# Session 1

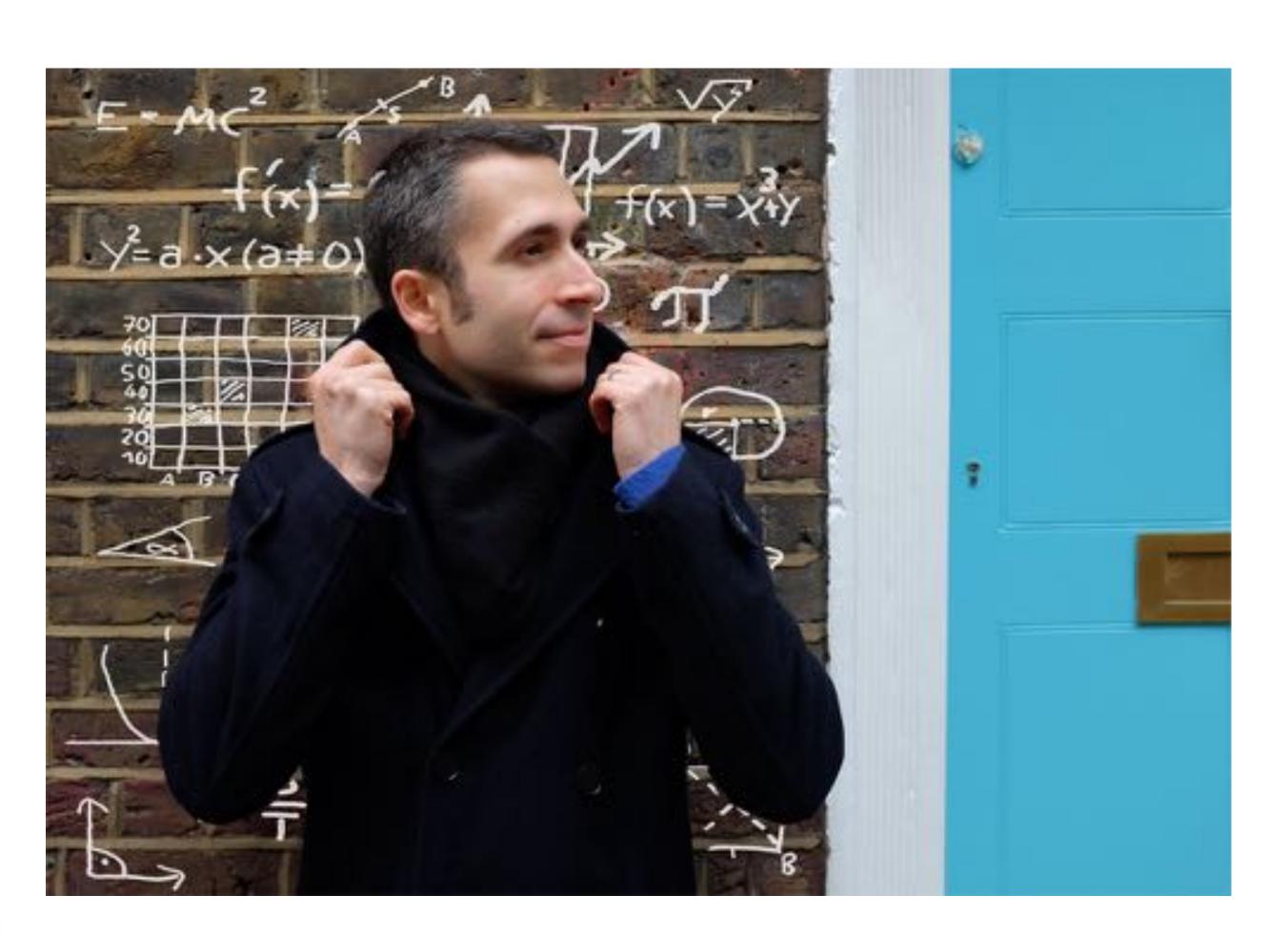
(Customer Analytics)

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### Let me introduce myself



- Professor at IE Business
   School
- CEO, Delfos Research
- Author of multiple articles and books
- International Speaker & Advisor



### How to contact me

3



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### What are we going to do



- 10 sessions in 10 days
- Introduction and simulation (today)
- R/Rstudio (2 days)
- Customer Analytics algorithms (7 sessions)
- Grading: daily participation
   & individual assignment
- Every session has more (optional) recommended lectures



## Let's review the simulation



## From intuition to evidence





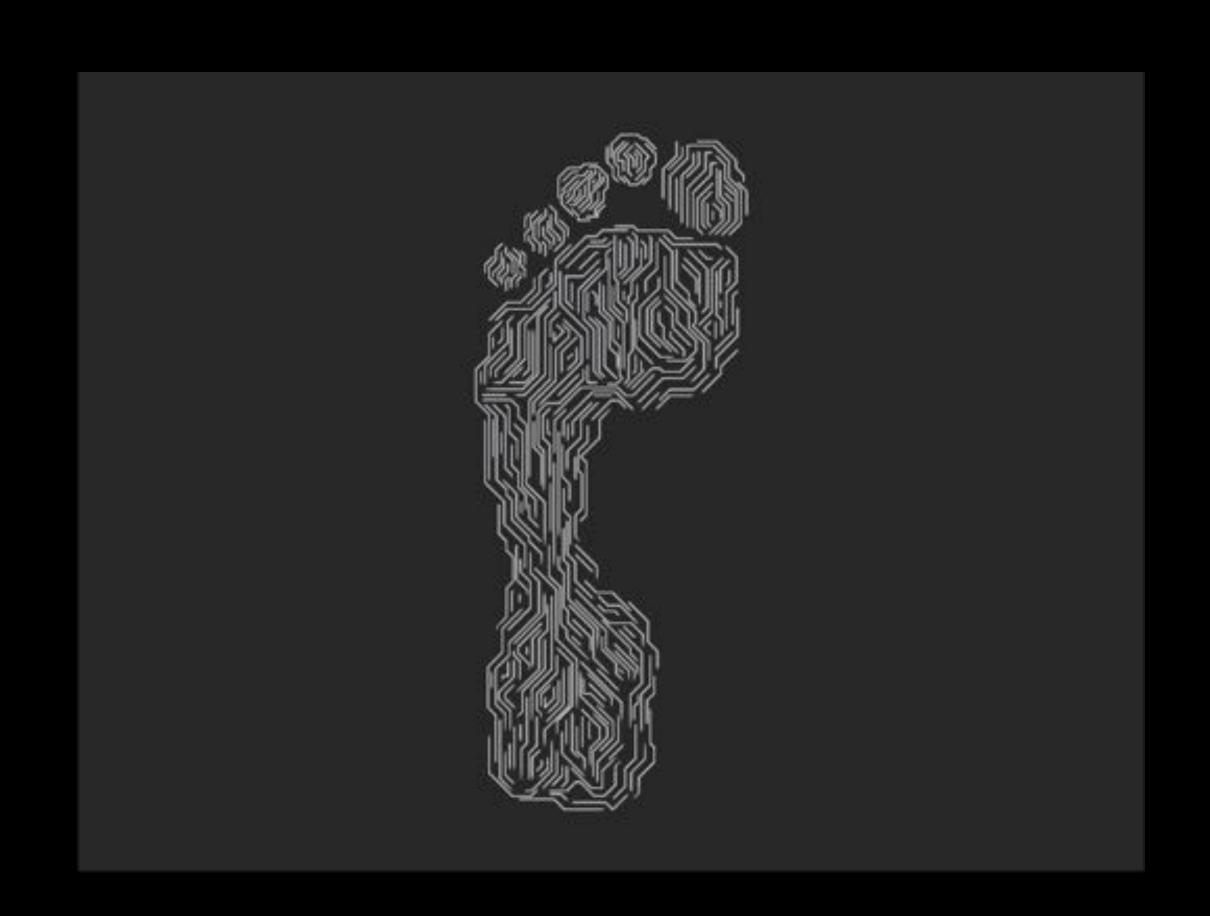
When we rely only on intuition, we are disappointed



