card pricing.

- Identifying root causes of poor customer experiences. Carriers struggle to identify why customers experience issues like poor video quality, which delays resolution and drives churn.

[1] http://www.gartner.com/doc/reprints?id=1-2YEIILW&ct=160210&st=sb

The Issue

Multichannel video program distributors face huge challenges trying to grow revenue, average revenue per user, and their subscriber bases. Over-the-top providers and cord-cutting trends, for example, are undercutting these goals.

Cross-platform viewership complicates the situation. In most households, viewers consume content on multiple screens and devices, making it difficult to track. Some providers use authentication to try to track across devices, but many viewers fall through the cracks, making it impossible to put together the complete audience puzzle.

Market winners will be able to unify and manage audience data and visualize and understand it using advanced analytics. This will be critical to success, as different audience segments consume content very differently (for example, millennials versus baby boomers). Armed with complete, accurate audience behavioral information, they can take the right steps to minimize churn and grow content viewership and ad revenue.

The time is now for cable and satellite providers to harness big data analytics to consolidate and analyze customer data sets and gain insights into how customers consume content and new ways to boost engagement and retention.

Our Approach

SAS® advanced analytics delivers descriptive and predictive insights for more effective marketing, higher advertising revenues, more informed programming negotiations and better customer experiences. Our approach supports:

- **Data management for predicting viewership behavior using all of your available data**. Automate the data management process, including big data stored in Hadoop. Access and manipulate Hadoop data through an intuitive user interface – no specialized coding skills needed – to produce results faster and easier.

- **Discovery of all audience data and gaining practical insights**. Quickly explore all your data and discover new patterns and emerging trends. Use a familiar Excel interface, and work on your mobile device using a web browser.

- **Best-in-class advanced analytics like data mining, forecasting, text mining and operations research.** Solve any business problem by combining these methods, regardless of data size and type, structured or unstructured. More precisely predict and model consumer engagement, churn, upsell opportunities, content recommendations, fraud, network performance issues and more.

Real-time insights based on all your audience data.

With pressure mounting from new competitors, you need to act at the speed of thought, adopt new business models and delight consumers. SAS helps by enabling you to:

- **Take action in real time while data is still in motion**. Take the real-time, next best actions while considering network performance, current content consumption, website activity and other variables. High-volume event stream processing at millions of events per second results in low-latency response times.

- **Make business decisions faster**. Run SAS in-memory analytics on Hadoop, in stream, on server, and as web services. Analyze all your data simultaneously versus aggregating it and then looking for insights.

- **Spend less time predicting the future and more time acting on knowledge**. Build and deploy better models, retrain hundreds of predictive models across multiple segments with ease, and automatically pick the best model for each market segment.

- **Extend your open systems environment with a central analytics framework**. Combine the benefits of SAS and open systems within your organization. And centrally manage the analytics life cycle while considering data prep and deployment, speed and support, and performance and scalability.

A compilation of multiple, global customers

Situation

SAS has helped major pay TV providers use their set top box, DVR and VOD data to target their advertising. Many had an existing Hadoop environment, but they were unable to harness all their data because they lacked the right analytics framework and structure.

Solution

These accounts are using SAS to analyze all their data – and get a true picture of their customers as they consume content from device to device. Insights gained help people make better decisions about content delivery, reduce churn, grow ad revenue and fine-tune programming decisions.

Results

Pay TV providers using SAS can:

- Effectively negotiate programming contract renewals using viewership data as a negotiation tool.

- Reduce churn and keep profitable customers.

- Turn viewership data into market segments that can be targeted with ads to drive revenues.

- Make informed decisions to keep and pursue more profitable customers and decrease subscriber acquisition cost.

- Score customers and offer more attractive, targeted deals based on customer scores and viewership habits.

Reduce churn?

What if you could find customers at high risk for churn by analyzing your customer viewing data?

Grow ad revenue?

What if you could uncover unknown consumer segments and target them with just the right ads, offers and campaigns?

Have better programming insights?

What if you could apply viewership forecasts to gain additional insights for programming negotiations?

SAS Facts

- SAS software is used by more than 230 telecommunications firms around the world.

- SAS consistently ranks in the top tier of providers for the communications industry.

- Today, SAS customers at more than 80,000 sites use our software to improve performance and deliver value by making better decisions faster.

Learn more at **sas.com/communications**