Next Best Customer

Unlocked the legacy data to derive insights into the Next Best Customer

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Introduction

A major American regional bank's legacy systems were dulling its competitive edge. We helped them unlock legacy mainframe data from core systems into an intelligent data lake creating a single pane of glass view for all business data.

Business Challenge

There was a general sense within the bank that it was falling behind the competition and the bank's commercial banking division and it RM's were struggling with their sales targets & business due to multiple challenges:

- The Bank was lacking a system to identify their top percentile customers, their charateristics & prioroities

- There was no system to assist the bank to offer the target set of products / services to their top ranked customers

- The Multiple tenured products were nearing expiration with low buying prospects

- In the Commercial business vertical, lack of centralized information for cross-selling or upselling of products was impacting the growth

These challenges affected business, especially the higher costs paid per compute cycle that adversely impacted the bottom line. The bank was running out of time to fix these issues, as any enterprise solution would need a three-year timeline to implement.

SLK's Solution

The client partnered with SLK to enable data-led digital transformation. SLK's consultants, with a deep banking domain understanding and data and digital expertise, assessed the current situation. Taking into consideration the findings of our due diligence, we conceptualized, designed, and implemented the solution based on the Iterative use case based approach including Use case prioritization and rollouts, Platform Setup, process this included: Data governance and quality – extended for real-time channels.

- Omni-channel data foundation – developed a 360-degree relationship view of customers by integration of data from different internal and external data sources

- Conceptualized methodology using various parameters that differentiate between top customers and the rest of them

- Performed exploratory and predictive analytics to understand top customer characteristics

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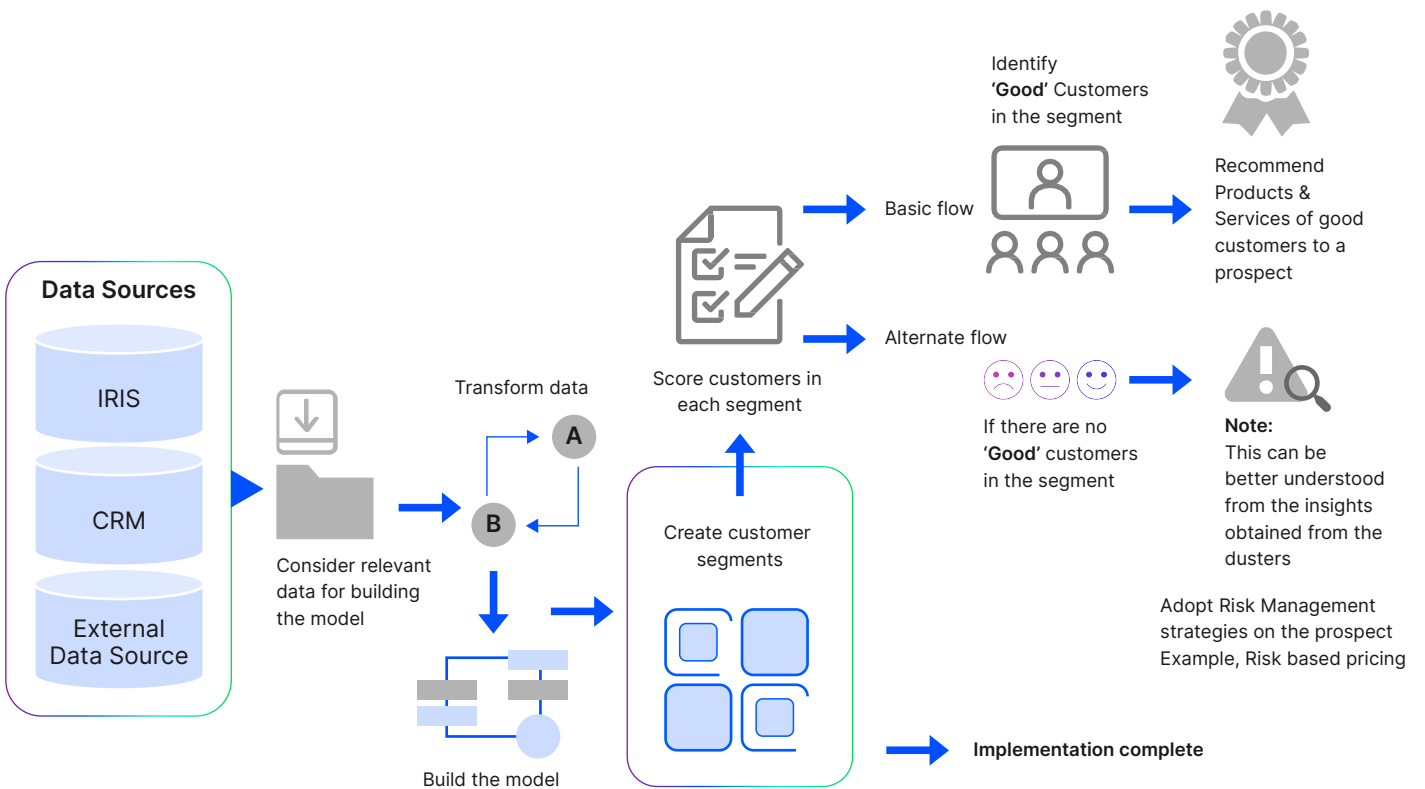
SLK's Approach

