

Real-time Customer Intelligence at the Point of Interaction



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Agenda

- Customer Intelligence Research & Hypatia
- Research Methodology
- Customer Intelligence Usage Delivers Triple Value
- Leverage of Real-time CI at POI Delivers High Value
- Case Study: Nationwide Building Society
- About Portrait Software
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 - Insight at Point of Interaction
 - 5 Critical Success Factors
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- Summary
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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 Results**TM 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**

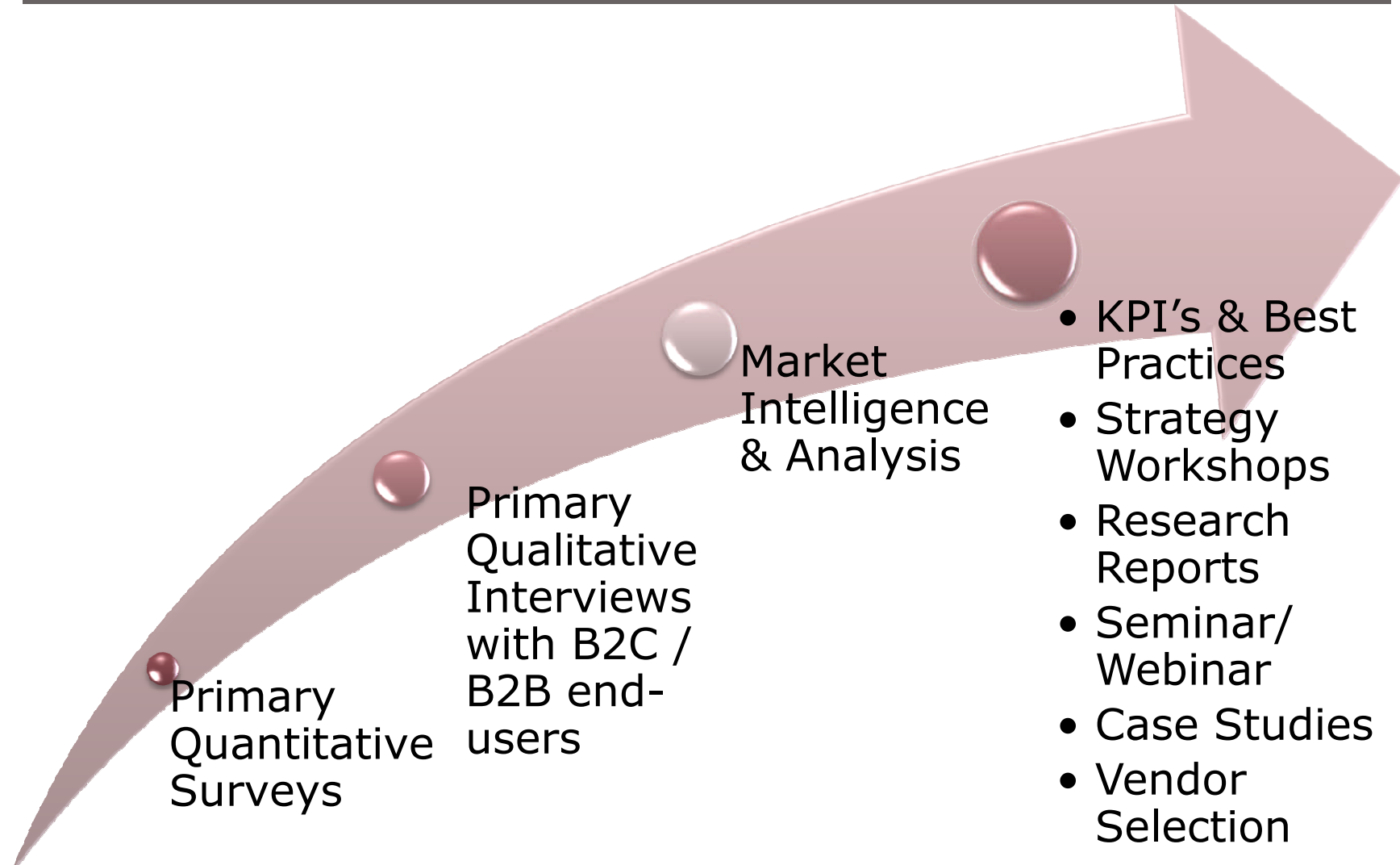
Each of our research projects are designed to address critical business issues, guide product or go2market strategy or enhance customer analysis and management practices across ALL of your organization's stakeholders—Prospects, Clients, Media, Partners or Investors.

