

SEE THE BENEFITS OF A
SINGLE
CUSTOMER VIEW



2012



The Single Customer View: What's all the fuss?

Introduction

You've got their email address, you know where they live and what they buy. You think you know what they need and where they're looking for that information. You might have thought you knew your customer once. But in today's world, keeping up with your customers who have a postal address, multiple email addresses, a mobile number, an instant messaging id and a Twitter page - to name a few of their identifiers - is becoming increasingly difficult.

This is the reason why organisations, large and small, recognise that a Single Customer View or Single Citizen View (SCV) is not just a 'nice to have' but, today, more essential than ever. Put simply, an SCV is a prerequisite for success in the modern era because the more sources of data and points of interaction we have with our customers and prospects, the more we'll know about them. Knowing more means we can target them better, get closer, increase loyalty and structure our organisation to be truly customer centric.

Looking for any more reasons to prove the need for a consolidated view of your contacts and why an SCV is so important? This short guide will show you the benefits of an SCV, what an SCV means to different industries, and how you may want to tackle some of the challenges along the way.



Single Customer View: A definition

Before we consider further why you need an SCV, and indeed how to start on the right path to achieving one, we need to define what an SCV is.

In our view, an SCV is a single, consistent, accurate and holistic view of your organisation's customers, prospects and their data.

The rise of 'Big Data' heralds a new dawn for data management. A unique record for an individual should now not only encompass your customers' unique identifiers, but all the information you possess on that customer, such as service history, buying habits, and individual preferences. The sheer amount of data at your disposal today that needs fusing together makes establishing an SCV a demanding challenge.

SCV - our definition: a holistic view of your customer and prospect data.



Why do I need a Single Customer View?

Understanding, opportunities, compliance and better service.

Whatever sector you work in, an SCV gives you a true view of your customers, enabling you to serve them better, offer them products and services they are more likely to want, and avoid the reputation damage caused by poor customer service and poor customer knowledge. Reputation damage that, in today's connected and constantly reviewing world, can spread easily.

The benefits of having an SCV can fall into the following areas:

1. Financial

If you don't know who's in your database or what your customers look like, then you could be spending a lot of money on wasted activity and communications.

If your data is inaccurate and you have duplicates you could be sending more than one communication to an individual, wasting you money on unnecessary postage and print runs. This may go as far as to impact the customer's perception of you. They may start to look elsewhere which will result in additional financial losses from an alienated customer.

Without an accurate picture of your customers, poor financial decisions may be made, impacting potential profits and return on investment.

With duplicate systems running within your organisation you could be wasting money on IT by being inefficient with the use of your limited resource.

But an SCV won't just save you money; it can earn you money too. With an accurate picture of your customers, one that tells you what products and services they currently use/buy, you can identify other offerings they might be interested in. You can then begin to cross-sell and up-sell more effectively with targeted marketing campaigns aimed at warm segments of your database, instead of hitting everyone with the same offer.

“93% of UK organisations believe they can reduce costs by having an effective SCV in place.”

Experian Single Customer View Research 2012

2. Improving perception

We are all much more demanding as consumers than we were 20 years ago. We tend to be pretty busy too, and our patience with organisations who don't appreciate both of these points tends to be pretty limited.

A major benefit of having an SCV is that you can see how often you're communicating with people and set up rules to ensure that you don't bombard them with too much information, too often.

Having an accurate holistic picture of who Bob Smith is, and how often he communicates with your organisation, means you can tailor your services to him appropriately.

For those organisations where delivering a better service is high on the agenda, knowing more about your customers, their interactions and behaviours means you are in a better position to improve expectations, deliver a higher level of customer service and in doing so achieve higher customer satisfaction rates.

You can also track any customer complaints, and ensure that if you have fallen below customers' expectations, then at the very least, they don't have to explain it three times to three different people. The consolidation of data from all customer touch points, accessible by all, has a massive impact on your ability to resolve problems quickly and efficiently, and in doing so, win back the

customer's trust and loyalty and improve the organisation's perception.

Finally, in these eco-conscious times, the accurate, up to date contact data that is at

the heart of any SCV, together with more targeted marketing, can help you reduce the level of direct mail packs that you send out, helping to reinforce your organisation's green credentials.





3. Intelligence

It goes without saying that with a clearer view of what your customers are doing – what they have bought from you; what they have expressed an interest in; the mailing or emails they have responded to; even the things they have complained about – means you can communicate with them in a much more intelligent way. A way that remembers past conversations and interactions, that treats them like real people, and which is more likely to engender their trust. You'll also be able to learn from your customers to find prospects who share similar characteristics.