SLK in consensus with the client devised a use case led approach to deliver quick insights for understanding the customer preference and improving the RM's performance:

Key Considerations:

- Find new segments of customers and prospects
- Use key cohort signals to develop targeted campaigns or more personalized sales strategies
- Explore or revisit tiered-pricing

Key Use Cases Identified

Recommend products to improve profitability	Understand customer preferences with respect to products & services	Understand customers' preferred communication channels	Inputs to risk management strategy for the non-profitable segment	Analysis of service requests to understand customer needs

Data Sources

IRIS

CRM

External Data Source

Consider relevant data for building the model

Transform data

A

B

Build the model

Create customer segments

Score customers in each segment

Basic flow

Identify **'Good'** Customers in the segment

Recommend Products & Services of good customers to a prospect

Alternate flow

If there are no **'Good'** customers in the segment

Note: This can be better understood from the insights obtained from the dusters

Adopt Risk Management strategies on the prospect Example, Risk based pricing

Implementation complete

Technology Implemented

Sqoop, Nifi, Spark, IBM Data Science Experience, Python

Benefits

| Risk Profile Coverage	Increase in Business	Top Profitable Customers Identified
100%	**3%**	**~20%**

Values Delivered

Enabled a scoring systems to profile the Banks top customer

Enabled ML Based Predictive Model to identify the next best customer

