Document Information

Prepared By: Ron Kissiah			**Version:**	Version 1.0
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Project Sponsor Name and Department: John Smith, Director		**Business Manager Name and Department:** John Smith, Manager, Customer Service Department		
I.S. Project Owner Name and Department: John Smith, Vice President Marketing & BI		**I.S. Project Manager Name and Department:** John Smith, BI Director		

Revision History and Document Change Log

Version	Date	Description of Change	Doc Section	Reason for Change / Impact of Change	Requested by
1.0	08/15/2014	Initial Draft	All Sections	Initial Draft	John Smith
1.1	09/15/2014	Updated Draft	All Sections	Per new requirements	John Smith
1.2	10/16/2014	Updated Draft	All Sections	Address issues identified by Femi Oduwole	Ron Kissiah

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1. Project Overview

1.1 Project Description

Update the revenue segmentation logic to allow for an actionable account management strategy to give the Account Management department an accurate picture of where customers fall in the overall account management strategy. Revenue segmentation will assign customers to the correct CRMs so that customers can be managed proactively.

CRM dashboards need to be built with assigned customers and their KPIs so that CRM will be able to manage their customers monitoring the KPIs.

Additionally, the revenue segmentation will be pushed to the CRM application to facilitate proper CRM workflow management and provide seamless navigation between BI and CRM.

The overall benefit to the business is a comprehensive view of each Customer Name Confidential customer. BI currently provides an overall customer view and visibility to all customer revenue, which is required for revenue segmentation and improved customer service.

1.2 Project Objectives

This section lists the objectives for the project as defined by the sponsor and project owners.

- Provide Account Management with a clear picture of the total Customer Name Confidential customer base to better tailor efforts and attention to customers who deliver the most significant portion of revenue.
- A solution is needed that provides the account management function with direct intelligence around revenue churn. The FPI churn for the previous 12 months ending in July 2014 was 8.2% on a total book of $135M at the same time last year.
- For every 0.1% reduction in churn, Customer Name Confidential will be able to retain $135K within the business.

1.3 Stakeholders

Primary business stakeholders affected by this initiative are listed below.

Name	Title/Business Unit	Role	Required Sign-off Y/N
John Smith	Director, Account Management	Project Sponsor	Y
John Smith	Manager, Account Management	Project Sponsor	Y
John Smith	Vice President Marketing & BI	Project Owner	Y
John Smith	Director BI	Project Manager	Y
Ron Kissiah	Business Analyst, BA	Requirements	N
John Smith	Database Developer	Development	N
Johm smith	Report Developer	Database	N

2. As-is Business Process

The current revenue segmentation logic does not allow for an actionable account management strategy. Customers are segmented according to revenue net of claims, which does not give an accurate picture of where customers fall in Customer Name Confidential's account management strategy. Additionally, current revenue segmentation is available only in BI and needs to be available in CRM.

3. To-be Business Process

The Account Management group would like to update the revenue segmentation and re-segmentation logic in order to allocate resources within the account management function. Account Management would also like to connect this info directly back into the CRM tool so that it is immediately available for the CRM.

4. Requirements

This section outlines the overall solution requested by the Account Management Relationship group and identifies the logic and design necessary to implement the solution.

4.1 Data Definitions

Programmers and database developers will use the definitions in this section to create the logic necessary to segment the Customer Name Confidential customer base.

4.1.1 Customer Dates

- Initial Segmentation Date: The day the customer moves to Internally Approved in SalesFunnel.
- Start Date: The customer starts the day the customer starts producing revenue.
- Anniversary Date: 52 Weeks after customer starts producing revenue.

