



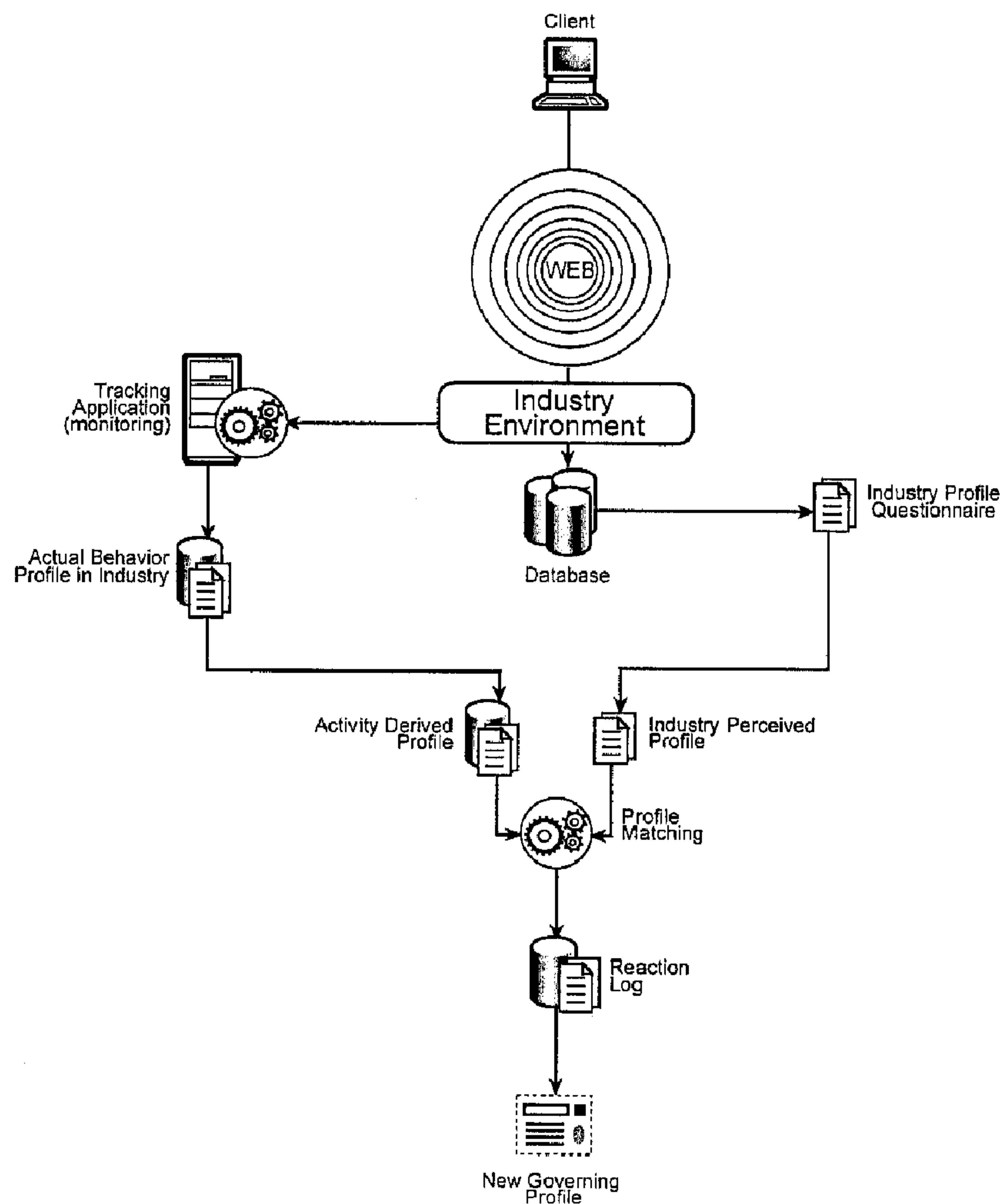
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(54) **DETERMINATION ET VALIDATION DU PROFIL DES  
CONSOUMATEURS**

(54) **CONSUMER PROFILE DETERMINATION AND VALIDATION**



## CUSTOMER PROFILE DETERMINATION AND VALIDATION

### Field of the invention

5           The present invention relates generally to the field of customer profile determination and validation.

### Description of the prior art

10           In the field of customer fidelity, a number of techniques have been proposed. All purport to more accurately track consumption behaviour in order to target specific products or services to the tracked customer. Alternatively, some techniques have been proposed to attempt to predict which item within a list would best suit a customer's needs. Although these techniques have met with relative  
15 success, they focus on trying to predict which item is best for the customer, as opposed to determining a more basic question, such as "does the customer actually need the item". This difference in approach will become more apparent throughout the present description, and forms the basis of the present invention.

### Summary of the invention

20           The present invention is directed to a method and system for customer profile determination and validation, as will be hereinafter detailed. The present invention bridges a customer's self-derived profile determination and his/her actual market behaviour derived profile for an improved assessment of actions and  
25 strategy.

### Brief description of the drawings

30           The present invention and its advantages will be more easily understood after reading the following non-restrictive description of preferred embodiments thereof, made with reference to the following drawings in which:

Fig. 1 is a schematic representation of a system according to a preferred embodiment of the present invention.

Figs. 2 to 9 are block diagram representations of the method according to a preferred embodiment of the present invention.

5

### **Description of a preferred embodiment of the invention**

The present invention relates to a methodology and a system for establishing a "true" consumer behavioural profile of an individual. The process is based upon the comparison between the responses given to an industry specific questionnaire and other, profile determining tools, and the actual consumption/behavioural pattern monitored for a given individual upon their participation within the given industry. The two sets of data are stored within a database where the respondent's self-perceived consumer profile and the consumer profile outlined by the means of monitoring the respondent's actual consumption pattern are continuously being compared. As such, a true consumer profile can be determined as based upon both the perceived and actual consumption pattern of an individual.

The present invention bridges a customer's self-derived profile determination and his/her actual market behaviour derived profile for an improved assessment of actions and strategy.

The essence of the method and system of the present invention is to recognize and establish the psychological and perceptual inconsistencies existing between one's perceived consumer profile, and one's actual consumer profile (this applies equally to an individual and a corporation). This system has for practical purposes the accurate and well-founded elaboration of a customer's true consumption profile and thus true consumer behavioural profile. A reverse approach may also be used, where the accurate and well-founded elaboration of a consumer's true behavioural profile will lead to the establishment of a customer's true consumption profile. The design of the system employs the approach of continuously comparing a user's self-perceived profile, with the profile derived as

based on the user's actual behavioural pattern, thus establishing a true consumption profile.

5 Generally, the system first looks to the user to state their consumer profile, as they perceive it to be. This is done through the answer to a few key, yet poignant questions. These sets of questions will be determined by the industry in which the consumer profile will be established. More specifically, the questions will be tailored to a specific industry).

10 Having a tangible consumer profile benchmark established by the consumer under study, the system then surveys all of the consumer's actual behavioural and consumption pattern, continuously comparing the consistencies and inconsistencies between the perceived profile and the actual profile of the consumer. As such, the longer and more extensive the use of the system, the more accurate the determining of the user's true consumption profile, therefore avoiding sales and service errors induced by the often erroneous self-perceived  
15 needs and wants of customers.

The results of the ongoing evaluation and re-evaluation of a user's profile is then put forth as a set of governing profile parameters serving to better orient the user, as well as the vendor, as per the user's actual needs and wants, and not his perceived needs and wants. As such, a sense of awareness, trust and loyalty  
20 results due to the extensive knowledge that the supplier has regarding his client. It could be claimed that this system has for a mission the establishing of a business relationship based on the knowledge/awareness/understanding and/or needs of a customer, all within a time-lapse environment.

