Accenture Interactive

Part of Accenture Digital

The Accenture Clustering Engine:

Powering a Significant Leap in Customer Segmentation

High performance. Delivered.

Companies are experiencing a data explosion. The amount of customer data companies have available to them is increasing exponentially. While the potential it holds to garner customer intelligence seems unlimited, the sheer volume and variety of data actually makes customer segmentation vastly more difficult.

To date, most customer segmentation has been done by analysts using traditional tools and guided by intuition and trial-and-error. But with today's data explosion, this approach has become outdated and ineffective. Hundreds or thousands of variables are available for any given customer. Assuming the analysts are working

with just 50 variables, they have a one in 15 million chance of choosing the best six attributes from which to create segments. In other words, it's nearly impossible. It's time for companies to take a significant leap forward in how they do customer segmentation.

Finding the Optimal Combination

The Accenture Clustering Engine uses artificial intelligence and advanced data visualization to evaluate millions of possible solutions to help identify a short list of the best candidate segments or audiences quickly. Using traditional methods, teams can take months to evaluate just a dozen segmentation solutions. In comparison, the Accenture Clustering Engine combines complex evaluation criteria with advanced heuristic search techniques to cycle through a thousand search-cluster-evaluate cycles per minute.

CUSTOMER SEGMENTATION:
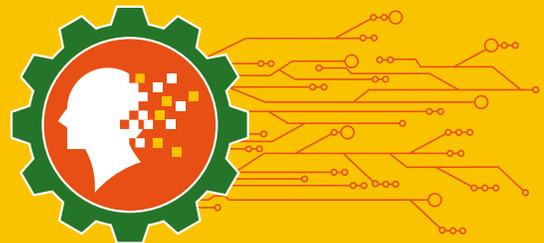
THE ODDS OF CHOOSING THE BEST SIX ATTRIBUTES IN A SET OF 50?

1 IN 15 MILLION

Strategy | Consulting | Digital | Technology | Operations

The Accenture Clustering Engine is further differentiated by the business-relevant, distinct, and actionable nature of the solutions it produces.

BUSINESS-RELEVANT
The Accenture Clustering Engine's segments are specifically defined around a company's value drivers. This means its outcomes are market relevant.

DISTINCT
The tool doesn't segment people according to obscure mathematical similarities – it produces sets of people, or audiences with clearly defined differences. This means the resulting segmentation is rich, distinct, and easy to understand.

ACTIONABLE
There's no point in defining segments if you can't do anything with them. The Accenture Clustering Engine's segments are actionable – they're defined through accessible data.

Whether a company is guiding new product development, identifying new store locations, determining the merchandise assortment for a specific store, or developing marketing campaigns to motivate and reward high value customers, the audience segmentation produced by the Accenture Clustering Engine can provide powerful guidance – all within a few hours.

To learn more about how the Accenture Clustering Engine can power a significant leap forward in your customer segmentation visit **accenture.com/personalization**.

Accenture Clustering Engine Framework

Enhanced Clustering

Partition clustering with enhancements that allows categorical data, handles missing values, and can even support latitude & longitude coordinates.

Segment Quality Evaluation

Each solution is evaluated on a proprietary set of metrics that measure cluster health, business value differentiation and profile richness.

Heuristic Search

Supervised machine learning algorithm moves toward high-scoring solutions and away from low-scoring ones, rapidly converging on the best available solutions.

About Accenture Interactive

Accenture Interactive, part of Accenture Digital, helps the world's leading brands drive superior marketing performance across the full omni-channel experience. Accenture Interactive offers integrated, industrialized and industry-driven digital transformation and marketing solutions.

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About Accenture

Accenture is a leading global professional services company, providing a broad range of services and solutions in strategy, consulting, digital, technology and operations. Combining unmatched experience and specialized skills across more than 40 industries and all business functions-underpinned by the world's largest delivery network-Accenture works at the intersection of business and technology to help clients improve their performance and create sustainable value for their stakeholders. With approximately 373,000 people serving clients in more than 120 countries, Accenture drives innovation to improve the way the world works and lives. Visit us at **www.accenture.com**.