dun & bradstreet

Material Change

Anticipate the Trajectory of Your Customers, Prospects, and Business Partners

Material Change is a segmentation solution that groups businesses based on probability of future growth, decay, and change in risk profile. Opportunity, or demand for a company's products and services, as well as Risk, or the ability to pay and remain a thriving business, are always shifting – anticipating and incorporating change in planning and targeting is critical to success.

With that in mind and addressing our customers' needs, Dun & Bradstreet (D&B) has created Material Change. Leading marketers today are adept at qualifying the level of opportunity using known historical or present-day data attributes. However, competitive advantage emerges with the ability to anticipate the future needs of a business *before* they show obvious signs of a material change in their risk and opportunity profile.

Businesses hit many different inflection points during their life cycle. Some will clear investment hurdles, adjust their plans based on lessons learned, weather the economic downturns and thrive. Others will be unable to sustain a profitable business and have to cut back or even discontinue.

Material Change uses time-series analysis to anticipate a company's future trajectory by distilling and transforming subtle signals from many sources into actionable segments for improved sales and marketing results.

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.

THE MODEL

We use a comprehensive approach of assessing risk and opportunity across key fundamental business measures. Tracking events and signals that lead to changes in each of these dimensions helps anticipate future growth, decay, or stability in a business's overall opportunity and risk profile.

EMPLOYEES (physical size): total number of people that contribute to the sales and operations of a business.

SALES (financial size): the sales revenue attributable to products and services sold by an organization annually.

ORDERS (spend): purchase transaction insight including spend volumes, frequency of orders, time since last order, etc.

LOAN BALANCE (borrowing): financial performance pertaining to leases, loans, lines of credit and payment behavior.

RISK: financial performance pertaining to the ability to pay and remain in business.

CREDIT BALANCE: financial performance pertaining to extended trade credit behavior.

SEGMENTS

Material Change plays a critical role in optimizing segmentation and tailoring treatment strategies to uniquely address each segment with the right message, offer, and price – driving to the most profitable outcome. 10 major segments are created by grouping businesses based on their common characteristics. The segments are further rolled up into three main categories – Growing, Stable, Decaying.
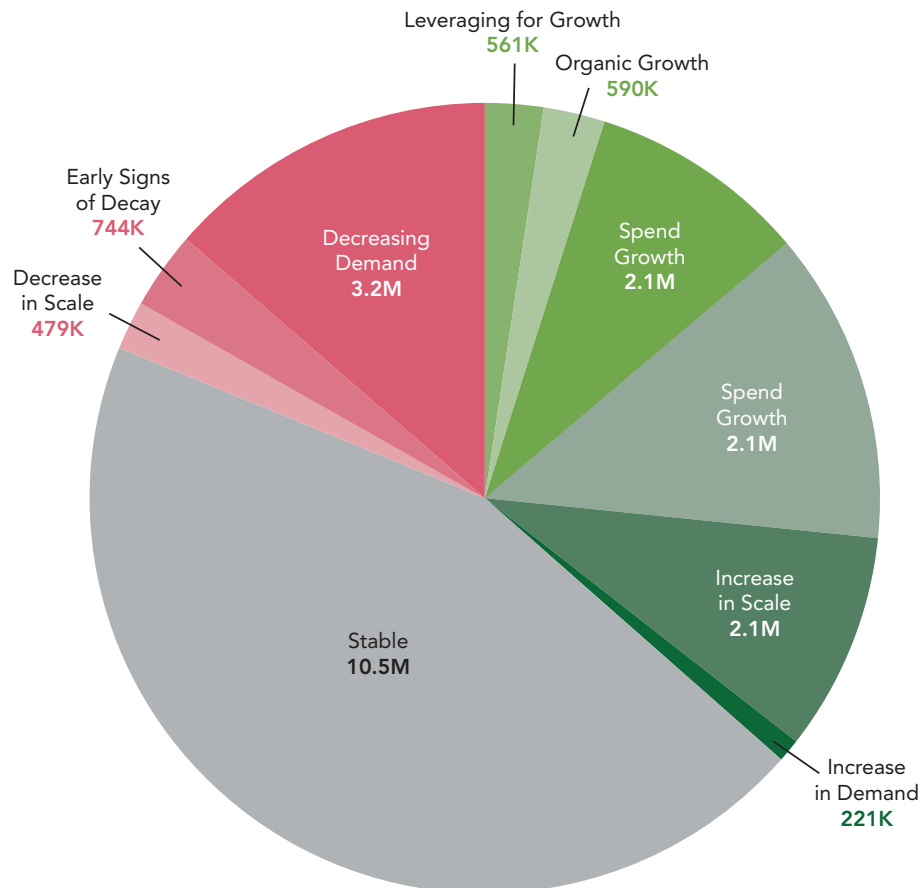
Material Change segments can be easily combined with your existing segmentation to further improve its performance. Within each major segment, you can create sub-groups based on anticipated improvement or deterioration in risk profile.

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.

DISTRIBUTION OF US BUSINESSES BY MATERIAL CHANGE SEGMENT (2016)

Leveraging for Growth **561K**
Organic Growth **590K**
Spend Growth **2.1M**
Spend Growth **2.1M**
Increase in Scale **2.1M**
Increase in Demand **221K**
Stable **10.5M**
Decrease in Scale **479K**
Early Signs of Decay **744K**
Decreasing Demand **3.2M**

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