25 Within an economic environment, this system best enables vendors to avoid the inherent pitfalls present when servicing a client as based on their perceived needs and wants, and not on their true needs and wants. It is key to remember that in a client's mind, more often than not, it is the vendor's fault for not having been able to grasp what the client really wanted, and not what the client stated he wanted.

30 The success of the system relies on an important principle, viz., to continuously compare the consistencies and inconsistencies between a

customer's (private and/or corporate) perceived consumer profile and true consumer or customer profile.

This is done within two frameworks, which are based on the notion that "actions speak louder than words". The first framework is on a conscious level, where the design of accessible and easy to use interfaces (specific to the economic environment at hand) entice the user to contribute consumption information. The system then tracks, reviews and logs the resulting behavioural pattern as the consumer reacts to all subsequent developments within his self determined consumer profile environment. The second framework is on a subconscious level, where, discreetly and continuously, the consumer's areas of interest are practised so as to best establish governing behavioural and consumption parameters based on the user's true needs and wants, and not his perceived needs and wants (ex: at the new car dealership, one looks at the sports coupe, however the demographic and consumption parameters point towards a mini-van).

Combining the results of these two frameworks allows the determination of a consumer's true consumption profile and behavioural parameters.

The added value that such a system design brings about is three-fold: Firstly, a sense of loyalty can be established between the consumer and the vendor due to the vendor holding such a detailed and perceptive database establishing a consumer's true needs and wants. Therefore, the consumer may not as easily be willing to leave an environment that is so well in-tune with his needs and wants. Secondly, the system and method provide for cross-selling capabilities. Vendors will most certainly be capable of better orienting the cross-selling of other of their products and services to their existing customer base. Customers may be better supported and better made aware of other products and services available to them within the same vendor environment. Thirdly, the system and method provide for increased individual account profitability. By more accurately supporting a customer's true needs and wants, a vendor can better orient and structure the product and service offerings. A sales approach employing a bit of customer psychology can make all of the difference in closing a deal. Furthermore, by tracking the evolution of an account's needs and wants profile parameters, a

vendor may better anticipate what products and services his clients may require in the future, and thus make the appropriate decisions to remain in the forefront of his client's products and services supplier arena.

5 The system and method of the present invention will now be described in reference to the following drawings.

Figure 1 shows the main components of the system, which are more fully illustrated in Figures 2 to 9.

10 A client in a given industry will first fill out a questionnaire related to the given industry in order to create a base profile. Once the base profile has been established, as the client interacts with the system, actual behaviour is tracked. The actual behaviour is compared to the base profile and a reaction log is created, which identifies similarities and differences. The similarities and differences are used to create a new governing profile, to which subsequent behaviour is compared, and so on.

15 Referring now to Figs. 2 and 4, a schematic block diagram representation of the system and method of the present invention according to preferred embodiments are illustrated.

Boxes 1, 2, 5, 6, 7, 8 and 9 will now be detailed.

20 In box 1, the base profile according to the user is created. This creation takes into account an industry questionnaire, historical consumption record within the industry, scenario presentations and logging of the user's reaction and other means for identifying a respondent's self perceptions.

25 This first base profile is to serve as the initial governing profile benchmark to which all future consumption behavioural experiences with regards to a product or services within an industry are to be compared to.

This initial profile is to be primarily established through the user's completion of an industry specific questionnaire. This questionnaire is preferably adapted to the particular industry in which the profile is required. An example of a questionnaire for use in the financial services industry follows.

30 The resulting responses are to be considered as the user's self-perceived consumption behavioural pattern, and as such the accuracy and true representation of the profile are yet to be confirmed and validated. Alternatively, if

a historical consumption record for the consumer is available, and the organisation seeking the information is comfortable with its relevance and accuracy, this data may be employed so as to establish a true consumption behavioural pattern profile as derived by the historical consumption record of the user.

5       The logging and storing of questionnaire responses is then performed. All responses to the questionnaire are logged and stored within a profile data database under the "self-perceived profile" category. As such, this data may be retrieved any time for comparative purposes, validation purposes and decision-taking purposes. More specifically, "comparative purposes" is to evaluate what  
10       was said versus what is being done; "validation purposes" is what was said actually being done and "decision-taking purposes" is to evaluate what to do now or when to do it.

      This data, regardless of its age and current relevance, is continuously stored and updated. It is important for the system that no data is ever destroyed or  
15       considered as being no longer relevant.

      Consequently, the evolution of the consumers' consumption behavioural pattern profile may be established and further used so as to demonstrate the states of consumption pattern that a particular consumer went through in regards to a particular industry over a specified period of time; past profile parameters may  
20       be referred to as possible supports to present and future decisions and serve as reference if legal considerations were ever to come forward in the accusation of wrongful advice or client support on behalf of the supplier.

      The data collected within the questionnaire is subjected to generally accepted industry standard consumption profiling measurement principles, demographic  
25       profiling measurements, psychological profiling measurements, and behavioural profiling measurements. The use of any or all of the above is left to the discretion of the industry and/or organisation seeking the information. The measure of evaluating and attributing value and weight to any of the responses and behavioural results is to be left to the discretion of the industry or organisation at  
30       hand, i.e. the end user of the system and method of the present invention. These organisations will usually have certain pre-established principles of measurement as to qualifying the type of consumer they are dealing with.

In box 2, the purpose is to undertake the establishment of the consumption behavioural pattern profile based on the respondent's true activity based behaviour.

5 The user's true activity based behaviour can be distilled from information requests, consumption habits, purchasing habits, field of operations, web-surfing habits, etc. It should be understood that the present invention is not limited to any particular field of activity. This true activity profile is continuously being compared to the self-perceived profile stated by the user. Any inconsistencies between the self-perceived and activity drive profiles may be represented to the respondent  
10 and/or interested parties at various intervals and under different circumstances, all of which to be decided upon by all or part of the parties concerned. All of the respondent's activities are logged and stored within a profile data database under the "actual behaviour profile" category. This data may be retrieved, as for the self-perceived data, for comparative purposes, validation purposes and  
15 decision-taking purposes.

As mentioned previously, a majority of industries have established demographic and profiling tools. As such, the logged behaviour pattern of the user will be compared to the profiling tools as made acceptable and available by the industry. The resulting actual behavioural profile is then compared to the  
20 self-perceived profile as derived from the original questionnaire responses. It should be understood that this tool does not attempt to establish new profiling standards for each industry it is applied to, but rather realised on the experiences and customer behaviour knowledge already collected and proven to represent consumption habits of those benefactors of the industry at hand. If any  
25 modification to the profiling standards of an industry results by the use of this tool, it is simply and add benefit to its user and not its intended purpose.

In box 5, the comparison between the self-perceived profile and the actual profile is performed. This step is constantly in application so as to continuously refocus the governing self-derived profile to most closely represent the actual  
30 consumption profile. Essentially, the basic question that is being asked is: is the respondent behaving as his responses to the self-derived profile questionnaire would indicate he or she would behave. Any inconsistencies are logged so as to

establish any consistent recurring behaviour patterns. Any inconsistencies are also brought to the respondent's attention so as to identify their behavioural reaction and thus true behaviour profile. No opportunity to question the respondent's behaviour inconsistencies is to be lost. The more the active questioning of the respondent as regarding the inconsistencies between self-perceived and the actual consumption profile will strengthen both the tools to the respondent as well as the entrusted participant. In fact, a better informed consumer and supplier make for a better business relationship.

