Prominent Global Bank Leverages Big Data for Profit with Yodlee's Digital CrossSell Solution

A well-known global bank, headquartered in Asia-Pacific, wanted to leverage analytics and data to better understand customer trends for potential marketing opportunities. Specifically, they hoped to create a feature-rich and lasting end user experience to meet customer needs and capture more business. They sought a technical solution that would enable them to sell financial tools and services via targeted online offers. After examining several digital cross-sell solutions, they chose Redwood City-based Yodlee for a six-month pilot. The results exceeded their expectations by a whopping four times, and the bank has since contracted with Yodlee to expand and refine the technology.

Fast Facts

+ **Software:** MoneyManager (SaaS), Java/Yodlee

+ **Delivery:** Hosted by Yodlee in their own private cloud

+ **Customer since:** 2002

+ **Industry:** Banking

Needed: A Robust Digital Cross-Sell Solution that Leverages Personal Financial Data to Create Targeted Offers to Customers

With a world economy that remains sluggish, and a lingering climate of unease around financial institutions, banks are working hard to regain customer trust and increase revenue. At the same time, with the rise of online banking, fewer people are visiting brick and mortar branches. In addition, having tellers describe financial offerings in person is costly. Each in-person transaction at a branch costs a financial institution about $4.25, while an online channel transaction averages $0.19, and a mobile channel interaction averages $0.101.

One global bank with a focus on technology sought to meet these challenges through digital marketing tactics that emphasize online and social media channels. The bank wanted to move in-branch sales conversations online, where customers were going, and leverage the power of big data analytics to help them understand more about their customers' lives and financial situations so they could provide offers that made sense. The bank provides a range of banking and financial products and services to retail, small business, corporate, and institutional clients.

According to a recent survey, active online bankers own 7.6 financial products on average, yet financial institutions own less than half of their customer's business.2 It makes sense to consolidate financial products and services under one roof. These can include mortgage, auto loan, CD and MoneyMarket accounts, retirement accounts such as IRAs, brokerage accounts, credit and debit cards, and auto insurance. To this point, the bank wanted to launch a pilot to test online cross-selling technologies in an effort to secure more of their customers' financial business.

The bank considered a number of analytics capabilities for the pilot and narrowed their list of Software-as-a-Service (SaaS) providers to the following general areas: Internet banking, mobile banking, online brokerage, and personal financial management.

Yodlee was also looking for a test run, so to speak. Nikhil Nadkarni, Senior Director of Product Management, explained that the Yodlee CrossSell product had only been ready for a couple of months when they approached the bank. "We talked first to US banks, then began looking abroad. The timing was right for this bank," said Nadkarni.

> "Results achieved to date have exceeded our lead generation expectations set at the beginning of the pilot by four times, and there are interesting insights into the mix of customer and product results."
>
> - Major Global Financial Institution

Yodlee CrossSell™ is the Chosen Engine to Mine Personal Financial Data For Effective Online Cross-Selling

The bank chose Redwood City-based Yodlee, far and away the most compelling offering, for their pilot. The reason was the strength of the company's data. With over 50 patents in aggregating financial data, Yodlee is the undisputed leader in collecting what's important.

The Yodlee Aggregation Engine offers permission-based access to users' financial accounts at tens of thousands of financial institutions, accounting for 99 percent of all US financial accounts and significant coverage in other parts of the world. This plethora of data greatly surpassed the other offerings, and the bank immediately saw the value of having a consolidated view of a users' financial profile, including banks, cards, investments, loans, bills, and rewards.

They were also impressed by Yodlee's "closed loop" marketing approach that allowed the bank to create customized, targeted communications based on a prospect's previous actions and their place in the buying cycle, also known as relationship-based banking.

Initially, the bank wanted to implement an enterprise-wide cross-sell strategy across all channels, including mobile, online, and in-branch, targeting a bank population of two million customers, but the focus quickly changed to digital marketing. An outside consultant specializing in enterprise web cross-sell strategy recommended they engage with Yodlee and a consulting partner.

In August 2012, Yodlee presented with two other leading solution providers. The bank quickly realized just how valuable Yodlee's data was. They also decided it didn't make sense for Yodlee to work with anyone else, and let Yodlee conduct the pilot on their own. Next, they began progressive data mining with Yodlee on a standalone onsite data set and began to configure the offers to be used in the pilot.

