



**Decide with Confidence**

# Data – the Source of Intelligent Business Information

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12<sup>th</sup> October 2005

# Data – the Source of Intelligent Business Information



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Census & Geodemographics Group

## Classifying and Targeting Businesses

- **Global data collection - sources, methods, relationships**
  - Hazards of data collection – accuracy, consistency, timeliness
- **Corporate Linkage and Predictive Indicators**
- **Using data as intelligent business information**
  - Customers that use data - examples of interpretation and misinterpretation
  - The relationship between using data alone versus analytics
- **Futures and summary**

# Our Mission...



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*To be the most trusted  
source of business insight  
so our customers can  
decide with confidence*



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# 100,000,000

reasons to smile



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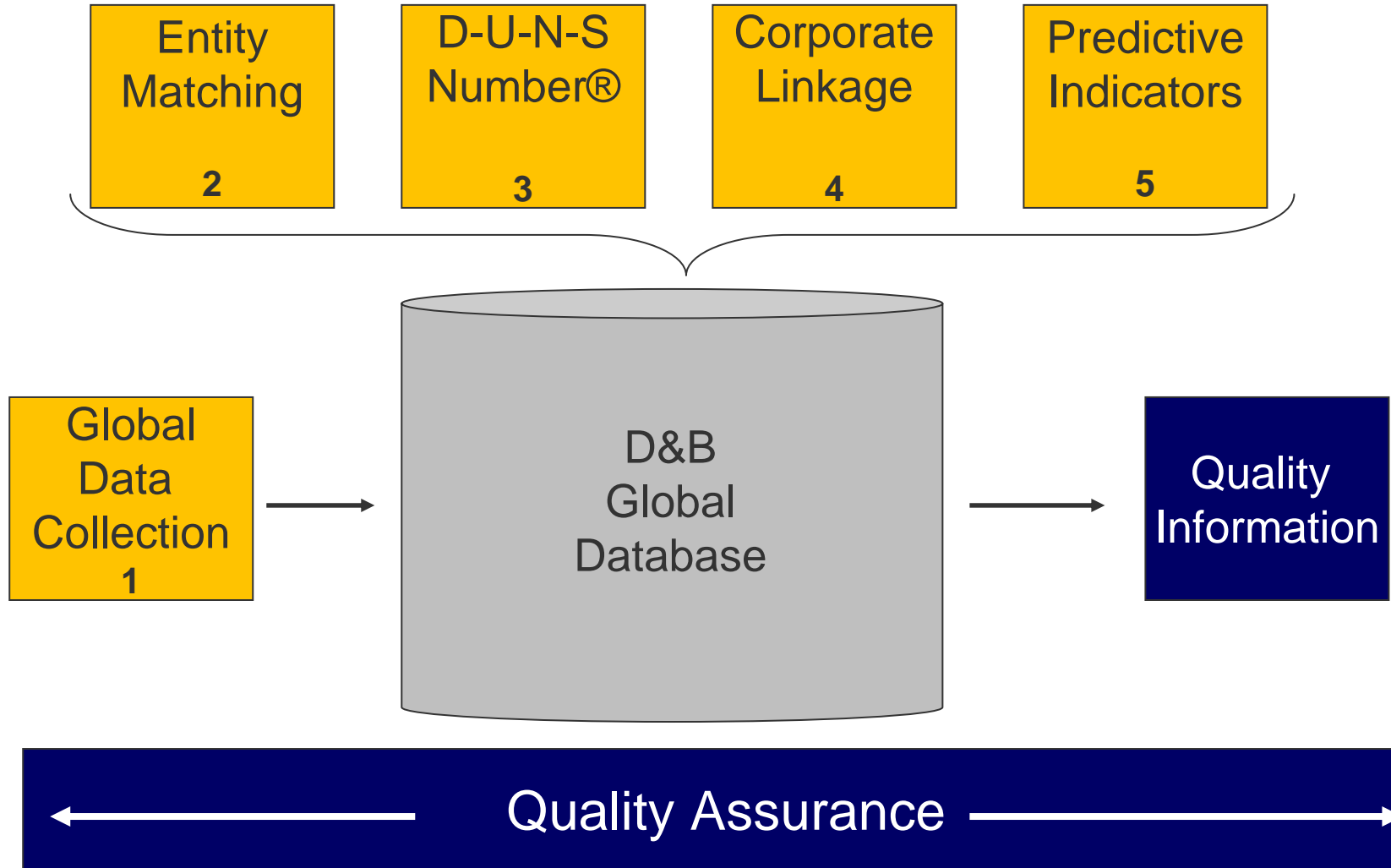
## Global data collection - sources, methods, relationships

Hazards of data collection – accuracy, consistency,  
timeliness

# This Process of Collecting and Enhancing Data is Called **DUNSRight™** and Consists of Quality Assurance Plus Five Quality Drivers



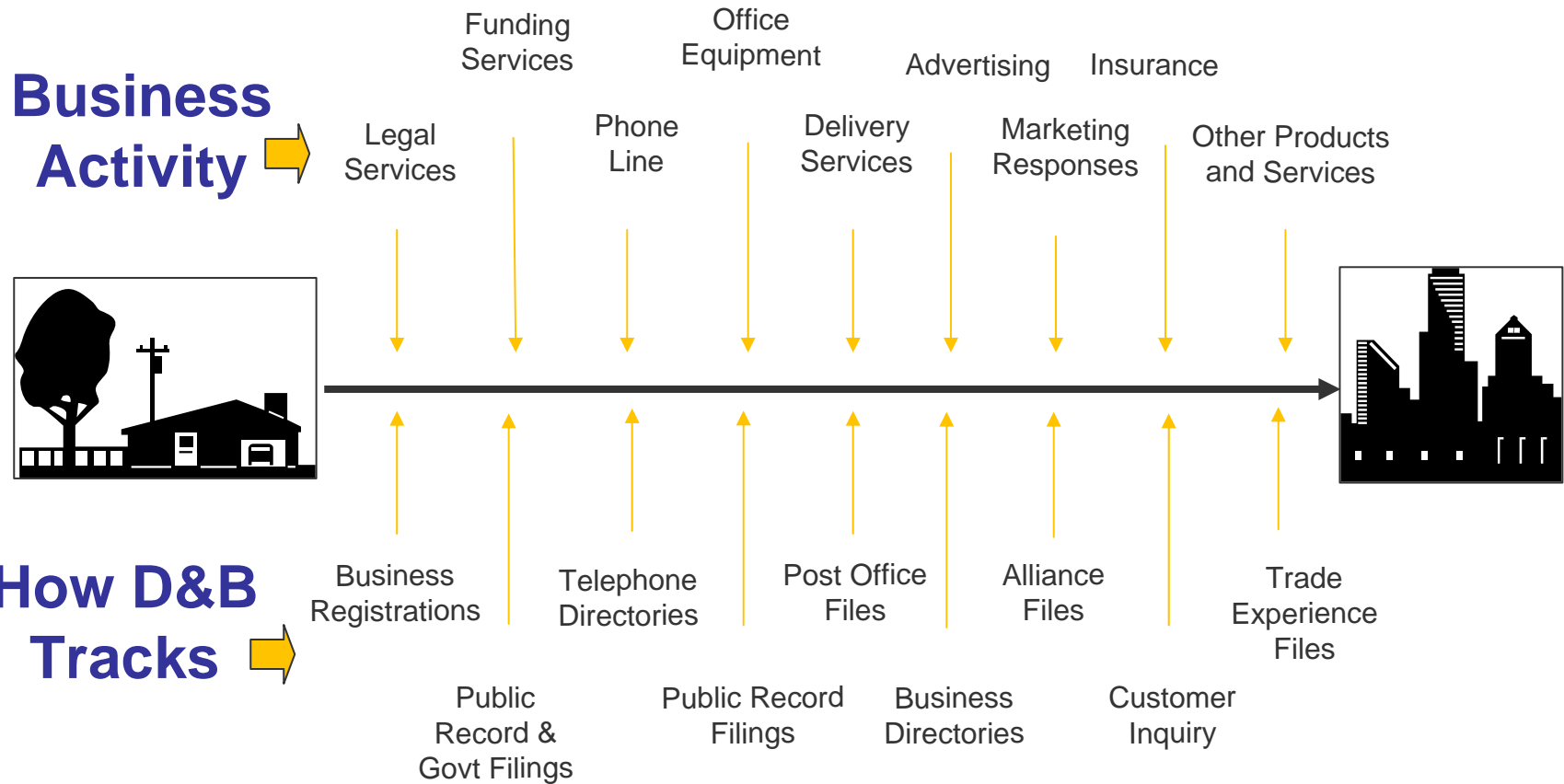
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We track businesses from the time they exhibit the smallest amount of commercial activity. When activity reaches a certain level the D&B verification process assigns a D-U-N-S Number.