The benefactor of the data representing inconsistencies between the perceived consumption profile and the actual behaviour drive profile may select to represent the inconsistencies at various time intervals such as continuously, at set time intervals, or only upon a request from the user.

In box 6, the inconsistencies are represented to the respondent. This enables a respondent as well as the industry user to view the inconsistencies and consequently identify the inconsistencies and thus self-select to make adjustments to the governing profile. These changes may be done employing the industry's standard consumption profiling tools. Other principles may be employed, all depending on what is most acceptable to the respondent and/or industry participant.

The self-identification and self-modification of the governing profile, to better represent the true behaviour of the respondent, will most certainly encourage a better awareness of the inconsistencies and greater willing to act more consistently in the future.

This representation clearly demonstrates the inconsistencies between the self-perceived consumption profile and the actual behaviour drive profile and furthermore illustrates changes in the governing profile that would make a better representation of the true behaviour pattern of the respondent, and thus a more accurate benchmark as to which to track, compare and govern the consumption behaviour of the user. The identification and representation of possible adjustments to the governing profile may be supportive to those individuals having difficulty adjusting the parameters of the profile that they have long considered the correct representation of the consumption behaviour habits. As such, the tool may

bring forward factual occurrences that would otherwise not be evident, nor acceptable to those parties reviewing the results for the first time. People are often reluctant to see themselves under a different light, even if that light is more accurately representative of their person.

5 The respondent's reaction to the inconsistencies is recorded in a data base to that effect.

10 These records can be used to either modify the activity drive profile, the respondent will adjust his behaviour so as to more closely adhere to the parameters established by the original self-perceived governing profile or the respondent chooses to operate an environment that is inconsistent with his person, and thus assumes all entailed risks thus relieving the supplier of any non-satisfactory service for claims.

What follows is an example of a questionnaire for the financial services industry.

15

**“INVESTOR PROFILE BUILDER” DESCRIPTION:**

***Example of the system applied within the Financial Brokerage Industry***

The base parameters (i.e. questions) are as follows:

20

The completion of a questionnaire is required of the user.

- This questionnaire may or may not include demographic and/or financial planning data.

25

• This questionnaire absolutely contains two principal questions:

1. *AS WITH REGARDS TO YOUR TOTAL PORTFOLIO AND / OR A PARTICULAR INVESTMENT, WHAT IS THE MINIMUM ROI (RETURN ON INVESTMENT) YOU REQUIRE / EXPECT?*

30

2. *AS WITH REGARDS TO YOUR TOTAL PORTFOLIO AND / OR A PARTICULAR INVESTMENT, WHAT IS THE MAXIMUM RISK (loss of capital) THAT YOU ARE WILLING / CAPABLE OF TOLERATING?*

35

• Questions specific to a particular investment are:

3. For how long do you plan to hold this position (i.e. what is your investment time-frame)?

4. Who or what is your preferred source of reference?

5. What are your objectives with regards to this particular investment / potential investment opportunity?

5

The stated responses to the **MINIMUM ROI and MAXIMUM RISK TOLERANCE PARAMETERS** become the permanent and constant point of referral to all investment sought out opportunities and/or portfolio performances and/or investment performances (i.e. base profile)

10

The continuous tracking and comparison to all investment sought out opportunities and/or portfolio performances and/or investment performances as compared to the stated **MINIMUM ROI and MAXIMUM RISK TOLERANCE PARAMETERS** serves to create a **TRUE** investor behaviour profile based **ROI REQUIREMENT and RISK TOLERANCE**.

15

The greater the adherence to the MINIMUM ROI and MAXIMUM RISK TOLERANCE PARAMETERS with regards to investment searches, portfolio performance tolerances, the greater the accuracy of the initial responses to the two stated questions in point A.

20

If however the practical searches of investment opportunities and the behavioural pattern in response to the actual performance of a portfolio and/or investment position are inconsistent with the stated responses in point A, the system records the actual behaviour pattern, and determines what the TRUE responses to the questions in point A are.

25

As a more pertinent and accurate set of investor profile parameters are established, and confirmed with the investor, these new parameters will be introduced as the new permanent and constant point of referral to all investment sought out opportunities and/or portfolio performances and/or investment performances (i.e. these new parameters will be those presented within point A). As such, the system continuously readjusts its investor

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profile governing parameters so as to be representing the most pertinent and accurate profile needs and wants of the user.

In short, the use of the proposed system looks to establish and continuously compare an investor's perception of one's investor profile, and the reality of one's investor profile. Consequently, a clear and accurate picture of an investor's governing profile parameters can be implemented within the system, and used to govern all of its monitoring, tracking, evaluating, warning (alarms) and searching functions.

**EXAMPLE:**

A. Responses to Questionnaire

- |    |  |                                   |
|----|--|-----------------------------------|
| 15 | 1. What is the Minimum ROI you require/expect?                       | 10%                               |
|    | 2. What is the Maximum RISK you can tolerate?                        | 5%                                |
|    | 3. What is the time horizon of an investment / portfolio?            | 5 years                           |
| 20 | 4. Who is your preferred reference?                                  | Analysts                          |
|    | 5. What are your investment objectives for a portfolio / investment? | Retirement<br>(i.e. conservative) |

B. Actual Behaviour Pattern

- |    |  |                             |
|----|--|-----------------------------|
| 30 | 1. What is the Minimum ROI that is actively participated in?   | 17%                         |
|    | 2. What is the Maximum RISK that is actual tolerated?  | 9%                          |
|    | 3. What is the time horizon of an investment / portfolio that is actually maintained?  | 6 months                    |
| 35 | 4. Who is the actual preferred reference?  | My brother                  |
| 40 | 5. What are your actual investment objectives for a portfolio / investment as determined by the review / selection of investments? | Growth<br>(i.e. aggressive) |

C. RESULTING PROFILE

- |    |  |                             |
|----|--|-----------------------------|
|    | 1. What is the Minimum ROI that is ACTUALLY SOUGHT OUT?  | 17%                         |
| 5  | 2. What is the Maximum RISK that is ACTUALLY TOLERATED?  | 9%                          |
|    | 3. What is the ACTUAL MAINTAINED time horizon of an investment / portfolio?  | 6 months                    |
| 10 | 4. Who is the actual preferred reference?  | FAMILY                      |
|    | 5. What are your ACTUAL INVESTMENT OBJECTIVES for a portfolio / investment as determined by the review / selection of investments? | Growth<br>(i.e. aggressive) |
| 15 |  |                             |

Points **A** and **B** are continuously tracked and compared so as to determine a **TRUE** set of determinant parameters for point **C**. Point **C** is continuously compared to point **B** so as to maintain a true representation of the investor's profile, as he evolves throughout his life as an investor. Thus influencing all of the **ALARMS**, **SEARCHES** and **PUSH** functions of the system and allowing the brokerage service provider to have a true understanding of their client.

Consequently, a strong sense of customer loyalty can be built upon a service platform based on a broker's well supported awareness and understanding of an investor's true needs and wants.

The profiling platform offers the ability to connect to as many product/services/opportunity databases that the offering party (industry specific) chooses to make available. As such, the tool can search for and present opportunities to the consumer as the consumer's **TRUE CONSUMPTION PROFILE** is being established. As such, the tool offers the capability of validating the resulting **TRUE CONSUMPTION PROFILE** with the logging of the user's reaction to the presentation of those opportunities deemed to be best suited to their **TRUE CONSUMPTION PROFILE** (according to industry specific standards). As such, the **TRUE CONSUMPTION PROFILE** is validated and/or disproved and consequently made better focused, on a continuous basis.

