revenera™

COMPLIANCE INTELLIGENCE

Transforming Anonymous Telemetry into Millions of Dollars of License Revenue

Actionable leads to monetize overuse and piracy for a leading global software firm

A leading global software firm providing state-of-the-art tools for professionals throughout the technical, design, and creative industries needed to identify infringing organizations from basic phone-home data

CHALLENGE

- Transform raw anonymous telemetry data into actionable leads for monetizing overuse and piracy

SOLUTION

- Leverage Revenera Data Enrichment for identifying and validating high-quality compliance leads and increasing license revenue recovery, without SDK integration or additional engineering effort

BENEFITS

- Nearly tripled the percentage of identifiable leads generated from anonymous IP addresses
- Representing close to $4M of incremental revenue in the pilot assessment alone

Basic telemetry yielded disappointing results

A prominent software firm provides advanced solutions in markets worldwide, through channels ranging from corporate sales to consumer retail, in formats ranging from shrink-wrapped disks to cloud-based subscriptions, and on multiple OS platforms. For decades, it has served large, diverse groups of technical and creative professionals who depend on its products to achieve new breakthroughs, and typically spend hours working with its products every day.

The firm knew it was losing license revenue to paying customers whose actual usage far exceeded their entitlements, and to outright piracy by companies who'd never paid. It had embedded basic home-grown technology for monitoring activations, capturing IP addresses, and tracking illegal serial numbers. This software telemetry generated massive datasets: roughly 90 million activation pings with illegal serial numbers per month, all anonymous.

To identify infringers, the firm used a third-party matching service. Results were disappointing: typically, barely 3% of IP addresses could be identified effectively. 85% of infringers were behind an ISP or another identity-masking technology. For nearly 97% of its data, the firm couldn't distinguish outright pirates from customers' overuse; or discover which pirates were individuals not worth aggressive pursuit. In some cases, hostname/MAC addresses were visible, but most still couldn't be identified with confidence.

Using an in-house approach, barely 3% of IP addresses could be effectively identified

The company had tried and failed to develop internally a more robust solution and scalable investigation process. Executives also knew other approaches to capturing and analyzing advanced software telemetry were available. For example, with Compliance Intelligence, they could capture specific geolocation data through Wi-fi access points, helping them pinpoint infringers more accurately. However, the company was traditionally reluctant to embed third-party telemetry.

Once any internal concerns regarding potential software impact could be eliminated, a third-party embedded solution might become an option later. In the meantime, an enormous amount of raw data was going unused. Couldn't some of it be used to drive more revenue—especially now that the company was moving towards a monthly subscription model that reduced the short-term costs of "becoming legal"?

Revenera helped a leading software company transform previously worthless telemetry into nearly $4 million in incremental revenue

Significantly enhanced identification of infringing organizations

To get more from its data, the customer decided to run a pilot with Revenera's Data Enrichment service. It gave Revenera a subset of data from select geographies which it had already failed to correlate through its internal and external resources.

Revenera correlated this data using our exclusive centralized processes and best-of-breed data services, including advanced tools for IP investigation, geolocation, social networking, and more. Data Enrichment includes connections with domain name histories and registries that identify the usage of IP addresses not just now, but over time.

To match this anonymous data, Revenera drew on information and identifications developed through work with hundreds of software companies, including millions of domains known to be associated with non-complaint use. Much of this knowledge was developed by serving clients whose customers overlap with this software provider, making it even more relevant.

These enrichments significantly enhanced identification of overuse and piracy. However, substantially more value was added through Data Enrichment's unique human component: subjective insights and cross-referencing by exceptionally experienced compliance investigators.

For example, there is no international formatting standard for data returned by WHOIS lookups around the world, but Revenera analysts can identify connections missed by today's best algorithms, identifying multiple locations of the same global company. This helps the software company understand the full extent of an existing customer's overuse, so it can be monetized. So, too, many WHOIS lookups are obscured through privacy services or by simply reporting the ISP's name. Algorithms can be built to look for information in alternate fields, but fully automated systems perform poorly with complex global user bases. Data Enrichment solves this problem by complementing data and algorithms with selective human review.

Developing a $4M actionable compliance pipeline

Before implementing Data Enrichment, the software provider could transform only 3% of anonymous egress IP addresses into actionable leads. Given a set of IP addresses with the 3% of identified leads already removed, Revenera processing quickly identified four times as many infringing organizations. Within just a few weeks this returned 1,000 new leads, encompassing both existing customers and prospects, with a net value of nearly $4 million. Plus, the process was fully non-invasive: it drew on existing telemetry data previously viewed as useless.

Data Enrichment output adds a new stream of leads, with no additional strain on the development organization. The new leads, organized by region and fed to the appropriate individuals, give the company's sales organization new flexibility to quickly reassign resources as needed. So, too, while the company currently prioritizes overuse by existing clients, it can move more aggressively to pursue non-customers, commercial usage of educational licenses, or other forms of infringement. Bottom line: the software provider has more promising leads now—and even more later, whenever it makes business sense.

NEXT STEPS

Learn more about Data Enrichment.

LEARN MORE >

Revenera provides the enabling technology to take products to market fast, unlock the value of your IP and accelerate revenue growth—from the edge to the cloud. **www.revenera.com**