



Better, Faster Enterprise Decisions: From Insights to Action With Active Enterprise Intelligence™

Dr. Dave Schrader
Director of Marketing and Strategy
Teradata, El Segundo California USA
+1.310.616.2186
David.schrader@teradata.com



23RD IPMA WORLD CONGRESS
15. - 17.6.2009, HELSINKI FINLAND

IPMA »
international
project
management
association

Rule Maker? Rule Breaker?

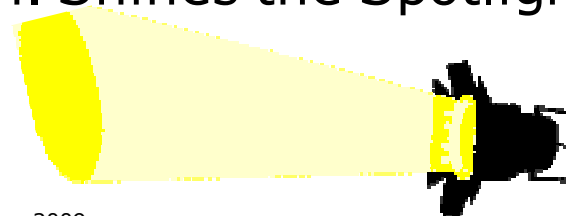


- **Business Model:**

- > Match Supply and Demand on the Web, clearance
- > Demand side (>17M customers). Quick and convenient access to 650K brand-name merchandise at discount prices
- > Supply side (partners & suppliers). Efficient, discreet and transparent disposal of excess merchandise at high recovery values. 1,200 Fulfillment partners provide ~80% of revenues

- **Active** since 2006, at insistence of the CEO Patrick Bourne

- > MUST be "Active" – no over-runs of sales, drop prices
- > 70 "O-Reports", dashboards at everyone's fingertips
- > Can roll up the corporate Profit /Loss statement every hour !
- > Focuses everyone's attention. Shines the Spotlight: Gross margin? Pricing? Returns?



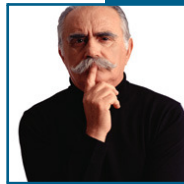
3 Topics

- **Theory:**
What is **Active Enterprise Intelligence™**?
- **Practice:**
10 Refreshing Project Stories
 - > AEI for **Customer Management**
 - > AEI for **Integrated Supply Chain**
- **How to Make Active Projects Happen**



Active Enterprise Intelligence - Theory

Helps You Make Better Decisions, Faster – Across the Enterprise



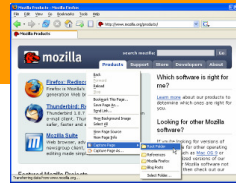
Strategic Intelligence:
Great Insights about the Business