When competing using Customer Analytics, you make actions based on facts

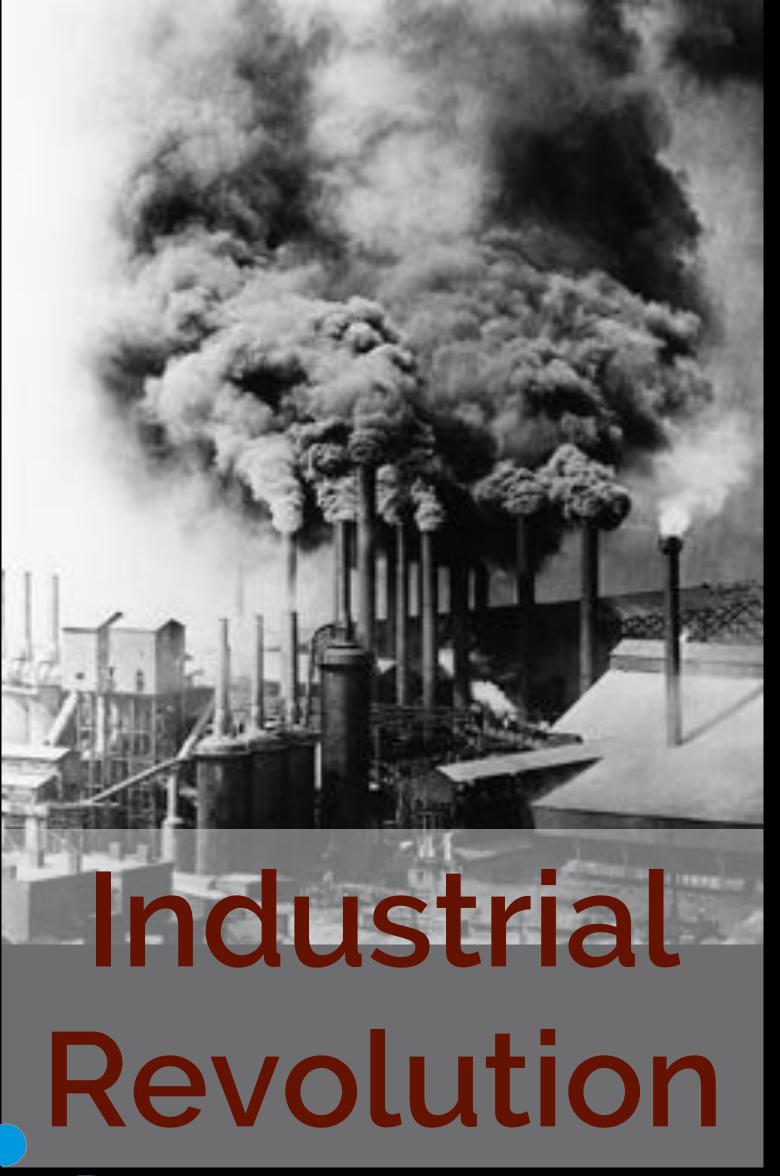


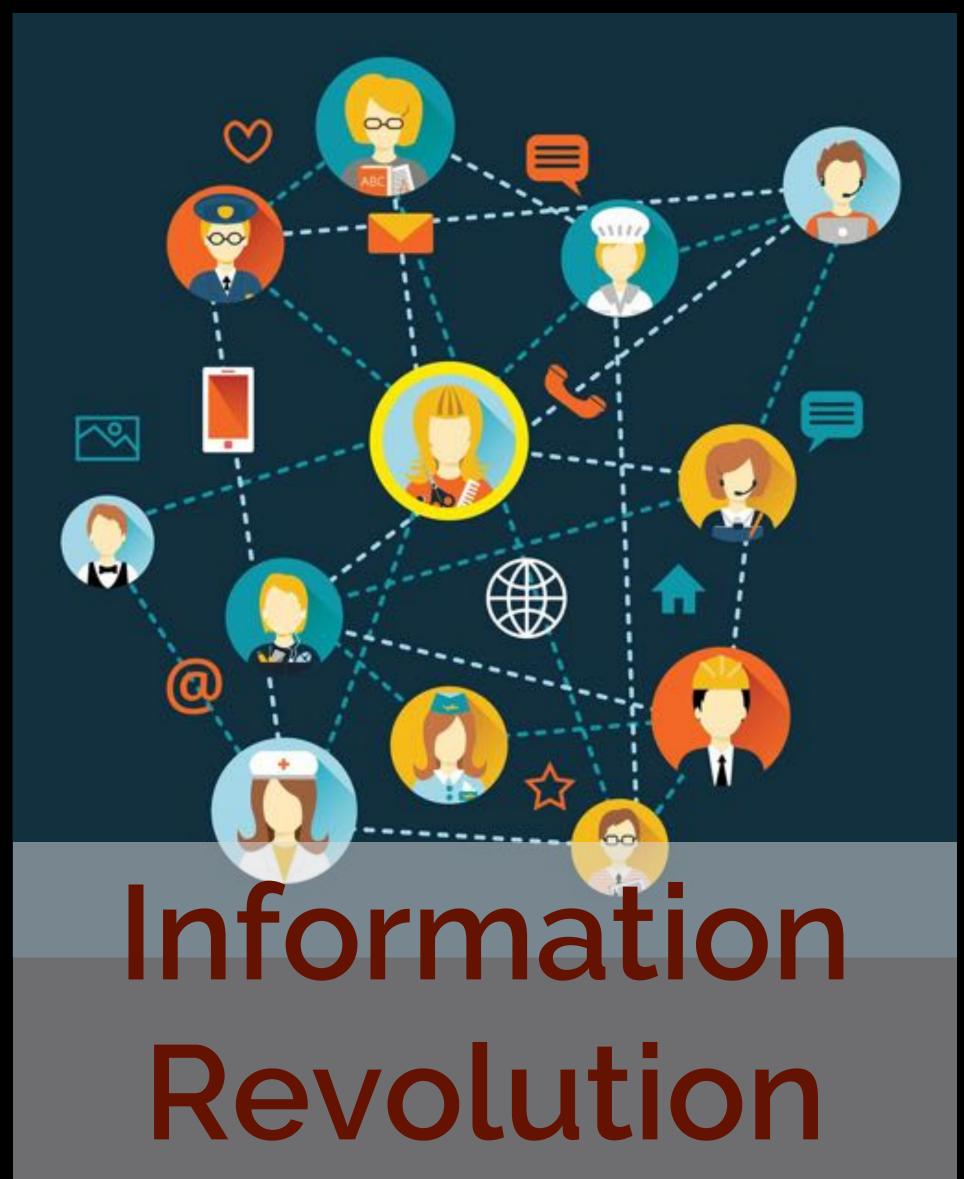
### The context

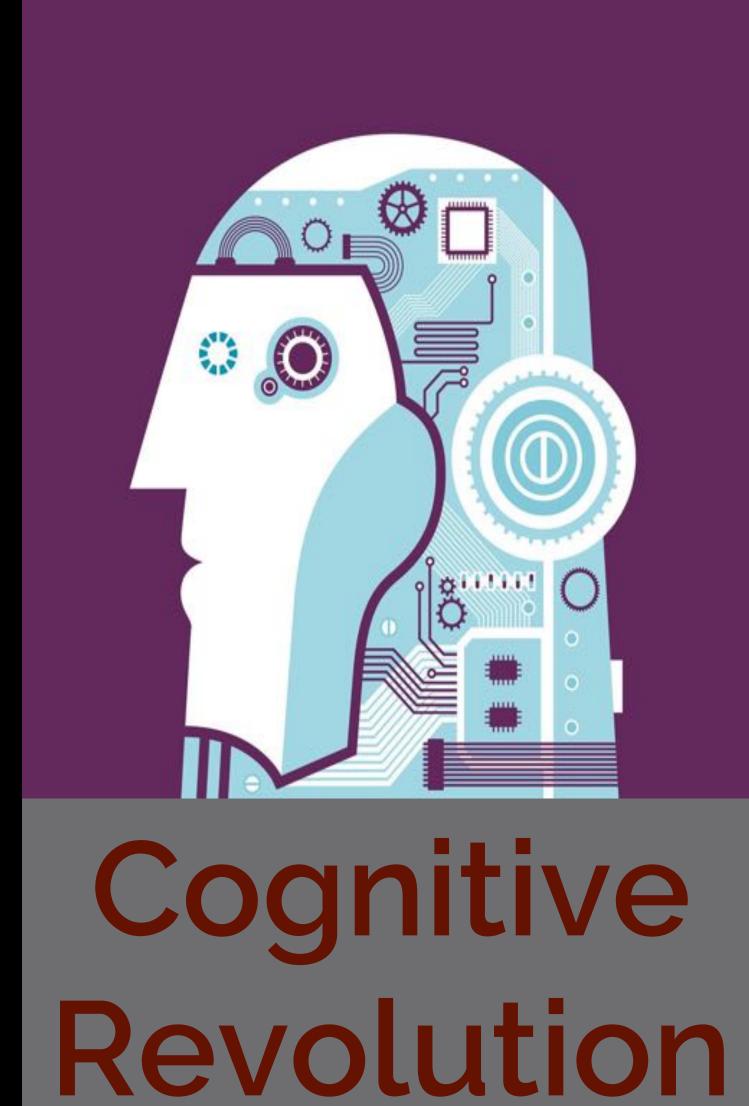


Every object, person and organization has a digital footprint











# What is CA



### CA includes several approaches

### PSYCHOGRAPHIC ANALYTICS

Measuring people's attitudes and interests can provide deep insights about customer behavior.



### **BEHAVIORAL ANALYTICS**

Understanding what people do and how they act based on their drivers. Clear pictures of their behaviors mean you can make informed deductions about why they feel about what they do and how they might feel in the future, given certain conditions.

