

Leveraging the Value of Customer Data



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CEO, Nimaya Software

Agenda

- About Hypatia
- Research Methodology & Highlights of Findings
 - Survey Respondents / Research methodology
 - Issues at Hand
 - Define “Best-in-Class” benchmarking
- How Top Performers Address Challenges
- Customer Data Management Usage
 - Operational
 - Strategic / Predictive
- Recommendations: Next Steps
- Nimaya Software: Integrated Customer Management
 - Value
 - How it Works
 - Benefits
- Summary
- Q&A

Hypatia: Accelerating Performance by Calculating Results TM!

- **How We Provide Results**

Hypatia delivers high impact market intelligence, industry benchmarking, best practices, technology vendor selection, ROI assessment, and consulting services that reduce cycle-time and influence customer management, product strategy and channel development goals.

Since 2001, clients have relied on our industry insight, expertise and independent research for guidance in assessing various technology and service options.

Our results-driven approach ensures that your organization utilizes primary quantitative research and qualitative voice of the customer insights to support strategic and tactical decisions.

- Like our namesake, Hypatia, we are committed to **Calculating ResultsTM** for our clients.

Hypatia of Alexandria (c. 370-415AD), invented several scientific devices--the astrolabe, planesphere, and hydroscope (hydrometer). These instruments were used to calculate the distance between planets, the position of visible stars at any time of the year, and the gravity of liquids respectively. Hypatia was the first woman to make substantial contributions to the development of mathematics, astronomy & philosophy.

Hypatia: Our Differential

- **Why We Are Different**

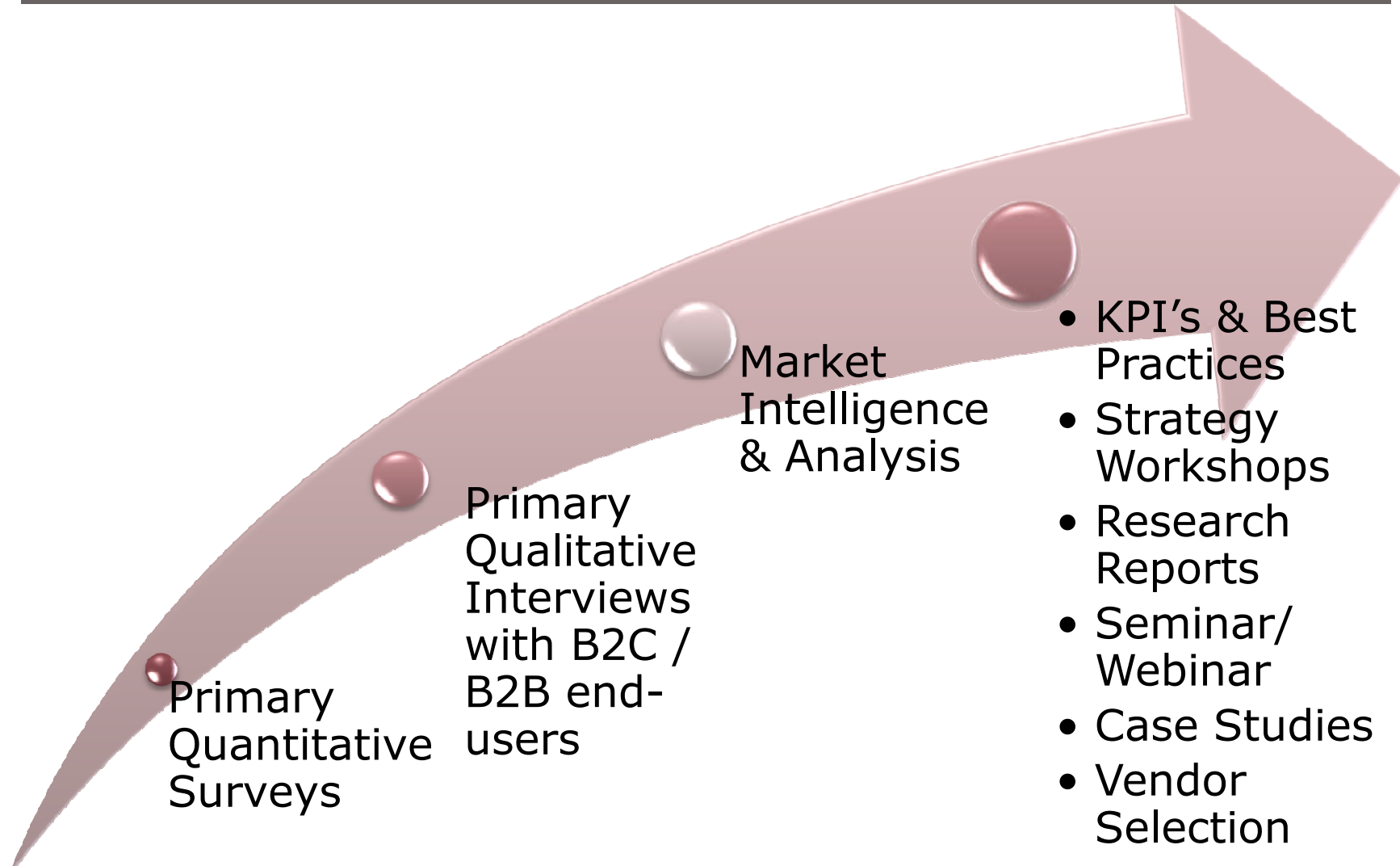
Each of our research projects are designed to address critical business issues, guide product or go2market strategy or enhance customer analysis and management practices across ALL of your organization's stakeholders—Prospects, Clients, Media, Partners or Investors.

