



## SAS® Customer Segmentation for Telecommunications

*A component of SAS® Telecommunications Intelligence Solutions*

The ability to classify customers according to their likely behavior and potential profitability is key for gaining a complete understanding of customers — and understanding customers is more important than ever for telecommunications companies, where high customer churn and declining brand loyalty continue to erode profit margins.

But many telecommunications providers struggle to segment their customers effectively, often because they have difficulty making sense of the huge volumes of customer data that exist throughout the enterprise. Even when some segmentation is possible, it is often limited to simple demographic segments or basic usage data that gives no quantifiable insight into either current customer value or likely future behavior.

Many companies also lack the ability to track changes in customer segments — such as changes in life stage, usage patterns or overall buying habits — leaving these companies with no way to evaluate the long-term success of their marketing efforts.

Without accurate, verifiable segmentation of customers with respect to value — propensity to buy, number of products purchased, current and potential profitability, etc. — strategic decision makers cannot get the information they need to evaluate and execute strategies for improving customer profitability and campaign efficiency.

### SAS® Customer Segmentation for Telecommunications

SAS Customer Segmentation for Telecommunications provides a pre-built, customizable segmentation model that offers marketers the ability to create more accurate customer segments and predict customer behavior, which in turn gives organizations the power to create better-targeted product offers, product communications and bundled services.

Drawing on nearly three decades of industry experience and analytical expertise, SAS Customer Segmentation for Telecommunications provides ready-to-deploy analytical and process models specifically designed to speed up implementation and help telecommunications providers segment their customers more effectively. SAS Customer Segmentation for Telecommunications is built on SAS' open, extensible architecture and takes full advantage of its award-winning data warehousing and analytics. The solution offers:

- A segmentation analytical data and process model.
- Customer profitability analysis and reporting.
- Billed call behavior analysis and reporting.
- Unbilled call behavior analysis and reporting.
- Customer and product analysis and reporting.



The segmentation analytical data and process model considers billing patterns, credit-risk scores (from SAS Payment Risk for Telecommunications, for example), loyalty, profitability, length of time as customer, etc. Segments indicated by the model go beyond demographic segmentation to include a range of profitability designations, as well as predictions of future profitability.

This kind of segmentation allows telecommunications companies to deploy appropriate marketing, service and sales strategies to different segments in order to improve overall business performance and customer value. Segments produced by this model are also written back to client and client segment data structures in order to attach segmentation information to customer records and allow more effective tracking of segments over time.

The primary method for dividing the customer base in SAS Customer Segmentation for Telecommunications is clustering, through which customers with similar traits are grouped and fit to more specific analytical models or targeted for a more specific campaign than an entire segment.

This solution integrates seamlessly with the other SAS Telecommunications Intelligence Solutions, so customer segments can be effortlessly used

when designing and targeting marketing campaigns or evaluating strategic performance across the enterprise.

### **SAS® Telecommunications Intelligence Solutions**

SAS Customer Segmentation for Telecommunications is just one component of SAS Telecommunications Intelligence Solutions, which combine SAS' industry-leading technology in analytics, data warehousing, performance management and campaign planning and execution with telecommunications-specific models — all based on decades of industry experience and integrated through an enterprise data architecture that is optimized for the needs of telecommunications companies.

This data architecture, the most open environment on the market today, integrates information from every source within your organization and allows you to respond quickly to changing business needs, letting you gain real value from every step of the intelligence creation process and quickly realize ROI.

In addition to SAS Customer Segmentation for Telecommunications, SAS Telecommunications Intelligence Solutions also include:

- SAS Strategic Performance Management for Telecommunications
- SAS Campaign Management for Telecommunications
- SAS Customer Retention for Telecommunications
- SAS Cross-Sell and Up-Sell for Telecommunications
- SAS Payment Risk for Telecommunications
- SAS Customer Profitability for Telecommunications

### **About SAS**

SAS is the market leader in providing a new generation of business intelligence software and services that create true enterprise intelligence. SAS solutions are used at more than 40,000 sites — including 90 percent of the Fortune 500 — to develop more profitable relationships with customers and suppliers; to enable better, more accurate and informed decisions; and to drive organizations forward.

SAS is the only vendor that completely integrates leading data warehousing, analytics and traditional BI applications to create intelligence from massive amounts of data. For nearly three decades, SAS has been giving customers around the world *The Power to Know*®. For more information, visit us at [www.sas.com](http://www.sas.com).



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