

## IMPORT FACT SHEET

### Import<sup>®</sup> Database Build Software

**Acquire actionable customer knowledge with accurate and reliable data**

#### Front Page

To develop strategic marketing programs that will increase the lifetime value of your customers and spur profitable growth for your organization, you must know your customers. Analyze their data. Know the products and services they use—and why.

Acquiring *useful* customer knowledge from your analyses begins with accurate and reliable data. Data that is integrated from a variety of sources, so you have a *comprehensive* view of your customers. Data you can turn into actionable information. Data that will improve the success of your marketing efforts by letting you focus on your most important asset—your customer.

Together, Customer Insight Company's Import<sup>™</sup> Database Build Software and the AnalytiX<sup>®</sup> System provide you with powerful features and functionality that give you a complete view of your customers, so you can develop successful, customer-centric marketing programs. The Import software simplifies the complex process of pulling together your customer data from multiple, diverse sources into a single marketing database while performing parsing, householding, linking, and tracking techniques for improved data *and* analytical results. These techniques accommodate “less than perfect” data—data that is inconsistent, missing values, or containing entry errors.

Import and the AnalytiX System support your marketing process by giving you the analytical power and customer information that helps you hit your target—the first time. You can make informed assumptions about buyer behavior, define marketing strategies based on those assumptions, and design programs that are not only strategically targeted, but also accurately assessed. The AnalytiX System's ad hoc analysis capabilities support customer profiling and segmentation, campaign management and response tracking, acquisition and retention program development, data modeling, and profitability analysis.

#### You Had an Idea...

...an idea about combining your customer data from a variety of diverse sources so you can *understand the big picture* and not just separate components. About creating associations within your data so you can market to your customers in the context of their relationships. About integrating your data into the AnalytiX System database so you can perform analyses that result in strategic marketing decisions—*and success*.

### **Sophisticated Transformation**

Successful data analysis is dependent on more than just collecting large amounts of customer data, applying the correct analytical techniques, or using the most advanced software. It is also dependent on the accuracy and completeness of your data.

The Import™ Database Build Software incorporates a process that not only transforms your customer data into a format for analysis by the AnalytiX System, but *accommodates* the inaccuracies of your data so that the analytical results are more accurate. Import's sophisticated "Cool Match" householding algorithm adds value to the process by providing a matching technology that sets the industry standard with exceptional accuracy rates. It also provides enormous flexibility in constructing your marketing database, allowing your IT and marketing specialists to not only define their needs, *but meet them*.

### **Fine-tuned for Maximized Performance**

Import has been optimized to exceed standard performance measures—surpassing other systems in speed and data conversion abilities. By implementing multi-threaded 32-bit processing, taking full advantage of system resources, and being able to utilize multiple processors in the server, Import's processing times have been reduced dramatically, so builds are quicker. Quicker access to your most current customer data ensures that your marketing programs aren't targeting the wrong people, at the wrong time, with the wrong message. Updating your customer information on a continual basis will help you allocate your marketing dollars where they will be profitable, not wasted.

Call out box: Accurate and complete data facilitates successful data analysis.

### **Building Your Database—The Data Transformation Process**

The Import database build process combines cutting-edge technology with proven parsing, householding, linking, and tracking techniques— techniques that produce a database that is both accurate in content and valuable to your business objectives.

The database build process involves a series of steps that begin with your customer data in its native format. The data can come from a variety of sources, including accounting systems, billing systems, order entry systems, call tracking systems, fulfillment systems, et al. And Import can accept records in any format (including pre-householded records) directly from one or more source systems. Import's modules can then perform optional parsing, householding, linking, and tracking techniques. Finally, the various raw data files are transformed into standard AnalytiX System data formats.

Although the Import software incorporates many steps, the process is seamlessly integrated under a common, graphical user interface. Furthermore, the process continues until the user elects to make changes. Using the

Import Client facility, an additional feature in Import, database build processing can be conveniently executed and monitored from your desktop while following a regular schedule.

Call out box:

Import uses a custom data bridge that lets you select multiple data transformation options. Depending on your business goals and needs, Import can perform the following conversion types:

- Data format conversion (e.g., EBCDIC to ASCII)
- Data type conversions (e.g., string number to Julian date)
- Data adjustments (e.g., year 2000 adjustments)
- Data aggregation

### **Householding**

You could not maximize the potential of the AnalytiX System without the highly optimized, household-specific database that Import builds. Import's householding process begins behind the scenes with data parsing, a method where all name and address information is divided into different data elements that the system uses to identify and match records. Then, Import compares each data element between two records to determine whether those two records define the same household. Import's parsing capabilities allow up to 25 user-defined criteria, including ZIP+4 coding and Canadian postal codes. Once Import completes the parsing process, the data elements are placed into a standard record format and become the input files for the householding module.

