

2X Growth in Financial Product Sales Using Predictive Analytics

Customer profiling and segmentation drives historic jump in conversion and cross sales

Client

Our client is a leading bank with approximately 20 million customers using its current and savings accounts. This bank has significant presence across its market of operations and has notable customer service practices in place.

Business Requirement

Our client wanted to leverage its existing customer database to cross-sell one of its retail products. Customers bought the product through other channels, without realizing they could purchase it directly from our client. Leveraging its customer base for this high-volume, high-margin product was an important driver to revenue growth for the client. Its two objectives were:

- Maximize the base of prospective customers for cross-selling this product.
- Understand target customers' preferences and their propensity to buy based on information they already had.

The client wanted us to analyze and segment customers' buying preferences and target them with relevant messages.



Figure 1: Concentrix' Predictive Analytics: The Right Offer at the Right Time

Our Solution

Concentrix used predictive analytics to target customers with the right offers at the right time, enabling them to be relevant throughout the customer lifecycle. As part of the strategy design, we performed a comparative profile of all customers, starting with data quality checks, to ensure data consistency.

We designed various models to identify possible buying patterns by customer segment using a randomly-generated sample database. We developed a robust analytical model, which included:

- **New data fields** to identify customer spend on various investment products at different times during the product lifecycle.
- **Application of statistical techniques** to establish correlation between any two fields.
- **Application of business logic** to create these surrogate fields.

As part of this exercise, we developed individual scorecards for each customer. This scorecard was a framework for developing new smart-selling strategies.

- **Customer profiling:** We used clustering and logistical techniques to group customers based on their propensity to buy this product and when they buy it. This helped us to develop a “Did You Know” series explaining the characteristics of customer groups with different buying propensity to help the financial institution identify the potential customer at the branch level.
- **Customer segmentation:** Model scores were used to segment customers for the smart-sell campaign based on their complete portfolio.
- **Implementation:** Based on Concentrix’ Analytics insights, our client implemented a solution to prompt employees, contact center advisors, and other staff members to intelligently interact with customers on product sales.

The system was also used to record customer responses, which provides additional and continuous improvement tools to update the predictive model in use.

Major Results

Our solution helped in better targeting customers by analyzing their buying patterns and widening the consumer base.

- **Increase in sales:** During the first campaign, our client realized a two-fold increase in sales compared with previous campaigns.
- **High conversion rate:** Conversion rate (offer to buy) during our engagement was the best in the history of this financial institution.
- **Better CSAT scores:** CSAT scores improved as advisors were more considerate and confident with customers because of the knowledge support we designed. The scores showed an increment versus the dips seen during previous cross-sell campaigns.

Given our successful engagement, our client’s internal team was given additional responsibility for future campaigns and business analytics for other products and services.

To learn more, please contact us at inquiry@concentrix.com or visit www.concentrix.com

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