A key strength is our understanding of the unique challenges organizations face in developing credible thought leadership, customer management, market education, sales tool and communications programs that provide tangible returns on investment.

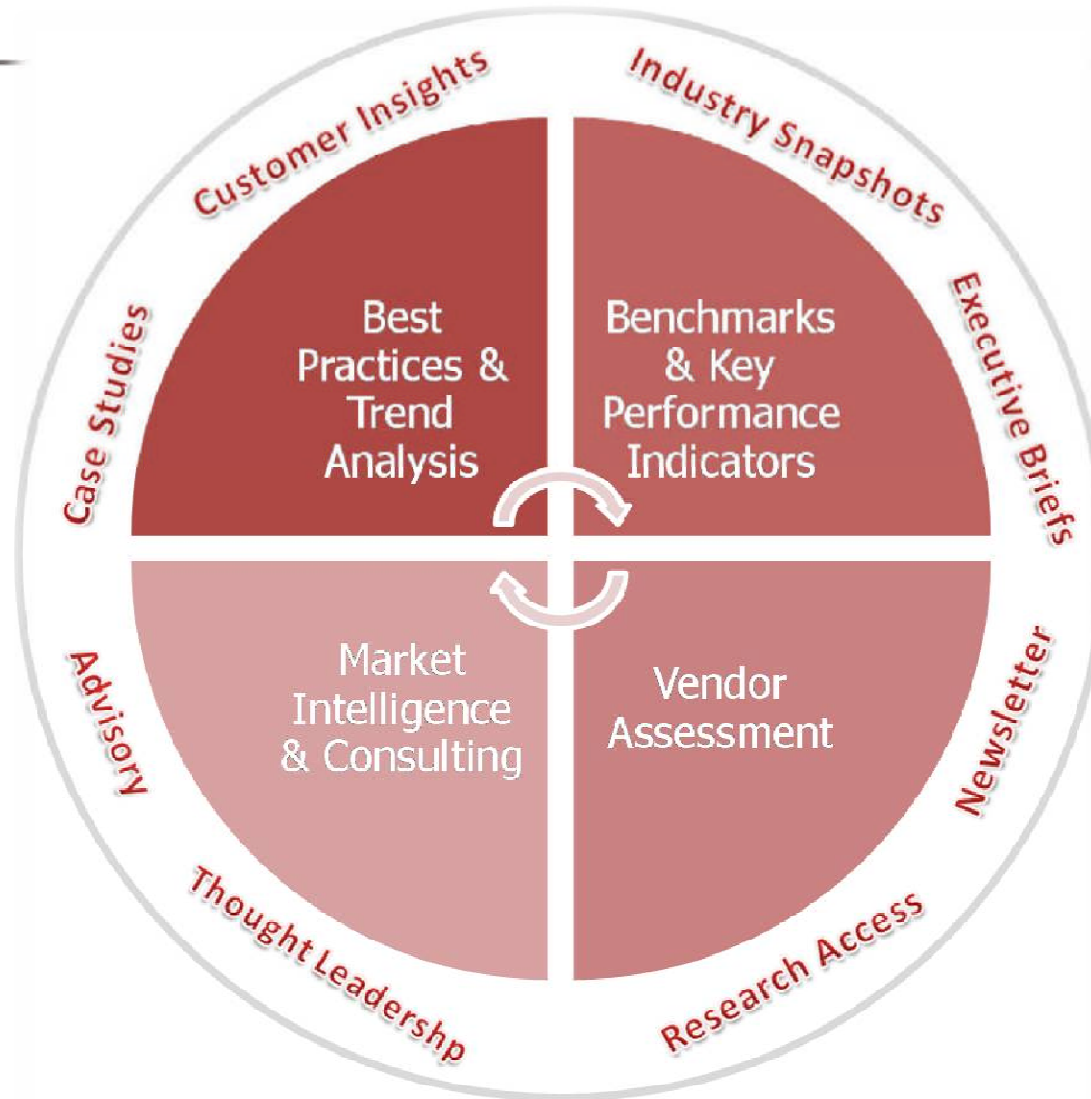
- **Our team** is comprised of analysts and consultants with over 15 year's experience in various industries, software delivery models, platforms and managed service providers. Our clients include emerging businesses as well as billion dollar enterprises. In "Calculating Results", we deliver insights, analysis and data-driven research that is designed to support our clients' business decisions.

- **Beginning in 2001**, end-user organizations have turned to us for information on vendors, service providers and best practices that will accelerate their growth. Vendors and service providers value our research-driven thought-leadership, independent analysis and business case return on investment assessments. Clients turn to us for research and consulting services that reduce cycle-time and influence customer management, product strategy, channel development and market adoption.

