Accenture Customer Insight
Creating Value through Actionable Customer Intelligence

High performance. Delivered.
Of all the ways companies can achieve lasting competitive advantage, developing a granular understanding of their customers is among the most valuable. This level of understanding includes who your customers are, what they buy, which channels they prefer, and how they respond to changes in price and promotion. Capturing these insights can increase the relevance of offers and interactions, and improve overall customer retention. Marketing leaders agree, but struggle to realize these benefits. According to the 2012 CMO Insights Survey, sponsored by Accenture, of the 400 senior marketing respondents, 72 percent agreed to the importance of turning customer data into actionable insight, but only 12 percent said they are leading edge at it. Companies that have the capability to continuously harness the ever-expanding customer, transactions and digital data generated from point-of-sale, mobile and social platforms and various cloud-based big data sets can gain insights more quickly, and make more informed customer facing decisions. Those companies that do not develop or avail themselves of this capability will not survive in the future marketplace. In sum, better customer insights help the top and bottom lines by providing the foundation to increase sales and customer retention, while also reducing overall operating, marketing and technology costs. Yet even as the volume and types of data that can lead to better insights continue to expand, companies are challenged to reconcile and use that data to improve business results. After a decade of innovation in the analytics area, companies often find they have a number of point analytics solutions that are costly to maintain and difficult to integrate into a holistic view of the customer. In fact, a recent Accenture report detailed how fragmented analytics efforts undermine value creation. Further, just as the need for data analytics has exploded, it has become increasingly difficult to find and retain the right data and analytics talent to provide ongoing enterprise support. These challenges underscore the need for a more coherent, integrated approach to deriving customer insight from data assets. The Accenture Customer Insight framework (see Figure 1) integrates our proven customer analytics, technologies, data processes, and services to help companies become world leading insight-enabled organizations.
Accenture Customer Insight (ACI) provides marketing, merchandising and operations teams and their suppliers with a comprehensive suite of data, technology and advanced analytics that support a better understanding of customers and improved customer-facing functions. In short, our proven solution provides organizations with a comprehensive customer insight infrastructure—“everything below the user”—including:

- Customer Analytics
- The Accenture Customer Insight Platform
- Data Integration and Management.

Among the strengths of the Accenture Customer Insight (ACI) solution is its comprehensive scope and flexibility. ACI can be easily adapted by consumer-facing businesses, from retailers and consumer goods companies to health care and telecommunications service providers (see sidebar).

### Verizon Wireless: Leveraging Deeper Customer Insights to Increase Marketing Precision

Accenture worked with Verizon Wireless to design, build, and bring to market a new service that helps US retailers, publishers, venues, and other enterprises understand and engage with audiences more precisely, efficiently and profitably. Accenture Customer Insight was a critical component of the service; it provided customer segmentation capabilities as well as the user interface for how enterprises interact with the data. Verizon Wireless Precision Market Insights is an exciting, new and unique solution powered by the layering of behavioral audience insights based on mobile engagement, location and demographic information. This 360° view helps companies know their audience more precisely and drive their business more efficiently.3

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Overview: Accenture Customer Insight

While the solutions and tools within the Accenture Customer Insight framework are modular in nature, maximum benefits are captured by using them together. The solution has three major components: Customer Analytics, the ACI Platform, and Data Integration and Management.

Accenture Customer Insight is a comprehensive, integrated solution that provides cost-effective customer analytics, easy-to-use business intelligence, and data integration and management support. ACI helps companies answer their most critical questions, such as which customers hold the highest value, and how sensitive certain segments are likely to be to pricing or promotional changes.
Accenture is a leader in customer analytics, and the ACI framework incorporates many of the tools and capabilities we have used to support organizations in a variety of sectors (see Figure 2). Our analytics services include tools and methods to sense trends and insights from data, model “what if” scenarios, and support better decision-making from the insights derived. These analytics services can be delivered as short term strategic engagements or longer term managed services.

For example, our team provides a leading European retailer with both ad hoc strategic services as well as ongoing business process support. An Accenture team has run all demand forecasting for promotional and seasonal products for this company for over three years, increasing promotion effectiveness by 11 percent and reducing promotion inventory by over 16 percent.

Additional examples of our customer analytics services include:

- Customer, location and product segmentation development, profiling and management
- Category role identification and strategy development
- Customer choice modeling and product feature/incremental analysis
- Predictive modeling and demand forecasting
- Root cause analysis

By integrating cross-functional analytics, teams obtain a broad and consistent view of a company’s performance and customers, and can work in a more coordinated manner to create exceptional, seamless customer experiences that optimize variables such as product portfolio, price, promotion, and space allocation.

