

# Modeling, Scoring & Analytics Overview

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# Discovery Communications Commerce Dept.

The screenshot shows the DiscoveryStore.com website interface. At the top, there are navigation links for Discovery, TLC, A&E, MILITARY, and Sci-Fi. A search bar is present with the text "enter search terms" and a "GO" button. To the right of the search bar are links for "Sign Up & Save 5.00", "Catalog Quick Order", "Discovery.com", "Customer Service", "Sign In", "Track Orders", and "My Wish List(0)". Below the search bar is a shopping cart icon with "SHIPPING CART (0) \$0.00" and a "CHECKOUT" button. A banner below the navigation bar states "Free Shipping on orders of \$49 Use Code FREESHIP".

The main content area is divided into several sections:

- Browse**: A sidebar on the left with categories like "Toys & Games" (New Toys, Discovery Exclusives, Science Toys, Arts & Crafts, Buys 9-12, Girls 8-12, Best Selling Toys, Family Games, View All Toys) and "Featured Shows" (Life, Planet Earth, Deadliest Catch, Mythbusters, View All Shows).
- Winter Sale**: A large central banner with the text "Winter Sale" and bullet points: "Lowest prices of the season", "Save up to 80%", and "Prices starting at \$4.99". A "START SAVING" button is at the bottom.
- Life and Planet Earth**: A section with two product listings:
  - Life DVD 4-Disc Set**: \$59.95, ~~\$29.99~~
  - Planet Earth DVD Set - Standard**: \$79.95
- Shop MythBusters**: A section with two product listings:
  - MythBusters Igniting Minds With Science!...**: \$13.95
  - MythBusters Jamie + Adam Bobblehead Set**: \$49.90
- Winter Savings up to 80%**: A section with two product listings:
  - Discovery Channel Life On Earth**: \$229.95, ~~\$119.99~~
  - King Tut Unwrapped DVD**: \$19.95
- MythBusters Jamie + Adam Bobblehead Set**: A video player showing the product, with a price of \$49.90, ~~\$29.99~~.
- FREE Dirty Jobs Calendar**: A promotion for a "FREE Dirty Jobs Calendar with any purchase of \$25+", with a "SHOP NOW" button.
- Winter Sale**: A smaller banner at the bottom right with the same text as the main banner.

# Discovery Communications – Online Store

Discovery Store.com

Discovery Channel

Sign Up & Save 5.00

Catalog Quick Order

Discovery.com Customer Service Sign In Track Orders My Wish List(0)

SEARCH - enter search terms - GO SHOPPING CART (0) \$0.00 CHECKOUT

SHOWS SUBJECTS DVD & BLU-RAY TOYS & GAMES TECH & GADGETS T-SHIRTS & CLOTHING MAKE YOUR OWN SALE GREAT GIFTS

Free Shipping on orders of \$49! Use Code FREESHIP

## Toys & Games

Toys by Price

New Toys

Best Selling Toys

Discovery Exclusives

Toys by Age

- Baby
- Pre-School
- Girls 5 to 7
- Boys 5 to 7
- Girls 8 to 12
- Boys 8 to 12
- Teens & Young Adults

Toys by Type

- Science Toys
- Remote Control
- Arts & Crafts
- Kid's Space Toys
- Family Games
- Kids Tech
- Creatures & Habitats
- Active Play

Seek Your Own Proof

E-Gift Certificates


## New Toys

Store Home ▶ Toys & Games ▶ New Toys

Displaying 24 of 64 items

View As: grid list Sort by: -Select Sort- Page: 1 | 2 | 3 Next View All


53% off



Solar Power House

~~\$29.95~~  
**\$13.99**


52% off



Animal Planet Triceratops Sit-On

~~\$59.95~~  
**\$28.99**


10% off



MegaPro Racers Twin Pack

★★★★★  
~~\$49.95~~  
**\$44.99**


10% off




4D-Space Shuttle Model


★★★★★  
~~\$99.95~~  
**\$89.99**

20% off




14% off





10% off



# Discovery Channel Commerce

## True Multi Media Integration:

Media	Media Usage
Email	Throughout the year
Search	
– SEO	On Going
– Paid Search	Timed with campaigns
TV	Remaining Times and Fall
Direct Mail	Fall Catalog – 3 drops

# The Process of Prospect Targeting

- Start with a Customer Profile
  - Demographics
    - Easy to identify verses costly and difficult data
    - At the register get the Zip Code
    - At the register get the Telephone number (cell phones ?)
    - Online – get the email and home address
  - What data will best allow you to target?
    - Income – Household over \$ 125,000.
    - College Educated
    - Presence of Children

# The Process of Prospect Targeting

- Purchase Histories - RFM
  - What did you buy ?
  - How recently did you buy it ?
  - How frequently did you purchase ?
  - What was the value of your purchase ?

# RFM Scoring

- Select Universe
  - 12M, 24M, 48M, etc.?
  - All buyers, sub group of buyers?
- Download transaction records within that period
  - Address info (or unique customer identifier)
  - Order date
  - Order amount
  - Any other relevant info you might want to use later
- Profile the data to prep for scoring
  - Min & max order date by individual
  - Count of orders
  - Sum of order amount
  - Determine R, F & M breaks
- Run series of queries with if/then statements to start scoring.
  - If max order date between x and y, then z
  - If count of orders between x and y, then z
  - If order amount between x and y, then z
- “Zs” above should be defined as follows
  - Best = 3, Next Best = 2, Worst = 1

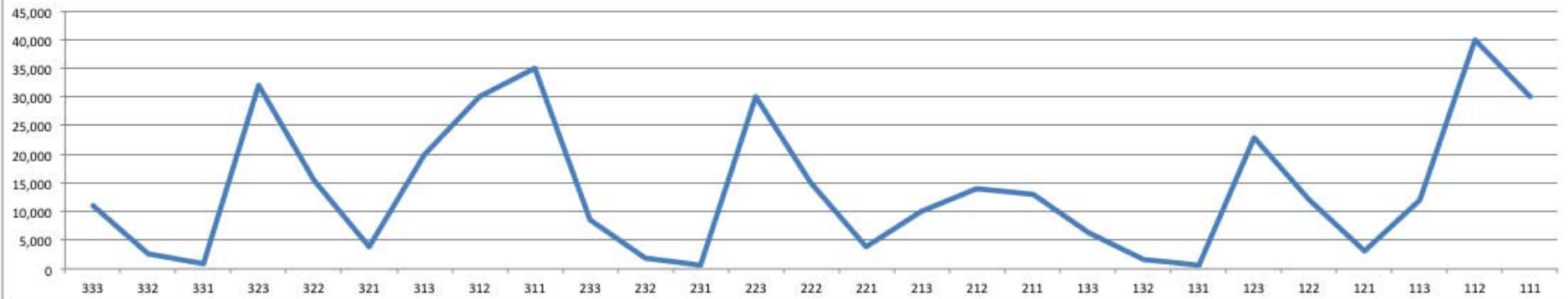
# RFM Scoring

- Run a simple concatenation query to create a composite score for each individual
  - Recency is always first (R)
  - Followed by Frequency (F)
  - Followed by Monetary Value (M)
  - Examples: Customer A: 323, Customer B: 213, Etc.
- Sort file descending based on score
  - 333
  - 332
  - 331
  - 323
  - 322
  - .....
  - 111
- You now have a file that you can select against