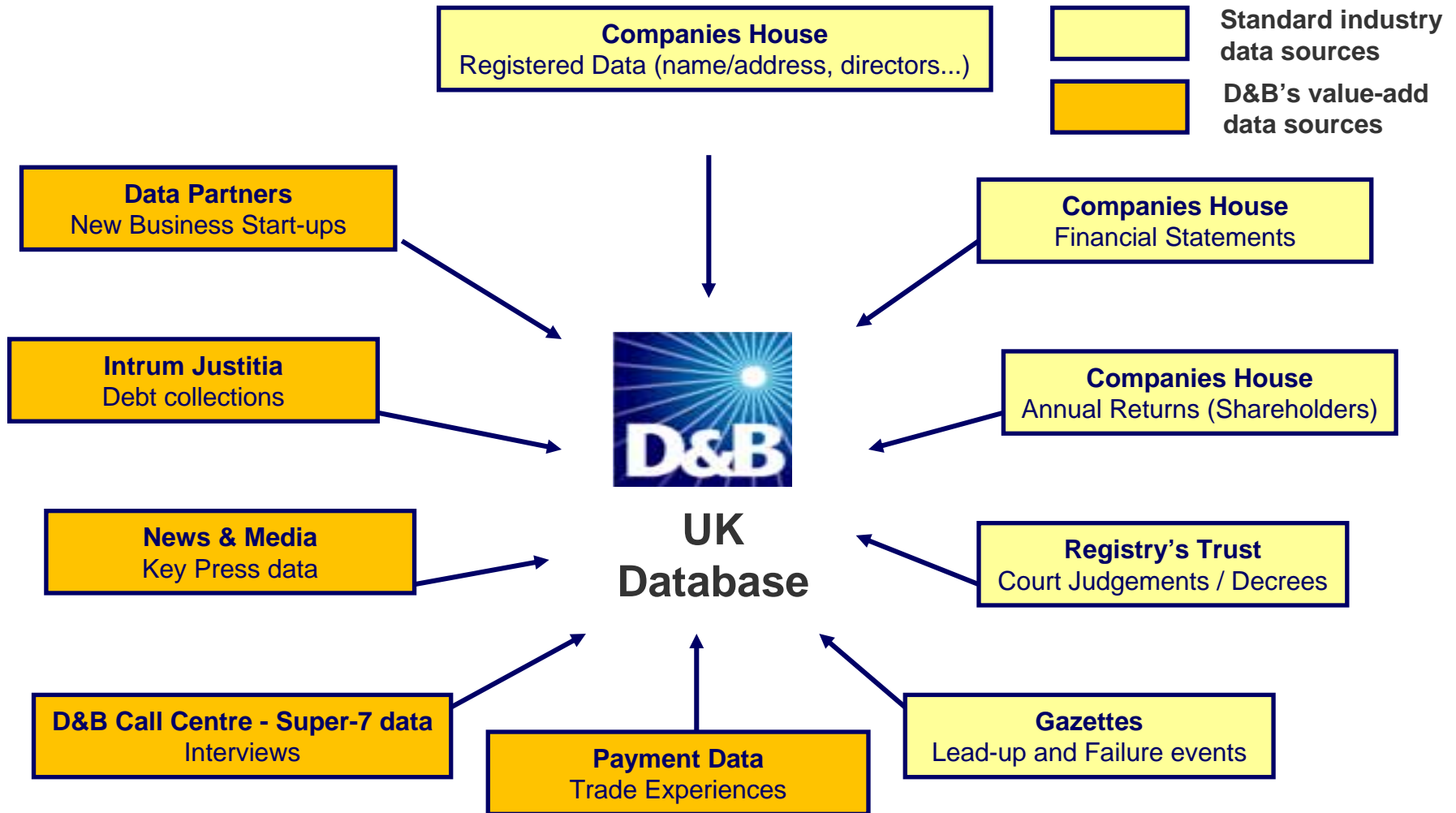
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# UK Data Sources



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# ... Particularly, When Business Changes So Frequently



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- In the next 60 minutes ...
  - 11 corporate businesses will go into liquidation or have receivers appointed
  - 7 business addresses will change
  - 49 business telephone numbers will change or be disconnected
  - 3 directorship (CEO, CFO, etc.) changes will occur
  - 89 businesses will fail
  - 96 new businesses will open their doors
  - 35 corporate companies will change their names
- So in a year...
  - 7 % of businesses move annually
  - 1 % of CEOs will change
  - 2 % of Telephone numbers will change



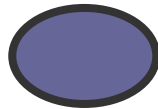
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# Corporate Linkage and Predictive Indicators

# Without Corporate Linkage, these companies appear unrelated



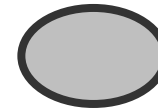
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**Klivarbo South**  
28-111-5432