### **DATA ANALYTICS**

Demographic and contextual data can help us to analyze how population dimensions, dynamics of populations and environment affect customer behavior







### **EMOTIONS ANALYTICS**

Facial expressions, voice and body language are innate to all humans and have been proven to be one of the strongest ways we express our emotions. It's not what you say, but how you say it. Expressions matter, as do the sentiment behind each encounter and the emotions raised. Emotion is entwined with the literal meaning of words used.

### CA strategies



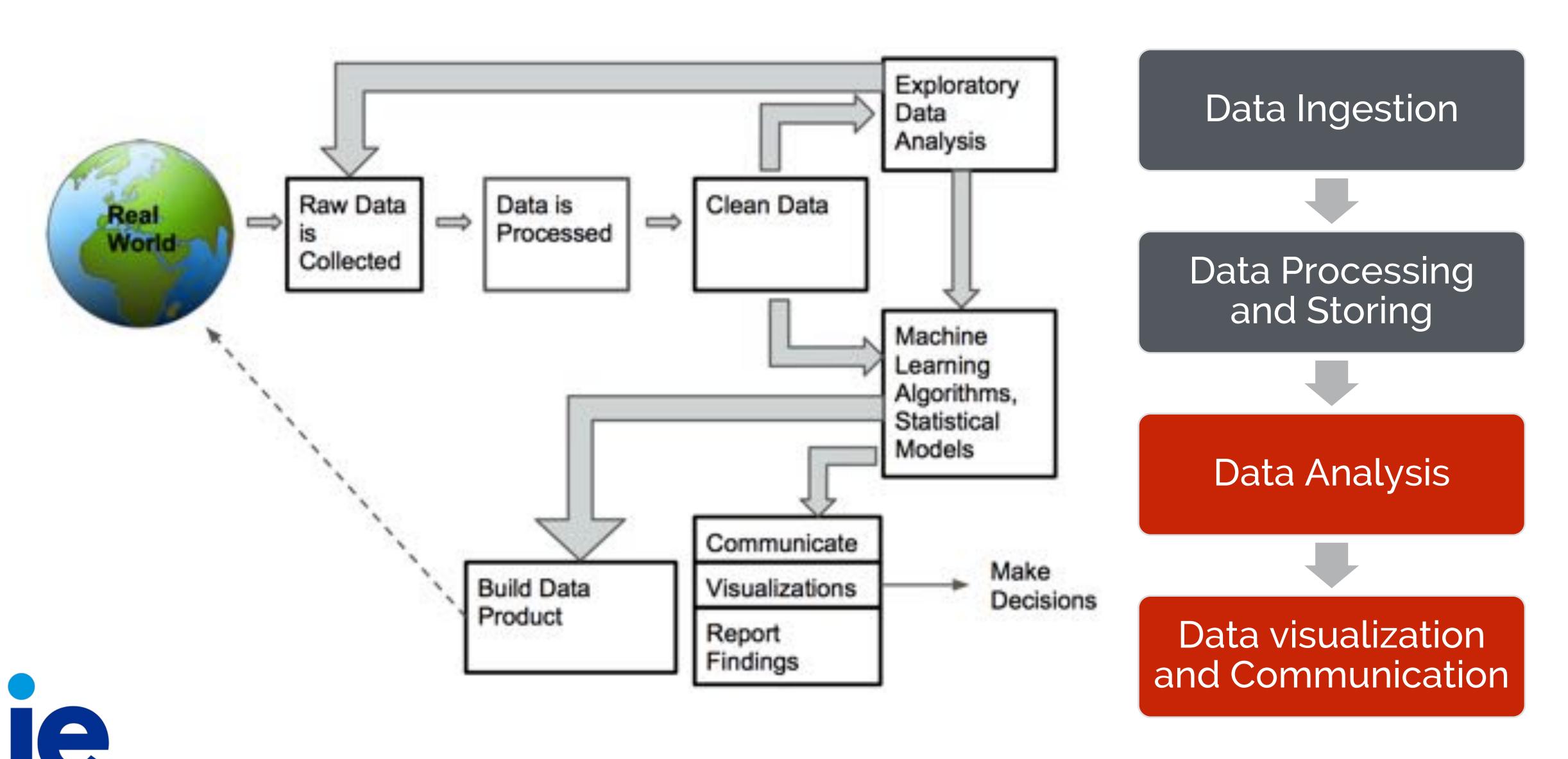
- Customer Acquisition
- Customer Development
- Customer Retention
- Acquisition-Retention
   Optimization