Align and Accelerate

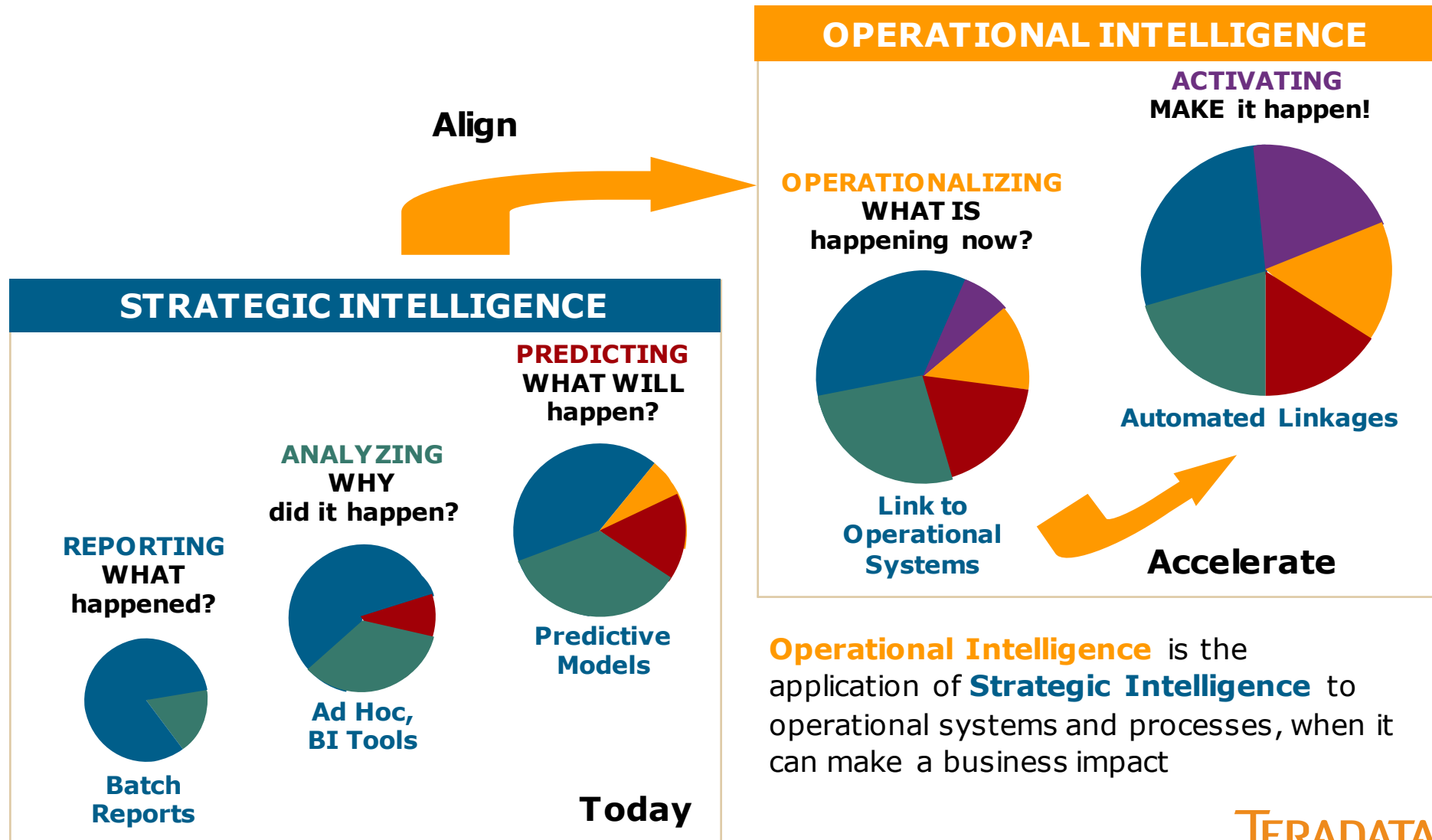


Operational Intelligence:
Operations People and Systems
Become Smarter and Faster



Active Enterprise Intelligence – Theory

How BI/Data Warehouse Projects Evolve



Operational Intelligence is the application of **Strategic Intelligence** to operational systems and processes, when it can make a business impact

Active Enterprise Intelligence - Big Picture

Integrated Customer Insights *and* Action

STRATEGIC INTELLIGENCE



Web Operations:
Insights about
Customers who
use the web

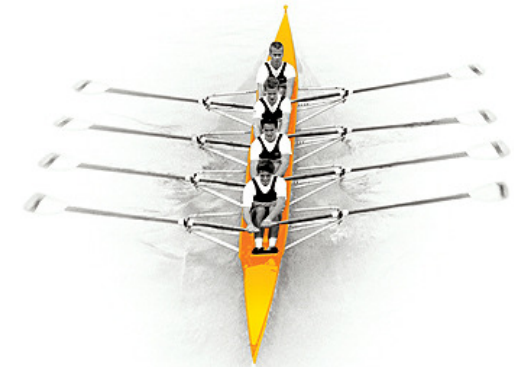
Marketing: Insights
about Customers to be
used Across All
Channels



OPERATIONAL INTELLIGENCE

Practice: Active Enterprise Intelligence in Customer Management

Goal: Drive strategic insights into operational systems, like the web, call centers, in-store or in-branch systems, and ATMs as well as POS systems.



TERADATA
Raising Intelligence

Active Enterprise Intelligence in Telecomm

Improved Customer Service with Real-Time Data

Situation

Saw opportunity to do much better customer service if company could load information from front-ends into Teradata within 5 minutes of any customer activity.

Problem

Needed to add Web service callouts from Call Center system to access customer history and next best offers in real-time.

Solution

Used Teradata to build the system in 3 months. Achieved all project goals.



Impacts

- 80,000 calls/day, 3000 agents
- Better informed CSRs and faster customer issue handling.
- <5 minute ETL latency on all customer activities
- Better, focused marketing

Activating the Web Site - Travel

Drives Email with Timely, Relevant Content

- Shopped Dallas to Las Vegas
- Price 50K+ markets each night
- Compare prices to 30 day average
- 30% drop = Deal
- Find customers shopped BUT did not buy
- Send Low Fare Alert email
- Drive target back to the Web

travelocity | LOW FARE ALERT



Dallas/Fort Worth to Las Vegas
for as low as \$281+

Still shopping for your flight, **Gebbie**? It's time to hurry. Our industry-leading technology shows that fares are **30%* lower** than the average round-trip ticket sold on Travelocity during the last 30 days.

[Book your trip today before fares increase >>](#)

[Add this to your FareWatcher Plus for price change updates >>](#)

Low Fare Alert -- Book Today and Save up to \$121

Dallas/Fort Worth (DFW) to Las Vegas (LAS)

New Price: \$281+

[Book Now](#)

Flight Only

\$281+

Save up to 30%* on this flight!

Hotel Only (per night)

[Search](#)

Flight + Hotel (per person)

[Search](#)

Save \$240 on average when you book together***

Personalized & Compelling

Activating the Web Site - Travel

Statistics and Results



Website Statistics

- Up to 1,500,000 personalization requests per day across 60 unique sessions, on top of usual 300,000 BI queries/day
- 20 – 40 millisecond decision response time
- Current peak demand ~ 40 requests per second

Business Results?

Better Performance and Customer Loyalty!

- 8X to 12X better performance for personalized & compelling emails
- 7X more clicks, 4-5X more bookings for site relevance
- Cornerstone of building customer loyalty

Impact on Teradata System?

- <1% % of total system utilization (not system capacity)

Active Enterprise Intelligence™ In Banking

“Faster Loans”



Situation

EMEA bank with 3M customers had costly and slow manual process for loans and assessing customer creditability. 3500 people issued 900,000 loans/year.

Problem

Lacked ability to access 360° view of customer data (internal and external) and use this data for real-time credit decision making.