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.

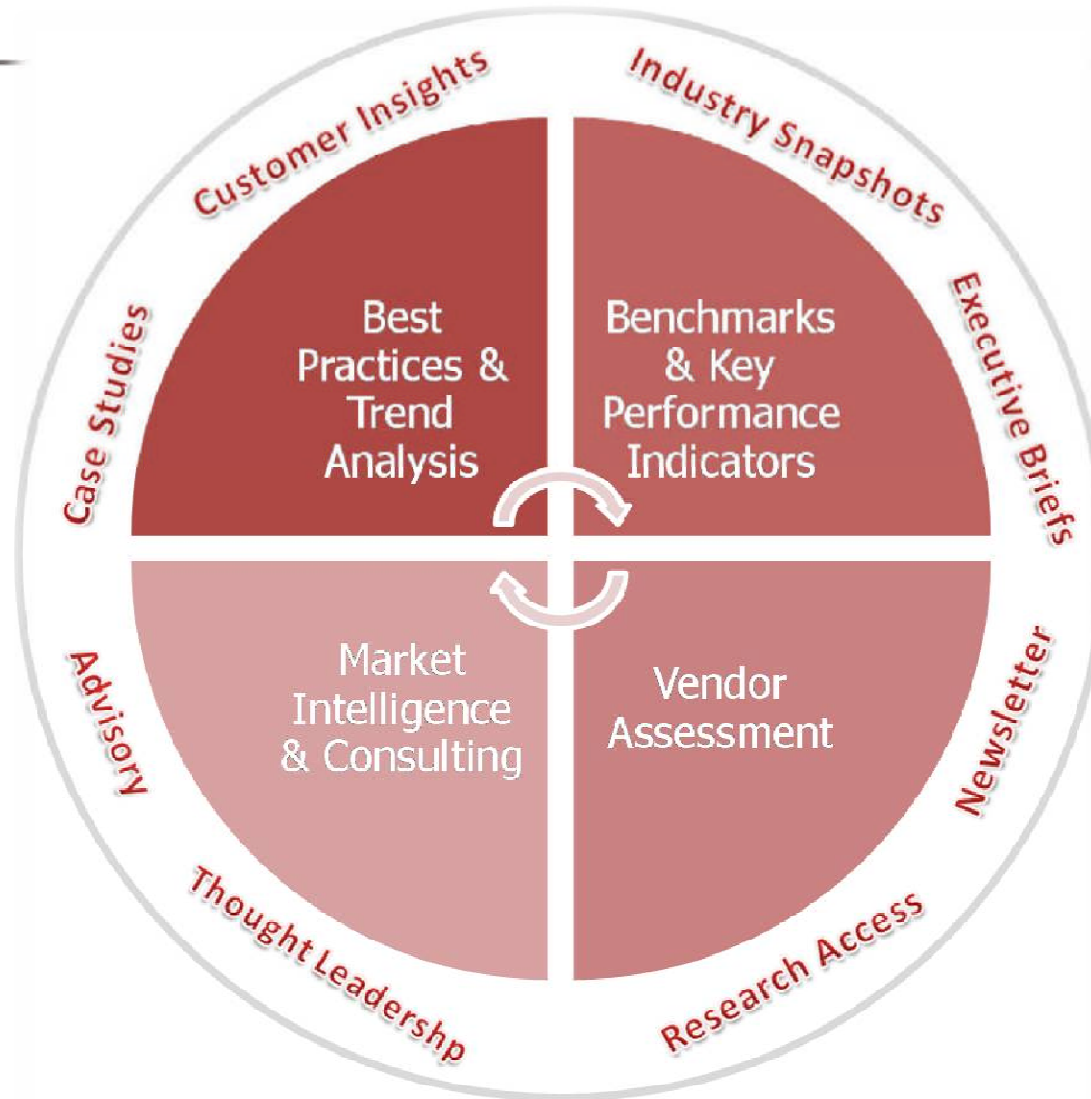
- **Our team** is comprised of analysts and consultants with over 15 year's experience in various industries, software delivery models, platforms and managed service providers. Our clients include emerging businesses as well as billion dollar enterprises. In "Calculating Results", we deliver insights, 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!