The ability to take intelligent learnings from your customers' behaviour will allow your organisation to make more informed, and better decisions. This will have a direct impact on business performance and return on investment.

4. Process efficiency

An SCV also delivers tangible benefits in the form of accurate record keeping and data within your organisation. Because the simple truth is that you can't have an SCV without accurate, up to date data; it would be like trying to make an omelette with hard-boiled eggs. You would have the right ingredients, you just wouldn't have them in the right format for what you're trying to achieve.

The simple truth is that you can't have an SCV without accurate, up to date data; it would be like trying to make an omelette with hard-boiled eggs.

Think of the time wasted internally if an employee has to manually input the same information on several databases about the same contact, or search for customer information that isn't clearly accessible. An SCV helps organisations become more efficient and easy to do business with.

The knock-on effects of this accurate data are profound. It means you don't send the same mailing pack to the same person twice; you don't send them offers for products or services they already have from you; and you don't offer them something they either can't afford or have no desire for. The net result is that your standing in their eyes goes up a notch or two. They become not just brand

users, but brand advocates, with the loyalty that entails. When a company has satisfied and loyal customers, it's amazing what a positive effect that has on its employees, who are both happier, and more productive.

“62% of UK organisations adopt an SCV to improve process efficiency.”

Experian Single Customer View Research 2012





Sector-specific benefits

In addition to these benefits, there are also some sector-specific benefits to putting an SCV in place. We have outlined some of the key SCV challenges facing organisations in the Retail, Finance, Government, Charity and Education sectors, and how Experian QAS can help provide a solution.

a) Retail

In the retail sector, an SCV means really understanding who each of your customers is – what they have bought from you, and how they've bought it; what they have not bought from you; and what they are likely to want to buy from you in the future.

With an SCV in place, you can avoid the waste and reputation damage that comes from targeting customers with offers for products and services they already have, or that they are unlikely to be able to afford, or from targeting them with the same offer more than once.

You can upsell and cross-sell more effectively, by concentrating your efforts on those customers who are most likely to be interested in whatever it is you are trying to promote. And you can ensure that critical decisions, such as where to locate a new store are based on a true and accurate picture of your customer base.

Challenge

The modern retail business has multiple points of data entry, including in-store, online, mail order and, increasingly, via a mobile application. Managing this data poses a real challenge for retailers, particularly in situations where data is stored in different databases, depending on the route by which it came into the organisation.

Without proper data quality control systems in place, the same customer can appear multiple times, with nothing to identify them as the same person.

In the worst case scenario, this can result in them receiving the same

marketing communications via email or post multiple times, creating a very poor impression of your company and your brand. A similar problem is faced by large retail groups, where customers of one of the retailers within the group are also customers of another.

Finally, without an SCV in place, it's difficult, if not impossible, for any retailer to run an effective loyalty programme. Yet in an era where customer retention is key, a good, effective loyalty programme has never been more important.

Solution

Experian QAS solutions can help you manage your data from the point at which

you collect it. Our systems can minimise the number of keystrokes required to capture a name and address either in-house, in-store or online. Names, addresses and email addresses are validated at the point of capture, and duplicate records highlighted.

Thereafter, we can help you stay on top of your data. Because as time passes, people move house, or pass away, your data, left to its own devices, will be in a state of constant decay. The only way to manage data effectively is to constantly revisit it, cleaning, verifying and de-duping it to ensure it remains accurate. This is essential, because accurate, up-to-date data is the bedrock of any successful SCV project.

We can also append data to help with your marketing efforts. And to combat retail fraud, we have systems that can confirm that anyone applying for a job in one of your outlets is who they claim to be. This is significant when you consider that, according to the British Retail Consortium, 53 per cent of retail losses are a result of employee theft.

“53 per cent of retail losses are a result of employee theft.”

British Retail Consortium





b) Finance

In the Finance sector, an SCV is about offering your customers the right product at the right time. An example would be offering a customer or prospect a loan at a preferential interest rate, which you later find they don't qualify for. It means you don't offer customers things they already have. It should also mean that when you offer them anything, you do so via their preferred communications channel.

How do you know what this is? Because at some point you ask them, make a note of their answer, and then respect that choice going forward. Improving contact data accuracy is a vital step in the SCV journey to ensure you pick the right customers for cross-selling and up-selling to.

And, it will help you tackle the regulations put in place by the Financial Services Authority (FSA), such as the Financial Services Compensation Scheme (FSCS) for the banking sector and Solvency II for insurers.

“Effective data integration, which allows banks to profile individual customers, and assess the quality of information it has on each saver, investor or borrower, has a critical part to play in implementing the changes proposed by the FSA.”