Hypatia Research: Actionable Insight That Drives Results!



Customer Intelligence Research Services:

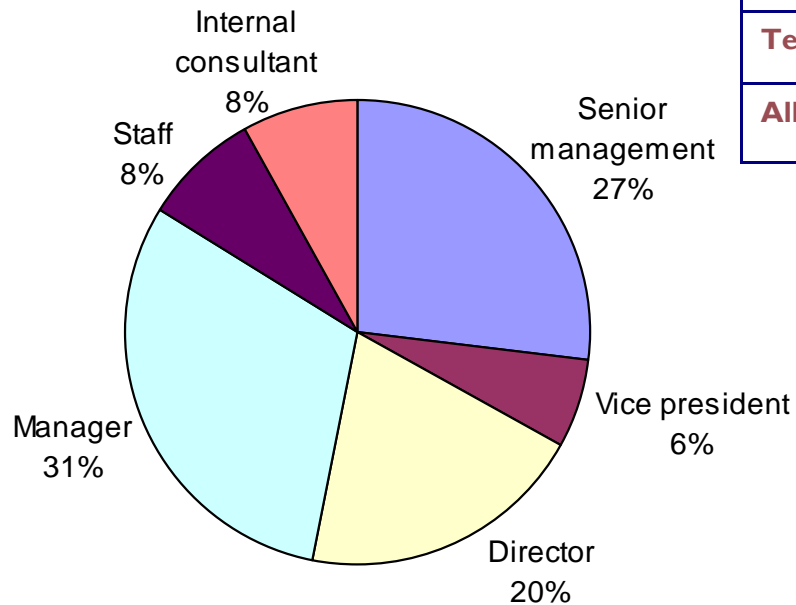


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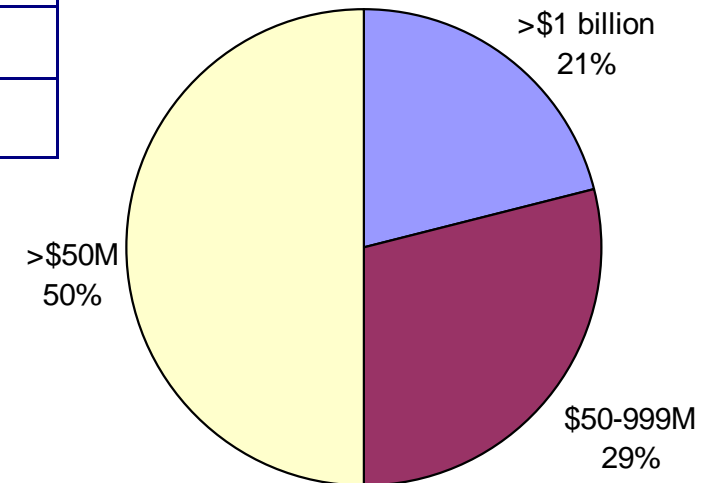
Research Study Participants

**Job
Titles/Roles**



Research Participants	Percentage
Hi-Tech	35%
Financial Services	16%
Retail/CPG	10%
Manufacturing	10%
Teleco	3%
All Others (1-5%)	26%

2004 Revenues



Defining Assumptions

- ❑ **Market Drivers** — external forces that impact an organization's market position, competitiveness, or business operations (e.g., economic, political and regulatory, technology, changing customer preferences, competitive)
- ❑ **Actions** — the strategic approaches that an organization takes in response to industry pressures (e.g., align the corporate business model to leverage industry opportunities, such as product/service strategy, target markets, financial strategy, go-to-market, and sales strategy)
- ❑ **Knowledge/Expertise** — the business process competencies required to execute corporate strategy (e.g., skilled people, brand, market positioning, viable products/services, ecosystem partners, financing)
- ❑ **Enablers** — the key functionality of technology solutions required to support the organization's enabling business practices (e.g., development platform, applications, network connectivity, user interface, training and support, partner interfaces, data cleansing, and management)

Market Drivers & Responses

Organizations are challenged to grow profitably– and need to take a comprehensive approach to leveraging their customer assets in order to achieve their goals.

