



Strategy & Analytics

Turning Insights into Actions



Gone are the days of replicating last year's marketing plan and expecting the same results. Today's marketer needs to be more strategic and do more with less while achieving the projected profit targets. Now more than ever, marketers turn to data and analytics to provide them with the insights and answers for how best to guide their total marketing budget for maximum ROI.

Cross Country Computer's industry leading strategists have decades of experience analyzing data and turning findings into actionable solutions for today's business challenges.

Our Strategic Analytical Solutions focus on the customer lifecycle and contact optimization at all phases of the relationship. We begin with the Insight Gathering stage where we understand who the target audience is, where they live and what they do and buy. We then leverage that data to improve new customer acquisition through a variety of studies and models that aim to generate a greater number of high valued new buyers. Ultimately, the focus is on cultivation of the new buyer asset through a combination of predictive modeling, clustering and varied contact strategy.



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— Elisa Berger, Ph.D., Senior VP, Cross Country Computer

Analyze

Understanding baseline metrics is critical to designing tests that lead to better strategies. The first phase of any contact strategy requires knowledge of the customer profile and how it differs from benchmark audiences like the U.S. average as well as the competitive profile. Within each customer base there can be as many as 10-12 niche profiles that can be identified through clustering or persona development to help guide targeted messaging based upon buyer preferences, affinities and location. Tailored or dynamic messaging has been associated with higher response and purchase rates which are needed to combat the rising costs to market. Once the profile of a customer is understood, testing can begin. However, the increase of the internet as a research and purchase channel has made it difficult to understand the true drivers of revenue. As a result, campaign performance can be understated and list/segment level performance misrepresented leading to suboptimal decision making. One tool to help marketers understand what truly drives sales is CrossMatch. CrossMatch is a campaign response analysis which allows marketers to understand how many new customers they are acquiring by source and how many are re-activating by looking at performance across all purchase channels. It quantifies the incremental benefit of direct mail over online advertising. It demonstrates the impact on ROI of alternate strategies being tested to combat rising costs.

"65% of companies believe that the importance of data analysis and insight are increasing significantly in marketing programs."

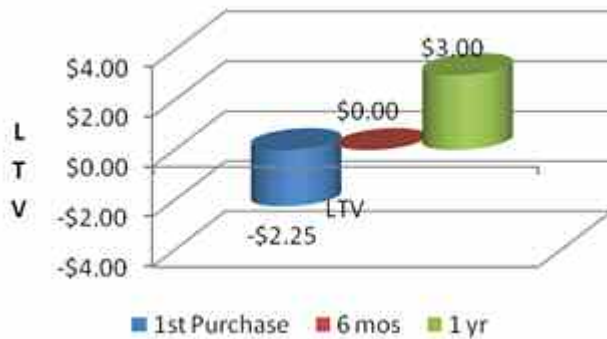
— CSO Insights, "Top Marketing Priorities Analysis—2007 Key Trends"

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Acquire

In difficult economic times, acquisition is often sacrificed for deeper housefile targeting and short term gains. Marketers must find the right balance of prospecting with targeting of the buyer file in order to generate revenue at the desired rate and replace customers who attrite. Analytics can help increase the number of new higher valued buyers through better budgetary placement for media, lists, key words etc. For example, a Lifetime Value Study can determine how much can be spent to acquire a new customer based upon payback tolerance as well as which sources have the highest repeat buying rates.



In addition, modeling new customers who have become repeat buyers can improve list rental models for co-operative and vertical list rentals. Geography can also play a critical role in prospecting, especially when all areas of the country do not behave the same in response to economic trends. Targeting those areas most likely to respond to a given offer through ZIP Modeling can lead to a greater ROI by eliminating low potential regions.

Retain & Cultivate

The buyer file is your greatest asset and pro-active cultivation is key to growth and increased share of wallet. The closer we as marketers can get to 1:1 marketing, the higher the likelihood that our message will be relevant and effective. Contact strategy starts with a segmentation of the buyer file based upon future spend potential and preferences. The number and type of contacts to each customer can be optimized based upon learning from testing and database insights. One way to decrease the interval between purchases and increase order rates by as much as 40% is thru cross-sell via dynamic email campaigns. Analytics can help by identifying the next best products to sell to a customer given past purchase history – people who bought this also bought this. In addition, each direct mail campaign can have higher gains through better selection of the buyer file. Predictive modeling allows marketers to expand beyond subjective RFM to a scientific selection and weighting of over 1,000+ variables that can be created from data within your marketing database. Thru a combination of better segmentation and contact optimization, your buyer file will reach its full potential and generate the profits needed to keep your business flourishing.

Why Cross Country Computer

Cross Country Computer has been servicing all aspects of the direct marketing industry for over 35 years with affordable value based solutions that allow all companies to be more strategic. We offer a wide range of services from database development and hosting to list processing/hygiene, email, list rental fulfillment and analytics. For more information on Cross Country Computer's marketing solutions, please contact us at (631) 231-4200 or via email at Inquiry@CrossCountryComputer.com

