EXCLUSIVE REPORT: The Ultimate Toolkit for Building EDW Business Value

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INCREASING THE VALUE OF YOUR CRM STRATEGIES
Know what customers want.

by Robert Allan McLellan

Knowing customers and what motivates them to buy is crucial for companies that want to compete in today's dynamic, open market. However, business today also demands that companies simultaneously manage customer interactions, enhance customer satisfaction, build customer loyalty, increase work force productivity and reduce unnecessary expenditures. It's an interactive world where businesses must build the bottom line while serving customers who are willing to give loyalty to those who recognize their intimate wants and needs.

Businesses that adopt a customer-centric business strategy and interact with customers with relevance and timeliness are reaping enormous rewards. Yet to do this, companies need intelligence from across the enterprise to understand and prepare for what customers want. Not just any CRM solution can help them get there.

Teradata addresses the needs of today's enterprise with leading-edge CRM analytical tools that provide companies with the intelligence to understand customers and make that understanding actionable across the business. The newest release of Teradata's industry-leading CRM solution, Version 6, provides all the power of previous Teradata CRM releases but adds more than 100 new features that leverage the browser interface familiar to millions of users. It also adds innovative functionalities that bring those users completely new capabilities. Version 6 unleashes the power of the Teradata Database and drives enhanced business productivity with access to the information that leading companies need in order to deliver personalized customer service for loyal, profitable relationships.

Empowering the work force
Many CRM software systems contain features that an enterprise needs in order to be effective, but if users find them difficult to use, the full value of the application may not be realized. Version 6 makes power users more productive and enables new users to derive rapid business value through a goal-directed design that focuses on worker needs rather than technology alone. A highly intuitive, role-based user interface puts more power in users' hands, requiring less reliance on IT staff as well as enabling a broader set of users such as marketing executives and a more empowered work force.

Even the most casual user can now be productive through functionality that's geared to each user's business needs. For example, a campaign developer can now easily define customer communications through ad hoc queries, counts and analyses. In addition, the campaign developer can leverage best-in-class techniques by reusing system objects already established by others and taking advantage of non-linear workflows that allow users to quickly change direction to accommodate busy schedules and the influx of new tasks.

The communication development process contains process management features and workflow management features within the tool. These features help developers understand what they need to do and provide an appropriate means of communicating progress to the marketing manager.

Version 6 also supports those marketing managers who are often more casual users of the system. They can easily view business results, note exceptions and quickly communicate marketing and campaign objectives.

Extending user reach
Using Version 6, users are more productive, drive more loyalty and have better access to customers. For instance, by capitalizing on powerful functionality and technology in Version 6, users get more actionable access to information about their customers so they can better respond to customer needs. In addition, users are able to develop more loyalty with customers and become more effective in their communications because customers feel known by the company.

Additionally, because Teradata has added a browser interface and J2EE (Java 2 Platform, Enterprise Edition) technology to Version 6, usability has been extended...
with more open, flexible functionality. Version 6 delivers a better fit with a customer’s enterprise architecture and can be more easily extended with new functionality or integrated with other enterprise systems. With CRM supported by Teradata’s enterprise data warehouse, Version 6 provides superior performance and scalability to accommodate any business’s most challenging future needs.

Automated for business gains
To help companies manage the flow of marketing activities, automating CRM processes enables managers to define rules to trigger automatic execution of multiple steps in an extended customer dialog plan, enforce approvals and handle various kinds of notifications and alerts. Version 6 allows companies to define rules that automate decision making on important issues, such as which communication channel or customer relationship to use, or which type of offer to make to the customer.

A rule governing communication channels could be based on “customer value.” If a customer relations situation involves a high-value customer, for example, then a more expensive channel, such as a personal phone call, may be the best choice for customer contact and conflict resolution. For a lower-value customer, e-mail—a less expensive channel—may be the preferred communication. Customer value can be determined each time a communication is scheduled, ensuring the latest customer behavior is considered.

In addition, a channel rule could be set up based on customer preference: When high-value customers opt out and ask not to be called, their communication would be routed to the most appropriate or preferred channel for that customer. This kind of automated function allows companies to more effectively meet customer preferences.

Built on Teradata’s proven track record
To create a sustainable competitive advantage through CRM, a business must master leading-edge intelligence tools that raise its organizational IQ to peak levels. Teradata solutions have a proven track record of quickly and effectively resolving industry-specific CRM problems.