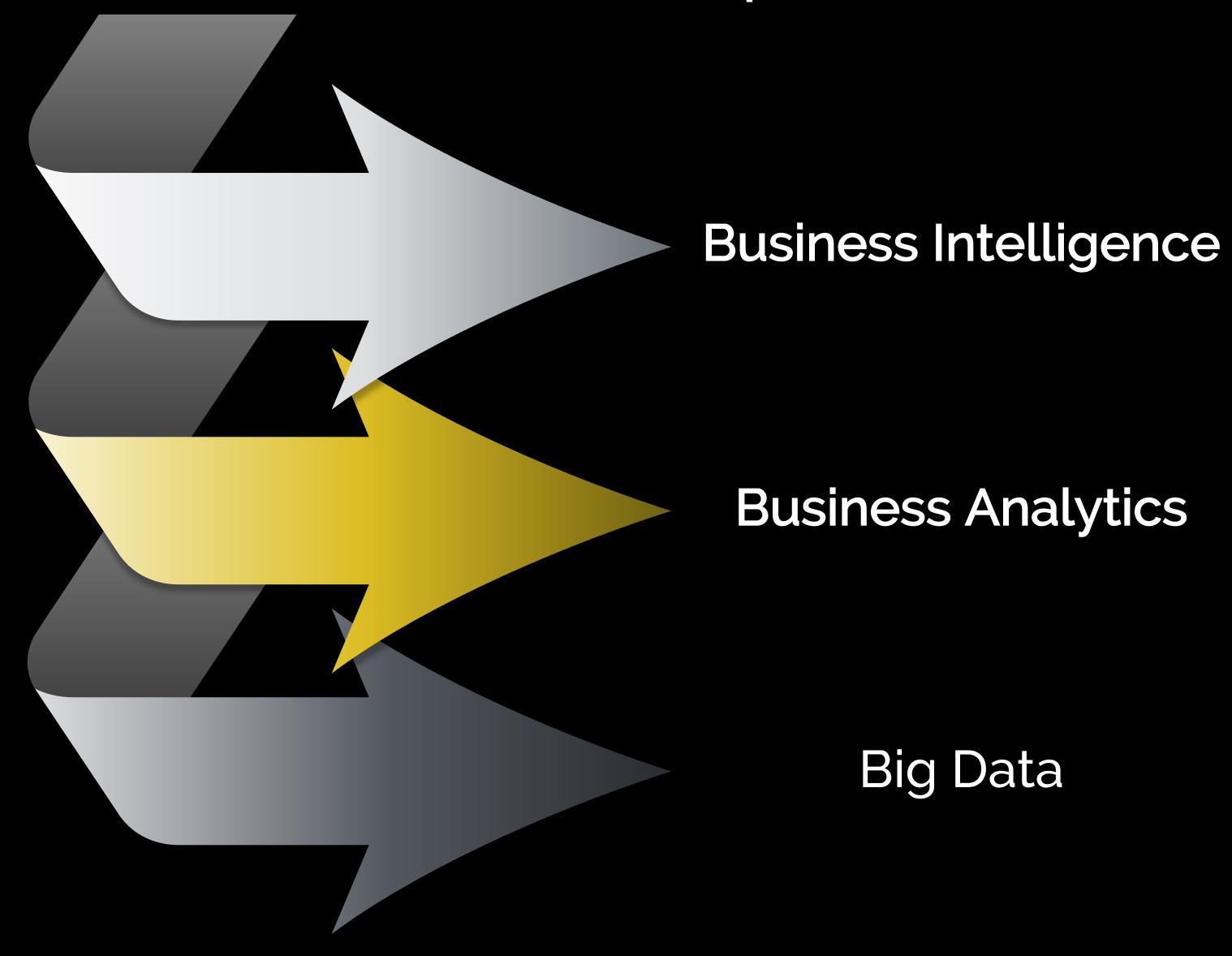
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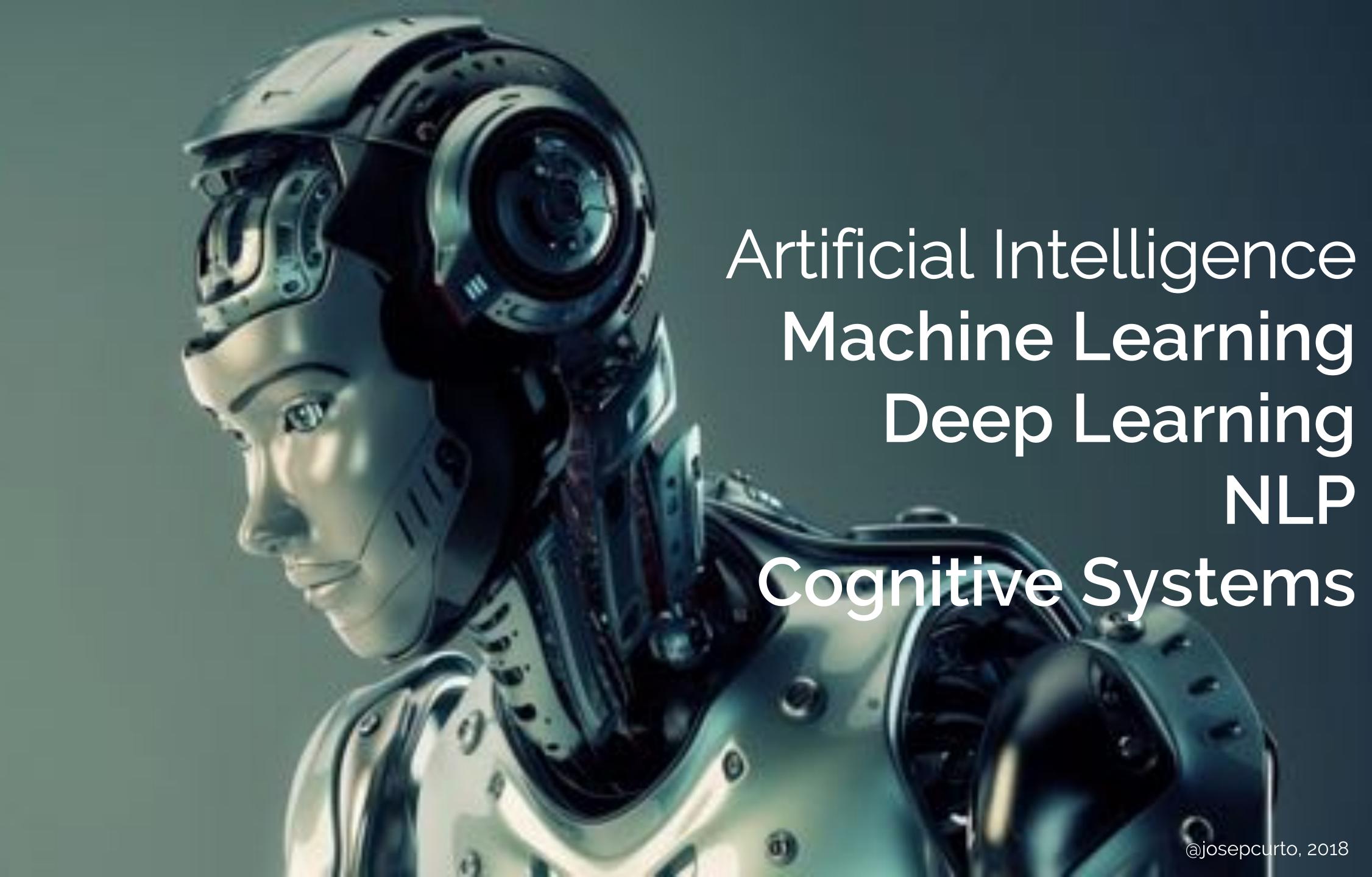
### Customer Analytics in real life



