

Predictive Modeling Boosts Cross-Sell Campaign Results to \$19 Million

Marketing Services Success at a Glance ...

- Overall campaign response rate 6.8%
- More than \$19 Million in retail deposits and loan balances

Background

A bank with approximately \$22 billion in assets, recognized for its entrepreneurial approach, innovative use of technology and distinctive banking solutions was considering whether to implement a cross-sell program.

Challenge

Although the bank partnered with Harland Clarke for a comprehensive onboarding program, the institution was reluctant to implement a cross-sell program, fearing that a heavy-handed sales push would clash with its relationship-driven business approach. However, the bank was open to the idea of a highly targeted cross-sell campaign to promote products that would save their account holders money, as well as provide services they really needed.

Solution

Harland Clarke used Stratics® predictive modeling to analyze the bank's account holders' current products and those they were most likely to buy next. As a result, they identified specific customer subsets who were most likely to respond to offers for checking accounts, money market accounts, consumer loans, home equity loans and mortgages.

To create a basis for comparison and fully assess the success of the program, Harland Clarke also established a control group of customers who met the campaign's propensity criteria, but did not receive cross-sell letters.

Results

Targeting only those account holders with the highest propensity to respond, the bank was able to deliver the right products and services at the right time. Account holders reacted very positively to the new cross-sell campaign, responding online and by phone, and coming into the branches to open new accounts and loans. The increased account openings also generated



excitement and enthusiasm among branch personnel, who saw that the cross-sell program was effective. In fact, the first wave of the cross-sell campaign appeared to be so successful so quickly that the bank decided to proceed with a second wave before the initial results were fully assessed. When the results came in they revealed this single wave generated:

- An overall response rate of nearly 7% for the campaign
- More than \$19 million in retail deposit and loan balances



82% lift vs control group

Segment	Acct Response %
Checking Cross-sell	3.97%
Consumer Loan Cross-sell	9.56%
Home Equity Cross-sell	7.31%
Money Market Cross-sell	5.37%
Mortgage Cross-sell	7.83%
TOTALS	6.81%

Relative to the control group, the account holders who received promotional mailings responded at a significantly higher level. For mailers promoting checking offers specifically, response was outstanding – 82% more accounts and services were opened by customers receiving the checking offer than by the control group of customers with the same propensity who didn’t receive the mailing.

For this bank’s existing clients, propensity based targeting accomplished impressive results, expanding the bank’s wallet share, underlining its brand values and enriching its bottom line.

Many variables impact marketing campaign success. The information on earnings or percentage increases that is contained within this case study is provided for demonstrative purposes only. Harland Clarke does not guarantee or warrant earnings or a particular level of success with a campaign.

To learn how Harland Clarke can help your financial institution achieve greater cross-sell results, call **1.800.351.3843**, email us at **contactHC@harlandclarke.com** or visit **harlandclarke.com/CrossSell**.

Harland Clarke’s Lifecycle Marketing Solutions — powered by advanced analytics, insightful data and award-winning creative designs — drive engagement and profitability at every stage of the account holder relationship.

Through effective acquisition, onboarding and cross-selling strategies, we help our clients achieve primary financial institution status with their account holders.

Acquisition

Reach prospects with targeted, effective communications that encourage new account openings and set the foundation for strong relationships

Onboarding

Use relevant account holder data to deploy multichannel communications that effectively transition new account holders into satisfied, loyal customers

Cross-sell

Increase the number of household products to capture full profit potential