4.1.2 Revenue Segmentation Rules

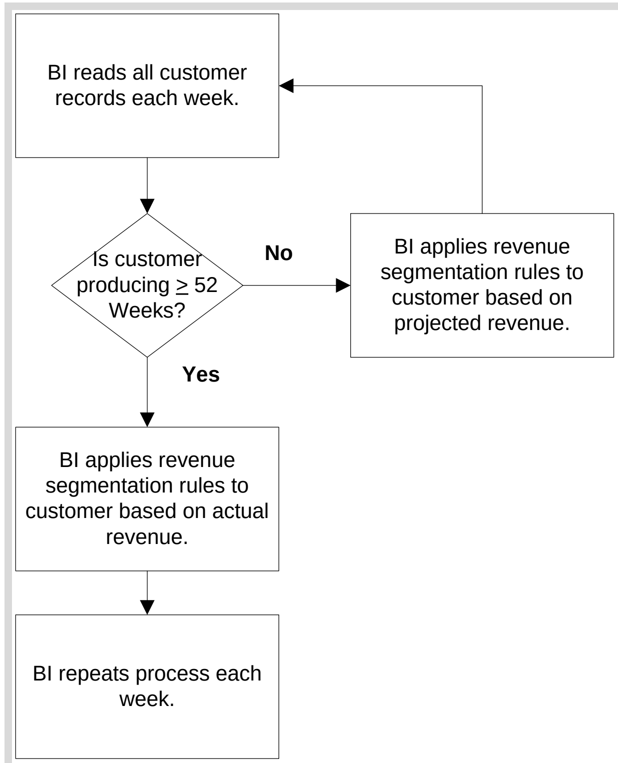
- WHEN revenue > $500,000 THEN 'Diamond'
- WHEN revenue BETWEEN $75,000 AND $499,999 THEN 'Platinum'
- WHEN revenue BETWEEN $15,000 AND $74,999 THEN 'Gold'
- WHEN revenue BETWEEN $1 AND $14,999 THEN 'Silver'
- WHEN revenue <= $0 THEN 'Lost

4.1.3 Revenue Definitions;

- Flex – the billing system amount
- Cargo – the billed premium
- All UPSC Finance solutions – Customer Name Confidential's income (whatever the customer is paying)

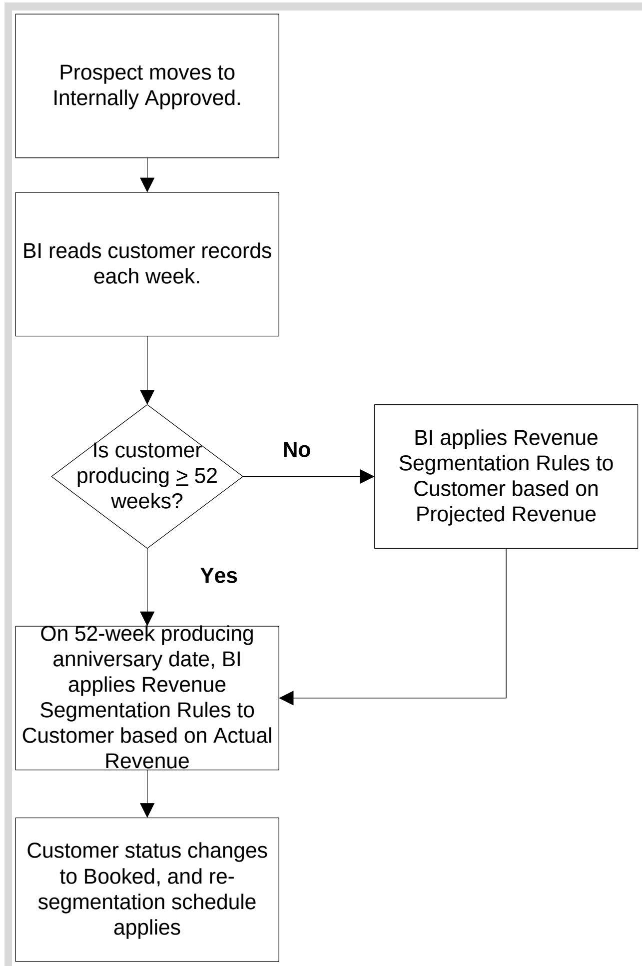
4.2 Requirement: Initial Segmenting All Customers (Customers < 52 Weeks and Customers $\geq$ 52 Weeks)

All Customer Name Confidential customers existing in the BI database today will be segmented according to the segmentation logic outlined below.