## We need technical capabilities

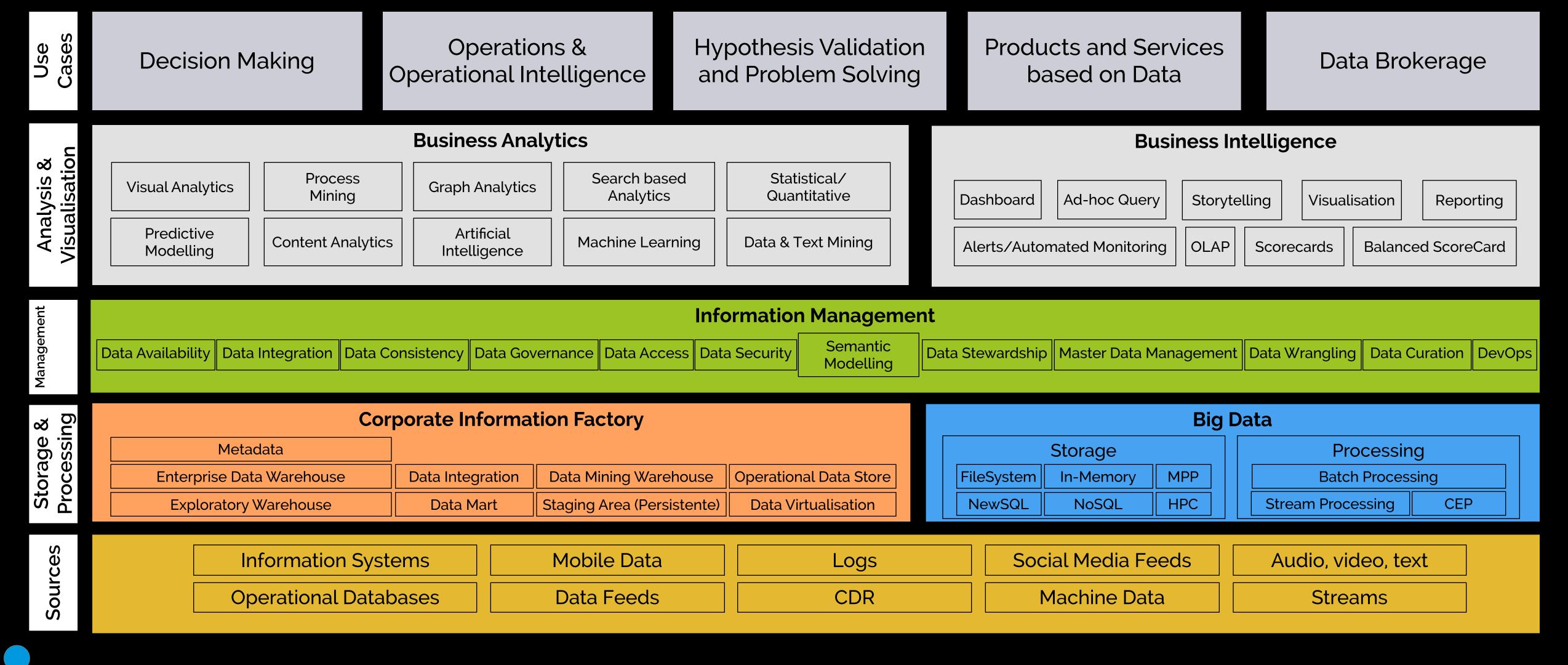








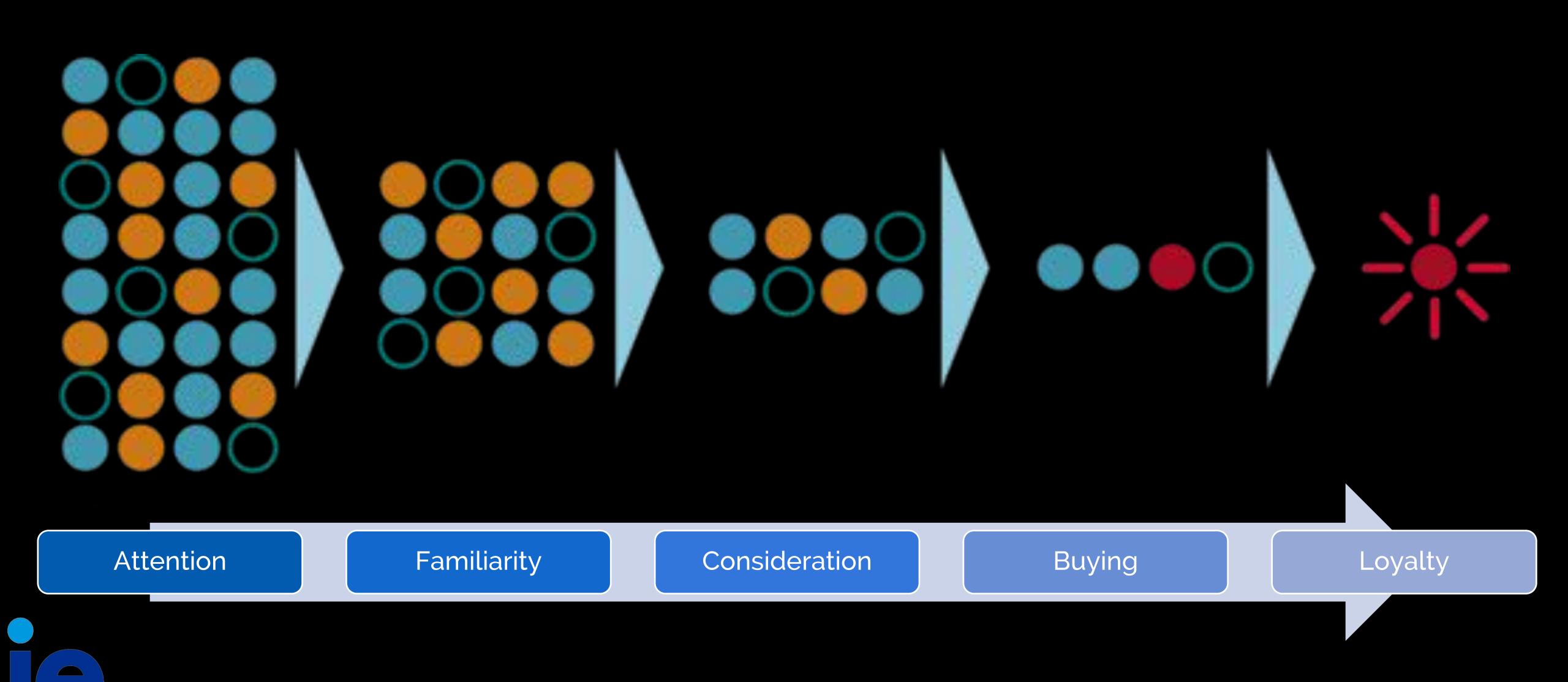
### HOW/



# Customer lifecycle



### We made a mistake



### But our customer do what they want





### And we call it Customer Journey

### Rail Europe Touchpoints by Channel Pre-Travel Research Stage & Planning (Documents) Post-Travel Shopping Booking Travel Channels Mage Schoolule look-up: Web booking funnel Website Select document option (from Contact page for eitself or phone analoble options; Test intinations Price both-up - Pass. stytom a-tidut. - Tript: Timenables Multi-city look-up home print a dicket. Centilitation Figure Multiple Tres. Fists comparison mpil ticket. CAR General product-& site exploration Order broishure Autumated backing payment Call in Solat options Call with questions regarding Call Center Site navigation help tickets. Request ticket mailed Cust Rep booking Planning (Products) General calls ne schedules. Schedules Site navigation help Reslave problems (influ paystrilles, documents MARK 400. General questions Tip ideas Schadules Mobile trip backing Mabile Access Speniery Look up schedules: Say additional tickets. PE Comparator. [mgl policegium Communication Chat for web rau help-Chat for booking support. Ask questions or resolve prob-Compliants or compliments. larra re: schadules and tichets-Channels (social Survey Erral questions Email for general help: media, email, chat) Chall for website may help Fluid ticket Castemer Relations Request for return, escalation from call center. Trip Autores Non-REI Channels Trip Advisor Airbine contiguestate Toxyel Bligs. Expedia Travel blogs Kajorik. Direct reli sites Review sites Social Media: Direct rail sites Google searches. Facubiook. General Glogite SADINETHING. Ann-base or free \_\_\_\_\_\_\_ Logo proces \_\_\_\_\_\_ More freeze for



