

Data Quality and Customer Data Integration (CDI)

**MIT IQ Industry Symposium
Cambridge, Massachusetts, USA
July 18-19, 2007**



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Acxiom Heritage

- Founded in 1969
- Public in 1983: NASDAQ (ACXM)
- Headquarters: Little Rock, Arkansas
- More than 6,700 associates worldwide
- FY 2006 revenue: \$1.3 billion \$1.33 billion annual revenue
- Manage 20 billion customer records
- Update 1 trillion customer records yearly
- Correct/improve 48% of customer updates
- Improve customer recognition accuracy 7-10%
- 14.3 billion compiled data points on consumers – largest available
- 400-900bp “marketable consumers” advantage
- Recognize 300 million shoppers yearly
- Perform 1,000 customer analyses yearly
- Screen 1.5 million applicants yearly
- Network of 3,000 court record researchers
- Top 25 interactive agency. Second largest e-mail marketing firm
- Manage 6 billion emails & 40,000 campaigns per year
- 1940bp audited e-mail delivery advantage
- 3 billion privacy suppressions yearly
- Perform 59% of all NCOALink®*
- Perform 85% of all DSF2™*
- Manage 200+ relational databases on behalf of clients.
- 98 campaign management implementations
- 71 business intelligence system implementations
- 7 acres of data center
- 100 security audits yearly

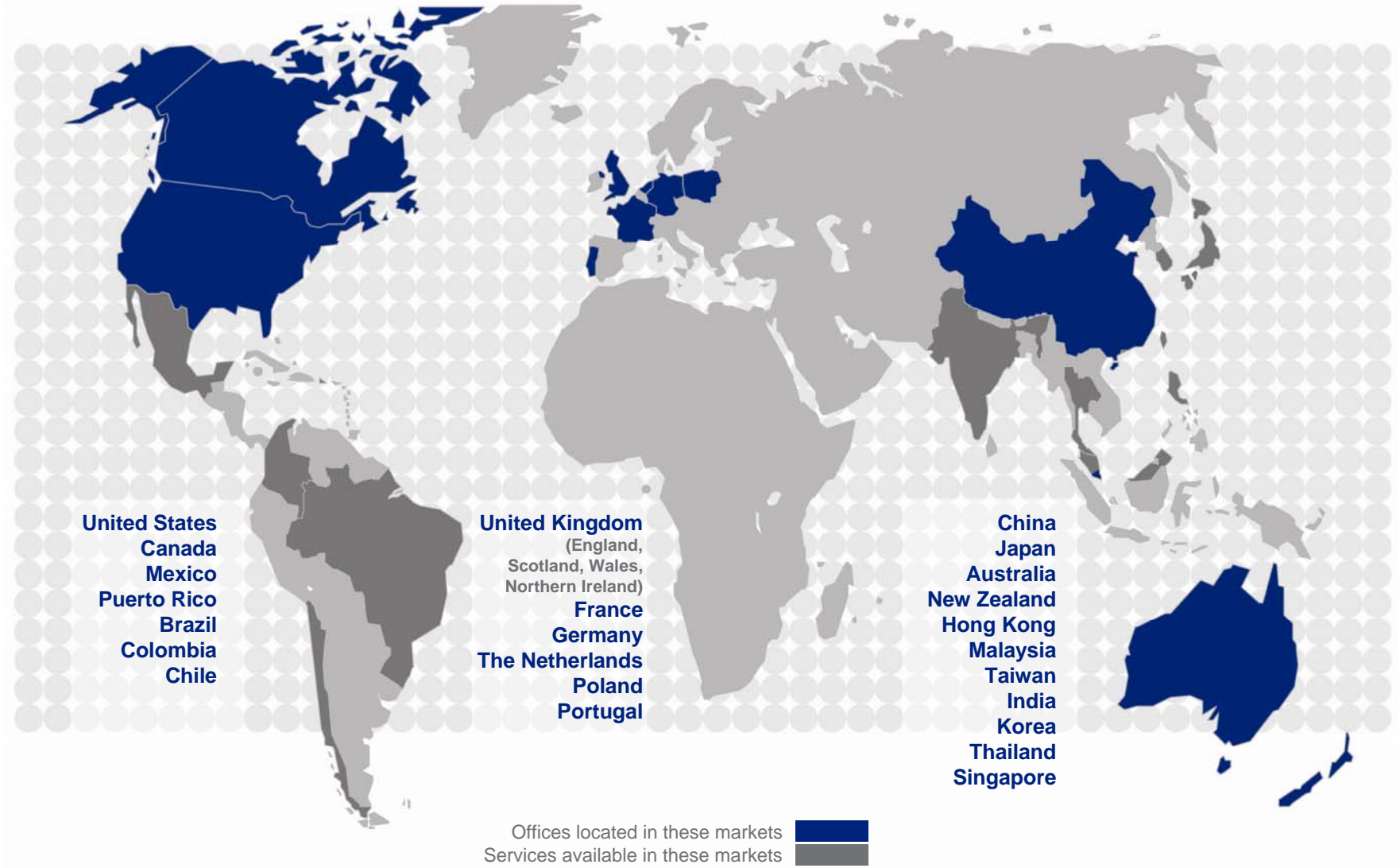
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Acxiom Core

