

CUSTOMER SUCCESS STORY: ELDERHOSTEL

A travel organization partners with CSG's Quaero to improve customer insights, reduce costs, and deliver higher returns on marketing programs.

Elderhostel, Inc. is the world's largest educational travel organization primarily for adults. Since the not-for-profit's founding in 1975, more than 4 million adults have participated in its programs that have spanned every state in the U.S., more than 90 countries, and ships and sailing vessels throughout the world.



The organization's marketing activities have been as aggressive and far-reaching as its travel programs. A staff of 4 database marketing professionals manage more than 400 campaigns a year, ranging from 3,000 target households to as many as 180,000 per campaign.

Mei Fulton, Director of Customer Relationship Management, says "We started as a direct-mail cataloger, but have since expanded into other channels: print and online advertising, e-mail marketing, web marketing, and partnerships. Being a multi-channel marketer we heavily utilize our inbound and outbound calling center to sell and cross-sell our programs. We are constantly exploring new ways to market."

Time to Update the Marketing Technology

One of Elderhostel's goals was to manage its many campaigns more effectively, and get more meaningful and timely information about customers, prospects and program effectiveness.



Client:

Elderhostel, the world's largest educational travel organization for adults.

Challenge:

Elderhostel needed an updated new marketing database and customer intelligence solution to manage its far-reaching and aggressive marketing campaigns.

Solution:

CSG's Quaero provided a hosted database marketing solution and customer segmentation models and analytics developed by the Quaero team.

Results:

Elderhostel has been able to reduce unnecessary costs while improving the ability to target primary customers. The organization has improved its marketing activities through efficiency and management gains, while providing management with marketing performance reports and key business indicators.



“We were using an operational system that was retrofitted for marketing,” says Ms. Fulton. “Campaign setup was difficult to manage, segmentation was limited, and our market analysis was time-consuming and limited in scope.”

Elderhostel decided to undertake a full search for a new marketing data mart, campaign management and marketing intelligence solution.

Choosing a Partner

CSG Systems’ customer intelligence arm, Quaero, was among five vendors that Elderhostel considered.

“We chose Quaero for many reasons,” explains Ms. Fulton. “Since we were looking at Unica Affinium® Campaign™ and Business Objects, we wanted a partner that had expertise in these applications. We also looked for a partner who had proven leadership, good vision and whose staff is experienced in databases and database marketing.”

Throughout the search process, says Ms. Fulton, the Quaero team was very flexible: “We saw them as a vendor looking to partner and build a long-term relationship, rather than a vendor looking for another client.”

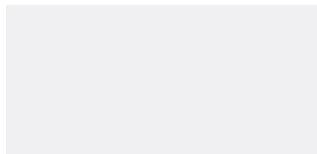
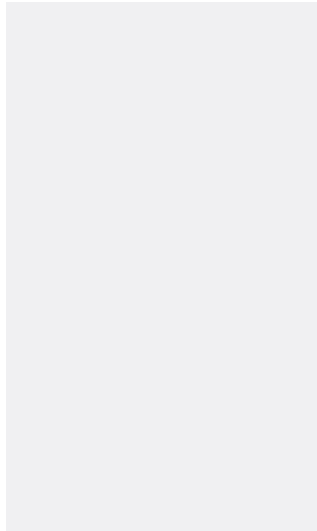
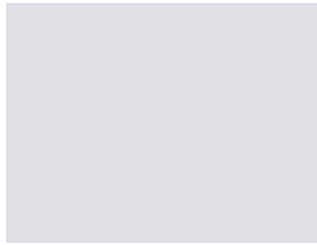
Elderhostel also liked Quaero’s hosted solution alternative. They performed a cost-benefit and ROI analysis and ultimately decided that a hosted solution (versus on-premise) would provide them with the resources they needed to get started quickly and to maintain the system. Quaero would also be responsible for ongoing changes and provide them with strategic guidance in database and database marketing strategy.

From Requirements to “Go Live” in Just Months

Working closely with Elderhostel’s team, Quaero implemented the project in about seven months, from initial requirements gathering to going live. The Quaero team helped build out the database and developed segmentation models and analytics to support Elderhostel’s diverse and growing customers and prospects.

Before going live with the system, Quaero experts worked onsite with the marketing team to provide an overview of the database project – what it was, what led up to it, what the solution included, and next steps. The Quaero team also provided on-site training sessions for Elderhostel’s application users.





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As part of the transition period, Quaero team members took part in a weekly call with Elderhostel's Business Objects Power Users to address any of their questions and concerns.

Reaping the Benefits

Among the many benefits Elderhostel has realized from the new solution, Ms. Fulton cites the ability to implement an advanced segmentation scheme that allows for better targeting. Rather than sending every promotion to every person, Elderhostel can now hone in on the best audience for each campaign, which has led to improved response rates and reduced waste.

Other benefits include the ability to easily set up automated recurring campaigns, analyze results in a timely way, report on key business and marketing performance indicators, and improve overall business intelligence for better decision making.

Costs have been reduced in several ways. Now Elderhostel can identify the least profitable segments and reduce the number of mailings to them. The organization has also significantly reduced duplicate mailings by using the householding logic of the solution.

The new solution has allowed Elderhostel to target campaigns more effectively. More importantly, Elderhostel has become a better marketing organization with more intelligence on hand to make smarter decisions and the systems in place to be more efficient.

Conclusion

In addition to hosting, the Quaero Solutions Group continues to be involved with Elderhostel by providing ongoing support. "When we come across application questions, we can simply turn to Quaero for help," says Ms. Fulton.

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About Quaero

Quaero, a CSG solution, uses customer intelligence to help clients shift from traditional campaign-driven marketing to real-time, multichannel customer interaction. Quaero experts blend strategy and analytics with performance management and technology to establish dialogues that improve the customer experience while increasing overall customer value.

Headquartered in Charlotte, NC, the Quaero solutions group provides marketing services to category-leading clients within the Financial Services, Pharmaceutical/Healthcare, Travel and Leisure, Media, Consumer and High Tech industries. For more information, call 1-877-570-2199 or visit www.quaero.csgsystems.com.