

Prevalence[™] Marketing Diagnostic

The smartest marketer seeks to apply limited resources toward solutions that have the greatest positive impact. A marketing diagnostic is a tool marketers use to prioritize internal and external opportunities and challenges. Using these insights, they fine tune investments in marketing programs, technology and data. A comprehensive marketing diagnostic:

- Aligns marketing programs with corporate goals
- Establishes or restructures a direct marketing capability
- Prioritizes programs to capitalize on opportunities, drive-out costs, address dependencies and minimize risks
- Identifies the solution components needed for delivering effective marketing programs

Allant created Prevalence Marketing Diagnostic to include these valuable components. We then streamlined our analysis through a well-defined, customizable process that takes advantage of our proven methodology and practice aids.

What is the purpose of a marketing diagnostic?

Effective marketing requires valuable investments. Significant costs are required to develop and deliver programs that motivate customers. Additional investment is necessary to anticipate, manage and then subsequently satisfy demand. Finding the optimal allocation of limited dollars with justifiable returns is a marketer's continuous challenge.

Prevalence Marketing Diagnostic aligns marketing components to deliver the optimal marketing approach. Here are some of the diagnostic deliverables:

- **Marketing Scorecard:** Provides an evaluation of the effectiveness of the client's current, previous and proposed marketing programs in addition to performance measurement and reporting practices.
- **Customer Insight Analysis:** Provides a value segmentation of the customer base and a profile of customer characteristics across value segments along with an assessment of customer growth potential.
- **Data Hygiene & Management Recommendations:** Analysis of data quality across the dimensions of contact information and customer information including recommendations for managing data quality over time.
- **Predictive Intelligence Gap Report:** Identifies data that can be deployed to improve the effectiveness and profitability of the client's marketing programs. Includes expected benefits, approximate cost and sequencing of analytic projects to generate predictive intelligence on customers and prospects.
- **Data Flow & Infrastructure Assessment:** Includes a series of outputs relating to process and infrastructure requirements and improvement opportunities.
- **Business Case:** Provides a business case for previous, current and proposed marketing programs and infrastructure improvements. Quantifies costs and expected benefits (e.g., profit increases, cost reductions, etc).

Prevalence Marketing Diagnostic is composed of a series of steps that:

- Focus marketing strategies on organizational goals
- Examine results from current and previous marketing programs
- Build organizational support for the marketing initiatives
- Maximize customer data
- Establish the business case for marketing strategic and tactical adjustments, technical and data improvements

Each step in the marketing diagnostic culminates in a specific, value-adding deliverable. The core components of the Prevalence Marketing Diagnostic are explained in the following sections.

Build Buy-in with Key Stakeholders

During the initial phase of the marketing diagnostic, stakeholders assemble for a workshop that explores organizational goals and marketing performance. The workshop delves into the motivation behind these goals and the experiences associated with delivering on these goals. The discoveries from the workshop are documented and cataloged. Additional breakout interviews are scheduled based on goals and the direction discovered in the workshop.

The workshop and subsequent interviews build buy-in for changes in the marketing approach with senior stakeholders in the organization. Buy-in is built by acknowledging the comprehensive needs of the organization and designing marketing programs that address these needs across the enterprise.

Deeper Understanding of Customers

A Customer Insight Analysis assesses the growth potential of the customer base. This analysis considers both acquisition goals as well as customer retention and value migration. The Customer Insight Analysis provides:

- A value segmentation of the customer base
- An understanding of the contributing factors to the value distribution
- A profile of customer characteristics across the value segments
- An assessment of customer growth potential
- Identification of the data available to build a business case for diagnostic-recommended investments

This analysis is based on customer understanding gained through a rigorous examination of empirical customer data started in the Exploratory Data Analysis (EDA). The EDA provides an assessment of the predictive power of the data available. It also considers the cleanliness of the customer data and best practices that should be introduced to rectify data hygiene issues.