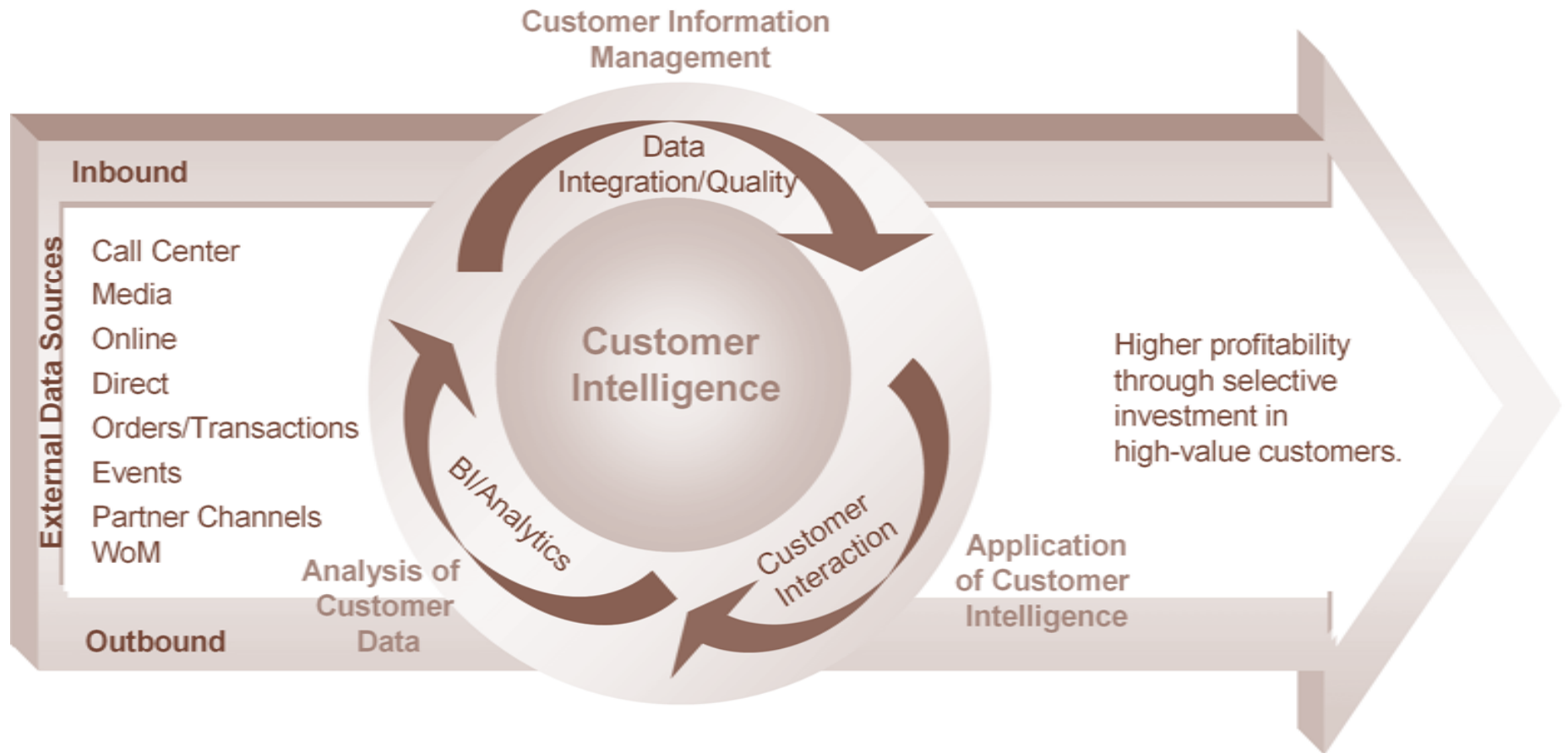
Customer Intelligence Research Services:



