

Kognitio implements and runs customer intelligence and marketing database for Marks and Spencer Money

“Kognitio was short-listed for their professionalism and strong track record in financial services. Despite the scale of the task and the extremely tight deadline, Kognitio delivered a high quality solution on time. Throughout the prototype they never failed to do what they said they would.”

Martin Squires, Customer Intelligence & Analysis Manager, Marks & Spencer Money

Introduction

Marks & Spencer Financial Services market a range of consumer financial products through its Marks & Spencer Money (M&S Money) brand. As the financial services arm of Marks & Spencer, Marks and Spencer Money was the first company in the UK to offer a store card to its customers and today its &MORE credit card has 2.5 million customers.

Challenge

In 2002, it was identified that building the Marks & Spencer Money brand and driving cross-sell within the existing customer base were dependent on sophisticated marketing tools combined with the ability to understand how customers were behaving across the Marks and Spencer Money product portfolio. Marks & Spencer Money had invested heavily in customer marketing databases outsourced to other third party suppliers, but these were struggling to deliver the quality of analysis required as the business moved towards a more customer-centric strategy. The production of a customer-mailing file was a process reliant on IT resource, incurring high costs. The total cost of the customer intelligence infrastructure in place at the time was £4.4m per annum. The high costs and inability to meet the needs of the business also represented a business risk to the client. Employees were not sufficiently aware of customer needs due to the poor performance of the customer database and in order to compete in the market they needed a customer system that analyzed customer data and provided easy-to-use, up-to-date customer information.

With over six million customers and plans for further expansion, Marks and Spencer Money recognized that it needed a state-of-the-art approach to managing the demands of their growing customer base which would also allow the company to better understand its customers' needs.

Minvera Customer Intelligence System

Marks & Spencer Money selected Kognitio as a key project partner for its expertise in data warehousing, data migration and business intelligence. The result was the development of the Minerva Customer Intelligence System, a core business intelligence and customer marketing solution.

The challenge for Kognitio was to develop a pilot solution comprising all the major components required by Marks and Spencer Money, including campaign automation, data mining and decision support. Kognitio and the Marks and Spencer Money marketing team selected Unica Corporation's Affinium Campaign, SAS's Enterprise Miner data mining product and MicroStrategy to provide decision support.

“Although this was a proof of concept exercise, we had to be confident that the chosen solution would be able to cope with large volumes of data,” Neil Hershaw, Business Change Project Manager at Marks and Spencer Money. We also needed to be sure that it would stand up to the stringent demands that the marketing team would make in terms of flexibility. So we set up some very tough campaign scenarios to really test them out”.

Challenge

A leading financial services provider needs to manage its growing customer base in order to understand it and market to it more efficiently.


Solution

Marks and Spencer Money implements a comprehensive marketing campaign using their customer intelligence database platform with the help of Kognitio.

The ROI

The customer intelligence system is now a key component of Marks and Spencer Money's operation for business intelligence and customer management.





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Today, the system delivers a complete view of every Marks & Spencer Money customer including purchasing history, lifestyle data and current status and updated daily to provide the internal team with the latest customer information. Kognitio designed Minerva based on two technology layers – a customer intelligence platform and a customer campaign management system, both of which are managed today by Kognitio.

Managed Service

The Minerva application environment is a fully managed service provided to Marks & Spencer Money through the Managed Services arm of Kognitio. A dedicated Minerva team provide 24/7 support for the environment to ensure that the latest data is available for use on each working day and provide support for the end-user community during office hours. Today Minerva has multiple uses across the organization and has been adopted as a key strategic tool for business intelligence and customer management across the whole Marks & Spencer Money operation. Through the flexibility that is core to the Kognitio solution, the environment continues to evolve and change to meet the growing needs of the business.

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Success

Together, Kognitio and Marks and Spencer Money were able to:

- Conduct a thorough analysis of the data to ensure that it was clean, accurate and consistent;
- Hold frequent consultation meetings with the Marks and Spencer Money team during this process;
- Reorganize the data to make it more customer-centric.

Furthermore, the Kognitio Business Intelligence team:

- Integrated sophisticated segmentation capabilities facilitating cross-product views in the database. These views enable Marks and Spencer Money to understand current profitability and potential up-sell and cross-sell opportunities across its customer base. These views indicate the Marks and Spencer Money product offerings each of its customers have purchased;
- Collated all of the historical information about customers that Marks and Spencer Money needed to hold, and built the database which contains over 875 million rows;
- Configured the campaign automation, data mining and decision support tools into the database; Carried out a rigorous testing procedure before delivering it to Marks and Spencer Money on the appointed day.

Kognitio provides solutions to business problems that require acquisition, rationalization and analysis of large and/or complex data

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