

Building is Half the Battle

Operationalizing Data & Analytics Across the Organization

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Servus Credit Union



Introduction

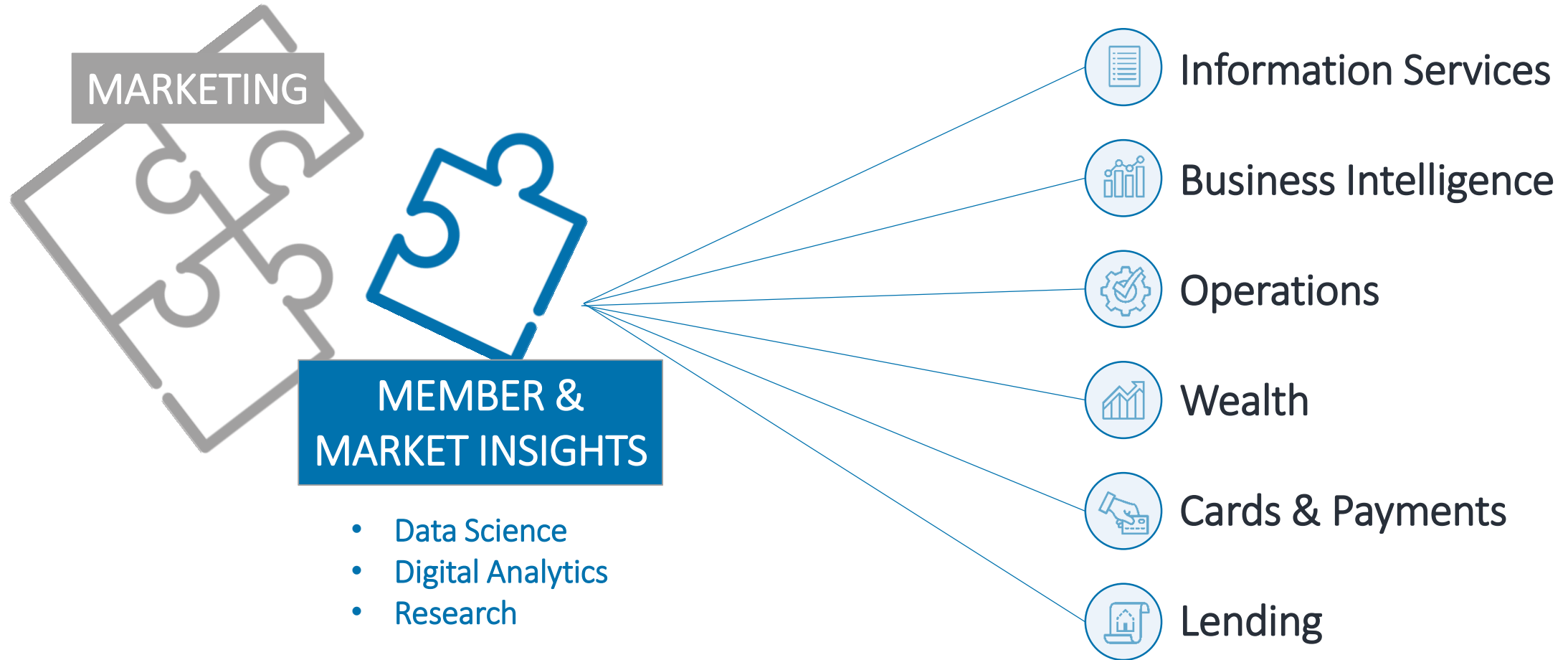
- Data has become ubiquitous and learning how to leverage it to drive organizational value is critical for today's companies
- Understanding customers wants and needs and their related attributes is an important foundational level for analysis
- Layering on customer current and potential value provides crucial information on resource prioritization and validates these models with other internal stakeholders
- These outputs can then be used for other types of analysis on areas such as: new branch location, product development, predictive model development, and organizational success metrics

