

BI Predictive Analytics Workshop

Background and The Clarico Group Approach

The Clarico Group Inc.

www.claricogroup.com

Profitable Predictions Using Business Intelligence – 2 days

“Study the past, if you would divine the future”. ...Confucius.

No background in statistics or modeling is required.

Business metrics do a great job summarizing the past. But if you want to predict how customers will respond in the future, there is one place to turn: **Business Intelligence**. By learning from your historical data, predictive analytics provides the marketer something beyond standard business reports and sales forecasts: actionable predictions for each customer. These predictions encompass all channels, both online and off, foreseeing which customers will buy, click, respond, convert or cancel.

The customer predictions generated by predictive analytics deliver more relevant content to each customer, improving response rates, click rates, buying behavior, retention and overall profit. For online marketing, predictive analytics acts in real-time, dynamically selecting the ad, web content or email each visitor is most likely to click on or respond to, according to that visitor's profile.

This training program is:

- **Business-focused.** Unlike other training programs that also cover scientific, engineering and medical applications of data mining and analytics, this seminar focuses squarely on solving business and marketing problems with these methods.
- **Comprehensive across business needs.** Within this realm, however, we step beyond the standard application of response modeling for direct marketing to solve the wider range of business problems listed below.
- **Vendor-neutral and method-neutral.** This training program, which is not affiliated with any analytics software vendor, provides a balanced view across analytics tools and methods.

Course Objectives

Predictive Analytics for Business, Marketing and Web is a concentrated training program that includes interactive breakout sessions and a brief hands-on exercise. In two days we cover:

- **The techniques, tips and pointers** you need in order to run a successful predictive analytics and data mining initiative
- **How to strategically position** and tactically deploy predictive analytics and data mining at your company
- **How to bridge the prevalent gap** between technical understanding and practical use
- **How a predictive model works**, how it's created and how much revenue it generates
- **Several detailed case studies** that demonstrate predictive analytics in action and make the concepts concrete
- **Five ways** to lower costs with predictive analytics

Who Should Attend This Course

- **Managers.** Project leaders, directors, CXOs, vice presidents, investors and decision makers of any kind involved with analytics, direct marketing or online marketing activities.
- **Marketers.** Personnel running or supporting direct marketing, response modeling, or online marketing who wish to improve response rates and increase campaign ROI for retention, upsell and cross-sell.
- **Technology experts.** Analysts, BI directors, developers, DBAs, data warehouseers, web analysts, and consultants who wish to extend their expertise to predictive analytics.

Course Content

1. Solving business problems with predictive analytics

Predictive analytics solves many business problems, offering solutions such as:

- **Increased customer retention** by predicting defection
- **Increased online conversions and ad takes** by predicting clicks
- **Increased sales and acquisition rates** by predicting cross-sell opportunities
- **Personalized web and email content** by predicting online response
- **Greater relevancy** by predicting customer needs
- **Increased direct marketing response** with response modeling
- **Decreased campaign spending** by predicting non-responders
- **Increased fundraising profit** by predicting donations
- **Higher-valued acquisitions** by predicting customer lifetime value

In other words, customer prediction drives business actions, which deliver business results. We cover case studies across this range of applications, with detailed examples running through both days of the training program.

2. Creating predictive models

Data is your most valuable asset. It represents the entire history of your organization and its interactions with customers. Predictive analytics taps this rich vein of experience, mining it to produce predictive models. Where multi-channel data is available, predictive analytics discovers interactions across customer touch points, such as key online behavior that may predict which customers will respond to direct mail.

Whatever the application, the core methodology of predictive modeling is the same. We will uncover, in concrete terms, how modeling transforms your data into actionable customer predictions. To this end, we will see exactly what a model is, taking a look inside to see how it works and how it is created. Then we will:

Explore several example models in action

Turn the knobs that tweak and control modeling

Compare and contrast modeling methods intuitively, including:

- *Decision trees*
- *Business rules*
- *Naive Bayes*
- *Linear regression*
- *Logistic regression*
- *Neural networks*
- Other more recent advanced modeling techniques

3. Measuring how well predictive models work

Once you've got a predictive model, how do you know how good it is? We cover methods to evaluate models, which fall into two groups:

Forecasting: How large a boost in revenue, sales or profit will the model produce?

Accuracy: How well does it predict, how often is it correct, and how much better is it than standard segmentation?

Deploying a predictive model is playing a numbers game that puts the odds in your favor and improves the effectiveness of campaigns, operations and web behavior. We create profit curves, ROI calculations and bottom-line analyses and talk through exactly what they're telling us. And we prepare for performance gotchas that sneak up on you.

4. Management and project leadership for predictive analytics

Although predictive analytics is technical at its core, it must be run as a business activity in order to generate customer predictions that have a business impact. This requires a wholly collaborative process driven by business needs and marketing expertise. This ensures that customer predictions are actionable within your company's operational framework, and that they have the greatest impact within your company's business model.

Referencing the industry standard data mining process model (called CRISP-DM), we break down the requirements of a predictive analytics business initiative. We explore this process, by which analysts and managers collaborate to strategically position predictive analytics, sustain universal buy-in and understanding, and avoid common roadblocks and unforeseen hazards.

Enable. Educate. Enlighten.

**ENABLE
EDUCATE
ENLIGHTEN**



About Us

The Clarico Group puts ourselves in your shoes, listens and accurately grasps your needs, issues and problems. Then we help you to succeed by delivering any combination of our Clarico Client Trilogy.

Client Option #1 – We Enable by Doing or helping to do what you need to succeed

Our consultants deliver results for you by working on your behalf, running programs or projects for you or just being part of your teams, to make the best happen for you by planning and executing at strategic, tactical and operational levels. We help your teams make better, more creative decisions and, most importantly, actually execute on them.

Client Option #2 – We Educate Using Workshops to educate you as to how and what you need to succeed

Before, during or after our consulting work for you ... it's your choice ...we make sure that there's knowledge and skills transfer. We innovate, design and build interactive workshops, eLearning and classroom training MENTO. The right concept. The right message. The right media. At The Clarico Group we customize and integrate traditional and new media.

Client Option #3 – We Enlighten by providing you with how-to media to guide your success.

We provide our clients with the best book, audio and video media and references to allow you to enable your success for yourself.

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