datamine
Information Technologies

CUSTOMER INTELLIGENCE
& ANALYTICAL CRM

Customer multidimensional assessment; the cornerstone of a successful CRM

In today's competitive business environment understanding customer behaviors is a great challenge. Among oversimplified or overoptimistic approaches that often result in insufficient, self-limiting implementations, datamine follows a holistic approach in modeling customers: the optimal, gold combination of statistical analysis, data mining modeling, business insight and latest information technologies generates the most of your customer data: customer intelligence - the ultimate input for a successful CRM strategy.

Customer base dynamics: insight through solid analysis of your customer data

Customer Intelligence (also known as 'Customer Analytics' or 'Customer Insight') enables your marketing experts to design and apply intelligent promotions or programs or any other special 'treatment' on the most suitable customers, through the right channel and with the best timing effect, enabling 'optimization' of customer interaction, significant improvement of customer experience and higher satisfaction levels.

From a different point of view, this wealth of analytical customer information (demographics, attributes, metrics, multidimensional assessment and statistical figures versus time) along with customer base overall trends and market structure information, produce invaluable knowledge both from a micro and a macro perspective: from regular customer contact procedures to corporate decision making processes and strategic CRM design, datamine consultants treat Analytical CRM components and Customer Intelligence modules as inherent parts of any CRM implementation.

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[HOW "GOOD" YOUR CUSTOMERS ARE?

The structural representation of your customer base using composite segmentation schemes, customer attributes & demographics, behavioral metrics and scores, is critical in understanding both your customer base and each single customer. Time series analysis (decomposition as well as advanced modeling) allows you to identify how the synthesis of your customer base evolves (through trends for specific subsets of customers). This dynamic (time depended) insight of your customer base provides a powerful framework for assessing your customers: define top segments such as 'highly profitable, low risk, loyal customers', or 'highly profitable, low risk new comers' and develop a customer assessment policy scheme that allows multidimensional view of each specific customer and its relative position within the customer base. Datamine models this complexity, and provides solutions that simplify customer assessment: IT infrastructure enhancements encapsulate data handling complexities and implements procedures and policies so that the business community consumes rich, reliable customer information.

CREDIT SCORING]

Assessing customer risks regarding 'bad-payment' behaviors is a complex but usually oversimplified process; disjointed from a global 'customer treatment policy'. This is due to the large volumes of customer data (internal such as transactions, requests, demographics or service-related data or external such as credit bureau information) and the multiple aspects of customer behaviors. This complexity is further increased with time-related patterns (cycling behaviors, trends or other components) and possible contradictive behaviors of the same customer within a wide time frame or related to different customer instances within the customer base.

Datamine deals with consumer credit risk as another dimension of the customer: Our Credit Risk Scoring models produce a set of metrics, at the physical customer level, expressing the underlying risk at a certain time point. Statistical and data mining processes consume large volume of usage, billing, and payment information in order to generate patterns that are finally combined with demographics and socioeconomic profiles that provide an overall, unbiased assessment of this specific customer aspect.

Key component in our risk modeling solutions is time decomposition – historical information, tendencies, seasonal and memory factors that allow reliable assessment of customer behavior.

CHURN MANAGEMENT]

Churn modeling is a challenging task due to the large number of factors that affect customer loyalty: Pricing policy, Quality of Service, Customer Service level combined with market trends, competition, technology advances may have significantly different effects among subsets (clusters or segments) of your customer base. Our approach in modeling churn always begins as a process of (re) defining churn-related metrics against a suitable customer segmentation scheme and a well defined analysis of the customer-base evolution. This is a critical (though often omitted) phase in order to obtain an overall picture of the synthesis of the customer base and the inner dynamics (KPIs monitored versus time for different segments). Datamine further suggests a series of data enhancements (where necessary and feasible) and suitable IT infrastructure extensions in order to achieve standardization and automation. Following our straightforward approach Churn Prediction modeling comes naturally as the next step over a mature infrastructure that adds value to the customer base.

CUSTOMER UTILIZATION PATTERNS]

A critical set of metrics on how each customer uses your services. Different typologies of customers, with a wide range of needs, interests and habits: service sensitive versus price sensitive, passive versus active, local versus international are some very basic examples from the telecom industry. This kind of typology is not only an excellent way of understanding and monitoring your customer base versus time but also a key input in further modeling processes.

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