

[GUEST EDITORIAL]

GEORGIE BROOKE – GREATER DATA

DATA PROFILING FINDING LOOK-ALIKES

Do you know what your subscribers look like? Many marketers think they know what their customer base and their target audience look like. Many know what they would *like* them to look like. It is amazing how often the truth and the perception are significantly different. Without in-depth knowledge and insight into who is buying from you, it is exceptionally difficult in today's fragmented marketing practices, to offer relevant, timely communication.

Yet it is relatively simple and cost-effective to gain a good understanding of your customer base, which can then help you with a wide range of product development and marketing decisions. Once you understand more about your subscribers you can segment your database and treat groups differently. Knowing who is spending money on your products can help you send the right message at the right time to your existing customers and identify "look-alikes" for prospect targeting.

Data profiling effectively analyses one data set, usually a customer file or segment, and compares it with a larger, representative database to illustrate which traits are over-represented. The database that Greater Data uses for comparison, Consumer ProspectPlus, has more than 400 variables relating to more than nine million Australian adults. We can look at a customer database and illustrate skews in a wide range of factors, including age, income,

geography and even credit risk. See below for an example using age data.

Profiling can also provide insights into the discretionary spend of your subscribers – which other magazines they read, other media they interact with, how they relax, and so on. This can help you understand where, when and how to communicate with them.

Customer profiling is a relatively efficient process. Customer data has to be extracted and then sent to the company running the analysis. It is matched to the reference data and then a report is constructed around the outcome of the matches. Prospect data can then be selected using the desirable variables highlighted by the report. Significant variables can also be appended for segmentation.

Amaya Tasker, Director of Data4Sight says, "With the constant change of customer channel preferences, it's vital to regularly review and understand the 'make up' and behaviours of your customers. I use profiling of clients' customer databases for a number of reasons.

"Generally it is to confirm (or otherwise) our preconceptions of what they look like and to see how different customer segments vary according to the product or service they have subscribed to. We can then make informed decisions in the business and also reach new prospects who closely look like their existing customers for acquisition purposes."

Age profile of a subscriber database

	Count	% in your file	% in base population	Index	Base pop. available	Z-Score	Z-Rank	Z-Graph
Total Number of Input Records	19,856							-8.000 -4.000 0.000 -4.000 -8.000
Records Appended with Variable	19,179	96.59%	100.00%	100.00	13,917,973			
18-24	78	0.41%	7.79%	5.22	1,084,155	-38.1	2	
25-34	1,920	10.01%	21.66%	46.22	3,014,597	-39.2	1	
35-44	6,098	31.80%	21.99%	144.58	3,060,657	32.8	3	
45-54	4,121	21.49%	19.77%	100.70	2,751,090	6.0	6	
55-64	3,671	19.14%	14.76%	129.69	2,054,045	17.1	4	
65+	3,291	17.16%	14.03%	122.26	1,953,379	12.5	5	

Georgie Brooke has worked in data-driven marketing for more than eight years, in both Australia and in the UK. Georgie is a customer acquisition expert who specialises in prospect data and customer analytics, and runs his own business, Greater Data, based in Sydney. For a free profile of your subscription base, please contact georgie@greaterdata.com.au.

