



ANALYTICS EXPERIENCE 2016

Marketing Evolution and Campaign Transformation within Synchrony Financial

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Synchrony Financial

#AnalyticsX



Agenda

1. Who We Are
2. SYF Data and SAS MA Environment
3. Campaign Automation
4. Best Practices
5. Keys to a Successful Relationship
6. Q&A



Who We Are



An industry leader



Synchrony Financial is one of the premier consumer financial services companies in the United States.

We are the largest provider of private label credit cards in the United States.*

* Based on purchase volume and receivables.
Source: The Nilson Report (May 2016, Issue # 1087) - based on 2015 data.

By the numbers

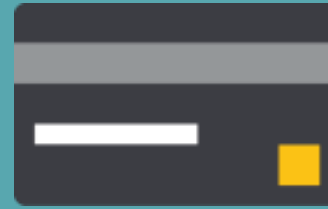


Added to
S&P 500
Index
November
2015



~230 million

Customer calls
handled



68 million
active accounts



average
Retail Card partner
relationship

17 years

over
1/3rd

applications via
online and mobile



offered at
350,000+
partner locations
and online

27% increase

in online and mobile purchase
volume since 2Q15



\$114 billion

in financed sales



12,000+
employees

500+ Million

logins through digital service channels



Synchrony Financial Overview

Leading Consumer Finance Business

- Largest Private Label Credit Card (PLCC) provider in US^(a)
- A leader in financing for major consumer purchases and healthcare services
- Long-standing and diverse partner base

Strong Value Proposition for Partners and Consumers

- Advanced data analytics and targeted marketing capabilities
- Dedicated team members support partners to help maximize program effectiveness
- Enhanced sales growth and additional economic benefits for partners
- Access to instant credit, promotional financing, and rewards for customers

Robust Data and Technology Capabilities

- Deep partner integration enables customized loyalty products across channels
- Partner and cardholder focused mobile payments and e-commerce solutions
- Leveraging digital, loyalty, and analytics capabilities to augment growth

Attractive Growth and Ample Opportunities

- Strong receivables growth
- Significant opportunity to leverage long-standing partnerships to increase penetration
- Opportunity to attract new partners
- Developing broad product suite to build a leading, full-scale online bank

Strong Financial Profile and Operating Performance

- Solid fundamentals with attractive returns
- Strong capital and liquidity with diverse funding profile
- Announced quarterly common stock dividend of \$0.13 per share and share repurchase program of up to \$952 million for the four quarters ending June 30, 2017

(a) Source: The Nilson Report (May 2016, Issue #1087) as measured by PLCC purchase volume and receivables, based on 2015 data.

Customized products

Credit and financing

Retail Card

Private Label

Dual Card

Retailer only acceptance

Accepted at network locations

Payment Solutions

Private Label

Retailer only acceptance

CareCredit

Private Label

~177K provider network locations

Consumer banking

Synchrony Bank

Fast-growing online bank

Robust FDIC-insured product suite

- Certificates of Deposit
- Money Market Accounts
- Savings Accounts
- IRA Money Market Accounts
- IRA Certificates of Deposit