Ex:

The consumer TRUE CONSUMPTION PROFILE points to the consumer liking **INTERNET STOCKS**. The system brings forward **"YAHOO"**.

- 5 Scenario 1: consumer buys "Yahoo". TRUE CONSUMER PROFILE is representative of the user. The system can continue refining the profile of the user being validated another profile parameter of the user.
- 10 Scenario 2: consumer DOES NOT buy "Yahoo". TRUE CONSUMPTION PROFILE is not yet fully and accurately representative of the user, and the evolution of the consumer profile continues.

15 **THE SYSTEM HAS THE ABILITY TO VALIDATE ITS FINDINGS AS THEY OCCUR, AND TO BENEFIT THE INDUSTRY SUPPLIER AT THE SAME TIME BY GENERATING CUSTOMER SATISFACTION THROUGH THE PRESENTATION OF BETTER SUITED OPPORTUNITIES TO THE CONSUMER.**

20 Practically, the method and system of the present invention can be embodied as the schematic representation of Fig. 1. The present invention bridges a customer's self-derived profile determination and his/her actual market behaviour derived profile for an improved assessment of actions and strategy. A client interacts with the system through a telecommunications link, such as the Internet or World Wide Web. The system includes means for administering the industry profile questionnaire, for rewording the responses in a database as a "base profile". Subsequently, whenever the user interacts with the system, all inquiries, purchases, theoretical/simulated responses are stored. These information are continuously compared to the base profile, and a reaction log is created. The profiles can also be updated with the new information so as to create new governing profiles, which will also be continuously updated. Furthermore, the user can also be prompted for reactions or explanations to inconsistencies between the

25

30

"consumption profile" and the "base profile". These reactions or explanations are also stored.

5 It should further be understood that the expression "customer", "consumer", etc. are used interchangeably in the present description and have equivalent meanings therein.

Although the present invention has been explained hereinabove by way of a preferred embodiment thereof, it should be pointed out that any modifications to this preferred embodiment within the scope of the appended claims is not deemed to alter or change the nature and scope of the present invention.