**Agglo Water Projects Ltd**  
28-365-8441

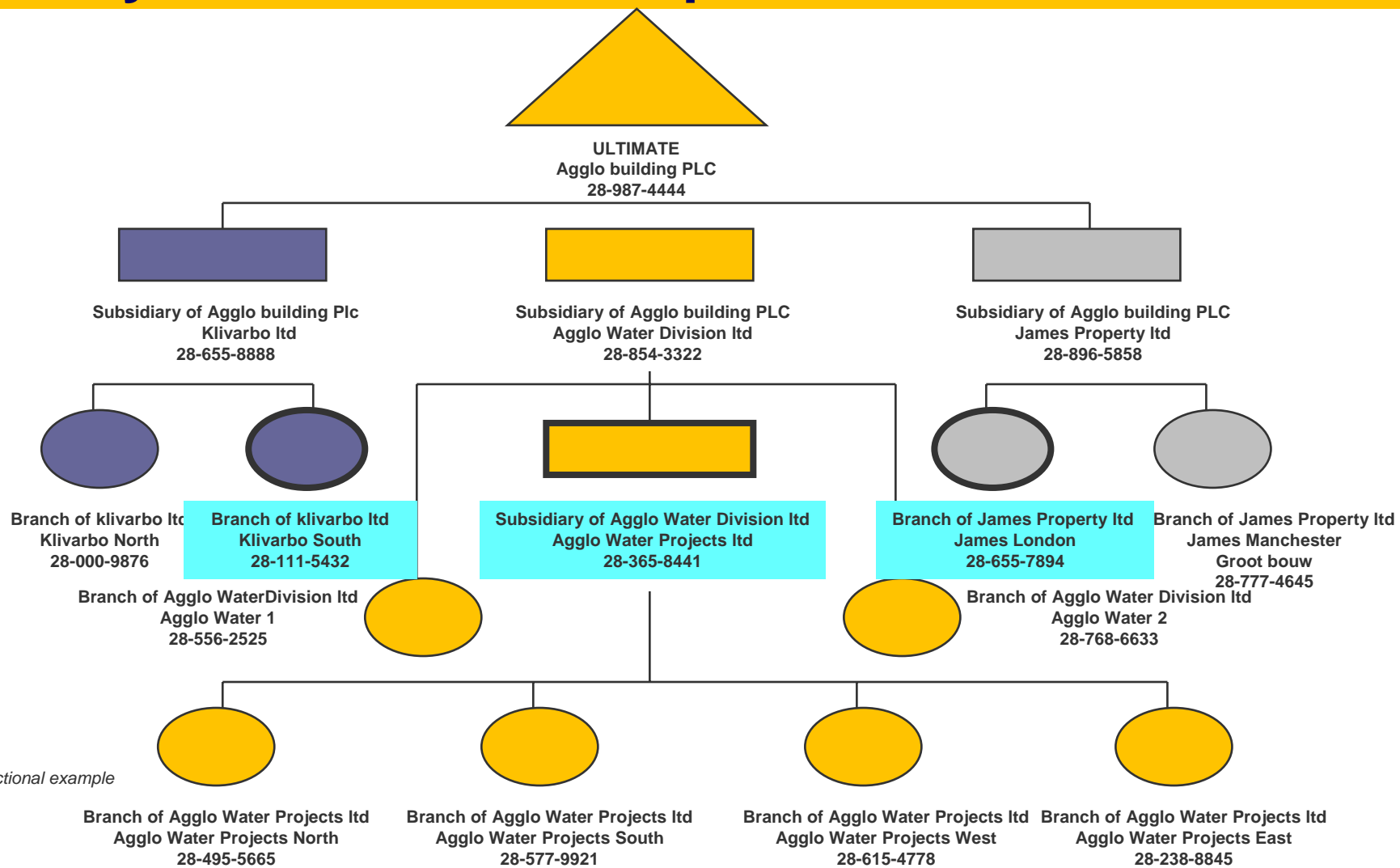


**James London**  
28-655-7894

# By Applying D&B's Corporate Linkage, you can view the Entire Corporate Family with no limit in depth or breadth



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Alternative Linkage provides other views.  
Without Corporate Linkage, insurance broker  
are difficult to link to their underwriter



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**Mark Ledwick**

**+Farmers Insurance Group**

**00-101-7699**

**Farmers Group, Inc.**

**Los Angeles, CA**

**00-690-7141**

**Zurich Financial Services**

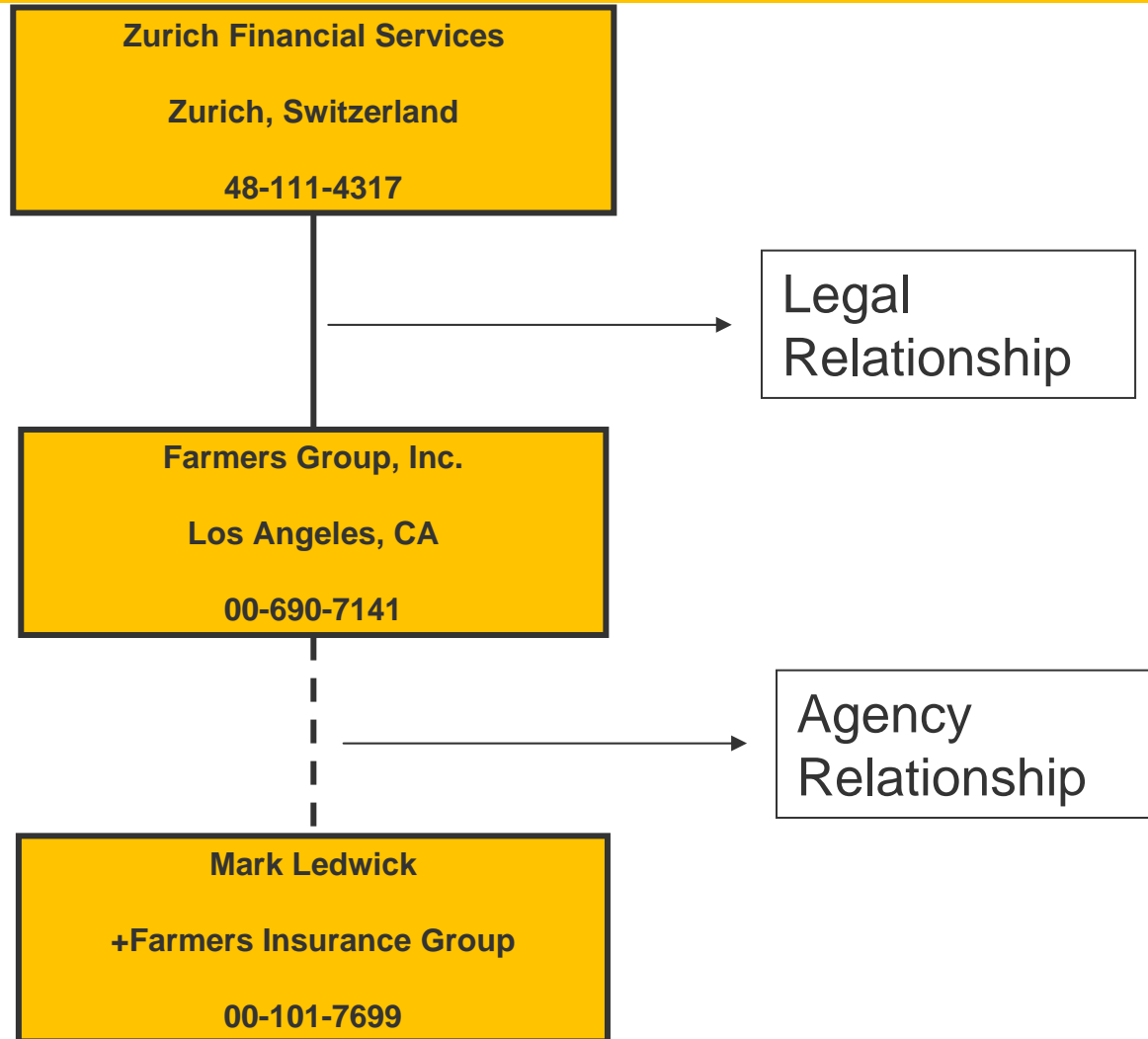
**Zurich, Switzerland**

**48-111-4317**

# Corporate Linkage provides you with the insight to understand these meaningful corporate relationships



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Without Corporate Linkage, relationships like franchises that are not company owned do not roll up to franchisers



