

DATA SCIENCE

GENERATING CRITICAL BUSINESS INSIGHT USING
DATA SCIENCE



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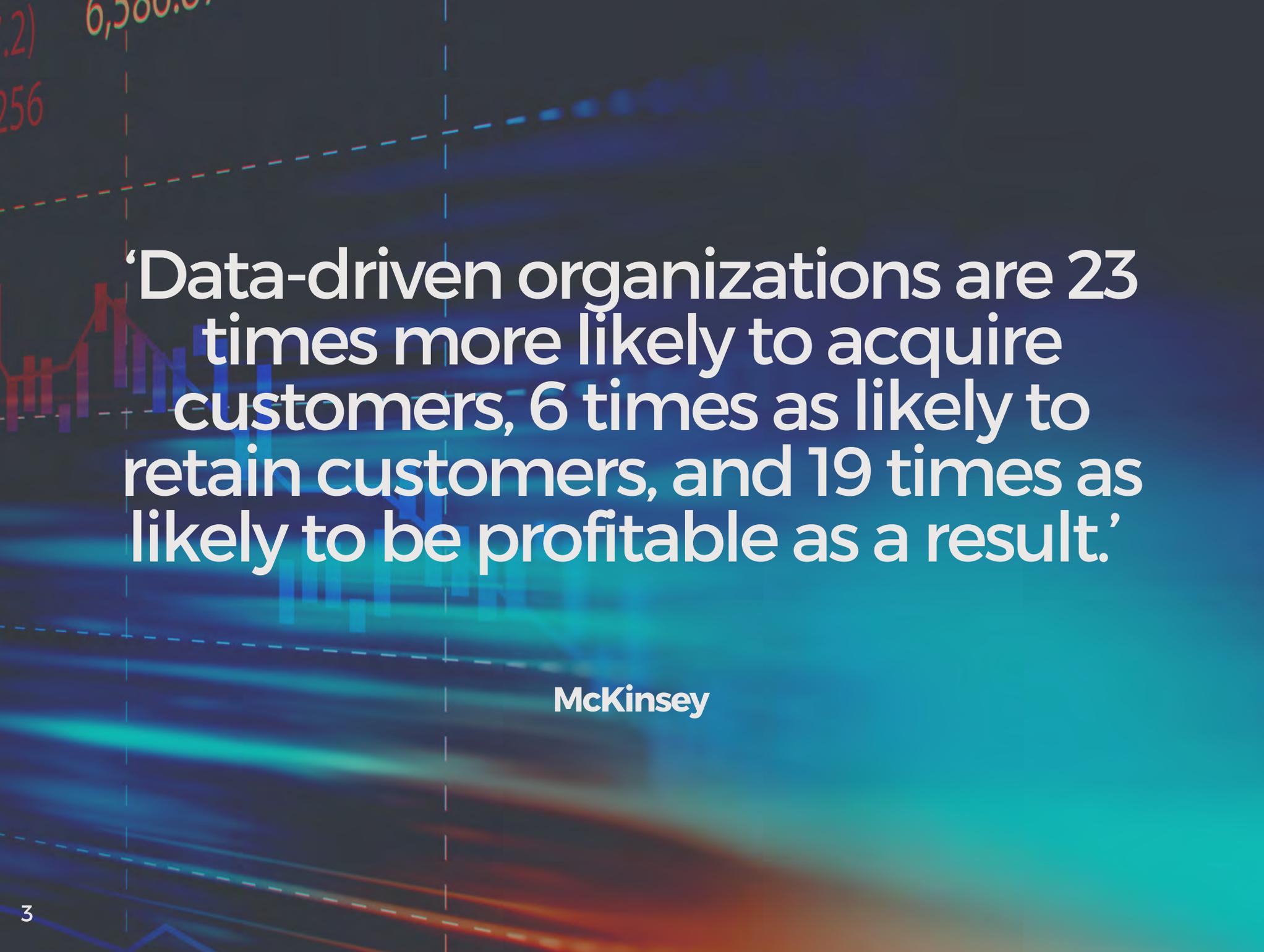


INTRODUCTION

In today's hyper-competitive marketplace, it's never been more essential for businesses to find ways to cement their hold on the market. Within the UK, it's becoming all too common to hear of yet another organisation who has succumbed to the mounting pressures of today's marketplace.

Estimations and "informed guesses" are no longer enough to help your business succeed. Becoming a fully data-driven organisation is critical to ensuring you make the best decisions for the future of your business. And this can no longer be achieved without **data science**.

Data science holds exciting potential for organisations worldwide and across all departments. The following pages cover just some of the opportunities open to organisations like yours.



'Data-driven organizations are 23 times more likely to acquire customers, 6 times as likely to retain customers, and 19 times as likely to be profitable as a result.'

McKinsey

MARKETING INSIGHTS

Identifying customer purchase behaviour patterns

This can support your business in many ways, such as by identifying those at risk of leaving. This gives you the chance to employ cost-effective retention programmes to encourage them to stay before it's too late.

Product recommendation engines, basket analysis and next best products

Algorithms score products or services against an individual's interests and purchase history, as well as according to your business' targets. This enables your team to maximise the value of your activities in terms of your business objectives.



Segmenting the current customer base

Evidence-based decisions are essential for making well-founded judgements. They enable you to hone in on particular motivators and interests to encourage maximum value generation per individual.

Identifying new channels to target new customers

Identifying which additional channels hold the most potential value for reaching out to receptive prospects can ensure you generate maximum RoI from your marketing activities.

