



MARKETING OPTIMIZATION SECURES CUSTOMER LOYALTY FOR SOFINCO



Christophe Ponsart joined Sofinco 13 years ago as CRM tools project manager in IT management. Five years later, he joined marketing management to set up the division's MIS system.

Ponsart spoke to sascom about Sofinco's ambitions and successes, and why the company chose to invest in the latest release of SAS®.

sascom: What are Sofinco's main objectives?

Ponsart: Our strategic objective is to become the European leader in consumer credit by 2008. Initially, this means we have to continue increasing our market share in France. We are already the second largest provider in France with a 24 percent share in the ASF (Association of Specialized Finance Companies). We have been gaining ground on our main competitor since 2000, and we will close the gap further with an aggressive commercial approach based on efficient marketing campaigns. Our policy is to listen more closely to customers than the competition – and that goes for private customers and the major institutional or distribution companies. Our international development will take place on a firm footing. We are already very well established in Italy, where our subsidiary Agos is the third largest in the market. In Germany, our Credit Plus Bank exceeded €1 million exposure during the first quarter of 2005.

We will also expand our partnership policy. One way in which we are different is that we offer partners the opportunity to set up a semi-public company. Instead of merely acting as an ordinary supplier whose services are remunerated, we create a financial company where costs and income are shared. This creates a real spirit of partnership.

sascom: Tell us about your activities to attain these objectives

Ponsart: We know how to exploit IT. For the past 15 years Sofinco has continuously improved its IT efficiency by investing in both equipment and people. Sofinco has recruited and trained highly competent teams, both in database management and in marketing. Our focus on IT also allowed us to extend our offers via the internet. Sofinco is today's most successful company when it comes to making credit available through the web.

Sofinco, one of the leaders in consumer credit, increased marketing campaign performance by 30 to 50 percent. The company used the SAS®9 integrated decision platform to achieve its ambitious growth targets.

sascom: Why did you call SAS?

Ponsart: We started working with SAS during the mid-1990s for the development, piloting and tracking of risk ratings. In 1998 Sofinco decided to boost its marketing campaigns for securing new and loyal customers, while at the same time improving returns. From then on we put a system in place to support marketing in achieving its objectives, and to help improve its capacity in statistics and data mining. SAS was the natural choice.

sascom: What results have you obtained?

Ponsart: The SAS solution has enabled us to optimize marketing campaigns by segmenting the market and using performance ratings. But above all, SAS enabled us to industrialize marketing plans, both for direct customers and those partners that have delegated their consumer credit activities to Sofinco. The most significant activity in this industrialization is preparing customer data in dedicated data marts and installing the appropriate tools for exploiting it. Automating this preparative phase simplifies and guarantees the targeting process and enables us to track the final results. It also allows us to steer the campaigns scheduled in the marketing plan in a highly reactive way. We achieved some pretty spectacular results during the first two years, and succeeded in improving campaign performance by 30 percent on average, with peaks of more than 50 percent. In the course of time this rate of growth has naturally slowed down. Today, with 20 million addresses of customers and prospects under management and 16 waves of marketing campaigns annually,

and with considerably improved targeting and performance, we believe our objectives have been largely achieved. As of 2004, we had to face up to new demands, which was the starting point for the evolution of our system towards decisional CRM based on the SAS®9 decision platform.

sascom: What is driving future development?

Ponsart: There are more and more requests for reports based on our marketing information system data. We developed our own data administration program, which has evolved over time to meet our requirements for industrializing marketing plans and generating intelligent data. The volume of data generated has increased considerably – it consists of several terabytes nowadays. All in all, the equipment and programming structure had reached its limits, and it was necessary to look for a more adaptable, progressive and standardized solution.

sascom: What are the advantages of SAS®9?

Ponsart: We moved to this platform at the end of December 2004. One of the first advantages is organizational. The number and the profile of users have evolved considerably, from around 10 specialists to around 100 users today. We aim to open up access to all users of information via easy-to-use tools that they can use in their normal office environment or via the web. We want to give our sales department access to the system so they can fully exploit customer knowledge, notably through multidimensional analysis. So far the system responded mainly to the needs of the marketing and risk departments. We want to include the sales side so that performance of the company as a whole benefits from it. All in all, we have moved to a progressive system that will bring higher productivity and reactivity in the fields of marketing, sales and risk, so as to offer better service to our sales network and partners. ■