Servus Credit Union

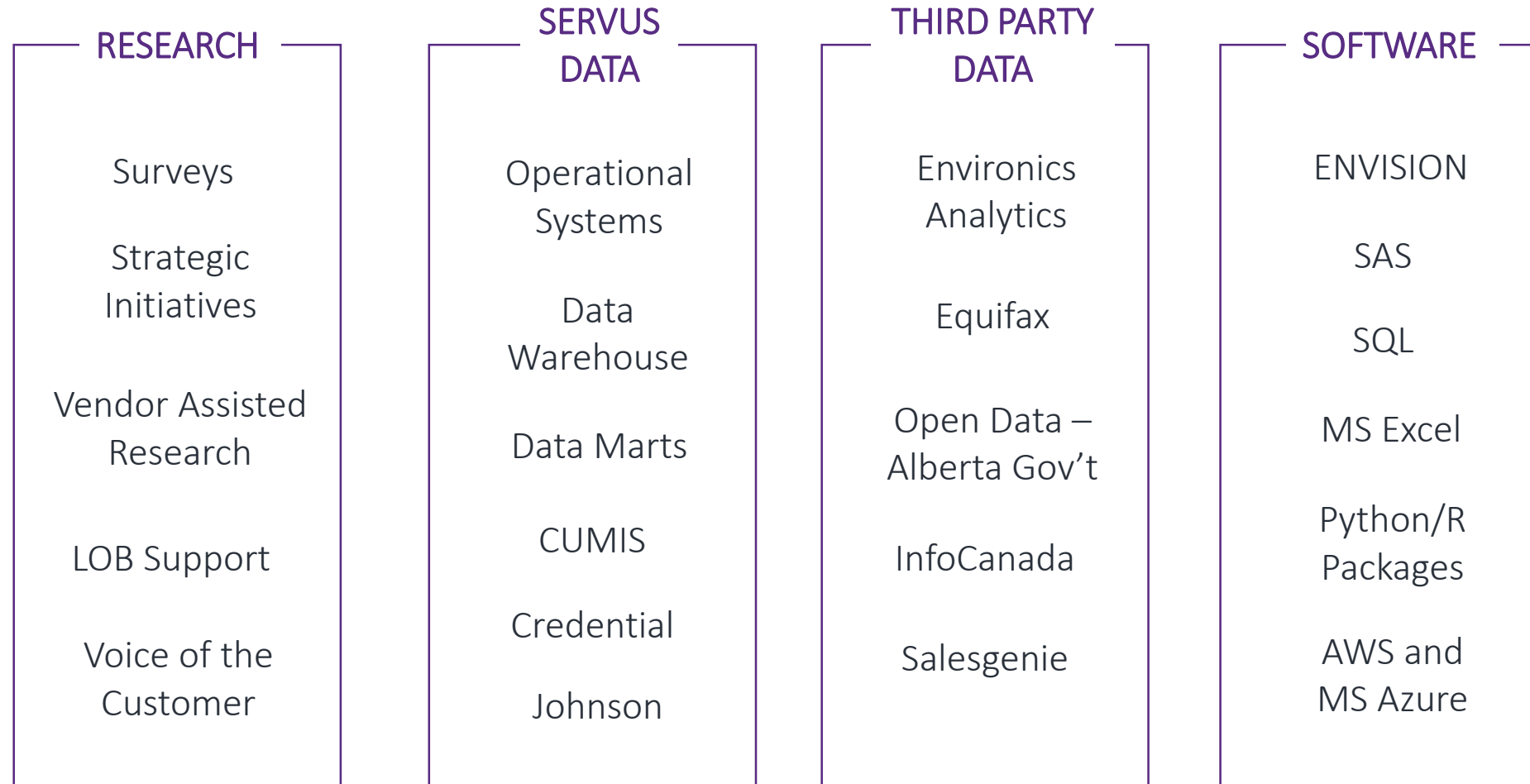
- Fourth largest credit union in Canada and largest credit union in Alberta
 - \$16.4B in Assets
 - 380K Members
 - 2,300 employees – many with 30+ years tenure
 - 104 Branches in Alberta
- Started in the 1930's
- Member Owned
- The Big Share Campaign - \$1MM to winner
- Since 2012, provided more than \$50MM in rebates to members every year



Member and Market Insights Team



In-House Capabilities for Data & Analytics



Where Are the Gaps?