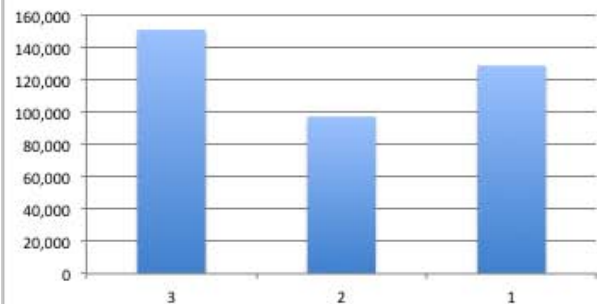


# RFM Scoring Sample Summary Report

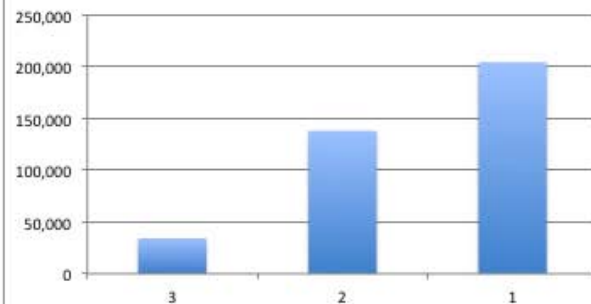
Customers By Score



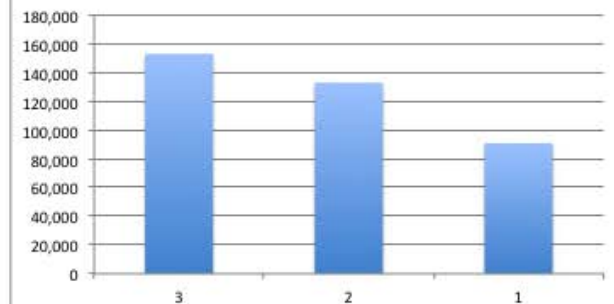
Recency



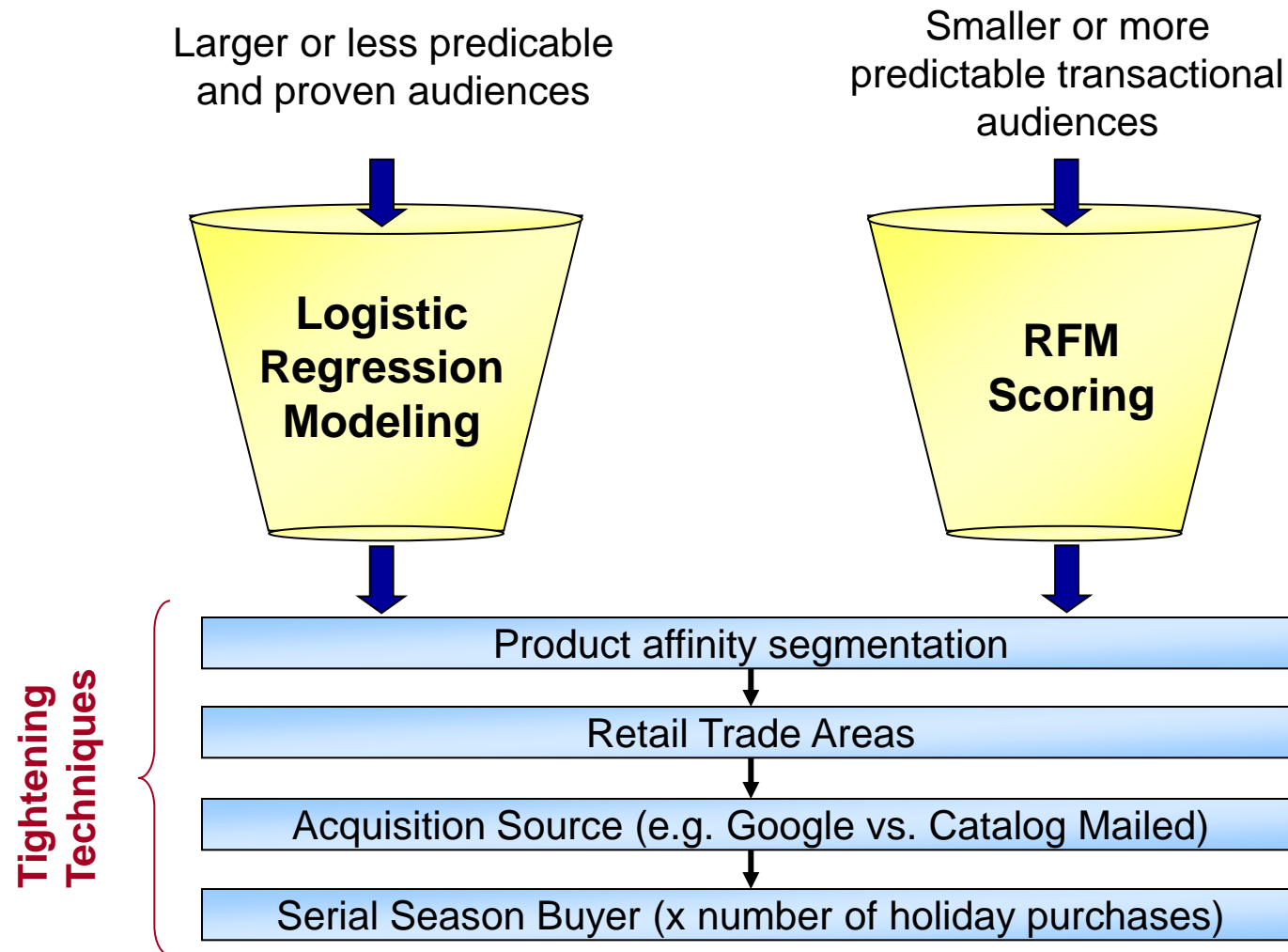
Frequency



Monetary Value



# House File Modeling & Segmentation



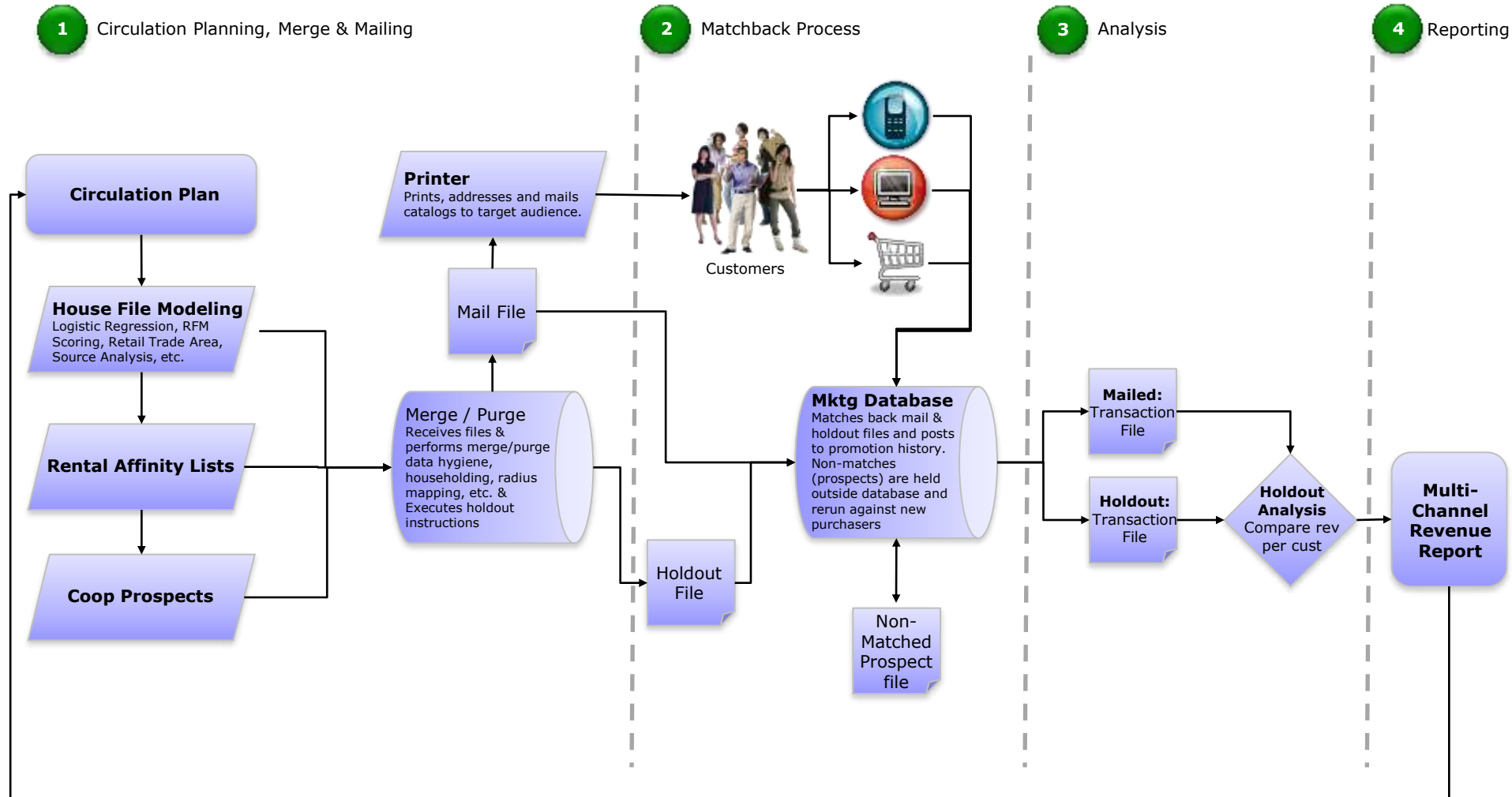
# Catalog Multi-channel Planning & Analysis Process

