



Better Targeting With Predictive Modeling

You have the offer. Now who gets it?

You just got the word from the powers that be: You need to sell more home equity loans. Or maybe it's a new shipment of strappy red sandals that needs to move out the door. To get the job done, do you send a mass mailing to all your customers? Not with predictive modeling on your side.

This data power tool can help you identify the individual customers to target for every offer, every campaign, every marketing initiative. And that not only means improved results, but also a more direct, more personal connection to your customers — and more success over the long haul.

What is predictive modeling?

Predictive modeling is a technique for quantifying the likelihood that a specific customer will take some type of action.

In direct marketing, this technique can help you target prospects – for instance, pinpointing individuals most likely to buy a specific new product or respond to a mailing. It can also help you anticipate future changes in customer behavior, such as identifying individuals most likely to defect or become a high-value customer.

CCG ANALYTICAL SOLUTIONS

- Campaign Response Analysis
- Customer Profiling
- Customer Segmentation
- Database Enhancement Services
- Data Mining
- Market Profiling
- Predictive Modeling
- Statistical Consulting

Model Type	What It Does	How
Response	Identifies characteristics that differentiate responders to a particular direct mail solicitation from non-responders.	When making a customer campaign and offer should be there is campaign
Best Customer "Look-Alike"	Identifies existing customers with the physical characteristics of your best customers but who have not yet exhibited transactional behaviors that qualify them as best customers.	To understand high performance levels used conversion
Customer Acquisition	Identifies the most attractive new-customer prospects from a larger universe of prospect names, based on how closely the prospects match the characteristics of existing customers.	To identify the most attractive new-customer prospects



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Why use predictive modeling?

CCG data analysts have accumulated a long-standing history of practical experience in developing and applying predictive models for a variety of end uses. The chart provides an overview of six types of models.

Model Type	What It Does	How It's Used
Response	Identifies characteristics that differentiate responders to a particular direct mail solicitation from non-responders.	When making decisions about which customers to target for future campaigns involving similar products and offers. A separate response model should be constructed whenever there is a significant change in the campaign conditions.
Best Customer "Look-Alike"	Identifies existing customers with the physical characteristics of your best customers but who have not yet exhibited transactional behaviors that qualify them as best customers.	To uncover those customers with a high potential to be grown into higher levels of profitability. Also can be used to target one-time buyers for conversion into repeat customers.
Customer Acquisition	Identifies the most attractive new-customer prospects from a larger universe of prospect names, based on how closely the prospects match the characteristics of existing customers.	To increase marketing reach and literally acquire new customers. The model provides a logical and cost-efficient way to target, communicate with and attract prospects that have a high likelihood of becoming new customers.
Reactivation	Identifies existing customers who have been inactive for some minimum time period, but who could be converted back into active customers.	When devising "win back" campaigns and strategies that provide incentives for former customers to buy again.
Attrition	Uses key transactional indicators to identify customers who are most likely to discontinue transacting with your company.	As an early-warning indicator of customer relationships that are in various stages of decline. Combined with customer profitability measurements, it can help to prioritize customer relationships that are (and are not) worth attempting to save.
Next-Best-Sell	Identifies the types of products that existing customers are most likely to acquire in the future, and thus pinpoints the next most logical product to promote to that customer.	To stimulate new sales by targeting customers and providing specific product recommendations. Also proven effective in supporting cross-sell or upsell marketing opportunities.

Turn your data into customer knowledge.

CCG's full suite of innovative data solutions is designed to help you achieve greater customer understanding and execute customer-centric marketing activities. CCG can design, implement and host a customized marketing database or work with your existing data to provide in-depth analytical services that create a platform for proactive customer development and communication strategies.

As a pioneer in the field of customer relationship marketing (CRM), CCG has decades of unparalleled experience in the B2B, B2C, retail and financial services industries. As a **full-service agency**, CCG offers integrated, end-to-end expertise, including strategic consulting, database marketing services, CRM program development, customer research, data analysis, data management services, creative execution, production services and ROI measurement – all focused on helping you develop strong, lasting relationships with your best customers.

Customer intelligence at work.™
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