



Business Impact

“Consumers are evolving their interests and needs at a rapid rate. Two years ago, Twitter was a novel concept, but now fully one-third of consumers in the US converse using social media. But changes in marketing practices and priorities can be piecemeal, haphazard, or, worse, saddled by old ways of doing things. CMOs must reevaluate how their company will interact and satisfy customers in the future to take advantage of these new expectations and possibilities.”

“Define Your Marketing Innovation Strategy”
Forrester Research Inc.
June 11, 2010

Challenges

- **Data volume.** Too many sources and silos make it hard to create a 360-degree view of customers, and most time is spent managing data instead of understanding it and acting on its potential.
- **Insufficient segmentation.** Companies update segments and their associated methodologies infrequently, and they tend to stick to simple, generalized rules rather than dynamically seeking and optimizing fit for improved accuracy across multiple dimensions.
- **Customer preferences, behavior and influence.** It's harder than ever to understand who and what influences customer decisions, and it's hard to know what information is relevant and important and what is just noise.
- **Skill sets.** While accurately calculating customer lifetime value can be daunting, factoring in influence and other “value” attributes requires a level of analytical skill not typically present within marketing.

How can we identify the best opportunities for profitably growing the business?

YOUR GOAL: Find the most profitable growth opportunities

The proliferation of customers, channels and available information makes it hard to focus on, understand and keep track of where true opportunities lie. In addition, social media, access to information and the speed of change have empowered consumers, raised their expectations and altered their behavior. Today you need to listen, understand and interact with customers on *their* terms – one to one. If you cannot identify common patterns that are constantly evolving, you risk allocating resources (both money and headcount) to customers, offers and issues that may or may not add value – to the customer *or* your organization.

In this age of increased marketing accountability, precision, speed and fact-based action are mandatory. That, in turn, necessitates collecting all market and customer data, using data mining and analytics to find opportunities that others miss, and maximizing profitable growth by forecasting and understanding what drives profitability and value.

OUR APPROACH

Marketers must quickly eliminate noise and focus on the customers, segments and offers that will generate the most profitable growth opportunities. We approach the problem by providing software and services to help you:

- **Create a common, 360-degree view of customers** by accessing timely data – in any format, location and quantity – then cleansing and transforming the data into high-quality, standardized information that adheres to your data governance guidelines.
- **Tailor offerings, campaigns and pricing strategies to extract the maximum value** from both high- and low-profit customers by using a variety of analytic techniques to profile and segment customers at any entity level (household, customer, account, etc.).
- **Understand which online channels customers prefer** by capturing customer interaction data and analyzing multichannel interactions and online behavior. Using parameterized business rules, you can quickly and easily make website changes that can improve your customers’ online experiences.
- **Find out what your customers are saying about you** by establishing a social CRM strategy that lets you analyze conversation data to identify advocates of – and threats to – your corporate reputation and brand in a reasonable time frame.
- **Know which customers are most valuable and why** by calculating the true cost and profitability of serving customers, quantifying their social influence and identifying linkages so you can refine your segmentation, targeting, resource allocation and planning.
- **Reduce the time and effort needed to target, optimize and deliver offers consistently** across the organization by using advanced predictive and descriptive modeling techniques to model and score customers in real time or batch.

In addition, SAS lets you improve relevance, customer experience and ROMI by using predictive analytics to accurately forecast customer needs, value and/or risk of attrition so you can strategically plan appropriate actions to ensure the best outcomes.



THE SAS® DIFFERENCE: Greater growth, better return on marketing investment

SAS is unique in its ability to access, prioritize and understand the ever-increasing volumes of data that marketers need to analyze in their quest to grow the business and increase return on marketing investment. With SAS, you can:

- **Collect all market and customer data.** Customers and organizations are generating more data, in more places, that can help you refine and improve the customer experience and your company's profitability. SAS lets you:
 - Access data wherever it resides – in any format and quantity – on a timely basis.
 - Quickly identify and fix any data quality issues so marketers can act on the data instead of wasting hours simply managing it.
- **Find opportunities others miss.** SAS follows the digital trail that customers leave behind, so you can identify hidden patterns that unlock the mysteries of customer behavior, sentiment, influence and value – increasingly within text. In addition:
 - SAS advanced analytics dynamically test and challenge more methods and approaches than any other vendor to find the optimal solution based on actual data, not an individual marketer's past experience.
 - Marketers can design and test their own approaches, which gives you the precision, flexibility and speed to outperform the competition.
- **Maximize profitable growth by:**
 - Forecasting future behavior/demand with consistent, reliable analysis that gives you more time to plan, align and invest resources appropriately.
 - Understanding the true cost to execute with cost and profitability optimization that gives marketers a more precise view of costs and their drivers.

CASE STUDY: Staples (USA)

Situation

The company was seeking a way to grow its business and build loyalty by analyzing the purchasing patterns of its core customers – both online and through retail business channels – and target them with relevant, profit-generating offers.

Solution

SAS provided a solution that enabled the company to:

- Segment profitable customers automatically.
- Predict when top customers might leave, and lure them back with the right offers.
- Make campaign execution more efficient.

Results

- 137 percent rate of return.
- Efficiency gains and cost savings in campaign execution by reducing contract staff.
- Maximum profitability through product calibration.
- More personalized offers for increased cross-selling/up-selling, and greater profits.
- Less customer attrition.

What if you could ...

Create a common view of customers and prospects

What if you could understand, track and surface customer/prospect interactions consistently across all channels and business units, along with appropriate insights?

Understand online behavior

What if you could identify when and how a customer used one or all of your online channels?

Listen to customer sentiment

What if you could attribute online conversions to specific parts of your business/offers, and understand whether the sentiment was positive or negative?

Understand customer value

What if you could identify how profitable and influential each customer is and how they add value to the way you do business?

Model and score customers

What if you could identify which products, offers or services would be of interest to specific customers together with the value and risk to the organization?

Predict future behavior/potential

What if you could predict which customers were likely to respond to specific campaigns, programs or offers and the value they may create today and in the future?

You can. SAS gives you THE POWER TO KNOW®.

SAS FACTS

- SAS has been in business since 1976 and today has customers at more than 50,000 sites worldwide.
- SAS customers make up 93 of the top 100 companies on the 2010 Fortune Global 500®.
- SAS® Customer Intelligence was named a winner of *Customer Interaction Solutions* magazine's 2010 CRM Excellence Award.

Learn more about SAS software and services for customer intelligence:
www.sas.com/solutions/crm/



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