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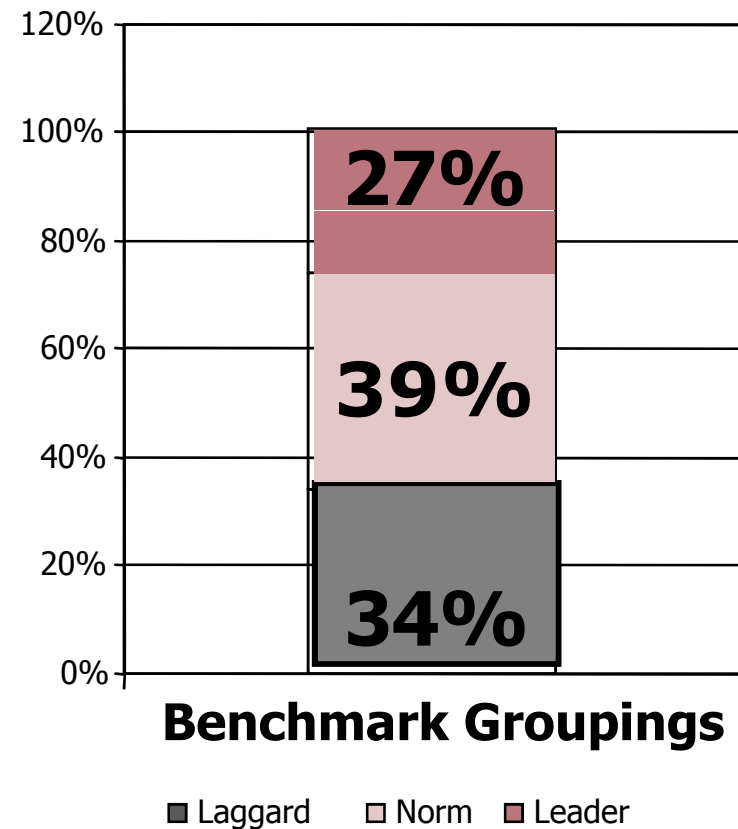
Pressures / Challenges	% Selected	Actions / Responses	% Selected
Need to better understand high-value customers	60%	Utilize operational or strategic BI / Analytics tools	75%
Ability to make decisions based on 360° view of customer	50%	Extend, integrate, or implement a CRM system: Empower employees to make in-line decisions	45%
Need to grow revenues	40%	Focus on high-value customers: foster a customer-centric culture	74%
Need to define & identify high value customers	40%	Utilize operational or strategic BI / Analytics tools	74%
Extracting, normalizing and integrating multi-sourced data	50%	Utilize ETL, CDI and/or Data Quality solutions	42%
Establishment of customer data analysis processes	40%	Develop capabilities and partially automate processes	35%
Establishment of CIM ownership processes	25%	Build cross functional teams: line of business and IT	70%

Identifying Top Performers by Metrics

Hypatia benchmarked participants into three groups based on the following performance metrics:

Composite Metrics Define Category Leadership

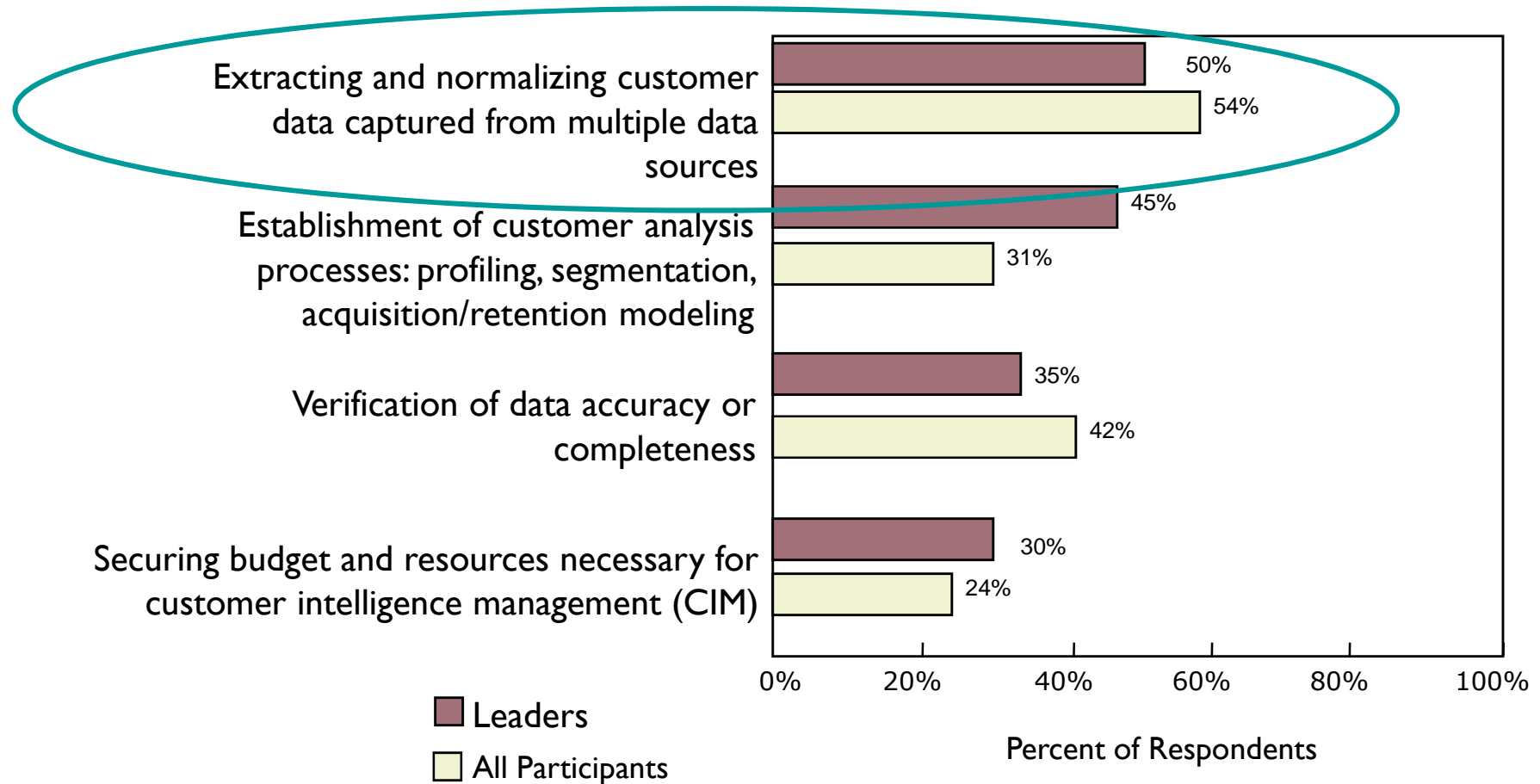
- Driving profitability via customer retention strategies
- Driving profitability via acquisition of high value customers
- Y/Y revenue growth
- BIC's define customer value as lifetime value
- BIC's centralize CIM at the enterprise level
- BIC's utilize cross-functional teams / outsource more often