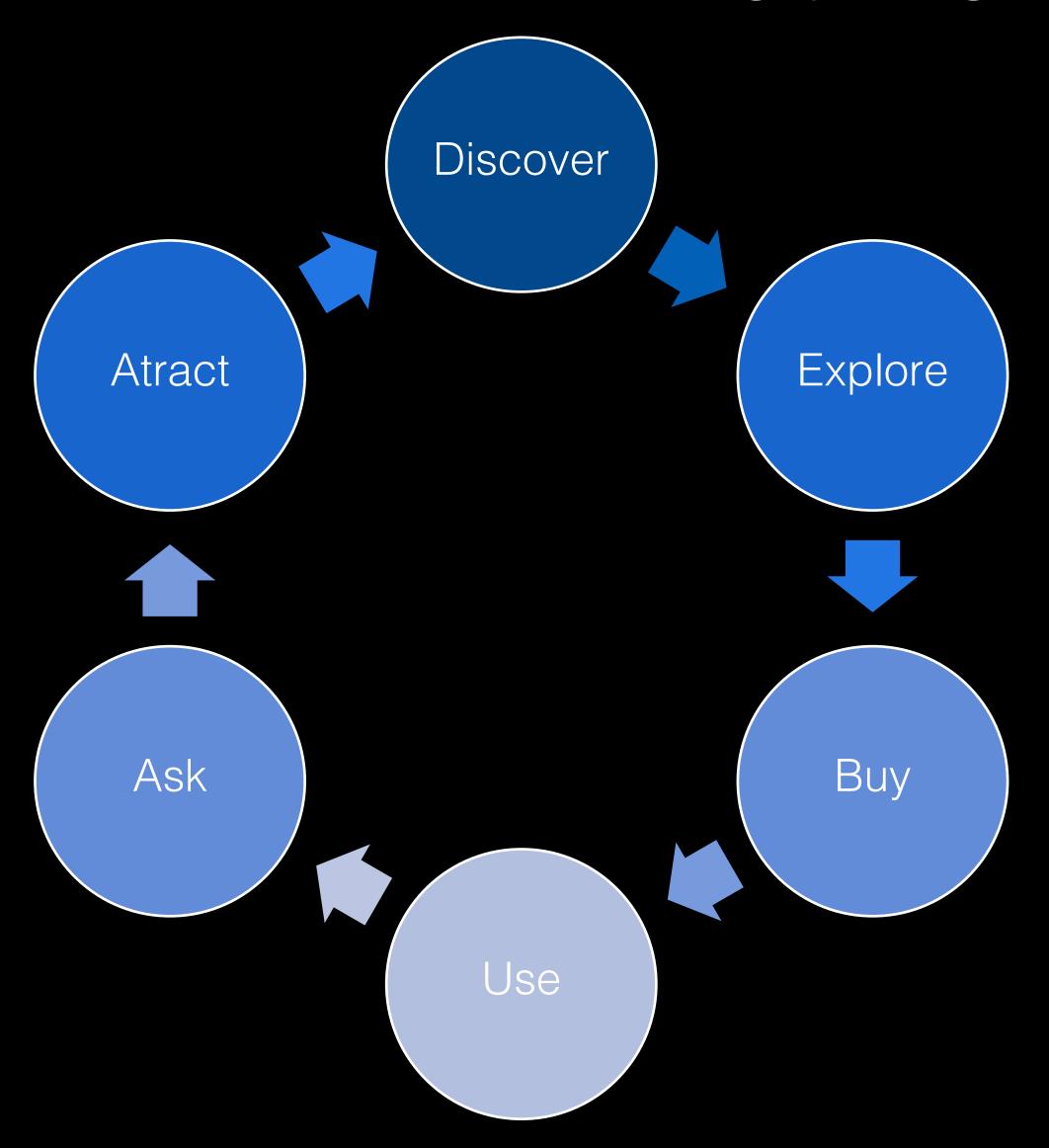
### We are living in infinite loops





Source: McKinsey

### What we can do?

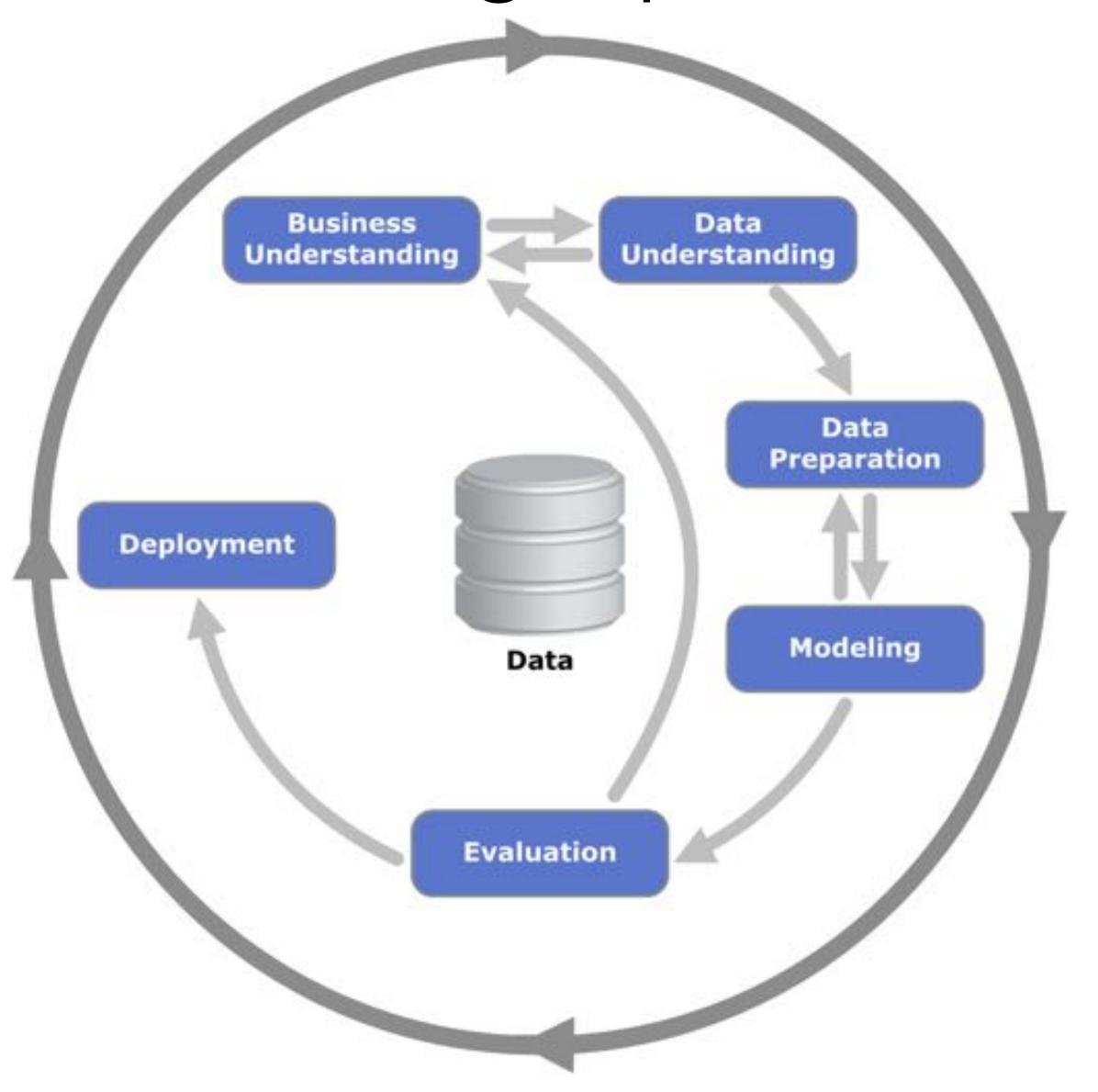


We need to identify the new cycle in our organization



### And analyse the cycle Customer Segmentation Discover Explore Atract Marketing Mix Modeling Churn Analysis Ask Buy Voice of the Customer **Propensity Models** Use Recommendation Analysis

## Following a process





### Goal of CA



Generate
Value for the organization and the customer



### What does it means value



Customer Lifetime Value (CLV)