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**I&I Foods Inc (Branch)**

**+Wendy's**

**Iowa City, IA**

**00-102-0353**

**I&I Foods Inc (HQ)**

**+Wendy's**

**Iowa City, IA**

**10-394-7693**

**Wendy's International**

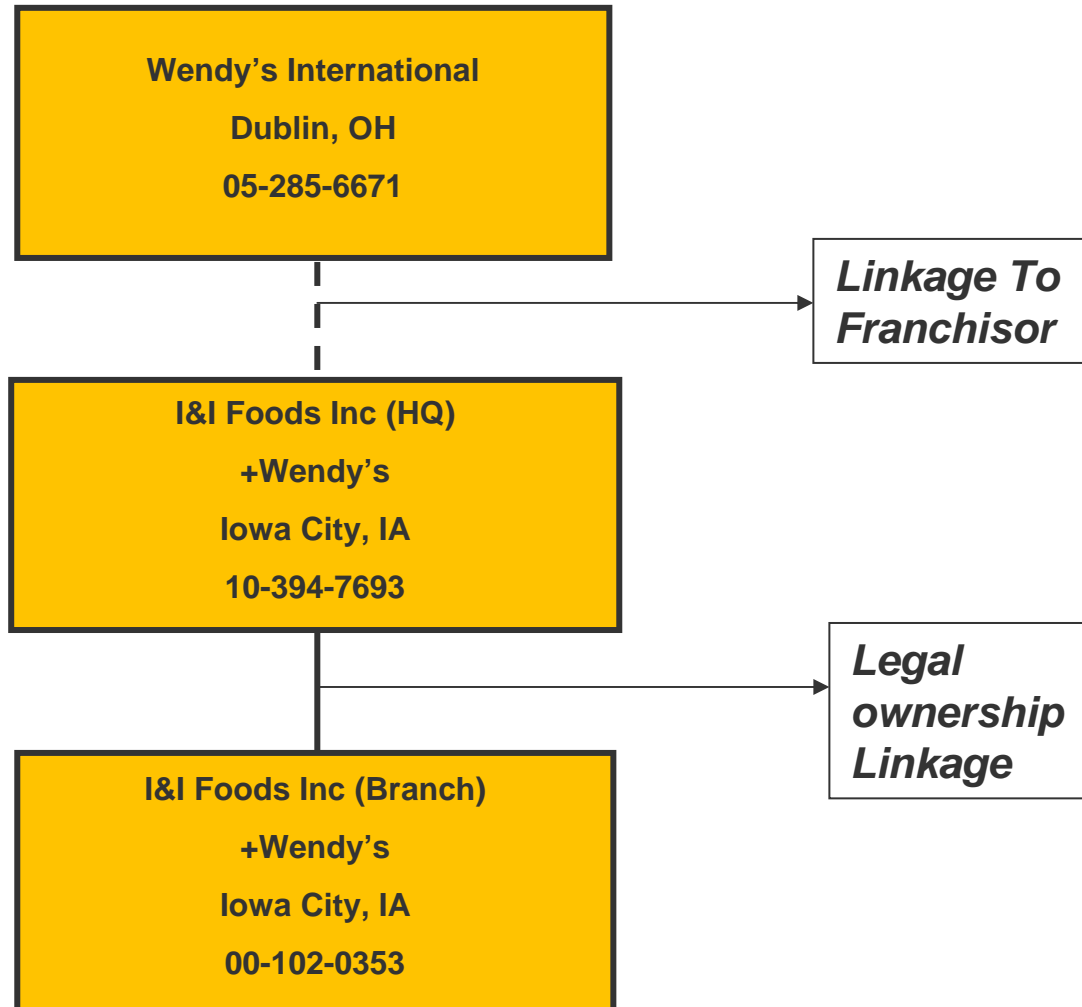
**Dublin, OH**

**05-285-6671**

# Franchise Alternative Linkage Allows You To Uncover The Franchise Relationship To Maximize Your Opportunity



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# Customers also want the ability to align automobile dealerships



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**Milham Ford Toyota Saab**  
177424421

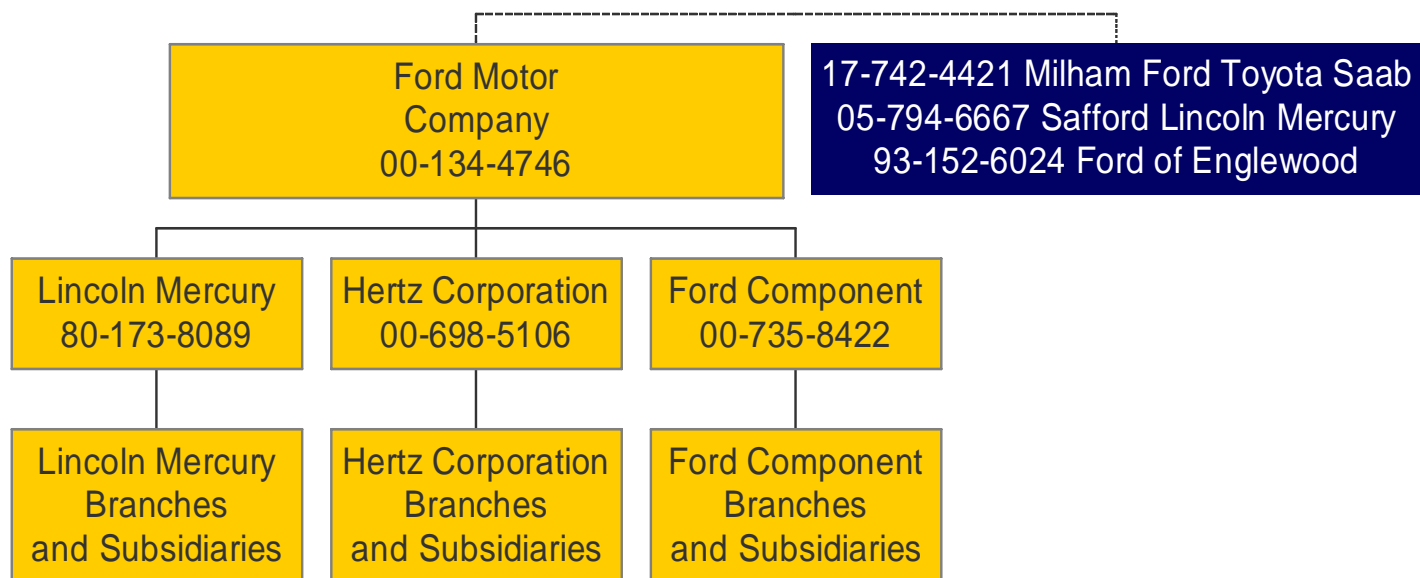
**Safford Lincoln Mercury**  
057946667

**Ford of Englewood**  
931526024

# Dealership Linkage shows the relationships between dealers and manufacturers



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# Predictive scores helps you grow revenues, manage costs and control risk through the business life cycle.



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## Prospecting

- Find profitable new customers
- Identify accounts most likely to respond to your offer
- Prescreen marketing lists to filter out high risk accounts
- Solicit customers only your credit department will approve

## New Account evaluation

- Speed up application review process
- Improve the quality of your decisions
- Increase profitability by employing risk based pricing strategies

## Portfolio Management

- Reduce delinquency
- Prioritise collection efforts
- Retain most profitable customers
- Cross-sell to deepen relationship with existing customers
- Streamline renewal process

# There Are Three Types Of Predictive Indicators Enabled By Our Unique Capabilities...



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## Three Types:

- **Descriptive Ratings** - Overall descriptive “grade” of a company’s past performance. Uses historical information to provide a current rating which can be used to support decisions on credit worthiness.
- **Predictive Scores** – Prediction of how likely it is for a business to:
  - Pay more than 90 days beyond terms or default payment in the next 12 months.
  - To fail in the next 12 months.
- **Demand Estimators** – Estimation of how much of a product a business is likely to buy in total.

## Unique Capabilities:

- **Analytical capability** – a dedicated team of experienced Business-to-Business scoring experts build the underlying predictive models
- **Data capabilities** – access to multiple data sources including:
  - Financial and payment information on UK companies
  - Extensive historical information for analysis
  - Geo-demographic data
  - Director history
  - Detrimental data
  - Trade Payments



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# Using data as intelligent business information

