

IT Buydex

Segment Customers and Prospects Based on Their Technology Spending Capacity

Buydex is a fact-based, data-driven model that classifies your customers and prospects based on their overall spending capacity. It refines your target market segmentation beyond traditional methods such as sales, employees, and industry.

More specifically, Buydex is a spend-ranking tool developed by Dun & Bradstreet (D&B) to rank businesses on a scale of 0-99. Scores 0-24 represent lowest spending businesses (50% of the entire business population) while companies with scores 25-99 represent highest spending entities.

Buydex uses D&B's proprietary Detailed Trade data as a proxy for ascertaining spend amounts and leverages our other data assets to model spending capacity of businesses worldwide.



MODEL VARIATIONS

The Buydex model is global in scope and is available in several versions:

STANDARD – ranks business establishments based on their overall spending capacity. The model can assess each location individually as well as the entire corporate family as a whole.

INDUSTRY SPECIFIC – ranks businesses based on spend within a specific industry. For example, spending on IT, Transportation, Trucking, Less-Than-Truck Load, Food & Beverage, and Communications. Other industry-specific Buydex models are available upon request.

CUSTOM – ranks business's spending capacity on specific customer products and services (customer-provided product usage history is an input into the Custom Buydex).

D&B ADVANCED ANALYTICS PORTFOLIO:

To optimize sales effectiveness and achieve intelligent targeting, our customers rely on the following D&B solutions using them separately or in conjunction with each other:

BUDGET: *Buydex* analyses a business establishment's overall Spend Capacity.

AUTHORITY: *Decision HQ* assesses business site's Decision Making Power.

NEED: *Industry-Specific Buydex* and *Propensity Models* evaluate an enterprise's needs for products and services. *Material Change* anticipates that need growing.



USE CASES AND VALUE PROPOSITION

The model is used as a stand-alone solution or combined with the traditional approaches. For example, as shown below, Buydex could be added as another dimension in Sales or Employee segmentation further improving the granularity and accuracy of these time proven methodologies.

		SPENDING CAPACITY (IN \$)			
SALES (IN \$)		< 10K	10K-100K	>100K	Total
	< 1M	55%	41%	4%	100%
	1M-10M	34%	40%	26%	100%
	> 10M	11%	19%	70%	100%

There are pockets of small size businesses with higher levels of spend capacity

High annual sales does not always mean large opportunity



PRACTICAL APPLICATIONS FOR BUYDEX

There are numerous practical applications where Buydex can help address our customer’s business needs. Here are a few examples of most common use cases.

Pinpoint higher value new business opportunities & right-size territory alignment	Compare how your customer’s spend with others compares to their spend with you	Gain understanding if your relationship is moving in the same direction as overall spend growth
Add actionable insight to sort through large volumes of customers and prospects to prioritize	Advance your knowledge of the marketplace beyond basic firmographics	Evaluate levels of account penetration and saturation to determine upside potential



BUYDEX FOR IT

The IT Buydex estimates a business’s demand for IT products and services. This site-level score can be rolled up to the organization’s Domestic or Global Ultimate DUNS level or to the locations within a Family Tree that have the highest levels of decision authority – also known as Decision HQ.

The IT Buydex can be used to:

- Prioritize prospects based on IT purchasing opportunity from most to least desirable
- Customize marketing campaigns based on the level of opportunity
- Uncover existing up-sell and cross-sell opportunities among existing customers
- Provide additional granularity within an already segmented target population

To define the target population during the development of IT Buydex, data was selected from D&B's proprietary trade database using the following SIC industry codes:

- | | |
|----------------------------------------|--------------------------------------|
| 7374 Data processing and preparation | 7371 Computer programming services |
| 7376 Computer facilities management | 7372 Prepackaged software |
| 7377 Computer rental & leasing | 7378 Computer maintenance & repair |
| 3571 Electronic computers | 7379 Computer related services |
| 3572 Computer storage devices | 7374 Data processing and preparation |
| 3575 Computer terminals | 7376 Computer facilities management |
| 3577 Computer peripheral equipment | 7377 Computer rental & leasing |
| 5045 Computers, peripherals & software | |

Key predictors of companies most likely to be in the target population include IT Order Quantity and Spend, Total Employees, Sales, Number of Family Members, Age of Business, Number of Inquiries, and others.

The model's output is a 0-99 score. The score can be utilized as a ranking of businesses' demand for IT services.

SCORES 0 – 24

Represent the lowest 50% of demand for all US businesses.

Each score break represents 2% of the population.

SCORES 25 – 99

Represent the highest 50% of Demand for all US businesses.

Each score break represents 0.67% of the population.

This provides better separation for large businesses.

To identify the top 10% of businesses, a customer should select scores 85-99.



PARTNER WITH D&B'S ADVANCED ANALYTIC SERVICES TEAM

Our experienced best practices consultants work with you to develop an informed perspective to drive decisions that manage risk, seize opportunities, and grow your business. Please call us at 973-921-5864 to discuss your needs, or contact your Account Manager.

ABOUT DUN & BRADSTREET

Dun & Bradstreet (NYSE: DNB) grows the most valuable relationships in business. By uncovering truth and meaning from data, we connect our customers with the prospects, suppliers, clients and partners that matter most, and have since 1841. Nearly ninety percent of the Fortune 500, and companies of every size around the world, rely on our data, insights and analytics. For more about Dun & Bradstreet, visit DNB.com. Twitter: @DnBUS

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