

# Unlocking the opportunity with **Decision Analytics**

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complex **confident**



Not so long ago, most companies could be successful by simply focusing on fundamentals: building a loyal customer base through superior products and services. However, today's business world is more complex than ever. It is constantly changing, as organizations contend with an escalating number of government and industry regulations, a dynamic economic environment and a shifting legal landscape. Competitive challenges have multiplied too, as businesses worldwide extend their reach into new markets, and new technology is driving innovation and boosting productivity.

Customer needs have become more complex as well, as consumers become more sophisticated and discerning, with higher expectations. To be successful, organizations need a form of decision analytics that will lead them to significant, sustained growth. They are looking for better ways to seek out, target and bring in new customers — and they require deeper insight into their existing customers to fully understand their needs and forge lasting loyalty.

To tackle these challenges, companies need to be confident in the decisions that guide the execution of their business strategy. Forward-looking organizations are investing in data, analytics and operational delivery to empower their decision-making processes — and they are gaining an in-depth perspective of their customers and their own business operations.

#### **Better decisions through relevant data**

Information technology and shifting consumer preferences are producing unprecedented levels of raw data. This data contains rich and meaningful information about consumers. However, as much of this data is generated by multiple, inconsistent sources that reside in siloed environments, it can be difficult to identify, locate and access the most relevant data needed.



#### **The ascendance of analytics**

Analytics are proven to drive business value, and more companies are recognizing the value of analytics in providing additional context and guidance to confidently make strategic decisions. In fact, 58 percent of companies say they use analytics for competitive advantage. Overall, organizations that used analytics were 2.2 times as likely to outperform their peers.<sup>1</sup> Given this context, it is not surprising that International Data Corporation (IDC) forecasts that the analytics market will grow at an astonishing 9.8 percent compound annual growth rate (CAGR) through 2016, to \$50.7 billion.

<sup>1</sup>"Analytics: The widening divide," MIT Sloan Management Review, 2011



Furthermore, the immense scale of raw data makes it hard to organize and make sense of the information, let alone apply it to analytical models.

To effectively use data, organizations need a method to refine their raw data, determine what is most relevant and transform it into useful information that can be used in analytical models to predict customer behavior, evaluate potential and assess risk.

### **Putting data to work**

Having access to sound data and robust analytical models is a vital first step, but businesses also need a way to deploy them into their operational environments.

Putting this analytical insight into action can take time. An organization might spend six months or more applying a new model or strategy to its operational environments. It might have to manage multiple models running at any given time, using different data and/or technical environments. There are also challenges regarding version control and simulation tests, the pace of change within markets and regulatory environments, and constantly evolving organizational strategies and customer behaviors that impact model performance over time.

Although these challenges are a normal part of doing business, they can lead to delays and missed opportunities if not properly managed. To tap the full potential of analytics, organizations need a decision management process that allows them to create and execute decisions quickly, efficiently and repeatedly.

### **Driving growth with a unique blend of expertise**

Experian Decision Analytics can help you to turn today's complex business challenges into a competitive advantage.



Experian® enables you to make analytics-based customer decisions that support your strategic goals, providing a scalable, repeatable method to achieve and sustain significant growth. We collaborate closely with you to identify what matters most about your business and customers.

Then we create, test, implement and optimize analytics-based decisions to manage your strategies over time.

### **Acquire the right customers**

Acquiring the right customers is a critical component of growth for most organizations. Crucial to this process are identifying and targeting new prospects, matching qualified prospects with the best offer and effectively interacting with them to build profitable relationships. We can help you qualify the high-value prospects and maximize return by determining the best product for each prospect and engaging them through the appropriate channels.

### **Grow customer relationships**

In a highly competitive environment, the customer experience is a key differentiator.

To build loyalty and forge closer relationships, you need a complete view of your customers to help you understand their behaviors and keep pace with their constantly changing needs. Your customers want to work with a trusted provider who will offer relevant products and services at competitive prices. This connection can help fuel future growth through cross-selling and up-selling. And, ultimately, it can create higher levels of customer engagement and lower attrition. Experian Decision Analytics helps you qualify the cross-sell population for specific products and offers with advanced analytics — and proactively identify events to trigger the cross-sell offer. You also can take advantage of granular, attribute-based segmentation to maximize your return on investment. Experian Decision Analytics enables you to make more relevant decisions to increase the lifetime value of each customer and drive sustained growth.

