

Case study: AA

Experian Data Quality helps the AA achieve a single customer view

Background

The AA is the UK's leading breakdown service. The professionalism and high standards valued by its 15 million members in the event of a roadside breakdown are also the hallmark of many more AA products and services. The AA offers personal financial services including motor and home insurance, loans, and breakdown repair cover. The AA's website is a motoring, travel and leisure portal and its popular route planner calculates more than 3 million routes per week. The AA is also the largest independent travel publisher in the UK and one of the top 10 worldwide. In October 2004, the AA left the Centrica group following its acquisition by CVC and Permira.

Situation

The AA has over 35 different products, many of which are sold by third party operators that use its brand. Its customer data is therefore collected from numerous sources and stored and managed within its CRM system. This is referred to as the customer hub or CHUB, a system created under the AA's previous owner Centrica. The system deals with millions of addresses every year and the data is constantly changing as new memberships are inputted and existing records are amended.

Data accuracy is vitally important to the AA, especially in relation to marketing activities. 80% of the contacts that the AA markets to are customers and it does not send marketing communications to any contacts without a verified address.

Faults within AA's existing address-matching solution meant that two people had to be employed full time to manually correct these faults. The AA received complaints from members who highlighted that the wrong address was being used in communications with them.

Following its sale in October 2004, the AA immediately investigated the options for migrating its sizeable

customer database into a new system. By the time a new solution was chosen and work started in December 2004, it only had six months in which to complete the rebuild and testing.

Solution

The AA built its own data warehouse and business intelligence platform that allowed users to collate, correct and standardise all inputted data. Address cleaning was incorporated to provide the highest level of confidence in name and address data as it enters the data integration platform. Address details were verified, cleaned and formatted, and given an 'address key' that acts as a unique identifier for each record. This enables the matching up and linking of identical address records from various different data sources.

Results

Within 24 hours of delivery, Experian's address cleaning software was up and running. The product was introduced in mid February 2005 so that a rematch of address data could be run over the Easter period.

45% of the addresses that could not be verified using the old system could now be matched using the cleaning tool, which equates to approximately



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Customer Insight and Data Manager
Automobile Association (AA)

3.5 million records. A further 270,000, or 2%, of addresses that it claimed had been verified were actually incorrect! This meant that the AA could have been sending mail to the wrong address.

The AA knew that solutions from Experian Data Quality were already being used in other parts of the business but the data cleaning tool surpassed all expectations. Address matching may only be a relatively small part of the system but it is vital as customers cannot be contacted accurately without it. There is now a far more joined-up approach to data management and this is improving customer perception as the AA moves towards a single customer view. Graeme McDermott, Customer Insight and Data Manager, the Automobile Association (AA) says:

“Address cleaning is really important to us as it helps to validate and match customer records. Previously, if a customer had registered for a number of different products, it would have appeared that we were dealing with numerous contacts. By appending an address key, we can now link this customer’s records and focus on managing the one individual.

In addition, our data management can now be run by fewer people as roles, processes and systems have been simplified. The Experian Data Quality solution has also increased our marketable customer base by about 1 million contacts, as we only market to people with a verified address.”

The future

The AA has adopted Experian Data Quality as the company standard for front and back end address verification. Instead of using up to three sources of PAF, it is gradually reducing its reliance on suppliers other than Experian Data Quality to provide similarity and uniformity throughout the organisation. Experian Data Quality is delivering value into both the Insurance business as well as the Roadside business, on an internal browser-based environment and on its external websites.

The AA Driving School has also chosen Experian Data Quality to capture address details through its website, thus covering almost all points of data entry.