## 1 Circulation Planning, Merge & Mailing

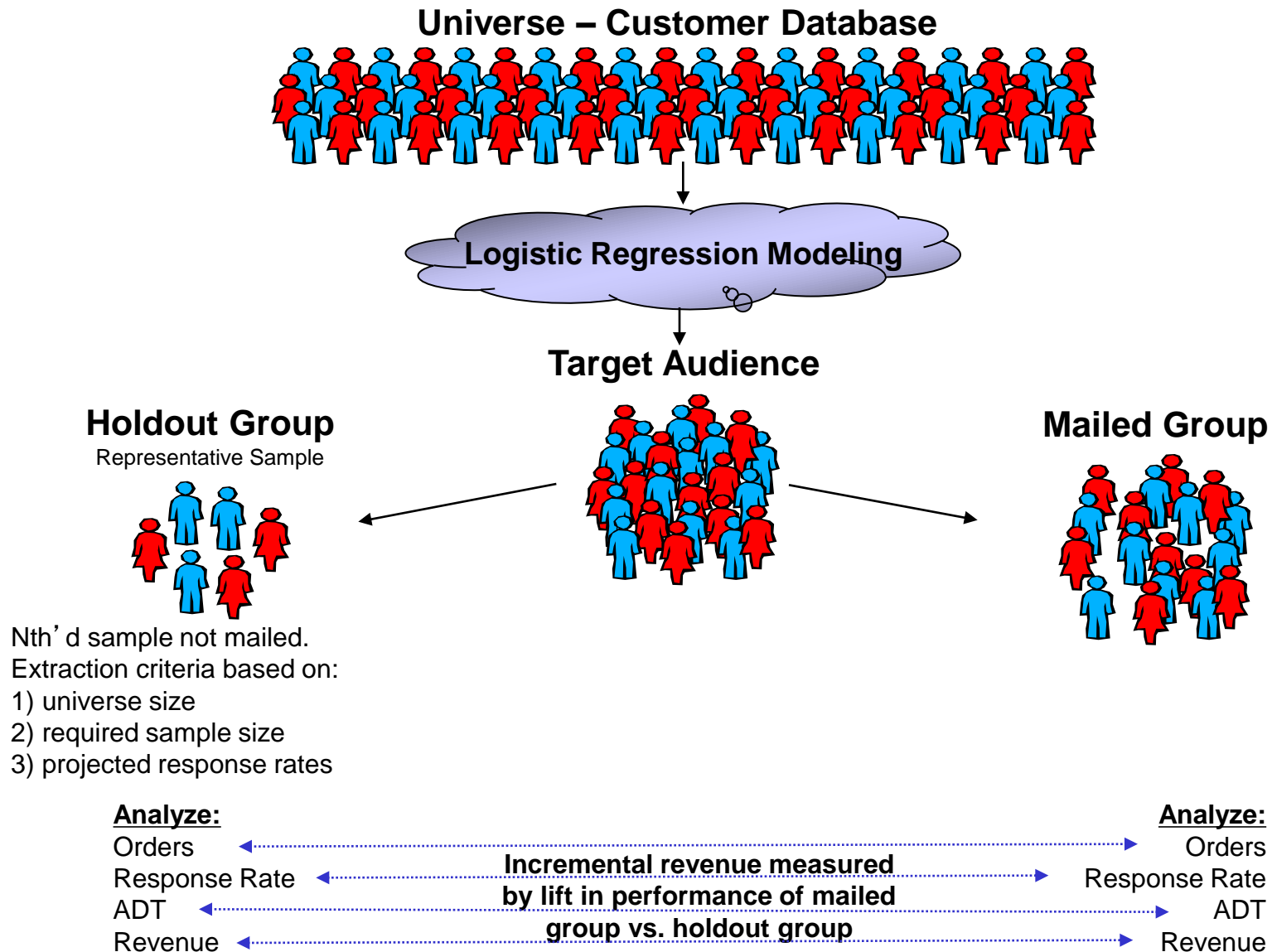
## 2 Matchback Process

## 3 Analysis

## 4 Reporting



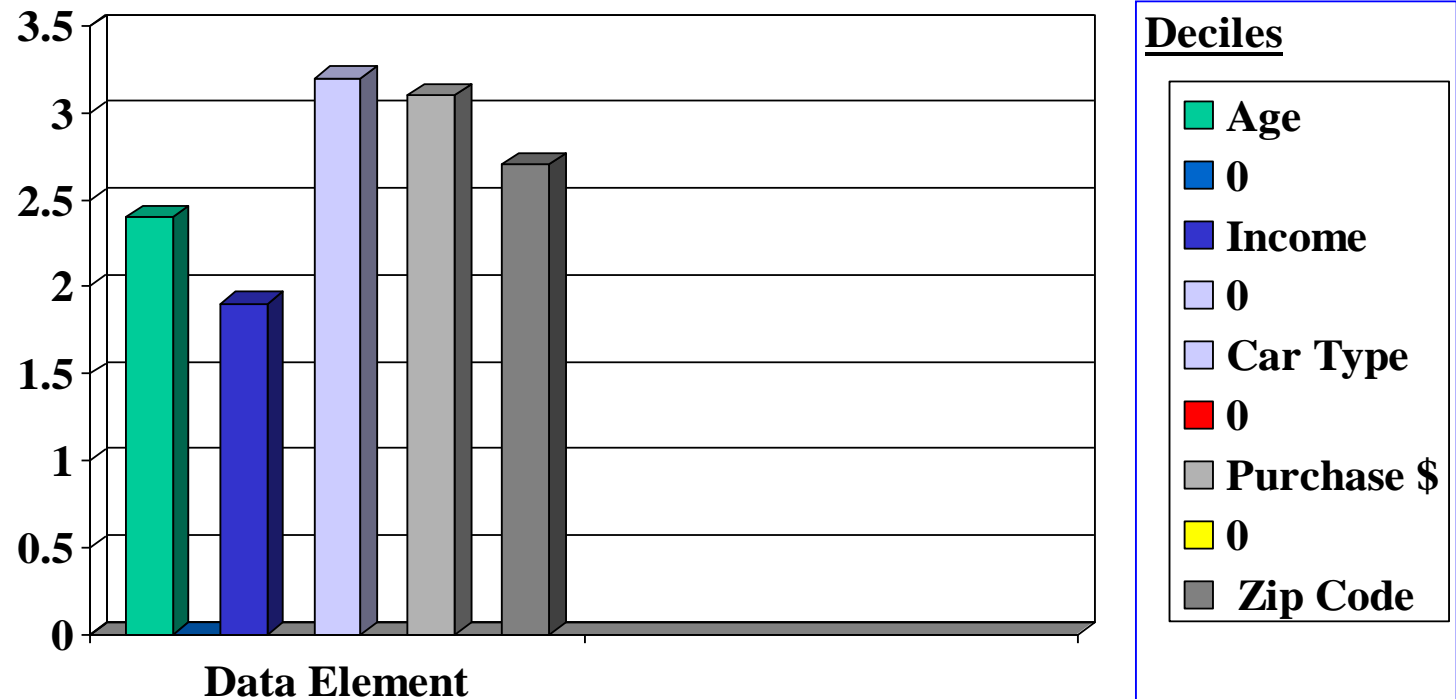
# Holdout Methodology



# Modeling

- A profile of the attributes of the population of your database is descriptive of your customers.
- A database Model can predict which names are most likely to respond.