Customers that use data - examples of interpretation and misinterpretation

The relationship between using data alone versus analytics

# D&B Analytical Solutions



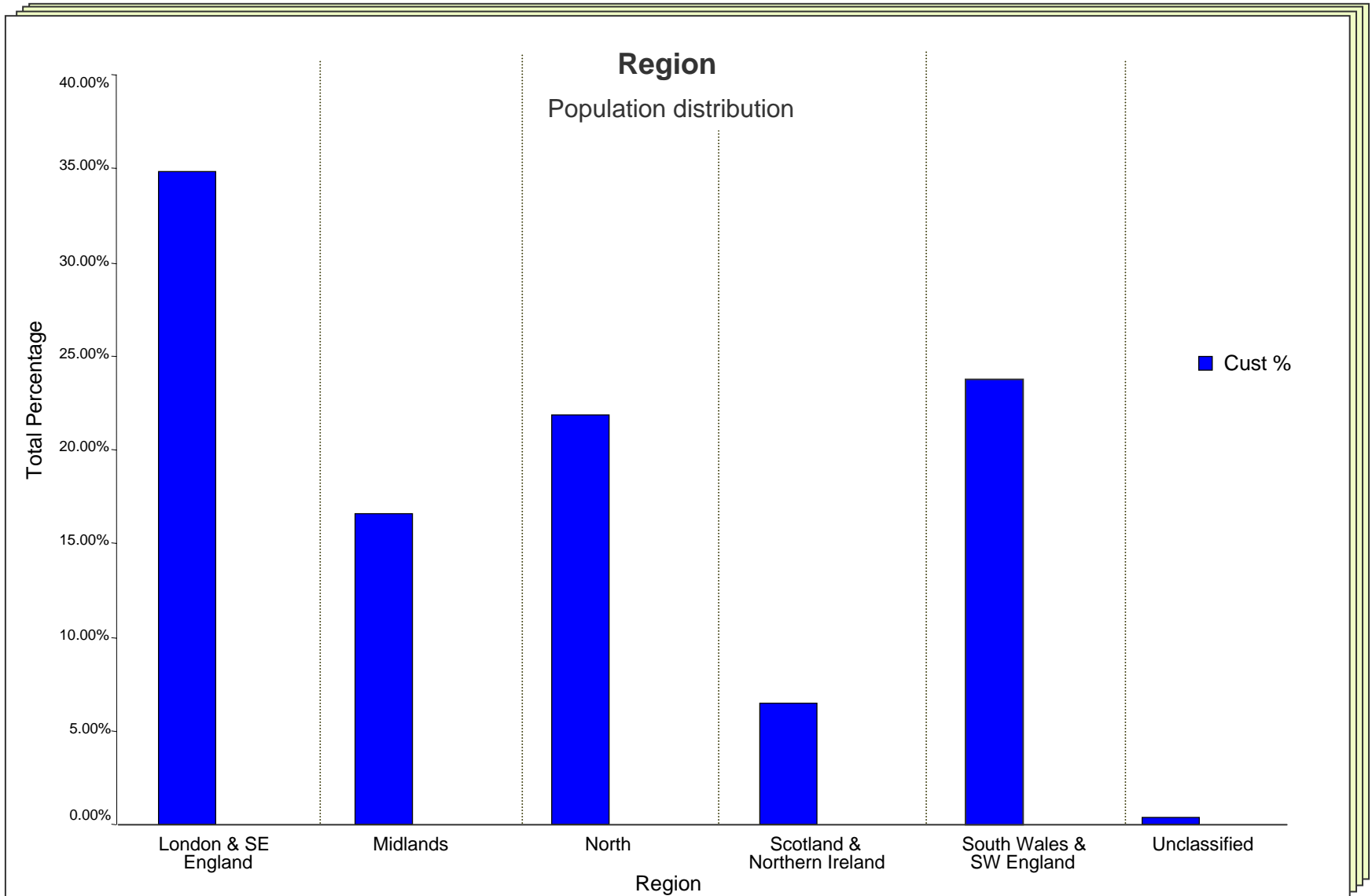
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- We are the central analytical services group in D&B Europe, providing data-driven customer lifecycle solutions
- Tailored solutions for new business development
  - Customer Insight and Segmentation
  - Best Prospect Identification
  - Market Sizing and Demand Estimation
  - Territory Planning
  - Key Account Optimisation

# Intelligence from data



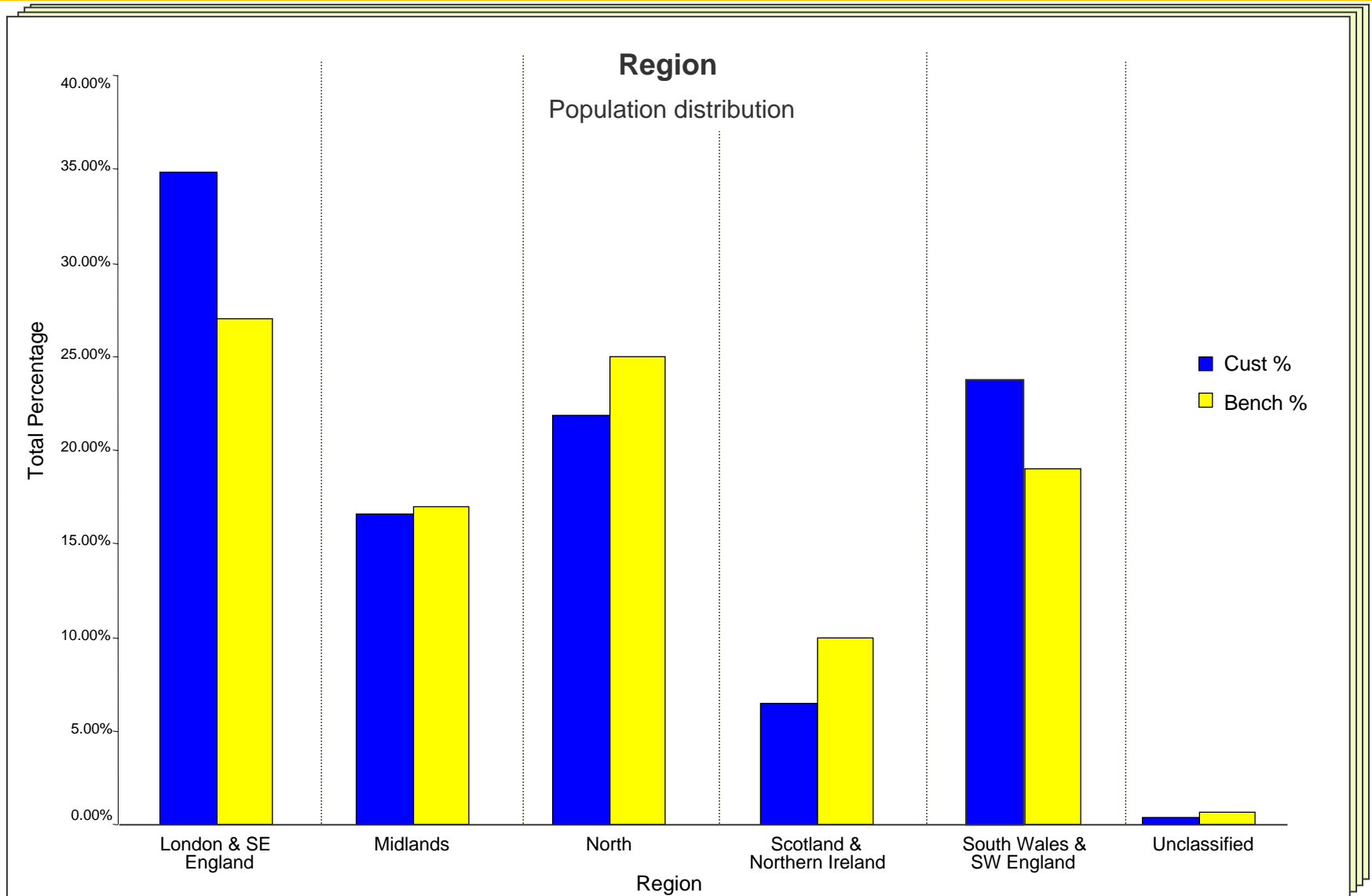
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# Intelligence from data