Customer equity
Value Proposition
Customer Satisfaction
Customer delight/sacrifice
Switching Cost
Customer Loyalty

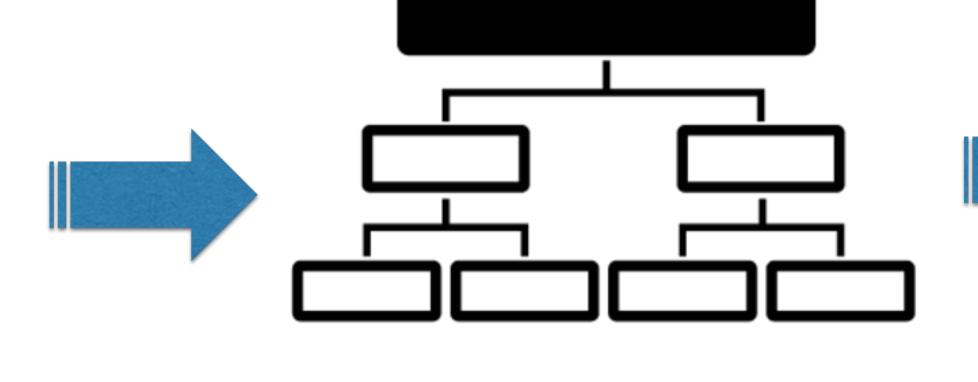


### Value for the customer

Data

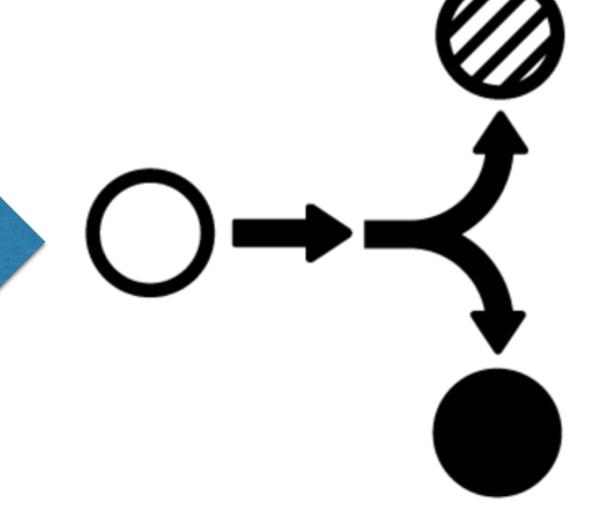


Historic data Contextual data Product data Model



Collaboration-filtering
Content-filtering
Context-filtering
Hybrid

Actions



Recommendation Personalization Right Moment



### Value for the organization

Model Actions Data Segmentation RFM Transactional data Discounts CLV Customer data Promotions

