

Case Study

SALES ANALYTICS

The Challenge

A large financial institution in South Africa was selling products with long term contracts had adopted a call centre campaign and found that although their response rate (the proportion of people taking the calls) was high, their take-up rate (proportion of people purchasing the product and making their first payment) was significantly lower. Contacting and talking to people takes time and money, which is not generating a return if a sizeable portion of these people don't become paying customers, therefore the challenge was to increase the conversion of leads to paying customers thereby increasing profitability.



Conversion Rate Summary



The Solution

BusinessOptics Prescriptive Sales and Customer Analytics solution was identified as the correct solution to mitigate the discrepancy between the response and take-up rates. BusinessOptics prescriptive analytics solution makes use of business modelling and data science to predict and recommend actions.

In this scenario the likelihood of the first payment being made was predicted within the selected leads based on the customers' profiles information such as demographics, financial affordability and past behaviour amongst other factors. Based on the predicted likelihood of the first payment being made, the leads were segmented into three classifications:

- High likelihood
- Medium likelihood
- Low likelihood

The Solution

The prospects that were identified as most likely to respond positively and make the first payment were offered the product that the campaign was promoting, while the prospects that were less likely to respond positively and make their first payment were offered a different product. The reason for this is that based on customers' profiles they might be more likely to react positively to a product that was more affordable or better suited to their needs. The prospects that were highly unlikely to react positively to the campaign were not contacted as this would have been a waste of resources.

The Results



INCREASED REVENUE

Increased Take up Rate by 20%
 Increased Average Revenue by 6%
 Reduced Churn Costs



ADDITIONAL BENEFITS

Understanding which factors actually affected Take up Rates and using this information to streamline the process by not capturing irrelevant information

Putting the modelling directly in the hands of their business analysts which enabled them to iterate rapidly on product design and new campaigns



RETURN ON INVESTMENT

10x Return on Investment was achieved

Contact information



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