Optimizing success of consumer leads for the finance industry

Problem

A US-based specialist lead reseller to the financial industry wished to optimize the success of lead acceptance by its customers

Solution

Statistical analysis led to the identification of factors which affected whether a lead would be accepted by customers or not

Results

Actions were identified and taken to both increase revenues and reduce costs, targeting a 10% improvement in lead performance resulting in $2.06MM of revenue

Overview

The retail agents of the giant financial and insurance institutions rely on a stream of fresh, high-quality consumer leads in order to sell the institutions' retails products and services. One foremost industry aggregator and specialist consumer lead reseller to the finance industry needed to understand its lead behavior better in order to optimize client satisfaction and its own financial performance. The company sources leads directly from specialist lead-generating vendors, rates them for quality and then redistributes the leads to agents and corporate customers. Some of these leads are rejected and returned. Rejected leads result in a loss of income and can result in a loss of goodwill if lead quality is perceived to be impaired.

Challenges

Lead performance was tracked at an individual level. The economic impact of lead performance at various stages in the sales funnel was calculated. Initial exploration of the data suggested that it would be fruitful to examine lead performance in greater detail by rank, state, vendor and distribution channel, over time. Significant predictive relationships were found for each of these attributes resulting in clear identification of actions for improved lead success.

Results

The identified actions predicated both reduced costs and improved revenues for the client. Revenues were increased by optimizing the mix of customers who were offered leads. Costs were reduced by (i) elimination of vendors identified as supplying under-performing leads and (ii) by lowering bids for leads which involved sub-optimal pairings of distribution customers. Also identified was a pathway to further improve lead performance through improved lead classification and optimization of lead matching to the distribution channel.

≥Alacer
ACCELERATE.