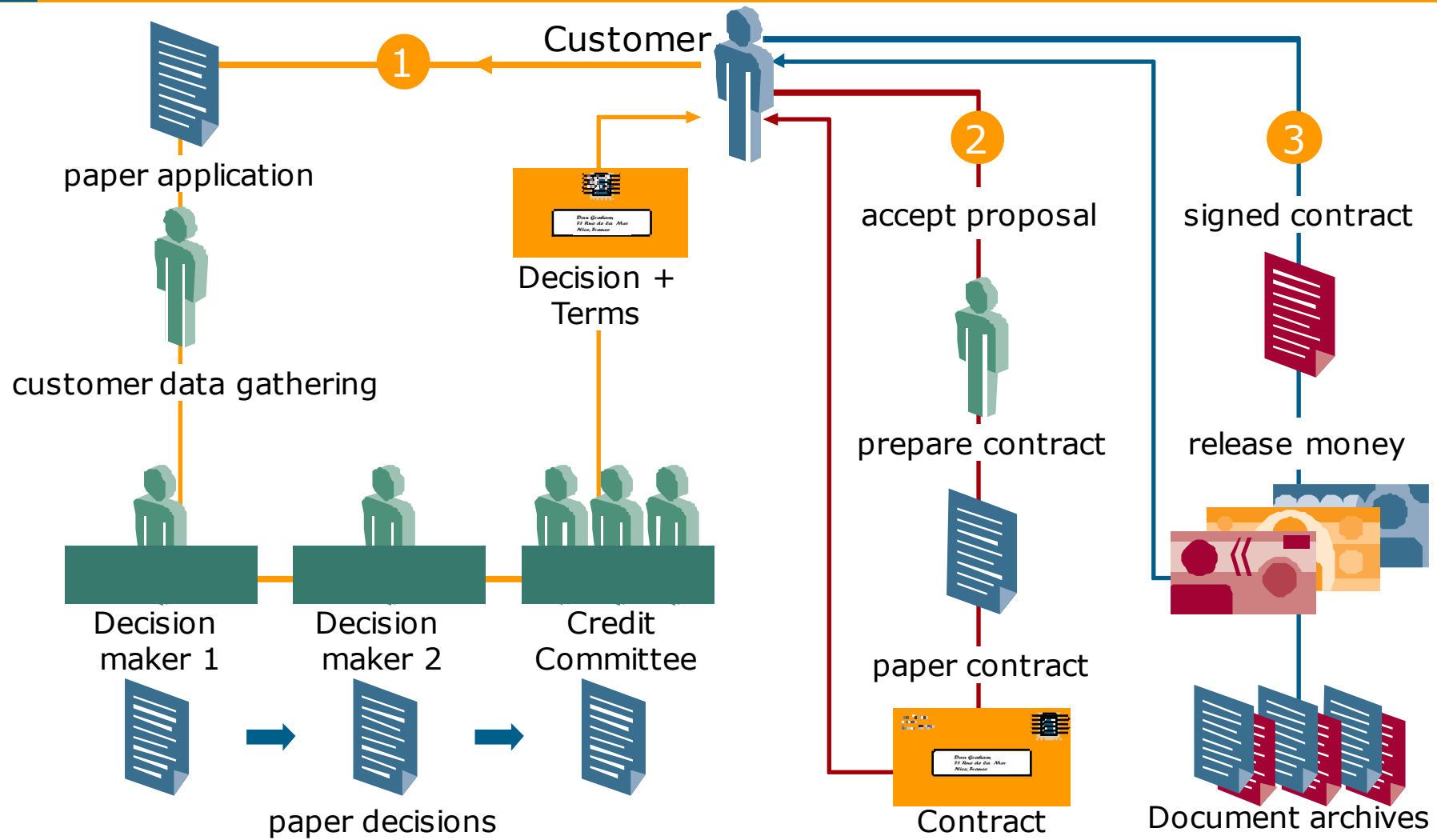
Solution

Used Teradata to drive real-time internal and external data consolidation and delivery of near-instant credit decisions.