Mark Dunleavy, Computer Weekly

Challenge


With the increase in finance regulation in the wake of the economic downturn, it's more important than ever that financial institutions have a clear view of their data. Not only for meeting their regulatory obligations to the FSA, but for providing an optimum service to their customers and capitalising on any increase in value that customer could provide.

For example, as part of the FSCS regulations, deposit holders must be able to supply a sample of an SCV which breaks down the aggregated holdings of each individual customer. They must be able to supply this file within 72 hours of request and also supply details of how they planned, implemented and tested their SCV system.

As you work towards delivering an SCV, the avoidable becomes unavoidable; you have to look at how you deliver critical business information on a day to day basis. It's about the data you hold and how you handle it. Large organisations are likely to have developed or inherited multiple systems over the years or merged systems from different companies. Inevitably, without a data management solution in place, there will be multiple sources of customer information, in different formats, and of different degrees of completeness and accuracy.

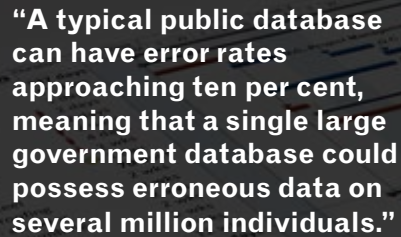
Solution

Get face to face with your data, merge systems correctly, remove duplicates and make sure that all the information you hold on your depositors is up to date and accurate. It will enable you to avoid scenarios in which the same customer holding multiple accounts of more than the £50,000 (the compensation cap for FSCS) is compensated more than once. This would fail to comply with the regulation.

A man in a grey suit and blue tie stands in a meeting room, pointing with a blue marker at a whiteboard. The whiteboard has some diagrams and text on it. In the foreground, the backs of several people's heads are visible, suggesting they are listening to a presentation.

“Ensuring there are no duplicates and that residual non-matches have been resolved as much as possible is essential.”

Viewing customers, compensating consumers, April 2010, David Reed, Editor of Data Strategy magazine



“A typical public database can have error rates approaching ten per cent, meaning that a single large government database could possess erroneous data on several million individuals.”

Tom Ilube, chief executive of Garlik

c) Government

In the Government sector, an SCV means understanding who each citizen really is, which services they currently use, and which ones they might benefit from knowing about. An SCV will also help government departments in their goal of providing a better, more personalised service, where citizens or businesses only need to provide information to the government once.

Challenge

In order to provide a better, more personalised service at a lower cost, government organisations aspire to provide a one-stop-shop: one point of contact (whether electronically, through a contact centre or by visiting a local office) where there is one version of the truth. This will ease the burdens

on individuals and businesses and reduce costs for government, such as misaddressed post or duplicate processing and long queues that waste both the citizens and government employees' time.

Achieving this vision is difficult however. There are currently approximately 300 million contact details in the public sector - almost five for every citizen. Every year £55m of Central Government state benefits are paid out to people who have died. And one family had 44 instances of communication with Central Government over the death of a relative, with the process dragging out over 180 days. A single view is clearly required.

“There are 300 million contact details in the public sector – almost 5 for every citizen.”

Office of National Statistics (ONS) estimate based on CIP data trial output

Solution

To transform public services from a reactive, disparate service into a proactive and integrated set of services, a single citizen view is needed. Experian QAS can help you on your journey towards this “one source of truth” by providing you with accurate contact details across all citizen touch points. This can help to ensure services are provided to the right citizen at the correct address, that better more informed budget decisions are made with accurate information, and by ensuring that the citizen doesn't have to contact you multiple times. This, in turn, will help the government to become compliant with the 'Tell Us Once' initiative.

d) Charity

In the charity sector, an SCV means knowing each supporter's donation behaviour, understanding where there are opportunities to encourage them to donate more. It means understanding their preferences, so that if they have told you they like to donate a lump sum once a year, you don't hassle them with emails or mailing packs asking them for more money every two months. It's also about treating them as individuals – making them feel understood, valued and informed so they remain loyal to you and your cause.

Challenge

Charities often receive donations through different channels, which can result in different address and name formats, missing information, or duplicate donor entries on the

charity's database, meaning they don't hold a Single Donor View. This becomes costly when sending out supporter information. Additionally, the fragmented view of a donor base gives charities a poor understanding of a donor's journey, which could result in a missed opportunity for targeted communications aimed at strengthening donor loyalty.