The bank started with Yodlee's MoneyManager to gather aggregated account and transactional data. Nadkarni explained, "Using our state-of-the-art CrossSell engine, we run really sophisticated analytics on all of consumer account

CONSOLIDATED FINANCIAL PROFILE

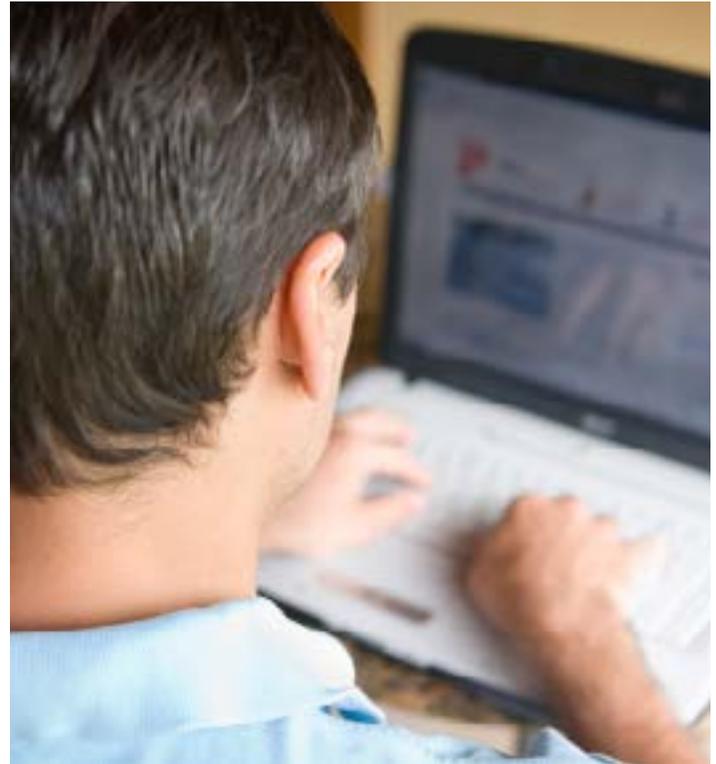Banks · Cards · Investments · Loans · Bills · Rewards

and transaction data and identify consumer segments more likely to buy a particular product. For example, if you have a credit card at a competing bank with a high APR, we can cross-sell you one with a low APR. If you spend a lot on travel, we can offer partnership with a local airline. The tool allows you to set up campaigns and target specific consumers, all online."

Yodlee was able to deploy the solution under a tight timeline, which impressed the bank. "We got there in August, signed a contract in September, and went live in December. The bank liked that," said Nadkarni.

The bank also liked the Yodlee CampaignManager tool that allowed marketers to quickly and easily create, configure, and launch new online campaigns and offers. With it's simplicity and powerful feature set, the bank was able to launch seven different offers in just a few days. CampaignManager measures the effectiveness of the campaigns and provides comprehensive reporting on click-through-rates and lead conversions.

Yodlee CrossSell Exceeds Expectations

Yodlee CrossSell uses personal financial management (PFM) data to target users for interview. On the right side of the landing page sits a small financial app where the offer appears. A consumer can interact with the offer if they wish.

LEAD GENERATION

3%
click-through
rate @ logout

→

46%
converting
to leads

Yodlee CrossSell Offers

Google Search Ads

Banner Ads

Once they click in, they are invited to answer a couple of questions and sent to a bank-hosted page to sign up. The tool then generates fully-segmented leads which are routed to a customer relationship management (CRM) tool for follow-up.

The pilot ran from December 7, 2012 to January 21, 2013, encompassing five weeks and seven campaigns. Customers were presented with offers on the following: three investments, two credit cards, one savings account, and one free offer.

The pilot was a runaway success, exceeding all predictions. With a three percent click-through rate at logout, and 46 percent of those who click converting to leads, the results are impressive by any measure. Compare this to a typical banner ad, which yields 0.1 percent click-through rates. The click-through rate on the offers was 12 times what typical banner ads see, and three times those of Google search ads. In addition, with added focus on fulfillment (which was deliberately excluded from the pilot) stronger conversion rates can be expected.

"The bank did not expect this. Needless to say, they were very happy. Results exceeded the bank's lead generation expectations by four times," said Nadkarni.
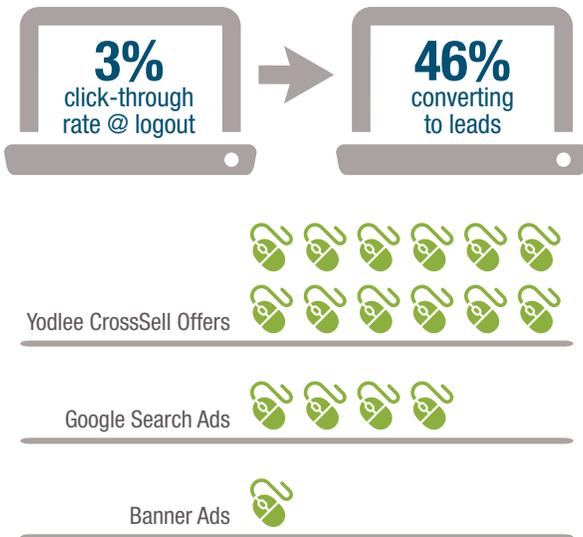
In short, Yodlee proved that leveraging the power of data would allow the bank to increase revenue by creating a targeted approach to selling an array of products to high quality leads.