- Customer & Information Management Leader
 - Data Quality
 - Customer Data Integration (CDI)
 - Customer Data
 - Managed Databases
 - Consulting & Analytics
 - Privacy Leadership
 - IT Outsourcing
 - Multi-channel Marketing
 - Risk Mitigation
- Core Attributes
 - Gold standard client service
 - Technology leadership
 - High-volume complex solutions
 - Industry focused
 - Global presence

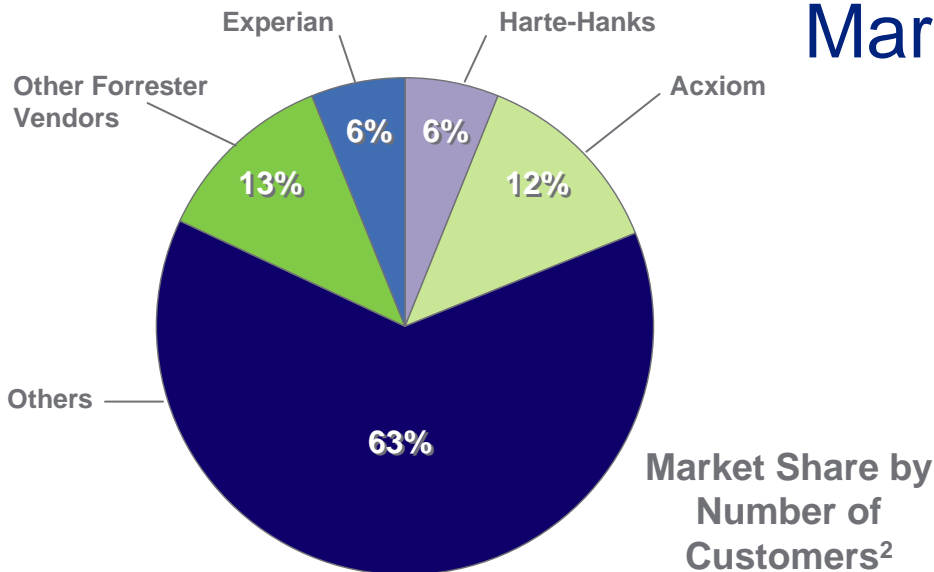


Delivering Global Solutions and Services

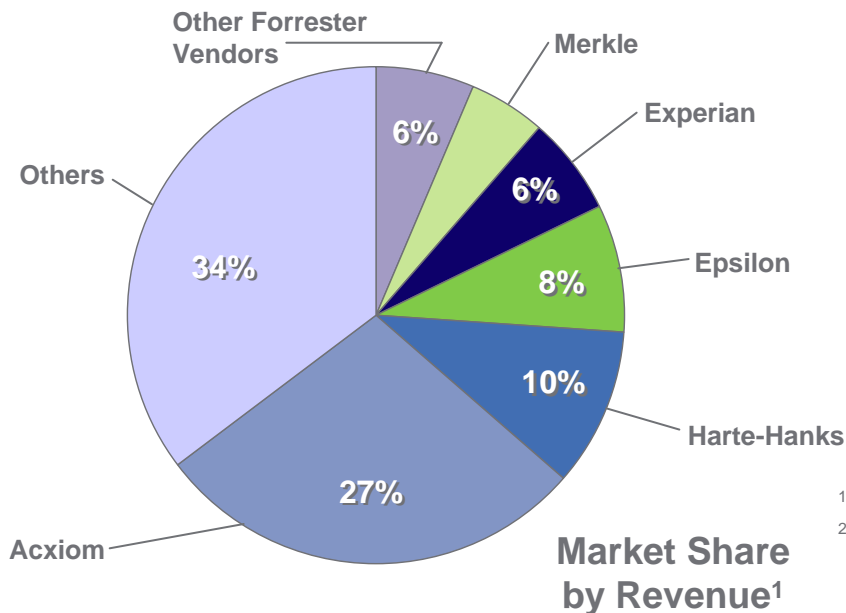


Note: Acxiom also delivers solutions in many geographies where it does not have a physical presence.

Acxiom is the Leader in a \$2.3B hosted CDI & Marketing Services Market



- Overall, firms with North American database marketing services relationships spent an estimated \$2.3 billion in 2005. Estimated market CAGR is 5% to 10%
- Acxiom holds the #1 spot with 12% market share, 2x that of Harte-Hanks & Experian
- The market is very fragmented – 63% is held by multiple vendors, none with more than 4% of the share



