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Lynx Maximizes Customer Lifetime Value For A Neobank In Indonesia With Data Science Models

Neobanks have revolutionized banking with convenient, digital-only services, but the market is extremely competitive and organizations are constantly battling for high-value customers. Fortunately, neobanks can now leverage data analytics to better understand and target customers to improve account usage and revenues. In this case study, Lynx Analytics shows how its Customer Value Model (CVM) and Audience Performance Booster (APB) application can help neobanks identify high-value customers and personalize marketing initiatives to maximize customer lifetime value.
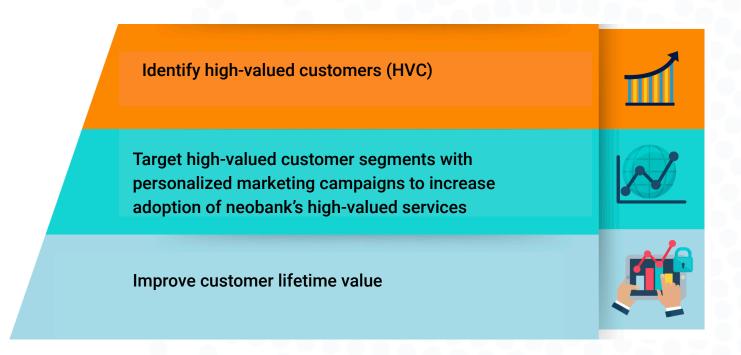
A Digital Banking Case Study

Data Analytics For A Neobank in Indonesia | A Digital Banking Case Study

Customer Analytics, Segmentation and Modeling Tools Improve Marketing Effectiveness For An Indonesian Neobank

Objective

Identify and target potential high-value customers (HVC) with personalized marketing campaigns and encourage them to maintain higher balances in their accounts, adopt more banking products, and conduct more transactions.

Identify high-valued customers (HVC)

Target high-valued customer segments with personalized marketing campaigns to increase adoption of neobank's high-valued services

Improve customer lifetime value

The Challenge

Although customers eagerly sign up for the neobank

- 50% of customers become inactive after they establish their accounts
- 25% do not qualify for the neobank's high-value service offerings.

The neobank could not identify it's high-value customers and the marketing team was not able to target relevant customer segments to effectively increase adoption of the neobank's high-value services.

Identify high-value customers
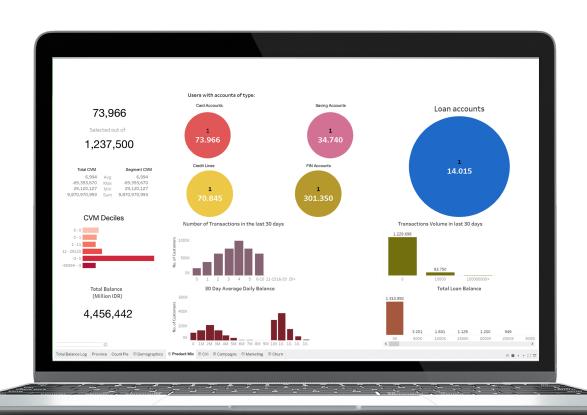
Increase adoption of high-value services

Acquire new customers with HVC potential

The Solution

The Lynx Customer Value Model (CVM) developed by the Lynx team quantifies the monthly gross profit generated by each user. This helped the neobank identify it's high-value customers from their entire customer base.

The Lynx Audience Performance Booster (APB), a segmentation engine and dashboard application, enable the neobank to build segments based on customer demographic characteristics, credit scores, use of banking services and engagement with campaigns.

Immediately upon CVM deployment, the neobank began using the solution to characterize its high-value customers and allocate its acquisition dollars to target similar customers.

The neobank is using the APB to explore customer usage data, create segments, and drive campaigns to personalize promotions for micro segments, which improves response rates and marketing ROI.

To further bolster the neobank's capacity to attract and retain high-value customers, Lynx delivers a CVM model which uses predictive analytics, psychographic profiles, and behavioral segmentation.

Lynx solution also identifies commonalities among inactive users so the neobank can craft campaigns that stimulates user engagement and ultimately moves them up the CVM curve.

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Lynx Analytics

Founded in 2010 and headquartered in Singapore with an engineering team based in Hungary, we bring value to companies across the banking domain with artificial intelligence and predictive analytics solutions to credit scoring, customer acquisition, fraud detection and more.

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