Accenture’s research into high performance businesses shows that deeper analytics capabilities—particularly the development and use of segmentation and predictive analytics—distinguish high performers from average or lagging companies.
By combining transaction and purchase history, loyalty card data, and data from other sources, Accenture customer analytics allows companies to segment and profile customers more precisely, identify next best offers across touchpoints, and optimize price and promotion levels to meet consumer needs. Our predictive analytics services ensure that clients go beyond the basic data querying and analysis (the "what") to answering the "so what" and "now what" questions that drive real business results (see sidebar).

Using Analytics to Master the Art of the Sale

Lawson, a leading Japanese convenience store chain, was facing a challenge: ongoing marketing promotions weren’t driving new sales. Accenture helped leverage data from 40 million customers enrolled in Lawson’s loyalty program to optimize marketing investments and improve shelf space allocations and fulfillment. With more than $12.5 million in profits already generated, efforts are on target to exceed a $125 million annual sales increase.
The ACI Platform: A Web-based Accelerator to Deliver Transparent Business Intelligence and Analytics

A common issue with many proprietary analytics solutions is that they are shrouded in mystery, only penetrable and explicable by the solution development team. Many companies have found that if they want to use an analytics solution they need to “adopt” a solution architect from the solution provider to implement and maintain it. Our approach is different. Unlike “black box” analytics offerings, the components and support provided with the Accenture Customer Insight Platform are easy-to-use and transparent to the user (see Figure 3).

Accenture Customer Insight teams work with client organizations to configure our web-based software platform to meet the unique needs of the company, and ensure a clear view into both inputs and outcomes of the analytics process. We also collaborate to develop clear performance management outputs so that clients can measure what matters most to them and generate both standardized and ad hoc reports and dashboards that provide the basis for actionable insights.

The ACI Platform is not a “one size fits all” solution. Rather, our teams enhance our extensive library of reports and dashboards with customized views and communications that are meaningful to our clients such as mobile alerts, self-service analysis, and data mash-ups.

Our teams recognize the need to elevate insights to the executive level quickly for faster decision making and execution. By having a transparent, customizable solution, client organizations can equip themselves with the information they need when they need it, rather than relying on others to provide dated, less precise and more generic analysis and reporting on their timeframe.
The ACI Platform runs on commonly available business intelligence and database platforms or can be set up and accessed through a cloud, so no major investment in additional technology infrastructure is required. Depending on a company’s needs, Accenture can provide:

- Flexible, scalable and secure technology environments
- Application outsourcing, infrastructure outsourcing and data hosting arrangements
- Integration with industry-leading business intelligence platforms
- 24x7x365 Tier 1-2-3 help desk support.

In fact, Accenture Customer Insight teams have helped companies commercialize the data management capabilities acquired as part of their use of the ACI platform (see sidebar). Companies capture multiple benefits, increasing revenues and returns from their initial investment even as they gain added insight to refine their own business.

Speed-to-value is always a key concern when adopting a new solution. Because it encompasses both back-end and front-end technologies, the ACI Platform can save clients the time and expense of integrating multiple point solutions, while offering the flexibility to integrate seamlessly with existing business intelligence investments. Our proprietary Accenture Customer Insight platform allows organizations to become a more customer-centric organization within six to eight weeks. For example, a Latin America retailer launched the ACI Platform with the help of an Accenture Customer Insight team within eight weeks, providing customer, marketing and merchandising teams with immediate customer insights and helping cement support for an organization wide customer-centric transformation.

**Driving Sales and Customer Loyalty through Customer Insight**

Accenture helped a leading US pharmacy retailer build an innovative customer analytics capability that provides business users and supplier partners with detailed customer insights to optimize its loyalty marketing programs and continually improve the service it provides for its customers. The Accenture Customer Insight analytics engine offers a uniquely accessible view of item-, store-, and customer-level data to create profitable marketing promotions and campaigns. Since taking the new solution live, this pharmacy retailer is positioned to achieve high performance, increasing sales among its loyalty program cardholders, improving transparency of its marketing investments, and enhancing the organization’s ability to make decisions that will drive cardholder value and growth. For example, with the new analytics capability, our client was able to offer special promotions to environmentally conscious buyers in select locations. This campaign not only satisfied the segment members’ desire to be more eco-friendly, but was also responsible for more than $100,000 in incremental sales increases. In another case, the company was able to target its highest-value, longest-tenured cardholders with a direct mailing. The campaign generated a 27 percent response rate, significantly lifted sales for this segment, and achieved a return on investment of more than 100 percent.
Continuous Internal and External Data Integration & Management

By now, most companies realize that their data—customer data, point-of-sale transaction data, sales and performance data—truly is a strategic asset. Indeed, enterprises like Google and Amazon have superior data integration and management capabilities at the core of their business models and value propositions. What these companies know is that while there is inherent value in data itself, effective data integration and management, as well as analytics, are needed to unleash that value for customers and business partners.

