

Transportation Industry Buydex

Segment Customers and Prospects Based on Their Transportation 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 TRANSPORTATION

One of the Industry-Specific Buydex solutions is a site-level index estimating a business’s demand for Transportation, Trucking, and Less-Than-Truckload (LTL) services.

These 3 additional Buydex models can be used to:

- Prioritize prospects based on their demand for all transportation services, all trucking services, or on LTL services specifically.
- Provide an additional layer of granularity for prospect segmentation.
- Assist in wallet-share analysis by providing insight into transportation spend as a percentage of a company’s annual sales.

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

OVERALL TRANSPORTATION:

- | | |
|--|---|
| 4011 Railroad line-haul operator | 4512 Scheduled air transportation |
| 4111 Local/suburban transportation | 4513 Air courier service |
| 4212 Local trucking operator | 4522 Nonscheduled air transportation |
| 4213 Trucking operator-nonlocal | 4581 Airport/airport services |
| 4214 Local trucking-with storage | 4612 Crude petroleum pipeline |
| 4215 Courier service | 4724 Travel agency |
| 4225 General warehouse/storage | 4725 Tour operator |
| 4424 Domestic sea freight transportation | 4731 Freight transportation arrangement |
| 4449 Water freight transportation | 4783 Packing/crating service |
| 4491 Marine cargo handler | 4789 Transportation services |

TRUCKING:

- 4213 Trucking operator-nonlocal

LESS-THAN-TRUCKLOAD:

- 42139907 Less-Than-Truckload (LTL)

Key predictors of companies most likely to be in the target population include Export/Import Indicator, Company Status (Headquarter, Branch, Single Location), Small Business Indicator, Age of Business, Location and Industry Information, etc.

All three Buydex models' output is a 0-99 score. The score can be utilized as a ranking of businesses' demand for Transportation, Trucking, and LTL 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.

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