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Customer Intelligence Research Practice



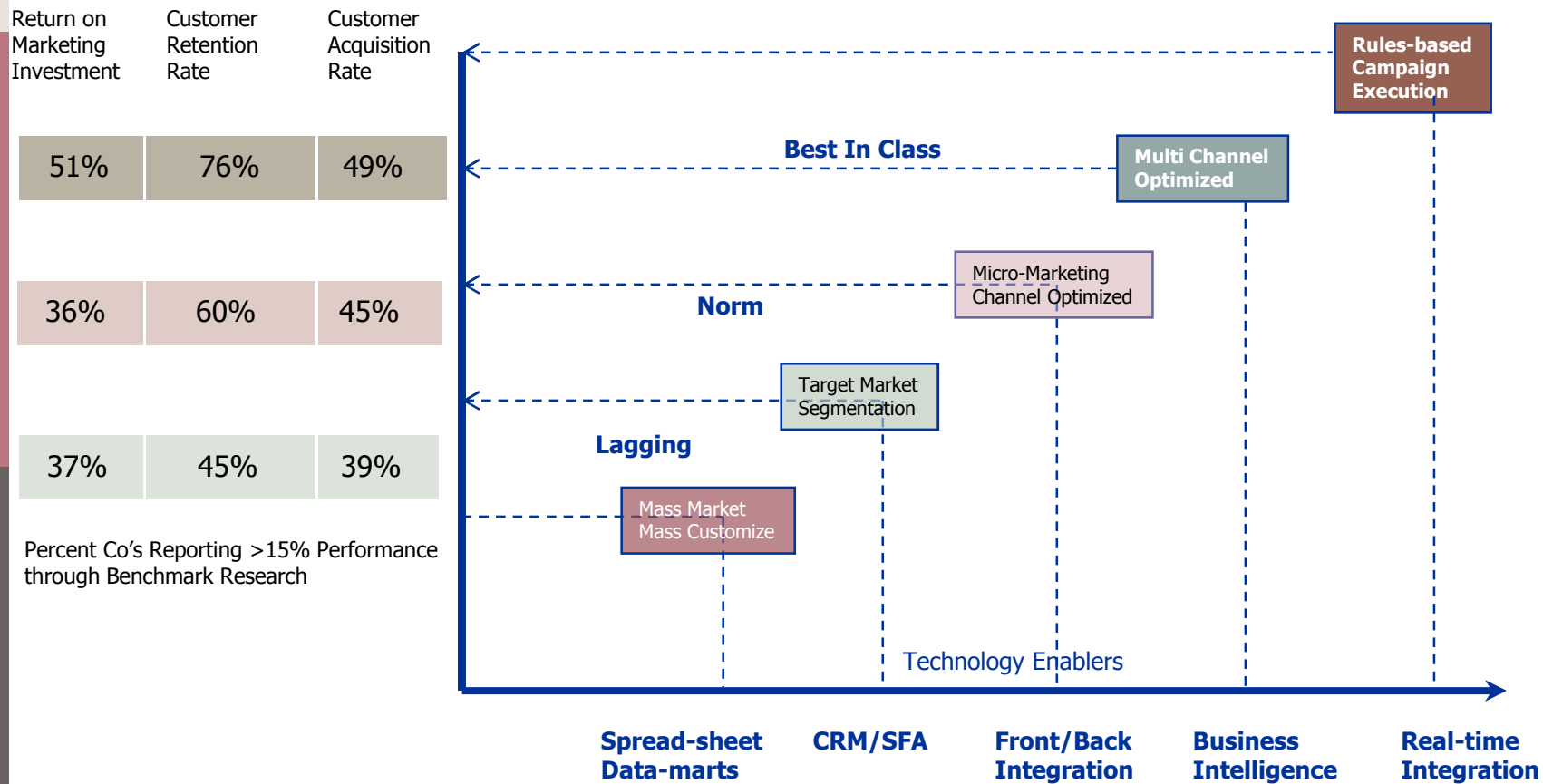
Business Valuation Research Methodology

- ❑ Surveyed and benchmarked >800 enterprises
- ❑ 74% of Top Performers focus on CI as a strategic initiative:
 - Creating a culture of customer-centricity
 - Understand & respond to high value customers
 - >25% Y/Y performance improvement in key metrics
- ❑ Ten companies selected: two or more in each of three categories:
 - Managing Customer Data
 - Analyzing Customer Data
 - Applying Customer Data

Customer Intelligence Usage Delivers Triple Value

- Annual increase in revenues
- Reduction in operational costs
- Increase in customer retention / acquisition rates

Integration, Sophistication & Speed Expands Performance



Business Valuation Research: Real-time CI at POI Delivers High Value:

- **Telco (USA)**
 - 40% reduction in customer churn rates
 - \$1b increase in operating income
 - \$100m in revenues from campaign uplift
- **Financial Service (USA)**
 - 50% reduction in customer churn rates
 - 10% increase in number of portfolio products sold per customer
 - Rules-based campaigns increase velocity 82% annually
- **Online Retailer (USA)**
 - 50% increase in online conversion rates
 - 20% increase in average online purchase per shopping cart
 - CI drives decisions for: promotions, merchandising & product development

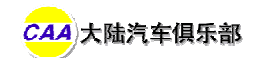
Nationwide Building Society:

