It’s a simple enough question...

So why can’t you get the answer? In business, many questions are simple to ask, but prove difficult or impossible to answer in too many reporting tools. XLcubed lets the business user answer such ‘simple’ questions in a flexible way, and without recourse to writing or requesting complex MDX or SQL queries. Here we take a look at an example of a fairly common requirement around customer revenue analysis, which is equally applicable for product or cost based analyses.

Customer Classification and Banding

Many businesses classify their customers as a percentage of overall revenues or profits. For example, ‘A’ customers make up the first 40% of company revenue, ‘B’ customers the next 30%, ‘C’ the next 25%, and ‘D’ the remaining 5%. The percentages used vary but the approach itself is fairly widespread. Other companies use literals, >$10m, $5-10m etc, the approach in XLcubed is the same.

XLcubed has an advanced selection mode which is ideal for handling this type of scenario. Reports such as the one below can be built quickly and easily. They are not simply point in time manually assembled lists, rather fully interactive and updateable with the user specified selections. Once built, they can be used to analyse the business from multiple angles.

In this example, on fictitious data, city corresponds to customer as the products are sold through regional based concessions. Here all customers in the four bands are listed for the period and product combination chosen by the user. We also display a sparkline to show the trend for each customer over the previous 12 quarters. If the number of customers in a segment grows, the sparkline is created as required, no re-design is required. The summary table at the top shows at a
glance that a small number of customers account for a large percentage of sales, and merit appropriate account management.

The business user can build this type of analysis in the Excel client, and with a few mouse clicks publish to the web for broader use, either natively in XLCubed Web or within a SharePoint portal. XLCubed allows the user to apply common sense logic to the problem through an intuitive series of dialogs. This report uses four of our grids (think Pivot Table, with the additional flexibility you need), which are linked together on the period and product group selections.

The first grid, for the ‘A’ segment customers is simply the top 40% of the overall value for the selected measure, and for the date held in cell B4.

The remaining segments can be achieved using the logic that segment ‘B’ customers are those making up the top 70%, excluding those in the top 40% (‘A’).

- Firstly, two sets of members are selected; in this case both the same – the City Level of the Customer Geography hierarchy.
- The set on the left is ranked to show only those contributing to the top 70% of sales.
- The set on the right shows the top 40%.
- The operator between them subtracts the set on the right (‘A’), from the set on the left.
- Segments ‘C’ and ‘D’ are selected using the same approach.
Answers to questions such as this can be achieved fairly easily, and it’s only a small step to make the report fully dynamic in terms of the user selections on period, product category, and the percentage splits being used. In this report the user can vary the time period, and the product. To add the segmentation percentage would be a straightforward addition, as in the customer tracking report.

Crucially, in XLCubed, every parameter setting can be manually specified, or alternately driven from an excel cell, giving huge flexibility. User selections can be through our cube aware dialogs and slicers, by directly typing in a cell, through Excel combo boxes, or derived through formulae based on any of the above. The flexibility is unrivalled.

**Tracking Key Customer Movement**

The ability to flexibly and quickly segment the customer base is in many cases a huge step forward. However, what is perhaps of even more interest is to understand how customers are moving between segments over time. Which customers are fading, from ‘A’ to ‘B’, or worse, and which are strengthening?

Tracking this movement over time has been notoriously difficult, and is normally a scheduled reporting process, or a periodic request to IT. With XLCubed it’s achievable directly from the client, when the business user needs it, and with their specific filter criteria.

The above report is showing the top 25% customer segment for 2014, and which customers had fallen out of this segment since 2013. For the ‘lost’ customers a sparkline shows their sales over the last 12 quarters, depicting whether the fall has been steady or a sudden drop-off. The user can choose which years to compare, for which product category, and can vary the percentage being used for the classification.

The process to build the report is similar to the initial segmentation report. To create it manually, and lots of people have to, requires a listing of the ‘A’ segment customers from 2013, and those from 2014. It’s then an exercise in finding those which exist in the 2013 listing, but not the 2014 listing. It’s also an exercise in patience, or in honing your Excel formulae skills.
With XLCubed you use the same base logic, but get there much quicker, and with a report which is inherently flexible. The rankings are carried out in the context of the user selections, so once built the report can be run for a multitude of filter criteria and time periods. Design it once, quicker than you can right now, and the next time the analysis is required, it’s nothing more than a few button clicks away.

The leftmost table shows the customers contributing the first 25% of sales revenue. The 25% is a variable, which can be changed by the user by picking a new value via the ‘% to rank’ slicer. Below is the setup for the ‘Lost’ customers from the first ‘x’ % of sales, between the specified years.

The left and right hand sets look the same initially - the key difference, however, is that the set on the left is using the date selection in $M$4 (this holds the output from the Comparison Year slicer – in our example, 2013. The set on the right is using the output in $C$4 from the Selected Year slicer – 2014.

Both are based on the percentage held in $M$3, but the ranking is applied on a different period. The 2014 customers are then removed from the set of 2013 customers, set by the operator joining the sets together, leaving the ‘lost’ customers from first 25% of income.

It’s a simple enough question, get the answers your business needs with XLCubed!

XLCubed have been helping businesses maximise their investment in Microsoft’s BI platform since 2002. Customers range from Oil and Gas, Banking, and Pharmaceutical companies using XLCubed within mission critical global systems, through to the SME sector.
A best of breed, business-focused dashboard capability has been a key part of the product set for a number of years. With a build in Excel and deploy to the web model, key business users become authors of sophisticated, thin client web report and dashboards.

XLCubed blends our experience over the last decade, with that of our customers and partners, to extend and further improve the product set in every area. For more information, to discuss your interest in detail, or to arrange a web-based product overview or evaluation, please contact sales@xlcubed.com.