# Modeling



# Modeling Steps

- Determine which data elements are likely to be predictive of response
- Assign Data to all records
- Random Nth Select test promotions to list containing different segments
- Analyze response data – Runs separate reports
- Test model projections against customer files

# Zip Penetration / Trade Area Scoring

- Zip Penetration / Trade Area scoring utilized to target & optimize geographically
- Create primary, secondary and tertiary zip code markets.
- Tag customers within each market
- Mainly utilized as an optimization technique
- Can supplement by utilizing desktop mapping software like MicroSoft MapPoint



## Sample Data

Markets	% of Zips	% of Orders	% of Sales	% of Population	Orders/Pop
Primary	28%	83%	83%	71%	0.30%
Secondary	72%	17%	17%	29%	0.15%



# Modeling Works

- Summit Racing can predict which names are like to respond so accurately that they can have rented list out perform catalog requests.
- Credit Card Companies
- Charities

# Contact Information

- Jim Doyle

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# GeoSelector

The following slides are screen  
grabs from [www.geoselector.com](http://www.geoselector.com)

# Zip Code 10304 Staten Island New York

List Type: Consumer

Street Address:

City:

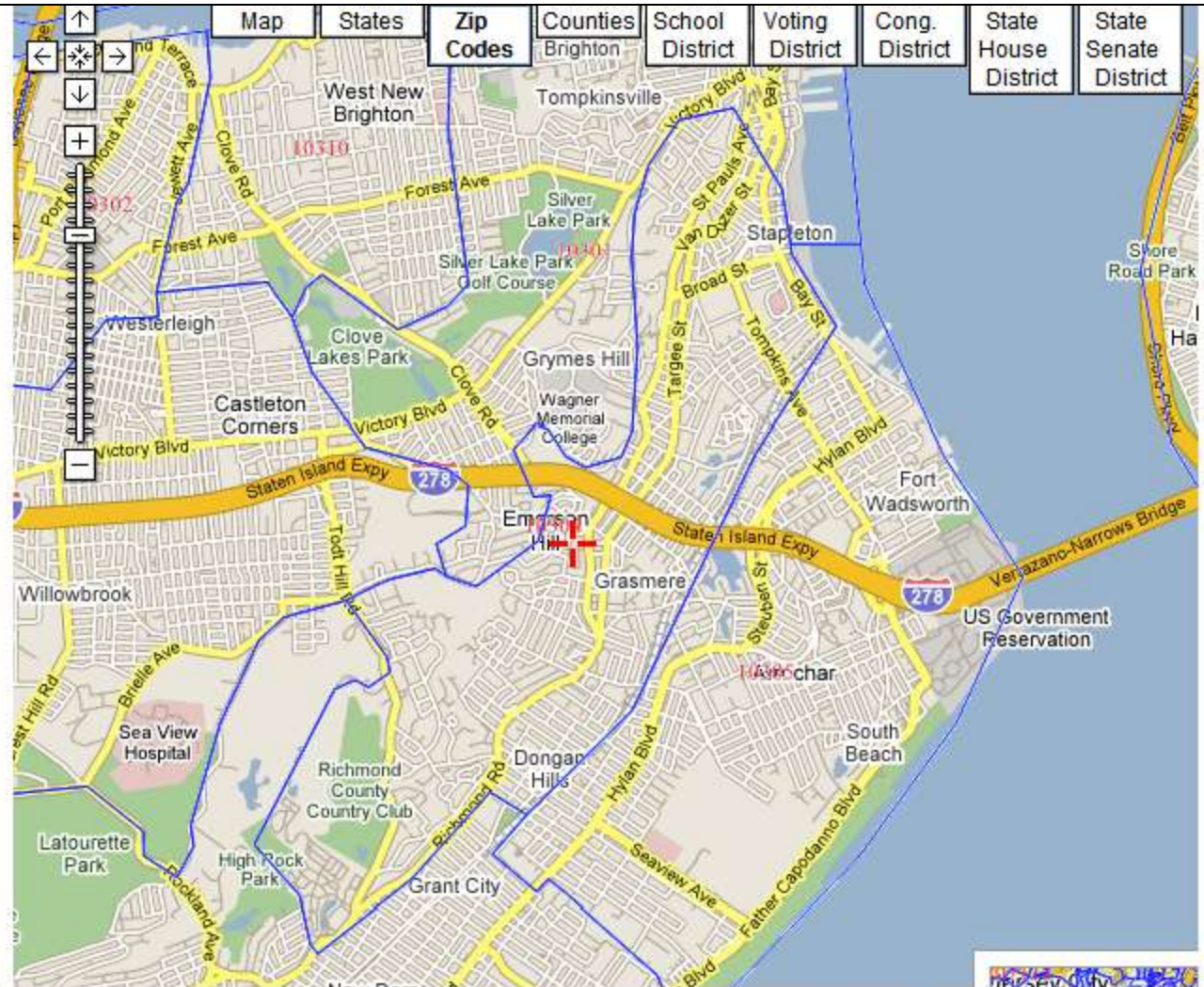
State:  Zip: 10304

**Find Address**

**Interactive Help**

Selection Deleted

**Continue Order**



Internet



# Mapping for the Entire Zip Code

City:

State:  Zip: 10304

**Find Address**

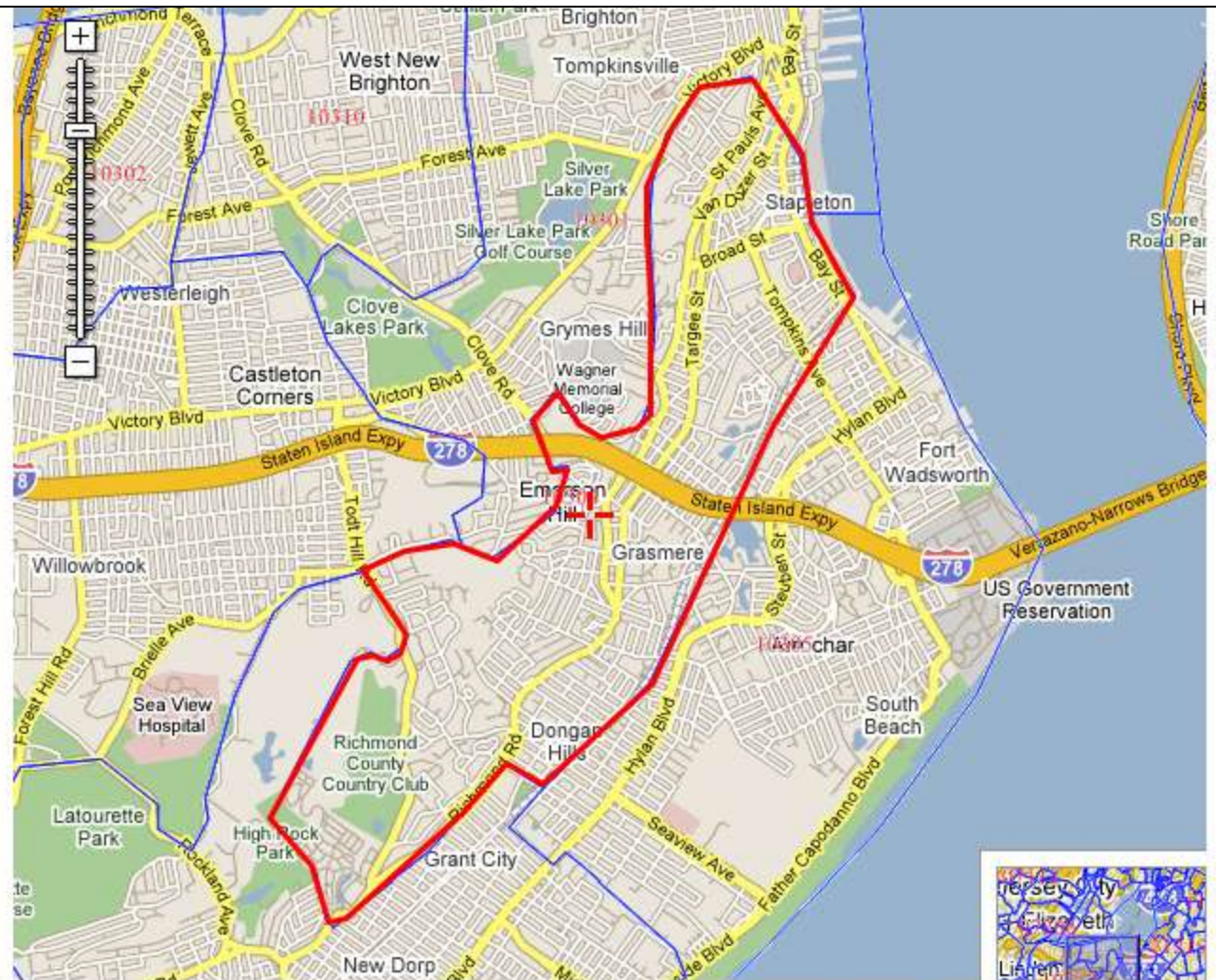
## Interactive Help

Your count is complete, and is 9,929 records. It is now displayed in the selection window below. You may click on Select Demographics, or Continue Order to proceed

**Continue Order**




#1: Count=9,929 Selection 4



Internet



The Huntington Learning Center location  
in relation to the zip code. 

