



SAS® Cross-Sell and Up-Sell for Credit Unions

Use advanced analytics to determine your next member offer

Overview

Faced with shrinking profit margins and high member attrition, credit unions often struggle to retain their current members and maximize their lifetime value. While effective cross-selling and up-selling is an essential function, determining members' likely future buying decisions is difficult.

Credit unions looking for effective ways to market their services and products to increase member wallet share, generate more revenue and, ultimately, improve member loyalty face challenges.

For instance, while credit unions collect a wealth of member data, they often lack the ability to use the data to determine a member's likelihood to purchase particular goods and services. This makes developing marketing strategies little more than guesswork.

Truly effective cross-selling depends on making the best use of detailed member information – demographics, lifestyle, life stage, attrition scores, account history and so on. Despite collecting volumes of this type of information, few are able to capitalize on the opportunities it provides. But if you could effectively organize and analyze the information you already collect, you could target more effective marketing activities at those members who are most likely to respond. SAS® Cross-Sell and Up-Sell for Credit Unions can help.



Challenges

- No fast, reliable way to identify opportunities for organic growth.
- Difficulty accessing disjointed member information that is scattered throughout line-of-business silos.
- No automated way to pass leads to member-facing points of contact, such as branches or call centers.
- No consistent way to measure campaign results, making improvements difficult.
- No system for matching products to members most likely to use them.



Improve campaign response rates, increase member retention

The solution

Based on the open, extensible SAS architecture, **SAS Cross-Sell and Up-Sell for Credit Unions** lets you:

- Generate **propensity-to-buy scores** and then publish them back to the data repository to drive both inbound and outbound communications for more effective channel interactions.
- **Model scoring** enables business users to take advantage of segmentation features for additional analysis and data exploration.
- **Automated data extraction** eliminates the most tedious process of cleaning the data for analytic predictive model development.
- **Automated reporting integration** lets business users evaluate and measure marketing plan ROI and then customize reports as needed.

Why SAS®?

SAS Cross-Sell and Up-Sell for Credit Unions focuses on recognizing members as a manageable asset to create more accurate predictions of their next most-likely product purchase to help increase member retention and profitability.

Based on SAS software's open, extensible architecture, award-winning data management and advanced analytics – and built using a comprehensive framework designed specifically for financial services – the solution lets you segment and profile members who hold numerous accounts or lines of credit. You can then assign similar analytics to other members in order to determine which ones are good candidates for cross-selling and up-selling and to predict “what’s next?” for individual members.

Benefits

Identify cross-sell/up-sell prospects

The solution uses detailed segmentation techniques to help you gain a better understanding of member behavior. Using market basket analysis, you can predict likely candidates for cross-sell opportunities using historical data on accounts held by members as well as details of active accounts, member demographics and other key variables.

This kind of analysis helps you understand product affinities by looking for an association between the purchase of one credit union product and the

purchase of another. Regardless of whether two products are sold at the same time or if there is a time lag between purchases, you can:

- Detect the association between purchases to identify cross-sell and up-sell patterns.
- Derive member profiles that show this behavior.
- Identify other members that match these profiles.
- Target marketing campaigns aimed at increasing member value.

Connect offers to the right segments

Automated campaign planning lets you pull more relevant, intelligent, predictive lists and then pair that information with knowledge of the right opportunities. With the SAS solution, you can:

- Identify which products are profitable and which members are likely to purchase them.
- Create more personalized offers, enabling you to meet the needs of your members without sending irrelevant offers.
- Manage campaign costs by eliminating guesswork and basing offers on customer behaviors and trends.
- Improve both your short- and long-term revenue.

Efficiently execute campaigns

Using alerts and event-driven triggers, you can make the most relevant offer to the most potentially profitable member, at the most opportune time, via the most appropriate channel – e.g., branch, call center, ATM or Web. In addition, you can:

- Put together compelling offers for individual members on the spot – e.g., while you're on the phone with them.
- Dynamically change the offer if member behavior changes.

Measure campaign response rates to gauge campaign effectiveness

SAS Cross-Sell and Up-Sell for Credit Unions lets you measure campaign response rates so you can understand quickly if a campaign is meeting its objectives. With this knowledge, you can determine the need for midstream adjustments to improve campaign effectiveness or make any necessary alterations to future campaigns. As a result, you can:

- Better manage campaign budgets by making quick corrections.
- Focus only on campaigns that will deliver the desired results.
- Adjust more quickly if market conditions (such as interest rates) change.

Comprehensive banking intelligence

SAS Cross-Sell and Up-Sell for Credit Unions is part of an integrated suite of software tailored to meet the unique needs of the financial services industry and designed to infuse intelligence into all your strategic business decisions.

With the ability to handle large amounts of data and integrate with existing data warehouse environments, these solutions empower credit unions to implement effective business strategies, maximize profits, manage corporate and consumer risk and achieve a measurable ROI.

The solutions combine award-winning SAS technology with analytic and dimensional models for attrition and credit scoring. SAS also provides campaign, performance and risk management, all integrated through an enterprise data architecture designed specifically for financial services. An enterprisewide business scorecard with KPIs provides a single, strategic view of your enterprise. Other components include:

- SAS® Campaign Management
- SAS® Strategic Performance Management
- SAS® Customer Segmentation
- SAS® Credit Scoring
- SAS® Customer Retention
- SAS® Credit Risk Management

The SAS® difference

- **Gain a unified, integrated view of members** by pulling together member data from all touch points and channels into one place.
- **Create accurate member segments** using demographic, geographic, attitudinal and behavioral data to group members with similar attributes, needs and wants.
- **Forecast expected member behavior** using advanced, predictive analytics to flag those most – or least – likely to respond to a promotion or identify at-risk members before they leave.
- **Automate campaigns** that include timely, personalized member communications across multiple channels without sacrificing depth and sophistication.
- **Gauge the impact of marketing activities** by monitoring member response at all touch points, analyzing changes in member behavior and sharing results via the Web.

About SAS

SAS is the leader in business intelligence and analytical software and services, with more than three decades of experience working with the financial services industry. More than 2,900 financial services companies worldwide use SAS to manage their strategy, risk, customers and channels, including 96 percent of banks on the 2007 FORTUNE Global 500®.

Customers at 44,000 sites use SAS software to improve performance through insight from data, resulting in faster, more accurate business decisions; more profitable relationships with customers and suppliers; compliance with governmental regulations; research breakthroughs; and better products and processes. Only SAS offers leading data integration, storage, analytics and business intelligence applications within a comprehensive enterprise intelligence platform. Since 1976, SAS has been giving customers around the world THE POWER TO KNOW®. www.sas.com



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