□ Integrated Multi-channel Interactions at POI

- £111b Financial services organizations wanted to improve customer experience and extend portfolio penetration per customer
- Real-time, personalized multi-channel interactions: online, call center, in-person
- Integrated with transactional information
- Sales conversion rates from campaigns 30% higher
- Annual cost reductions £250K
- Intelligent prompts [interactional + transactional] yield 10X traditional campaign uplift rates

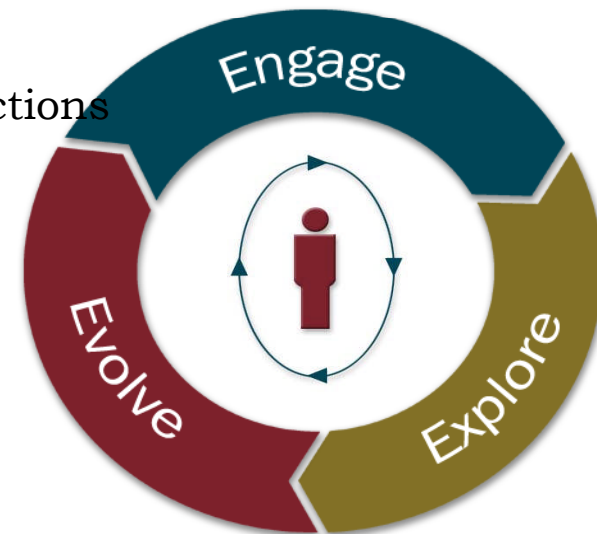
Portrait Software

- UK Headquartered software company
- Offices in USA and Asia Pacific
- Financially strong
- Publicly listed on UK Stock Exchange
- Leading specialist in customer focussed solutions
- Core competency and focus on Customer Interaction & Analytics solutions
- 20+ year heritage in customer driven CIM innovation
- Track record in delivering customer value to 200+ blue chip organisations



Portrait Software: About

- Portrait is Customer Interaction Optimization (CIO) software that helps our customers retain and sell more to people by serving them better.
- We specialize in the high customer volume, B2C market where complex and differentiated processes make a valuable, mission, sometimes life-critical difference.
- Customer Interaction Optimization is about 3 things:
 1. Engage
Deploy multi-channel process driven interactions
 2. Explore
Model & predict customer behaviour
 3. Evolve
Optimize next best action