City:

2626 Hylan Blvd

State: NY Zip: 10306

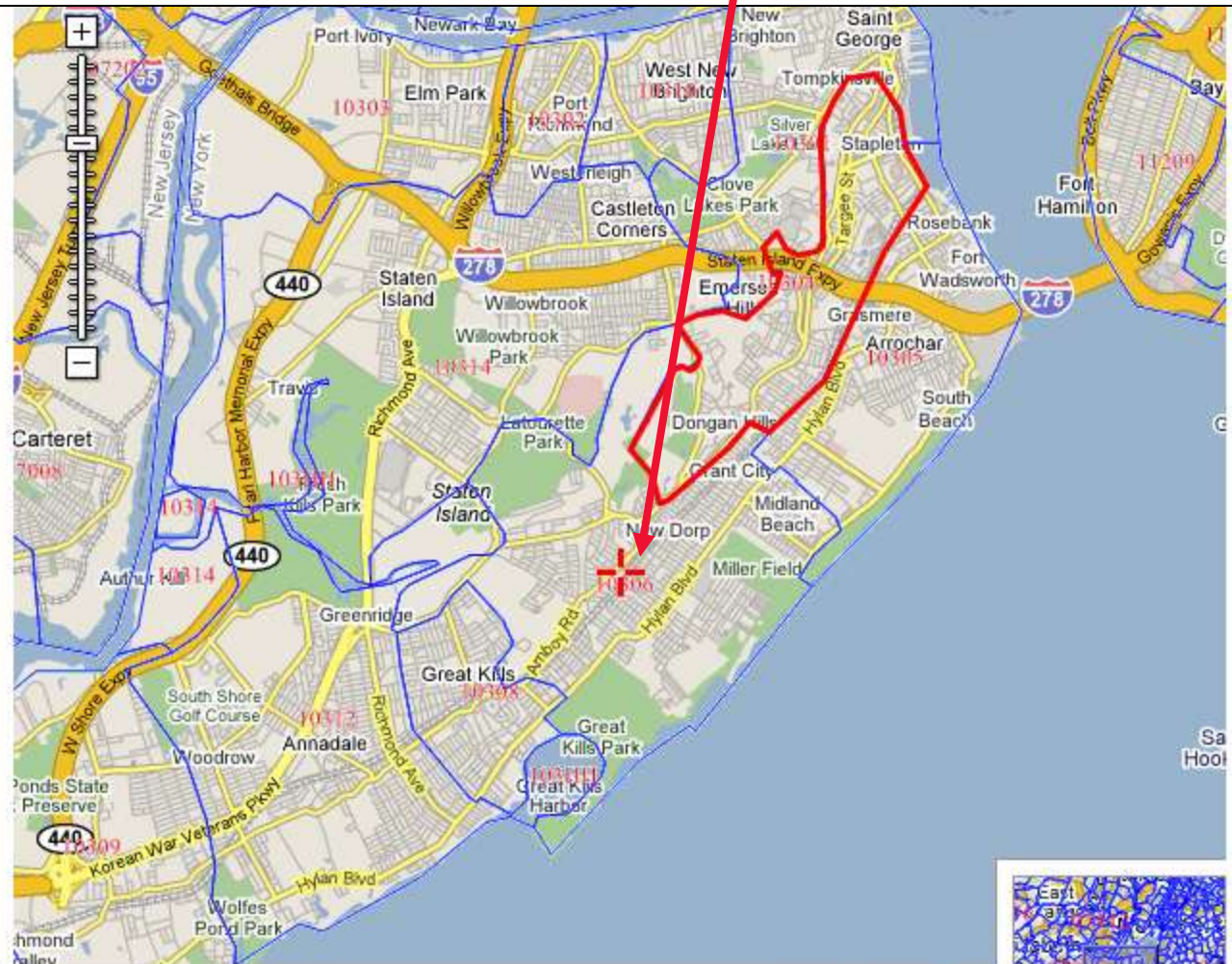
Find Address

Interactive Help

Step 2: Click Draw  
Selection, and then click on  
the map to draw points. Or  
you may click Add Radius  
Selection, and click on the  
center of your radius

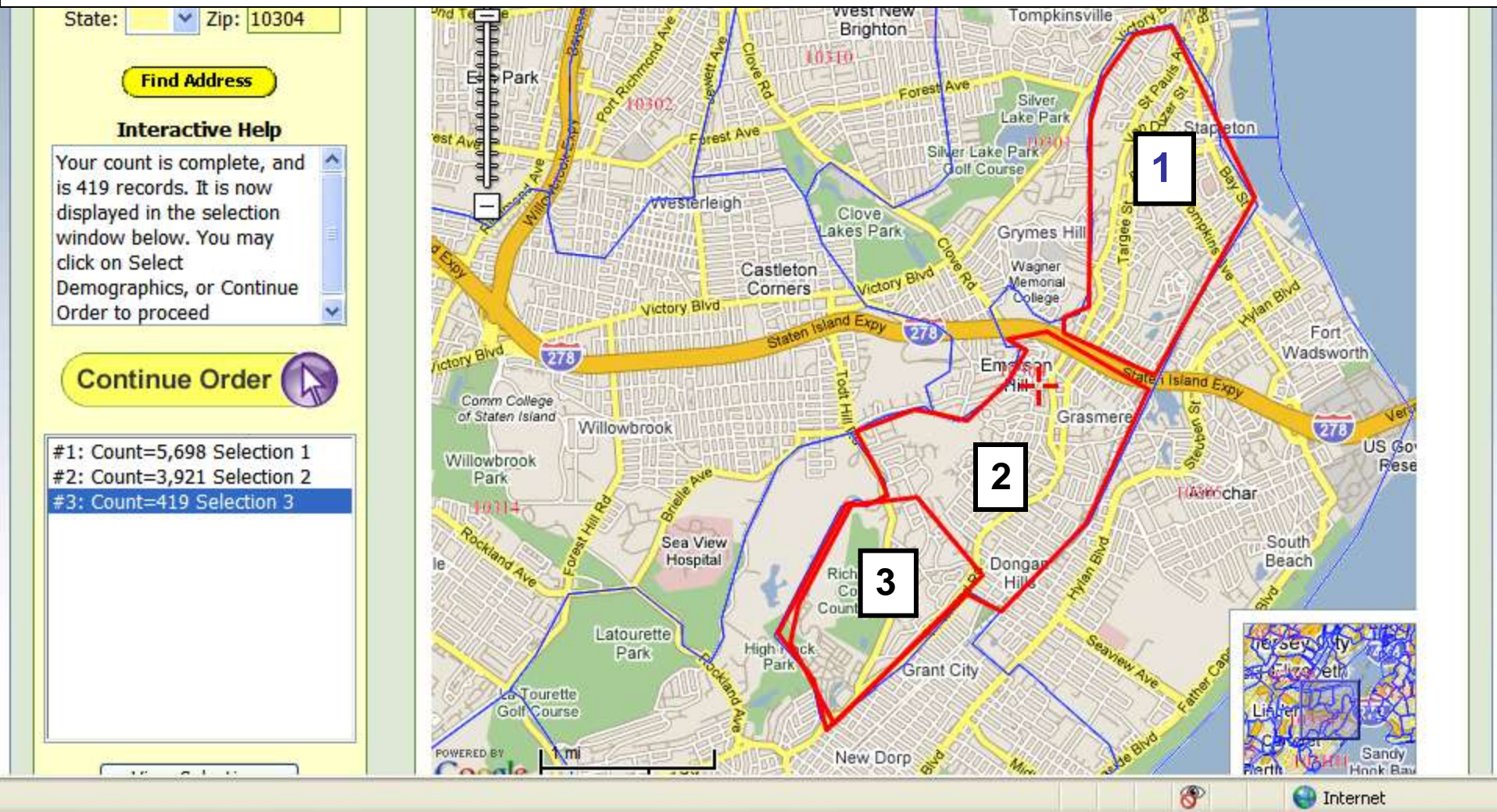
Continue Order 

#1: Count=9,929 Selection 4





## Break Down of the Zip Code into three sections





# Section One Map

Address Selector - Select your data from a map

State:  Zip: 10304

**Find Address**

## Interactive Help

Your count is complete, and is 419 records. It is now displayed in the selection window below. You may click on Select Demographics, or Continue Order to proceed