### **Retain and manage good customers**

Growing your business is not only about expanding your market reach. It also involves proactively managing existing customer relationships.

If you're looking for more effective ways to keep and manage current customers, Experian Decision Analytics helps you segment customers based on risk and potential. Armed with a broad, deep understanding of customers and their likely behaviors, you can minimize attrition by

With Experian Decision Analytics, you can unleash the full potential of high-performance decisioning to address your biggest challenges and build a foundation for ongoing success.

making the right decision at each customer interaction. You also can reduce losses and operational costs by taking the most appropriate action during each phase of the collections process. Experian enables you to increase profitability by putting the customer first and aligning all your actions through analytics-based customer decisioning. By employing this customer-centric business model, you can retain and manage your customers more effectively and efficiently over the long term.

#### **Enhance capital allocation and forecasting**

In a complex regulatory environment, managing capital allocation and forecasting can have a big impact on your competitive positioning.

For example, if you're a financial institution, you undoubtedly face stringent Basel III and other local financial authority regulatory guidelines on capital allocation and risk assessment. To meet these requirements and still maintain growth, you need to thoroughly evaluate how your key

performance indicators will change under dynamic economic scenarios. Experian Decision Analytics can help you model and forecast risk under different conditions and implement the capital allocation strategy that is best aligned with your risk appetite. Our stress-testing methodology lets you accurately allocate capital to meet regulatory and growth targets — and use compliance as a source of differentiation and competitive advantage.

#### **Minimize fraud and identity theft**

Effective fraud management and identity resolution are key to minimizing risk at any organization. Experian Decision Analytics offers best-in-class identity authentication and verification tools that utilize our own vast data assets, client data and third-party data. We combine this information with advanced analytics, hosted rules and risk-based decisioning technology so you can address multiple types of fraud.

With Experian Decision Analytics, you can proactively manage risk with accurate

information about an individual's identity to identify new credible customers, protect existing customers and meet regulatory obligations.

#### **Delivering real business benefits**

Experian is an expert in connecting, organizing, interpreting and applying data, transforming it into information to address real-world challenges. Building on our combined expertise in information, analytics, strategy and execution, Experian Decision Analytics helps you unlock a wealth of benefits immediately — and set the stage for long-term success.

#### **Increased revenue**

With Experian Decision Analytics, you gain the insight and agility you need to find and engage the right customers and target the offers and products that are most attractive to them.



Our products and services can inform cross-selling and up-selling, as well as strategies for growing market share and penetrating new markets.

#### **Controlled risk**

Experian offers a broad range of risk-management products and services to enable you to control your credit risk exposure, manage portfolios, and balance risk and reward more effectively. With insight into potential risks, you can develop appropriate pricing, reward valued customers, and optimize collections and recovery. We also employ the latest, most sophisticated fraud management tools and identity verification technologies to stop potential risks before they occur.

#### **Operational efficiency**

Experian Decision Analytics lets you quickly and easily convert raw data into practical intelligence. We help you bring disparate tools and processes together under a common platform so you can execute sophisticated analytics-based strategies faster than before. With a more efficient organization, you can increase speed to market, capitalize on opportunities faster, and improve the quality and consistency of your customers' experiences.

#### **Compliance as differentiation**

Experian's proven compliance expertise helps you not only satisfy regulatory issues, but also use compliance as a source of competitive advantage. Experian Decision Analytics helps ensure compliance with essential regulations, such as Basel III and Know Your Customer requirements, while optimizing capital allocation.

## **Making confident decisions in a complex world**

In an increasingly complex business world, your ability to make analytics-based decisions is key to maintaining growth and profitability. By choosing Experian as a strategic partner, you can overcome this complexity and feel confident in the decisions that drive your strategy and customer interactions.

Only Experian can deliver the rich combination of data intelligence, analytics, decisions and execution you need to unleash the full potential of decision analytics. We serve clients in more than 90 countries, and our ability to think and execute globally enables us to bring relevant best practices and resources to local problem solving. With decades of leadership across a wide range of industries, Experian maintains a solid reputation for integrity and an impressive track record of business performance.

Find out how you can achieve more dynamic decisioning to meet today's new business challenges by visiting [www.experian.com](http://www.experian.com).



Experian  
475 Anton Blvd.  
Costa Mesa, CA 92626  
T: 1 888 414 1120  
[www.experian.com](http://www.experian.com)



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