Turbo-charge Sales & Service Channels

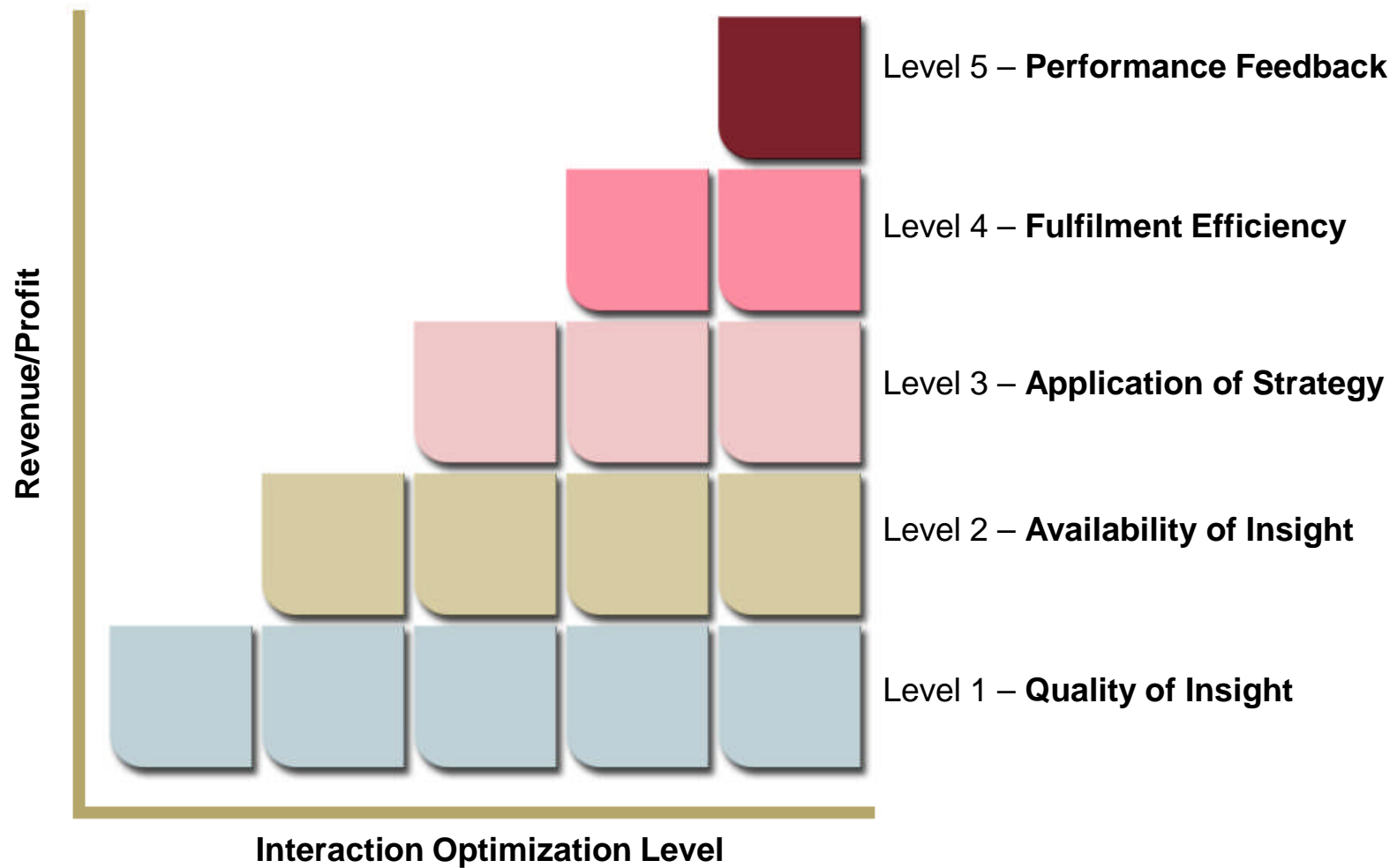
Increase sales and improve customer satisfaction through smarter customer interactions

