

# AVIS

## Driving to greater customer insight

*Avis cuts email marketing costs with predictive analytics*

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### Overview

#### Business Challenge

Avis Europe plc sought to identify the factors driving its direct business - particularly customer inquiries and rental bookings through its e-commerce channels. By improving insight into customer activity, the company hoped to achieve a high degree of relevance by customising each and every email each individual receives.

#### Solution

Avis Europe turned to IBM SPSS technologies to create targeted and cost-effective email campaigns and build customer retention through timely and relevant contact.

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Avis Europe is a leading car rental company in Europe, Africa, the Middle East and Asia, with a network of more than 2,800 locations. Approximately 86 percent of Avis Europe's revenues in 2008 were generated in the five major markets of France, Germany, Italy, Spain and the United Kingdom.

Brand leadership, service differentiation and cost effectiveness are part of Avis Europe's strategic focus and 'We Try Harder' philosophy. For the Avis customer, this translates into quick, professional services, a high quality vehicle at a reasonable price and targeted communication to help loyal customers access promotions they find most relevant.

### Targeted email marketing maximises revenue

Avis Europe turned to IBM SPSS software to help create targeted and cost-effective email campaigns and build customer retention through timely and relevant contact.

The car rental group selected the IBM® SPSS® Modeler data mining workbench to develop customer profiles and segment its data more accurately.

As a result of using IBM SPSS predictive analytics software, the cost of email marketing as a percentage of revenue (CPR) was cut almost by half in 2009, compared to 2008 figures. This offers a significant impact across the 18 million emails broadcast from Avis Europe each year.



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## Business Benefits

- Gained the ability to segment customers, which reveals where to focus marketing spend.
- More accurate targeting leads to reduced email marketing costs and maximises revenue.
- The cost of email marketing as a percentage of revenue has been reduced by 42 percent.
- Improved insight into customer activity drives loyalty by enabling timely, relevant and personalised communications.

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*“We are now better at sending the right emails to the right people at the right time. This new targeted approach with IBM SPSS Modeler helps Avis cut email marketing costs almost by half and, hence, maximise revenue.”*

— Chris Parker, Direct Analytics Specialist,  
Avis Europe

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According to Chris Parker, direct analytics specialist at Avis Europe, ‘We are now better at sending the right emails to the right people at the right time. This new targeted approach with IBM SPSS Modeler helps Avis cut email marketing costs and, hence, maximise revenue.

‘The Customer Segmentation project allows us to keep in touch with our large database using cost-effective email, but with all the benefits of a one-to-one relationship because we now have a clearly defined picture of each customer,’ said Parker. ‘The ability to identify and stay ahead of customers’ ever-changing activities and needs is key to Avis’ competitiveness in the market, and one of the biggest benefits provided by IBM SPSS predictive analytics software.

‘As the project is rolled out across Avis Europe, it will add essential insight to our one million email subscribers in our main European markets,’ Parker concluded.

## About IBM Business Analytics

IBM Business Analytics software delivers complete, consistent and accurate information that decision-makers trust to improve business performance. A comprehensive portfolio of business intelligence, predictive analytics, financial performance and strategy management, and analytic applications provides clear, immediate and actionable insights into current performance and the ability to predict future outcomes. Combined with rich industry solutions, proven practices and professional services, organizations of every size can drive the highest productivity, confidently automate decisions and deliver better results.

As part of this portfolio, IBM SPSS Predictive Analytics software helps organizations predict future events and proactively act upon that insight to drive better business outcomes. Commercial, government and academic customers worldwide rely on IBM SPSS technology as a competitive advantage in attracting, retaining and growing customers, while reducing fraud and mitigating risk. By incorporating IBM SPSS software into their daily operations, organizations become predictive enterprises – able to direct and automate decisions to meet business goals and achieve measurable competitive advantage. For further information or to reach a representative visit [www.ibm.com/spss](http://www.ibm.com/spss).



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