

Case Study:

Segmenting Customers to Deepen Relationships

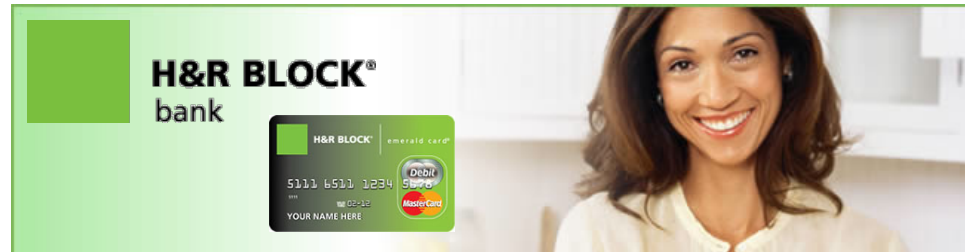


RESULT

Unique customer servicing strategies for each of four customer segments based on needs and preferences

Product and marketing strategies for cross-selling informed by customer insights

25% increase in ancillary product sales to target customer groups.



BACKGROUND

Mortgage servicer of over \$40 billion of residential mortgage loans

Over 200,000 residential mortgage customers nationwide

Subsidiary of H&R Block, the world's largest tax services provider with 12,000 offices in the US and 1,300 in Canada and Australia.

CHALLENGES

Lack of insight into customer needs, channel preferences, interest in additional products.

Inability to effectively penetrate customer base with ancillary product offerings.

Desire to improve customer satisfaction and retention, service customers more effectively and efficiently.

APPROACH

Conducted primary customer research including quantitative surveys of over 500 customers.

Used data to develop attitudinal- and behavioral-based customer segmentation model which defined four customer segments.

Developed unique customer servicing strategies for each of the four segments.

Identified the two segments with highest cross-sell potential; developed product and marketing strategies to effectively reach target segments.