- **Learn more about each customer**
 - Gain 50% more insight
- **Reduce customer churn**
 - By 40%
- **Make personalized and timely offers**
 - Increase response rates by 50%
- **Improve cross-sell and up-sell results**
 - by 40%

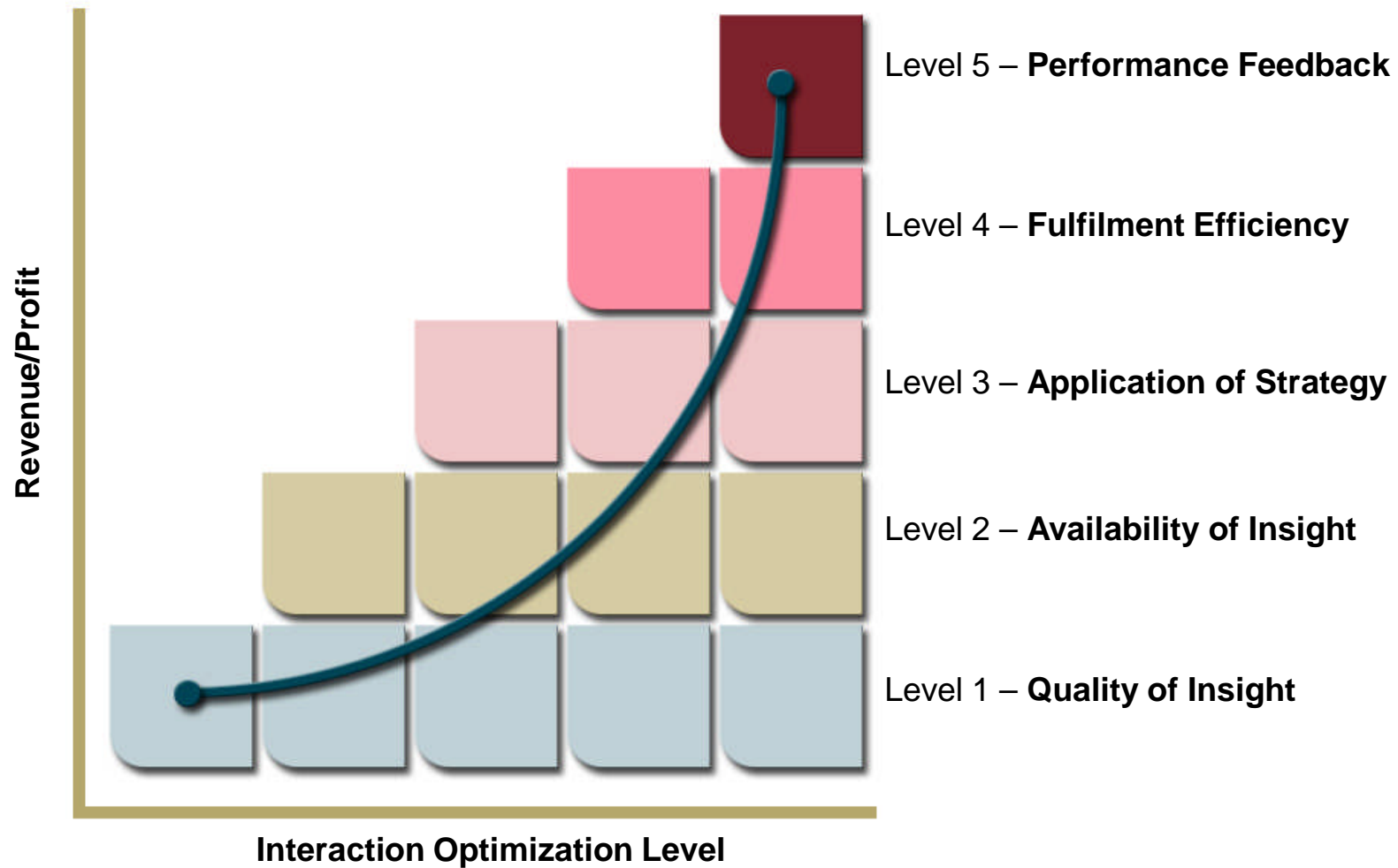
Bringing Insight to the Point of Interaction