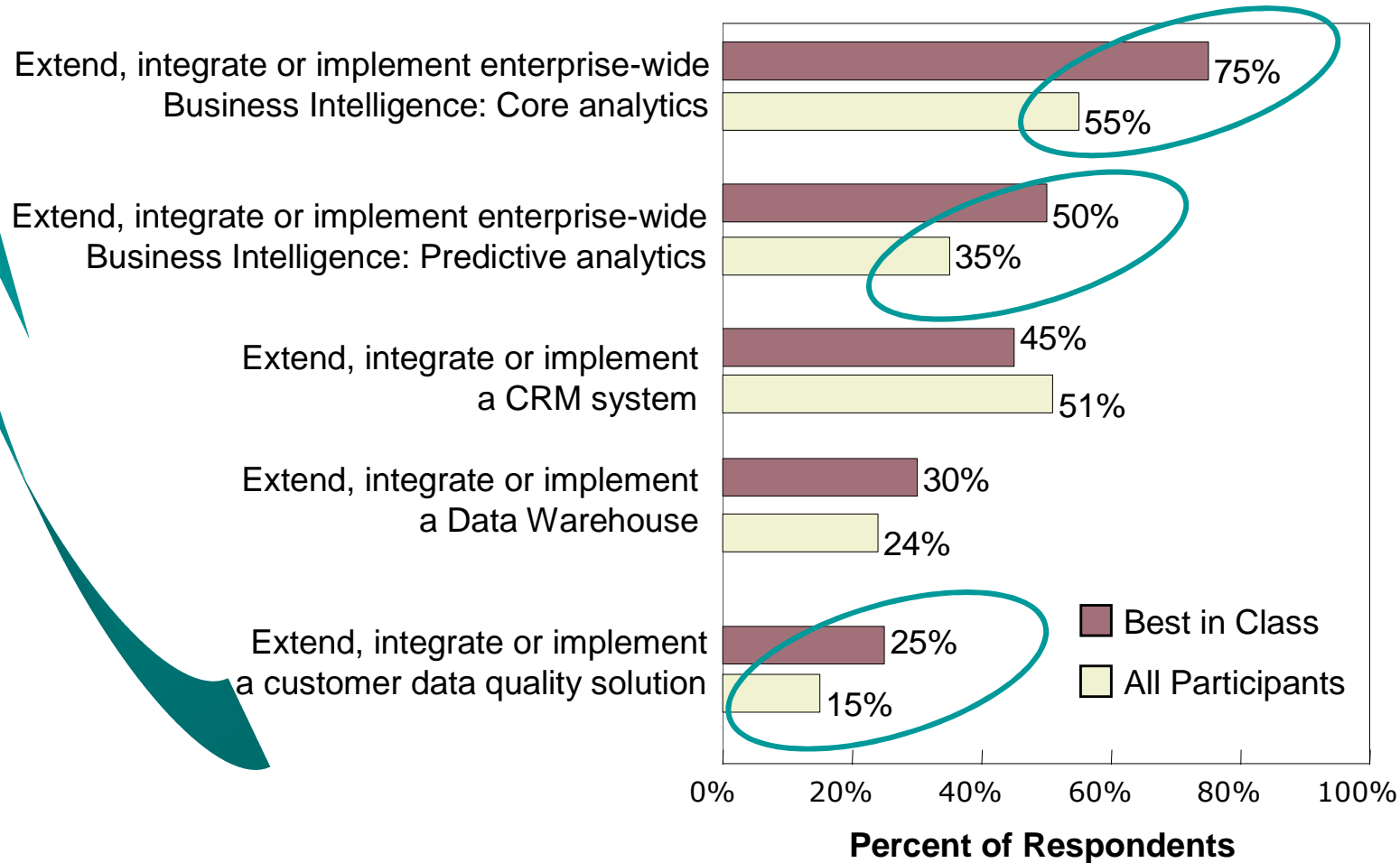
Research Findings: What Top Performers Do Differently



