



.....from the CEO's desk

No place like home! Marketelligent has moved to a dedicated office of its own. Please drop by and share in our excitement.

Coming to business, a lot has been written about the economic slowdown and its impact on Analytics. I have seen two kinds of reactions. Majority of the people who I approach have got back saying that "because of the margin pressures the organization has put a freeze on external consultants". There is another tribe who are approaching us saying that "our margins are under pressure, could you suggest how we can optimize our spends without impacting the top line". In my analysis this contrasting response depends on what stage the organization is in managing the slow down. Organizations who have gotten over "managing the sentiments" and are into delivering results, give the latter response.

One industry which is continuing its march, without feeling any slowdown blues, is the Indian Telecom industry. This issue we have an article by our Associate Cherish who has done extensive analytics work in the Telecom domain. The article covers various analytics we can do for a Telecom player across the various stages of the industry maturity.

In this issue I would like to introduce Vijay, who is one of our early associates. Vijay is the strong, silent type of performer with a single minded focus on delivering quality on time. Kind of person anyone would want in their team.

As always we are on a constant improvement process and would like your feedback on this issue.

Roy K Cherian

Meet some of our associates.....

Vijay G R

Vijay is involved in Analytics Consulting and Business Development for Marketelligent. He is the SAS cat of the group. His creative use of SAS has helped us to automate data preparation for Business Intelligence applications and for building analytics models.



Vijay has been involved in various Analytic Consulting projects in different sectors like Pharmaceuticals and Data management, Risk Management, Collections, Portfolio Management etc. and has worked in a variety of Industries including Banking, Insurance, Retail and Pharmaceuticals.

His achievements include designing and implementing large scale MIS system for various Business units of ICICI, the largest private sector bank in India.

Prior to joining Marketelligent, he was with Futura InfoTech. He holds a PG Diploma in IT Management, ICFAI, and B.Pharm degree from RGVHS, Bangalore, India.

His hobbies include Travelling, Sports and Reading. He is interested in learning new things in any field.

Q1 2009 Highlights

- Marketelligent moves into its own offices !
- Launch of M-ROM; a Revenue Opportunity Identification & Maximization Product for businesses with B2B clients.

Beyond Traditional Churn Modeling in Telecom

Cherish George, Sr. Consultant, Marketelligent

Talk to business managers in the telecom sector and you will most likely hear that managing Customer churn is on top of mind. However, there are many other equally important areas wherein analytics can be leveraged to further business goals. Telecom Industry, unlike several other verticals, is data rich; storing information from varied sources like network management, billing services, call data records (CDR), service management, service marketing, sales and customer care. The key to profitable growth and leave competitors behind is to understand how each data source works and how they can be leveraged in a holistic manner to drive a business objective.

Moreover, understanding the existing subscriber base based on simple reporting metrics or backward-looking dashboards/MIS will no longer suffice. A new mindset is needed that leverages prior information in setting forward-looking strategies; leading to an overall good (and profitable) customer experience.

A few business areas in telecom services where analytics can yield actionable strategies and immediate benefits are:

- **Target your Customers better:** Segmenting the existing customer base into different clusters according to their demographics and transaction pattern for optimal targeting of services. For example there will be clusters of Customers that are partial to specific services; eg. text messaging; roaming; international dialing; etc. Identifying such clusters will help understand customer needs better, and services can be catered to on personalized basis.
- **Design New Products/services:** Understanding calling patterns of customers can lead to designing of new products and services that can lead to differentiated offerings in the market. Many of us call a predefined set of numbers frequently - personal and business - and most likely at different times of the day and different days of the week. Can this information be leveraged in designing a new product that will capture market share? For example - which plan will have less impact on revenues and result in greater customer satisfaction - unlimited free calls to 1 or 2 or 3 numbers?
- **Deepen Customer Engagements:** Identifying the right set of customers for cross-selling opportunities across different value added services (VAS) products. Behavioral models leveraging prior customer transaction data and calling patterns can help carriers target these products appropriately.
- **Retain Profitable Customers:** Leveraging customer's demographic and call transaction pattern data to predict the likelihood of customer's attrition from an operator and subjecting the customer to appropriate retention strategies. This will become increasingly critical with number mobility (eg. India). And with a few customers driving a bulk of the carriers profitability, identifying these Customers and treating them differentially becomes key.
- **Collect past dues faster; Lower Fraud:** Identification of the optimal collection channels and strategies for different customer segments. More relevant in post-paid connections. Predictive modeling for early detection of fraud perpetration; both in pre-paid and post-paid.

Analytics is insightful and benefits are manifold but only when used judiciously. In our experience we have encountered cases where churn models developed didn't follow the basic modeling assumptions. For eg. an operator was rebuilding models every month. It does more harm than good as the model performance suffers from stability, seasonality and robustness issues. Apart from identifying churners and drivers of churn, a consistent effort of addressing churn at market, product and transaction level helps manage it effectively.

In the end, all Telecom companies have a rich repository of almost similar information. Companies that leverage this information to develop better targeted and differentiated offerings will have the competitive edge.

