

Case Study

Company profile

SunGard is the UK's leading business continuity and disaster recovery service provider. The company has been providing tailored information storage and Workplace Recovery Centres for more than 25 years. SunGard's services are as varied as its client base, which ranges from multinationals through to small businesses.

Business situation

SunGard operates 20 recovery sites in the heart of the UK where there was an obvious requirement for Workplace Recovery Centres. The company wanted to expand its operations to exploit untapped parts of the UK. However, the precise requirements for each location coupled with the high cost of setting up a new site meant that the company had to thoroughly and carefully research any expansion.

Technical brief

SunGard appointed Market Location to help plan its growth. Market Location was asked to identify the areas of potential around SunGard's existing sites, to evaluate which sites were fulfilling their capabilities, and to identify untapped areas in the UK not served by SunGard's current sites.

Solution

Market Location undertook the work in two stages. Firstly, it profiled SunGard's existing customer database using traditional modelling methodologies. Each record was ranked according to the number of employees at the business, the speed of service required and the number of seats needed at SunGard's remote office facilities. Market Location used this ranking to identify the most valuable businesses for SunGard and build a profile of these types of companies. The profiles were applied to the Market Location data universe of all 2.3million UK businesses to identify potential customers.

The second stage involved a series of prospecting rounds, using the basis of similarity in terms of size and activity to existing clients for proposed new sites for SunGard. Market Location began by plotting prospect businesses onto a UK map, which showed the locations of existing sites and the catchment areas within an hour's drive. The map demonstrated the areas of potential around existing sites where current customers were beyond an hour's drive and identified the areas of high potential not currently covered by SunGard. Market Location then identified the 20 optimum locations for new SunGard sites and ranked these based on the number of businesses within the catchment fitting the customer profile.

In order to take prospecting to a new level, Market Location used Standard Occupational Coding (SOC) to select companies with the highest level of desired job functions. This differs from the common SIC codes, as it looks at the activities of employees across businesses rather than simply looking at activity of the business itself. Market Location worked closely with SunGard to identify the types of job function, within the 350+ functions held within the SOC structure that might have a requirement for disaster recovery or workplace continuity. In simple terms, Market Location flagged each function as either appropriate or not appropriate to SunGard's products.

With SOC codes assigned to each profile, Market Location then used employee penetration figures at a national SIC code level to predict potential usage at individual business sites. By linking SOC codes to SIC employee sizes, then looking at the activity at any individual business site and overlaying the actual numbers of staff according to the 'The Market Location Database it was possible to identify a likely percentage of potential users to a particular business type.

Results

The new SOC coding approach to targeting not only identified prospective businesses for SunGard services, but also the potential number of seats appropriate to a business recovery solution. The resulting data has been segmented into three pots, large (50+ seats), medium (25-50 seats) and small (25 seats potential), enabling SunGard to target each segment of the prospect database in the most appropriate way. Interestingly, the profiles returned by traditional modelling and the records highlighted by the new SOC approach have significant differences. The traditional approach would have missed large numbers of companies simply because they weren't already adoptees of the service. Whereas, a combination of both traditional modelling and new methodologies has proven to be highly successful as a hybrid approach.

SunGard Comments

Market Location plays a vital role in improving our decision making when targeting new areas of the UK for expansion. They enable us to minimize our level of risk and present a robust expansion plan that stands up to rigorous scrutiny. Daren Howell, Product Marketing Manager, SunGard Availability Services.