

USE CASE

Forecasting Campaign Click-Through Rate (CTR)

Financial institutions often struggle to assess marketing campaigns' effectiveness and return on investment. Ineffective campaigns lead to wasted resources and missed opportunities. Predictive analytics can forecast a campaign's potential click-through rate (CTR) and improve its effectiveness.

Our Approach

Using Qualco Data-Driven Decision Engine (D3E), a bank forecasted a campaign's click-through rate. The most prevalent segmentation parameters that lead to segments with homogeneous behaviour, driven by the same factors, are:

- **Campaign's product**
- **Length of the subject line**
- **The number of Call to Actions (CTAs), quotes, and images used**

QUALCO D3E IN ACTION

Step 1 Model Development

By identifying customer segments with similar behavioural characteristics, Qualco D3E's machine learning capabilities enabled the platform to produce accurate predictions regarding the effectiveness of marketing campaigns. Integrating additional predictors significantly enhanced the quality of these predictions in some instances. Notably, the performance of several campaigns was also affected by predictors related to:

Weekend launch



Number of quotes



Step 2 Campaign Ranking

The model ranked the campaigns based on click rates and identified the most successful ones. It found that the most successful campaigns had:

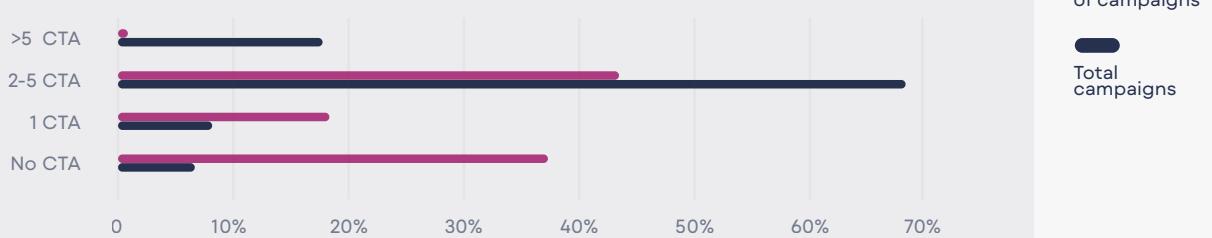
- **An average body length of 1k-20k characters. Notably, campaigns with an average body length of up to 5k were more likely to be successful.**

Campaigns with an average body length of 1,000 to 20,000 characters are predicted to be the most successful



- **None or just one Call to action (CTA)**

Campaigns with zero or one CTA often achieve greater success



Step 3 Campaign Redesign

The model identified several factors that can lead to improved marketing campaign success rates by up to:

- **68% when scheduling campaigns for weekends**
- **37% when omitting the use of quotes**
- **15% when keeping CTAs between 10-30 words**
- **82% when sending campaigns in the morning**
- **12% when avoiding the use of emojis**

Results

Improved customer loyalty and returns
through effective campaigns.

Applied a strategic approach to sales and marketing
using predictive insights.

Enhanced customer acquisition
by improving campaign effectiveness.

About

Qualco Data-Driven Decisions Engine

Qualco Data-Driven Decision Engine is an integrated decision-making platform that automates every stage of the credit portfolio and collections analytics workflow. It empowers:

- **Data Organisation** to keep track of one's portfolio's changes easily
- **Data Processing** to transform and sequence data for analytical insights
- **Machine Learning capabilities** to understand customer behaviours and segments
- **Tailored Treatments** to customise actions for various customer groups, enhancing performance
- **Strategic Insights** to shape treatment strategies and estimate their impact on profitability
- **Regulatory Compliance**, by generating compliance reports based on analysis results

Designed for any business that manages credit, Qualco Data-Driven Decision Engine equips financial institutions and servicers with the tools to transform raw data into actionable insights. By leveraging advanced analytics and machine learning algorithms, organisations can unlock untapped potential, drive operational efficiency, and deliver exceptional customer value.

www.qualco.tech