Version 6 blends sophisticated, event-driven communications and customer analytics in a two-phased approach: user interaction and processing. Version 6 helps users collaborate in a work group environment where people across the enterprise can work together. When a user defines the rules and the work to be accomplished, the heavy lifting of processing occurs behind the scenes, exploiting the power of the Teradata Database.

Comprehensive customer management
Version 6 provides a framework and a simple User Interface that affords access to a broad range of products and tools within the Teradata customer management portfolio. Built on Teradata’s strength—providing a single, comprehensive view of every customer—Version 6 focuses on five major areas of functionality that give enterprises an edge:

- Customer analytics
- Customer dialog
- Customer interaction management
- Communication optimization
- Marketing resource management

![Teradata Customer Management Solutions framework](image)
**Customer analytics**
Teradata Customer Analytics create actionable intelligence for opportunity discovery, decisioning, creating compelling value propositions, growing profitability and managing customer segments. Developed for use by marketing and business users, guided analytics offer many key tools including affinity analysis, behavioral trend analysis, cross-segment analysis and sophisticated segmentation capabilities, which generate segments or target lists that are immediately actionable by Teradata’s automated dialog management system. Other tools, such as Teradata Analytic Calculator and Teradata Warehouse Miner, can also be easily integrated into the analysis process.

**Customer dialog**
Teradata Dialog Management delivers a consistent customer experience across the Enterprise (all channels, all business functions) with comprehensive personalization for relevant, timely and accurate customer dialogs. Teradata Dialog Management defines and builds the communication plan for the customer, including how to interact with the customer (direct mail, e-mail, phone calls, self-service); the type of interaction (product offer, service, issues about a new regulation); how to personalize the communication; and where to include an offer. A dialog could be as simple as sending information to a list of carefully targeted customers or as complex as recognizing an unusual string of behaviors and engaging in a multi-step, multi-channel dialog over a period of months. Version 6 provides sophisticated, yet simple to use, functionality to develop, implement and monitor ongoing dialogs with millions of customers across dozens of channels every day.

**Customer interaction management**
Teradata Interaction Management provides a unique capability to bridge the operational and analytic customer management environments, providing access to all your customer data where it’s needed—at the customer touch points. Multi-channel management provides connection and consistency across all customer-facing channels. Connection adapters provide an easy-to-integrate interface for existing and new touch point systems. E-mail and self-service delivery options extend consistency to self-service channels. And real-time scoring and rules engines provide operational decisioning, complementing the deep analytics in the data warehouse. This capability can deliver an offer to the call centers, a store, a personal banker, or a self-service device such as a Web site or ATM. It can integrate through any channel and capture a response as a result of that communication with the customer, potentially driving follow-on activities or communications.

**Communication optimization**
Teradata Communication Optimization is built into all areas of Version 6. Global business rules monitor and manage the communication process to assist in the selection of the best offer to deliver to each customer, how often and precisely when each customer receives an offer, and the best channel for each communication. Optimization provides evaluation.
of the best communication practices to use with a customer. For example, the Teradata rules engine determines the best practices to use with a customer including the best prospects for every offer, the best offer for every prospect and the best channel for every communication. Delivery of these offers is managed through a set of channel optimization rules to ensure that channel cost, customer preference, business needs and strategy, and channel capacity are managed together. Other optimization rules determine what types of offers or messages can be delivered when, in order to minimize excess contact while ensuring that only the best offers are delivered to the best prospects at any given time.

**Marketing resource management**

Teradata Marketing Resource Management capabilities help your organization optimize productivity, reduce costs and manage the entire marketing process. Version 6 makes available such capabilities as marketing process flow, automatic notification and enforced approvals management, executive dashboards and reporting functionality, management of outside agency spending, access to digital creatives and assets, and planning, forecasting and budgeting tools to help monitor and optimize all marketing resources. These capabilities can significantly impact the bottom line of your business and result in more effective and efficient marketing of your brand, products and services to the marketplace.

**Designed for usability**

Developing an object model that is consistent throughout a company’s CRM architecture should be a key design objective. This should include a number of important elements in the design process: to enable collaboration, to provide a work group environment for multiple people in multiple organizations to work easily together and to make it feasible to reuse items that have been created by others.

Teradata’s design team worked with Cooper Interactive, an external consulting company that specializes in the creation of breakthrough interactive products. Together, they focused Version 6 on three distinct personas: the marketing manager, a high-level executive who sets the direction but hardly ever uses the product; the campaign manager, who’s responsible for managing and tracking multiple campaigns; and the individual user, such as a campaign developer who is responsible for doing highly focused, day-to-day work.

