

Go-To-Meeting

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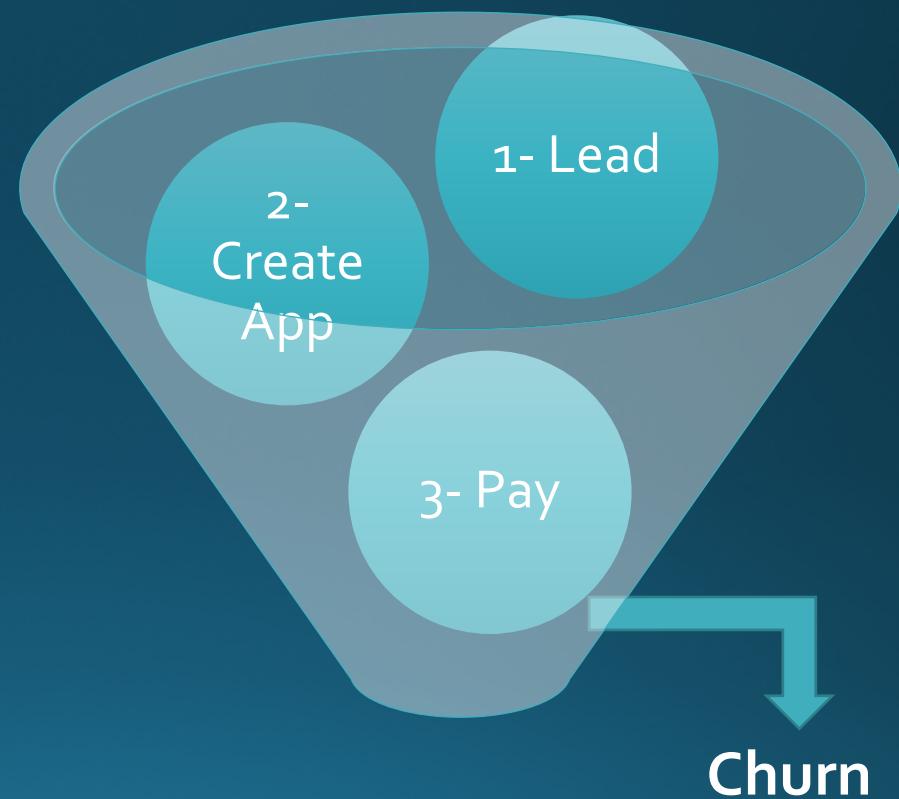


INTERCOM

Introduction

The goal is to analyze Intercom's marketing funnel data and deliver actionable insights and strategy to increase conversion throughout the funnel.

Marketing Funnel



The Data

- ✓ Data is comprised of 17 columns and approximately 140,000 rows.
- ✓ 7 categorical (Lead type, prospect type, consolidated lead channel, etc.)
- ✓ 7 dates (first invoice created, app created, salesforce opportunity dates, etc.)
- ✓ 1 numeric (number of products trialed)
- ✓ Multiple NAN – chose not to delete, because contains relevant information pertaining the quality of the data and results.
- ✓ Data from 2012-2015 is only from churned or current customers.



Assumptions

- ✓ “Consolidated Lead Channel” is considered customer channel origin – PAID is paid internet marketing, all other is ORGANIC or POWERED-BY (also organic).
- ✓ Stages in a simplified funnel are: Lead > Created App > Pay
- ✓ If date lead was created is more recent than the first invoice, first invoice date is considered date lead was created.
- ✓ Sales Opportunity and Sales Won Leads are usually bigger/high value clients assigned to a Sales Associate to close. Therefore we are going to deeper analyze only higher volume lead types.



Preliminary Findings

- ✓ Every churn has received an invoice (confirmed), clients who only created App is not considered Churn.
- ✓ Data from 2012 to 2015 have only current or churned customers. So the analysis needs to be done on a yearly basis so as to not bias the findings.
- ✓ Sales Opportunity and Sales Won have very high conversion rates but very little absolute number of clients.