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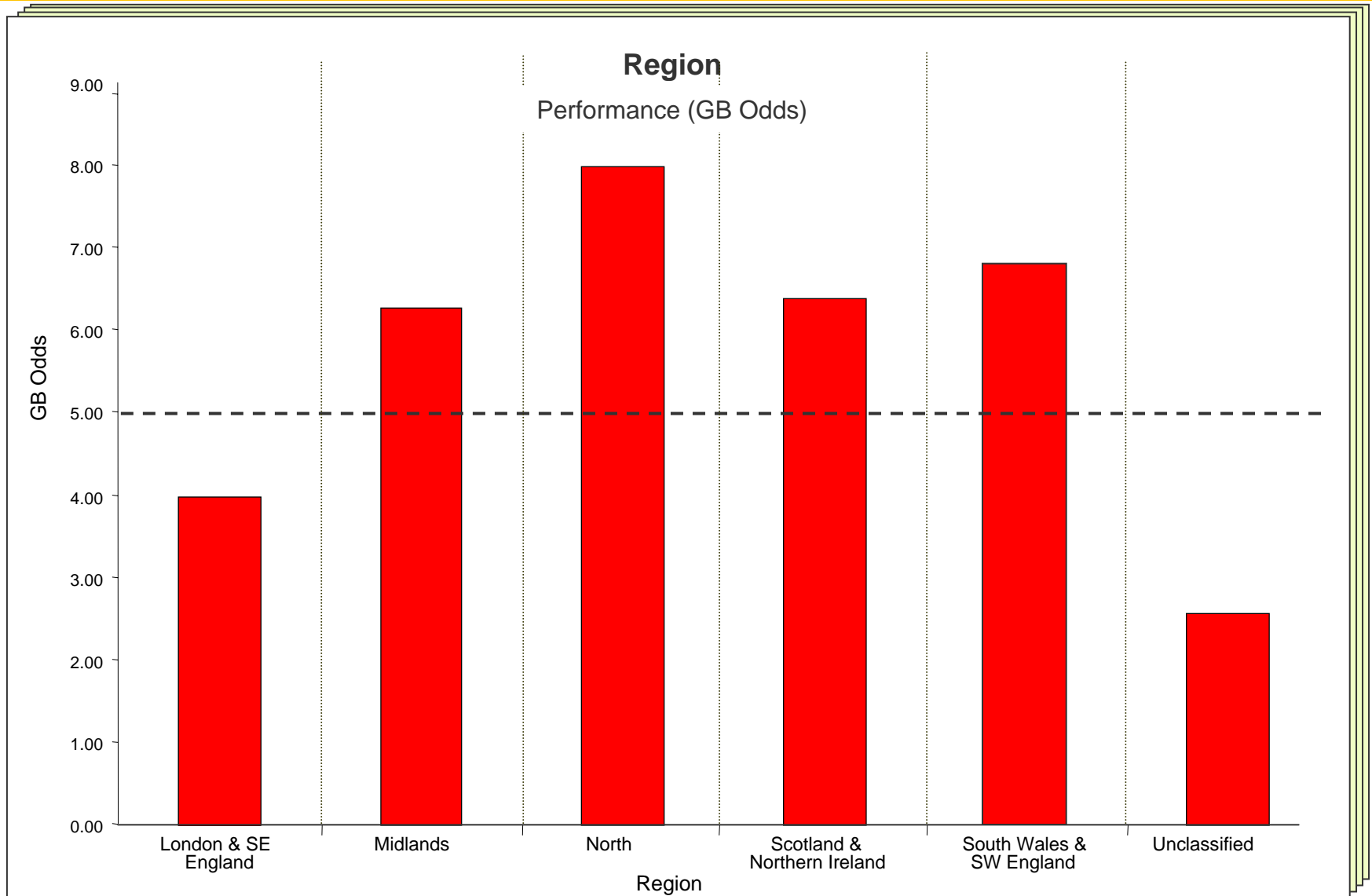




# Intelligence from data



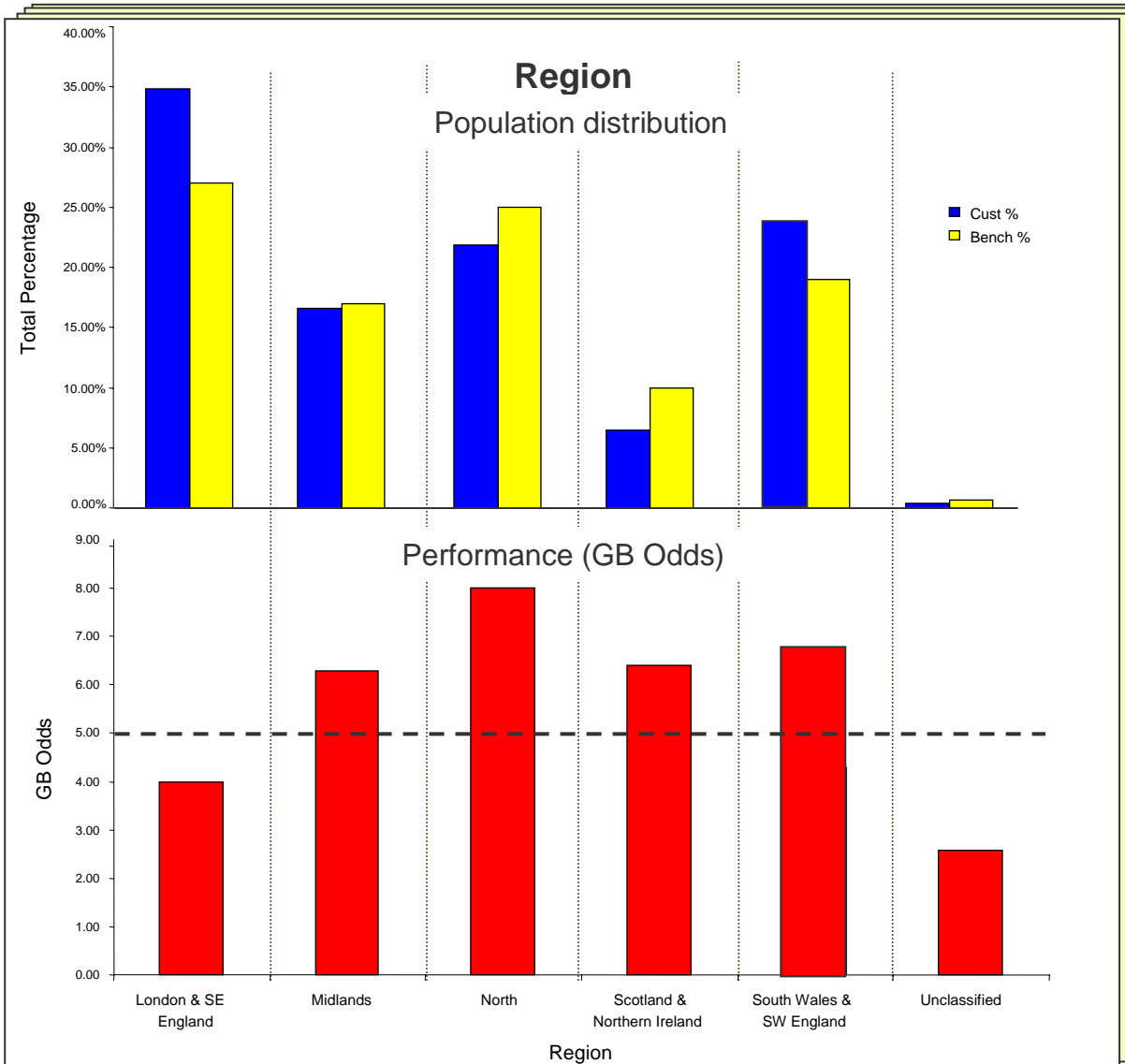
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# Intelligence from data



