

Maximize your Return on Marketing Investment (ROMI)

Case studies on a smart technology solution to optimize your direct marketing efforts

It is no longer acceptable to bombard customers and prospects with generic messages generating less than one-half of a one percent response rates with little revenues in return and then calling it a “successful campaign”. Adaptive Technologies Inc.’s SMART Direct Marketing (SMART DM) solution stops the direct marketing insanity and raises the bar on expected, measurable results. We provide an automated solution of predictive modeling that has proven to dramatically lower marketing costs and increase sales revenues through a simple proposition: Only market to those that are interested and those that will respond. ATi’s SMART DM provides you the ability to make the right offer, to the right customer, at the right time, through the right medium. And maximize your ROMI.

“ATI is an exceptional organization that truly understands how to make data work FOR you. Your transaction and customer data is the key to your future success - ATI will take that information and create a path of success for you. They have the track record to prove it and there is truly no one else that does what they do.” - Jennifer Schoennagel, CEO/Founding Partner, Business Partners 360

Business Challenge: Wasting Valuable Marketing Resources

We are all in a position that requires careful scrutiny of our marketing economics, while minimizing risk. High reach, low return investments are no longer appealing to business leaders and market leaders. Yet, the most common approaches used in marketing today generally have no predictable ROMI.



Surveys indicate that the majority of marketing investments in 2009-2013 will be spent on touch marketing campaigns utilizing email, social media, web and postal mail. It is estimated that more than 65% of marketing budgets are spent on direct marketing. This tremendous spending is often used to increase response with a common practice of “batch and blast”. It is basic qualifying of key criteria married to a creative message sent to the entire “database” in an attempt to drive response, which is often minimal and frequently without the results sought.

The top three methods used today to “blast” customers and prospects are email, website and direct mail. All in an attempt to pull the perceived “best” customers out of the millions of prospects by sending a generic message to an email box, through clever messages seen surfing the Internet and by sitting in the piles of unread daily mail. It is ineffective marketing spend and wasted resources. Statistics show these mediums have the reach; however, they don’t provide the pull. One reason is the lack of insight into how to effectively align a personal offer, to a unique target, at a particular time and through a preferred medium.

These measurable results require marketers to spend valuable budget and people resources for minimal returns, with the presumption that you keep blasting until someone says “take me off your list”! Everyone concedes driving to this result is not effective. ATi SMART DM addresses the problems affecting direct marketing spend that are not producing break-even return on marketing investment.

Achieving Results: Triple Digit Improvements

Are you getting the measurable returns on your marketing investment, within budget and directly impacting sales – in a positive way? Can you predict campaign results before you spend with accuracy and confidence? If not, perhaps it is time to consider a solution that ensures you achieve a positive ROMI and increases response rates by 20-60%. How? The best way to showcase how ATi's Smart DM works is to share with you the concrete evidence of ATi's clients' dramatic ROMI.

Proven Results #1: A premium provider of market intelligence and lead generation wanted to increase capacity and reduce costs. In order to realize their vision for annualized double-digit growth and not sacrifice high standards for quality and productivity, they targeted three specific areas to achieve their goals: performance, retention and efficiency. Their analysis for the project determined that a one percent improvement in identifying the appropriate prospects to call would result in 100% ROI on the costs of implementing the ATi solution.

ATi improved lead performance by creating accurate profiles of qualified leads at the campaign level, providing predictions of who to target and the performance for campaigns and projects. **ATi far exceeded the required 1% improvement in predictability of qualified leads with a 400% improvement in the top 20% of prospects most likely to become leads.** ATi's Smart DM predictive analytics solution eliminated the need for assumptions and provided Intelligent InformationSM to drive the client's business decisions. ATi helped improve sales by targeting the right customers.



Proven Results #2: ATi's solution drives performance for consumer based businesses that rely heavily on direct marketing. A high-end spa and salon company wanted to move away from mass mailing and e-mailing to its customer database and get into more targeted offerings for their three locations. A typical coupon mailing would yield a 3.38% visit rate over a two-month period. ATi combined the client's transactional and customer data with neighborhood socio-demographic variables to produce a Smart DM customer retention model. **With the same mailing quantity, the model yielded an 8.16% visit rate—a 141% improvement!**

Proven Results #3: Another typical example of maximizing ROMI came from ATi's client, a technical education institute, which needed help prioritizing which of its one-half million per year leads to target. Moving a prospective student from lead through enrollment, showing up and graduating is a very expensive process. The ability to adjust the amount of effort and cost dedicated to leads with little likelihood to start could save millions of dollars,

ATi's predictive models, using data known from the lead capture and neighborhood socio-demographic data allowed the institution to **maximize its profits by actively working only 34% of the leads, driving down overall costs by millions of dollars** while at the same time delivering profiles of prospective students around which to build lead-generating marketing campaigns. A remarkable 300% improvement.

