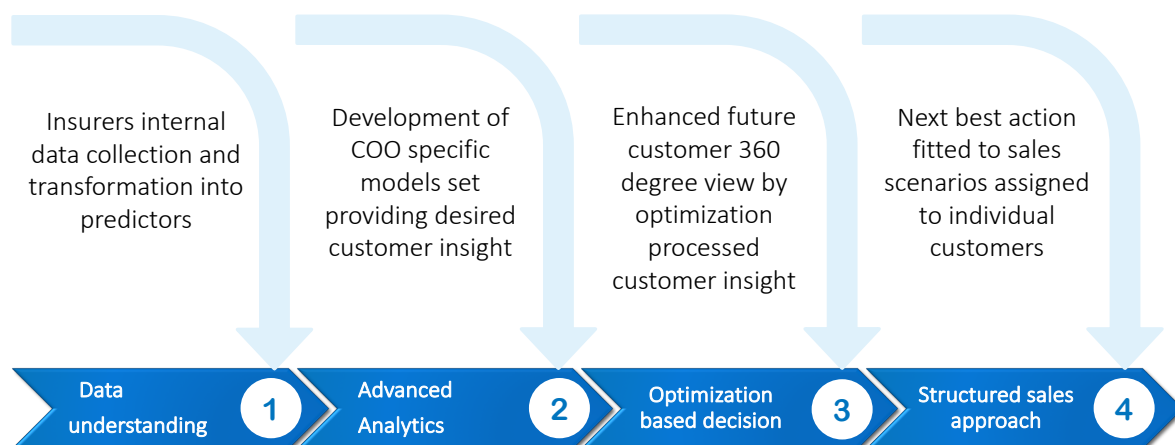# Customer Offer Optimization - Business readiness

Financial institutions face increased pressure to do more business with lesser risk with ever increasing regulatory requirements. While decision rules adjustments and improved predictive modeling can marginally boost the sales, they can't address the full scope of daily realities alone, particularly stricter requirements resulting from new EC regulation of consumer credits.

Cutting through behavioral data noise capabilities, machine learning technology use and linear optimization based decisioning, all those position COO to be industry lead in Sales boosting solutions with the best performance results of all over.

COO proved in multiple countries its capabilities to bring banks onto growing path while in same time balancing competing business goals across divisions, managing multiple product portfolios with predefined constraints (e.g., credit risk, repayment capacity), control risk KPIs.

To make double digit growth true bank's need to complete its experience and intuition by state of art analytical approach bringing holistic view to their customer's portfolio, maximize number of eligible customers, decide about optimal product mix, maximize their profitability and stay within credit loss budget on client as well as product portfolio level.

Customer Offer Optimization - brings sales growth while lowering credit risk in the same time!

Insurers internal data collection and transformation into predictors	Development of COO specific models set providing desired customer insight	Enhanced future customer 360 degree view by optimization processed customer insight	Next best action fitted to sales scenarios assigned to individual customers
Data understanding **1**	Advanced Analytics **2**	Optimization based decision **3**	Structured sales approach **4**

COO solution key benefits

- Ensure at least 20% sales growth from the moment of COO implementation while lowering NPL by 10% at the same time

- Offering meets customer expectations and building customer to bank partnership as offers are meaningful and reliable

- Lending solution that protects customers against over-indebtedness

- Empower sales force in branch network and call centers and improve Cost Income Ratio

- Allow significant simplification of sales processes, readiness for digitalization

ASSISTO consulting

sas Silver Partner

Customer Offer Optimization Deliverables

Estimate client risk profile for all clients. Regardless the product client has, like loans, current account or saving account and how active they are, COO solution will allow you to assign risk level to each of them.

Client monthly Income estimation. COO unique multi model approach allows to estimate income even for clients with very low or no activity on saving accounts only. As result we can cover waste majority of existing clients reaching usually 80-90% of them, with Real Income estimation figure.
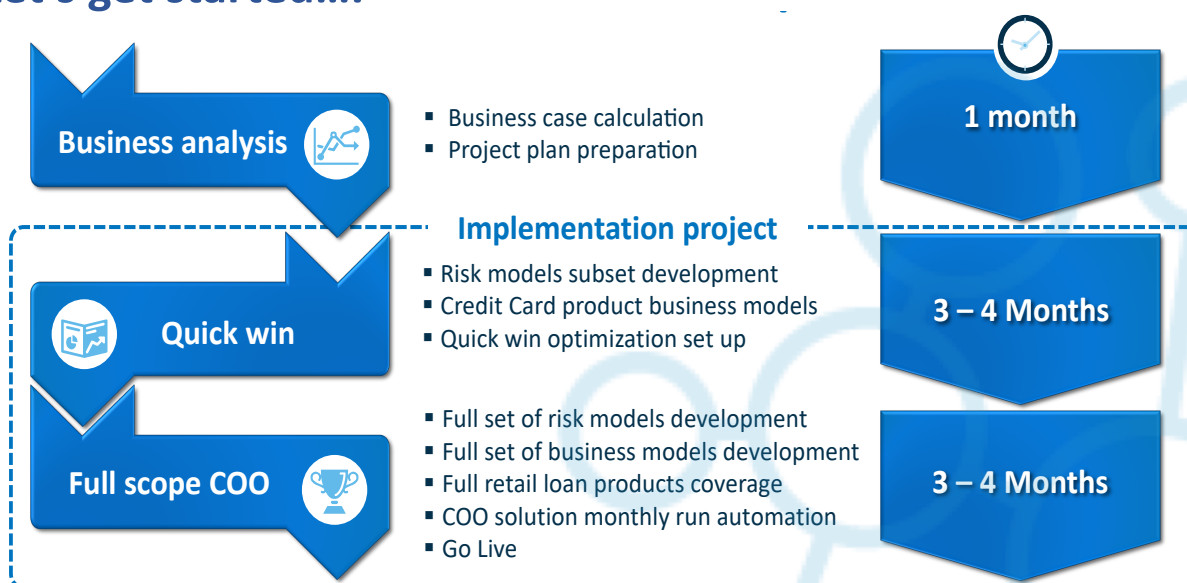
Client level optimal product limits. Models of product propensity and utilization combined with its profitability are helping in search for optimal limit mix that have best fit to customer needs, highest potential for offer acceptance and highest profitability for the bank all in the same time.

Preapproved client and product selection. Using SAS optimization software we ensure most successful combination of client, product type, volume and price. Such selection is maximizing customer offer satisfaction and increase sales conversion rates. In the same time the decision process is building product portfolio risk profiles not exceeding existing risk KPIs.

Price sensitivity is an advanced approach for price assignment included price centric pricing and price influencing based on price sensitivity estimation for each customer and product combination.

Sales scenarios. As different customers do have different expectations, right to fit selection of sales scenario for identified optimal offers is the key for significant improvement of conversion rates. Classing customers to different sales scenario groups creates bank level sales pipeline helping to manage and precisely forecast banks sales performance.

Let's get started….

Business analysis
- Business case calculation
- Project plan preparation

1 month

Implementation project

Quick win
- Risk models subset development
- Credit Card product business models
- Quick win optimization set up

3 – 4 Months

Full scope COO
- Full set of risk models development
- Full set of business models development
- Full retail loan products coverage
- COO solution monthly run automation
- Go Live

3 – 4 Months