¹ Source: Based on Forrester Research survey of 49 database service providers

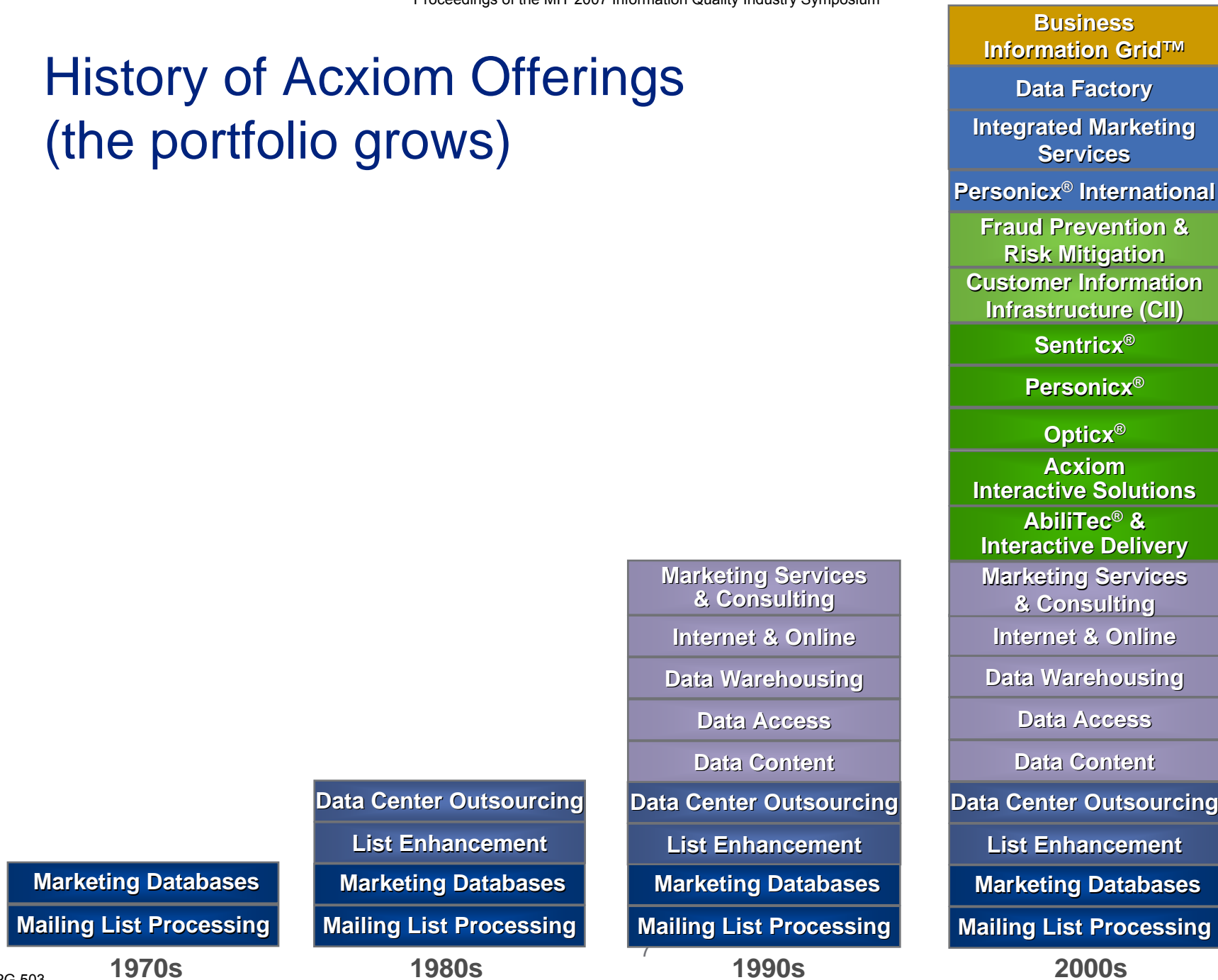
² Source: Based on Forrester Research estimates of # of relationships valued at \$150K+

Acxiom Clients

- 12 of the top 15 credit card issuers
- 9 of the top 10 automotive clients
- 9 of the top 10 top telecom / media companies
- 7 of the top 10 retailers
- 7 of the top 10 retail banking companies
- 7 of the top 10 top property / casualty insurance providers
- 6 of the top 8 top brokerage firms
- 3 of the top 5 top pharmaceutical manufacturing companies
- 2 of the top 5 U.S. rankings of life / health insurance providers
- 2 of the top 3 cruise lines, hotels and U.S. casinos

