The Carphone Warehouse

Europe-wide retailer supports CRM initiative with data quality solutions from Trillium Software. Better customer information delivers increased sales revenues in-store and through outbound marketing campaigns while improving customer satisfaction.

The Carphone Warehouse

Project Type
CRM, Marketing and Point of Sale
Enterprise Data Analysis
Enterprise Data Quality
Industry
Retail/telecoms
Environment
Oracle
Informatica
E.piphany
Challenges
Building single views
Data migration
Short deadlines
Trillium Software® Solutions
Trillium Software System®
Trillium Software Discovery
Trillium Software Data Quality
Connector for Informatica

The Carphone Warehouse Calls Up Trillium Software® in CRM Initiative

The Carphone Warehouse Group plc, known as The Phone House in some countries of operation, was founded in 1989. It has achieved phenomenal growth. With revenues of £1,849m for the financial year to April 2004, it is today the largest independent retailer of mobile communications in Europe. The group sells mobile phones, phone insurance, network and fixed line connections through its 1300 stores, web site, and direct marketing operations and employs approximately 11,000 people.

A Better Mobile Life

The Carphone Warehouse mission is not just to sell products and services profitably but to offer "A Better Mobile Life" by providing all touch points within the business enough information to give educated advice to customers and deliver customer delight. This customer relationship management (CRM) strategy requires that customer-facing staff know their customers well enough to support a "consultative sell." It also requires that marketing campaigns use segmentation techniques to target only relevant customers.

Single Views

Previously product-centric, moving to a customer-centric sales and marketing model presented a challenge to The Carphone Warehouse.

It needed to take fragmented customer information stored across several product-oriented sales and marketing databases and create a new database of "single customer views." These views would then need to be made available to stores, to call centers, and to marketing in formats suited to their different process requirements.

A significant component of the Single Customer View project would be the migration of data from three Oracle source databases to a single customer view database (also on Oracle). Informatica's Extract, Transform, and Load (ETL) tool would be used in this process. The Single Customer View database would then support the Customer Dashboard, "One"—an at-a-glance resource for call centers and stores and the E.piphany tool used by Marketing for campaigns.

Robert Kent, CRM Program Manager at The Carphone Warehouse knew that before data could be migrated, the source data, fields, format, and content needed to be understood before designing migration mapping rules. He also knew that there could be duplicates and other data quality issues.

"We knew that we had to identify and resolve any significant data quality issues before attempting data migration. We knew that trying to discover and address

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Case Study: *The Carphone Warehouse*

them manually across some 11 million records would be time-consuming and error-prone. We needed an automated data quality solution," said Kent.

The Carphone Warehouse decided to evaluate data discovery, cleansing, matching, and enhancement solutions. An invitation to tender was issued to six vendors, including to Trillium Software, a division of Harte-Hanks.

Data Quality out of the Box

The Carphone Warehouse quickly narrowed down vendors to two finalists. Each was offered a two million record database of the company's customer records for discovery and cleansing.

"We chose Trillium Software primarily because in tests it proved to be the most effective in data discovery and cleansing, matching, and enhancement. It supports Informatica and could also easily scale up to our 11 million record customer database," said Kent.

"We especially liked the Trillium Software tool set for out-of-the-box functionality. With tight timescales, we needed to deliver big wins quickly. We were also impressed by sophisticated configuration capabilities that would later enable us to handle the more complex and less obvious data quality issues."

That Trillium Software is owned by Harte-Hanks, a company with annual revenues approaching $1 billion and therefore offering long term financial stability, was also important.

The Carphone Warehouse quickly proceeded to profile source data using Trillium Software Discovery. As expected, it discovered a range of issues which needed to be addressed. Many records were missing a home telephone number and a greater frequency of invalid data in key fields was discovered than was acceptable. One interesting observation was

that outlets of The Carphone Warehouse in airports had been inserting flight numbers into customer address fields. These various issues would have disrupted successful record matching and if migrated to the Single Customer View database would have wasted effort, costs, and sales opportunities.

Trillium Software Discovery gave The Carphone Warehouse the in-depth understanding of its source data necessary for building accurate and consistent mapping rules for its Informatica ETL tool. This understanding enabled the team to avoid the constant rework of rules so typical of iterative manual design and test processes, saving resources and helping timely delivery. The efficiency of the ETL process is further supported by the Trillium Software Data Quality Connector, which provides data standardization and cleansing routines.

Using the Trillium Software System with its built-in set of quality rules, The Carphone Warehouse was able to address significant issues quickly. With quality improved, enrichment was then also feasible: records could be confidently matched with externally purchased name and address data, lifestyle, and geo-demographic information.

"Almost straight from the box, the Trillium Software solutions identified a ten percent customer duplication rate across the source databases. We were able to link these in the Single Customer View confidently," said Kent.

"I'm amazed what we can do with the Trillium Software System and Discovery," he continued. "We can achieve in minutes what would have taken weeks or months using manual programming techniques."

The Carphone Warehouse required just two weeks of training and professional services from Trillium Software to get started. "That we needed so little consultancy is a credit to the ease with which the Trillium Software suite can be understood and employed," said Kent.

Rapid ROI

The Single Customer View initiative has been a great success. "Sales on some marketing campaigns are double the expectations set in the business case. Some larger

campaigns have delivered £1/2 million more in actual revenue than forecast. This is a testimony to the power of our Single View approach and our investment in Trillium Software," revealed Kent.

Using "One," sales consultants in stores and call centers are generating additional revenue from closing more sales and from cross-sell opportunities, for example for insurance products. They are also winning more upsell opportunities such as for a phone upgrade more in keeping with the customer's use and needs.

"Beyond revenue benefits to The Carphone Warehouse, customers experience a higher level of service from us now," said Kent. "With better data quality we have a more complete picture of our customers. We can target campaigns more effectively. And when a customer makes direct contact, we know a great deal more about them. Overall, with the help of the Trillium Software solutions, we are fulfilling our mission to deliver customer delight and a better mobile life."

Supported by senior management, there are already plans to expand the Single Customer View concept across Europe. A proposal for real-time data quality management with Trillium Software at the point of entry is also being evaluated.

"We estimate that our entire Single Customer View investment will pay for itself in less than 12 months. Such returns would be inconceivable without the Trillium Software solutions helping us to understand our data and ensure its quality," said Kent.

"We originally estimated that our investment in Trillium Software Discovery and the Trillium Software System would be recouped in around 12 months. I'd say it actually paid for itself in less than 6 months," concluded Kent.

About Trillium Software®

Dedicated to increasing the value of information across organizations, Trillium Software®, a division of Harte-Hanks, is the most trusted provider of technologies for Total Data Quality. Today, more than 1400 companies world-wide use the Trillium Software System® and Trillium Software Discovery to turn raw, chaotic data into usable, valuable information through continuous global data profiling, cleansing, enrichment, and monitoring.