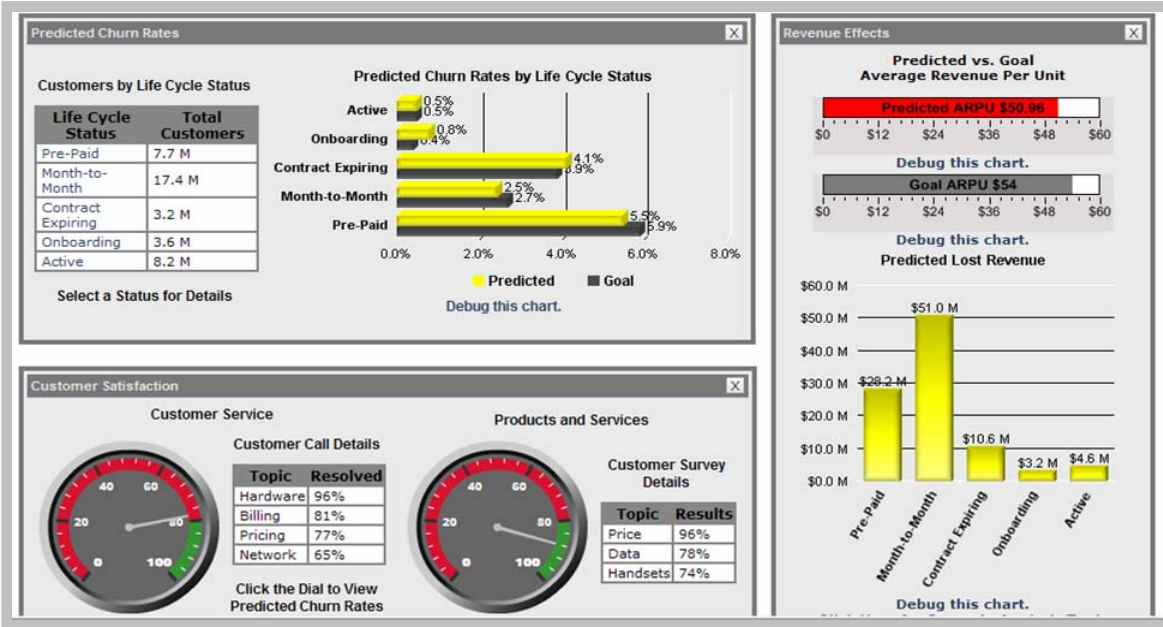
Predicting Your Future: Your Marketing GPS

Adaptive Technologies, Inc. (ATI) has extensive expertise applying Artificial Intelligence (AI), Business Intelligence (BI) and Predictive Analytics (PA) methods to solve business challenges. Marketers are able to take advantage of the proprietary science and technology in a very simple, unique way: ATI's SMART DM.

Utilizing our client's data as a base for predicting, we empower our customers to accurately determine the likelihood of who will become a quality customer, when they will activate, within a certain period of time, knowing what they will buy and when they will come back for more. It's visible in a dashboard that gives you real time control over your marketing decisions. There is no added software, hardware or headaches. We provide the intelligence for you to achieve superior results.

The web-based solution consists of a modular approach to predictions from maximum ROMI: acquisition, activation, retention, cross-sell/up-sell and reactivation. Each module enables a client to predict the outcomes, utilize data to confidently define actions and view results in a simple real-time dashboard.

ATI SMART DM automates your direct marketing to reach the right customers with the right offer, at the right time and with the right message. The system also determines the preferred medium: email, direct mail, text / social media or call center. Based on the actions, you know the predicted ROMI before you take action. You can visualize results based on your goals and adjust to customer behaviors dynamically.



ATI SMART DM gives marketers and business leaders the ability to drive results, reduce wasteful spending and optimize performance – a net win for ROMI. Every outcome and prediction is in a dynamic environment through a learning system that adjusts to every behavior. Actionable outputs, transparency and interoperability provide confidence to decision makers. It's all served in a software-as-a-service (SaaS) application so no additional investments are required. We keep it simple and give you guidance on who to reach, how to reach them and how to guarantee response.

Increase Response, Increase Sales and Lower Costs

The objective is pure and simple. All marketers and business leaders want to save money and increase revenues. In a recent ATi survey of business leaders and chief marketers, the primary goals were very clear: help us drive up response rates, boost revenues and stay within our marketing budget. These goals, whether associated to product launches, promotions, events, lead generation, offerings, company updates or direct sales, rely on the efficiencies and effectiveness of direct marketing. ATi SMART DM is the solution.

No matter the channel of your message, from a postal mailing to inbound call, if the offer is not uniquely tailored to the person you are trying to engage the risk of failure to achieve any of the goals set as priorities will not be achieved without modeling and technology. Response rates increase when the right information to the right people is delivered through the right medium. Personalized communication dramatically increases response. SMART DM effectively makes this possible. ATi's SMART DM is the solution.

As marketers continue to increase spending in direct marketing, as much as 67% in some studies, there is no room for spending without results. Tailoring a campaign to each individual may not seem plausible when you only have a limited data set or technology; however, ATi SMART DM is a solution that empowers you to communicate to every prospect and customer no matter the medium -- a sure way to increase response rates, as demonstrated from 20% to 400%. ATi SMART DM is the solution.

ATi SMART DM is the most reliable way to lower your costs today by ensuring that marketing tactics you use to reactivate dormant customers produce a transaction, build a relationship or drive brand awareness. Our simple to deploy online solution gives you visibility and predictability for every marketing action. You see, manage and report the impact of marketing as it increases sales revenues. You have the transparency to take immediate action to improve probabilities and outcomes. ATi provides an opportunity to increase the bottom line through direct marketing technology. ATi SMART DM is the smart way to market. ATi SMART DM is the solution.



Join ATi's list of clients that depend on SMART DM to increase effectiveness of sending newsletters, enhancing customer relationships, driving sales opportunities, increasing brand awareness and retaining the most profitable customers. Let us help you improve response rates, drive sales revenues and, most importantly, stay within your marketing budget. ATi SMART DM is the solution.

To get started, call us to schedule a demo of SMART DM or talk with our solution experts. You can reach us at 602-923-4200 or email info@adaptiveinc.com. www.adaptiveinc.com

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