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is an experienced general manager and marketer. His early career was in the hospitality industry working in operations and marketing with Allied, M&B's, Chef & Brewer and S&N Retail where he was head of marketing in the early 1990s. Peter joined Dudley Jenkins Group plc (DJ's) in 1994, where he was MD of both Market Location and Consumer Surveys, the industry leading business and consumer database marketing arms of the parent company. Following the sale of DJ's for £86 million, Peter founded Serendipity2 (S2) in 2001, a fully integrated data, digital, design and direct agency.

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Intelligent use of data to drive company development

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Case Study

Serendipity2's data & insights projects for Coca-Cola

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Abstract

Serendipity2 (S2) was recently presented with the 2010 award for 'Best use of data within FMCG' by the industry's most prestigious data and insights awards organization for work done with Coca-Cola Enterprises (CCE). We describe two aspects of that work below.

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Background

CCE is responsible for manufacturing, selling and distributing over 80 different soft drinks products across the UK. With a product portfolio including Coke, Diet Coke, Fanta, Lilt, Sprite, Oasis, Powerade, Dr Pepper, Relentless and a range of other major international brands, Coca-Cola is the world's most successful soft drinks company.

The problem

Like many large organizations Coke did not suffer from a lack of data, but from the intelligent use of these data to drive company development.

The first objective was therefore to produce a fully operational single customer view outlet database that would enable world-class, store-level execution. In simple terms, this involved building a complete universe of outlets that either do or could sell Coca-Cola products.

Over 60 projects:

Figure 1: Segmentation of coca-cola's database into 16 consumer environments.

The solution

UK outlet database (Figure 1)

**Single customer view
database for world
class store level
execution**

**Segmenting database
using consumer
geodems, workplace,
retail and outlet
specific information**

- We took Coca-Cola's UK store-level customer database files from various legacy sources, then cleansed and enhanced them with SIC code, Industry Type, Employee Size and Employee Mix to create a clearer, more informative, single customer view database.
- S2 then profiled this database to establish a 'universe' of net new prospects that matched the characteristics of Coca-Cola's existing customers. This was followed by the purchase of additional prospect records, which were enhanced, coded and then merged with the existing database to create a new coherent, comprehensive body of data.
- Using consumer geodemographics, lifestyle and behavioural data plus other workplace and retail geodemographics and S2's own data mapping and reporting software, Segmentz, S2 then segmented over 500,000 outlets into 16 distinct 'shopper-driven' consumer environments.

From national superstores, pubs, clubs, fast food, fuel, restaurants and CTN's to sporting venues, leisure attractions, coffee shops, garage forecourts, canteens and workplaces etc, the sheer size and scope of the project was mind boggling! (Peter Flood, CEO at S2)

**Database underpins
much of Coca-Cola's
sales and marketing
planning and
implementation**

This database now underpins much of Coke's sales and marketing planning and implementation.

The result

As a result of combining known internal CCE facts on outlets (eg EPOS sales or SKU volumes) with what we know of the external environment

(eg Consumer geodemographics, workplace, retail and leisure mix), CCE now has a much broader strategic perspective on its business and the opportunities open to it.

For Coca-Cola, this new master database of over 500,000 outlets and 570,000 shopper-driven consumer environments is the engine that drives all of their sales and marketing planning and implementation, presenting a number of major sales and marketing benefits:

- Data from a variety of disparate sources have been consolidated into one central area for the first time.
- Data are now much more accessible, thereby avoiding wasted time in trying to get key information from a range of data sources.
- The database has been cleansed, formatted, post-coded and flagged against MPS, TPS, FPS and all gone-away companies removed.
- Data integrity is vastly improved, meaning that robust, reliable information is available at the touch of a button.

Robust, reliable information available at the touch of a button

When the new database was inputted into a bespoke version of S2's proprietary data analysis, mapping and reporting tool, Segmentz, a number of subsequent major projects were able to be successfully delivered, including the recent creation of ranked lists of outlets for each environment based on their overall potential for soft drinks.

VitaminWater

Objective

The objective of this project was the successful UK launch of VitaminWater by gaining distribution in key business sectors. Key to VitaminWater's success was the use of Coke's database of over 500,000 outlets, which S2 had previously segmented into 16 'shopper-driven' environments.

We were also tasked to give Coke the ability to understand the interrelationships between existing stockists, prospect outlets, distribution points and demographic hotspots. We used data from a number of sources, namely Acxiom Personix and Cyance workplace data plus Coke's transactional data such as EPOS sales.

Strategy

The launch of any new Coca-Cola soft drink is a major sales, marketing and logistics exercise. The key to a robust programme is in maximizing the chances of success in an increasingly competitive environment. VitaminWater's strategy had to be right from the outset. Marrying the brand's consumer profile with the right outlets in the right consumer, workplace and retail geodemographic locations was therefore critical to VitaminWater's long-term success. At the project start, a number of outlets pre-selected by S2 were already stocking the product, and thus Coke wanted to ensure that the UK roll-out continued in a highly targeted way. They also wanted to undertake their own

Marrying the brand's consumer profile with the right outlets in the right locations

Blueprint for other new product and promotional initiatives

analysis, rather than having to outsource, because they needed the ability to respond quickly to *ad hoc* business requirements.

Accurate measurement of this roll-out would strengthen the rationale for building and maintaining their business database while further developing a blueprint for other new product and promotional initiatives in the UK.

Tactics

The target audience was defined as young, urban professionals who are open to new ideas, seek simple ways to stay healthy and find tap water boring.

This target audience description was broken down to create an exact definition based on specific consumer and workplace variables such as age, social class, numbers of professional workers and student population. We then applied different weightings to these variables and combined them together to form a single measure of demographic suitability.

Mapping and reporting hot spot areas of high potential

Coke wanted to prioritize outlets located by S2 in pre-defined 'hot spot' areas of high potential — high traffic outlets in both day and night-time environments. We set out to identify the best outlet locations to create rankings, which illustrate the quality of the outlet's location in terms of local geodemographics and employment.

S2 then built a customized version of Segmentz® pre-loaded with locations of existing stockists and prospect outlets, both coloured according to the demographic suitability of the towns they were in, and pre-loaded with the locations of Coke's distribution depots, coloured to indicate fixed and mobile locations.

We also provided the functionality for demographic suitability scores to be assigned to any imported outlets.

Coke was then able to export maps, ranking and catchment reports by any variable including drivetime or radius parameters.

A list of existing and prospect outlets ranked by a priority score was then produced for Coke to telephone, and for sales people to visit.

Result

Data visualisation critical

Coke was able to visualize, cross-analyse and create reports on its own or various external data elements, and pinpoint exactly the right outlets to target for the launch, down to a very localized level.

Profile reports provided breakdowns of any chosen area/catchment according to a number of chosen variables, for example, a 10-mile catchment around the Manchester distribution depot.

Demographic suitability shading in the background allowed Coke to identify which areas particularly suited VitaminWater. Along with the names and postcodes of the outlets, the system also provided demographic suitability scoring for each outlet, and the distance to the nearest depot.