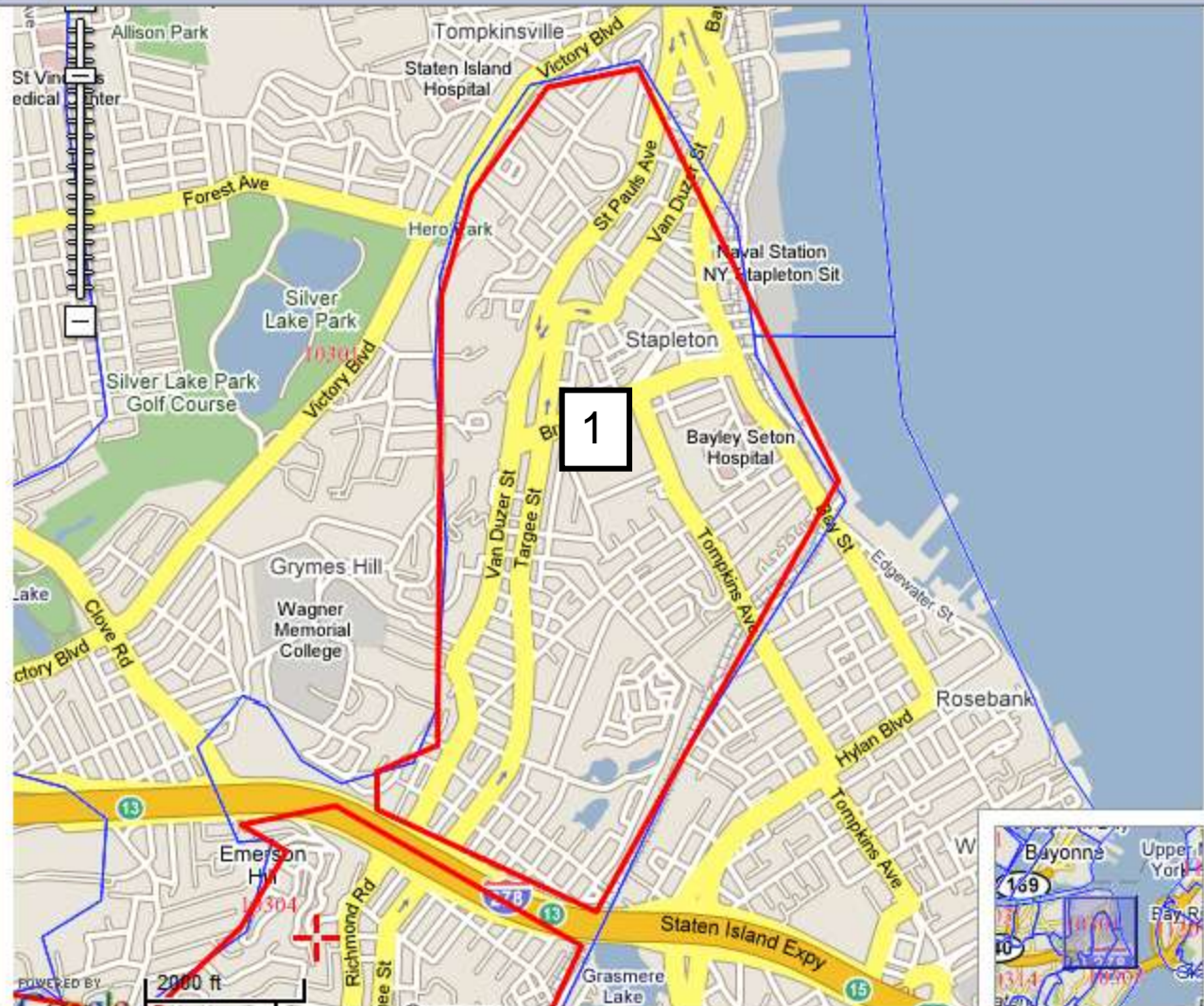
**Continue Order**



#1: Count=5,698 Selection 1

#2: Count=3,921 Selection 2

#3: Count=419 Selection 3





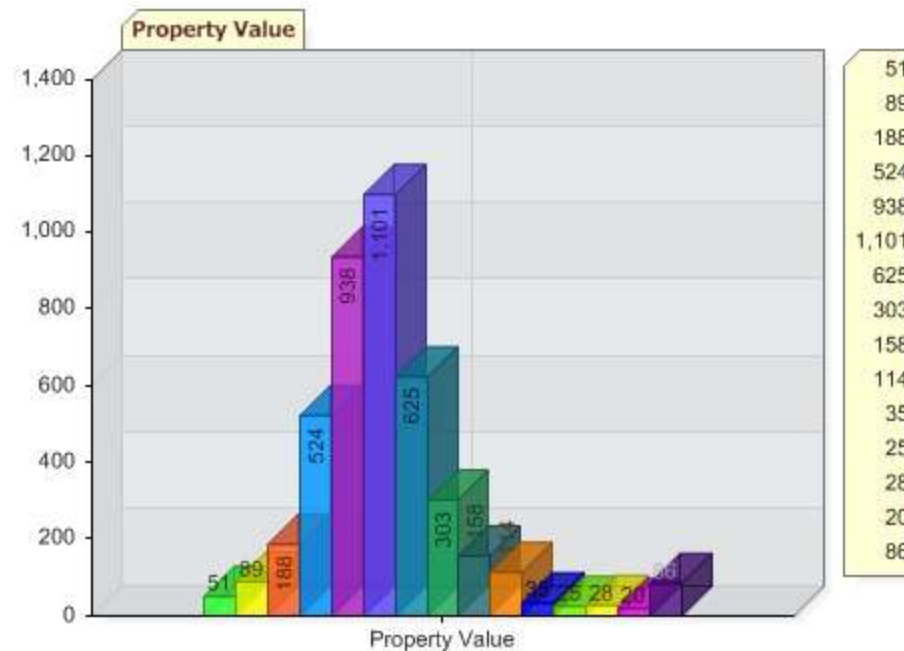
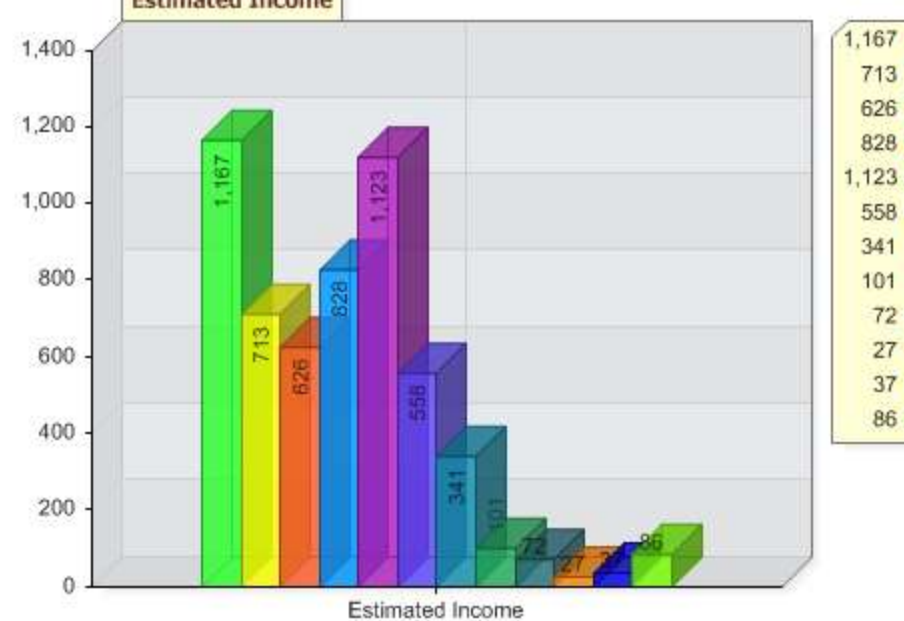
## Section One - Demographic Report

The top personality for your selection is African-American Neighborhoods K0



Young, working-class minority city dwellers and single-parent families with low educational levels living in older homes and low-rise apartments

[For a detailed look at your top personality, and to browse other personalities click here](#)



## Section Two Map

State:  Zip: 10304

Find Address

## Interactive Help

Your count is complete, and is 419 records. It is now displayed in the selection window below. You may click on Select Demographics, or Continue Order to proceed