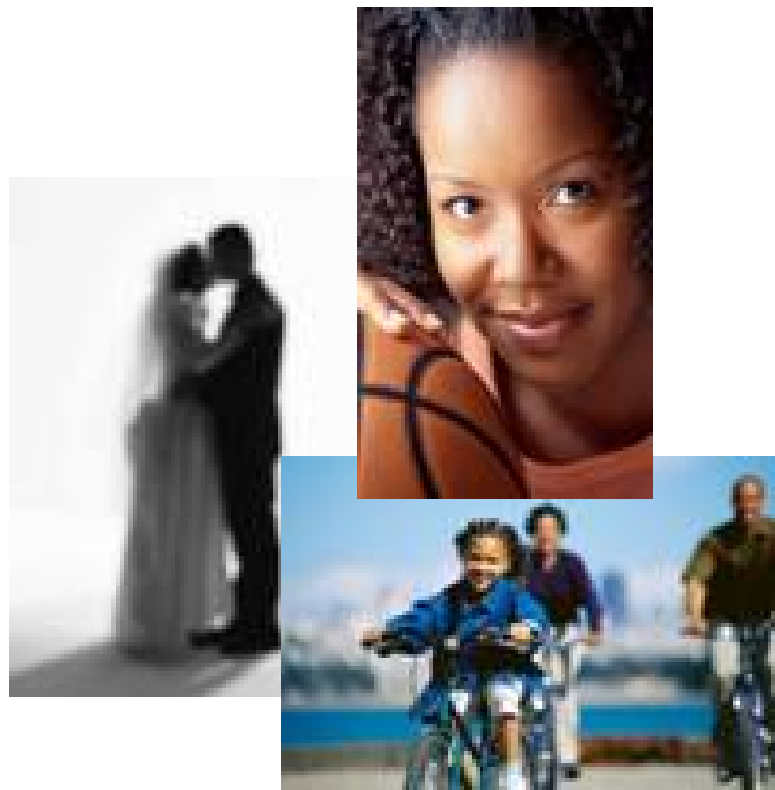


History of Acxiom Offerings (the portfolio grows)



What is Customer Data Integration (CDI?)

- Customer =
 - Consumer
 - Business
- Customer Data =
 - Name
 - Address
 - Relationship
 - Risk level
 - Privacy preferences
 - Purchase history
 - Demographics
 - Socio-economics
 - Lifestyles
- Customer Data Integration =



CDI is...

- Making customer data as effective as possible
- Effective data is:
 - Current, accurate and comprehensive
 - Complete view of customer relationships
 - Accessible in real time
 - Enables:
 - Sale of the right product or service
 - Cross-sells
 - Up-sells
 - Maintenance of customer relationships across all lines of business
 - Compliance with privacy regulations and protection from fraud

CXO Customer Information Management Concerns

- Dozens of customer databases spread over the dept or company
- Implementing a CRM system to track customers
- Trying to capitalize on customer, product & service data with MDM
- Can't keep up with external changes in the lives of customers
- Not following compliance requirements for the areas in which they operate
- Need central customer profile reflecting relationships across LOBs
- Need more value from customer interactions via cross- or up-sell
- ROI for marketing spend (including marketing infrastructure spend for CIO)
- Optimizing portfolios that are exploding due to new product and service development, M&A, global expansion and competitive pressures
- Global compliance and risk mitigation
- Growing need for analytics and algorithmic decision-making vs. "gut instinct"

How does Acxiom CDI Help Businesses Solve Customer Information Challenges?

Assess and Plan

Assess the current effectiveness of the data, and build a plan for optimizing the data

Clean

Standardize, enhance, correct and report on contact **data quality**

