



We Share Our Knowledge

Article no. 19

**From Theory to Profitability –
Trigger Events**

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1. Background

In the past few years, the term "Trigger Event Campaigns" has become well known in service industries in general, and in finance industry in particular.

Many articles have been written and many studies have been conducted about campaigns based on trigger events in the customer's life.

Why should our communication with our customers be based on specific events that occurred during their involvement with our organization?

Why should we contact a customer within 48 hours of the event occurrence?

How do we identify those events?

How should we contact the customer?

What should we offer him?

Etcetera, etcetera...

This article does not explain what these events are, nor does it attempt to convince organizations to use trigger event-based campaigns. Everybody is already convinced of that.

This article will demonstrate a number of trigger event campaigns that can be instantly applied within the organization. We will also illustrate the success rates of said campaigns, and how their implementation becomes a factor in the organization's success, and more....

2. More Than a Factor of Success....

The contribution of trigger event marketing campaigns to financial organizations is threefold:

- Satisfaction of bankers in the sales channels
- Customer satisfaction
- Overall growth.

2.1 Satisfaction of bankers in the sales channels

Bankers in bank branches tend to be business/service oriented, rather than sales/marketing oriented. It is very difficult for experienced bankers to pitch a new product to a customer, without first understanding what added value this product carries for that customer.

When it comes to trigger event campaigns, the Reason Why is very clear to those actually pitching the sale. In addition, success rates (i.e. customer response rates) of such campaigns are quite high, which reinforces the banker's trust in the support lists sent from the bank's headquarters.

Therefore, trigger event based campaigns can motivate bankers to initiate sales activities.

2.2 Customer Satisfaction

Most customers view their banks as immoral institutions with only their own interest in mind, an interest which is conflicted with that of the customer's.

These views are also evident in every finance-related focus group or in-depth customer interview.

Even the millions of dollars banks invest in advertising can't seem to alter these perceptions.

However, when banks contacts a customer not for the purpose of a sales pitch, but as a result of certain activities in his bank account which require his attention, the customer's perception of the bank may start to change and even be replaced by a more positive view.

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2.3 Overall Growth

So let's do the math – trigger event campaigns increase customer response rates, which, in turn, increase the chance for the purchase of new/additional product/service. In other words – direct improvement. It's also an indirect improvement, since a satisfied customer is a more loyal customer, and loyal customers are more inclined to buy additional products/services, and expand the range of their activities with the bank.

3. Which Events Should We Start With?

Below is a short list of simple events which, if correctly applied in the organization, can create Quick Wins in the three categories mentioned above:

Title	Description	Reason Why	Coverage Rates	Response Rates
An "unusual" credit balance	A customer who has "unusual" activities in his account will be contacted. i.e., if his credit balance is 5,000 NIS on average, the customer will not be contacted during that month, unless this balance will change to 10,000 NIS. Also, the minimum and maximum values in his checking account should be constantly monitored.	"I've noticed you have X NIS in your checking account. Money just lying in this account does not collect interest, and if you want, you can deposit it in..."	70%	50%
An "unusual" debit balance	Same as "unusual" credit balance. Also, we should make sure the customer is within his overdraft limits.	"I've noticed you are Y NIS overdrawn. You pay high interest rates. Would you like us to transfer the money from a short-term saving to your checking account?" Or: "we have an online loan offer with Z% interest".	50%	20%
Salary raise / credit increase	Detecting a fixed rise in the customer's income. Salaries are not always recorded as such, but we can use the customer's credit limit as an income indication.	We can offer a standing order for investments or a pension fund.		
Birth	An increase in children's social security pensions means another child was born in the family.	The bank should congratulate the family and offer a long term savings plan for the baby.	60%	15%

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Title	Description	Reason Why	Coverage Rates	Response Rates
Investment release	The customer should be contacted prior to the release date, and be updated on the release, offering alternative saving plans. If he was not contacted, we can contact him after the release, if the money released has still not been used.	Inform the customer of the release and offer another investment/savings plan, so the customer continues his business with the bank.		

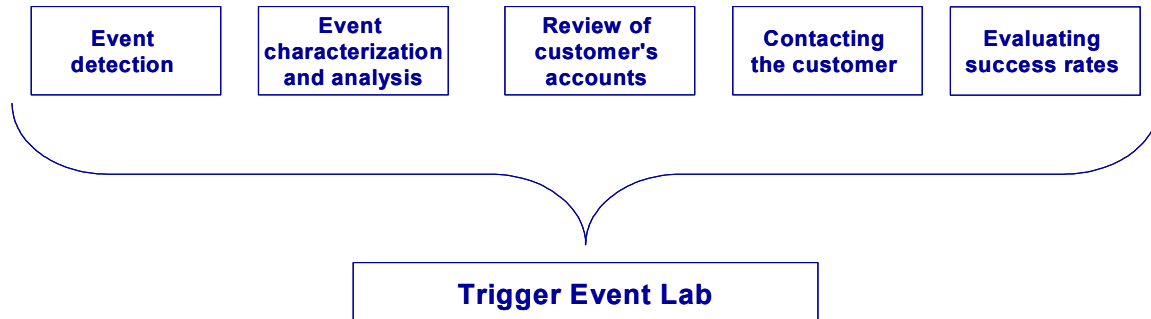
4. What's Next?

The trigger events described above are simple and easy to implement as early as tomorrow morning...

Success in every aspect described above will soon follow.

However, a more structured process should be implemented in the organization, in order to detect events like these in advance, and promote them through different channels.

This process must include the following steps:



And we haven't even mentioned abandonment triggers yet....

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About Synergy

Synergy is an international consulting company, specializing in Analytical CRM solutions.

Synergy offers marketing oriented business ventures, formed by a team of leading local and international industry experts.

Synergy aims to provide its customers with the ability of acquiring commercial advantages by informative analysis of their customers' shopping data.

Synergy has vast experience in working with leading commercial organizations, both locally and internationally, and its clientele includes foremost industry leaders in the communications, financial and retail fields.

For more information, visit our website at: www.il-synergy.com, or email us at: info@il-synergy.com.

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