In 2007, Trident Marketing CEO Steve Baldelli made what he calls a “revolutionary” change in how he approached his business. The result? “We grew from a USD5 million company to a USD53 million company in four years,” says Baldelli. “And we anticipate reaching USD100 million in the next three years.”

How did Trident Marketing increase its revenue by 1,000 percent in such a short timeframe? Baldelli’s story is about the power and importance of predictive analytics in today’s market. “We had stagnated as a USD5 million company,” he says. “Analytics are the primary driver of our efficiency and growth.”

Gaining new insight to increase sales
Trident Marketing is a direct response marketing and sales firm for leading brands, such as DirectTV, ADT and Travel Resorts of America, handling more than four million calls per year for its clients.

For any organization, the key to success is acquiring the maximum number of paying customers, while minimizing the cost of sales. To do this, Trident Marketing uses Fuzzy Logix advanced in-database analytics running on an IBM Netezza® data warehouse appliance to help it precisely target customers through both digital and traditional promotions. The analytic models combine data from the company’s telephony, customer relationship management and order entry systems with data from external sources, such as credit bureaus. Clickstream data from Google and Bing is also downloaded into the system every 15 minutes.
With this powerful platform, the company can quickly determine which keywords yield the highest volume and profit per sale and per “click” online. This insight led to a 10 percent increase in sales in just 60 days. And because marketing staff now know the optimal amount to bid on keywords, the cost of marketing decreased by 30 percent.

“The key item with respect to PPC [pay-per-click] was being able to convert bid price to yield,” says Baldelli. “The calculations take into account the bid amount, the click-through rate for each keyword, the number of calls that result, the cost per call, the close rate, the product that was sold, and so on, to help us see which keywords generate the highest yield for our clients. This insight enables us to make the best assessment of what our bids should be. Without Netezza and Fuzzy Logix In-Database Analytics, we wouldn’t be able to achieve that objective.”

Running these sophisticated analytic models on a high performance data warehouse appliance from IBM also enables the company to predict a customer’s propensity to cancel services within the first 12 months—an important measure in an industry that is compensated on customer retention. This information is included in marketing costs to help staff calculate the true cost of a campaign. It also enables the company to confirm that it has sufficient reserves on its balance sheet in the event it has to refund part, or all, of a commission payment.

“Predictive analytics gave us a new dimension of thinking. Instead of seeing the business in two or three dimensions, we can effectively analyze hundreds of dimensions.”

— Steve Baldelli, Chief Executive Officer, Trident Marketing

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**Smarter Marketing: Reducing data latency and uncovering buyer trends**

| Instrumented | Collects data from both internal databases and external sources, such as credit bureaus and web search engines |
| Interconnected | Consolidates thousands of data points regarding customers into a single analytics platform |
| Intelligent | Provides insight to help staff predict which customers are likely to cancel service and precisely target sales and marketing efforts for a 10 percent increase in sales in 60 days |
But what is most exciting, says Trident Marketing CIO Brandon Brown, is the use of predictive analytics to help its telemarketers know exactly whom to call, at what moment, and in what geography about what product. It will also enable the company to predict which sales person would have the best chance of closing a particular sale and which products each caller would most likely be interested in.

“We anticipate taking predictive analytics beyond the marketing process, all the way through sales and into our ongoing communication with customers,” says Brown. “We see bringing this into the sales area as the best way to monetize it. If I can get a one percent higher close rate on the sales floor, that’s an immediate impact on our bottom line.”

“Smarter Computing by design

When Baldelli first contacted Fuzzy Logix LLC, an analytics software and professional services company and IBM Business Partner, his goal was to better forecast the effect of demand generation activities. Fuzzy Logix introduced the idea of using predictive analytics across the enterprise to improve marketing, sales, fulfillment, accounting and human resource processes.

“Our original problem was measuring basic close and basic efficiency among multiple channels,” says Baldelli. “We didn’t know what we were missing—how this technology could add to our efficiency and increase our sales yield—until we spoke with Fuzzy Logix.”

By fusing data warehousing and in-database analytics into a scalable, high-performance, massively parallel analytics platform, Trident Marketing can reduce data latency by quickly processing large data volumes in a small amount of time. “We wanted a very fast and efficient platform to process the number of permutations we needed to,” says Brown. “The calculations alone for a million plus keywords were not possible on our old platform.”

Solution components

- IBM Netezza® 5200
- Fuzzy Logix In-Database Analytics

IBM Business Partner

- Fuzzy Logix LLC

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—Brandon Brown, Chief Information Officer, Trident Marketing
Fuzzy Logix recommended the Netezza data warehouse appliance (now part of IBM). “The IBM Netezza data warehouse appliance offers the best performance we’ve found,” says Partha Sen, chief executive officer at Fuzzy Logix. “As an IBM Business Partner, we’ve been able to work with IBM to deliver a tightly integrated, optimized and fully supported solution for our clients that delivers the best possible performance. With IBM Netezza in-database analytics, we can run models on hundreds of thousands of customers and we can run these models much more efficiently and in a shorter timeframe than with conventional methods. Time is money, and the faster we can analyze data, the more quickly we can create real gains for our clients.”

According to Sen, the simplicity of the Netezza data warehouse appliance was also important. “With other approaches, we would have needed more DBAs [database administrators] to support this work,” says Sen. “That is something that companies like Trident Marketing don’t have the luxury to support. Additionally, many of the other options don’t integrate hardware and software like the IBM Netezza data warehouse appliance.

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“It’s pretty remarkable: In 30 minutes, we can identify which customers have a high probability of churning.”

—Partha Sen, Chief Executive Officer, Fuzzy Logix
does. They require more work, and if there's a problem, who do you call? With the IBM Netezza data warehouse appliance, everything is built into one. You just install it and it works.”

Brown agrees. “From an operational standpoint, the transition was relatively seamless and the appliance is pretty much plug and play,” he says. “The IBM Netezza data warehouse appliance provides us with the speed and agility we need. As complex as all of the analyses are, it all resides on one machine. You ask the questions and get the answers.”

The IBM Netezza data warehouse appliance also enables the company to deploy new models very quickly. “It’s pretty remarkable: In 30 minutes, we can identify which customers have a high probability of churning,” adds Sen.

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For Trident CEO Steve Baldelli, the use of analytics radically shifted how he and his staff approached business challenges and prospects of big data. “Predictive analytics gave us a new dimension of thinking,” he explains. “Instead of seeing the business in two or three dimensions, we can effectively analyze hundreds of dimensions. We approach the business in such an entirely different way with this information.”

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For more information
To learn more about how IBM can help you transform your business, please contact your IBM sales representative or IBM Business Partner. Visit us at: ibm.com/software/data/netezza

To increase the business value of your IBM data warehouse appliance, participate in an online community. Join the IBM Netezza community at: www.enzeecommunity.com

For more information about Fuzzy Logix, visit: www.fuzzyl.com

For more information about Trident Marketing, visit: www.tridentmarketing.com