Recognize

Develop a holistic view of customers across all lines-of-business and maintain this centralized view as the contact information changes

Enrich

Enrich the data by adding other contact, demographic, socio-economic or lifestyle enhancements

Protect

Apply the appropriate privacy and compliance rules

Choose Delivery


With the results from the appropriate components, businesses can go directly to market or inject the results into a business intelligence process through:

Interactive: Online, real-time, two-way pipeline for immediate customer recognition, up-sells and cross-sells


Batch: In any file format – delivered *daily, weekly, monthly or quarterly* – for integration into business intelligence processes or on-site CDI

Contact Data (Name and Address) Challenges

Standardization

Susan P Leones 7203 South Grove Street Mission Grove, Utah 30279		Susan P Leones 7203 S Grove St. Mission Grove, UT 30279-1234
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Change of Address

Daniel R Garvey 13417 Williston Road Elma, New York 14059		Daniel R Garvey 16 Rosebud Ln. Burnt Store, FL 33951-2890
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Our competition often stops here



Misunderstood Address

Robert T. Jones 1245 Oak St Bryant, AR 72022		Robert T. Jones 124 S. Oak St. Bryant, AR 72022-2184
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Missing Information

Susan Hines 458 Pleasant Ridge Road Little Rock, AR 72212		Susan Hines 458 Pleasant Ridge Rd, Apt 518 Little Rock, AR 72212-3438
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Incorrect Street Number

Alexander Nicholas 1806 Parkway Memphis, TN 38113		Alexander Nicholas 1860 Parkway Memphis, TN 38113-1234
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Consumer Linking is Key to Enterprise Decisions