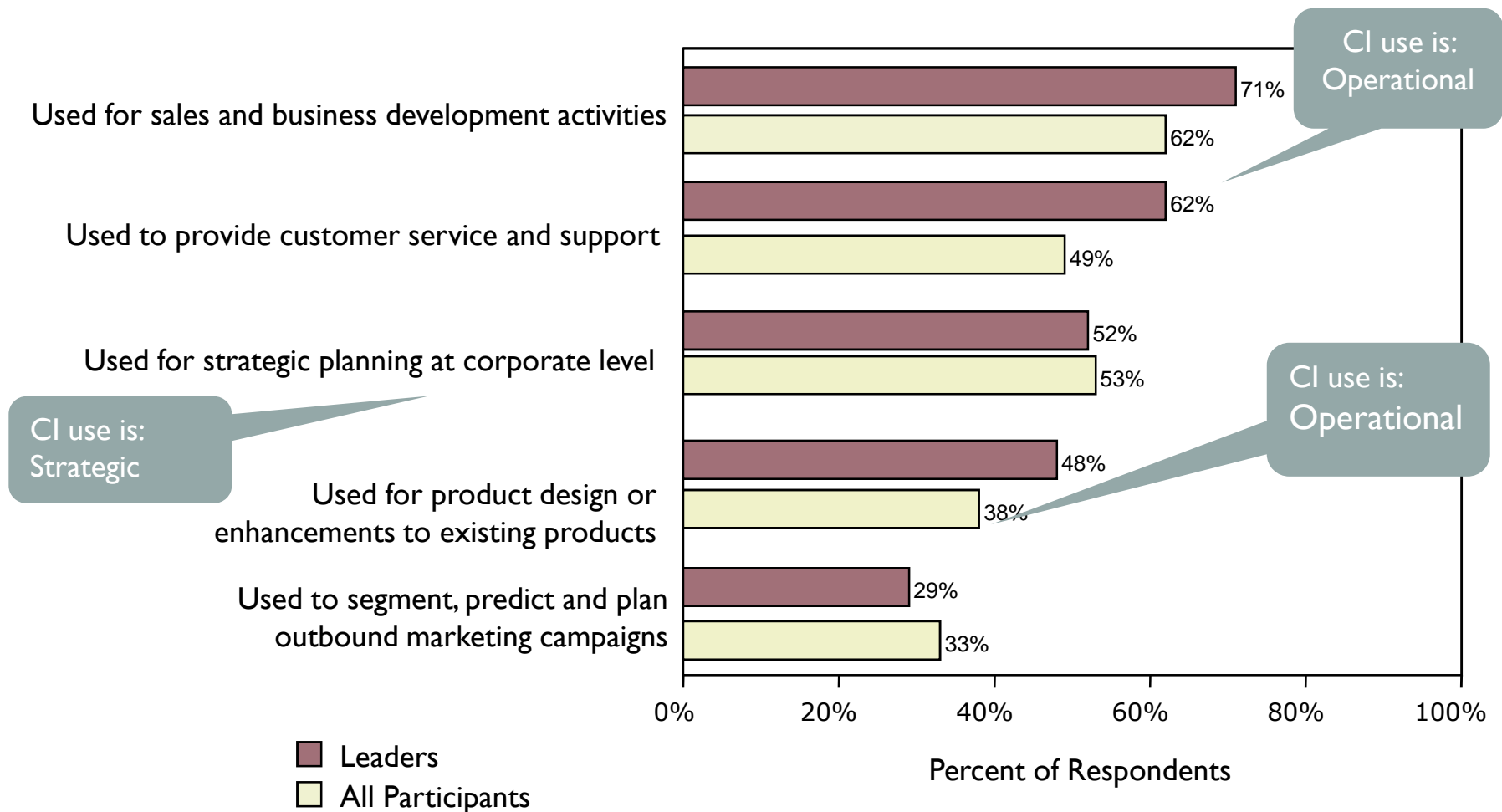
Top 4 Challenges: Avoid Garbage In, Garbage Everywhere!



Top Actions Companies Will Take to Improve Customer Intelligence



Current Customer Intelligence Usage by Silo



Summary of Key Research Findings

- Top Performers demonstrate >25% annual improvement in key business and marketing metrics
 - Customer Retention Rates
 - Customer Acquisition Rates
 - Annual Revenues
- Leaders utilize both strategic and operational BI/Analytics to leverage customer data in decision-making
- Top Performers use CDM / CDI solutions at higher rates than others
- Leaders use cross-functional teams [70%] and
- Leverage service providers [53%] more often

Recommendations: Next Steps

- ❑ In converting customer intelligence into profits, leading organizations are more likely to apply a comprehensive approach comprised of select capabilities, outsourced services, processes, and technology enablers.
- ❑ Democratize access to customer intelligence so that those in customer-facing roles may apply this knowledge “in-line” and foster a customer-centric culture.
- ❑ Establish and refine performance metrics, processes and standards to create linkage between customer intelligence initiatives and corporate goals that include increased productivity, cost reductions, and the ability to make real-time decisions based upon a 360° view of the customer.
- ❑ Consider vendors/service providers who facilitate data **extraction, normalization, quality and integration** from multiple sources—both internal and third-party.
- ❑ Move from manual processes to partial or fully-automated processes so that internal stakeholders may focus on analyzing and applying customer intelligence for profitable growth--rather than managing bits and bytes.

