Industry	Challenge	Solution	Benefits
Financial services	Successful loan applicants needed to be quickly identified – both to protect lending investors, and enable Harmoney to better target its marketing spend.	SAS ® Visual Analytics	Harmoney can now quickly make changes to its marketing mix to identify the right loan applicants and drive the results it wants.

Harmoney

SAS helps Harmoney approve the right customers

Borrowers undergo many checks, and when the funds are coming from emerging financing methods such as peer-to-peer (P2P) lending, they need to be even more comprehensive.

Harmoney provides a P2P lending platform to connect lenders with creditworthy borrowers seeking a personal loan. It launched in New Zealand in September 2014 as the country's first service of this type and has since matched borrowers and lenders with loans worth more than $NZ300 million.

Harmoney's head of digital marketing Glen MacKellaig says when the company first launched, there was little understanding of P2P lending and Harmoney had no brand equity. "No one had heard of P2P lending," he says. "We had to educate the public on the benefits and also needed to closely manage the various marketing campaigns to understand what would appeal as it was so new."

Stringent process protects lending investors

The service allows potential borrowers to apply online for a loan by first creating an account. A full application process which follows the Responsible Lending Code is carried out without needing to visit a branch.

"We only let through about 25 to 30 per cent of people who apply, into our marketplace," MacKellaig says. "We have a very stringent process so that we acquire the best calibre or credits for our Lenders to lend towards. Acquiring these creditworthy borrowers for the right marketing cost is therefore critical."

In order to achieve the marketing results desired, Harmoney needed an agile system that was user friendly and enabled it to make decisions on the fly. It turned to SAS Visual Analytics.

MacKellaig says Visual Analytics carries out calculations that determine the most likely people to be approved for loans. "The system collates details like the approved applicant's age, gender, location and media source. This information is then pulled into a number of reports," he says. "These are the indicators that help me make decisions on what activities to adjust in order to hit our targets."

MacKellaig says it's important to understand the factors driving loan approvals so changes can be made around key media channels.

"For instance, once I see which keyword terms from Adwords are driving unsuccessful applications, I can tell our agencies to stop using them," he says. "Conversely, I can tell them which terms are driving the approvals so they can bid higher for these and we can attract more people to the website who will be approved. We need to better understand where marketing waste is occurring so we can shuffle resources to the areas that are driving results."

The real-time element of Visual Analytics means the marketing team doesn't have to wait until the end of the month to see what's happened. "We're able to cross-reference many reports to find nuggets that will help us to think differently," MacKellaig says.

§sas

THE POWER TO KNOW®

SAS helps justify business decisions

Accurate real-time smart data is also needed to show senior executives how effective the marketing has been. "We can show management what we've spent, how many accounts were created, how many were approved and how many took out a loan," MacKellaig says. "This way we can work out a cost per loan figure, which we use when justifying an increase to our marketing budget."

Harmoney's credit team also uses SAS to understand whether people are likely to default on their loan. "Visual Analytics has allowed us to manipulate the data to discover new trends or innovations," MacKellaig says. "It is an easy to use, drag and drop toolset that drives clear information. I feel you can't 'break' it and that gives us the confidence to produce reports on the fly."

Staying ahead of the game

In an increasingly competitive market, a better understanding of data is critical. "We want to be known as a data marketing organisation as much as a credit company," MacKellaig says. "Our ability to grow fast is reliant on a team that understands the value of data – but we're also dependent on SAS to help us achieve our goals."

> Our ability to grow fast is reliant on a team that understands the value of data.
>
> Glen MacKellaig
> Harmoney
> Head of Digital Marketing

To contact your local SAS office, please visit: sas.com/offices

§sas.
THE POWER TO KNOW®