Integration



Capacity

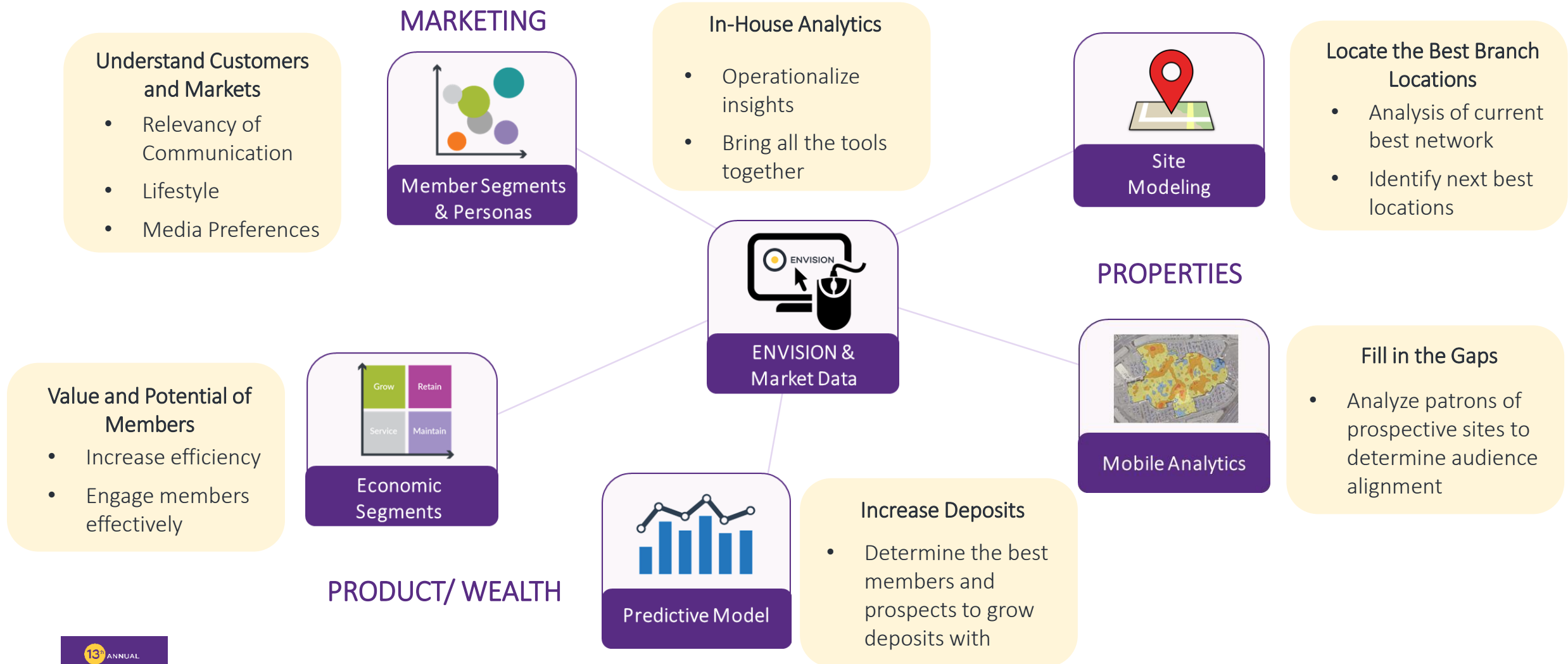


Subject Matter Expertise

Additional Benefits of Using the Right Partner



Tools Built in Collaboration with EA



Example – Selecting a New Branch Location



Legacy Approach

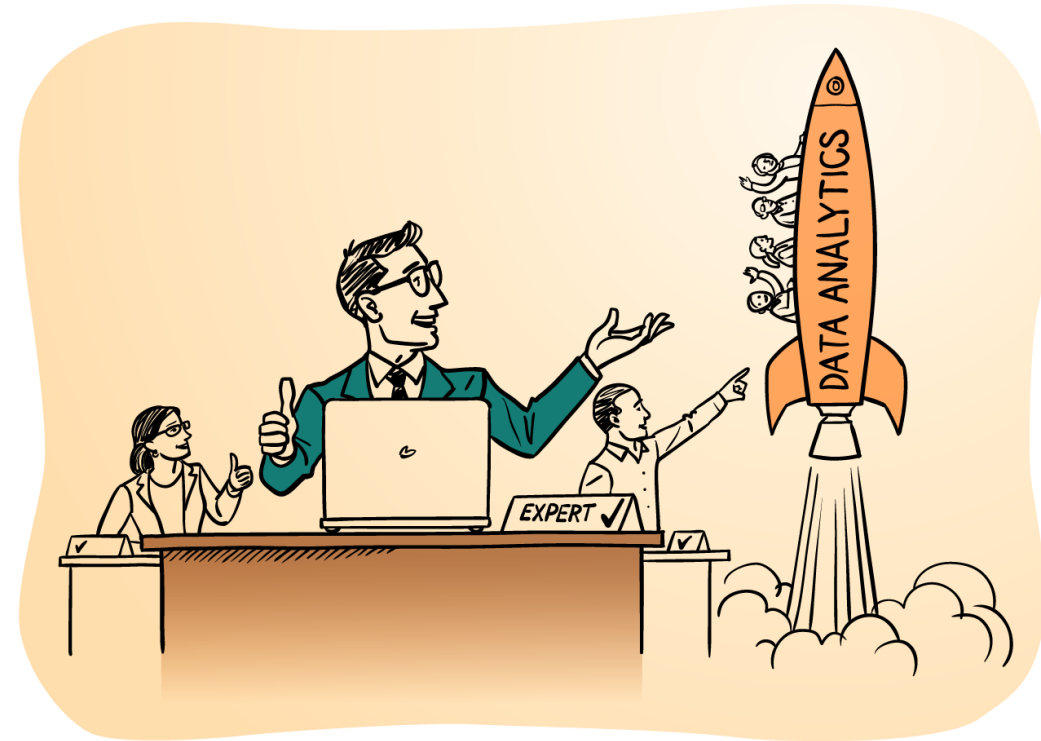
Properties team brings forward a new potential location to lease.