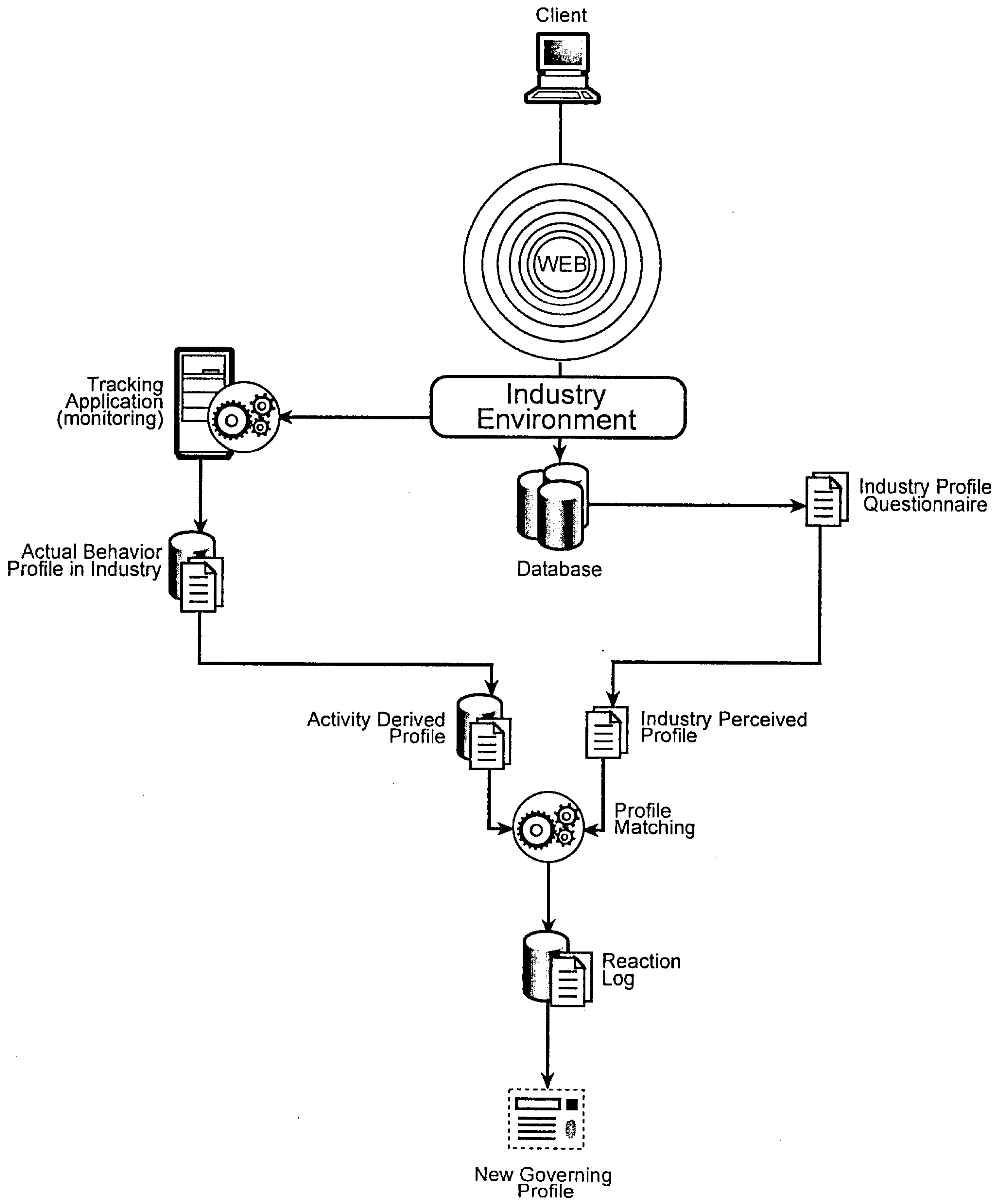


Fig. 1

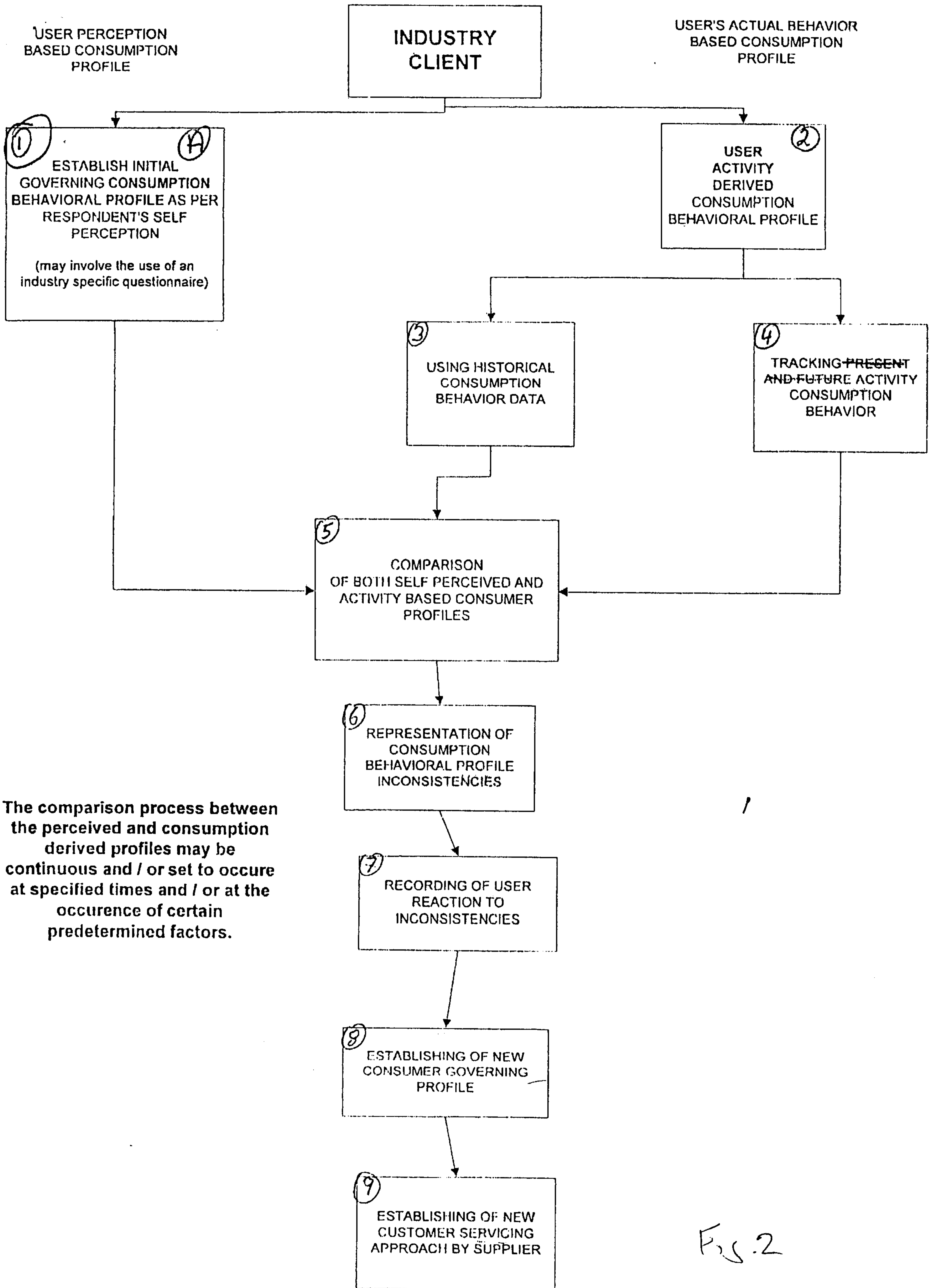
