

CLIENT SUCCESS STORY: HarborOne Bank



THE PROBLEM

In most financial institutions, 20% of the clientele make up over 80% of the revenue. To increase profitability, banks and credit unions are constantly searching for ways to increase wallet share among the remaining 80% of their client base while also proactively retaining the high earning 20%. This has certainly been the case for HarborOne Bank, a \$4.6b savings bank headquartered in Massachusetts.

Going into 2019, HarborOne had significant needs for deposit funding and was looking for the most efficient and affordable way to grow. In turning to Baker Hill, HarborOne was able to focus on retaining and growing the relationship of existing customers, which is far more profitable than acquiring new customers.

THE METHOD

Baker Hill's analytics and marketing solution was the partnership that the HarborOne team was looking for. Using Baker Hill NextGen® Analytics and Marketing, the Baker Hill and HarborOne teams were able to execute an in-depth program to target key customers of the bank. Through a financial offering model, Baker Hill's integrated solution was able to identify and retain accounts with more profitable margins and rates for HarborOne.

Baker Hill used existing data from the financial institution to run an opportunity assessment. From there, the bank and Baker Hill work together to address deposit and loan growth goals. By using Baker Hill's peer-to-peer normative database, the HarborOne team was able to accurately identify appropriate metrics to benchmark to achieve success.

From there, using predictive analytics, Baker Hill NextGen® Analytics and Marketing was able to identify those customers with the capacity and propensity to deposit or borrow more money with HarborOne, increasing the number of clients providing ROI. By working directly with members of the HarborOne team, Baker Hill's solution executed a full capability omnichannel marketing program.

Finally, by bringing in the existing marketing team, the campaigns were approved and customized to fit the HarborOne brand standards. From there, the results were monitored, tracked, and reported in house for full visibility into the returns of the campaigns.

A key functionality that distinguishes Baker Hill NextGen® Analytics and Marketing in the marketplace is the performance-based pricing. HarborOne was only charged for new deposits and loans opened by the target audiences in promoted categories during the campaign. The bank was not charged for halo activity or other accounts opened during the campaign.

THE SOLUTION

Baker Hill NextGen®
Analytics and
Marketing

“Their deep breadth of knowledge is helping our team to build the right strategies for long term customer relationships. Our internal team doesn't have the capabilities to do this kind of analytic work ourselves, but we invested in Baker Hill's analytical horsepower and have found success. Together, we have built and executed profitable programs with useful data. “



Dave Tryder | CMO of HarborOne

THE RESULTS

The Baker Hill program has successfully created engagement, retention, and growth for the HarborOne team. So far within the program, Baker Hill campaigns have enabled 4,923,313 targeted digital ad impressions among key HarborOne customers. These ads communicate specific financial value to highly targeted segments at key points in time. As such, ads have yielded 9,488 unique clicks to date – a direct metric on customer engagement with the bank’s core messages.

When it comes to retention, the best tool is a proactive cross-sell. To date the Baker Hill program has elicited responses from 3,526 single service households and 4,553 high deposit households, materially impacting prioritized retention. In addition, households contact through the program show 3% greater retention rates compared to a randomized control group, equating to 2,216 incrementally retained households in the first full year of the program.

The program has elicited 8,378 direct product responses or products purchased by targeted households in targeted categories during campaign windows and the balances in these accounts add up to \$148,570,378. In addition, responder households also opened \$31 million in halo deposits and loans during the campaign they responded to.

THE NEXT PHASE

Once the initial program was installed and running, HarborOne was ready to move to the next phase of customer relationship management with Baker Hill. The bank was looking to create a warning system for when high value customers were planning to leave the bank. Baker Hill’s fully integrated solution completed an analysis on the data to look for red flags from customers. From there, the data was used to cross-scan with the bank’s customers to find areas of potential profitability. Through its work with Baker Hill, HarborOne was able to clear up a major blind spot when it came to its customers activity.

As the relationship between Baker Hill and HarborOne continues to grow, the partnership has evolved to include a cross sell and acquisition program. Dave Tryder, the CMO of HarborOne, states that “We enjoy working with Baker Hill because our team develops new skills along the way. The entire Baker Hill team was very flexible and accommodating to make sure that each piece of the process is working the way it’s needed for the best possible outcomes.”

As of 2021, Baker Hill owns most of the customer relationship management strategy, which includes everything from acquisition to onboarding to cross sell and back to retention. As the team moves into the nurturing part of the relationship, the HarborOne team is using the work that Baker Hill is doing to build strong profitable, long-term relationships with customers.

Tryder also shares that “Baker Hill brings a deep analytics bench, their team doesn’t have to do a lot of learning around the customer lifecycle experience, the expertise is already there. Their deep breadth of knowledge is helping our team to build the right strategies for long term customer relationships. Our internal team doesn’t have the capabilities to do this kind of analytic work ourselves, but we invested in Baker Hill’s analytical horsepower and have found success. Together, we have built and executed profitable programs with useful data. Baker Hill gives you everything you need for analytics and marketing in one nice package where all the pieces are efficient. The solution really is perfect for those that can’t do it internally and they are able to implement and hit the ground running quickly.”



4.9M

targeted digital ad impressions



9,488

unique clicks



4,553

high deposit household responses



8,378

products purchased by targeted households



\$31M

in halo deposits and loans opened.

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