"Leveraging the data is key to driving increased usage and awareness of bank programs and services. We said we'd do 50 percent better than banner ads, and we did 12 times better than banner ads," said Nadkarni.

Yodlee was just as excited as the bank. The solution was originally created as a financial application that a bank could leverage along with the Yodlee platform for meaningful cross-sell opportunities, but it hadn't been tested. Says Nadkarni, "We didn't have the market data initially. We couldn't prove effectiveness of the data. We've accomplished that with this pilot."

Next Steps

The bank will be first to market an online cross-sell capability in their sector, and the pilot has been seen as a key enabler to creating a business development and digital culture within the bank. In addition, the two entities have discussed a mobile version of the solution as they look to penetrate the market and deliver personalized offers to their customers anytime, anywhere.
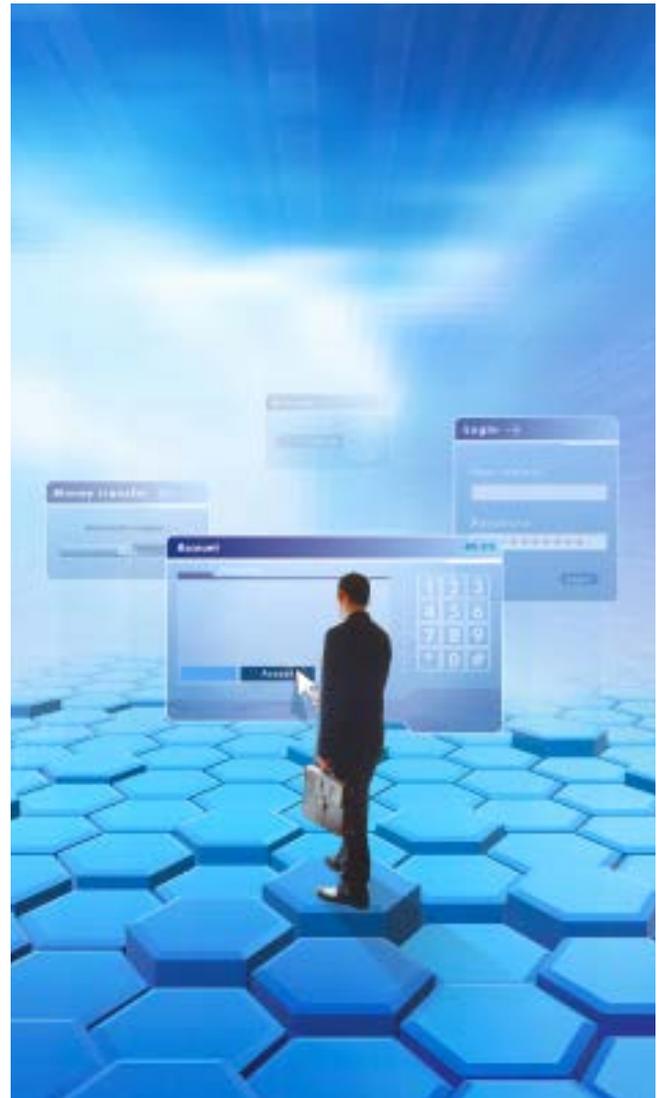
About Yodlee

Yodlee is an American software company that develops an account aggregation service that allows users to see their credit card, bank, investment, email, travel reward accounts, and more on one screen. In addition, Yodlee MoneyCenter, a free web application that helps consumers manage their finances online, provides features such as bill payment, expense tracking, and investment management. Yodlee's personal finance data platform is used by over 600 leading financial institutions and companies and more than 40 million consumers. Yodlee's best-in class solutions remove the friction from financial management, delivering a more insightful, interactive, and actionable experience for consumers while delivering revenue, retention, and engagement for financial providers. At Yodlee, we believe in a more informed consumer. Access to one's complete financial story results in more informed financial decisions, driving a better overall economy and benefiting our clients and their customers alike.

About Yodlee CrossSell

Yodlee CrossSell uses transactions and account summary data as well as situational interview information to create lead generation capabilities for banks to provide relevant service or product offers to their online banking customers. Through consumer intelligence via big data and brief consumer dialog, financial institutions are able to gain warm, high-quality leads to cross-sell their online banking products. Yodlee CrossSell enables a single marketer to select a target audience and intelligently market products. Yodlee CrossSell does the analytic work with the financial institution's marketing department to conduct thousands of targeted one-on-one interviews daily to better understand and deepen customer relationships.