

## Data Landing into the Future less Tense

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Susan Cordts [middle in jacket] leads a tight, bright crew at the edge of the new data analysis wave.

Knowledge just got smarter at Adaptive Technologies.

The Phoenix-based company, which generates predictive solutions, customer profiles and modeling for businesses and organizations based on cross-disciplinary data combined with human insight, has just released SMART DM for small- to medium-size companies.

"SMART DM predicts to whom you should send a given offer for a product and via which media and with which message," says Susan Cordts, president/CEO of the eight-year-old company, 4530 E. Shea Blvd., Suite 130.

The direct-marketing tool allows clients to optimize their direct marketing through channels such as e-mail, direct mail, text messaging or a call center. She notes that, with SMART DM, ATi customers are reporting a 20–40 percent increase above traditional direct-mail campaigns.

"This saves our clients hundreds of thousands of dollars annually in mailing costs — all while knowing that their direct marketing efforts are only going to people who are interested in their offering," explains Cordts, a Mississippi native who served as a cardiovascular nurse in Texas and developed her marketing and high-tech skills in healthcare and other businesses. She also holds a master's degree from the Thunderbird School of International Management in Glendale.

The new offering allows ATi to serve a different market segment with its Intelligent Information™. Till now, ATi has served national companies with annual revenues of greater than \$100 million. For them, the company turns the most up-to-date Web-based data — on customers, markets, trends — into actionable information and increased profits.

These groups include government, financial services, healthcare, telecommunications and education, but Cordts is committed to expanding the technology to other fields and more local companies. "Whatever the industry, we help their leaders make better decisions," she says.

Two outstanding research scientists founded ATi: Christopher Stephens and Henri Waelbroeck. The 1999 co-awardee of the Nobel Prize for Physics, Gerard t'Hooft, is on the ATi advisory board. They chose Cordts to head the company because of her analytical capabilities — she used some of this talent years ago in healthcare to improve patient outcomes — as well as her marketing savvy and her ability to envision new analytical applications.

In fact, with her leadership, the company is serving a variety of industries:

- An insurance company wanted customers to buy more products: ATi's comprehensive profiles improved the company's predictability as to which customers to target and what products to offer them by 120 percent, resulting in \$250,000 of additional income. "We identify quality customers," she says. "Numbers alone don't always tell you who the true high-profit ones are," she adds. "Quality appraisals do."



ATi clients seeking analysis of telecommunication client drop-offs could

- A healthcare company wanted to identify those diabetic customers who would most benefit from proactive medical intervention. By using its analytics to profile customers, ATi helped improve the company's ability to classify those most likely to incur high costs as well as reduce false positives. For the healthcare company, ATi realized a cost savings of \$11 million.
- A large national university providing technical training was receiving hundreds of thousands of leads annually, but only a small percentage of these were signing up. "We created a real-time application which identifies the leads most likely to become students — prioritizing the efforts, increasing efficiencies and effectiveness in achieving their goals, Cordts explains." By focusing on appropriate leads, the university reaped a \$3 million benefit to the bottom line — surpassing a 300 percent increase in ROI in one year.

Knowledge and data has traditionally described the present and the past, but ATi focuses on the future. "Business leaders have spent so much time looking in the rear-view mirror," Cordts says. "ATi solutions, however, keep your focus on the road ahead."

Typically, ATi looks intensely at a variety of information — including costs, revenues, sales cycles, demographics, attitudes as well as data obtained from external sources. As the world is not static, so, too, figures change momentarily. ATi's Web-based software adjusts to these changes and immediately updates its profiles and predictions regarding decision-making, customers and marketing. ATi customers are provided with "dashboards" to read these continually refreshed reports.

One area ATi is bringing its technology and skills to is education — one of Cordt's passions. Among her community-service investments, for instance, is working with the Genesis charter school in a challenged downtown-Phoenix neighborhood.

ATi is currently working with the Jefferson County Public School District in Louisville, Ky., in attempting to lower the high school drop-out rate. She's also looking at Arizona's situation, where the rate is about a national average 30 percent, says Matthew Ladner, Ph.D., education researcher for Phoenix-based Goldwater Institute.

"We help a school system reduce drop out rates by being able to predict those students at risk for dropping out earlier in their educational career, predicting the interventions that are most appropriate for the student," she explains. ATi creates daily updates for the organization as to who is likely to drop out, measuring the effectiveness of the interventions and demonstrating the at-risk populations currently without interventions.

To now, these have come too late: Problems such as absenteeism, deteriorating grades, even moving from one school to another, have been documented too late in the process, Cordts says. "Typically, interventions are targeted at high school students when their pattern for disengagement and dropping out often begins very early in their educational careers."

ATi's analytics identify these factors early on. "In the end, the school system is able to spend its limited resources in more effective ways with greater results in terms of improving graduation rates," she says. "It is much easier to address such large problems when one can see where to focus for the desired impact."