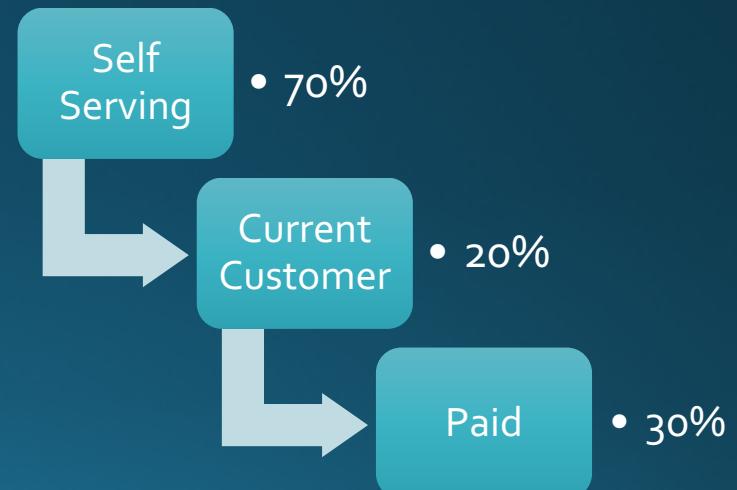


Analysis Strategy

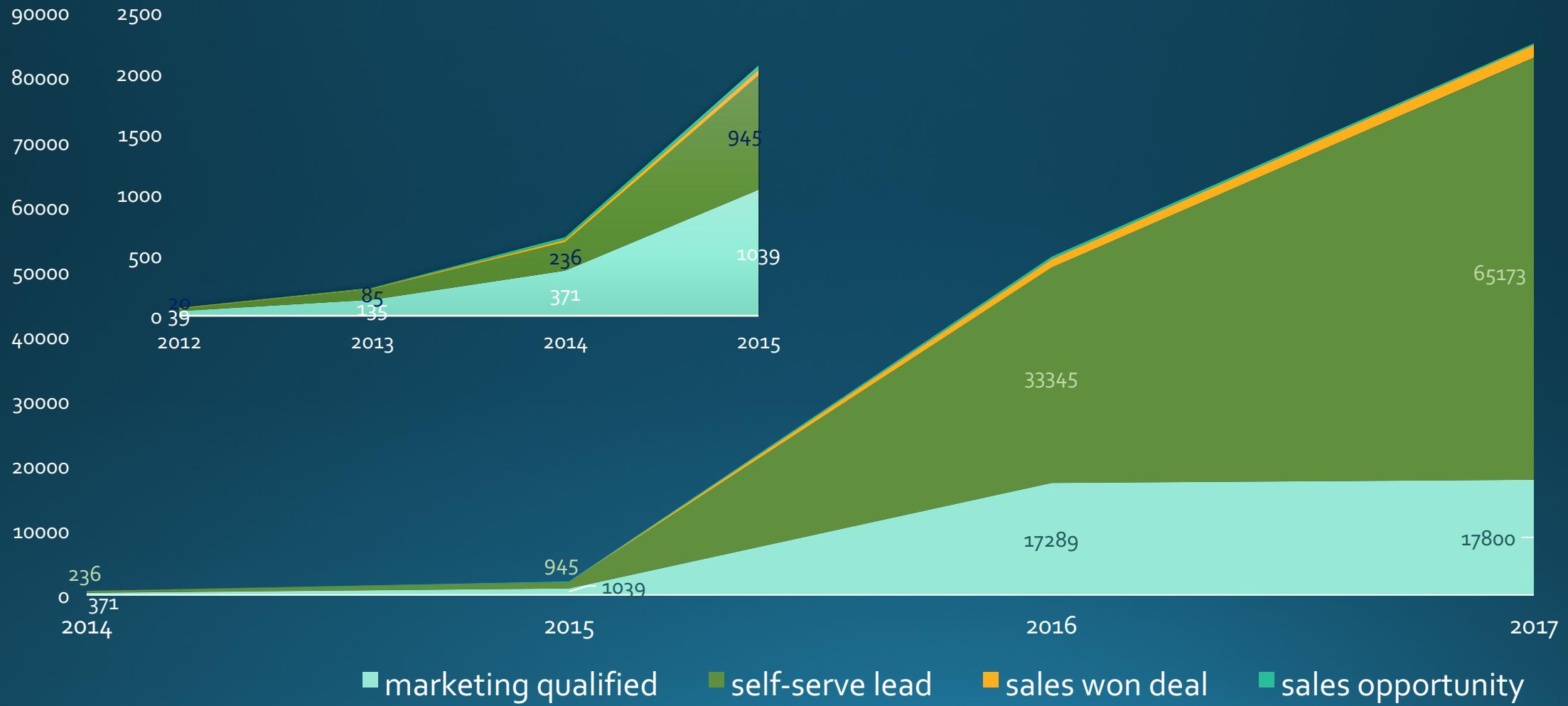
Visualize the marketing funnel's conversion rate on a yearly basis using the following structure:



