

Strengthening Customer Ties with Customer-Facing Analytics



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White Paper

In times of market volatility, it is more important than ever to forge strong relationships with our customers. Once upon a time, it was a commonly-quoted statistic that around 80% of your business comes from 20% of your customers. Even with that apparent advantage, today's customer is fickle and we all need to work harder than ever to prevent losing them.

We live in an age where the expectation for instant information is becoming more apparent. The rise of mobile devices is most certainly driving that expectation. We can instantly access our bank accounts, news, share prices, the weather, or online shopping sites - the list is endless. We want information on demand, at any time, wherever we are.

As a result, we are witnessing a growing demand for customer-facing analytics. Put simply, your customers now expect to connect with your business in a way that allows them to see and understand how they are dealing with you.

Not only that, but they want to be able to do that from any device they happen to use, at any time of the day – or night. Some of the more switched-on customers (nearly all of them, these days) will also want to perform some basic analytical functions. The simplest functions being to search, sort and filter information by date, product type, delivery status. More complex functions might involve querying orders above a certain value and viewing the shipping costs as a percentage.

If you think your customers don't want such a solution, think again. Gartner predicts that the demand for Customer Analytics solutions is booming, and is even hosted the world's first symposium on the subject this year (2013).

While delivering such information may appear daunting, there are three main advantages to providing a customer-facing analytics solution to your customers.

Reducing Your Costs

If your customers aren't already using a portal to get the information they need, they are phoning one of your employees to get it – and that is costing you. Worse, if your customer is not getting the information he needs about his dealings with you, he may well make an uninformed decision and go to your competitor.

Increased Customer Satisfaction

By providing your customers with easy access to their information, you are making their lives easier. A customer who can get the information he needs when he wants it is going to be happy and is less likely to stray to your competitors. Many companies are finding their portals as being a great way to boost brand loyalty, and in current markets, that's a good thing.

Opportunities for More Business

Your customer portal can become an instant source of more business. By placing information about special offers or new products on your customers' log-in page is a great way to boost sales. This benefit alone could ensure a faster ROI on your portal's implementation.

Thinking About Your Portal

Delivering a satisfactory solution to your customers is filled with challenges and things to consider in advance. So before you embark on your project, make sure you answer these simple questions first.

Who is this for and why?

Sounds obvious, but it would be a good idea to discuss such a solution with your customers first. Find out what would be important for them to see from within your new customer portal. As is always the case with any Business Intelligence project, it is likely that your customers may not understand their true requirements in advance of seeing the result, so don't try to deliver everything in one go. Prepare to take an iterative approach; deliver in small, logical increments to ensure you don't go building a white elephant. Remember –

What will the solution look like?

Your customer portal will obviously be web-based and should run in any browser, however, ignore mobility at your peril! The ubiquitous mobile device is most definitely a major driver for information on demand. That said, you might choose to distribute certain information in document form (e.g. monthly statements as PDFs). You might possibly choose to offer a dashboard, or capability to perform ad-hoc, drill-down analysis. Excel integration could be a useful feature. The functions you deliver will of course, be largely dictated by the feature of the BI platform you use, so choose something that can do all of the above. It should go without saying that it should be intuitive and easy to use. If you need to train your customers how to use it, it's already too complicated.

What about performance and security?

You don't want your customer bringing your transactional and/or in-house BI system to its knees with their analytical activities. Likewise, since this information is going to be exposed across the internet, you don't want to put your vital business data somewhere that a determined hacker could potentially reach. For any customer-facing solution, a separate server platform is best. It won't affect your transactional systems, and those systems are isolated from the internet. Load up your customers' data once or twice a day and they can play with the data to their hearts content.

What kind of BI software licenses will we need?

Unlike your in-house Business Intelligence solution, you may not need as many user licenses as you might think. Concurrent user licensing is best for this scenario. In such cases, a single concurrent-user license may actually serve around 50 customers. It's a rule of thumb based on the fact that your customers aren't going to be using your solution for hours each day, but rather for a few minutes once or twice a month (on average). That said, if you hit your maximum user concurrency, then you face the risk of customers not being able to access your system. Negotiate a good price for named-user licensing to avoid this problem, and allow for future growth. If you have tens of thousands of customers, then you will probably need to think bigger – CPU licensing may work better in that case. Choose a platform that will allow you to start modestly but grow and scale according to your needs, however, many BI vendors are steering their customers away from CPU licensing (blame high-speed CPUs for that trend!)

Summary

Customers demand more from us in terms of information. Providing a customer portal that delivers such information is now a cost-effective reality. The upside is that it boosts customer loyalty, reduces your administration costs, and acts as a gateway for more future business with your customers. In short, it really is a win-all-round scenario.

About the author

Ian Nicholson started his IT career programming MUMPS on PDP-11s in 1982. His BI career started in 1984, when he designed and developed the FEMAC Reporting System for Dow Chemical in the Netherlands, which was used by Dutch Customs as an example for other importing manufacturers to follow. He worked as a database consultant for many years in the UK, Holland and Switzerland before moving to Australia.

In 2001, he made the jump to Business Intelligence sales, selling Crystal Reports. Since then he has worked for various BI/DW firms selling Crystal, Business Objects. Oracle Hyperion, IBM Cognos, Tableau, WhereScape, BIReady and Yellowfin.

About BIReady Australia

BIReady is a leading vendor of Data Warehouse Automation software, headquartered in the Netherlands with offices in the USA, UK, South Africa, Russia, India and Australia. Our partner companies also include Yellowfin, QFire, Forest Rim, Silwood and Attunity.