Marketing Solutions

Raddon
A Fiserv Company

Predictive Analytics

On-Demand Visibility to Accountholders at Risk

Leveraging your clean, tagged data, Predictive Analytics Attrition from Raddon can help you identify changes in activity and other attrition risk factors.

Attrition Risk Factors

Financial institutions often learn they've lost an accountholder after the final decision has been made and it's too late to make a difference. However, according to research from BCG, employing predictive analytics and arming relationship managers with data-driven insights can reduce total attrition by 20 to 30 percent.

These powerful insights are categorized by Key Lifestyle Indicator® (KLI) taxonomy, a robust classification system of descriptive data tags that describe the unique characteristics of every accountholder.

KLIs are dynamic, continuously created and enriched by new data and learnings.

Through patented AI-driven analysis, Predictive Analytics from Raddon assigns KLIs to accountholders describing spend patterns, accounts held elsewhere and related payment activity, banking behaviors, and product mix. Changes in activity can be indicators of accountholders at high risk of leaving in the near future.

Risk Indicators KLI Patterns

Changes in Activity → Spend Patterns | Banking Behavior | Product Mix | Accounts Held Else-where

Attrition Is Reversible

Attrition rates in the financial services industry hover around 11 percent, and the annual churn rates on new accountholders are in the 20–25 percent range during the first year, half of whom don't make it past the first 90 days after opening an account.

At a cost of over $300 to acquire a new accountholder, the benefit of identifying at-risk accountholders early and reaching out proactively can result in significant savings and increased engagement.

Approach to Churn Detection

Simply Better Data
Observes everyday purchase behaviors predictive of churn

Daily Detection
Determines churn from observed accountholder-producted data

Continuous Optimization
On-demand access to at-risk accountholders

Low-Friction Integration
One-time integration with ongoing data

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Raddon has been providing financial institutions with research-based solutions since 1983. Because we work exclusively with financial institutions, we understand the industry and can apply our practical know-how to the unique challenges and opportunities financial institutions face. We combine best practices in research and analysis with consulting and technology solutions to help institutions achieve sustainable growth and improve financial performance.