- New building in an up and coming neighbourhood
- Basic research completed with assistance of realtor
- Perception is that the audience in this area is attractive to Servus
- Final decision may or may not involve more detailed analysis

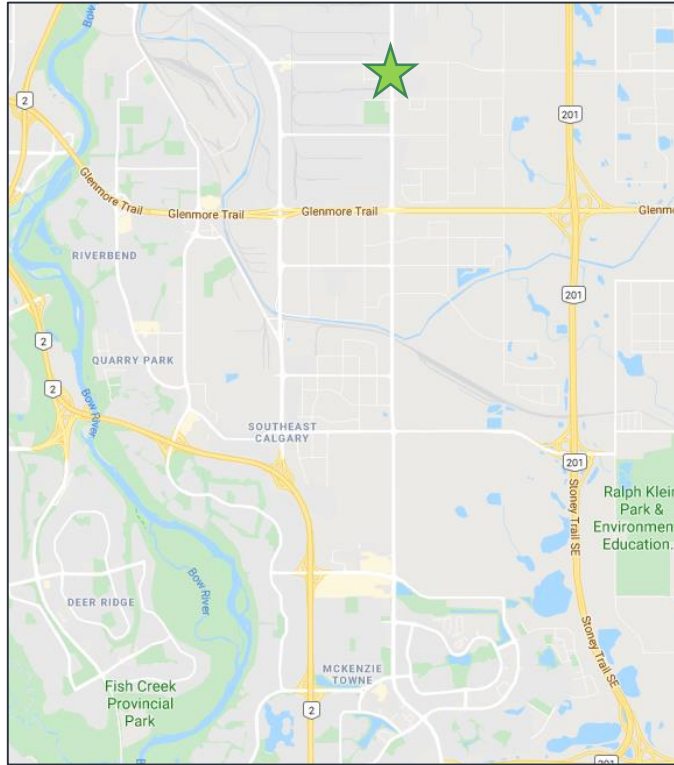
...But what does the data say???

