



# \* think

NEW ANALYTICS FROM COBALT SKY

## Think about it

What results does your survey reveal? That's how you build real value into your high-end data. It's only by asking the right questions that you can discover more about your respondents' answers and add significant value to your client and your brand.

- How can you increase customer satisfaction?
- Which market segments are your most valuable?
- How do you increase the likelihood of a purchase?
- How is your brand perceived relative to your competitors?
- What's the optimal product configuration to achieve the highest market share?

**Cobalt Sky** is offering a new statistical-based analytics service in partnership with renowned expert **John McConnell**.





# dig deeper

If you're looking to gain more value and uncover more meaning from your data, advanced analytics are a proven extension to your understanding. Now **John McConnell** has joined **Cobalt Sky** to make high-end data analytics and modelling solutions available to our customers.

## Popular Analytics

- **Key Drivers Analysis** – discover what drives customer intent, behaviour, satisfaction, perception and other important outcomes. Use this information to quantify the impact of improving product and service offerings
- **Segmentation** – identify groups of customers who have attitudes, behaviours or demographics in common
- **Trade-off Analysis** – test and evaluate the appeal of new product configurations and price points, using conjoint, or other choice-based, methods
- **Mapping** – visualise relationships between competing products, services and customer perceptions

## Broad Reaching Analytics

At Cobalt Sky Analytics, we work with you to assess which analytical methods fit your requirements best:

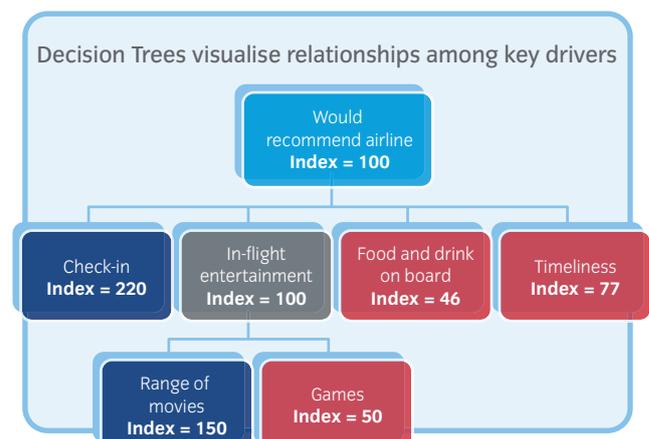
- **Data Mining** – identify valuable patterns in your large and complex data eg. looking at combinations of studies or other data sources such as customer databases
- **Predictive Analytics** – apply historical patterns to predict future outcomes of interest. Target outcomes can be changes in customer behaviour including brand switching, purchasing or recommending
- **Data Visualisation** – utilise the power of graphics and employ visual tools to help reveal meaningful patterns in your data
- **Simulations/What-ifs?** – combine Predictive Analytics in software tools to test scenarios like the effect of price changes on your market share, or marketing mix on your sales

## Key Drivers Analysis

When you identify and analyse Key Drivers, you can find answers to questions like 'What drives my customers to switch to another brand?', 'What triggers a customer to purchase my product?', 'Which consumer group is most satisfied with our services?' and 'What are the most important components of recommendation/satisfaction?'.

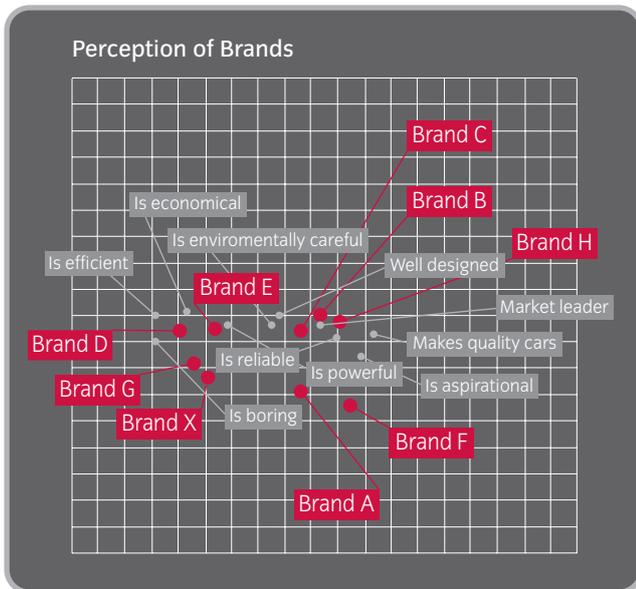
Correlation or Regression are most commonly used to derive underlying driver importance. Decision trees can be used to identify the most important drivers of recommendation, satisfaction and purchase, as well as define segments of respondents. Trees allow you to visualise inter-relationships and strengths among key drivers. Within these relationships you can often find hidden segments that has more or less likely to have more positive or negative attitudes and actions.

