



How Can I Increase the Value of My Marketing Investments Using Predictive Analytics?

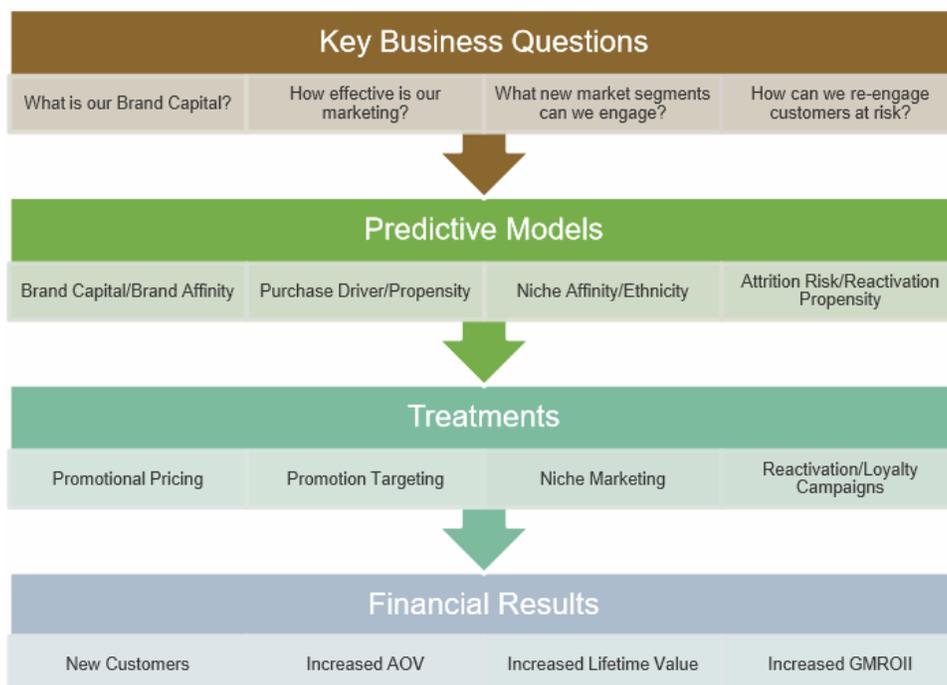
If your marketing strategies cost more than they earn, they obviously aren't good long-term marketing strategies. One of the most useful tools at your fingertips for ensuring and increasing your marketing investments' value is *predictive analytics*. Specifically, using predictive analytics to anticipate an individual customer's needs and wants. Predictive modeling can provide profound insights into customer preferences and trends, allowing you to tailor your strategies around the customer. This is *customer experience optimization*. Customer experience is a major revenue driver!

If you understand which questions you're trying to answer or issues you're trying to resolve from a business perspective, you can build models that will help you understand a customer response to a particular treatment, allowing you to address those key business questions and engage customers more personally.

Some key questions or issues you might want to begin with are:

- Not enough customers
- Customers not buying enough
- Engaging the wrong customer
- Haven't found the right customer
- What new markets can we engage and how

Each of these areas lead to specific predictive models, that in turn lead to specific treatments, that result in tangible financial results.



Protiviti's Customer Optimization Framework

Often you have tons of data, but with raw data, it is often difficult to understand what the cause and effect is, or what the outcomes were for any prior actions. At Protiviti, we have a Customer Optimization Framework that allows you to build that data into customer experience dimensions, then use those dimensions to build predictive models, optimize your actions based on those models, and then determine what the outcomes are likely to be based on those prescriptive actions.

Learn More about Customer Optimization

In my next blog post, I will be providing a real-world example of how Customer Optimization worked for one of my clients.

For more information about using dimension models and predictive analytics, you can listen to my previously recorded webinar "[Optimizing Customer Experience](#)" where I give provide examples of customer dimension models and predictive analytics for increased marketing spend value.

Learn more about predictive analytics and customer optimization by listening to our three-part analytics webinar series, found at <http://www.decisionfirst.com/resources/upcoming-webinars/>.



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Patrick McDonald is an Associate Director with Protiviti focused on advising clients in the Retail, Manufacturing and Telecommunications industries on analytic solutions. Over a 20 year career in advanced analytics, Patrick completed tours in a big four firm and leading analytics technology and software companies.