

CHURN REDUCTION

Predict and Reduce Churn Using Pointillist

'Only 1 out of 26 unhappy customers complain. The rest churn.' — Esteban Kolsky

Customer Experience is the New Battleground

According to Gartner, 89% of companies now compete primarily on the basis of customer experience, which is set to overtake product and price as the key differentiator.

This is especially acute in industries where product differentiation is hard to come by and customers have options. For example, Bain consulting estimates that for a telecom provider with 5 million customers and an average churn of 2 to 2.5%, a reduction in churn by even 50 basis points would be worth \$410 million in customer lifetime value over 30 months.

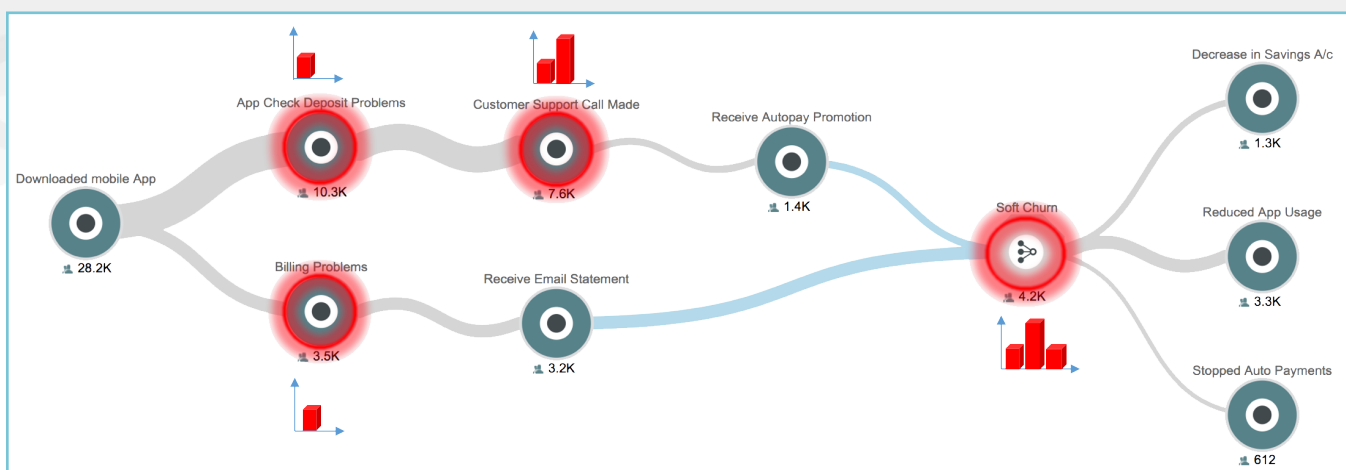
To make matters worse, customers that leave after poor experiences amplify their dissatisfaction via social media.

Why a New, Journey-Driven Approach to Churn is Necessary

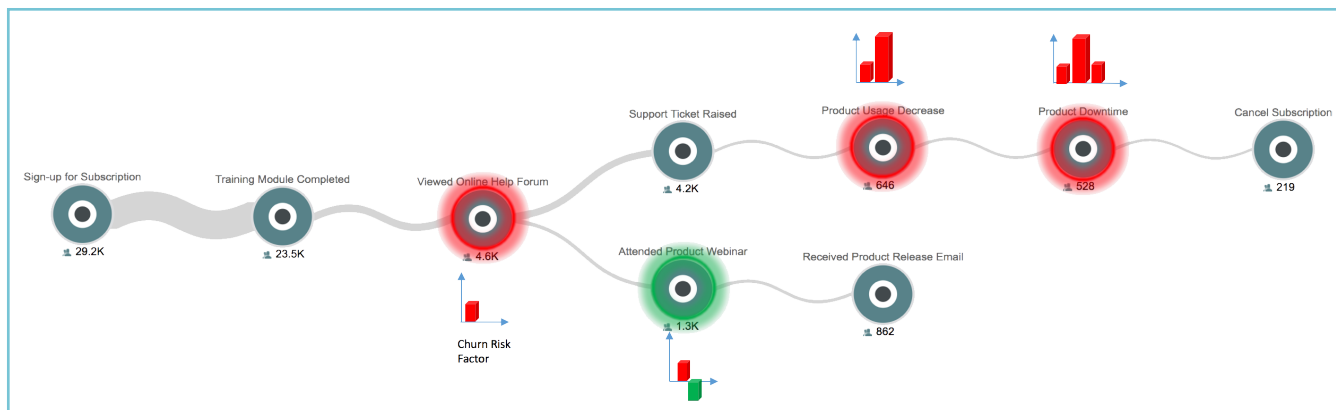
Previously, businesses did not have visibility into real, end-to-end customer journeys, so they focused only on the last one or two customer interactions, incorrectly assuming that they were reliable indicators of churn.