Using an airline as an example, a key driver analysis may identify that the check-in experience is the strongest driver of propensity to book flights in the future. Decision Trees can reveal data nuances like a segment that has more specific issues with food and drink quality or other on-board service attributes. Trees can also reveal more about this particular group ie. How valuable are they? Do they fly on a specific route?



## Mapping

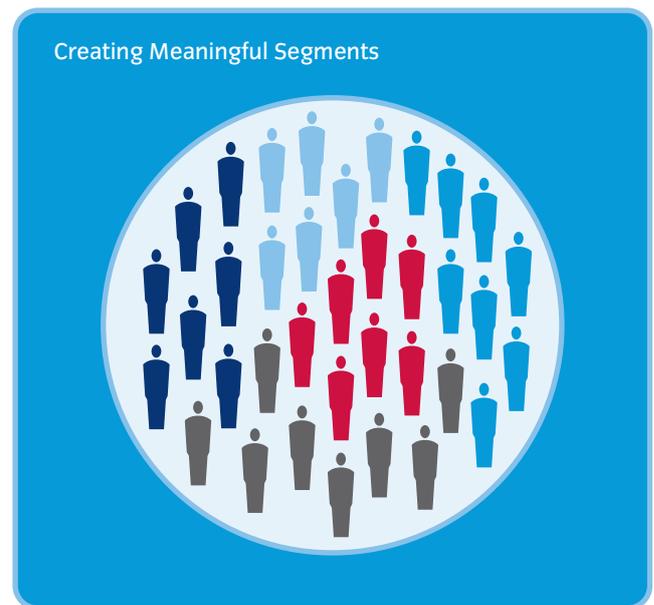
Correspondence maps and perceptual maps can be used to visualise relationships between your brands, products or services and your survey respondents' attitudes in a given market.



Maps are generated through statistical methods including Correspondence Analysis, Discriminant Analysis and Multidimensional Scaling. The resulting visualisation gives a clearer view of the proximity between brands and perceptions. You can visually filter the graphic to look for differences between groups of customers. In the context of retail products you may find that the brand perceptions differ by lifestage or purchase occasion. You can also use Analytics Mapping techniques as visual crosstabs, so you can view table percentages in graphical form.

## Segmentation

Segmentation finds groups of consumers who think or behave similarly. Segmentation uses rigorous analytic techniques to organise consumers into groups with similar attitudes, needs, and desires typically using traditional clustering methods like hierarchical clustering or contemporary clustering methods like latent class analysis and orthogonal clustering.

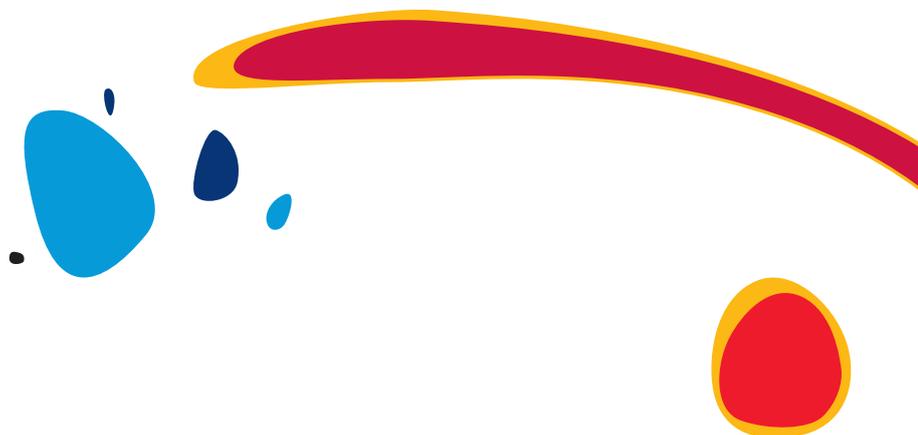


**Demographic:** Gender, Age, Lifestyle

**Behavioural:** Browsing, Purchasing, Response

**Attitudinal:** Brand empathy, Satisfaction

The size and market potential of each customer segment can be determined, along with targeted positioning and appeals.



