# Breakout Instructions

Your team is focused on the **financial services** industry. You’ve been provided with a resource document sharing many possible AI use cases for this industry.

Steps to complete this challenge:

1. Carefully read through the list of key business metrics your customer has shared. **5 min.**
2. Carefully read through the customer testimonials. **5 min.**
3. Brainstorm as a team to come up with **as many AI use cases as possible** that could positively impact this customer’s business metrics. Use ‘unconstrained thinking’ (we have unlimited budget and time!). Especially focus on use cases that address challenges the customer raises, but feel free to come up with use-cases that may improve their general business. **20 min.**
4. As a team, vote to reduce your list of ideas down to the top 10. **10 min.**
5. Have a team vote and place those ideas along the X axis (Impact Axis) in order of perceived business impact (Only 1 ‘lane’ along the bottom). **10 min.**
6. Now based on team vote, move each idea vertically along the Y Axis (Effort Axis) based on perception of difficulty to implement. ***Use the AI Use Cases resource document to help***. **10 min.**
7. Draw lines to divide the matrix into 4 equal quadrants.
   1. Bottom right quadrant = High impact, low effort (**Low Hanging Fruit**)
   2. Top right quadrant = High impact, high effort (**Strategic Projects**)
   3. Bottom left quadrant = Low impact, low effort (**Quick Wins**)
   4. Top left quadrant = Low impact, high effort (**Non-Starters**)
8. Assign a spokesperson and be ready to share:
   1. Customer/Industry
   2. Business metrics needing improvement
   3. AI use-cases your team arrived at and why

## Customer Information

Company Name: **Coho Financial Services**

Industry: **Financial Services**

Annual Revenue: **$50 million**

## Key Business metrics

|  |  |  |
| --- | --- | --- |
| **Business Unit** | **Business Metric** | **Description** |
| Marketing | Customer Acquisition Cost (CAC) | The cost incurred to acquire a new customer. |
| Customer Service | Customer Retention Rate | The percentage of customers who stay with the company over a specified period. |
| Lending | Loan Approval Rate | The percentage of loan applications that are approved. |
| Customer Service | Net Promoter Score (NPS) | A measure of customer satisfaction and loyalty. |
| Operations | Operational Efficiency | Cost of operations relative to revenue generated. |
| Finance | Annual Revenue | Total income generated from services provided. |

## VP of Marketing Perspective

Challenge: As the VP of Marketing, I am deeply concerned about our high customer acquisition costs. Our current marketing strategies and targeting efforts are inefficient, leading to a 15% increase in CAC compared to the industry average. This inefficiency has resulted in an annual increase in marketing expenses by $1.5 million, significantly straining our budget.

## VP of Customer Service Perspective

Challenge: As the VP of Customer Service, I am troubled by our low customer retention rate. The lack of personalized customer experiences and proactive engagement has led to a retention rate that is 8% lower than the industry average. This shortfall translates to an annual revenue loss of $1 million, which is detrimental to our growth and stability.

## VP of Lending Perspective

Challenge: As the VP of Lending, the inefficiencies in our loan processing system are a major concern. The slow and error-prone approval process is causing our loan approval rate to be 10% below the industry benchmark. This inefficiency is leading to a potential annual revenue loss of $1.75 million due to missed opportunities and dissatisfied customers.

**Summary of Issues:**

* High Customer Acquisition Costs: Annual marketing expense increase of $1.5 million.
* Low Customer Retention Rate: Annual revenue loss of $1 million.
* Inefficient Loan Processing: Annual revenue loss of $1.75 million.