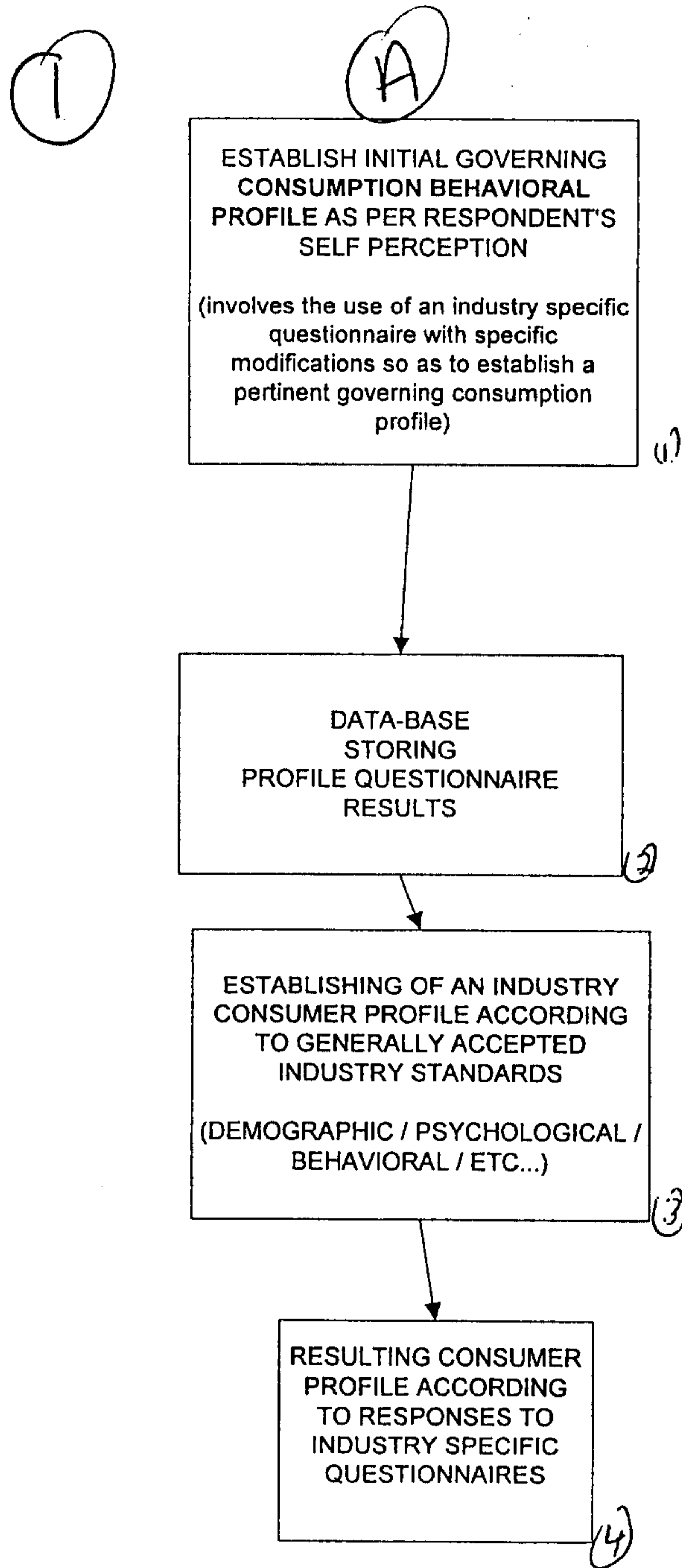
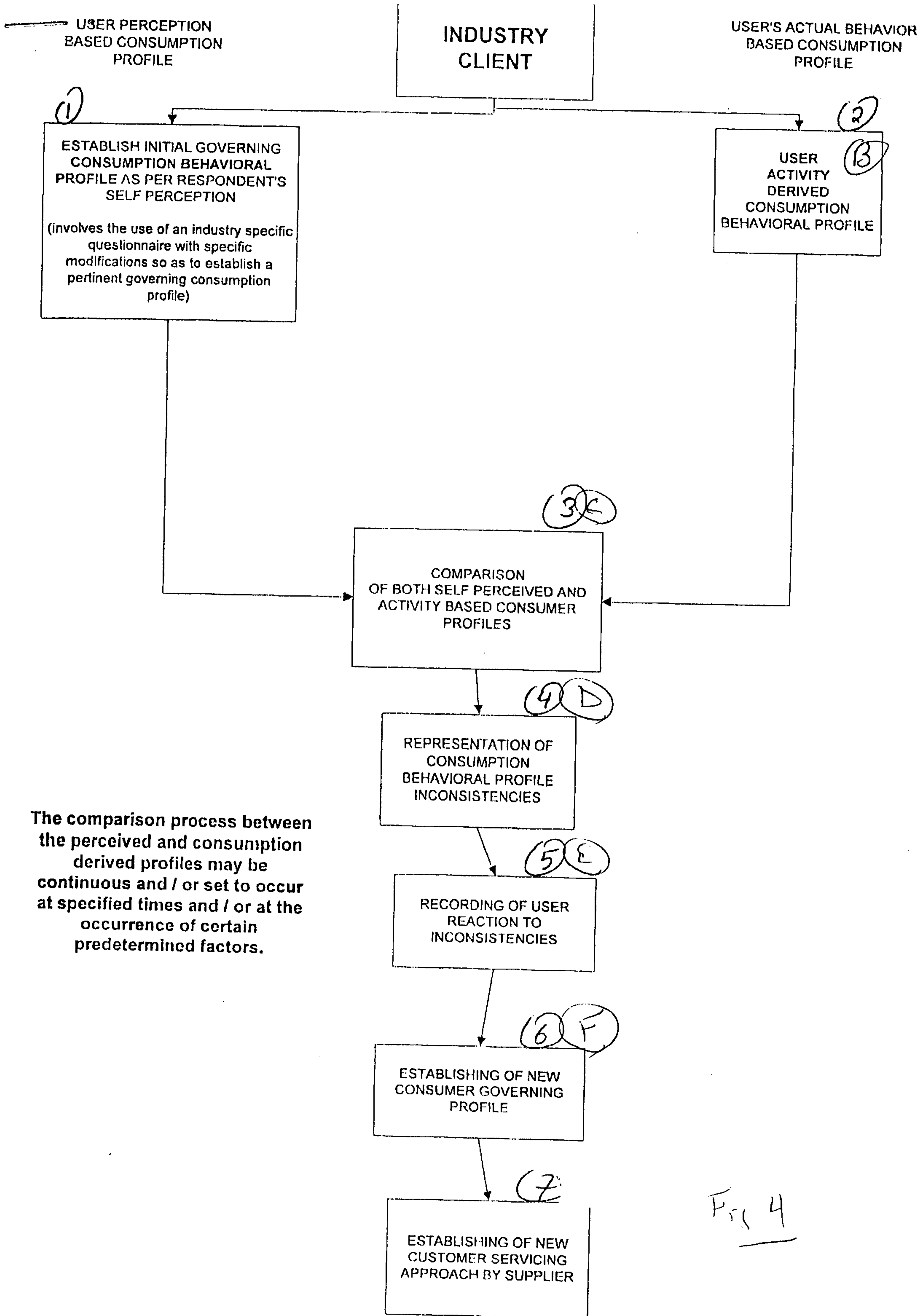