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## Profile

Customer and prospect profile by business metric e.g. region, sector, net worth

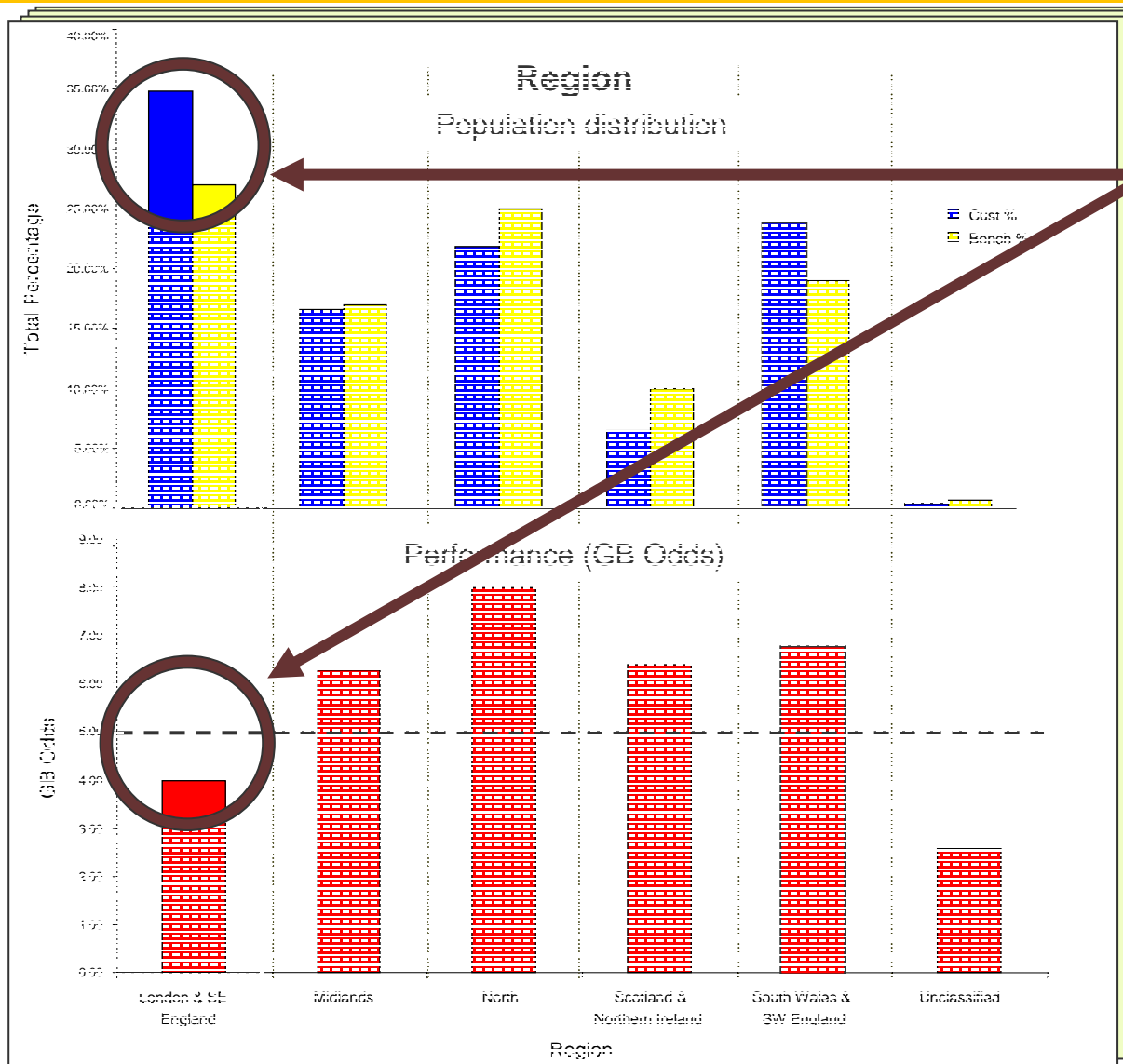
## Performance

Good Bad odds. The ratio of good accounts to bad

# Intelligence from data



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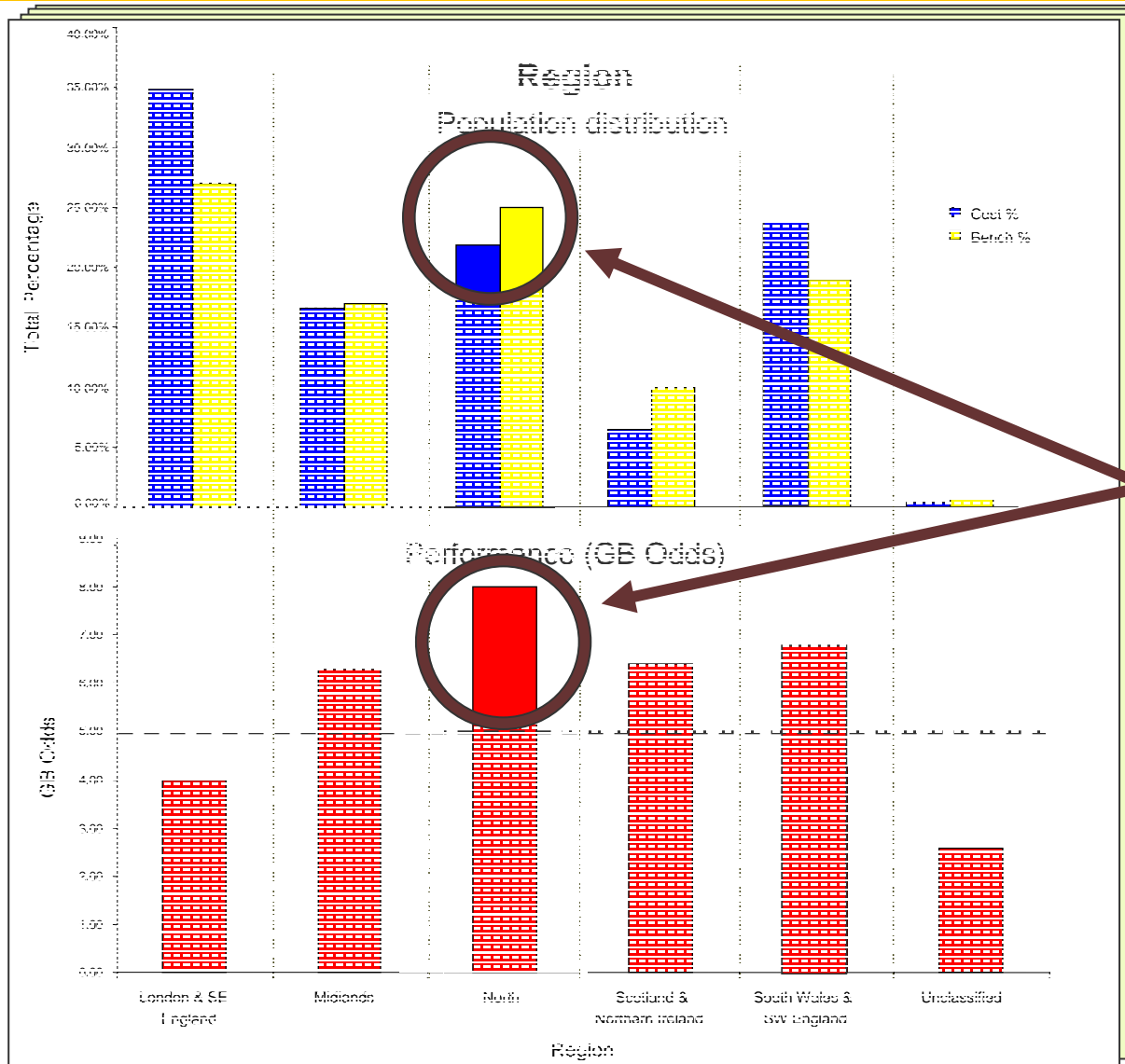