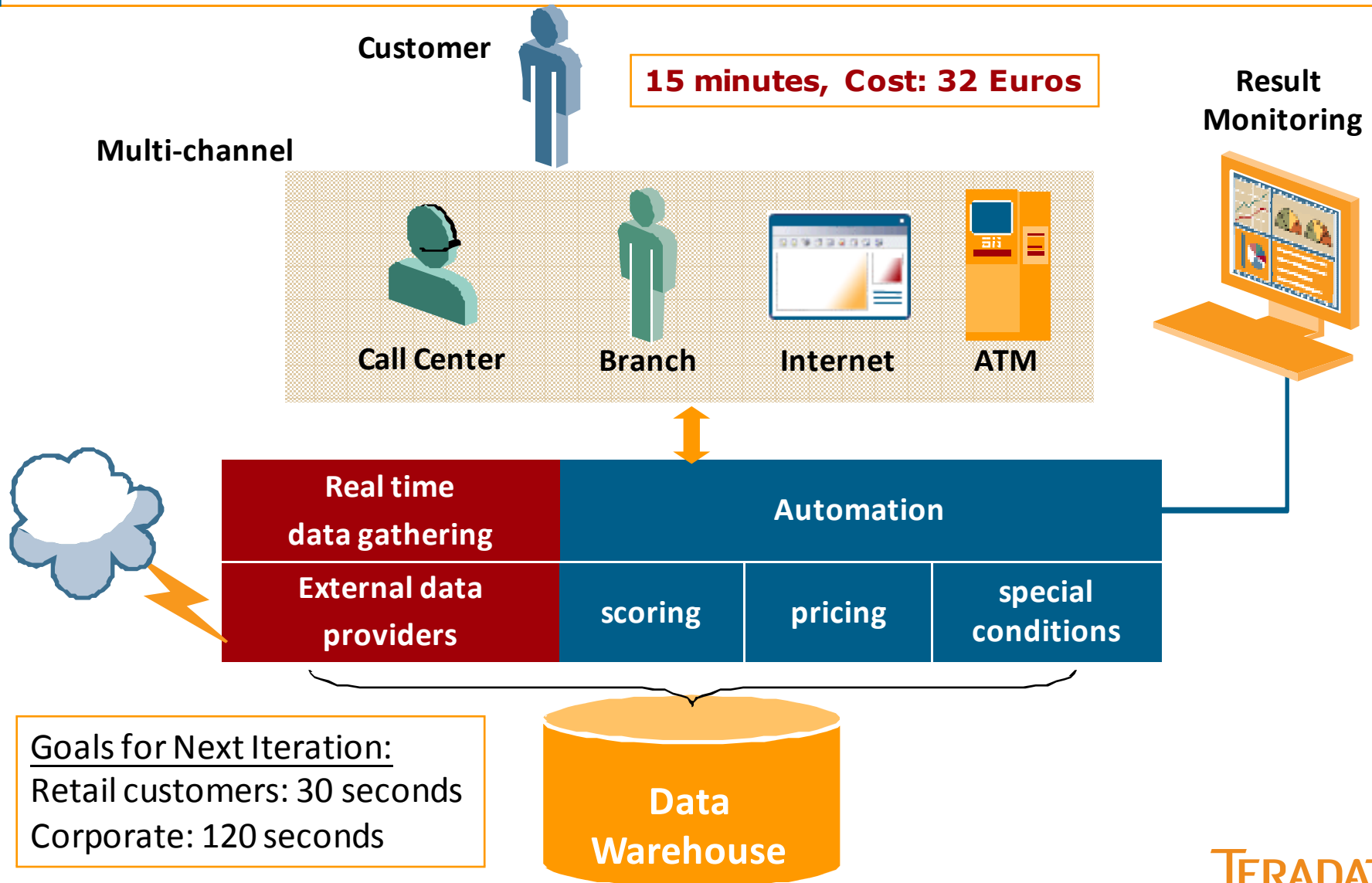
Impact

- Before: Loan took up to 6 days, cost 240 Euros
- After: Loan takes < 15 minutes and 32 Euros to process
- Teradata risk rating portion: 5 seconds
- Cut out human error in credit decision making
- Payback time 8 months
- Substantially decreased headcount
- Annual ROI: 26.7%

Applying for Credit: Before



Applying for Credit: After



Practice: Active Enterprise Intelligence in Supply Chain / Logistics

Goal: drive strategic insights into operational systems like pick and pack, operational dispatching, and track and trace.



TERADATA
Raising Intelligence

Active Enterprise Intelligence in Manufacturing

Perfect Orders and Delivery

Situation

Needed to align and accelerate data and processes across call center, manufacturing, and logistics.

Problem

Multiple systems and many data sets, resulting in six weeks from order to delivery.

Solution

Use one Teradata system to process all data – drives both decision-support and operational systems, to provide perfect custom orders.



Impact

- Supported shift from 6 weeks to 48 hours for 3000 orders/day
- Dynamically optimizes inventory and production
- Handles 1.75M queries/day, including customer status requests via web

Active Enterprise Intelligence in Manufacturing

Active Service Supply Chain Optimization

Situation

Top 10 Vendor, \$2B/yr service revenues from break/fix on 3.5M products in the field. 10,000 B2B customers in 110 countries, 22 customer care locations, 12,000 employees to schedule/optimize. \$500M inventory to manage, >1000 stock locations.

Problem

18,000 service interactions/day. Needed a closed loop system to optimize scheduling, ensuring SLA coverage, dynamic updates to hourly break/fix plans.

Solution

Built their Intelligence Services Architecture on Teradata to capture, report, and optimize all aspects of service