Affinity to retailer, provides customized benefits and features

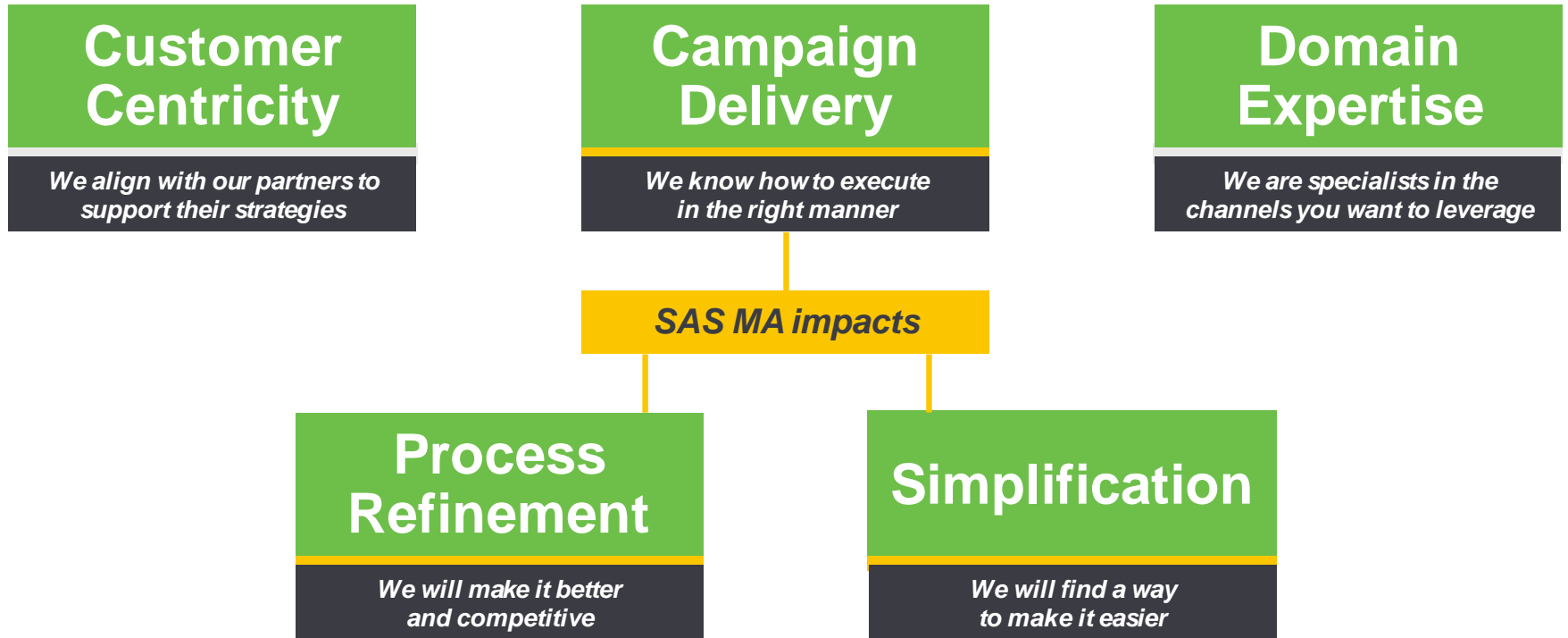
- Cash back, discounts
- Credit events and promotions
- Reward/best customer programs

Big ticket focus, offering no/low interest payment options

- Home
- Furniture
- Electronics
- Luxury
- Power sports
- Dental
- Vision
- Cosmetic
- Veterinary



Marketing Solutions



Supported by...



Partnership across SYF

Partner with over 300 of our retailers across the U.S.



- Acquire new accounts
- Discounts and offers
- Value proposition
- Integrated branding