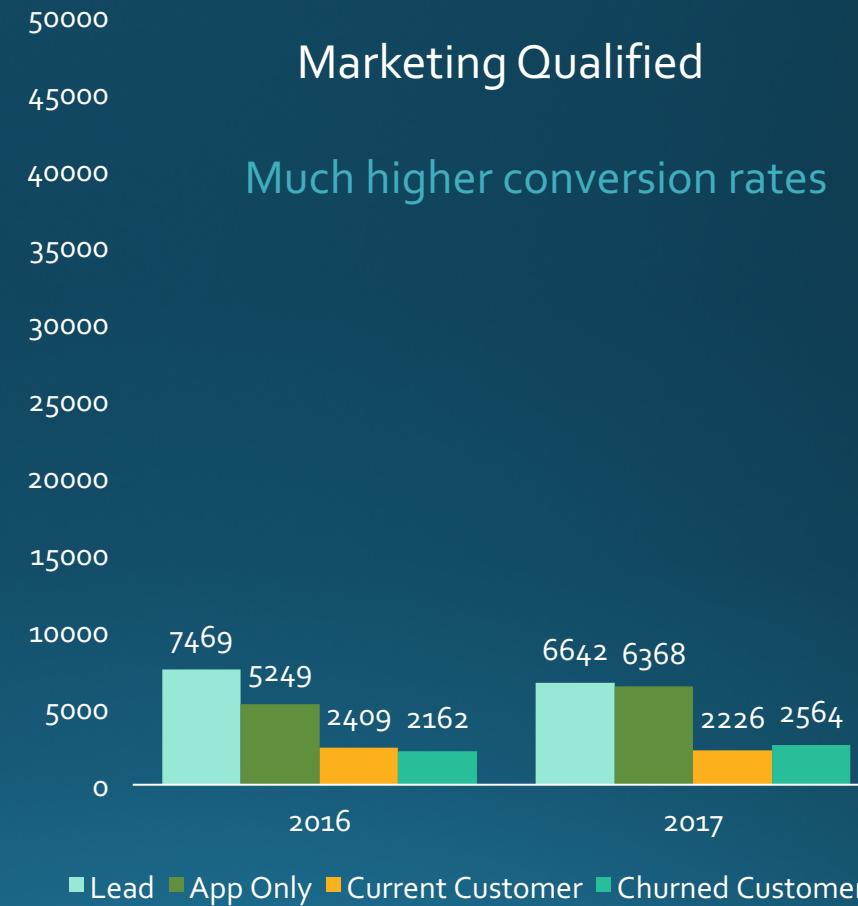
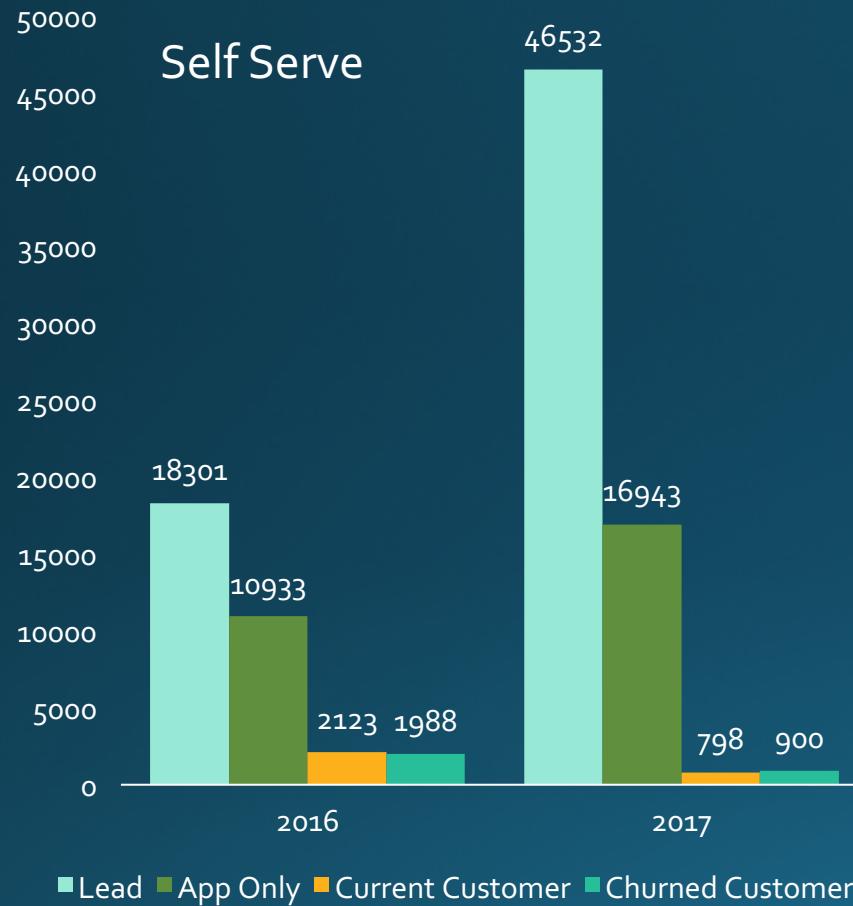
Example



