

Analyzing Campaign Results

A key aspect of a marketing role, especially early in a career, is analyzing campaign results. In this exercise, you are presented with the campaign results from a bank that has tested different promotional tactics.

Your task here is to analyze which aspects of the campaign test have been effective.

About the Campaign and Its Test Cells

In this email direct marketing campaign, a bank has promoted a new credit card product to their existing customers.

Initially, the bank has split their customer base into behavioral segments and for this campaign they are targeting their 'partnership' customers only (which are those with most of their business with the bank), but those who only generate a small level of profitability (therefore, lower net worth customers on average).

From the below results table, you will note that the bank has tested two separate promotional campaigns (one focusing on the interest rate, and the other focusing upon the simplicity/convenience of having all the customer's accounts at the one bank).

In addition, they have also tested various promotional methods (that is, one or two emails, some with a follow-up phone call).

Credit Card Campaign Results			
	Customers	Cards Sold	% Conversion
Interest rate offer			
One email only	40,000	3,200	8.00%
Two emails	30,000	3,600	12.00%
Two emails and telecall	10,000	2,500	25.00%
Interest rate offer TOTAL	80,000	9,300	11.63%
Simplicity/convenience offer			
One email only	40,000	1,800	4.50%
Two emails	30,000	1,350	4.50%
Two emails and telecall	10,000	1,200	12.00%
Simplicity offer TOTAL	80,000	4,350	5.44%
No marketing action	40,000	1,800	4.50%
TOTAL CAMPAIGN RESULTS	200,000	15,000	7.50%

- Note: No marketing action (product listed on bank's website only)

Student Discussion Questions

1. Overall, how many credit cards sold (in the No. Cards column)?
2. Which was the most responsive campaign? (Rate or simplicity?)
3. Was a follow-up/reminder (f/up) letter effective?
4. Was a follow-up/reminder phone call (telecall) effective?
5. Why did the firm use a 'no direct action' testing cell?
6. Why do you think that the bank targeted this particular segment of their customer base?
7. Based on these results, how would you run the next campaign for this segment?
8. Do you think that it is worthwhile constructing these test cells or should the firm simply run the same campaign structure across all segments? Why?