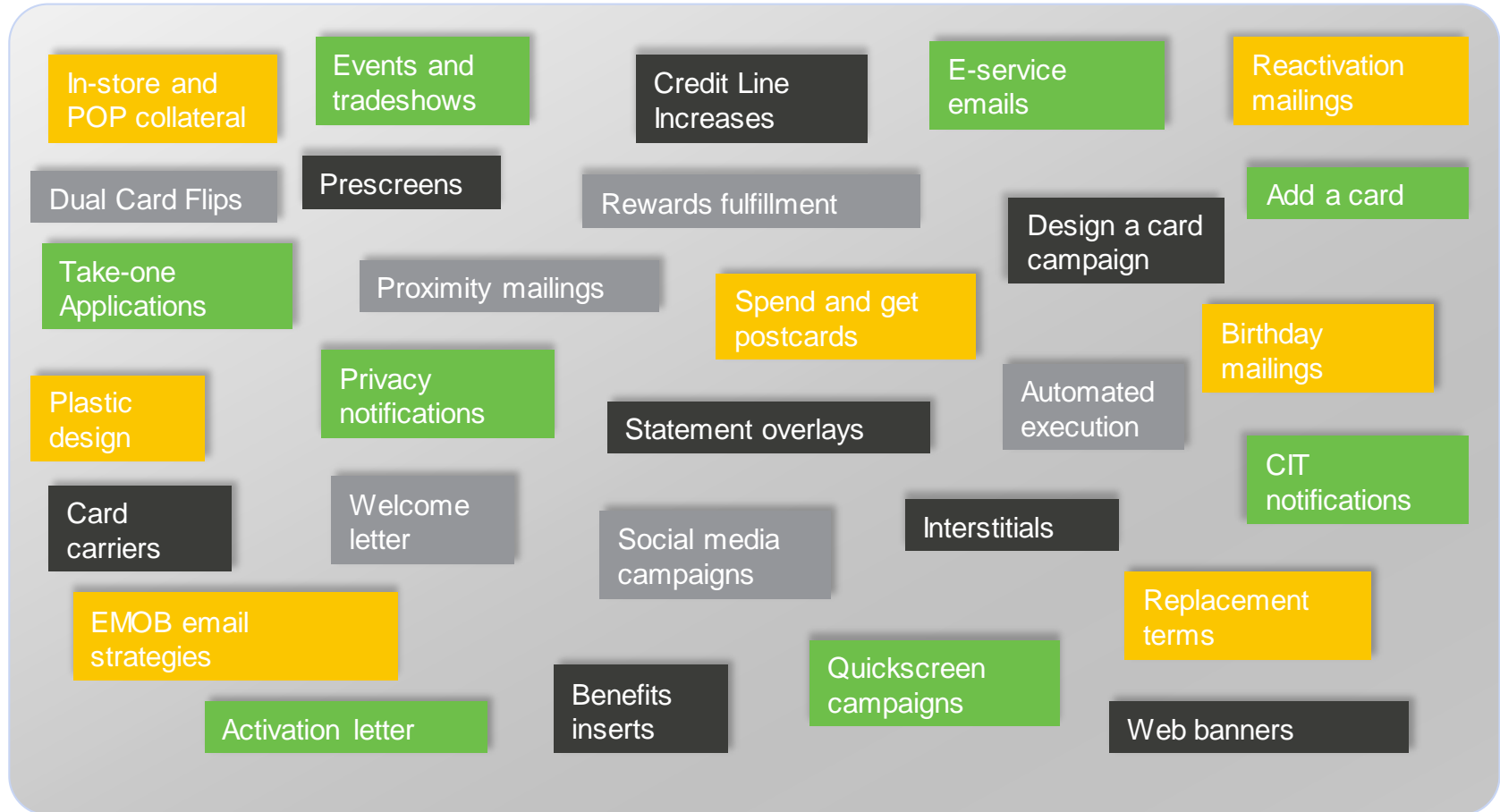
- Ongoing communication:
- Marketing messages
 - Servicing messages
 - Multiple channels