Continue Order

#1: Count=5,698 Selection 1

#2: Count=3,921 Selection 2

#3: Count=419 Selection 3

View Selections





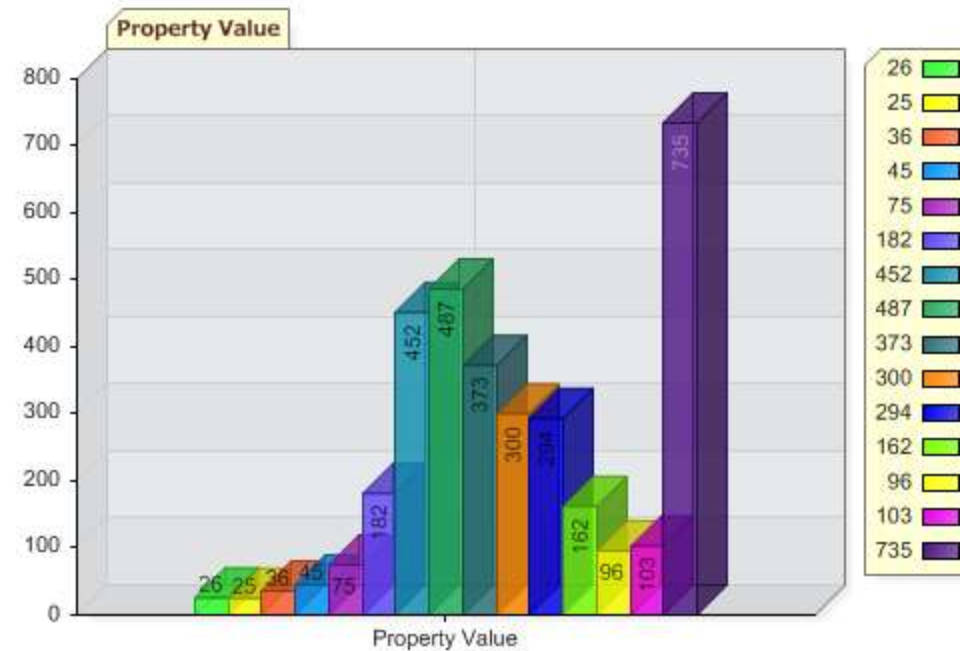
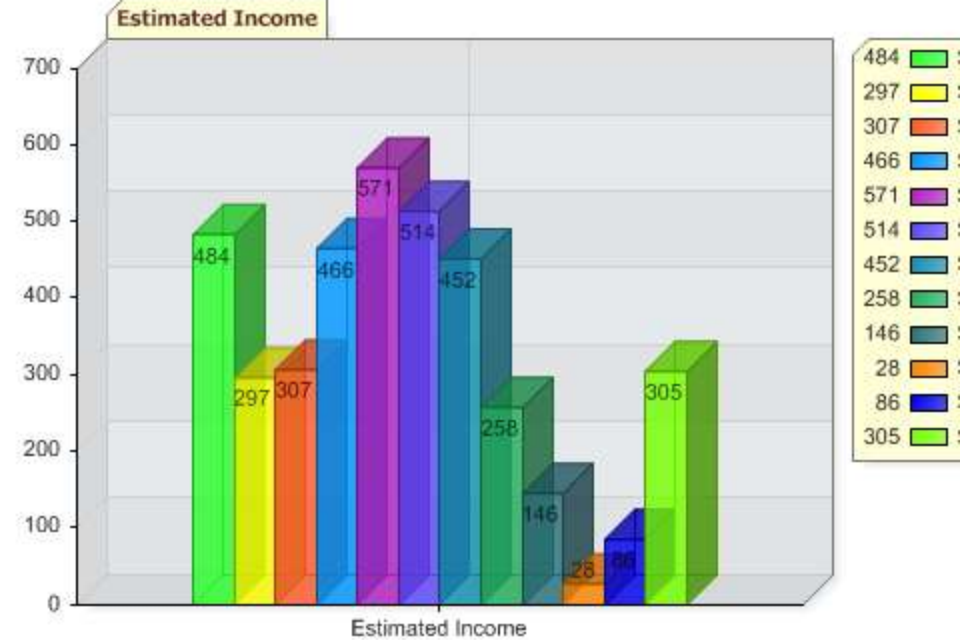
## Section Two Demographics

The top personality for your selection is Urban Commuter Families B03



Upscale, college educated Baby Boomer families and couples living in comfortable, single detached homes in city neighborhoods on the metropolitan fringe

[For a detailed look at your top personality, and to browse other personalities click here](#)



## Section Three Map

List Type: Consumer

Street Address:

City:

State:  Zip: 10304

**Find Address**

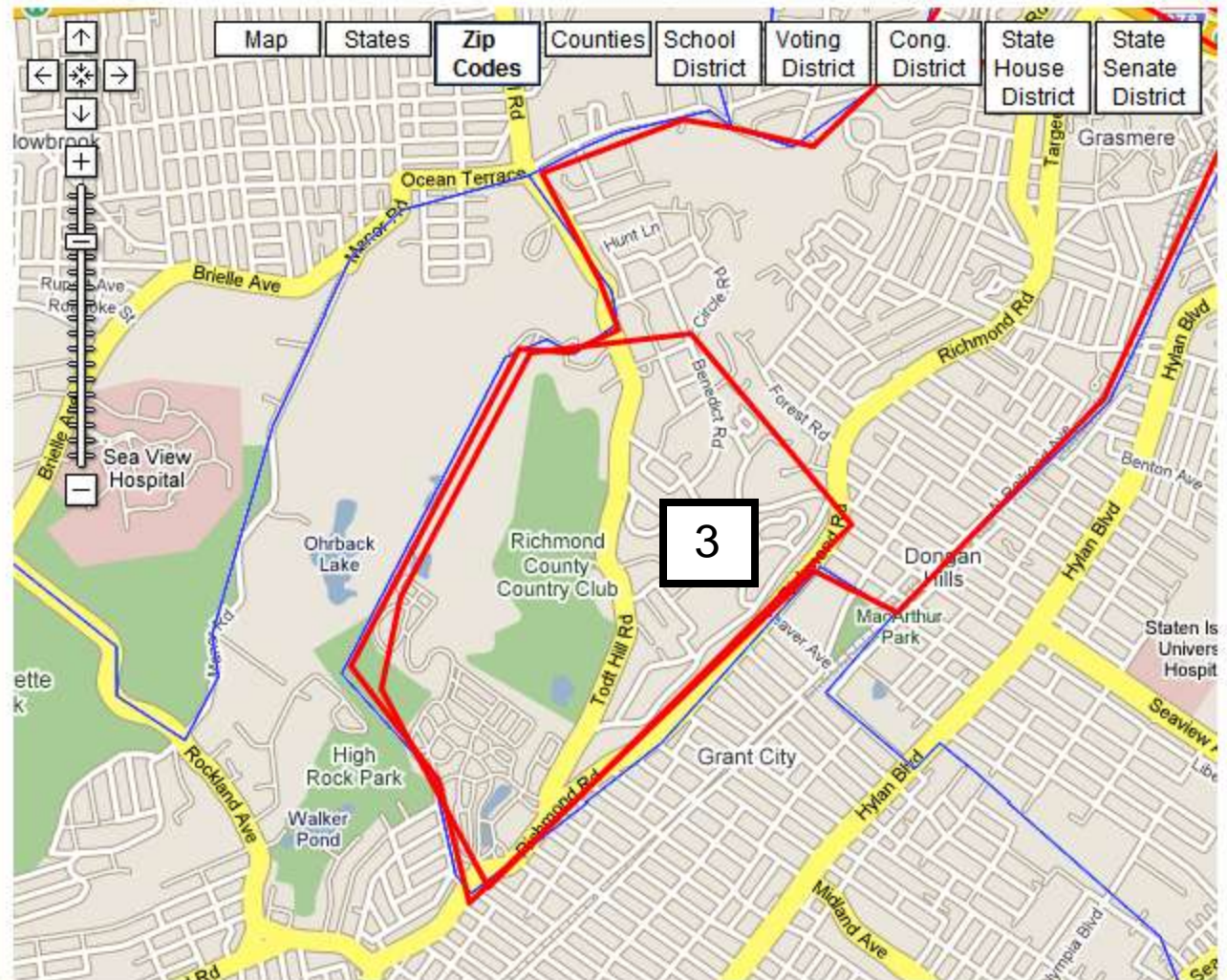
### Interactive Help

Your count is complete, and is 419 records. It is now displayed in the selection window below. You may click on Select Demographics, or Continue Order to proceed

**Continue Order**



#1: Count=5,698 Selection 1  
#2: Count=3,921 Selection 2  
#3: Count=419 Selection 3