Empowered the Banks RM to understand the existing customer's preferences with respect to products & services and improved their performance
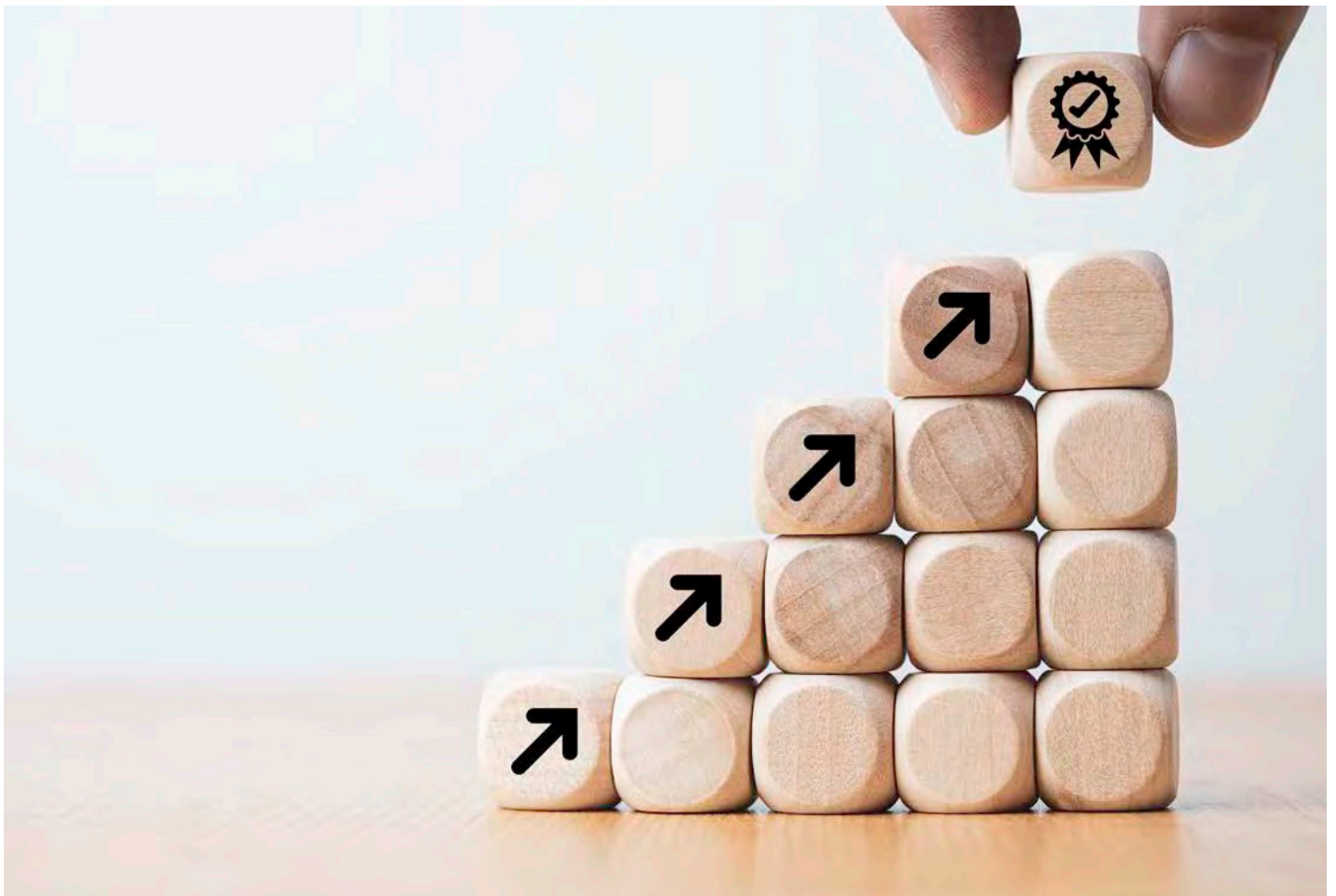
Quick Results Achieved

Our team's data-led digital solution helped the client create an enterprise data platform. We brought in a single pane of glass view of the bank's customers, creating cross and upsell opportunities to drive more business by determining the Next Best Customer and Improving the RM's performance. This omnichannel solution also helped them achieve superior customer experience.

Get in touch! Write to us at hello@slkgroup.com for more details.

About Us

SLK is a global technology services provider focused on bringing AI, intelligent automation, and analytics together to create leading-edge technology solutions for our customers through a culture of partnership, led by an evolutionary mindset. For over 20 years, we've helped organizations across diverse industries - insurance providers, financial service organizations, investment management companies, and manufacturers - reimagine their business and solve their present and future needs. Being A Great Place To Work Certified, we encourage an approach of constructively challenging the status quo in all that we do to enable peak business performance for our customers and for ourselves, through disruptive technologies, applied innovation, and purposeful automation. Find out how we help leading organizations reimagine their business at https://www.slksoftware.com/

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