In addition, designers also interviewed many existing Teradata CRM customers to understand their business needs, their issues and what additional functionality would provide the greatest benefit to their marketing process and effectiveness. This feedback was incorporated into Version 6, addressing areas such as usability and efficiency, process and collaboration, multi-step communications and optimization, decreased dependency on IT, and ease of migration to a new release or platform.

**Enhanced technology**

Version 6 is built on the Teradata Application Platform (TAP), which is a browser-based, J2EE technology foundation. The Version 6 browser-based design enables it to be more easily deployed throughout the organization. Moving to the J2EE application server technology platform enables a better fit in an enterprise, providing consistency on how applications are managed and administered. If an organization is leveraging multiple Teradata applications or wants to do some of its own development on the TAP platform, Version 6 provides a consistency of user interface with the interaction of shared components.

With Version 6, Teradata has also taken a new approach in design philosophy, allowing all information processing to be done in the database. In prior versions, some processing was done by bringing data back to an application server, doing some processing and putting the result back into the Teradata Warehouse. Version 6 takes processing to a whole new level.

**Version 6 design principles**

The key architecture and design principles for Version 6:

- **User-centric interface**: Focuses on the tasks that the user must perform rather than the technology. In addition, key user types such as marketing manager, campaign manager and campaign developer were defined and analyzed to determine how best to meet their business needs. Also, Version 6 is built on TAP so that it may more easily leverage common services and provide a broader suite of services to the user.

- **Point and click query building**: Enables business users to generate complex queries easily and quickly and leverage the TAP Query Builder to support this capability.

- **Model View Controller model**: Separates business logic from presentation logic and enables the use of business logic in other applications.

- **Multi-tier J2EE architecture**: Includes a thin client browser tier, Web tier, app/EJB tier and database tier.
Application scalability: Based on J2EE architecture; supports vertical (more RAM/CPU) and horizontal (more servers) scalability through automatic life cycle management and clustering capabilities.

Database processing scalability: Offers processing engines that do the "heavy lifting" for segment and communication plan processing—designed around an “in-database” processing model to leverage the power of the Teradata Database.

Componentization: Minimizes the coupling of business logic and delivers functionality as discrete components to support re-use and integration.

Customization support: Provides a custom application via metadata without customizing the code.

Building for the future
To be competitive and create economic value, businesses must understand their customers and engage them with targeted value propositions. Companies need a CRM architecture that helps them build a foundation that meets and exceeds global demands in scalability, flexibility and high performance across all channels.

Version 6 delivers reduced customer service costs, decreased cycle time and an enhanced ability to provide customer support through the right channel at the right time. Executives will appreciate the business value of this solution as a driver of customer equity growth, leading to higher shareholder value.

Version 6 can help leading companies enhance the business process of attracting, acquiring, serving and retaining customers. They can improve service levels, create value-added services, grow customer relationships, gain competitive advantage and realize significant business benefits. In today’s competitive global marketplace, isn’t that what every customer-facing enterprise wants?

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Driving business value with powerful new features

VERSION 6 DELIVERS NEW FEATURES that empower the business user, extend relationship optimization and automate the marketing process. Some of the new features:

> Finder: Locates application objects such as segments, messages and collateral.

> Relationship schemas: Offers the user flexibility in defining relationships that may be hierarchical or non-hierarchical in analyzing business information.

> Waterfall counts for segment plans: Provides the user the ability to easily understand the impact of each selection criteria, universe, suppression, control group or split in an easier-to-understand graphical display format.

> Waterfall counts for communication plans: Enables the user to see the flow of leads through the communication plan, understanding what offers or channels are most effective.

> Channel rules: Determines the channel based on business needs or customer preferences within the communication plan flow. Eliminates the need to create segments by channel type.

> Execution steps: Allows users to execute a background process within a multi-step communication plan such as model scoring during the communication flow so that subsequent decisions can be made with the most recent customer information.

> Decision steps: Delivers the capability to automatically alter the communication plan flow based on an attribute such as customer value or risk.

> Supporting messages: Enables the user to deliver a message on an alternate channel that supports and reinforces the primary offer or message.

> Related entity marketing: Provides the capability to market to a customer (entity) using the knowledge of the target's total business relationship.

> Solutions: Offers a company the capability to define an end-to-end flow for the marketing process, automate some or all of the execution, use the project view to track status/Issues and ensure that the necessary approvals are obtained before launching communication with the customer.

> Dashboard: Presents a customizable, business-results view of past and current marketing programs.