



Unica® Enables Customer-Centric Marketing at Laurentian Bank

With Unica Campaign, Laurentian Bank has increased revenue and reduced time to market

BACKGROUND

Founded in 1846, Laurentian Bank ranks seventh among Canadian chartered banks, with assets of over \$16 billion. Headquartered in Montreal, the Bank offers highly competitive products and superior personalized services to meet the banking and financial needs of individuals, small and medium-sized businesses, and of independent financial advisors, through its own distribution networks and independent financial intermediaries. With 159 retail, 28 commercial and 13 brokerage branches, a network of over 300 automatic banking machines, approximately 650,000 retail customers and a total of one million clients including commercial, Laurentian is the seventh largest Canadian chartered bank.

THE CHALLENGES

The Bank decided it wanted to introduce a customer-centric corporate culture and marketing strategy. In order to implement a customer-centric marketing strategy, the Bank needed to centralize and coordinate all customer decisions so that treatment strategies could be executed consistently across touch points. The Bank acknowledged that the complexity of implementing one-to-one marketing, coordinating cross-channel efforts, and delivering timely messages was too complex and time consuming to support manually and without marketing standards.

Based on the desire to become customer-centric and improve a customers' experience, the Bank decided to purchase an enterprise marketing management (EMM) solution to enhance its interactions with customers and ultimately deliver coordinated, cross-channel communications that are focused on the customers' interests and needs.

THE SOLUTION

After evaluating several vendors, the Bank selected Unica's Enterprise Marketing Management (EMM) solution, Unica Campaign. Unica Campaign is Unica's cross-channel campaign and interaction management application and was chosen to help design, implement, execute, manage, integrate, and coordinate a customer-centric contact strategy across marketing channels, branches, direct mail, sales center, and email. The main reasons the Bank selected Unica Campaign was for its flexibility to use different data sources and its simple, straightforward approach to implementing daily event-triggered communications.

Below are two examples of how the Bank is using Unica Campaign today.

Line of Credit

In order to acquire new line of credit customers, the Bank created a cross-sell campaign targeted at existing customers. One goal of the campaign was to make it as easy as possible for customers to open the line of credit thereby boosting response rates.

Using Unica Campaign, the bank designed a multi-channel, multi-wave interaction strategy. The first step in the campaign was to leverage proprietary segmentation schemes and a propensity model to identify those customers most likely to open a line of credit. Once selected, this information was analyzed to obtain preapproval amounts for each customer.

As part of the first wave, the segments were further refined based on pre-approval amounts, behavioral attributes, including products owned, transaction frequency, and product usage patterns. After this refinement, targeted offers were sent to the customers via direct mail and the inbound call center.

OBJECTIVES

- Increase revenues through cross-sell and up-sell strategies
- Boost customer loyalty and average response rates
- Improve the client experience with highly segmented offers
- Enhance ROI of data investments

RESULTS

- Increased revenues through cross-sell and up-sell strategies
- Grew average response rates by 44%
- Reduced time to market by 328%
- Enhanced ROI of data investments

"Unica's capability to manage multi-wave, multi-channel communications was key. With Unica Campaign, we have been able to greatly reduce our time to market and boost response rates."

*Elias Hadaya
Senior Director,
Database Marketing*

Since pre-approval was already obtained, the offers were designed such that customers simply had to sign an agreement to open the line of credit—there was no waiting or approval process required.

The second wave of the campaign focused on customers who did not respond to the first wave. Following three weeks of no-response, Unica Campaign was used to execute a “reminder” direct mail piece encouraging customers to review the proposed offer.

In addition to the campaign design and execution, a closed-loop feedback process was put in place to capture and track various responses as well as analyze the overall campaign effectiveness. Both direct and indirect responses were captured using Unica Campaign’s built-in response tracking and real time operational performance reports.

Using Campaign, the campaign was executed in two weeks—a 328 percent improvement. Additionally, due to the enhanced targeting and segmentation as well as the ability to automate a second wave of the campaign, a 44 percent increase in response rates was achieved.

Credit Limit Increase

In order to have the Bank’s Visa card become the preferred card in a customer’s wallet, Unica Campaign was used to design a multi-wave campaign with the goal of increasing customer card usage—and additional card requests.

A key challenge in this campaign was managing the complex segmentation, based on past card usage, and matching offer variations with customers to ensure each individual receives the most relevant offer that is also profitable to the Bank. With Campaign, the Bank was able to manage the large volume of offer permutations and track the performance of each against control groups, thereby providing visibility into which offer combinations were most effective with each segment. Prior to Unica Campaign, it was much more difficult and time consuming for the Bank to execute this campaign due to the complexity. Now it is completed in less than one week—and analysis is done in real time.

THE RESULTS

By enabling the coordination of customer communications across channels with Unica Campaign, the Bank has improved the productivity, efficiency and measurability of each customer interaction. Time to market has been reduced by over 300 percent enabling the Bank to focus on new interaction strategies to further its customer-centric approach. The ROI of the Bank’s investments in data strategies such as a new data warehouse and data mart have been exceeded due to Unica Campaign’s ability to turn customer data into actionable strategies that boost response and return. Additionally, revenues have increased through effective cross-sell and up-sell communication efforts.



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