ICON HELPS TO IMPROVE THE
PROFITABILITY WITH ADVANCED ANALYTICS

AN INSURANCE COMPANY PROFILES ITS CUSTOMER SEGMENTS TO
CROSS SELL AND UP SELL EFFECTIVELY

Company Overview

Our customer is a leading Insurance company in the Asia region and offers personal and commercial insurance solutions.

Our customer is a trusted and established insurance and risk solutions provider in Japan for over a century and has customers in more than 30 countries and regions.

It provides accident, travel, home, motor, health, property, burglary, fidelity guarantee, public liability, work injury compensation, marine, and commercial motor insurance.

Business Challenges

Our customer wanted to make better business decisions based on accurate customer data. Without access to accurate data, their users were making decisions based on gut instinct or intuition – creating compliance issues and missing opportunities.

Lack of proper customer segmentation and incomplete customer profiles was resulting in loss of valuable customers and revenue.

This was restricting them to effectively cross sell and upsell to their large customer base. They wanted to remove the uncertainty from customer data and wanted to profile them based on criteria like purchase history, interests etc. which could help them to give deeper insights quickly.

Solution

The Insurance company selected Icon as partner due to our extensive experience in the industry.

With our advanced analytics solution, customer segmentation was effectively done.

Customer Segmentation

We developed a solution which could easily define our clients' customer segments, profile customers into groups that have similar demand characteristics.

Clustering of these customers helped their marketing team to know their customer base, work on target areas, and segment customers based on purchase history, interests, or activity monitoring.

We used machine learning and predictive modelling to help them target specific clusters of customers for specific campaigns. We helped them to classify their customer so that they could be given ratings (1 to 5 Stars)

Customer Churn Prediction

The Churn prediction model predicts a customer's tendency to churn by using information about the customer such as house hold and financial data, transactional data, and behavioral data.

For our customer, we used machine learning (Logistic Regression and Random Forest Algorithms) to target specific customers so that they could proactively do churn reduction.

Benefits

The advanced analytic solution built for the customer helped them to profile their customers based on different criteria and gained a significant competitive advantage.

We used Machine-learning modeling to thoroughly explore and prepare the data and make predictive model. This exploration and preparation of interactive data analysis and visualization was performed using languages such as R.

We used a variety of algorithms that helped to describe the customer data better and predict better outcomes.

The customer Predictive models which were built using R delivered many business benefits

→ Resulted in Approx. 65 % less Customer Churn Rate

→ Resulted in Approx. 5.5 % approx. increase in total revenue

→ Resulted in Approx. 1.5 to 3.5 % growth in revenue by Recommending Next Best Product to Sell Existing Customer