Fig. 2

# ESTABLISHING AND LOGGING A RESPONDENT'S SELF PERCEIVED CONSUMPTION BEHAVIORAL PATTERN PROFILE



FSS.3



The comparison process between the perceived and consumption derived profiles may be continuous and / or set to occur at specified times and / or at the occurrence of certain predetermined factors.

Fig 4

# ESTABLISHING AND LOGGING A RESPONDENT'S TRUE ACTIVITY DERIVED CONSUMPTION BEHAVIORAL PATTERN PROFILE

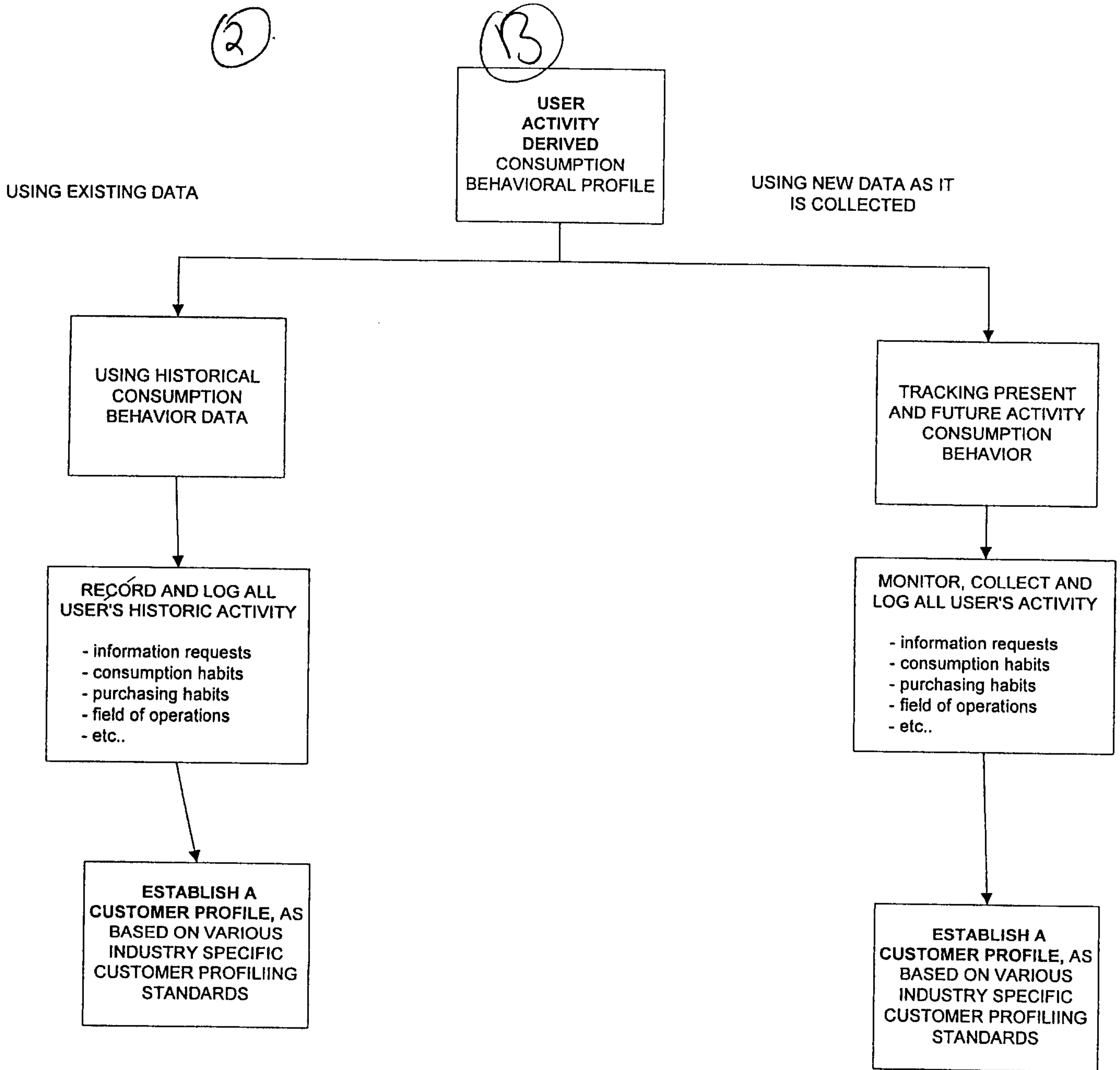


Fig 5

# RECONCILING SELF PERCEIVED AND ACTIVITY DERIVED CONSUMPTION BEHAVIORAL PATTERN PROFILES

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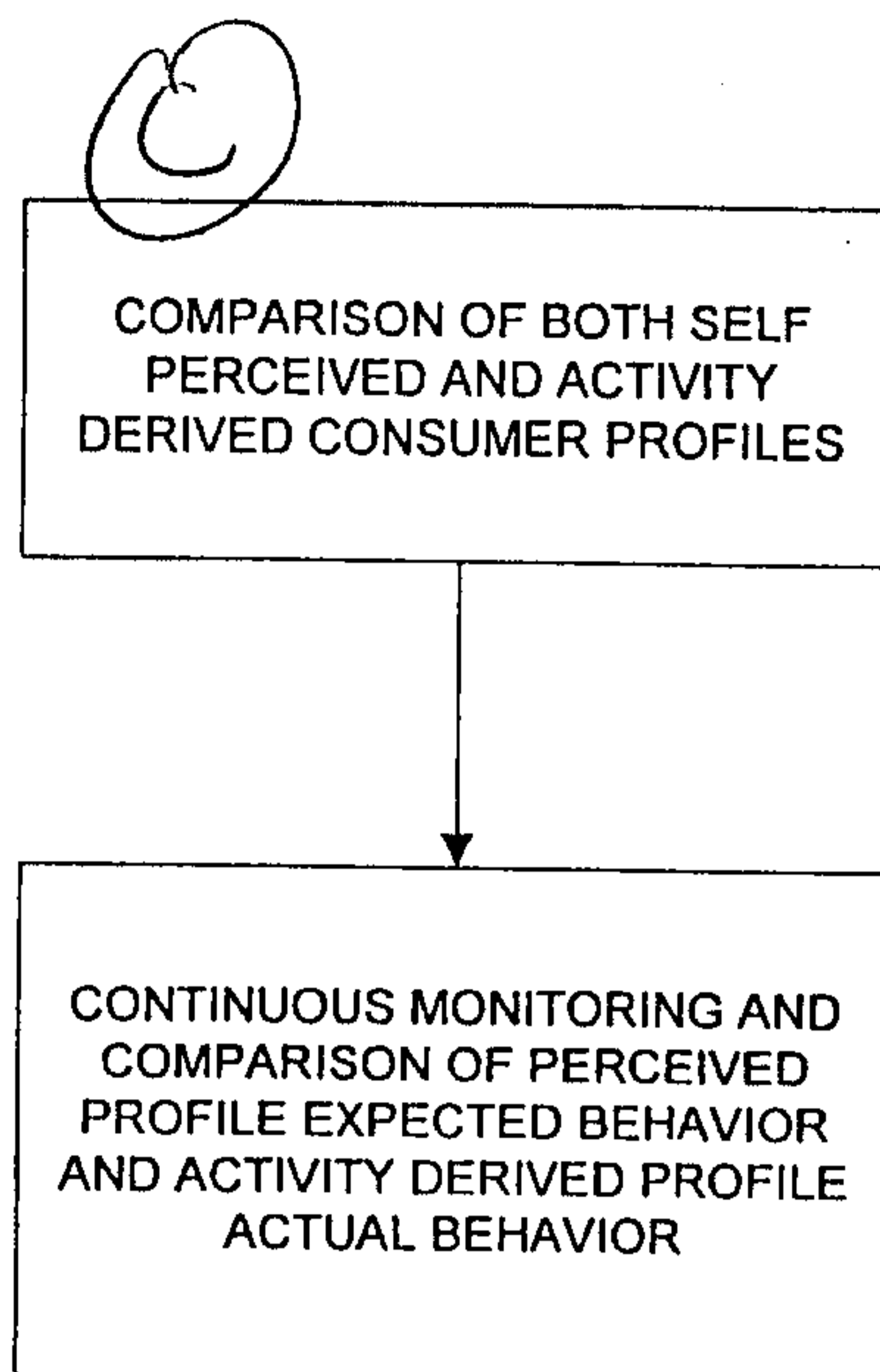


Fig 16

REPRESENTATION OF CONSUMPTION BEHAVIORAL  
PROFILE INCONSISTENCIES

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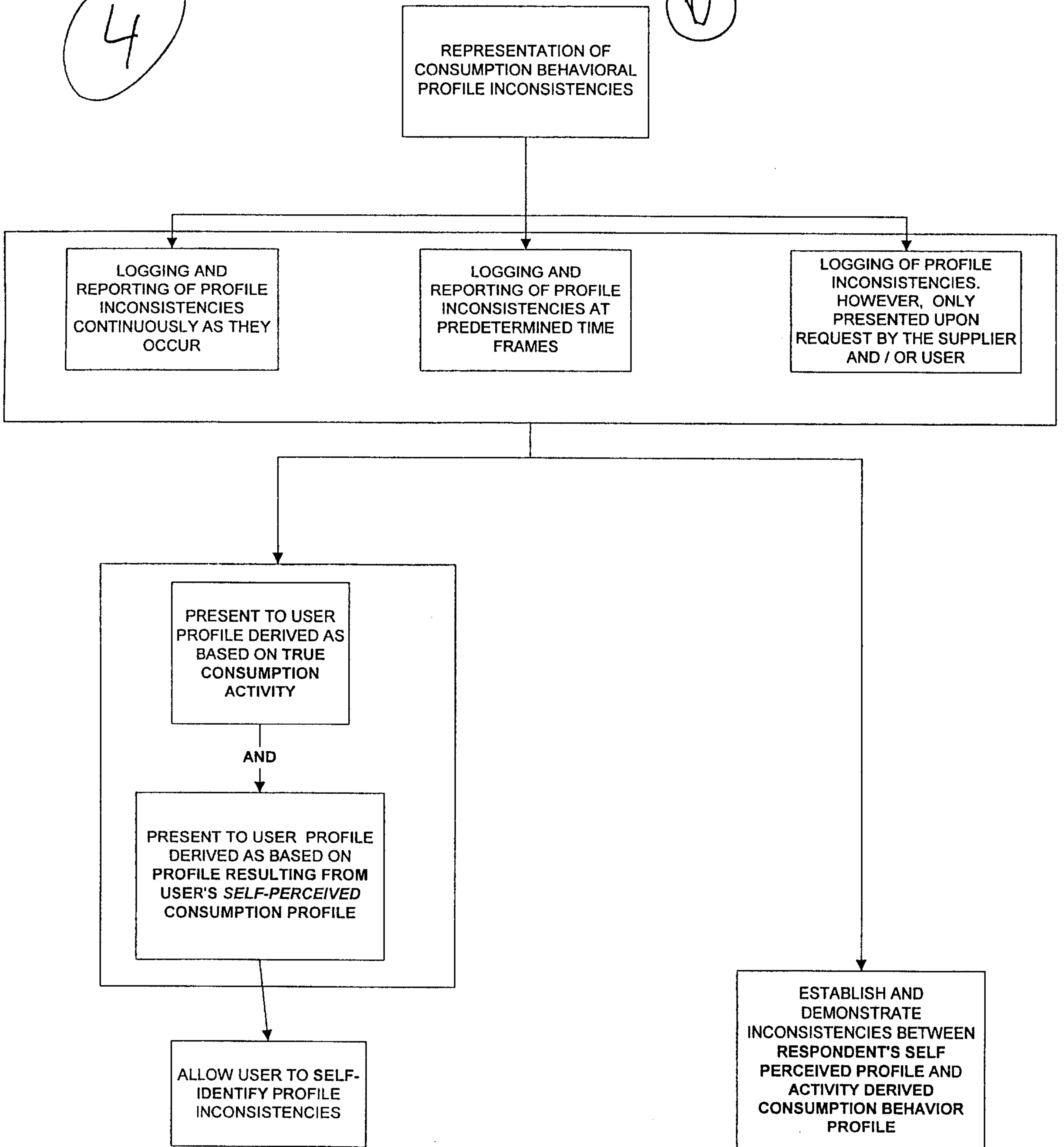