But poor experiences accumulate over time. As in personal relationships, trust and resentment in customer relationships build up over years. Customers can have experiences that make them feel neglected or indifferent long before they end their relationship with your business. To discover the root causes of churn, you need to look at the complete customer journey or you will likely reach the wrong conclusions.

Customer journey analytics is a breakthrough technology that provides the power to look across millions of actual customer journeys spanning numerous touchpoints, channels and time periods. Using the Pointillist customer journey analytics platform, you can now visualize and discover the root causes of churn in real-time, based on your customers' complete history of interactions with your business over time. In other words, by considering the entire, end-to-end relationship.



A leading retail bank learns that initial dissatisfaction with their mobile app is a primary indicator of soft churn later on.



A B2B software vendor finds that unresolved issues early in the customer journey lead to reduced product usage and eventual churn.

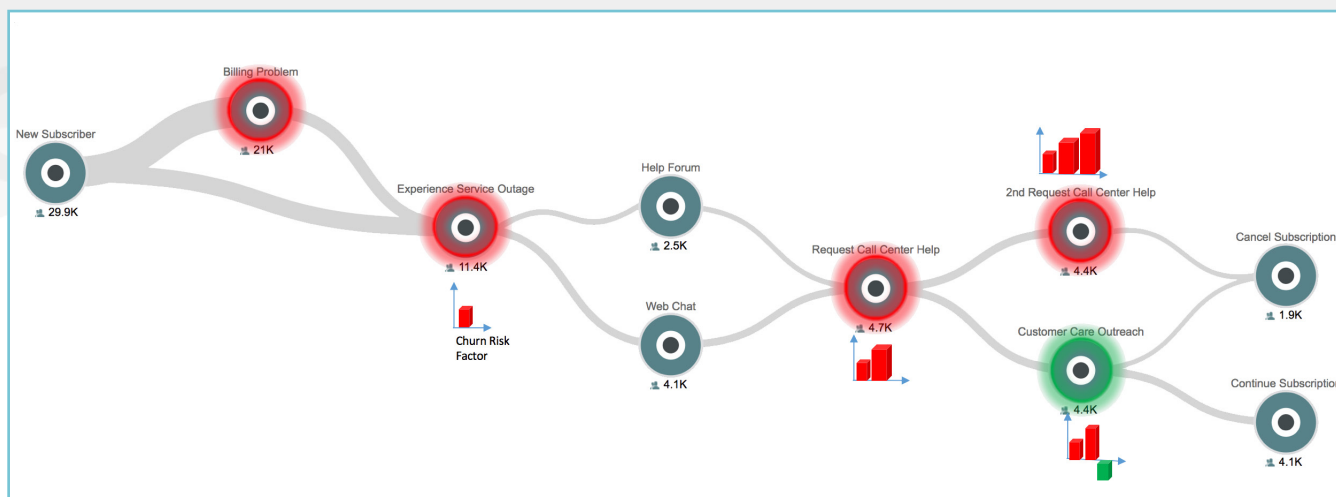
Pointillist AI Provides Actionable Insights to Reduce Churn

Pointillist AI explores billions of data points in places you'd never think to look and finds every relationship in the data that exists. Unlike other 'black box' AI tools that present their results without context, Pointillist AI is truly your analytics partner. For the first time, you have the power to know precisely where, when and why churn occurs, as your customers interact with your company.

With Pointillist AI, simply indicate that you're looking to reduce customer churn and it will discover those customer behaviors and attributes that have the highest impact on churn, within the context of your customers' actual journeys.

You can focus on evaluating insights and deciding which ones to act on first, rather than spending all your time managing data.

Pointillist AI can even discover whole new customer segments and behaviors that are more predictive of churn. New behavioral segments discovered by Pointillist AI—defined by such factors as profitability, readiness to leave and the likely response to offers to stay—can then be used to inform your strategies for churn reduction, customer retention and growth.



A telecom provider discovers that churn risk quickly escalates during support calls for those customers with previous billing issues.