Meaningful Solution Recommendations

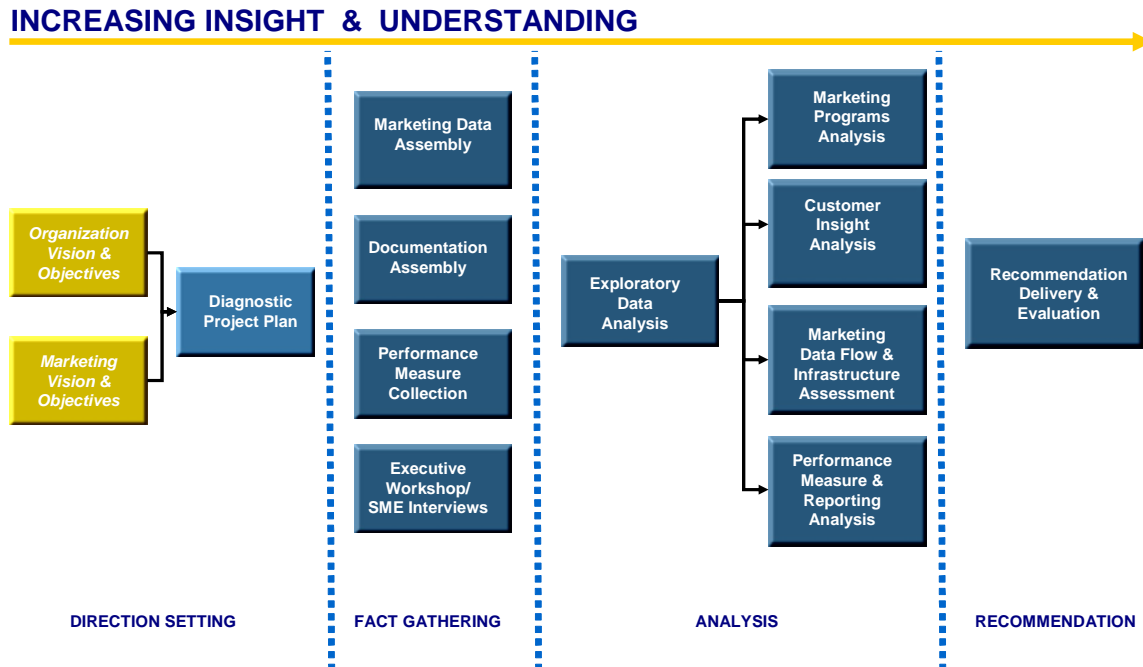
Too often, the justification for marketing spend is based exclusively on strategic intuition. The marketing diagnostic probes deeper. It establishes a business case based on forecasted profit gained in acquisition, retention and growth. It identifies hard savings that can offset marketing investments.

The process of building the business case receives a jump-start through a proven methodology that guides Allant's analytical team to assemble and assess the required data. Business cases are honed and validated with the client's financial and marketing teams. By engaging in the rigors associated with developing the business case, participants develop the foundation required to take responsibility for achieving expected returns.

Project Overview

Prevalence Marketing Diagnostic is comprehensive but allows customization to account for the varied issues confronting each marketer. The analysis is streamlined with a well-defined process that leverages guided workshops and interviews, detailed statistical data analysis, best-practice templates and a variety of proven analytic aids.

Prevalence Marketing Diagnostic high-level process flow by stage



Prevalence Marketing Diagnostic incorporates four major stages:

1. The Direction Setting stage reviews organizational and marketing goals, performs a high-level assessment of the marketing program especially as it relates to the client's brand and the product(s) lifecycle and develops the diagnostic project plan.
2. The Fact Gathering stage amasses client-marketing data, organizational processes and key performance measures required to assess quantitatively the organization's situation.
3. The Analysis stage assimilates the information gathered to perform the assessment.
4. The Recommendations stage includes the presentation of the material collected and analyzed but goes beyond the mere presentation to include an interactive "give-and-take" around possible interpretations and appropriate next steps.

The specific activities included in each stage vary depending on the particular needs of each client. The Allant Group provides specific detail on how to attack each stage based on information gathered during the business development process.

Optional Customer Understanding Track delivers testable, segmented customer treatments

Customer knowledge is the crucial lever for motivating the buyer. Prevalence Marketing Diagnostic can be an appropriate next step toward taking action on voice-of-the-customer studies. The analysis provides a customer profile based on customer demographics to the qualitative information gained through focus groups and surveys. Optionally, the customer-understanding track of the analysis can deliver segmented customer profiles.

The customer profile uses extensive demographic and behavioral attributes to compare the make-up of customer groups. The segmented profile extends this analysis to identifiable subpopulations in the customer base. These deliverables are useful for constructing brand messages and offers that resonate with customers and produce the desired sales responses.

All together, the components of the Prevalence Marketing Diagnostic provide a roadmap that identifies the quickest route to optimized marketing performance.