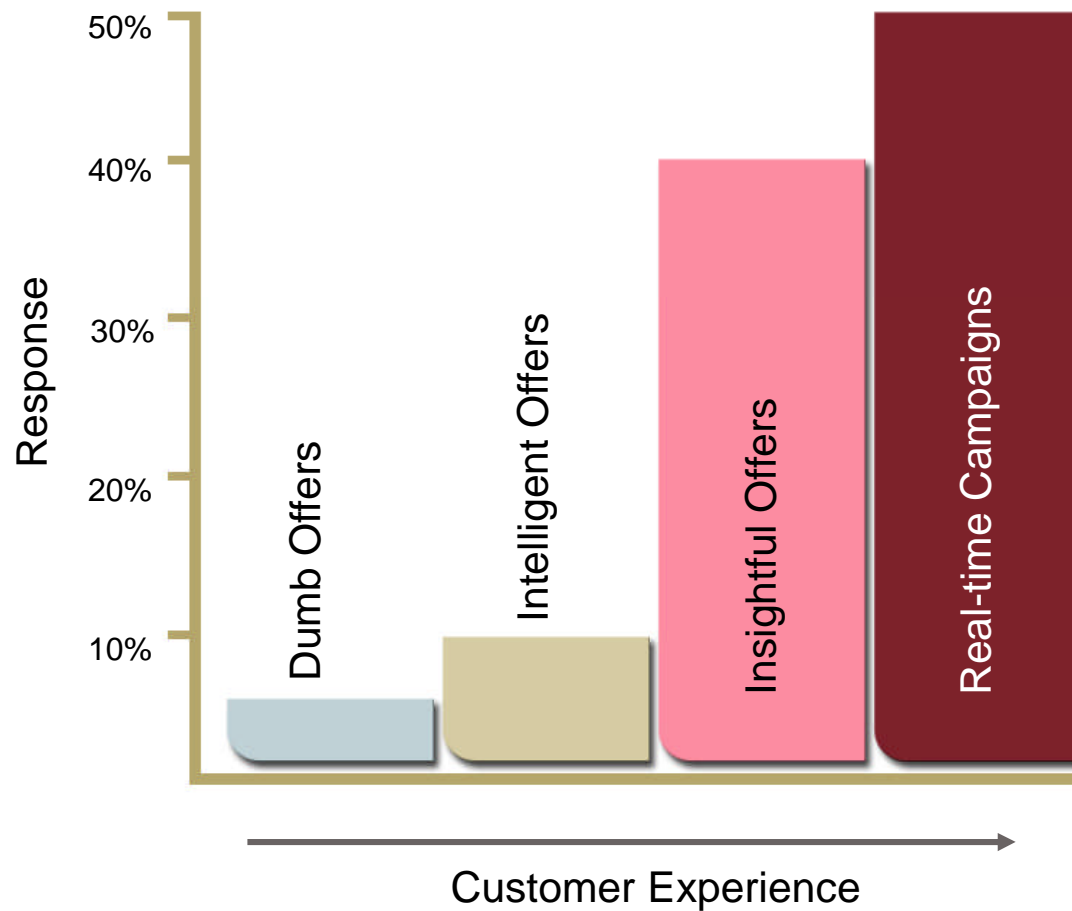
Return on Interaction–Yield Curve



Return on Interaction–Yield Curve



Taking the Optimal Next Action



Interaction Optimizer is software that enables companies to maximise the profitability and effectiveness of every customer interaction, by leveraging all available intelligence at the point of interaction

Summary

- Use of Customer Intelligence delivers triple value
- Inbound interactions are a new competitive battleground for customer retention / share of customer's wallets
- Leverage of real-time analytics / CI at the point of interaction is often the difference between success and failure
- Success strategy winners exemplify benefits and ROI from leveraging customer intelligence

Thank You

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