

November 2021

EVERCOMMERCE PART B - EXECUTIVE SUMMARY

MBAX 6330 - MAJOR TEAM CASE:FACTS & STATS



Prepared by: Facts & Stats

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Background

Our team has been asked to examine and define attributes amongst our existing data to determine optimal insights on where Evercommerce can target PaySimple clients with cross-selling offers.

With our analysis, our team has provided profiles of each of PaySimple's prospective clients in terms of their likelihood to purchase additional products. Our analysis will prompt users to understand our criteria our team developed with the data provided, but will also serve as a guide for where Evercommerce can capitalize on new opportunities.

Customer Profiles

Customer Profile: Listen360

Target customers whose verticals are the following as they will increase the likelihood of being a suitable customer:

- Online and Finance

Explicitly Avoid:

- Security, Fitness, Real Estate, and Therapy

Given the interaction between Referrals and touches, the more touches, the greater affect that referral will have on being a customer.

Organization Size	Referral	Zip Code	Digital Store Front
300-400	No	MidWest/West	Yes

Appendix A

Customer Profile: Market Hardware

Target customers whose verticals are the following as they will increase the likelihood of being a suitable customer:

- Home Improvement, Legal, and Finance

Explicitly Avoid:

- Security, Real Estate, Therapy

Given the interaction between Referrals and touches, the more touches, the greater affect that referral will have on being a customer.

Organization Size	Referral	Touches	Tenure	Late Payments
<100 or >300	No	> 4	<5	Yes

****Tenure:** Moving the spotlight may affect the attitude towards product, so the significant point is considered ~6 and is our starting point
Appendix B, C, D

Customer Profile: Customer Lobby

Target customers whose verticals are the following as they will increase the likelihood of being a suitable customer:

- Finance and Health Care

Explicitly Avoid:

- Home Improvement, Legal, Online, Therapy

Given the interaction between Referrals and touches, the more touches, the greater affect that referral will have on being a customer. The longevity of a customer accounts for more significance placed on the late payments.

Organization Size	Digital Store Front	Volume	Touches	Referrals	Late Pay	Tenure
>250	No	<250 or >450	<4	No	No	<5

Appendix E, F, G, H

Top 1000 prospective customers

We applied our model to the dataset to identify the probability of success for each customer in the second dataset. We then sorted the dataset in descending order (By the results of our model) to get the top 1000 prospects. This generated three separate lists for analysis of cost. (Appendix I)

The economic value of our proposed targeting strategy...

Alongside our prospective cross-selling targets our group was able to plunge into a further understanding of our recommendations given the cost of each contact transaction.

Using information derived from our sales team, we were able to compare our targeting strategy against a firehose approach where a random set of one thousand prospective customers are cross-sold on all products. Applying our model for each Ever commerce product, we found the average probability of cross-selling success for Market hardware, Listen360, and Customer Lobby for the top 1000 prospects. With this approach, we identified the expected value per lead and multiplied it by 1000 assuming we would reach out to the top 1000 prospects. Another approach could also include us only reaching out to prospects that would result in a higher expected value than the cost per lead.

Discovering that our expected value per lead in our model resulted in the best margin for each product suited towards each client. In comparison to a firehose approach where all clients are dealing with all of the products, we found our approach is more personalized to the customers we are pursuing, hence concluding that our targeting strategy is more favorable and efficient as opposed to the other.

Our team's model demonstrates a greater economic value that accounts for Evercommerce's efforts towards client use, as opposed to the firehose method that excludes it.

Our Approach	Listen360	CustomerLobby	MarketHardware	Firehose
Total Margin	\$ 32,374.87	\$ 155,315.93	\$ 310,782.53	\$ 26,320.83

