

# How to turn a cost center into a profit center ?

Step n : Reach your objectives with a differentiated actions plan

## Introduction

The challenge is to define actions plan based on the customers profile and not only on the customer value, for a Customer Service strategy customer centric of course but also aligned with the company's goals.

Hence the absolute need to specify the right objectives such as: Improve Customer Satisfaction by 2 points | Reduce costs by 20% | Increase Customer Value or Revenue by 10% ...

## Principle

In collaboration with the business expertise, the analytic tools can extract attributes which characterize a diversity of customers and give you the keys to define **the most appropriate action per segment**.

And there's more value insight the data when considering the **big picture** (profile, interactions, IoT...) rather than a single even rich piece of data. It is much **more predictive** of who you are and what you need.

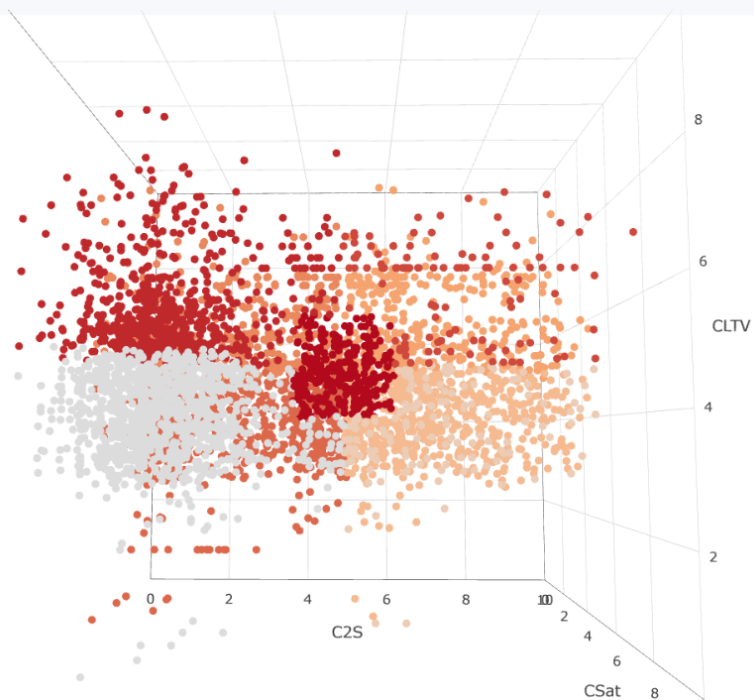
## Methodology

Decide in X, Y, Z axis what matters most for your company like CSat | C2S | CLTV and then visualize your customers over these n dimensions.

Segment via the algorithm using the best-fit and set the **Next Best Action** per segment with the ultimate goal to bring all the customers to the ideal segment : Max satisfaction | Min cost | Optimum value

Before launching upsell on a segment at low value but also at low satisfaction, it's necessary to first restore a good level of satisfaction through a cocooning operation otherwise the conversion will not happen!

The impact of each action depends on both starting and ending segment and the movement determines its gain and therefore its potential ROI.



NBA	Q	Cust...	C2S	CSat	CLV	Coût	C2S>	CSat>	CLV>	Gain
Outbound call		17994	2,7	6,3	4,6	54k€	5,7	6,1	5,1	933k€
Upsell on call		12346	7,0	7,2	4,7	12k€	8,1	6,9	5,1	450k€
Engage on digital		9854	2,6	4,3	5,0	10k€	3,1	4,9	5,3	290k€
Cocooning by phone		5397	2,5	4,3	5,8	27k€	7,6	5,6	6,2	160k€
Open question on call		5210	5,4	4,2	5,9	5k€	5,4	4,9	6,2	153k€
Get feedback		10150	2,6	6,2	5,7	2k€	2,8	6,4	5,8	113k€
Promote digital on call		5312	6,9	7,2	5,6	5k€	6,2	8,0	5,7	34k€
Decrease SLA		10148	5,7	4,3	5,1	0k€	3,7	4,0	5,1	20k€

## Read me first

The customers database is sliced into 9 clusters one of whom is the ideal. Each cluster is associated with the most relevant action and a classification based on potential gain sets the action plans to follow.