Branch Location Selection...Using Analytics

- ✓ Retail Operations works with Insights using the Site Selection model to identify potential areas that have favourable characteristics
- ✓ Properties then works with realtors to identify opportunities in the areas selected
- ✓ Insights does a quick high-level analysis of the trade areas surrounding the locations to determine which ones are the most desirable and are worth more detailed research



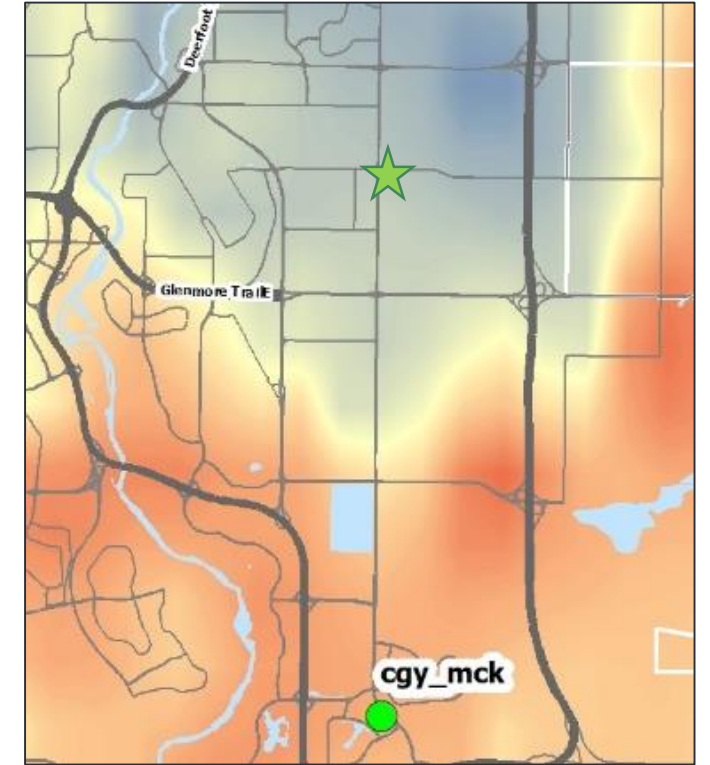
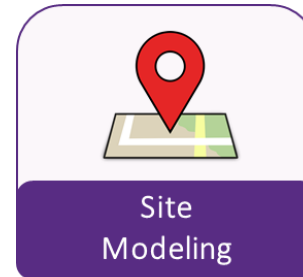
Start by evaluating the site model...



★ Proposed Site

Using ENVISION and the site model we can determine that the proposed location is not in an area of strong opportunity according to the model.

Are there other factors to consider?



...consult other analytical tools for insights

Organizational Goals				
Align branch expansion with audience targeting	Understand the profile of the trade area	Build branches in area of high potential value	Grow Deposits and Investments	Understand visitor demographics for businesses in the area
 <p>ENVISION & Market Data</p>	 <p>Member Segments & Personas</p>	 <p>Economic Segments</p>	 <p>Predictive Model</p>	 <p>Mobile Analytics</p>
Insights				
The proposed branch area will attract a younger audience	Servus' current core segments are not present... but the younger segment may be an opportunity	Lower potential value compared to Servus' existing trade areas	Lower opportunity for deposits/investments ...strong potential for lending	Audiences do not align with Servus' target customers

Bringing everything together

RESULTS

Analysis of the proposed site confirmed that the proposed branch location may not be successful and other options should be considered



MULTIPLE STAKEHOLDERS

The analytical tools working together answered a series of questions and addressed the concerns of several departments (e.g. Marketing, Operations, Wealth)



COMMON LANGUAGE

Use-cases like this bring many parts of the organization along and results in the analytics becoming a common language that everyone uses for decision making moving forward



Keys to success



Executive Sponsorship



Identify and involve the Correct Stakeholders



Iterate with Small Quick Wins – Scalable Insights



Don't just Focus on Growth, but also Efficiency



Member/Customer Focus



Strategic Collaboration with Other Departments/Vendors

Wrap Up

Communication plan

- Initial communication to ELT, senior leadership teams, then to key stakeholders, then to other involved parties

Implementation plan

- Working groups were created to formulate strategies for targeting/motivating different groups in economic segmentation analysis
- Persona analysis as part of marketing communications, targeting focus, predictive model development, and site location activities

Measurement Plan

- Organization success metrics now include persona level analysis wherever possible
- Discussions on including a Balanced Scorecard

Questions?



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