Appendix I

Total Margin = Expected value * 1000 Leads

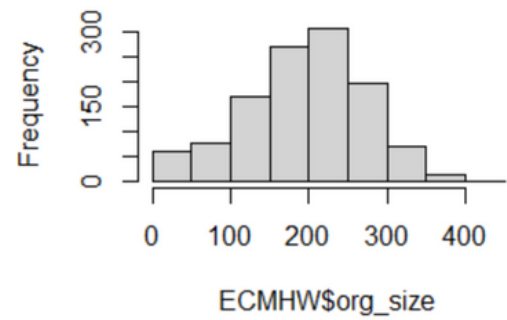
Appendix

Appendix A



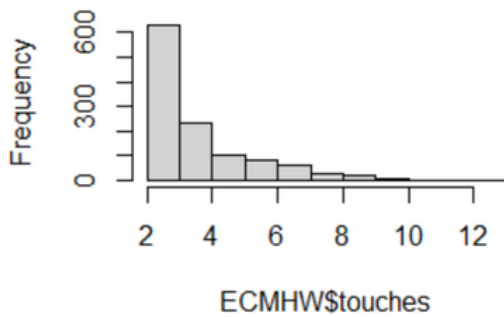
Appendix B

Histogram of ECMHW\$org_size



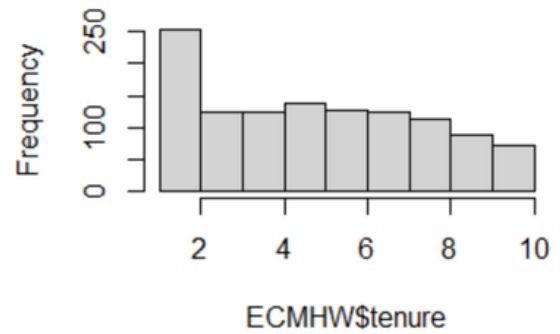
Appendix C

Histogram of ECMHW\$touchees



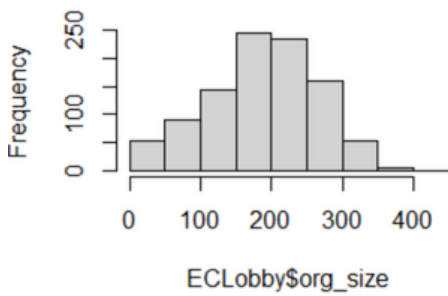
Appendix D

Histogram of ECMHW\$tenure



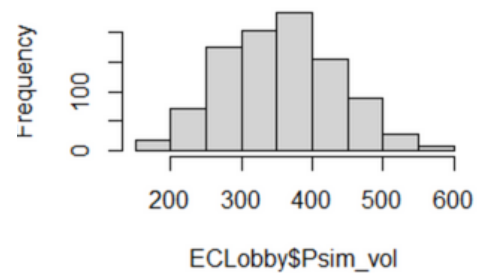
Appendix E

Histogram of ECLobby\$org_size



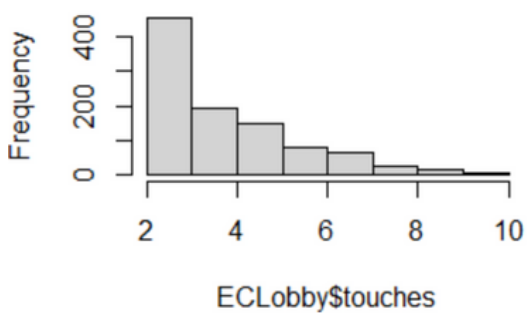
Appendix F

Histogram of ECLobby\$Psim_vol



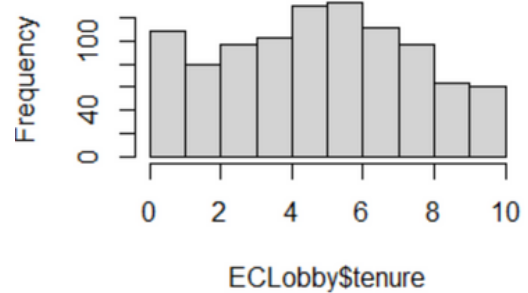
Appendix G

Histogram of ECLobby\$touchees



Appendix H

Histogram of ECLobby\$tenure



Appendix I

Our approach	L360	Lobby	MHW	Total
Average Prob for top 1000	0.690664	0.573386	0.658612	
Cost per lead	28.125	28.125	28.125	
Revenue per successful lead	75	299	500	
Margin per successful lead	46.875	270.875	471.875	
Expected value per lead	32.374875	155.3159328	310.7825375	
Number of Leads above the threshold	1000	1000	1000	
total margin	32374.875	155315.9328	310782.5375	\$498,473.35