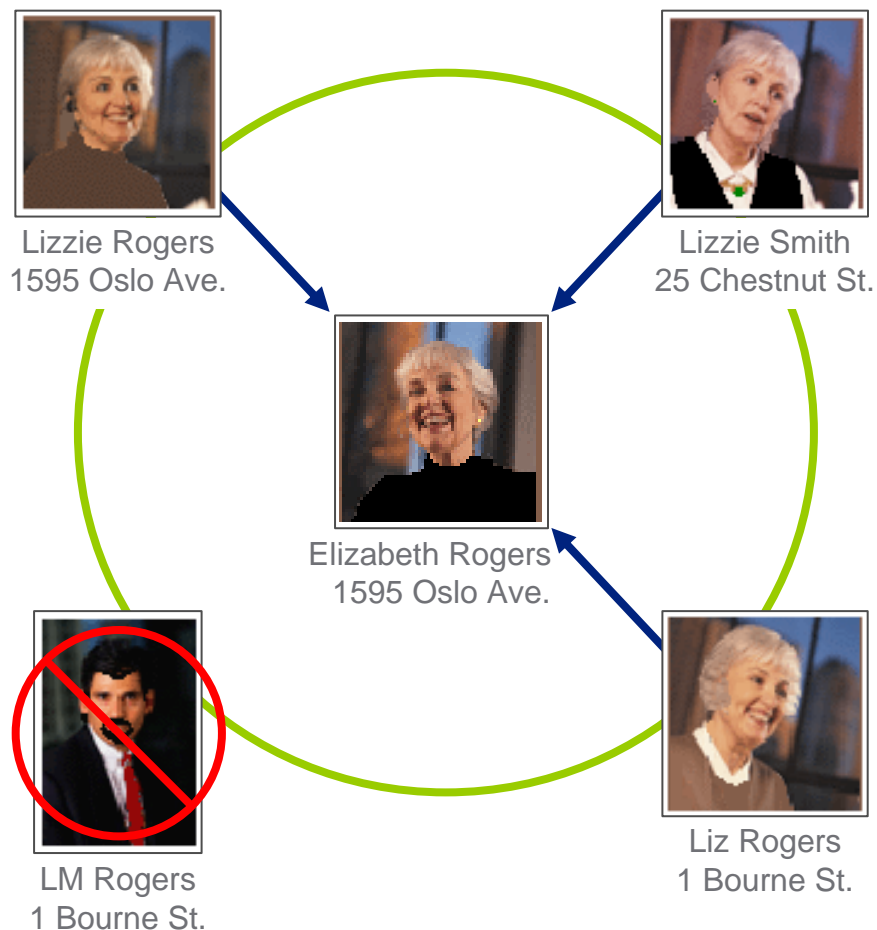
- AbiliTec brings together **similar** and **dissimilar** data.
- Data Integration is the key to infrastructure re-engineering and enterprise decision management.
- 30 years of compiled name and address information beats internal information + smarts every time
- 500 million links, 2 billion occupancies, 10 billion records/year, updated monthly

4.7 Million Marriages
1.53 Million First Births
2.04 Million First Time Home Buyers

2.2 Million Divorces
45 Million Residential Moves
1.2 Million Work Retirements

AbiliTec

- Facilitates understanding of true customer value to the enterprise
- Enables “intelligence” for managing and expansion of profitable customer relationships
- Enables every source of consumer data — web sites, contact centers, points-of-sale, marketing, sales, billing — sharing the same total view of the customer



Duplicates, Relationships, Matching and Risk Challenges

Becky Smith

2001 in Chicago –
Occasional retail site shopper



Marries and moves in 2002 – Becky S. Wilson in Phoenix
Enrolls in preferred customer program

Divorces in 2004 – Becky Wilson in Phoenix
Applies for store-branded credit card



Adapts usage of her full first name in 2005 –
Rebecca Wilson

Remarries in 2005 - Rebecca Jones in Phoenix
Shops regularly via Internet

Moves in 2006 - Rebecca Jones in Atlanta



Rebecca Jones

Duplicates, Relationships, Matching and Risk Challenges

This imaginary bank combined five of its lists as part of a plan to contact 1.4 mm customers in the Great Lakes region.