- Drive incremental usage:
- Higher dollar purchases
 - More frequent purchases



Breadth of Marketing Campaigns



SYF Data and SAS MA Environment

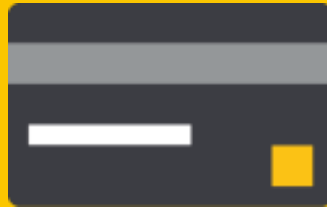


Our Customer Data Environment



170 million

historical cardholders across
300+ clients



300 million
prospects from our credit bureau

1,500+ structured tables
95,000 different data fields

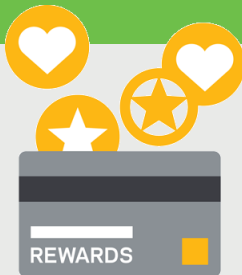


15

opt-out
tables

10

custom score
models



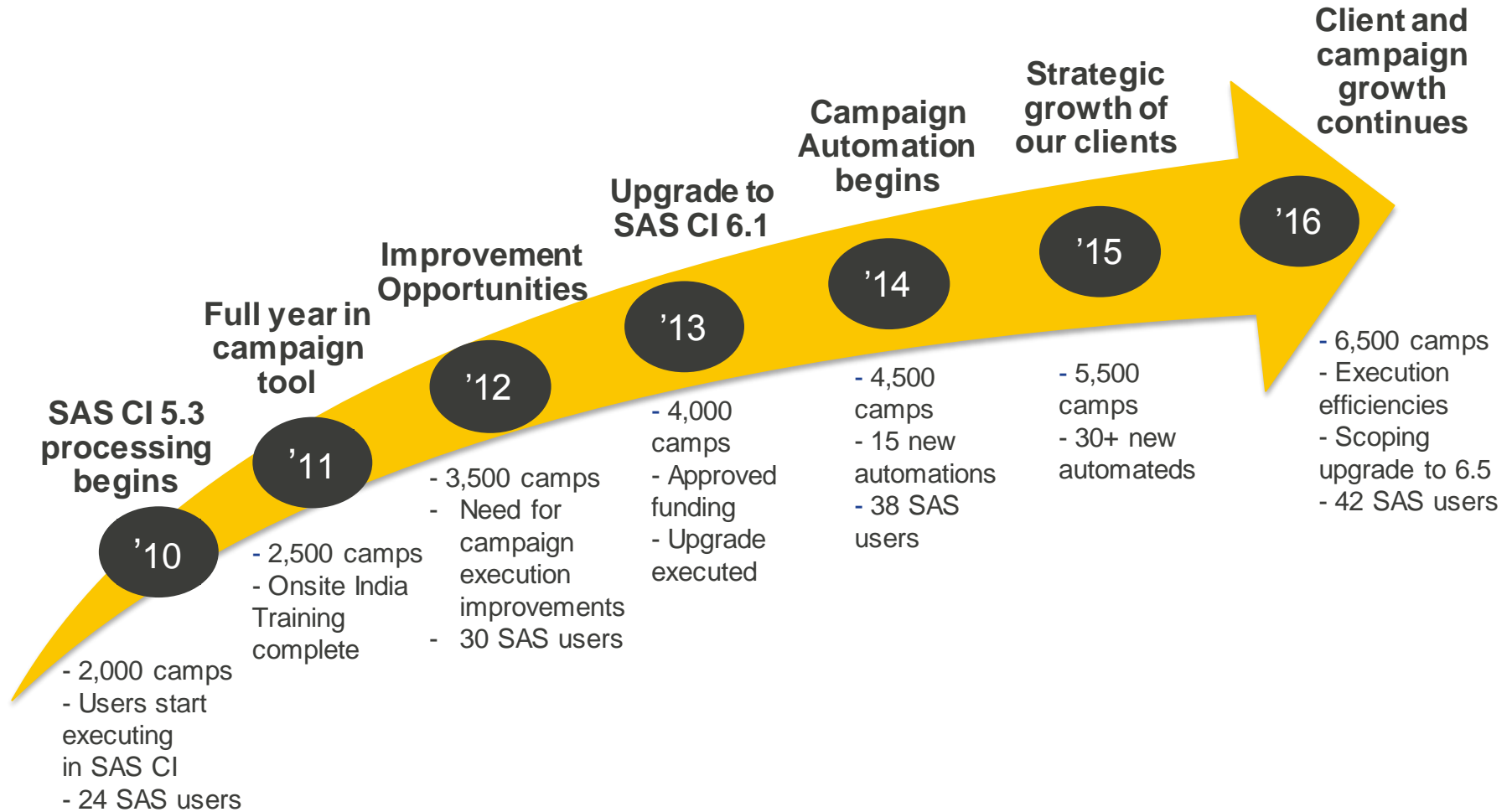
Various transaction, rewards,
statement, credit line tables

Custom hygiene flags for
Risk and
Marketing
Direct
Mail/Email



Custom Solicitation History
database includes
15,000 campaigns and
700 million records