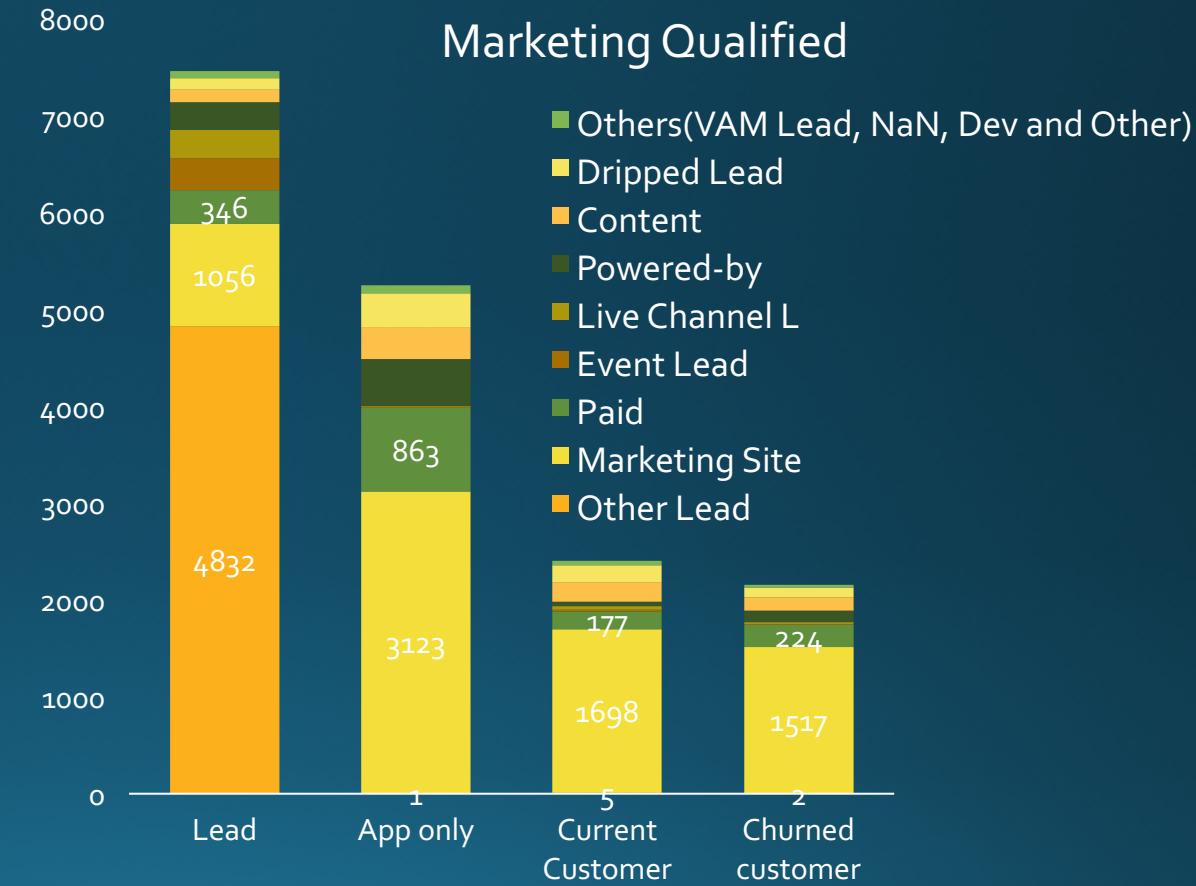
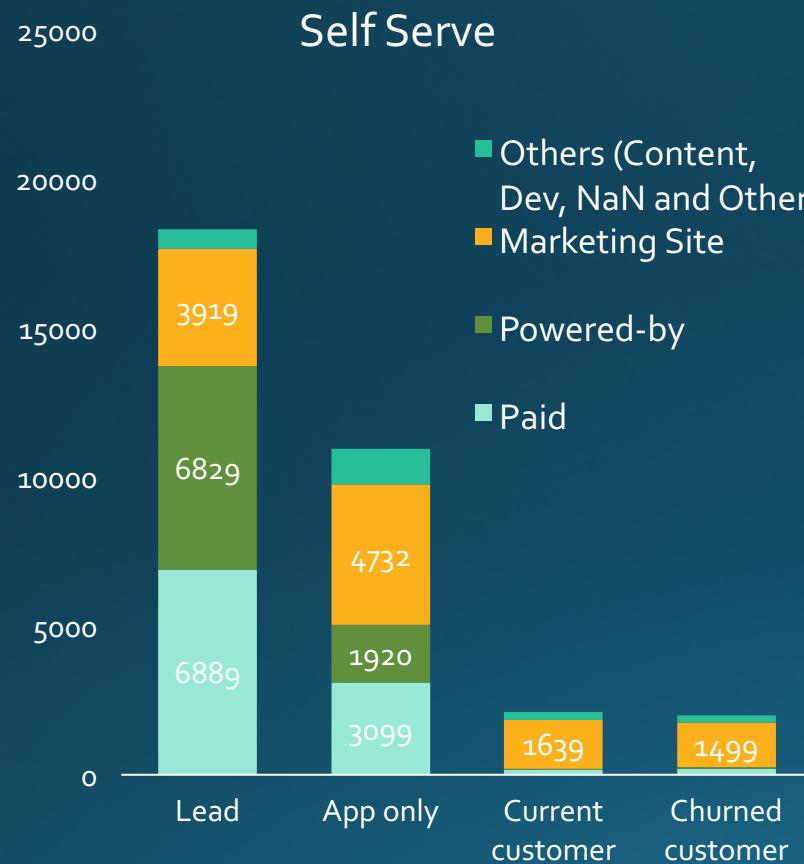
Number of Leads broken into types – 2012 - 2017