Solution

Experian QAS products and services will help you stay in touch with your supporters and manage their donor experience. See your data clearly so you can avoid duplicate communications, save money which would otherwise be spent mailing or calling the wrong people, improve donor perception

and, in turn, brand perception. And profile and segment your donors to maintain and strengthen positive relationships.

“Experian QAS software means we can contact our supporters in the way they want to be addressed – there are no mistakes or errors when we mail our database.”

Dan Lockeretz, Database Manager, WaterAid



e) Education

In the Education sector, the Government is levying £3,700 fines for every university student over the cap it has imposed (almost 5,000 students too many were accepted in 2009). An SCV can help reduce this funding pressure by aiding universities to keep track of where their graduates end up. If you can prove, through good contact data management, that a high proportion of your graduates are finding jobs after leaving university, it will help support your case for additional funding.

The Government is levying £3,700 fines for every university student over the cap.

Challenge

In higher education, student contact information is stored across several central databases, such as HR, Finance and Prospectus. This makes it difficult to see how many students are in an institution, and can create an array of issues, including incorrect and missing data. This can result in the misallocation of funds and miscommunication of acceptance decisions.

Solution

Experian QAS has a range of contact data management tools and services that you can use when taking details from prospective students to maintain data accuracy, avoid errors and improve

processes. Our products and services will save you time and money by reducing wasted communications, improving departmental processes, improving the student

registration process, and enabling effective student administration throughout term time.





Conclusion

We hope you now have a better insight into why an SCV is so important, how it will help you meet some of the challenges that organisations in your sector are facing, and how Experian QAS can help on the road to an SCV.

The challenge of maintaining accurate data in order to achieve an SCV can sometimes seem like a complicated one, but the technology and people are out there to help you do it. Most organisations have enough computing power sitting on their desktop to make the most of SCV software. This will ensure the accuracy and quality of your data to make sure an SCV is achievable.

And if you can see why having an SCV is no longer just desirable, but essential, we'd like to help you achieve it. As a first step, our Single Customer View team will be happy to conduct an audit of your data to show you what state it's currently in, and what you can achieve. From here, we can tell you what you need to get your data quality up to the standard it needs to be if it's going to feed into a successful SCV process.

Interested in achieving an SCV?

Get in contact scvfocus@qas.com or call us on 0800 197 7950.

Where to go for further information

General

1. Listen to our webinar on how you can achieve a single view of your customers:
www.qas.co.uk/focus
2. View our online animation for a visual understanding of how contact data management can help you achieve an SCV:
www.qas.co.uk/focus
3. Want an electronic copy of this guide? Go online to download the PDF:
www.qas.co.uk/focus

Finance

1. Read our Finance brochure on how you can maintain a Single Customer View through contact data management:
www.qas.co.uk/focusfinance
2. Visit the FSCS website for more information on Single Customer View for faster payout:
<http://www.fscs.org.uk/industry/single-customer-view-for-faster-payout/>
3. Read how the FSCS are working with Experian as its verification solution provider:
http://www.fscs.org.uk/uploaded_files/SCV/dear_compliance_officer_final.pdf

4. Read the Data Quality Pro report for practical advice on how to satisfy UK FSA requirements for Single Customer View:
<http://www.dataqualitypro.com/data-quality-home/report-how-to-cost-effectively-satisfy-uk-fsa-requirements-f.html>
5. View the FSA consultation paper CP 09/16 'Financial Services Compensation Scheme: Verification of the Single Customer View and changes to deposit compensation':
http://www.fsa.gov.uk/pubs/cp/cp09_16.pdf

Government

1. Read our Central Government brochure on driving efficiency through contact data management: www.qas.co.uk/focusgovernment
2. Read our Local Government brochure on achieving a joined-up service through effective contact data management:
www.qas.co.uk/focusgovernment
3. Find out how to match your records for a single citizen view: www.qas.co.uk/focusgovernment

Charity

1. Watch our Charities webinar: Safeguard your donor data - January 2010 featuring case studies from PDSA and our industry partner CIBER:
www.qas.co.uk/focuscharity

2. Read our Charities brochure on how to keep donor records accurate and up to date:
www.qas.co.uk/focuscharity

3. Download our charity case studies for examples of how contact data management can help to generate more revenue by understanding your donor base:
www.qas.co.uk/focuscharity

Education

1. Read our Education brochure on improving the efficiency of student administration:
www.qas.co.uk/focuseducation

2. Read our Education fact sheet on the issues facing the education sector and how contact data management from Experian QAS can help you on your SCV journey:
www.qas.co.uk/focuseducation

“84% of consumers would take their custom elsewhere if an organisation they had previously used made a mistake from a list of things that can happen when large organisations lack a comprehensive SCV.”

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