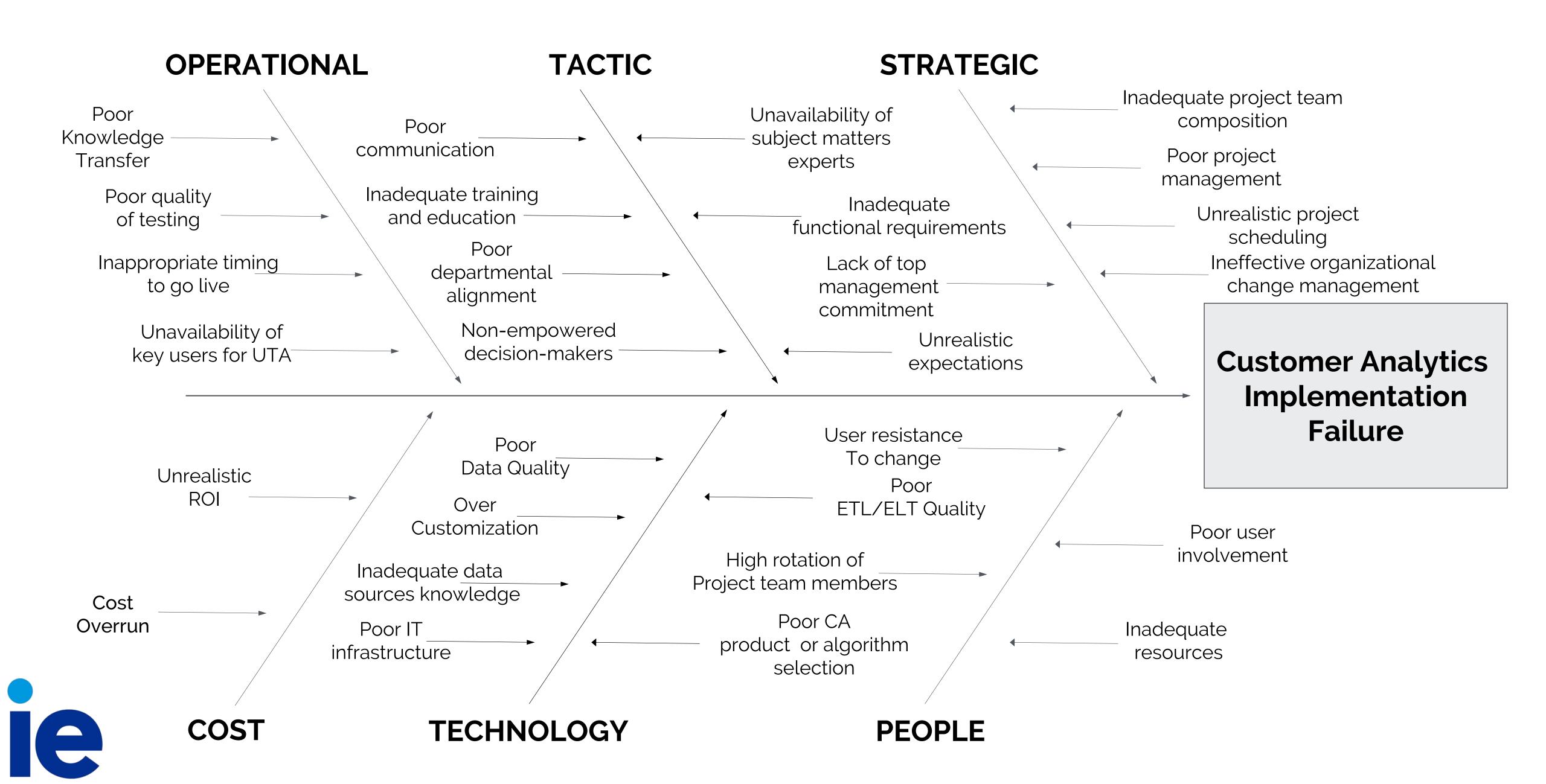


Communication



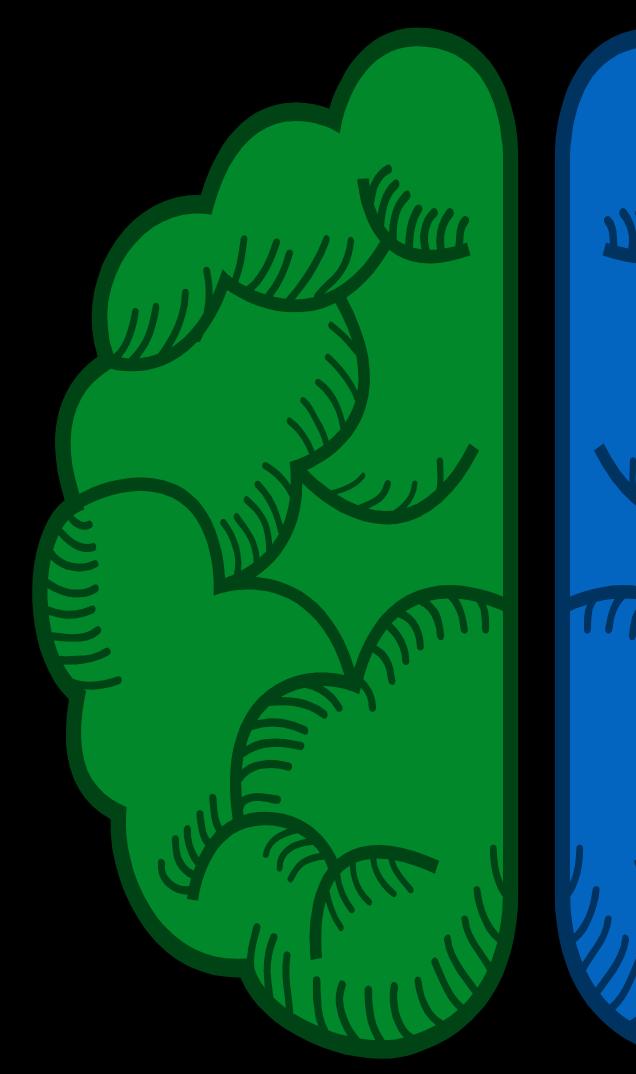
90% of companies are not successfulin their datadriven projects

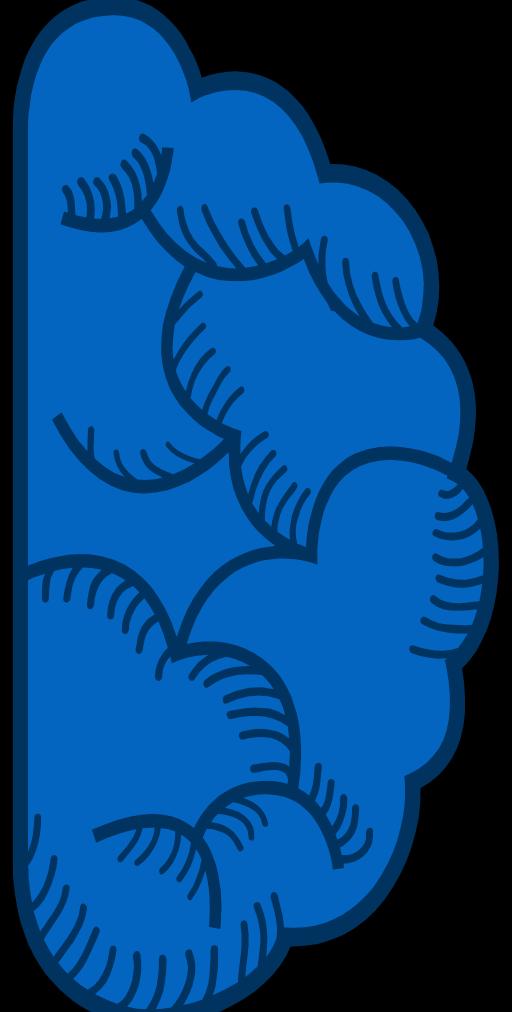




### We need to choose

Intuition





Analytics



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- Radiant: <a href="https://github.com/vnijs/radiant">https://github.com/vnijs/radiant</a>





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