The Nimaya Customer Grid

An Introduction:

John de Wit
CEO, Nimaya Inc.



NIMAYA

One View. Maximizing Revenue.

Nimaya - Background

- 50 person Independent Software Vendor Headquartered in Northern Virginia.
- Background in Customer Integration
 - Warehousing (ETL), customer data matching/cleansing
 - SOA and integration technologies (EII)
 - Composite applications and business intelligence (BI)
- Focused on virtual integration solutions aimed at maximizing revenue.
- Solution implemented for multiple enterprises including :
 - Sprint (5000 users)
 - American Red Cross

Nimaya – What We Provide

- Deliver lightweight technology to provide customer-facing employees with individual customer profile data at the point-of-transaction.
- Profiles are built by extracting and integrating data from multiple internal and external data sources in real-time.
- Profiles are augmented by business rule-based analytics, focused on maximizing revenue.

Hypatia Recommendations

- In converting customer intelligence into profits, top performers are more likely to apply a comprehensive approach comprised of select capabilities, outsourced services, processes, and technology enablers.
- Democratize access to customer intelligence so that those in customer-facing roles may apply this knowledge “in-line” and foster a customer-centric culture.
- Establish and refine performance metrics, processes and standards to create linkage between customer intelligence initiatives and corporate goals that include increased productivity, cost reductions, and the ability to make real-time decisions based upon a 360° view of the customer.
- **Consider vendors** /service providers **who facilitate data extraction, normalization, quality and integration from multiple sources,** both internal and third-party.
- Move from manual processes to partial or fully-automated processes so that internal stakeholders may focus on analyzing and applying customer intelligence for profitable growth--rather than managing bits and bytes.

Nimaya “P.E.P.I.”

Focused on Maximizing Revenue

□ **P**roductivity

- Maximize the time spent by sales and service functions on explicit selling activities

□ **E**nhancement

- Maximize the revenue from individual customers

□ **P**rotection

- Ensure the retention of revenue from current customers

□ **I**nsight

- Provide information regarding customer characteristics that highlight selling opportunities

Delivering the Basics

Example: *Customer Profile*

- Methods of contact
- Activity levels (actual and relative)
- Current standing
- Most recent activity
- Support / service profile
- Product ownership
- Volatility (transactional and physical)
- Primary relationships

Advanced Functionality

- Prompt for special offers / services
- Alerts for special events
 - High support incident rate
 - Unusual customer activity
 - Engaged in sales cycle
- Payment history abnormality
- Identify missing product lines
- Prompt sales / support activity based on status
- Identify complete relationship matrix and sources / causes of communication.
- Custom

GridScan In Action

Nimaya CustomerGrid - Microsoft Internet Explorer

File Edit View Favorites Tools Help

NIMAYA GridScan

Customer Profile Accounts Products & Services Tickets & Orders Sales & Marketing

Consolidated Customer Balances View Go Help

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Recent Searches

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Recently Visited:

Recent Payments

Unpaid Bills

SunGuard
FINANCIAL
Sun Guard Hot List:
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Overview of Accounts

Account #	Owner	Product	1 Year Ago	1 Month Ago	Current Balance	Monthly Change	Alert(s)
4546654554	Joint	Checking	\$1,435.65	\$2,367.84	\$12,973.34	\$10,605.50	
7756657657	Debbie	Savings	\$5,343.22	\$10,430.34	\$0.00	(\$10,430.34)	
5576476476	Ryan	Auto Loan	(\$10,293.21)	(\$7,612.18)	(\$7,368.45)	\$243.73	--
4485757847	Ryan	12-Month Fixed CD	--NO--	\$1,000.00	\$1,000.00	--NC--	--
4554553345	Joint	Home Mortgage	(\$343,545.18)	(\$305,449.26)	(\$301,985.99)	\$3,463.27	--

- Transfer patterns may indicate account closure intentions.

Last 5 Transactions for Selected Account: 4546654554 - Checking (Joint)

Transaction ID	Posting Date	Transaction Description	Debit (-)	Credit (+)	Balance
4546654554-0003123	Feb-23-2006	SUNGUARD ATM WITHDRAW LOC ID: 381934	\$200.00		\$12,973.34
4546654554-0003122	Feb-20-2006	HORIZON ONE TELECOM AUTO PAY	\$63.27		\$13,173.34
4546654554-0003121	Feb-13-2005	CHECK # 12132		\$10,430.34	\$13,236.61
4546654554-0003120	Feb-10-2005	COUNTER CREDIT		\$325.16	\$2,806.27
4546654554-0003119	Feb-06-2005	CHECK # 12131	\$13.00		\$2,481.11

