



Reducing Acquisition Costs with Better Data

Challenge

A Microfinance lender, dedicated to serving the underbanked, asked Summit Direct Mail to improve direct mail campaign performance. They offer clients loans that range from \$750 to \$10,000. Previously the client had used direct mail with credit bureau provided data solutions for Pre-Screened Offers. The challenge was for Summit Direct Mail to use historic data with little campaign history to build new customer profiles for acquisition.

Solution

Summit Direct Mail works with over 30 lenders, and has the ability to help their clients better target their data. Using our micro-model process, the client's database was matched to more than 266 million individuals and 130 million households with postal addresses. We append variables such as geographic, demographic, lifestyle/behavioral data, consumer expenditure information, socioeconomic indicators, and over 1,000 additional data points. These variables help us identify what the typical living conditions and consumer activities are on a more defined scale. Once the model was applied to the client's database, criteria was applied to build a targeted prospect audience for our Invitation to Apply Loan Product.

Results

Summit Direct Mail deployed a turnkey digital direct mail solution to over 100,000 prospects we identified. The campaign incorporated multiple touches with targeted Digital & Social Media, Direct Mail, and Email. Using our Ultra Match Level reporting, we identified 580 funded loans from the campaign.

Conclusion

The data sets we introduced were better defined than data sets previously used from credit bureaus. Summit Direct Mail was able to use its micro-model list analytics process, its digital direct solutions, and mail production capabilities, to increase new customer conversions that enabled the client to achieve a cost of less than \$100 per funded loan.

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