

Customer loyalty and insights

Leveraging customer information to optimize the relationship



Highlights:

- Enables better decision-making based on improved insights derived from full, direct access to customer data
 - Utilizes simple user interfaces for marketing analysts to bring data to life without a deep understanding of statistics or data mining
 - Helps improve business results by more precisely targeting customers based on insights derived from the data
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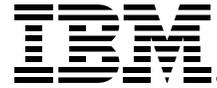
The airline industry today needs to understand actions and inactions that exacerbate commoditization and they are struggling to convince customers that their products are unique for five main reasons:

- **Brand fatigue** – Travelers spend many frustrated hours choosing between products they see as similar
- **Products are similar** – Leveraging the same suppliers and adopting the fast follower approach in product development
- **Messages are similar** – Marketing and are not distinct enough to resonate with target customers
- **Searches are not simple** – Searches take too long and lead to dissatisfaction
- **Lack of personalization** – segmentation does not match the complexity of population served

Expansion of global and regional travel demand is increasing heterogeneity across travel populations making it harder to meet diverse traveler expectations with a one-size (or two-size) fits all approach, which is requiring airlines to more closely match traveler expectations.

But to meet expectations, airlines have to sift through large amounts of customer information to identify truly useful insights, which can be difficult and time consuming. Clients with a rich set of customer information are often overwhelmed by the sheer volume of information and are unable to leverage that information for advantage. Customer analytics capabilities have often been available only to statistics professionals; resulting in information backlogs, stifled business analyst creativity, and delayed responses to changing market conditions.





Consolidating customer data to enable actionable insights through analytics

Customer loyalty and insights helps enable airlines to more effectively guide interactions to match traveler expectations and drive improved business results through customer analytics. Customer analytics finds the one among the many by highlighting differences, identifying similarities, uncovering insights; adding “color and flavor” to otherwise anonymous customers. We begin by capturing customer information, analyzing it to uncover insights, then acting on those insights, and executing to deliver quantifiable business results and improve the customer experience.

- **Capture:** Data collection delivers accurate view of customer transactions attitudes, opinions, and preferences
- **Analyze/Predict/Target:** Advanced analytics capabilities enable airlines to more effectively target customers for interactions; increasing response rates, improving results, and enhancing the customer experience
- **Execute and empower:** Targeted and customized interactions are delivered through appropriate channels at the airlines discretion or on-demand

Identifying new business value using our approach

IBM’s approach leverages existing information, quickly providing insights that deliver real business value; a Customer Value Model (CVM), identification of quick wins, and a roadmap for ongoing efforts. A CVM provides an insightful, intimate, and actionable understanding of customers based on similar behaviors (how customers interact with the airline and how much value they bring). They guide interaction “strategies”; but when targeting specific tactical interactions, there is a need for “micro segmentations” for optimal results. Interactions (for example, promotions and contacts) are most effective, have the best response rates and the highest ROI when sharply focused on individuals. Our roadmap helps ensure you taking the right steps toward successfully optimizing your customer relationships.

Why IBM?

IBM’s Customer loyalty and insights brings together thousands of experienced strategy, analytics, and technology experts and consultants across the globe to help organizations realize their analytics potential. IBM’s services, along with our advanced research group and leading portfolio of top flight analytics software, deliver comprehensive, leading edge business analytics solutions across industries and functional areas for many of the world’s top organizations.

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