



CUSTOMER DATA ENHANCEMENT **FAQs**

- Q MasterCard has a 30% market share in my country. How is CDE relevant to 100% of my portfolio and not just 30%? And help me explain this to both the analytically savvy and inexperienced client.**

CDE can be applied to both MasterCard and Non-MasterCard accounts but its primary value is maximizing the whole wallet data insights of the MasterCard accounts within the client's customer file. For example, we have found that we can demonstrate significant revenue opportunity by just focusing on the MasterCard segment within the total customer base by realigning marketing segmentation (*Refer to Case Study: Precision Targeted Marketing & Improved Targeted Marketing*). Insights are relevant to the total customer base when used strategically within the client's CRM database for analysis that is then applied to the total base. For analytically savvy marketers with robust customer databases, the client's own analytics team can further use the MasterCard enhanced population combined with client owned specific data to analyze their customer base for customer look-a-likes with similar behavior. For those needing more support, we can provide added Consulting and analytic services.

- Q Per above, please walk me through the inferences or analytic techniques for specifically scoring the non-MasterCard portfolio. What exactly is the difference in terms of confidence or quality between MasterCard and non-MasterCard accounts?**

The client's transactions and MasterCard transactions are analyzed for look-alike patterns of behavior. To ensure the insights transfer to the non-MasterCard accounts, we recommend adhering to in-category insights (i.e. propensity to spend within category) when appending to Non-MasterCard portfolio. This may result in fewer matches in the Non-MasterCard portfolio.

- Q How do we ensure that both savvy and inexperienced clients get the most out of CDE? What do we do in particular and how does this happen consistently?**

All clients (savvy and inexperienced) can use CDE tactically in a direct marketing promotion. Clients that have leveraged CDE insights (such as integrating share of wallet loyalty segmentation insights into the marketing plan) into their own customer marketing plans have experienced greater than 3x improvement over the control (*Refer to Case Study: Improved Targeted Marketing*). Savvy clients should append insights to their CRM database for broader strategic analysis, modeling and integration into omni-Channel marketing.

- Q How can I measure the actual results of a CDE project?**

It starts with a client having a strong vision of what they are looking to do and/or our guiding them to a vision that leads to a tactical plan. For tactical direct marketing promotions where clients provide files with campaign test vs. control flags, we can track share shift and performance metrics over time. There are some category restrictions and limitations in frequency and sample size so please see your Merchant IS Team for input specific to your deal and situation.

TOP 5 POINTS FOR GLOBAL CDE APPLICATION

1 Client has a Customer Database and Transactions

2 Clean & Consistent Merchant Data Quality

- Amounts & Date of charge on clients file should be the same as to what was charged to the customer's card. Taxes are included. If different, it must be notated:
 - i. Inclusion/exclusion of taxes or discounts
 - ii. Ship date vs. order date
 - iii. Differences must be documented & discussed early to assess viability. When in doubt, contact Merchant IS.
- Transactions should be specified by store & channel.
 - i. Some merchants "centrally process" irrespective of the specific store in which the transaction occurred.
 - ii. Some merchants associate online transactions with the physical store/warehouse from which the order is fulfilled.

3 Cards Issued in CDE Approved Countries ONLY

- CDE is allowed to be performed on cards issued in particular countries only. Check with Merchant IS to understand which countries.
- In instances where there are many nationalities and global card issuers represented in a customer file, we are better served with cross border analyses and other related products. If in doubt, please contact Merchant IS.

4 Industries w/ Best Traction (frequent transactions of different denominations)

- Retail and Fuel

5 Supported Industries with Unique Nuances (cash driven, infrequent transactions, similar denominations)

- **Cruise and Large Ticket Items** – Infrequent transactions
- **Travel and Hospitality** – All rooms at same rate + tax; shifts in dates between swipe and customer date
- **Restaurants** – Often do not have customer databases
- **Grocery** – Can have very high levels of cash or debit transactions depending upon country



For more information

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