Accenture has helped clients in every major sector get the most from their data as cost effectively as possible. The Accenture Customer Insight team embeds many of the lessons learned in the art and science of data integration and management into each client engagement. We provide clients with data management tools and repositories, as well as data mapping and cleansing services. We also support extract, transform and load (ETL) configurations to ensure the customer data is ready to use (see Figure 4).

High-performance businesses depend upon reliable master data, a set of core information about customers, products, employees, materials and suppliers. Accenture’s technology and industry experts can assist during every stage of a master data management (MDM) program, from forming a data strategy to implementing technology and new processes. Accenture brings significant experience using industry data standards and models to integrate and manage heterogeneous “big data” stores in such as areas as:

- Customer and product hierarchy management
- Business rules and logic
- Data governance
- Data matching and error reporting.

Data is the lifeblood of consumer-facing companies, and needs to flow throughout a company’s network to extract the most value from it. Accenture’s deep expertise in master data management set-up and maintenance services ensures that data feeding analytics and reporting processes are integrated, reliable and up to date.

Figure 4: Data Integration & Management Capabilities

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Why Accenture Customer Insight is Different

Accenture Customer Insight was developed to address the capability, coverage and operating gaps that clients are struggling with now. First, deep business intelligence and analytics skills are difficult to find in today’s marketplace. In fact, the need for top-flight analytics capability is so pervasive that Harvard Business Review declared “data scientist” to be the sexiest job of the new century. The growing talent gap is one reason Accenture provides its customer insight and analytics services in a variety of delivery formats.
Flexibility is also a top concern of companies seeking to cost effectively augment their customer insight capabilities. Depending on organizational need, our teams can assist in single-instance strategic analytics efforts, subscribe to services from our menu of options, or obtain ongoing business intelligence and process support in a managed services arrangement. All of these delivery options serve to quickly bolster the capabilities of client organizations when and where they need it most, without the delays and expense of finding, recruiting and onboarding analytics talent.

The transparency of the Accenture Customer Insight also differentiates it from its competitors. Our teams view achieving customer insight as an ongoing, collaborative endeavor that should evolve as companies’ needs change. In addition, using the Accenture Customer Insight Platform accelerates both the speed to market of insights and the pace of customer-centric organizational transformation. Unlike other assets in the market, the ACI platform not only provides cross-functional insights within client organizations, but also enables data monetization and collaboration initiatives with suppliers and vendors in the wider business ecosystem.

Finally, the Accenture Customer Insight team can provide comprehensive support services including process enablement and change management. Our organizational transformation experts will ensure that client personnel are aligned to, comfortable with, and able to make best use of new analytics assets and processes. Our support includes the talents of Accenture Interactive’s Customer and Digital Analytics practice that consists of over 400 professionals worldwide. The ACI team includes experienced practitioners from our consulting, services and technology workforces with demonstrated skills in customer, marketing, merchandising and operations analytics as well as software development and deployment. As shown in Figure 5, a typical client engagement consists of building and mobilizing data assets, identifying quick wins and longer term analytics goals, deploying the ACI Platform to accelerate use of the analytics insights, and driving and sustaining organizational change.

Accenture also provides ongoing global support from its analytics centers of excellence to ensure clients can maintain momentum for their customer insight efforts.

For example, a payments company leveraged our centers to create a global segmentation framework to improve advertising performance and returns on advertising spend across North America, Europe, Asia and Africa. After several internal attempts that fell short of their goals, the client asked Accenture to use its technology, resources and capabilities to integrate and extract new value from global survey data. An Accenture Customer Insight team working from our Athens Innovation Center performed rapid iterations of statistical analysis of in-depth country-level research to identify key trends and payment methods that the company could use to craft more effective campaigns. The combination of Accenture’s deep analytical expertise, proven delivery methods and proprietary technology augmented the company’s own capabilities to generate the insight needed.
Driving Value into the Future

Accenture Customer Insight reflects our continued investment in developing next generation, technology-enabled solutions and tools. Our integrated services provide clients with a broad range of industry, analytics, and technology expertise cost effectively, allowing them to generate insight and additional value in all dimensions of the marketing and merchandising cycles. As a world leader in capabilities critical to consumer-oriented businesses such as Multichannel Commerce, Digital Marketing, CRM, and Customer Service operations, Accenture is able to quickly provide organizations with step-change improvement in customer and merchandising insight that can lead to long-term competitive advantage.
References

1 CMO Insights, 2012.
3 Learn more about Precision Market Insights.

4 Jeanne Harris discusses the importance of effective data strategies in Data as a Strategic Asset.
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About Accenture Interactive  
Accenture Interactive helps the world’s leading brands drive superior marketing performance across the full multichannel customer experience. Working with over 5,000 Accenture professionals dedicated to serving the marketing function, Accenture Interactive offers integrated, industrialized and industry-driven digital transformation and marketing solutions. Follow @AccentureSocial or visit accenture.com/interactive.

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