

**CASE STUDY:**

## Epsilon and Netezza: Delivering a Revolutionary Marketing Platform that Drives Customer Loyalty



In 2002, Epsilon – an Alliance Data company that provides clients with industry-leading strategic consulting, database and loyalty technology, proprietary data, predictive modeling and a full range of creative and interactive services – established a strategic partnership with Netezza. Epsilon was in the market for a data warehouse platform and database partner that would help it improve its service offerings by supporting large and growing data volumes while also providing the following benefits:

- Excellent campaign and analysis performance
- ETL/ELT processing flexibility
- Ease of support
- Superior cost/performance ratio to its clients



“We value our partnership with Netezza. They have taken us through the evolution of the data warehouse appliance and truly have demonstrated to us a revolutionary technology beyond our expectations through Netezza’s speed, flexibility and the time to insight the platform offers.”

- Chris Harrison, Chief Technology Officer  
Epsilon

After evaluating several data warehouse offerings, Epsilon decided to move forward with Netezza as its strategic partner. Netezza, the global leader in data warehouse and analytic appliances that simplify high-performance analytics across the enterprise, easily met Epsilon’s criteria. Performance for very large database operations validated on Epsilon premises were anywhere from five to 50 times faster than operations on comparable platforms.

## Success over the Long Haul

The partnership has strengthened over the years, and today Epsilon runs on about 30 Netezza appliances – including multiple racks of the latest TwinFin and Skimmer products – which equate to more than a petabyte of spinning disk. The speed and flexibility is unstoppable. As Edgar Denny, Director of Technology, Epsilon, stated, “We would not be able to do what we are doing without Netezza at the center, nor would our customers.”

Netezza helps Epsilon secure new business, maintain and retain customers, and help its clients leverage industry-leading technology while decreasing their costs. When discussing the evolution of Netezza’s product and the partnership between Epsilon and Netezza, Mike Coakley, Epsilon’s Vice President of Technology stated, “In the seven years that we’ve been working together, Netezza has consistently demonstrated

performance, stability, and revolutionary technology. With Netezza, Epsilon is charting new ground – the technology allows us to leap frog the competition to support clients with large data warehousing needs at a valuable price/performance ratio. That’s why we’ve stayed with Netezza over the long haul.”

Netezza’s speed and flexibility allow Epsilon’s customers to easily test out new ideas and to learn immediately what works and what doesn’t. “The speed at which we can execute queries for segmentation and targeting is dramatic, and the amount of data we can now use is in some cases is four to five times greater than what our clients formally used. The ability to use more data allows for better targeting and segmenting, and the speed at which we can look at all the data makes the whole process viable. These benefits have enabled our clients to achieve up to a 20% increase in revenue. This would be impossible without Netezza,” stated an account team member of Epsilon.

## How can a data warehouse appliance drive customer retention that equates to 20% higher revenues?

Through Netezza’s unique ability to rapidly churn through complex analytics over massive data volumes, clients can ask iterative questions at the speed of thought, resulting in campaigns

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and customer loyalty programs that are precisely targeted and highly effective. Netezza's clients can execute a higher number of campaigns to a pinpointed audience instead of broadcasting a generic message to a large prospect base. This results in lower marketing costs, since campaign dollars are not being spent marketing to disinterested audiences. Meanwhile, they achieve higher return on investment (ROI) from each campaign because the message is customized to meet its audience's specific needs, thus eliciting higher response.

For example, one of Epsilon's clients was executing six marketing campaigns per week, but wanted to develop three custom built programs. By moving that client's analytics to the Netezza platform, the company has been able to increase the number of campaigns it can launch while delivering more targeted messages to focused audiences. This client now executes 150 campaigns per month – that's five to seven times the volume in a single week that it could run before. The client has realized greater productivity with larger data sets and more campaigns since deploying the Netezza appliance, and it can track the ROI of each individual segment. None of this would have been possible before Netezza.

Brad Terrell, Netezza's General Manager of Digital Media stated, "Successful firms understand the value of taking a holistic view of their audience—

collecting, integrating and analyzing long-term

historical data in order to maximize targeting precision and deliver relevant content and advertising. Running these complex analyses quickly is vital to increasing revenues and staying ahead of the competition. But even running basic year-over-year analyses of raw log files can take hours or days to process with traditional technology. Instead of spending time making data warehouses run efficiently, Netezza users deploy purpose-built data warehouse appliances that solve business problems."

Epsilon is the industry-leading marketing services provider, and Netezza is the industry-leading data warehouse appliance provider, so it's no surprise the partnership between the two has resulted in satisfied, loyal clients that are reaping the benefits of effective marketing campaigns that drive increased revenues. Chris Harrison, Epsilon's Chief Technology Officer, stated "We value our partnership with Netezza. They have taken us through the evolution of the data warehouse appliances and truly have demonstrated to us a revolutionary technology beyond our expectations through Netezza's speed, flexibility and the full interactive experience the platform offers. With Netezza, it's always about price to performance. Netezza continuously opens the door for new opportunities at Epsilon. We value our partnership."

## About Epsilon

Epsilon is the industry's leading marketing services firm. Ad Age ranks Epsilon #1 U.S. Marketing Services Firm and #1 U.S. Direct Marketing Agency. Services include strategic consulting, database and loyalty technology, proprietary data, predictive modeling and a full range of creative and interactive services including brand and promotional development, web design, email deployment, search engine optimization and direct mail production. In addition, Epsilon is the world's largest permission-based email marketer. Epsilon is an Alliance Data company. For more information, visit <http://www.epsilon.com> or call 1.800.309.0505.

## About Netezza Corporation

Netezza Corporation (NYSE: NZ) is the global leader in data warehouse and analytic appliances that dramatically simplify high-performance analytics across an extended enterprise. Netezza's technology enables organizations to process enormous amounts of captured data at exceptional speed, providing a significant competitive and operational advantage in today's data-intensive industries, including digital media, energy, financial services, government, health and life sciences, retail and telecommunications. Netezza is headquartered in Marlborough, Massachusetts and has offices in Northern Virginia, Canada, the United Kingdom, Germany, Poland, France, Japan, Korea, Australia and Singapore. For more information about Netezza, please visit [www.netezza.com](http://www.netezza.com).

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