

Cross-sell Conversion Model

Leading insurance company increases cross-sell conversion by 40% and annual profit by \$600,000 using Fractal's models

SUMMARY

- **Client**
A leading insurance company*
- **Challenge**
To increase the response rate for cross-sell tele-marketing program and reduce cost of the campaign to make it more profitable
- **Solution**
Fractal's advanced predictive modeling techniques
- **Result**
Enabled client increase response rate by 40% and realize an annual increase in profit of \$600,000

** This case study is based on a Fractal client that has requested anonymity*

■ The Solution

The Fractal team developed predictive models to identify high response customers from the total portfolio of customers. We used each customers' savings account data (account balance, withdrawals, number of transactions etc) and demographics to assess their likelihood of purchase.

As the first step we analyzed the data from previous campaigns to identify customer behavior patterns that correlate with a positive response to the acquisition campaign. Visualizations across various parameters such as gender, age, average balance etc. were drawn to predict customer behavior towards buying the insurance product.

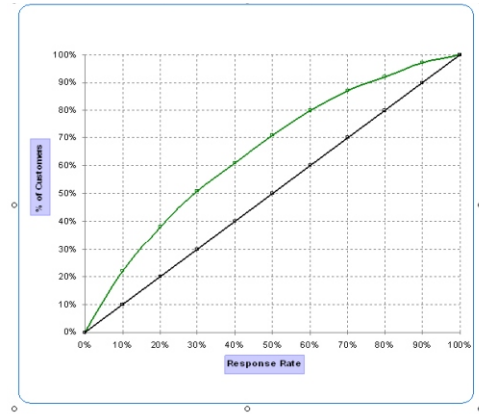
The team then used sophisticated statistical techniques to build predictive models that computed response probabilities for each customer.

■ The Business challenge

Our client, a leading insurance company was conducting customer acquisition campaigns by targeting customers of banks that were their partners. Our client wanted to increase the effectiveness of its tele-marketing campaign by targeting segments that were most likely to buy thus reducing the cost of customer acquisition.

■ Result

Customers with a high response score were then selected for the acquisition campaign. The client verified that Fractal's predictive models helped in achieving a 40% increase in response rates which resulted in an annual increase in profit of more than \$600,000.



- Top 4 deciles capture 65.1% of the responders.
- Top to bottom ratio of responders is 7.81.
- Top to avg. ratio of responders is 2.1.

➤ About Fractal

Fractal is a leading provider of customer analytics to consumer banks, credit card issuers, CPG companies and telecom companies.

Fractal's analytical solutions have helped companies across the globe enhance profitability by powering their customer management efforts with scientific decision making.



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