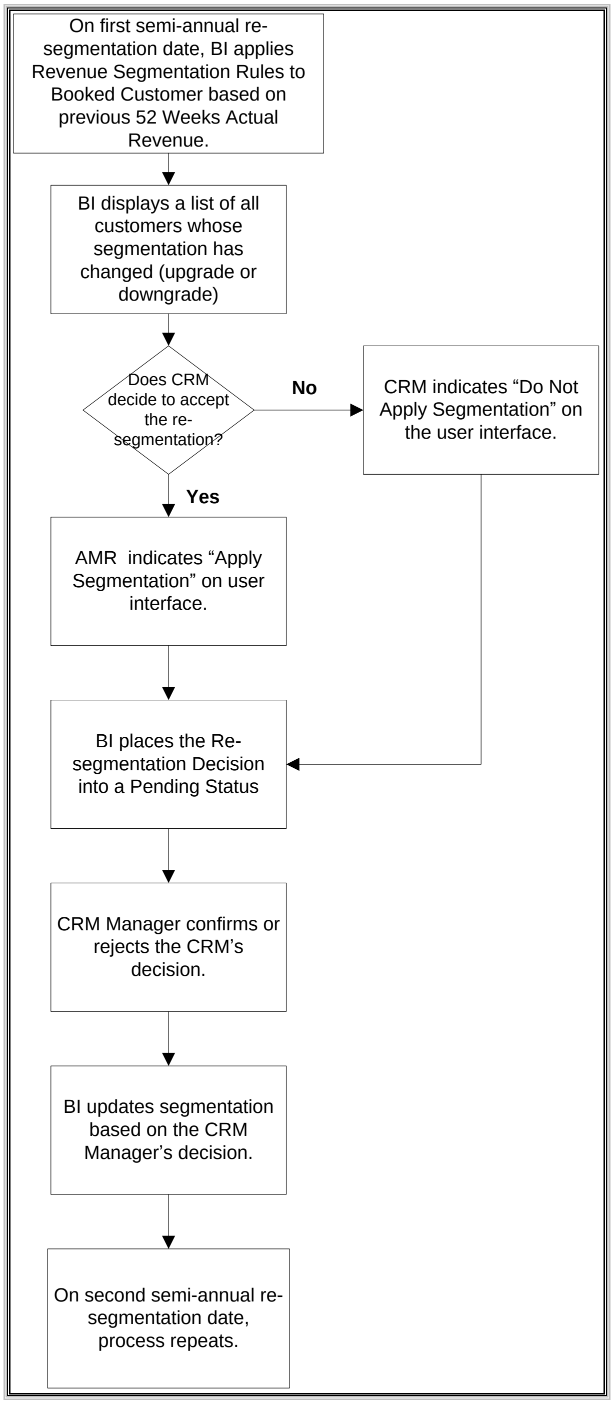
4.3 Requirement: Segmenting New Customers (Customers < 52 Weeks)

All new Customer Name Confidential customers will be segmented according to the segmentation logic outlined below.



4.4 Requirement: Semi-Annual Re-Segmenting Customers ≥ 52 Weeks Old

All Customer Name Confidential customers will be segmented semi-annually according to the segmentation logic outlined below. The CRM has to option to override the segmentation or accept the segmentation. If the user takes no action, BI will now re-segment the customer. In order for BI to re-segment any customer, the CRM has to click an **Apply** button. See description of the "Segmentation Approval" report below.



4.5 Provide a Segmentation Approval Report

When BI re-segments customers semi-annually, provide a report that allows CRMs to control whether the segmentation is applied. The report will display all upgrades and downgrades. The report will not display customers whose segmentation has not changed. Security restricts the display to the CRM's customers. Supervisors and managers can view all customers.

AMR Semi-Annual Segmentation Approval

AMR | Re-segment Type (Upgrade, Downgrade, All) | View Report

Customer Name	Account Number	Current Segmentation	52 Weeks Revenue	Loss Ratio	Semi-Annual Re-Segmentation	6 Months Revenue	Loss Ratio	Upgrade/Downgrade	Resegment?	Reason/Comments
~~Wolfgang's Value~~	[redacted]	Gold	$32,000.00	2%	Silver	$9,000.00	8%	Downgrade	Apply	Optional comments
~~CLP~~	[redacted]	Gold	$40,000.00	6%	Gold	$80,000.00	3%	Upgrade	Apply	Optional comments
~~Bay Pointe Technology~~	[redacted]	Silver	$8,000.00	3%	Gold	$50,000.00	14%	Upgrade	Apply	Optional comments
~~One Little West 12th~~	[redacted]	Platinum	$125,000.00	15%	Gold	$70,000.00	12%	Downgrade	Apply	Optional comments
~~Red Giant USA~~	[redacted]	Diamond	$800,000.00	40%	Diamond	$450,000.00	45%	Downgrade	Apply	Optional comments
~~Weedon Engineering~~	[redacted]	Platinum	$200,000.00	12%	Diamond	$550,000.00	15%	Upgrade	Apply	Optional comments
~~Corsena~~	[redacted]	Silver	$3,000.00	6%	Gold	$16,000.00	2%	Upgrade	Apply	Optional comments
~~Haas Laser~~	[redacted]	Diamond	$750,000.00	30%	Platinum	$250,000.00	15%	Upgrade	Apply	Optional comments
Total			$1,958,000.00			$1,475,000.00				

