

CASE STUDY

Precision Targeting Leads to Lower Household Acquisition Costs, Better Results

MORE THAN
200%
LIFT OVER CONTROL

40%
DECREASE IN THE COST TO
ACQUIRE A HOUSEHOLD

35%
IMPROVEMENT IN NEW
ACCOUNTS OPENED

CHALLENGE

A regional bank with \$25+ billion in assets sought to acquire new households and grow core deposits. The bank wanted to grow deposits and drive higher ROMI by increasing activity from the mass affluent segment and employ sophisticated data analytics to refine its strategy and improve results.

SOLUTION

Having experienced positive results with other Vericast solutions, as well as possessing confidence in Vericast's extensive analytics capabilities, the bank chose Deposit and Household Acquisition from the Acquisition & Retention product suite. Deposit and Household Acquisition uses proprietary data analytics and robust modeling techniques to identify prospects who match the profile of a financial institution's best customers, then sends those who are likely to respond highly personalized offers with high-quality creative and materials. Acquisition & Retention also delivers the ability to conduct a "crawl, walk, run" strategy, using learnings from past mailings to influence and enhance performance of subsequent mailings.

RESULTS

The bank employed Acquisition & Retention to execute five mail drops over the course of one year, which used a custom machine learning household-level response model instead of PCR-level targeting.

With precision targeting, the model identified the best households for the bank to engage, with outstanding results:

- More than 200 percent lift over control
- Reduced cost to acquire a household from \$350 to \$209 using household-level response model
- 40 percent decrease in the cost to acquire a household
- 35 percent improvement in new accounts opened

Vericast analyzed learnings from each mailing wave to refine and inform future mailings. Blending the insight gained from the neighborhood targeting approach with specific proprietary household-level data, helped develop a machine learning response model. The deployment of this custom model improved results and served to “retrain” or refine the model with new response data from every wave, thereby improving the targeting power of the model with each deployment. The bank continues to use Acquisition & Retention in 2020; we look forward to sharing its journey of sustained positive results.

Many variables impact campaign success. The information contained within this case study is provided for demonstrative purposes only. Vericast does not guarantee or warrant earnings or a particular level of success with a campaign.

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Discover the critical components necessary to execute successful household acquisition campaigns. Contact us at contact@vericast.com.