Fig 7

# RECORDING OF USER REACTION TO INCONSISTENCIES

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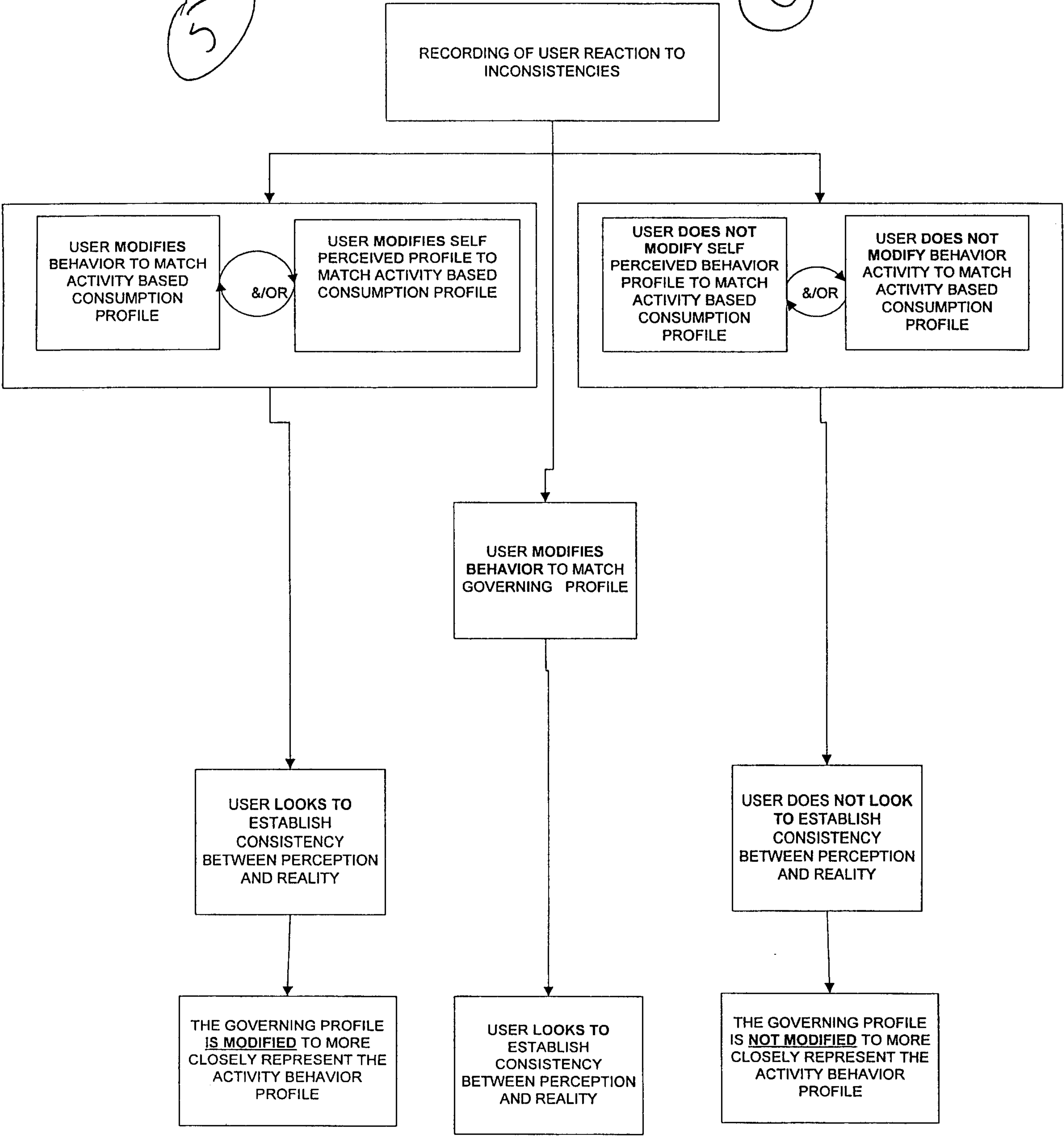


Fig 8

# ESTABLISHING A MODIFIED CONSUMPTION BEHAVIORAL PATTERN GOVERNING PROFILE

(6)

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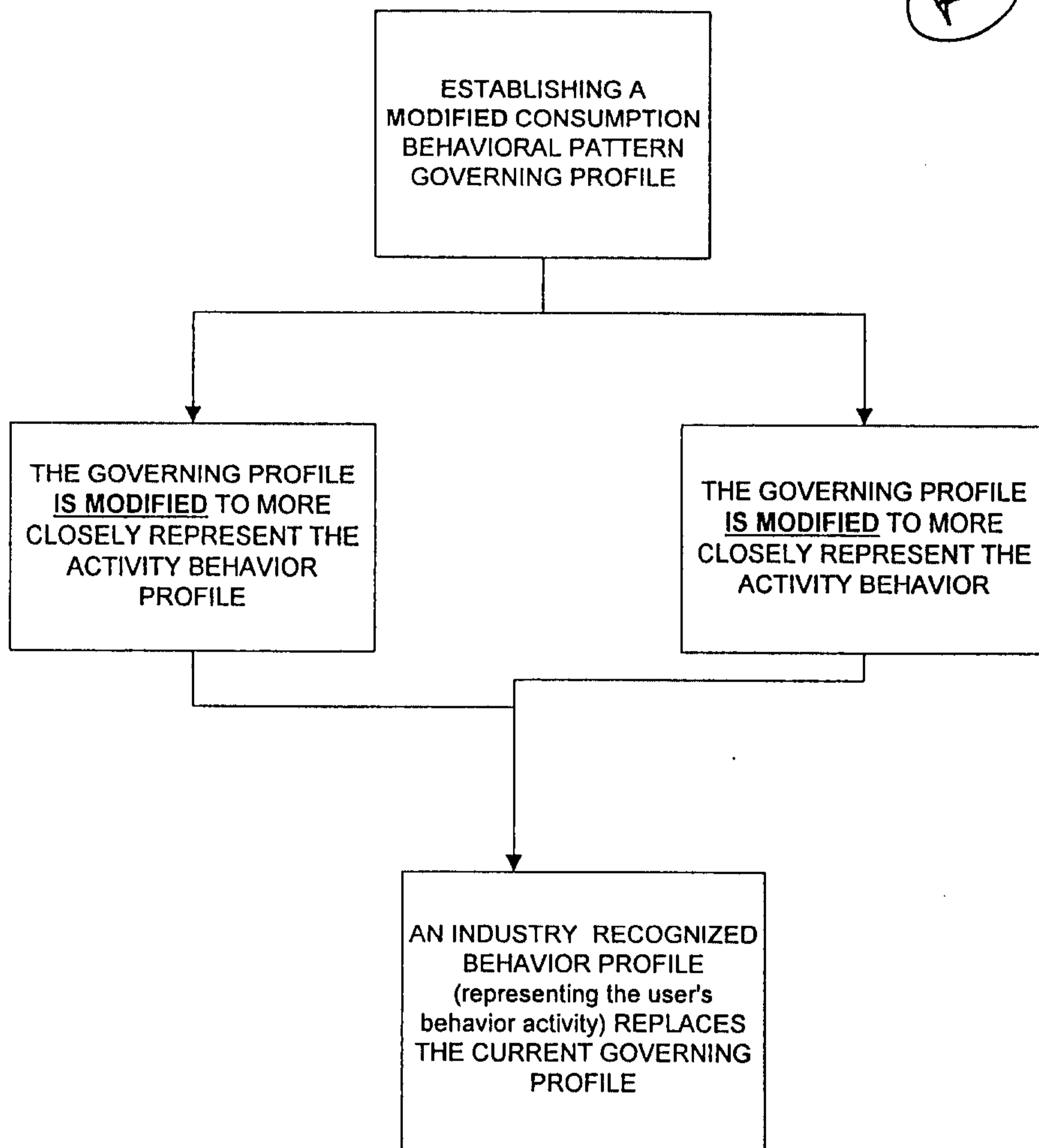


Fig 9