By implementing a combination of these techniques, your marketing department can maximise the profitability of their online marketing activities

FINANCE INSIGHTS

Pricing optimisation

Customers' propensity to buy is directly linked to your pricing strategy. Of course, everyone would like to maximise the mark-up on each item or service, but you must consider how increasing the price will impact demand.

Predicting future revenue

Having a clearer picture of what future revenue will be entering the business enables the finance team to work proactively (not re-actively) when planning and assigning budgets for other business-critical activities.

Monitoring financial growth

Using forecasting businesses can predict what profits they expect to make in an upcoming season, providing a realistic target. This provides powerful benchmarking targets for assessing continual growth in the future.



Driving better sales or donations strategies

Understanding customers' propensity to behave in a certain way provides the insight needed to maximise the revenue or donations being generated.

Paywall modelling

Inform important decisions about which visitors should have free or paid access to your most valuable customer content to maximise their business value.

It is essential financiers can plan ahead, making informed decisions based upon projected future revenue.

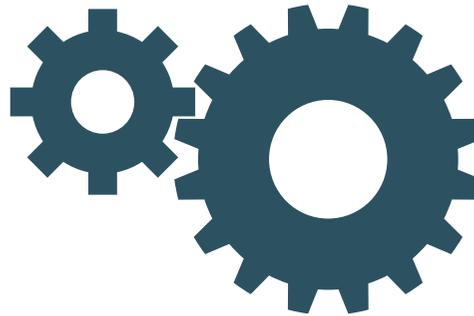
OPERATIONAL INSIGHTS

Maximising internal efficiencies

Whether you work in a product or service business, the ability to predict future demand is essential. It enables organisations to maximise efficiency by ensuring they have the right level and type of skills available at the right times, without needing to increase wage costs.

Managing stock levels

Data science insight can take your stock management to the next level. It will help your teams to understand which products to stock up on, and which to only order a few of. This will help reduce upfront expenditure on unwanted items, whilst reducing the cost and risks associated with storing stock.



Forecasting media print volumes

When margins are tight, it's essential costs are kept low. In the media industry, this means reducing wastage. By predicting demand for the next issue, media businesses can ensure they get enough printed, without overprinting and generating waste.

Estimating location footfall

Estimating the number of visitors to a particular location can help your business identify which store locations will continue to be profitable, and which may need to be relocated, or potentially closed. Such insight can also help in identifying the optimal location for a new store.

Any operational challenges can have a direct impact on the rest of the organisation, making it essential that key insights are relevant, accurate and utilised.

RISK INSIGHTS

Developing credit scorecards

Similarly to bad debt modelling, it's important to identify those customers who may struggle to repay debt they have built up. This can allow your business to monitor a situation and restrict credit limits where necessary.

Predicting fraudulent activity

Identifying potentially fraudulent activity by assessing behaviours, characteristics and circumstances can help your organisation ensure it only pays out for legitimate claims.

Bad debt modelling

Businesses can model customer data to identify those who are likely to default on their financial payments, whether it be an insurance premium, retail finance agreement, loan or other.



Targeting customers who offer maximum profit potential

Customers are savvy too... There are so many different purchasing habits, ranging from life-long brand loyalists to those who switch as soon as they find a cheaper supplier. The latter obviously offer lowest Customer Lifetime Value (CLV) potential, putting them further down the priority list for your business. After all, why concentrate your efforts on trying to retain those who offer lowest profit margins, potentially at the expense of those who could bring significantly more value to the business long-term?

Data science modelling can identify and predict potentially damaging customer behaviours, minimising the risk of financial implications for your organisation

DATA SCIENCE AS A SERVICE

Three easy steps

Remember, depending upon your team's objectives and goals there are a whole host of data science applications. Discuss your challenges with our experts and follow the three steps below to realise your future as a data science-driven business.



**STEP 1. MEET WITH AMADEUS
AND POSE YOUR QUESTIONS**



**STEP 2. SHARE YOUR RELEVANT
DATA WITH AMADEUS**



**STEP 3. WAIT TO RECEIVE THE
INSIGHTS FROM OUR EXPERTS**

DATA SCIENCE AS A SERVICE

What are the benefits?

- 1 Short payback period – no large upfront costs or expensive license fees
- 2 Outsourced expertise to avoid a training-based delay
- 3 Brand new insight that wasn't previously available focusing on business-critical questions to help you hit your targets
- 4 Instant productivity – no need for upskilling staff or recruitment, models ready to use within days
- 5 Your new environment can be stood up within a day, ready to take your data and begin modelling.



DATA SCIENCE CONSULTANCY

What are the alternatives?

You may prefer to keep your data science efforts in-house, rather than relying on outsourced expertise. No problem, we can get you there...

Amadeus' **Consultancy** offering (whereby our experts design and implement a best practice environment for data science modelling) leaves you and your data scientists fully equipped to produce and share future insights.

Visit www.amadeus.co.uk/consultancy for further details.





CASE STUDY

Following the implementation of advanced propensity modelling techniques, our customer, a global entertainment firm maximised their email ROI to realise the following benefits:

More targeted email marketing

Statistically significant uplift in ticket sales for a particular branch of the business

Maximised profits within that branch

Reduced costs of email marketing campaigns.



**THERE ARE SO MANY EXCITING OPPORTUNITIES
FOR FURTHERING YOUR MARKETING ROI WITH
DATA SCIENCE MODELLING.**



**CONTACT US USING THE QR CODE OR BY
EMAILING INFO@AMADEUS.CO.UK.
ALTERNATIVELY, YOU'LL FIND MORE
INFORMATION ON OUR WEBSITE AT**

WWW.AMADEUS.CO.UK/DATA-SCIENCE