Customer Portfolio Contributions

Category	Percentage
Mortgage	94%
Check	4%
Auto Loan	2%
Savings	0%
CD	0%

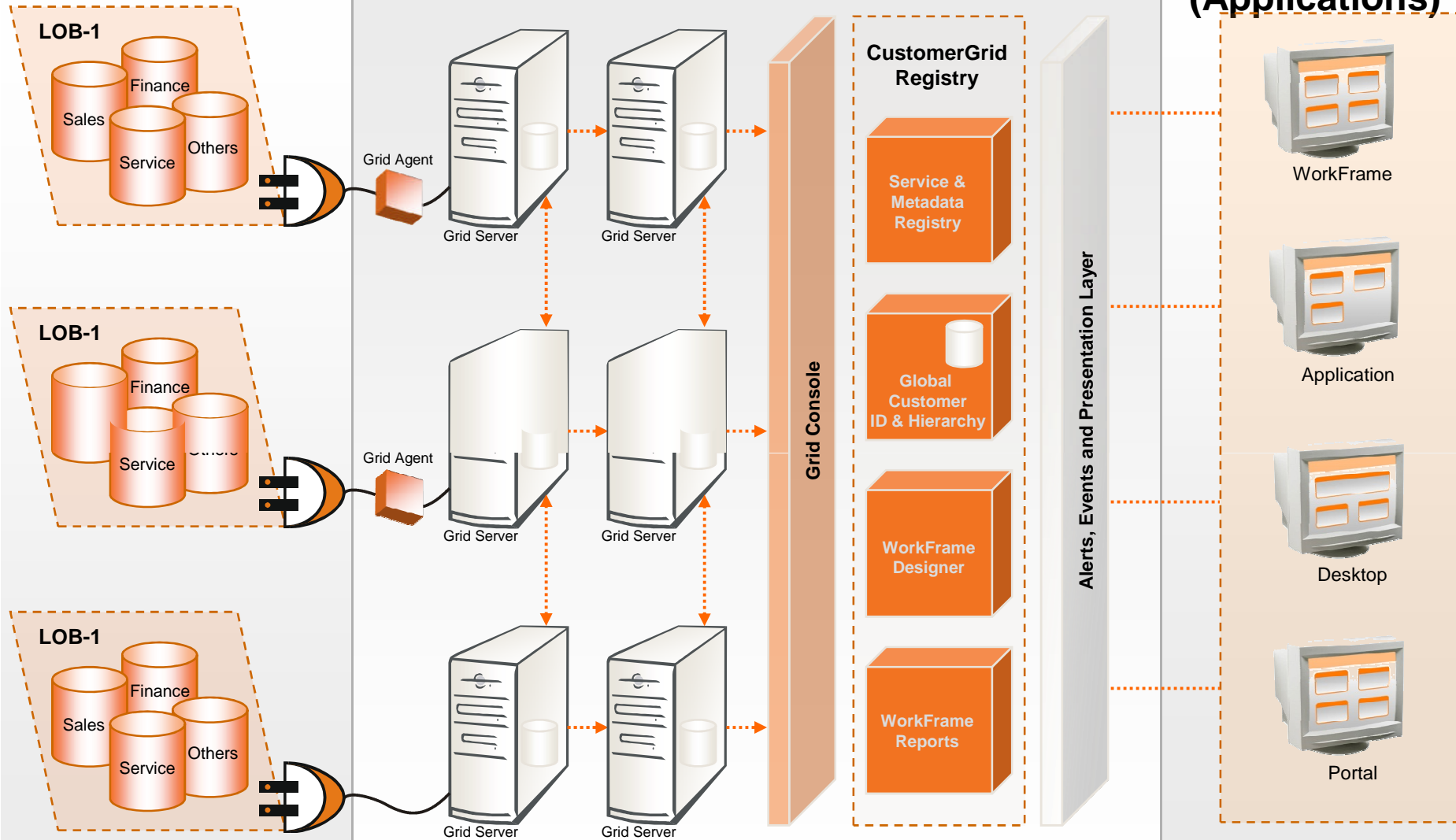
Acct # 4546654554 - 14 Month Balances Trend

Month	Total Value - Thousands
Jan-05	2.481
Feb-05	2.806
Mar-05	3.237
Apr-05	3.668
May-05	4.100
Jun-05	4.531
Jul-05	4.963
Aug-05	5.394
Sep-05	5.826
Oct-05	6.257
Nov-05	6.689
Dec-05	7.120
Jan-06	7.552
Feb-06	12.973

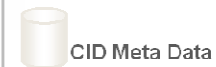
Data Sources

CustomerGrid (Platform)

GridScan (Applications)



CustomerGrid Architecture



End-User Testimonials

We asked a group of Sprint's sales people what value and benefit they derived from using our products. Here's what they said.

It's fast, convenient, reliable and very user-friendly.

We spent a month doing account profile and planning forms. GridScan does this in a few moments.

Helps us uncover opportunities to push new products.

I saved about 20-30 minutes per customer. Having the information all in one place saves me from having to open other, slower programs.

To obtain all this information without GridScan would require me to open and log into 5 or 6 different applications.

When I was putting all my account plans together I used GridScan all day every day! I love GridScan!

We are able to be knowledgeable of every aspect of their business with just a glance at GridScan.

Contact:

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