Internet



Total Households Analyzed: 419

## Section Three Demographics

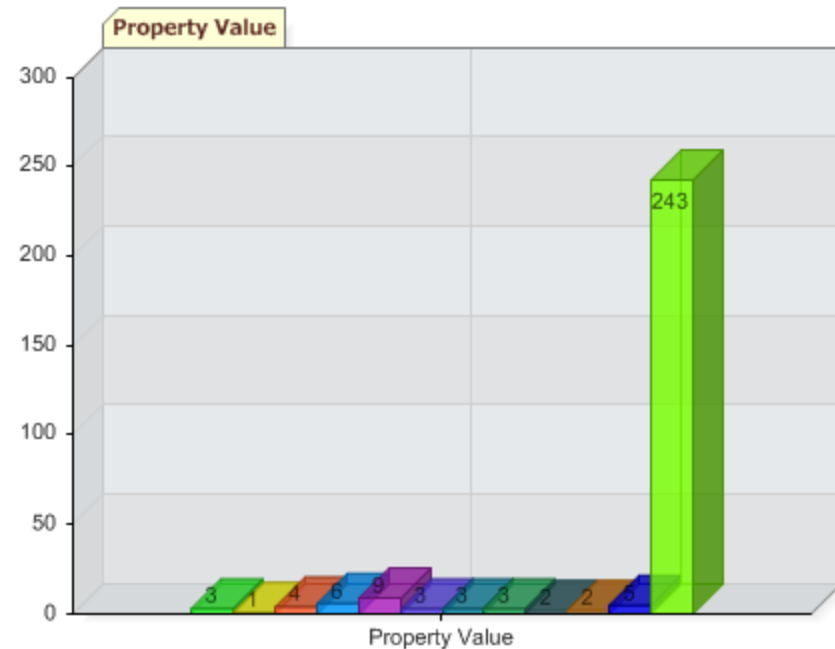
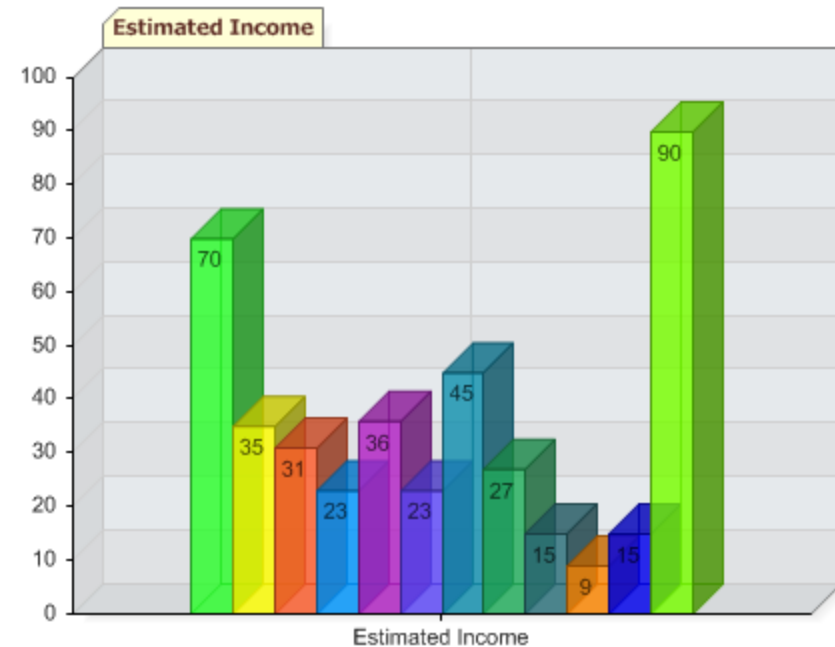
The top personality for your selection is America's Wealthiest A01



The nation's most wealthy households are financially secure with expensive tastes, living the most luxurious of lifestyles in the most affluent and exclusive communities

[For a detailed look at your top personality, and to browse other personalities click here](#)

Your top 10 GeoSelector Personality Types



This Huntington Learning Center location is within a few miles of some of best demographic households in the county. However, excluding all of zip code 10304, these families would be missed.

City:  
2626 Hylan Blvd

State: NY Zip: 10306

Find Address

Interactive Help

Step 2: Click Draw Selection, and then click on the map to draw points. Or you may click Add Radius Selection, and click on the center of your radius

Continue Order

#1: Count=9,929 Selection 4

The map displays Staten Island, New York, with various zip codes labeled in red. A red circle is drawn around a location in the New Dorp area, near the intersection of Hylan Blvd and Miller Field. The map includes major roads like the Staten Island Expressway (I-195) and the Arthur Kill Bridge. Other labeled areas include Port Richmond, West Brighton, Saint George, and Great Kills.

In the January mailing, sections 2 and 3 were included. Section one was omitted.



## Westport for Feb 5<sup>th</sup> Mailing

### Position by Address

Street Address:

City:

State:  Zip:

### Position by Lat/Lon

Latitude:

Longitude:

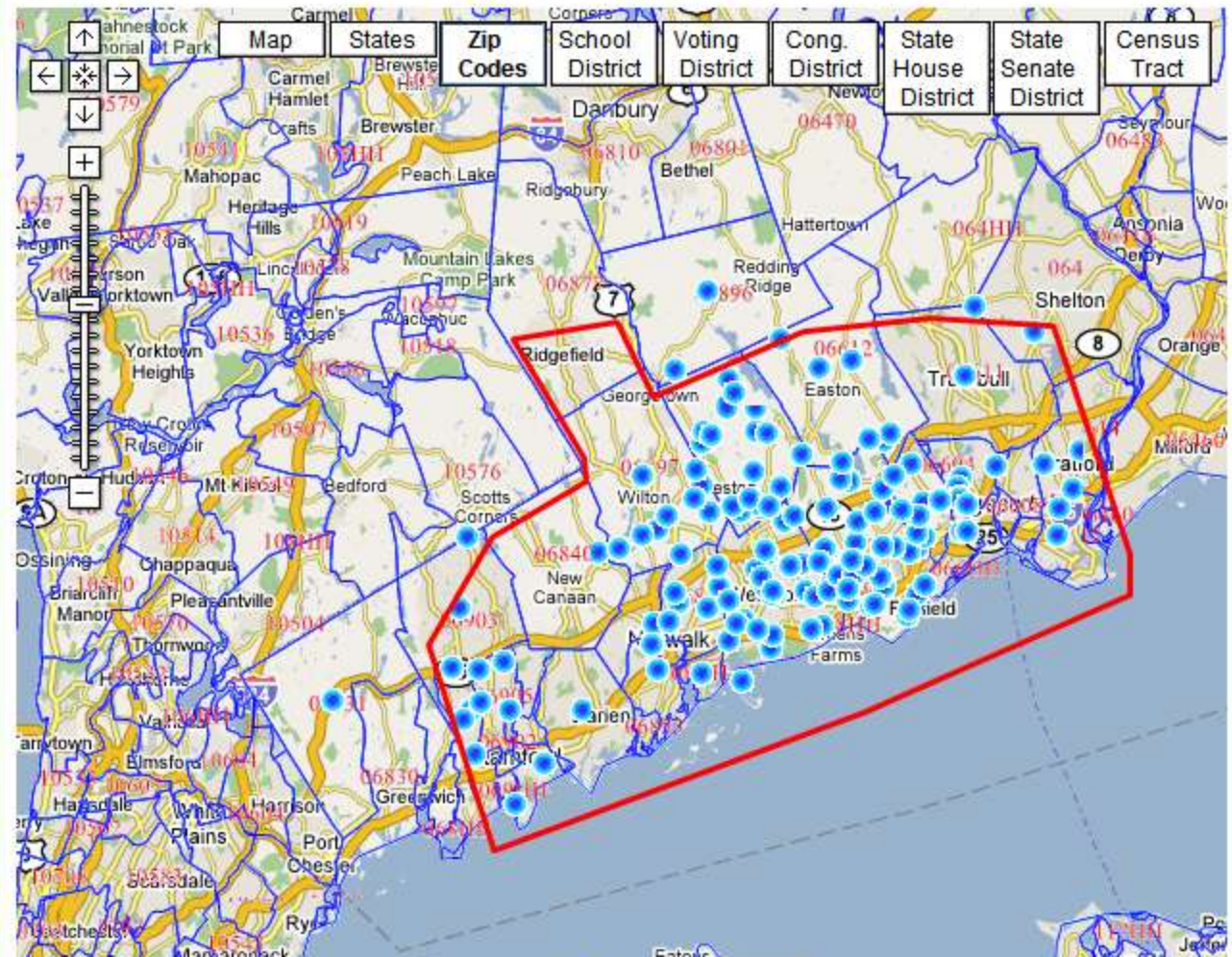
**Find Address**

Your count is complete, and is 18,772 records. It is now displayed in the selection window below. You may click on Select Demographics, or Continue Order to proceed

**Continue Order**

#1: Count=18,772 Selection 3

[Clear Data](#)



# Contact Information

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