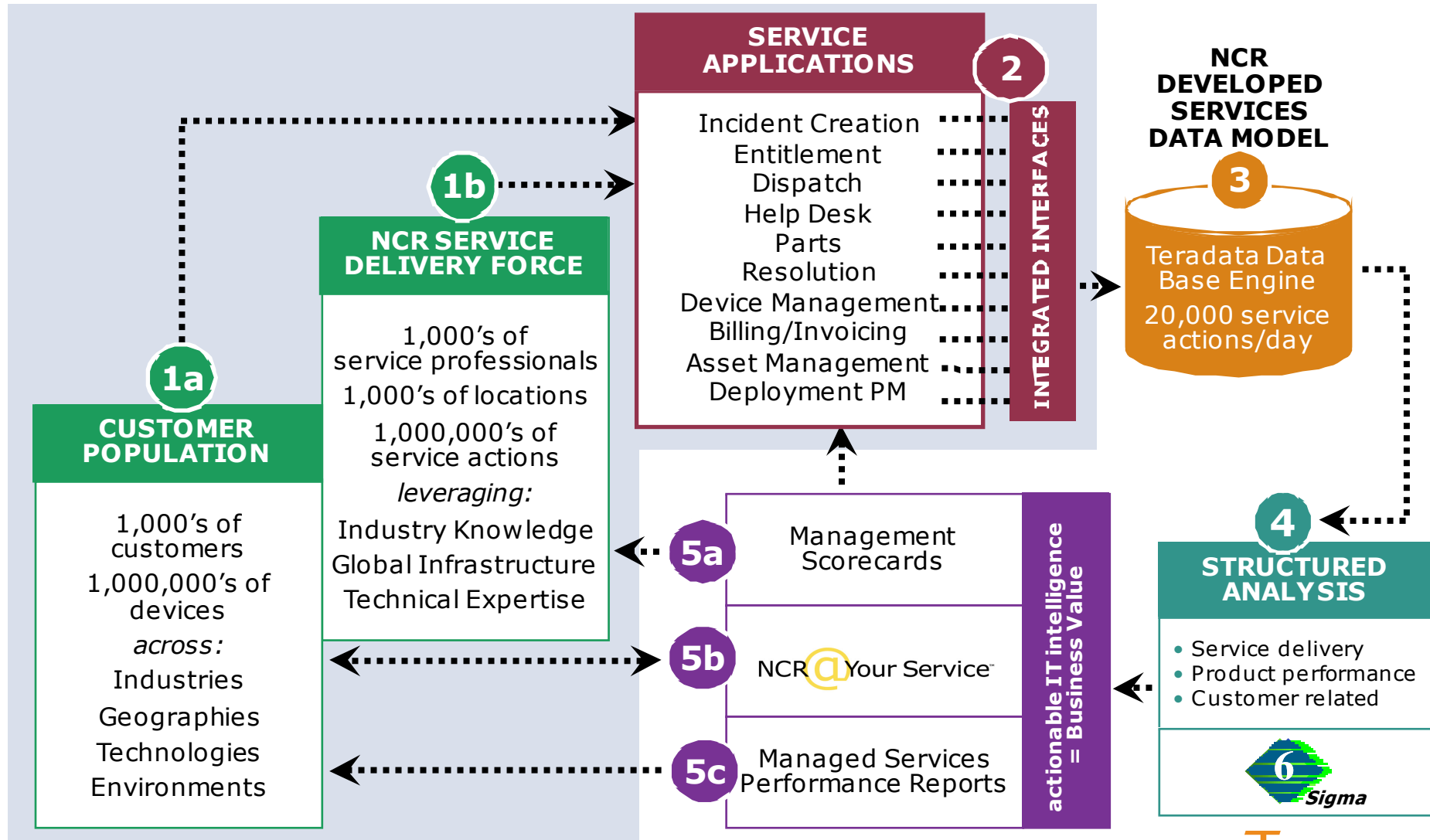


Impact

- Higher customer satisfaction
- Higher achievement of SLAs
- Closed loop Six Sigma process improvements

Active Enterprise Intelligence in Manufacturing

Active Service Supply Chain Optimization



Active Enterprise Intelligence in Travel

Optimize Check-In Agent Staffing

Situation

122,000 check-ins / day. Surges in passenger check-ins can cause long queues at airports resulting in passenger dissatisfaction and occasional missed flights.

Problem

Need to balance check-ins and staffing levels, move staff on-demand to smooth out check-in surges.

Solution

Carrier uses Teradata to monitor online check-ins (including checked bag inputs) by passengers, then computes hourly expected at-airport check-ins. This drives dynamic staffing decisions for both counter and baggage stations.



Impact

- Reduced queue lengths for airport checkin
- Better utilization rates for airport staff
- Higher customer satisfaction

The Future is *Now*: How To Make it Happen



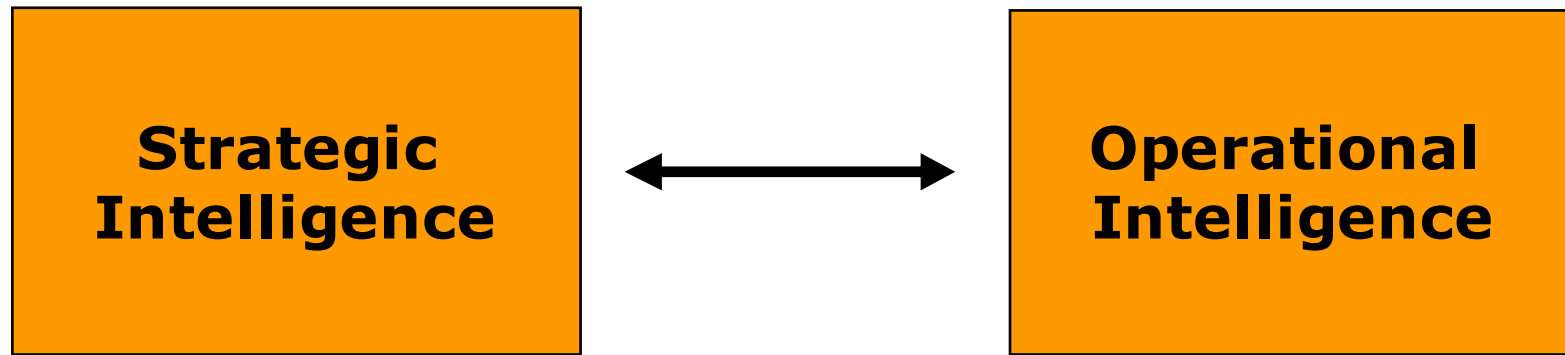
How To Get There

- Begin with a Vision for SI and OI
- Stage the Gameplan
- Create Good Business Justifications
 - > Leverage BI Insights
 - > **Effectiveness**: New Competitive Opportunities
 - > **Efficiency**: Take Out Cost (ODS, DMC)
- Do An Initial Project



