



ALLIANT NEWS RELEASE

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Alliant Cooperative Data Solutions, LLC

301 Fields Lane
Brewster NY 10509-2621
www.alliantdata.com

Contact for more information:

Rick Witsell, VP Marketing
845-276-2600 ext. 218
rwitsell@alliantdata.com

FOR IMMEDIATE RELEASE

Alliant introduces Cognito™, a precision high-risk address suppression file for direct marketers

Transaction data and advanced analytics combine to identify 750,000 postal addresses marketers should avoid

BREWSTER, NY – As direct marketers cast their nets wider for new sources of customers, they risk attracting consumers that are skilled at finding ways to get something for nothing. To meet that market need, Alliant Cooperative Data Solutions has developed Cognito™ a high-risk postal address file that lets marketers instantly identify the “riskiest” addresses in the U.S.

Cognito™ is derived from the actual direct marketing behaviors of over 120 million consumers tracked in Alliant’s performance database, DecisionBase360™. The Alliant database consists of detailed transactional and payment information updated monthly by major direct marketing companies. Alliant applied rigorous analytic techniques to develop Cognito from their huge stores of historical consumer information. The final product includes over 750,000 U.S. postal points that consistently exhibit fraudulent behavior after responding to marketing offers.

“Cognito addresses are truly the ‘worst of the worst’, based on the collective experiences of our contributors,” explains Dan Parzych, Senior Vice President of Data Solutions and Services at Alliant. “These delivery points average 50 orders each, with an abysmal 4.5% payment rate.”

CFOs in particular are finding a compelling value proposition in Cognito’s ability to limit their exposure to losses. Alliant has conducted a number of tests with direct marketing organizations seeking an easy-to-implement solution to minimize losses from fraud. A magazine publisher observed a 10% reduction in overall bad debt. A multichannel retail firm reported that their tests showed that the file should generate as much as a 2% overall reduction in the number of fraudulent accounts opened each year. For all of these firms, Cognito represents a simple and direct opportunity to reduce the costs associated with excessive returns, write-offs and outright fraud, even as marketers invest in opening new marketing channels.

Alliant reports that marketers are finding ways to deploy Cognito throughout their operations. The product is packaged as an annual site license which allows marketers many options for usage, from eliminating mailing to high-risk addresses, to screening in-bound orders before fulfillment.

Alliant executives also expect Cognito to have a large following among marketers who make extensive use of the Internet to generate sales and leads. "Bad debt from Internet and email sources is always two to three times higher than other channels," says Parzych. "Internet marketers have a big need for a screening solution like Cognito." Since there is no personally identifiable information in the file, Internet privacy issues are not a concern.

Alliant has adopted value-based licensing for Cognito™, a sliding scale that allows both larger and smaller marketing organizations to pay for the solution based on the expected monetary benefit as determined by test files. The one-year license for the install file includes four quarterly updates. For more information about the analytics behind Cognito™ or to arrange for a file to be sent to Alliant for testing, contact Mary-Jo Checco, Director of Account Management at mchecco@alliantdata.com, or by calling 845-276-2600 ext 223.

About Alliant Cooperative Data Solutions, LLC

Alliant delivers consumer segmentation solutions that help marketers identify their top prospects and customers, and achieve higher levels of profit in direct and interactive marketing campaigns. Alliant's proprietary Cooperative Performance Databases are built from historical transaction-level customer records contributed by many of the world's leading direct response marketers, powering marketing decisions with a rich, detailed source of consumer behavioral information. Alliant's data-driven analytic solutions deliver increases in response and average order size, minimize payment risk, enable mining of new acquisition sources, and increase the success of customer retention and reactivation efforts for direct and interactive marketers. Based in Brewster, NY, Alliant is a Landmark Interactive company. Alliant's web site can be found at www.alliantdata.com.