The report can be sorted by the following fields:

- Customer Name
- Master Account Number
- Current 52 Weeks Revenue
- Loss Ratio
- Most Recent 6 Months Revenue
- Loss Ratio from Most Recent 6 Months
- Upgrade/Downgrade

The report has two filters:

- The CRM filter allows managers to filter by CRM. When an CRM is logged in, the report displays the CRM's name and the CRM's customers.
- Re-Segment Type allows the user to view:
  - Upgrades Only
  - Downgrades Only
  - All

The report contains an **Apply** button that allows the CRM to choose whether to apply the upgrade or downgrade.

- If the user does not click the Apply button, BI does not re-segment the customer.
- If the user clicks the Apply button, BI creates a Pending flag.
- The Pending Flag remains until a Manager confirms the downgrade.

The report contains hyperlinks from the Customer Name to the "Customer Name Confidential Customer Summary" page with detailed information about the customer, such as address, sales assignment volume, revenue, segmentation, and UPS information.

4.6 Provide an CRM Customer Segmentation Dashboard with KPIs

Provide a dashboard that summarizes segmentation information by customer for each CRM. The dashboard will provide KPIs that will help the CRM to manage all customer accounts. Security restricts the display to the CRM's customers. Supervisors and managers can view all customers.

AMR Customer Segmentation

AMR | Segment | View Report

Green = Gainer
Red = Decliner
Black = Maintainer

Avention.com (isell)

Customer Name	Account Number	Segment	# of Solutions	Customer Tenure	Loss Ratio	Date Last Communicated	Churn Rate	Net Promoter Score	UPS Volume	UPS Revenue
[redacted]	[redacted]	Gold	1	3/6/2014	8%	4/1/2014	2%	8	60	$45,000.00
[redacted]	[redacted]	Gold	1	12/9/2013	3%	1/11/2014	1%	4	20	$160,000.00
[redacted]	[redacted]	Silver	1	4/6/2010	14%	11/21/2013	6%	10	150	$200,000.00
[redacted]	[redacted]	Platinum	3	3/18/2009	12%	8/25/2014	3%	9	180	$150,000.00
[redacted]	[redacted]	Diamond	3	6/18/2014	45%	1/21/2014	14%	7	120,000	$1,000,000.00
[redacted]	[redacted]	Platinum	2	2/24/2006	15%	11/5/2013	19%	8	15,000	$15,000,000.00
[redacted]	[redacted]	Silver	1	6/18/2008	2%	10/21/2013	9%	9	20,000	$32,000.00
[redacted]	[redacted]	Diamond	2	7/14/2014	15%	6/21/2014	5%	5	13,000	$500,000.00
Total									168,410.00	$17,087,000.00

The dashboard can be comprised of the following fields:

- Customer Name
- Master Account Number
- Segment
- Number of Solutions
- Customer Tenure
- Loss Ratio
- Churn Rate
- Net Promoter Score
- UPSC Revenue
- UPSC Claims
- Revenue Trend (Gainers, Decliners, …)
- Link to iSell (www.Avention.com)

The dashboard has two filters:

- The CRM filter allows managers to filter by CRM. When an CRM is logged in, the report displays the CRM's customers.
- Segment

The customers are color coded to indicate:

- Green indicates Gainers
- Red indicates Decliners
- Black indicates Maintainers

The report contains hyperlinks from the Customer Name to the "Customer Name Confidential Customer Summary" page with detailed information about the customer, such as address, sales assignment volume, revenue, segmentation, and UPS information.