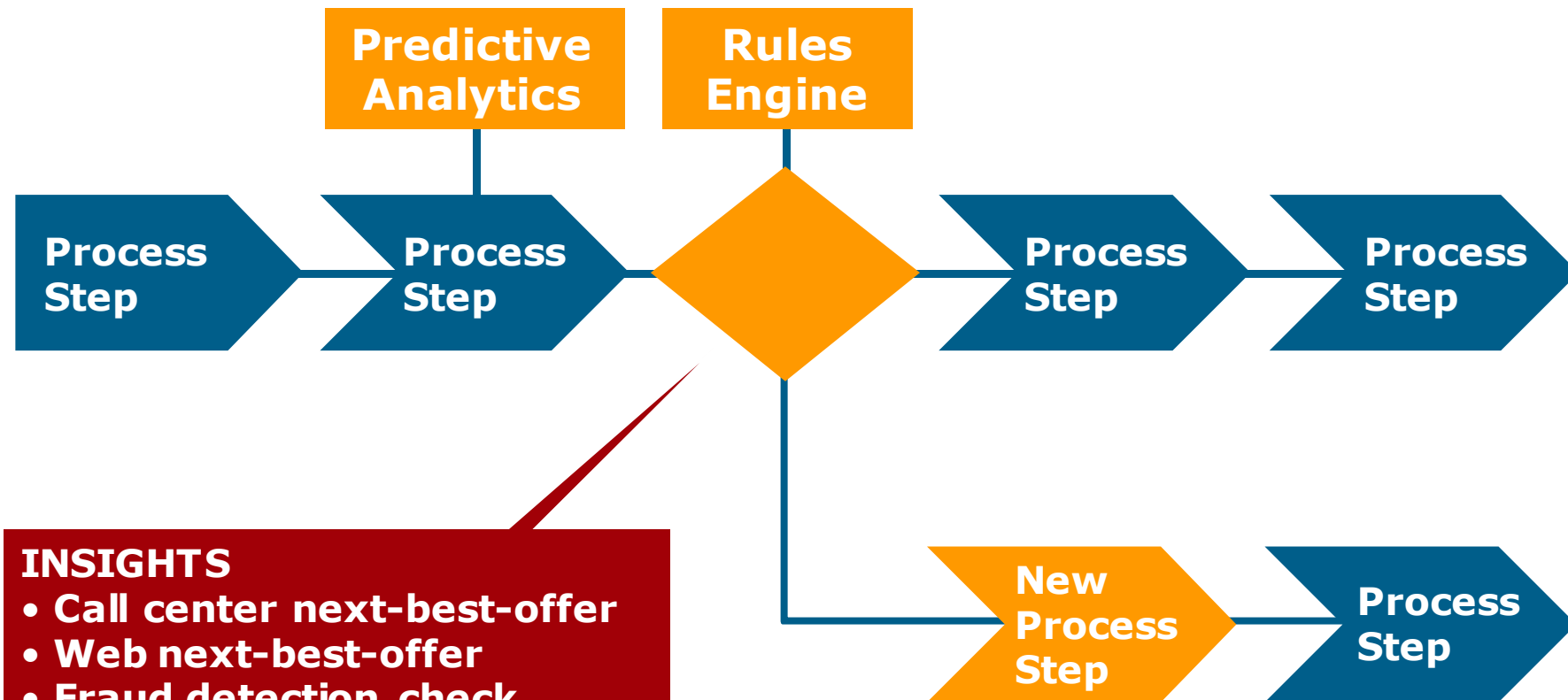
Leveraging BI Insights for Operational Use

“Be Ready At the Moment of Truth”



Using Insights in Operational Processes

Inject Intelligence using SOA



INSIGHTS

- Call center next-best-offer
- Web next-best-offer
- Fraud detection check
- Extend/deny credit
- Automated pricing
- Policy underwriting
- Compliance controls

Injecting Intelligence into the Call Center

Customer View
^

Customer
X

Cindy Bifano
1168 Barroilhet Dr.
Hillsborough, CA, 94010
555-954-5929

Customer Value score: 87
Attrition score: 32

Accounts: ▼
 Email: ▼
 Household: ▼ !

Renewals: [07/02/09](#) Acct Age: 7
 Affinities: [e-Nest3](#) Last order: [01/15/09](#)
[Product links](#) Last offer: [B707](#)

Trigger
Personalized offers
X

[Savings](#) I see you made a large deposit 6/02/09. Do you have any plans for this? Can I suggest a [high yield bond](#)?

[Lending](#) Did you know you are near your overdraft limit? Would you like to consolidate this into a [term loan](#)?

My Sales Targets & Scores
X

Offers Made		Sales	Hand
Target	Actual	\$ Target	offs
75	63	81%	21

Customer History
X

Contact	Summary	Date
Call Ctr	Inbound	4/02/09
email	Outbound !	5/18/09
Call Ctr	Inbound	6/14/09

BUT WHY STOP HERE???

Reusing Insights Across Channels

From Call Center To Web

Online Banking Website:

My Profile
Credit
Savings
Transfers
My Spending

Customer

Cindy Bifano
 1168 Barroilhet Dr.
 Hillsborough, CA, 94010
 555-954-5929
 My account
 Email(s)

Personal Banker

I see you made a large deposit 6/2/09. Do you have any plans for this? Can I suggest a [high yield bond](#)?

Did you know you are near your overdraft limit? Would you like to consolidate this into a [term loan](#)?