## Trade-off and Conjoint Analysis

For every product attribute eg. price, colour, ingredients, guarantee, environmental impact and predicted reliability, respondents provide data preferences for products defined by attribute combinations.

Trade-off techniques, including conjoint, involve asking respondents to indicate how much they like or prefer alternative product configurations. Statistics are used to work out the contribution that each product attribute makes to overall likeability. The relative likeability of different product/service configurations translate to a 'share of preference' which can often be extended to an estimated 'share of market'.

This process lends itself to simulation and what-if? analyses. So you can answer questions like 'How many more customers would switch to our credit card if we reduced the APR by 5%'. We can often link these questions to financial metrics to simulate profitability.

## Data Mining

This is a process of analysing data from different perspectives and summarising it into useful information. This information can be used to increase revenue, cuts costs, or both. It's the process of finding new and interesting patterns among large numbers of fields across surveys and other data sources.

Data Mining employs advanced algorithms from a variety of disciplines, including statistics and artificial intelligence and allows you to analyse data from many different dimensions or angles, categorise and identify relationships. These can translate to outputs which are meaningful to researchers and to the brand.



## Predictive Analytics

The term 'Predictive Analytics' became common currency in the mid to late noughties. It's a recognition of a set of analyses that contain behavioural and attitudinal data and are becoming more prevalent for a number of reasons, not least of which is that we can typically demonstrate a clear Return on Investment with it.

Predictive analyses, including forecasting, will give you a prediction of a future outcome based on a variety of influential inputs. In research, the outcome will typically be a consumer action like switching, recommending, purchasing, visiting, etc.

Predictions allow us to take pre-emptive actions to adjust the drivers of negative outcomes and, in so doing, increase the positive ones like retention and increases in customer value.

## Simulation/What-if?

Simulation and what-if? analyses pick up where predictive models leave off. Once you have a predictive model, you can assess the impact on the outcome of interest of business decisions which change the input characteristics.

**Here's an example to consider:** if, by improving the check-in experience, an airline could increase customer satisfaction by a specified percentage, we can predict the impact of this change on recommendation and booking.

Simulator						
July 2011				Reset to base prices		
Brand Groups	Market Share	Market Change	Brand	Price	Market Share	SOM Change
Any Company 1	44.10%	0.29%	Brand 11	£6.15	1.37%	-0.10%
Any Own Label	48.29%	-0.29%	Brand 12	£6.15	0.36%	0.00%
Company 2	35.74%	0.04%	Brand 13	£6.09	0.45%	0.00%
Company 3	6.17%	-0.34%	Brand 14	£6.15	0.15%	0.00%
Company 4	6.38%	0.01%	Brand 15	£5.50	0.71%	-0.10%
			Brand 16	£5.30	0.69%	0.00%
Any Company 1	16.04%	0.01%	Brand 17	£5.31	0.82%	0.00%
Any Company 1	2.15%	0.00%	Brand 18	£5.31	0.41%	0.00%
Any Company 1	16.82%	0.01%	Brand 19	£5.31	0.27%	0.00%
Any Company 1	28.18%	0.11%	Brand 20	£6.97	1.55%	0.00%
Any Company 1	29.20%	-0.13%	Brand 21	£6.10	4.18%	0.00%
			Brand 22	£6.10	0.42%	0.00%
			Brand 23	£6.10	3.86%	0.20%
			Brand 24	£6.16	0.62%	0.00%
			Brand 25	£6.10	0.58%	0.00%

## why John McConnell?

John McConnell is widely recognised as a leading expert in Analytics.

John has a BSc in Mathematics, Statistics and Operational Research from the University of Manchester Institute of Science and Technology, UK.

As the founder of Analytical People, John has delivered a broad range of business and Analytical Consulting Services for over 20 years. His projects range from ad-hoc analyses through to multi-user high-end, automated, analytical solutions delivery with Statistical, Data Mining and Predictive Analytics methods and technologies.

A regular conference speaker on the role of advanced analytics in the context of both business and research, John regularly presents at the Predictive Analytics World conferences in the US and in Europe.

Through the '90s John worked for SPSS in a variety of international Professional Services delivery and management roles. He launched the SPSS Consulting practice in the UK and became the Director of Technical Services across EMEA for SPSS Market Research. At SPSS MR, and in his subsequent consulting career, John has provided services to most of the global research agencies.

