

Case Study

Firstsource helps leading UK financial services provider outperform - wins IQPC award



This initiative won an IQPC Six Sigma IQ Excellence award for "Best Defect Elimination in Services and Transaction".

Background

A major player in the UK financial services industry needed to improve cross selling ratios between its products and increase the overall sales of its financial products portfolio.

The Solution

Firstsource applied Six Sigma tools and techniques together with a solution that helped to better target customers. A customer segmentation and profiling process was put in place to improve the effectiveness of the cross selling program.

Key Benefits

Using Firstsource's award winning methodologies, the client was able to improve the sales of its financial products. Improved productivity of the cross selling program resulted in increased customer conversion ratios, enhanced customer satisfaction and an increase in the sales volumes and margins of its products.

► Background

The client is a significant financial services player, offering a wide range of credit, investment, insurance and savings products. Its products are cross sold with each other and are an important revenue stream, contributing significantly to profits.

Firstsource was engaged to service the client's customers as well as cross sell financial products. Based on Firstsource's award winning process improvement initiative, the client significantly improved the performance of its financial products portfolio. The processes suggested by Firstsource were also rolled out across other business lines as examples of best in class practices.

► The Challenge

As FSA regulations became more stringent, the client faced a tougher business environment in which to sell its financial products. Stricter and more extensive disclosure norms mandated across the industry demanded extensive information disclosure as part of the sales process. The new and elaborate customer pre-screening process led to increased call times resulting in a 40% decline in sales due to lower cross sell / up sell ratios.

The client, while required to comply with the new FSA regulations, also had to:

- Protect an important revenue stream
- Retain its margins

Firstsource assessed the regulatory situation and deployed its Process Excellence (PE) team to recommend how the current processes should be adapted to meet the above objectives.

► The Solution

The Firstsource PE team studied the existing process to analyze the reasons for low conversions and sales decline. The team applied Six Sigma tools and techniques to do a systemic analysis.

The following areas were identified which could improve the performance of the cross sell process:

- More detailed customer profiling and data mining to maximize program ROI
- Supplement agent training
- Incentivize by implementing rewards and recognition programs

Firstsource deployed a three layered approach to improve business performance:

Technology enabled customer data mining for enhanced compliance and customer targeting

Firstsource recommended strengthening the existing customer profiling process to improve cross selling effectiveness by deploying a technology enabled data-mining tool. This had a positive impact on selling performances as:

- The right customers were targeted – those with a higher propensity to buy the products
- Better customer data would cut time spent on pre-screening, making each call shorter and more productive, and streamline the selling process

Enhanced sales training to improve sales quality and effectiveness

- The sales script was altered and agent cross selling skills upgraded
- Average performers were trained every week on new training modules
- New modules were embedded into the sales training for fresh advisors

Rewards and Recognition (R&R) program

Firstsource implemented a R&R program to drive sales momentum and give advisors more opportunities to be rewarded:

- Rewards were expanded to include improvements in compliance quality, cancellation rates, failed claims and complaints data
- A performance management system to help support the rewards scheme was implemented

► **Key Benefits**

Implementation of Firstsource’s recommendations resulted in measurable and significant improvements:

- Firstsource was able to enhance program performance and make the sales effort more productive. As a result, customer conversion rates exceeded client benchmarks by about 23%
- Sales of the insurance products doubled
- Annualized savings of GBP 1.56 million

Based on the successful performance of this program, the client rolled out Firstsource’s methodology across its entire range of financial products as a best practice for the organization.

In appreciation of the work done, the client has expanded the range of its products that Firstsource handles, and Firstsource remains its only business process management partner.

Firstsource (NSE: FSL, BSE: 532809, Reuters: FISO.BO, Bloomberg: FSOL@IN) is among India’s leading BPO (business process outsourcing) service providers. Firstsource provides customized business process management to global leaders in the Banking & Financial Services, Telecom & Media and Healthcare sectors. Its 75 clients include six “Fortune Global 500” banks, two “Fortune Global 500” telecommunications companies and three “Fortune 100” healthcare companies. Firstsource has a global delivery model with operations in India, US, UK, Argentina and Philippines. (www.firstsource.com)