SAS Customer Intelligence Studio – Through the SYF Years

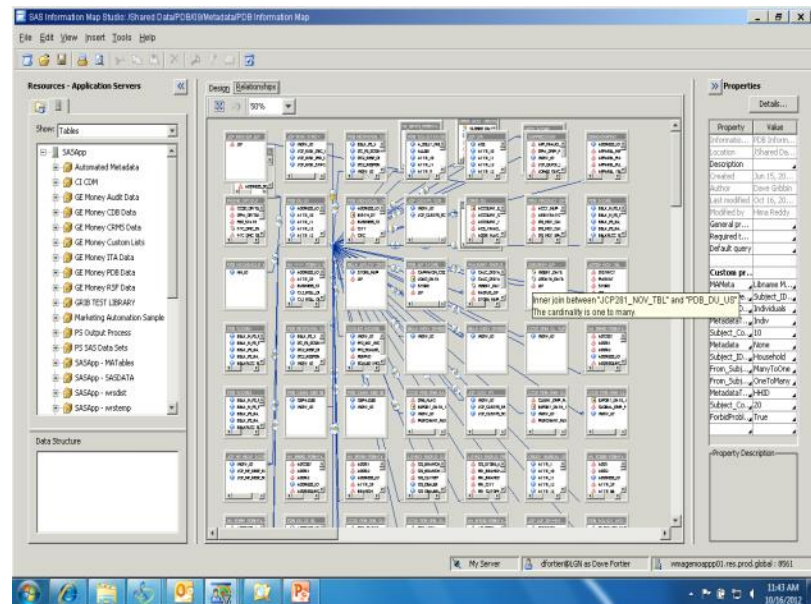
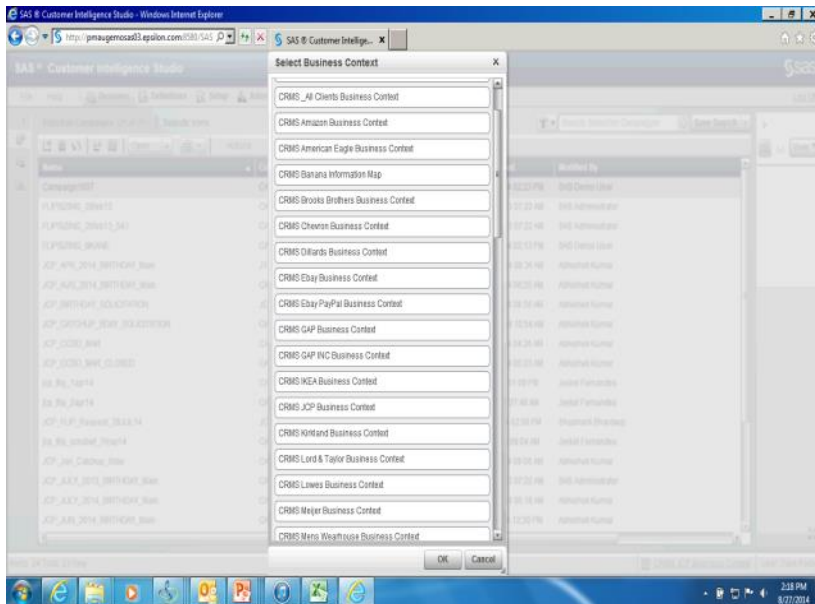


Our SAS MA Environment

- 1500+ SAS CI diagrams
- 70+ Business Contexts
- 70+ Information Maps
- 300 tables in Information Map Studio
- 65 Communication Definitions
- 300+ Export Definitions

- 250 Stored processes
- 200+ SAS CI Custom Diagram Tools
- 55 diagrams running in SAS scheduler

75+ users within U.S./India
Running on external database
Access MA through Citrix environment