The company matches or mismatches (Custnum) created ineffective information...

Acxionnum	Custnum	SocSec	NameF	MI	NameL	Address	Address2	CityState	Code
3342667898	ADGH234675	344-56-7890	John	S	Roberts	8345 W. Cumberland	Apt. 100	Chicago, IL	32
3342667898	ZBGH234675	344-56-7896	Robert		Johns	12890 N. Highway 40	Apt. 321	Detroit, MI	0
2998374650	DFVB983473	453-09-5544	Mary	E	Smith	314 Purple Sage		Kansas City, KS	1
2998374650	EFNM983473	453-09-4455	Mary	S	Green	2342 Oak Street		Milwaukee, WI	1
2998374650	HUFY983473	453-09-5544	Lizzie	M	Smith	89322 S. Highway 88	Bldg 8	St Louis, MO	1
2998374650	KJMC983473	453-09-5544	Elizabeth	M	Smith	2342 Oak Street		Milwaukee, WI	1
4538679003	NGRT345100	675-00-2235	James	B	Johnson	7867 Bermuda Way		Green Bay, WI	1
3264758946	NGRT345100	876-45-2341	Jimmy	B	Johnson	7867 Bermuda Way		Green Bay, WI	0
1349864587	MNEW998236	932-34-8765	Poluoostrov	Z	Michelle	6453 High Street		Grand Rapids, MI	
1349864587	LOOP102837	932-34-8765	Zacharian	M	Poluoostrov	7892 High Street		Grand Rapids, MI	
8673598472	SDER983520	999-67-5412	Franco	G	Neopoli	Dover House, Maple Ln	HG7 8903	Oxshott, Surrey	45
8673598472	JGHE908723	457-67-5412	Frank	N	Genova	58493 Michigan Ave.	Apt. 4567	Chicago, IL	1
3428746345	JGHE908723	435-87-5643	Frankie	B	Genova	4521 Juniper		Rockford, IL	0

Acxiom Recognition is knowing your customers when they “*walk in the door*”

- **Linking**
 - By leveraging an extensive knowledge base, Acxiom’s patented linking technology, AbiliTec®, enables accurate identification of individuals within and across a company’s data infrastructure
- **Grouping**
 - Creates household or individual views for improved analytics, reduced cost of mailings or other point-in-time applications.
- **Recognition Management**
 - A dynamic process to manage the evolution of contact and relationship data over time and continually reflect accurate customer views throughout the enterprise

But First, the contact data has to be “clean”

- Accurate contact data is the key to accurate recognition.



Case Study #1 Auto Finance Company

- Business Challenges
 - Data Quality
 - Customer Recognition
 - Customer Data Integration
 - Customer Data Enhancement
- **Business Problem:** Data quality issues leading to customer recognition challenges and undeliverable billing statements. Not only was revenue at risk if statement could not be delivered to the borrower, but the returned statements required shredding to protect privacy.
- **Acxiom Solution:** Acxiom evaluated customer data quality and implemented data quality improvement processes to remedy deliverability problems and improved customer recognition.
- **Results:** Acxiom helped the client see more than 50% improvement in statement deliverability and improved customer recognition which reduced cost, increased revenue and further enabled up sell opportunities through targeted finance offers.