High penetration and poor performance  
**(REDUCE EXPOSURE)**

# Intelligence from data



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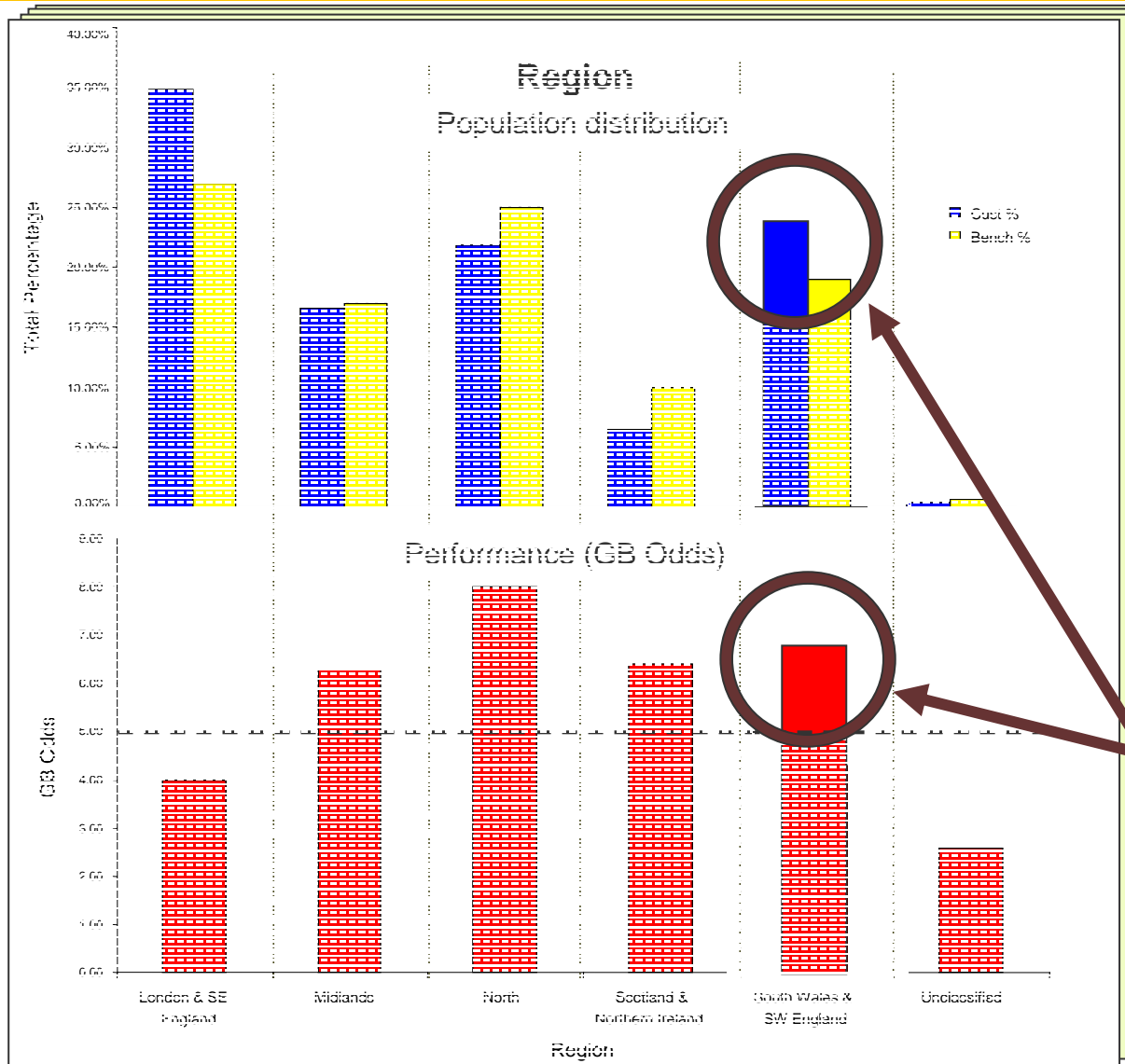


Low penetration and good performance  
**(MARKETABLE)**

# Intelligence from data



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High penetration and good performance (RETENTION)



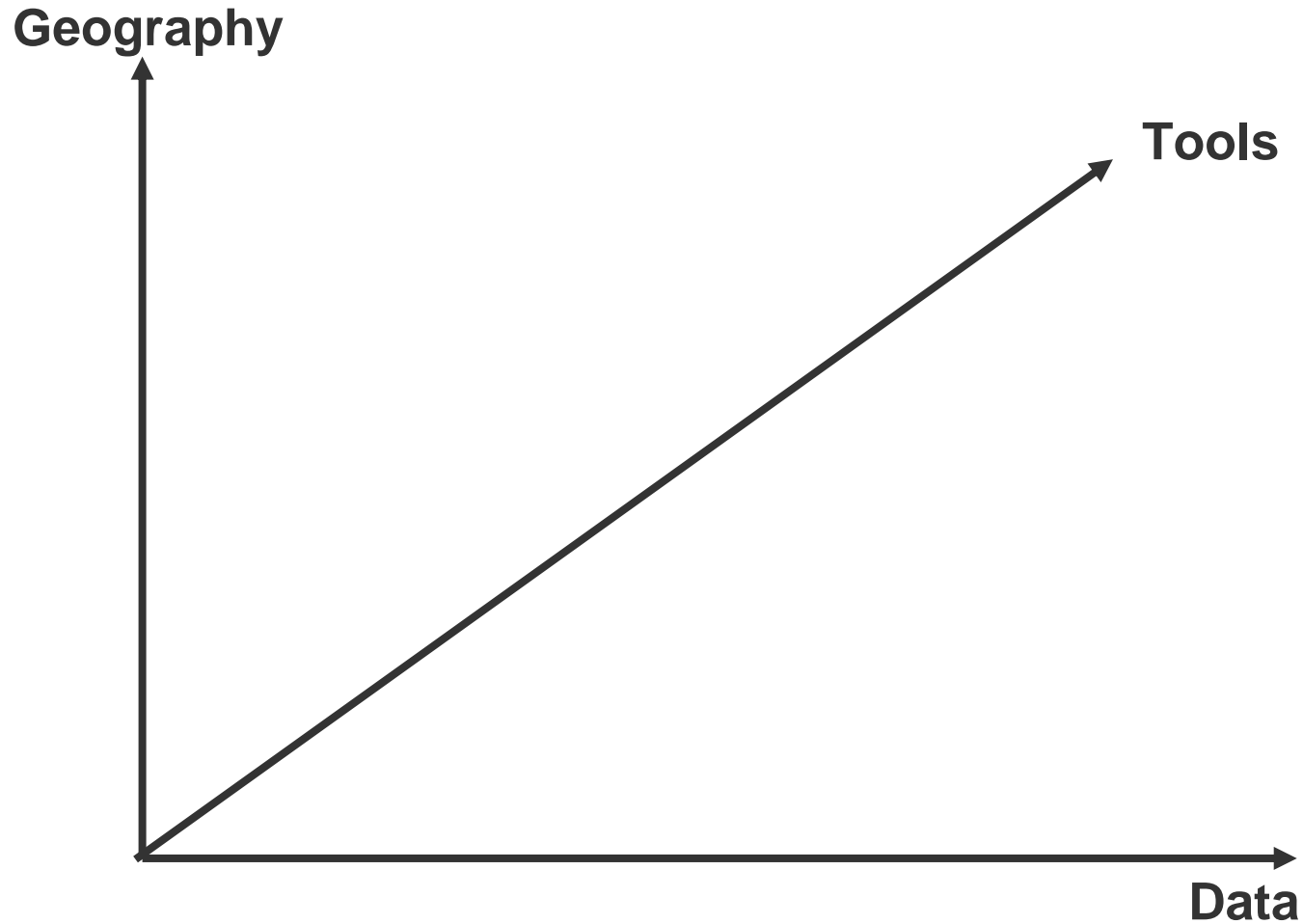
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Futures and summary

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- Data fulfills local and *global* business needs
- Business Insight and applications
- Changes
- Data pricing alone is under pressure
- New areas of information
  - Asia
  - Linkage
  - SMEs
- Modelling



**‘Companies using D&B Solutions  
grow 40-50% faster than those who  
don’t’**

*3 years cumulative growth*



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