

# Predictive Analytics

**W**e help you reduce costly customer churn, increase customer profitability and reduce bad debt and fraud. We can support you in performing social networking analysis to identify key influencers and optimize sales and marketing efforts.

## THE CHALLENGE

If you were running a local delicatessen, you'd probably know who most of your regular, high-value customers are. You'd know their likes and dislikes, and stock their favorite products, and even suggest additional products based on what you know they like.

But how can you match that level of intimacy when you have millions of customers, thousands of employees serving them, and hundreds of products.

New technologies now provide instant access anytime, anyhow and anywhere—not just from nine to five, Monday through Friday. Customers expect their service provider to be ready to serve 24 hours a day, every day of the year. In short, today's customers demand choice. Customers want to do business with companies who know them.

## OUR ANSWER

To try and transform customer data into profit, organizations are finding themselves with a need to easily identify useful and actionable relationships. Predictive Analytics from CGI helps companies attract and retain the most profitable customers by analyzing past behaviors and predicting the likelihood of future behavior (e.g., customer X is 89 percent likely to churn to a competitor when his current contract expires in the next two months, while customer X is 86 percent likely to take up insurance quote AB but only 23 percent likely to renew her current policy).

Predictive Analytics makes use of a wide variety of statistical and mathematical techniques that search data, identify interesting patterns and then make accurate predictions. The important thing to note is that our variety of models can plug into data and form predictions of likely future events. Organizations can use this intelligence to then accurately target customers with tailored offers, products or services.

Providing customers with a unique and relevant experience encourages brand loyalty, differentiation and, above all, competitive advantage. Our Predictive Analytics platform provides a decision engine that generates customer insights and enables customer intimacy.



## FACT SHEET

### KEY FEATURES

- Proven data mining methodology
- Open standards-based architecture
- High performance and scalability
- Real-time decision optimization capability
- Easy integration with operational systems
- Low total cost of ownership (TCO)

At CGI, we believe having a deeper insight into customer expectations and future behaviors is the key to successful marketing campaigns. Our innovative models and techniques can enable businesses to understand the key factors that drive customer value and loyalty, and attract more customers.

Our vision is to see all organizations place the consumer at the heart of their decision making. Our Predictive Analytics solutions enable companies to engage with each of their customers as individuals, resulting in improved customer profitability, increased retention, reduced risk and outstanding customer-centric experiences.

A large European mobile operator was making a significant annual investment in 40 general marketing campaigns. These had failed either to reverse the decline in average revenue per user (ARPU) or reduce customer churn. The operator had a database with call records and billing data, but was unable to analyze this or develop strategies to improve performance.

We helped the operator by providing subject matter expertise and using Predictive Analytics to score customers on their likelihood to churn and then identify the products they would find most attractive, as well as their preferred sales channel.

Using predictive analytical models to offer the most appropriate product to each caller, our client was able to convert a customer service center into a highly successful inbound sales channel. As a result, in just six months the operator achieved a double-digit reduction in percentage churn and generated additional revenues of €1.3 million.

The operator now runs more than 200 highly targeted campaigns a year to stimulate usage and sell specific bundles. Return on investment in marketing campaigns has exceeded the best previous results by more than 230 percent. The new solution continues to identify further innovative offerings to improve customer retention and to stimulate revenue growth.

### WHY CGI?

We have more than a decade of experience in solving complex analytical problems for our clients. Our approach is to generate new and inventive ideas that mature into innovative solutions that can be rapidly developed and deployed.

We have a dedicated experienced team of highly talented statisticians and analysts who have worked across the industry to perfect a wide range of algorithms and techniques. We have also developed a number of pre-built, turn-key solutions that will plug into customer data and generate valuable revenue generating patterns and insight.

Our Predictive Analytics models provide business led solutions that make a difference. Our novel commercial options and reduced barriers to entry ensure that you get the maximum benefit for the smallest investment. Some of these options include running our models as a “software as a service” to minimize running costs or on a “risk-reward” basis to maximize your return.

Our proven track record and ability to fuse business, people and technology to create an effective and sustainable ecosystem is what makes us different from the rest.

### ABOUT CGI

With 69,000 professionals operating in 400 offices in 40 countries, CGI fosters local accountability for client success while bringing global delivery capabilities to clients' front doors. Founded in 1976, CGI applies a disciplined delivery approach that has achieved an industry-leading track record of on-time, on-budget projects. Our high-quality business consulting, systems integration and outsourcing services help clients leverage current investments while adopting new technology and business strategies that achieve top and bottom line results. As a demonstration of our commitment, our average client satisfaction score for the past 10 years has measured consistently higher than 9 out of 10.

For more information about CGI, visit [www.cgi.com](http://www.cgi.com) or email us at [info@cgi.com](mailto:info@cgi.com).