Summary

Category	To date	Apr
Airline/Transport.	1528.80	0.00
Auto/Gas	387.94	126.75
Building supplies	124.44	17.98
Charity	300.00	100.00
Entertainment	655.04	111.45
Groceries	1787.11	257.09
Healthcare	185.43	29.47
Household	87.55	52.32
Lodging	458.87	0.00
Office supplies	48.88	15.03

Active Enterprise Intelligence in Banking

Better Web Advertising

175,000 contacts / day

365 days per year (24x7)

> 63 million personalizations / year

There are currently > 50 different proposals. These are a few of them:

0,25% extra rente op de internet spaarrekening Boek EUR 1.000,- over naar uw Internet Spaarrekening vanaf een niet-ABN AMRO rekening. U ontvangt dan in de maanden juni tot oktober 0,25%* extra rente over het saldo tot EUR 25.000,- (* effectief op jaarbasis)

Geen geld voor rijlessen. Zou je het liefst nu al beginnen lessen, maar heb je er even het geld niet voor? Waacht niet tot na je studie, maar vraag het voordelige **Rijbewijskrediet** aan. Met een beetje geluk heb je dan dit jaar het roze papierje nog op zak.

Woonlastenverzekering als beste getest De Consumentenbond was erg onder de indruk van onze **Woonzeker ADV**. De woonlastenverzekering van ABN AMRO is een aanrader. Deze verzekering is niet alleen voordelig, maar gaat ook nog uit van passende arbeid!

Veel verzekerd voor weinig geld Voor een minimaal bedrag compleet verzekerd tegen schade en inbraak? Met een **Studenten VoordeelPakket** regel je al je verzekeringen in één keer.

20% korting op woonverzekering Hebt u al een hypotheek bij ABN AMRO? Dan ontvangt u 20% korting op de premie van onze woonverzekeringen, de **hypotheekverzekering** en de **Woonhuisverzekering**.

Wilt u profiteren van het hoge rendement dat u kunt behalen met beleggen? Maar wilt u geen tijd besteden aan het volgen van de beurs? U bouwt een kapitaal op zonder dat u er omkijken naar heeft met **Periodiek beleggen**.

Snel en makkelijk sparen via internet Met de **Internet Spaarrekening** profiteert u van een fikse rente en kunt u direct beschikken over uw spaarlegged.

Hebt u al geruime tijd geld over op uw betaalrekening? Stort vandaag nog een bedrag op een **Internet Spaarrekening** en profiteer van meer rente! Hebt u het geld weer nodig? U boekt het zonder problemen direct weer terug!

Rechtbijstandverzekering ook in 2004 goed getest De Consumentenbond was opnieuw zeer positief over de ABN AMRO **Rechtbijstandverzekering**. Deze is niet alleen goed, maar behoort ook tot de goedkoopste van Nederland.

Extra lage rente! Verhoog uw **Flexibel Hypotheek Krediet** en betaal 1% minder rente. Het **resthoop van uw Flexibel Hypotheek Krediet** is tijdelijk extra aantrekkelijk. Verhoog uw lening met minimaal EUR 2.000,- en betaalt de rest van het jaar maar liefst 1% minder rente.

Extra lage rente! Met een **Flexibel Hypotheek Krediet** profiteert u van een veel lager rentetarief dan bij een gewone lening, omdat de overwaarde van uw huis als dekking dient. **Open nu een Flexibel Hypotheek Krediet** en u betaalt de rest van het jaar maar liefst 1% minder rente.

Tot 80% premiekorting Uit diverse onderzoeken is gebleken dat ABN AMRO een van de **goedkoopste autoverzekeringen** heeft. Al na 5 schadovrije jaren krijgt u een korting van 75% op de premie. Die korting kan uiteindelijk oplopen tot wel 80%.

ABN-AMRO Goedemiddag meneer/mevrouw Voornaam Achternaam 24 juni 2004

ABN AMRO homepage

Internet Bankieren

- ▶ betalen
- ▶ beleggen
- ▶ mijn bankproducten
- ▶ opdrachten verzenden

uitloggen

Win kaarten voor het North Sea Jazz Festival
sms **JAZZ** naar 7500 (EUR 0,55 p.o.b.)

Hebt u al geruime tijd geld over op uw betaalrekening? Stort vandaag nog een bedrag op een **Internet Spaarrekening** en profiteer van meer rente! Hebt u het geld weer nodig? U boekt het zonder problemen direct weer terug!

pensioen aanvullen. Hoe eerder u hiermee begint, hoe lager de kosten.

Tips & trucs voor Internet Bankieren. Wilt u ook zonder internetverbinding kunnen beschikken over uw rekeninggegevens? U kunt eenvoudig uw **mutaties downloaden**. Zo kunt u ze later bewerken in bijvoorbeeld Excel, Word of een boekhoudpakket.

» **bij-/afschrijvingen** » **portefeuille-overzicht** » **overboeken** » **meest gestelde vragen**

rekeningnummer	soort	tenaamstelling	saldo/waarde
betaalrekeningen			
12.34.56.789	PRIVEREKENING	VOORNAAM ACHTERNAAM	2.084,16 EUR

! Er staan geen opdrachten klaar om te verzenden.