Householding is a sophisticated process in which records are joined into logical, related groups or households, based on user-defined criteria (such as address, last name, phone number, et al). Using its sorting and grouping capabilities, Import's householding module can bring together records that may not initially look similar, but ultimately belong together, as in the following example:

<u>Name</u>	<u>Address</u>	<u>City, State, and Zip</u>	<u>SS Number</u>
Mary Jones	580 Lake Drive	Denver, CO 80202	526-65-7898
James Jones	580 Lake Drive	Denver, CO 80202	524-78-9012
James L. Jones	1100 Lincoln	Englewood, CO 80111	524-78-9012
Mary Reed	580 Lake Drive	Denver, CO 80111	526-65-7898

In this example, Mary and James have recently been married, and Mary's maiden name remains on some of her records. In addition, Mary and James have recently moved, and their old address remains on some of their records. Import's householding methodology would determine that these records belong together in a household.

Additionally, the householding methodology incorporates fuzzy logic to deal with imprecision and improve matching. Fuzzy logic reduces misspellings, transpositions, and input errors, while using a scoring technique to determine if records should be grouped together. Fuzzy logic compares all the data elements and computes a match score that is then compared to an “alpha-cut.” The alpha-cut is the final threshold for determining if two records match or not, and can be changed based on a user’s matching requirements and desired level of matching strictness.

Householding provides marketers with the information to strategically target households for specific promotions while eliminating redundant, wasteful, and unnecessary mailings. Furthermore, the process allows a company to evaluate and market to its customers in the context of their relationships with the organization *and* with other customers.

### **Cool Match**

The success of any database build process is greatly dependent on its ability to match records together, which is, in turn, dependent on the flexibility of its matching algorithms. Import takes householding one step closer to the “magic blend” of matching technology with a controllable, yet flexible, new algorithm called “Cool Match.”

Cool Match allows you to establish how loose or strict the matching requirements are, so you can control the outcome (unlike rule-based householding). Cool Match can use all of the data all of the time, allowing better comparison and matching of records. Ultimately, this strengthens your marketing efforts by letting you accurately identify each relationship between individuals or households and then refine your promotions based on these relationships.

One of the strongest features of Cool Match is its ability to implement the Best Match matching technique. This method prevents the dreaded “cascade effect,” where non-related records can get linked together, creating a domino effect throughout the data. For example, the system could accidentally bring together all individuals in an apartment building—even though last names are entirely different—just because some residents have blanks for their apartment number. Or, if the build software is not very sensitive to checking street directionals, John Smith at 123 North Main could get linked up with Jane Doe at 123 South Main. Best Match prevents the possibility of non-related records being matched together, so you can be confident that your database contains accurate and complete information.

#### **Call-out box**

Cool Match is only available in Customer Insight Company’s Import Database Build Software.

## **Linking**

Import's optional linking module allows users to incorporate large amounts of detailed, non-summarized, and non-aggregated transaction data into the database for in-depth analysis by the AnalytiX System. By associating current records with valuable information such as demographic data, promotion response data, and non-aggregated transaction data, marketers can perform more detailed behavior analyses, profitability analyses, and lifetime value analyses. This information can help drive marketing decisions about product and service development, channel development, and contract and pricing strategies. The result? Marketers will expand their customer knowledge and strengthen their customer-centric marketing efforts with more focused and strategic promotions.

## **Tracking**

Following the linking and householding processes, Import's optional tracking module traces households between databases. This step allows a company to monitor customers and their behavior over time (and through multiple database builds). Although tracking is typically performed chronologically from one database to the next, a unique capability of Import is its ability to track forward to new databases *or* backward to previous databases. This capability is essential for measuring the results of any given marketing promotion effectively, as well as analyzing the overall evolution of your customer base.

Import's tracking:

- Incorporates sophisticated matching routines
- Examines households at a detailed level
- Assigns permanent household keys only when similarities reach a certain threshold
- Ensures a high level of tracking accuracy
- Assigns permanent match keys
- Looks for splits and joins and identifies them

### **A Flexible and Customizable Solution**

Whether you are building your database for the first time or you rebuild it on a regular basis, the Import Database Build Software and optional householding, linking, and tracking modules can be customized to meet your unique marketing needs and business goals. The transformation of your data from its native format to an AnalytiX System database format centers around a process where you are the focus. Your needs are addressed. Your requirements are discussed—*and met*.

Drawing on many years of experience in building marketing databases, Customer Insight Company has developed the Import Database Build Software to be both flexible and customizable while providing you the best possible results. Import's customization abilities, transformation techniques, and performance create a customer database that will not only support your strategic marketing efforts, but will improve the accuracy of targets and the profitability of results.