

Analytics and Reporting *Turn raw data into actionable marketing insight*

Customer information is the foundation of any successful direct marketing strategy. Unfortunately, many marketers don't have the manpower, technology or other resources necessary to collect, house, analyze and apply data to execute customized, highly-targeted marketing programs. QuadData Solutions has the expertise and the tools to help you better understand your customers – their characteristics, interests and behaviors – that can strengthen your strategy, improve your response and build lasting, profitable relationships.

Where data becomes opportunity

From your raw data, our team of analysts can provide relevant reporting and marketing insights to help you create targeted, measurable programs that can improve your sales results. Cross sell. Up sell. Sell more, period. And stop wasting time and resources trying unsuccessfully to sell to people who are unlikely to buy. With the right information, your opportunities are virtually endless.

Whatever insights you seek, we can find them.

Customer Concentration

The first level of customer profiling identifies who your customers are and where they are located. Demographic factors such as age, income, presence of children and home ownership can be identified as significant characteristics of your file. Customer concentration will help you understand:

- The overall distribution of your customers
- Their geographic proximity
- The characteristics of those neighborhoods

Customer Segmentation

The second level of customer profiling reveals who your most and least active customers are and where they're located.

Customer segmentation will help you to better understand:

- Trends showing a correlation between area characteristics and purchasing behavior or lifetime value
- How to leverage opportunities such as personalization, product affinity, etc. within areas of sales maturity

Product Segmentation

The third level of customer profiling reveals product category segments in conjunction with revenue, lifetime value and census data. Product category information identifies what your customers are purchasing, how much they purchase and the frequency in which they purchase.

Product segmentation provides:

- Insight about customers who purchase certain products
- Geographic or demographic factors associated with product categories
- How product categories perform regionally

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We'd like to tell you more

At QuadData Solutions, we offer comprehensive data-driven marketing capabilities that can be tailored precisely to your needs. For details, please contact us today.

Recency-Frequency-Monetary (RFM) Analysis

RFM analysis uses your customer's purchase history information to statistically divide them into meaningful marketing groups based on how recently they purchased, how frequently they purchase and the total dollar amount they've spent with you. Using RFM, customers will be scored on each item and placed into a quintile level (1-5) based on how they rank versus your other customers. Those with a score of 5 on recency, 5 on frequency and 5 on monetary are your best customers and will potentially have a much different contact strategy than other customers. This analysis is very useful for creating different contact strategies for groups of customers that have different value to your company.

Additional Reporting and Analytics

Whatever technique is used, the purpose is the same: Identify a small group of consumers/businesses that have exhibited the target behavior to find other consumers/businesses that are likely to behave in the same way. Essentially, a statistically-driven formula is developed that scores or ranks a large group of prospects or nonresponders by their predicted likelihood to behave in the desired way (e.g. respond, make a purchase, make an inquiry, tell a friend, etc.).

For example:

Modeling Techniques – Regression and CHAID

- Regression
 - Linear regression is a statistical model that looks for linear relationships between variables. For instance, finding the relationship between your customers' total lifetime spending and the length of time they've been your customers.
 - Logistic regression also accepts nonlinear relationships that show correlations between variables. Logistic regression is ideally suited for categorical variables (e.g. yes/no variables like responder/non-responder, customer/noncustomer, etc.).
- CHAID Analysis – A CHAID analysis is similar to the other methods of modeling in that it also needs a variable to predict. CHAID identifies and ranks the variables used in the analysis by how strongly they correlate to the predictor variable. The outcome of CHAID is a series of rules (one or more for each explanatory variable that correlates to the predictor) that defines the segment shown to be highly correlated to the predictor group. For example, the CHAID analysis that tries to predict responders might find a high correlation among prospects who: are age 44-55; have no known children living at home; have an annual household income of between \$35,000 and \$50,000; who own two or more vehicles; and have a lifestyle/interest/hobby related to either gardening or food. This modeling method is particularly useful in creating differentiated marketing segments for direct mail, catalogs and direct marketing efforts.
- Other available analysis include:
 - Product affinity
 - Spatial/proximity analysis
 - Mapping
 - Data audit reporting
 - Data cross tabulations