



Linking Data Mining and Interviewing to Increase Sales

The Challenge

A large financial services company realized that it was losing about \$50 million a year as large and valued brokers seemed to drift away and gradually stop doing business with them. The company asked Schmalensee Partners to study the requirements of these disappearing brokers in order to determine how to recover their business.

Schmalensee Partners' Approach

Schmalensee Partners began by mining company databases on purchasing patterns for each broker in order to determine which ones actually were drifting away and which simply had random purchasing patterns. Then we conducted in-depth executive interviews with 100 of the "drifting" brokers who seemed to have the greatest revenue potential. We studied what mattered to them, what attracted them to the company originally, where they placed their business when they left, and what caused them to leave. Surprisingly, we learned that their basic operating requirements were being met but they wanted more personal contact. In other words, the personal side of their customer experiences were not being well met. Then, we worked with a high-level internal team to identify ways to grow the business with these brokers and others like them.

Results

Acting on our results and the team recommendations, the company recovered \$5 million in the first few months – with one broker accounting for about \$1 million. The company continued to focus on meeting requirements and turned many small broker accounts into major ones. The company estimated that a better understanding of the brokers' needs would continue to earn extra millions each quarter.