Within 2 seconds after a customer has positively identified him/herself the best matching proposition (out of over 50 propositions) is computed and presented based on real time customer information

Active Enterprise Intelligence in Banking

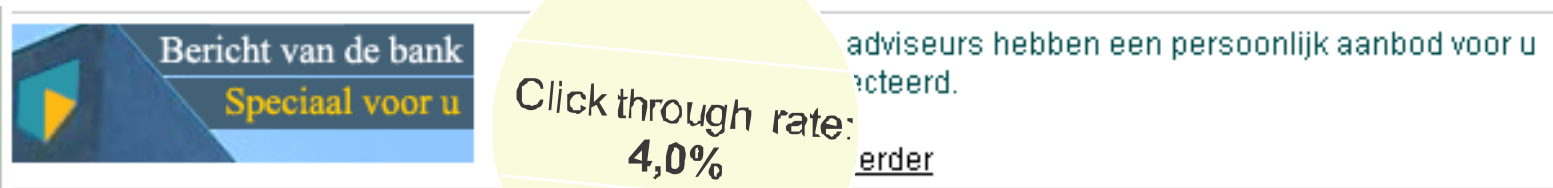
Better Web Advertising

Click through rate for banners (benchmark: 0.2 % or 1 in 500)



Geld over op uw betaalrekening? Stort vandaag Internet Spaarrekening en profiteer van meer re nodig? U boekt het zonder problemen direct we

Click through rate: 5,5%



Bericht van de bank
Speciaal voor u

adviseurs hebben een persoonlijk aanbod voor u
teerd.
erder

Click through rate: 4,0%



EUR 2.000,-
(extra te besteden)

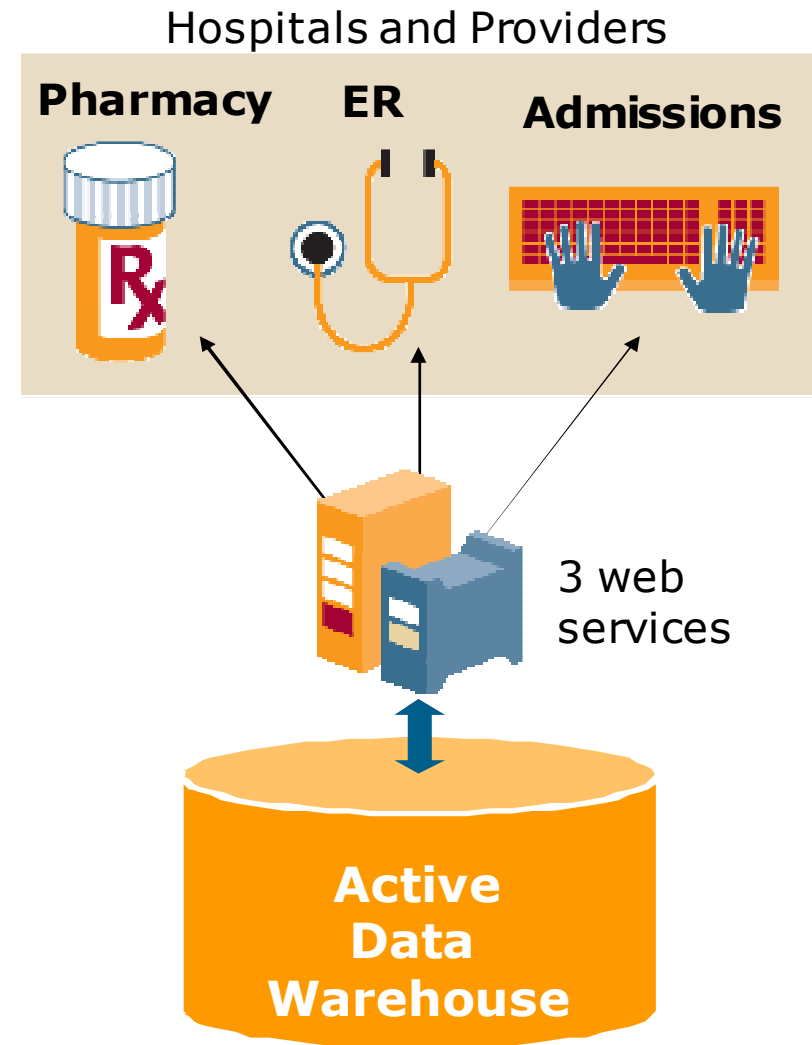
Extra bestedingsruimte is zo geregeld! Verhoog uw F
EUR 2000,- en profiteer tevens van 1% rentekorting. H
aanvraagformulier duurt slechts 30 seconden en de r

Click through rate: 1,1%

Projects Can Be Low Cost

Web Services in Action – Healthcare Insurer Case

- Web speed - facts delivery
 - > Subscriber profile
 - Faster admissions
 - Proof of insurance
 - > Claims history for ER, Rx
 - Treatments
 - Drugs
- Web services for easy integration with providers
- Two-factor identity check
 - > Strong security for privacy
- 3 Services built in 2 weeks by 1 developer



In Tough Economic Times ... Leverage Assets

- If you already have an Enterprise Data Warehouse, then you have made 90% of the investment you need to “go active”
 - > You already bought the hardware
 - > You bought the database software
 - > You bought the ETL tools
 - > You bought the BI tools
- To **go active**, you need to focus on:
 - > Finding a business leader who see the rule-breaking gameplan
 - > Refreshed, right-time loading of data (mini-batch, streaming)
 - > Application integration, insight interjection
 - Made easier through universal adoption of SOA, web services
 - > Active, tactical workloads are usually small (minor % of the box utilization, but with major value) – almost “free”
- **Leverage existing assets!**



Summary

- New Trend: **Active Enterprise Intelligence**
- It is real. We presented 10 Refreshing Case Studies
 - > AEI for **Customer Management**
 - > AEI for **Integrated Supply Chain**
- It's not hard to get started, and can be low cost and high impact!
- For more info:
 - > www.teradata.com

