



StatSoft®

Business White Paper

**Data Mining with
STATISTICA Data Miner
in Marketing**

U.S. Headquarters: StatSoft, Inc. • 2300 E. 14th St. • Tulsa, OK 74104 • USA • (918) 749-1119 • Fax: (918) 749-2217 • info@statsoft.com • www.statsoft.com

Australia: StatSoft Pacific Pty Ltd.
Brazil: StatSoft Brazil Ltda.
Czech Republic: StatSoft Czech Rep. s.r.o.
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Overview

Savvy marketing departments use *STATISTICA Data Miner* to mine for...

- Customer profiles
- Opportunities for cross-selling and up-selling
- Effective marketing campaign strategies
- Optimal inventory and packaging

The best marketing departments have always maintained their primary focus on the desires of the customer. Now, CRM technology has made it increasingly more feasible to find out exactly what the customer wants, when, how, and why. Targeted marketing has never been more possible – or more vital in today's unpredictable marketplace.

The data collected about customer preferences can be used in all aspects of marketing such as designing the campaign, acquiring new customers, and optimizing the design of a store. Using the comprehensive and powerful set of data mining tools in *STATISTICA Data Miner*, marketing departments can turn previously dormant data from their data warehouse into valuable, usable information.

STATISTICA Data Miner Tools can help you find:

- Customers who respond to new products
- Customers who respond to discounts
- Customers who buy in specific product categories
- Your most loyal customers
- Geographic or other differences
- Each marketing campaign's ROI
- And much more

Drill down to individual transactions with *STATISTICA Data Miner's Interactive Drill-Down Explorer*. For example, review the types of purchases that customers made with different demographic characteristics, study the effectiveness of certain drugs within different treatment groups, ages, etc., or extract likely customers for a new product from a database of previous customers based on careful study of apparent (market) segments exposed by the drill-down analysis.

Predict customer behavior, anticipate product/service demand, estimate manpower needs, and more efficiently control inventory with *STATISTICA Data Miner's General Forecaster* (including ARIMA, exponential smoothing with seasonal components, seasonal decomposition, etc.), and *STATISTICA Data Miner's Regression Modeling and Classification* tools that include methods for constructing decision trees (C&RT,

CHAID), neural networks, boosting and bagging, and other cutting-edge technologies for predictive data mining.

What customers are more likely to purchase your other products or services? Are there distinct groups or segments among customers with different perceptions and tastes? How do customers evaluate and compare your products in the market place? Should products be bundled? The powerful clustering (e.g., hierarchical, k-means, EM, neural-networks-based) and mapping tools (e.g., multi-dimensional scaling, correspondence analysis, principal components, etc.) provide state-of-the art techniques for researching market segmentation, product perceptions, and comparative analyses of competitors' products. *STATISTICA Data Miner's Association Rules* Module enables you to process rapidly huge data sets of customer transactions for relationships based on pre-defined "threshold" values for detection.

Design future marketing campaigns intelligently, armed with the knowledge provided by thorough analyses of previous campaigns. Be more confident about your Marketing ROI using *STATISTICA Data Miner's* modules for predictive modeling and pattern recognition, and communicate your strategies, expectations, and goals clearly to your staff and managements using *STATISTICA's* unique and unmatched visual (graphical) tools.