

# OPTIMIZING INVENTORY DECISIONS USING CUSTOMER LIFETIME VALUE

## Case Study

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**General Description:**  
**Broadcasting company  
that manages a collection  
of pay networks**

**Geography: Latin America**

**Year Founded: 1993**

**Revenue: \$380 Million**

**Key Business Challenge:**  
**Identify most valuable customers  
and dynamically build proposals  
to meet their needs**

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Your cable broadcast empire is expanding rapidly into global markets, with big hopes for selling lucrative ad spots.

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But your success also has uncovered unexpected constraints. Sales volume growth has caused demand to exceed supply, especially during primetime. Unknowns are exposed: Who are our most valuable customers? Does our first-come, first-serve model displace the more valuable customers? How do we ensure that the most valuable advertisers air with the right audience?

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You enlist Revenue Analytics to help you identify your most valuable customers and dynamically build proposals to meet their needs while maximizing the value of remaining inventory. We create a strategic segmentation methodology that provides insights into your most valuable customers based on a Customer Lifetime Value metric. We generate 7 million forecasts per night across your network and evaluate 650 trillion alternative scenarios to guarantee the right advertisers get the right spots at the right time for the right price – every time.

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By eliminating the unknowns about your most valuable customers, you enjoy a 5.2 percent increase in ad sales, which equates to \$20 million per year in organic revenue growth. You're happier and so, too, are your customers.