Case Study #2 Transportation Company

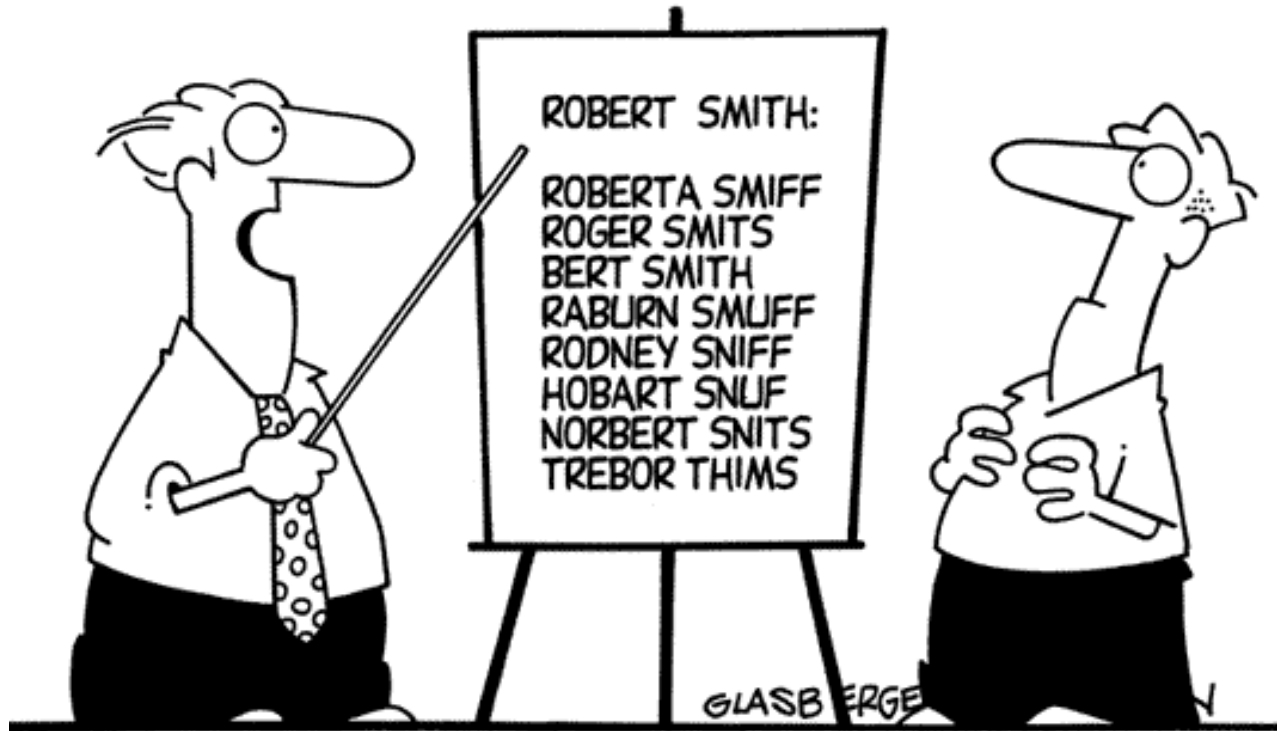
- Business Challenges
 - Data Quality
 - Customer Recognition



- **Business Problem:** Data quality issues which led to customer recognition challenges for dealerships. These challenges prevented maximizing revenue growth through cross sell/up sell opportunities
- **Acxiom Solution:** Acxiom evaluated customers data quality and implemented data quality improvement processes to improve customer recognition. The improved data quality established the base to enable improved customer analysis and target marketing.
- **Results:** Acxiom helped the client establish improved customer recognition and revenue growth and further enabled up sell opportunities through targeted marketing offers for dealers.

It Is All About Effective Customer Data

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Okay, this is your most important customer, well maybe this is her, or it could be this guy...that's kind of a funny name...

Acxiom CDI Summary

- Business challenge
 - The whole story boils down to one word: effectiveness
 - How effective is the customer data?
- Ideal solution
 - Enables the sale of the right product or service, cross-sell or up-sell
 - Maintenance of customer relationships across all lines of business
 - Compliance with regulatory and privacy regulations
 - Protection from fraud
- Acxiom solution
 - Acxiom CDI increases the effectiveness of customer data by applying these components: Assess and Plan, Clean, Recognize, Enrich, Protect and Delivery Options