Since 2000 John has been involved in a number of ventures in Europe and North America, which have applied advanced analytical methodologies. In 2000 he was a founder member of Chicago-based Eucid, a Professional Services spin-off from SPSS.

In 2004 he co-founded Applied Insights, which specialised in the application of Advanced Digital Analytics. Applied Insights was acquired by Foviance in 2008 and John subsequently launched Analytical People.

Working across industries as diverse as news publishing, retail, financial services, consumer packaged goods, international shipping and within the public sector he has been able to develop and transfer some cutting edge learning and methodologies to create innovative solutions and measurable outcomes in a variety of fields.



His recent modelling work with Reed Business Information

(RBI), for example, resulted in RBI winning 'Best use of data' and the 'Best customer retention strategy' at the magazine publishing industry conference in 2008.

Some of John's recent projects are:

- Developed an on-line, highly visual, brand engagement dashboard for a global agency.
- Developed customer segmentation for an electronics retailer in partnership with a leading research agency
- Co-designing a predictive modelling process to identify vulnerable citizens for the UK Digital Switchover
- Retention modelling for 3 of the leading UK magazine publishers including IPC and RBI.
- Statistical training for the Customer Retention team in Egypt's largest Telco.
- Providing Key Drivers analysis and segmentation for a leading Japanese car manufacturer
- Re-purchase propensity modelling for BMW.

Over the past 22 years, John McConnell has partnered with numerous international market leading organisations delivering tactical and strategic advice as well as predictive analytical services. In recent years, these include Dixons Retail, BBC, Liverpool City Council, Mobinil Egypt, Reed Business Information, Caesars Entertainment and News International.

John uses his practical experience, to show advanced Analytics strategies that succeed. We like his direct approach, which distills the data down and simplifies the complexity. We think you will too.

# why Analytics from Cobalt Sky?

Together, **Cobalt Sky** and **John McConnell** are proud to offer advanced statistical analysis, data integration, proprietary tools and data visualisation that will help you unlock the value of your data. We can help you choose which of our analytics processes to apply to your data. The answers will bring more definable value to your study and your client.

Cobalt Sky has unrivalled experience in handling market research data. We will ensure that your analytics process is good value, efficient and delivered with the high level of service you can always expect from us. We understand the need to make your statistics simple. That's why it makes sense to ask us to handle your Analytics requirements from day one.

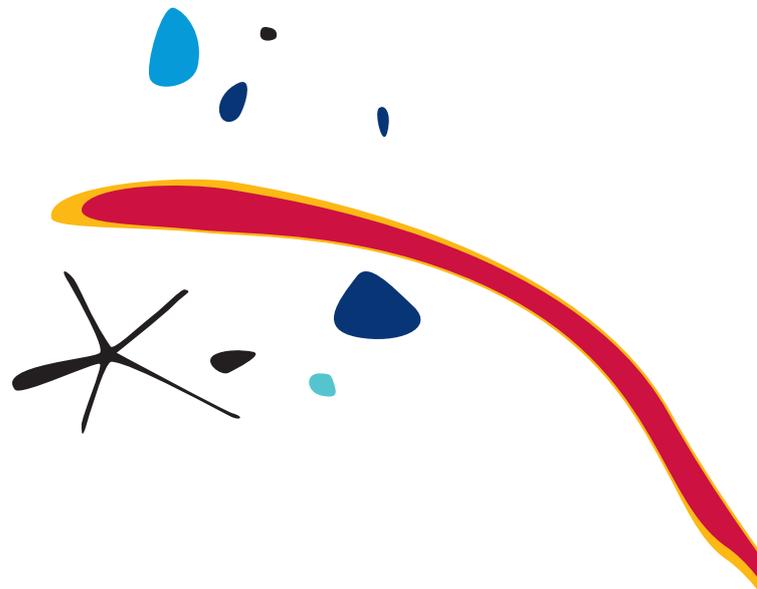
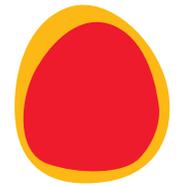
## Add a new dimension to your data.

Use John McConnell's expert approach to high end Analytics to help you understand your data better and deliver more value to your clients.

To find out more about how Cobalt Sky Analytics can benefit your next project, contact

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