Leads broken down by type of prospects – 2016 - 2017



Consolidated Channel down the funnel - 2016



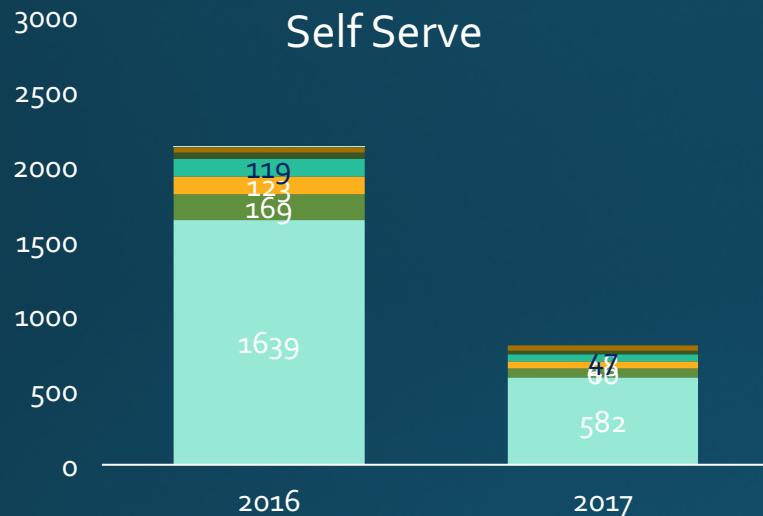
Consolidated Channel down the funnel - 2017



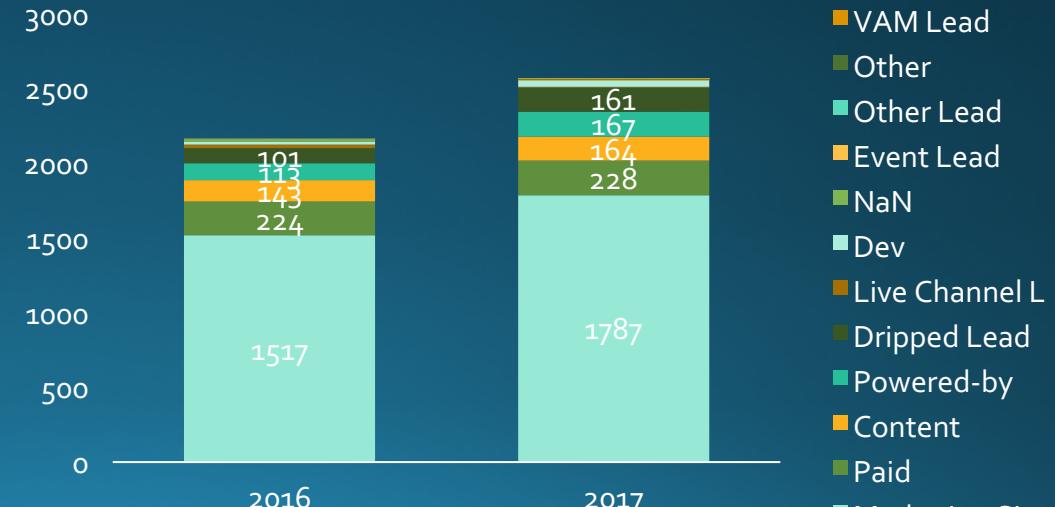
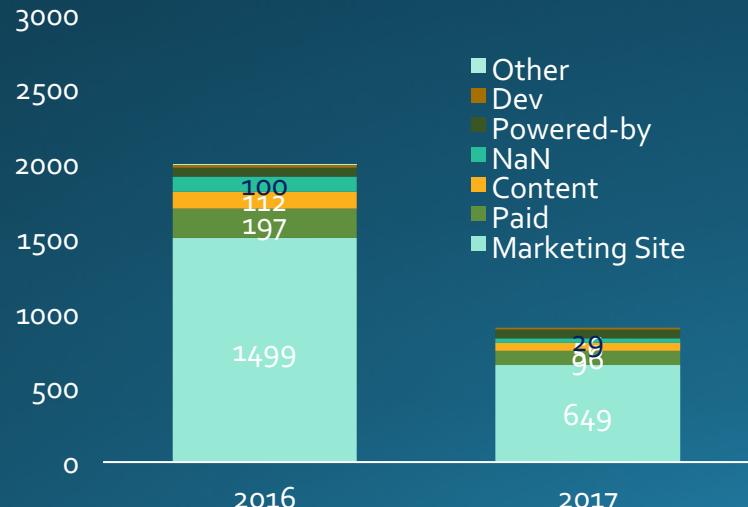
- Circled in red are channels that bring in a lot of leads but hardly no conversions

