eircom

eircom improves broadband acquisition rates with Portrait Miner

Executive Summary

eircom is a long term user of data-driven marketing using customer behavior information for better targeting of up-sell offers, bundled offers and retention across the business. eircom has used Pitney Bowes Portrait analytical modeling capability for over a decade and has gained significant insight and business value from the application of predictive models to different areas of the business. This case study highlights a recent exercise to build propensity-to-buy models for various eircom bundled packages. These packages offer eircom customers greater value in a highly competitive market.

Business Challenge

eircom, the principal provider of fixed-line telecommunications services in Ireland with approximately 2.6 million fixed-line telephone access channels in service, offers residential and business customers a wide range of telecommunication services and products in a strongly competitive market. With new competitive products, such as triple play, coming to market eircom was looking to both acquire new customers and retain existing ones by providing added value through specific bundled products and services.

For those customers who do not have broadband and are incapable of receiving it, the objective was for eircom to drive the uptake of bundled voice/line rental/ free calls to Meteor mobile packages such as talktime Family Anytime. For those customers with the ability to receive broadband the objective was to drive uptake of bundled voice/line rental/free calls to its Meteor products and broadband bundles such as 3Mb broadband and eircom talktime talker.

eircom wanted to identify those consumers most likely to respond positively to marketing campaigns for these propositions and decided to develop a 'propensity to buy model'. Such a model would allow eircom to focus their marketing efforts in as efficient a manner as possible.

> "The propensity-to-buy models themselves have been hugely insightful for eircom, helping us to acquire new customers more effectively by offering the right product to the right person at the right time."
>
> **Donal Barry**
> **Senior Marketing Analyst**
> **eircom**

Pitney Bowes
Software

Project Description and Solution

eircom used their existing predictive analytics and modeling tool, Portrait Miner to develop the relevant propensity models. Portrait Miner is a predictive modeling environment which helps to discover what is most likely to happen in the future. Predictive models are generated based on customer behavior data and then customers are scored to show which customer segments are most likely to take up an offer.

For customers without capacity to receive broadband: A specific direct mail piece was sent to a targeted segment of this customer base, identified by the predictive modeling, offering a number of bundled options. As would be expected in direct marketing best practice, the performance of the direct mail campaign was compared to a randomized 'control group'. The targeted group responded better for all packages, with take up for some bundles being twice as many as the control group.

A separate mail shot was also used for those customers who had the capability to receive broadband, offering specially bundled Meteor broadband services. Again uptake from the target group exceeded that of the control group in the best predicted deciles and also highlighted which bundled offers were more popular with that specific target group

TECHNOLOGY USED

- Portrait Miner
- Sun Solaris Server
- Teradata Data Warehouse
- Oracle Marketing Database

Results and Benefits

The results from the 'propensity to buy' models were refined on the basis of the results from initial trial mailings and used for further targeting of the customer base. eircom was able to produce propensity to buy models that produced significant lifts over and above background response rates—up to 250% improvement

eircom was able to predict which customers were likely to buy its voice and broadband services, to understand the reasons for purchase and thus develop better strategies to acquire new customers

The predictive modeling also enables eircom to identify the most popular bundle(s) to offer and enables product development to use this understanding to introduce more innovative ways to acquire new customers and retain existing ones

"A huge additional benefit from using Portrait Miner for predictive modeling is that our product development teams have been able to use the models to quickly determine likely take up of new products, services and bundles, saving time, money and wasted effort."

**Donal Barry
Senior Marketing Analyst
eircom**

For more information call 800.327.8627 or visit us online: www.pb.com/software

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