Case Study

How LV= improved response rates by 81% and achieved a 15% uplift in "Good Leads" from its marketing campaigns.



With over five million customers and members LV= (Liverpool Victoria) is the UK's largest Friendly Societies specializing in a range of insurance, investment and retirement products.

In 2010 LV= went to market to implement a multi-channel marketing solution to provide a more targeted approach to direct marketing. The key drivers for the project were to eliminate errors from customer communications, allowing the marketing team to run one solution and provide greater insight from the customer base.

The chosen solution was blueANALYZER from multi-channel marketing software company BlueVenn.

BlueVenn

LIVERPOOL VICTORIA



Before the implementation of the blue*ANALYZER* solution, LV= relied on many different vendors and software packages to extract marketing campaigns. As well as being costly to run and support, the inefficiencies and inaccuracies meant there was scope to improve marketing effectiveness. The risk of mistakes due to manual processing was high. Improved efficiency and reduced risk were the major drivers for investing in blue*ANALYZER*.

Casting her mind back to the old system, Stacie Maxey, Analytics Manager at LV= said, *"We had challenges to implement modelling and our campaigns were less effective. Using multiple marketing products to produce campaigns was risky, costly and inefficient."*

She continues, *"We found it very difficult to answer simple questions about our customers and campaigns. There was a lot of manual intervention needed and using four different marketing tools to get one campaign out the door was a frustration."*

"The business case to bring in one system that would replace all four of our legacy marketing systems was a fairly straight-forward cost replacement. blueANALYZER licence fees and internal IT costs were more or less the same as the cost of supporting and licensing all the other systems we had in place. "

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Stacie Maxey, Analytics Manager at LV=

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LV= now has 10 blue*ANALYZER* licences across two marketing teams. Providing a single platform has allowed a more joined up view of customers, campaigns and product portfolios.

As well as using the blue*ANALYZER* tool, LV= more recently implemented a Single Customer View (SCV) from BlueVenn's sister company Blue Sheep. The SCV was designed to clean data on input using fully documented rules for all records added to ensure the availability of trusted, accurate data. As well as the consolidation of individual details the new database needed to remove any need for manual intervention and ensure greater accuracy of renewal dates, product holdings, deceased and gone away statuses, permissions and full communication history.

With online leads, legacy systems, demographic data, and many other data sources, LV= has over 60 feeds consolidated into the SCV and refreshed weekly. This database sits beneath the blue*ANALYZER* marketing solution providing updated views for accurate segmentation, analysis, modelling, campaigns and reporting.

"I was really pleased with the decision to go with BlueVenn. Any work required on analytics, such as segmentation, customer value analysis or persistency can look across the whole business. We have an up to date view of how, when or where customers buy."

Stacie Maxey,
Analytics Manager at LV=

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With the combination of the SCV from Blue Sheep and blue*ANALYZER* from BlueVenn, LV= has seen huge successes that include better response rates to direct marketing campaigns, improved targeting and increased segmentation capabilities.

The business is on track to achieve a 100% return on investment within a three year period for the SCV provided by Blue Sheep.

Highlights:

- The project will pay for itself within three years, including database build times
- Campaign response rates improved by 81%
- Campaign volumes have increased by 15% (good leads)

One of the more intangible benefits is the efficiency improvement for the marketing team. Marketing would often get bombarded with ad-hoc requests for information about products, profiles and customers that would take a lot of time to pull together.

"Now marketing has produced a catalog of customer profiles for every product, giving anyone on the business the ability to pull up profiles and compare different customer groups. This enables them to see what a typical customer looks like across all our products."

Stacie Maxey,
Analytics Manager at LV=



She continues, *"The new database allows us to target more effectively. Our previous solution didn't have persistent keys and our models were underperforming because model scores didn't match individuals perfectly and this eroded further as time went on. Response rates and data volumes have increased since the new solution went live. We can undertake modeling and the campaign results match the models as they should. It's much easier to explain what happens on the customer journey."*

Maxey no longer sees the SCV as a business improvement but as an imperative that every business must have: *"The Single Customer View is fundamental and I don't know how you can run a business without one. With Big Data taking hold, the SCV is a must have to allow traditional marketing best practice. It supports reporting requirements to measure Big Data initiative results and provides timely information in one place.*

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> Stacie Maxey,
> Analytics Manager at LV=



"Any data issues that surface in the new environment are reviewed and continuous efforts are made to fix them. Risk events are expected to occur less frequently. The LV= team is able to ensure that they're working with the most up-to-date data and that it's consistently cleansed. Our source data has a lot of potential issues that the SCV resolves. The new environment has enabled us to increase the volume of our campaigns by handling permissions better and identifying customer behaviors as they happen. We maintain a complete audit trail of every record which is essential for tracking issues and actively resolving them."

LV= have many sources of partner data lists and external purchased lists that all come with their own challenges for ensuring the data is tagged correctly, de-duplicated and cleansed on entry to the database. *"When handling partner data it's imperative that the risk of manual errors are minimised.*

"With the Single Customer View and analysis tools in blue*ANALYZER* we're able to concentrate on observation and strategy rather than fighting fires and spending time manually fixing known issues."

Stacie Maxey,
Analytics Manager at LV=

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