Consolidated Channel - 2016 - 2017

Current
Customers



Churned
Customers



INTERCOM

Conclusions

- ✓ Self served leads grew and surpassed qualified marketing leads in 2016.
- ✓ Qualified marketing leads have much higher conversion rates.
- ✓ In 2017, self served leads conversion rates declined considerably, proportionally and in absolute value, regardless of substantial increase in new leads inflow.
- ✓ For self serve leads, Paid and Powered-by strategies have very little conversion yet bring in a lot of leads.
- ✓ For Qualified Marketing Leads, event and live channel leads have very little conversions but bring a good amount of people.
- ✓ Marketing site is the overall highest conversion rate overall in 2016 and 2017.
- ✓ To have a better understanding and suggest more accurate insights or strategies, it would be good to have marketing costs and LTV of the clients.



Top 3 Action Items

- ✓ Analyze ROI and re-evaluate strategies that have extremely low conversion rates:
 - ✓ Self Serve Leads
 - ✓ Powered – by Leads (Where are they coming from, what are their needs, are they just curious, what is the cost for Intercom)
 - ✓ Paid Leads (Who are we targeting, where are we targeting them, do a specific media channel ROI analysis, what is the budget)
 - ✓ Qualified Marketing Leads
 - ✓ Event Leads (What events are we going, how relevant are they, how much is being spent – ROI)
 - ✓ Live Channel Leads (Is it cost effective)
- ✓ Qualified Marketing and Self serve Leads have bottle necks in App only part of the funnel (Slide 10). Talking with those customers to better understand their needs and why they didn't move forward with the purchase might give us insight in how to convert them. If we increase 10% conversion of qualified leads in that stage, it's a 20% increase in Current customers that come from Marketing Site.
- ✓ Roughly 50% of customers churn. Get feedback from the customers to analyze if Intercom's value proposition was not in line with their needs or if it was a price point issue (too expensive). Also analyze how many of the churns were related to startups that went out of business (are and should startups be a considerable part of the market, due to instability). If we reduce churn in 10% from what it is, we increase current customers in 10%+.



Suggested Future Analysis

- ✓ Have financial data (LTV and marketing expenditure) added to the study so we can calculate ROI, understand the size of the clients and segment the analysis based on client size.
- ✓ Have industry information on Clients
- ✓ Analyze the life cycle of clients – which leads convert faster, which clients churn faster, what are the life cycles of leads depending on where they come in the funnel.
- ✓ Develop some ML/AI model (Decision Tree, XGBoost, ANN, or others) to be able to have an idea of the probability of that client converting based on its characteristics. This way you can concentrate efforts on clients that are more likely to convert and reduce cost while increasing revenue.



Personal Notes on the Test

I might have gone a bit overboard on the test. However, here is a list of some things that made me do it:

- 1- The data was pretty rich.
- 2- I was curious about the results and how deep I needed to go to deliver meaningful insights.
- 3- I wanted to deliver a code that could be reused periodically to update the analysis and stakeholders.
- 4- I had some time on my hands.
- 5- I was excited to do it and learn.

I probably spent 5-7h on this analysis (code and everything).