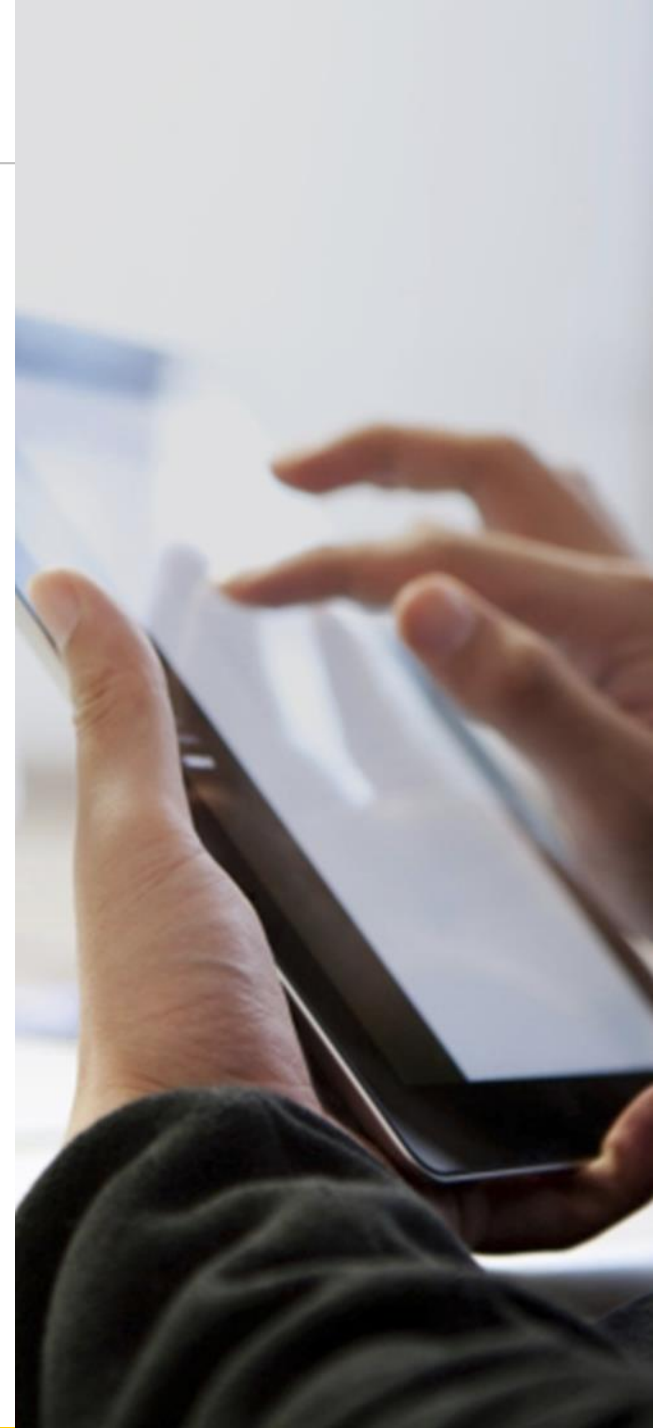


Campaign Automation



Why We Want to Automate

- Timely and relevant EMAIL and DIRECT MAIL messages to our customers
- Daily/weekly file launches (email deployment/print on demand)
- Hands-free execution, eliminates manual interventions
- Customized audit reporting upon execution
- Email notifications for successful execution and file shipment
- Customer Solicitation History/Analytic tracking



Automation Benefits

- Delivers timely/relevant messages to our customers
- Increases cardholder touchpoints, reminder emails
- Improves error rates
- Reduces operational costs
- Increases bandwidth among execution teams
- 400% resource efficiency
- Promotes consistency across marketing strategies



2015 Automation Benefits



Campaigns: 32 (19 daily, 7 weekly, 6 monthly)



Manual:

LOE: 2,997 execution hours

Annual launches: 384

2 FTE = 384 ad hoc launches
(monthly)

Automated:

LOE: 736 execution hours

Annual launches: 7,371

0.5 FTE = (maintain) 7,371 launches

Automation is **76 times more efficient!!**

▶ 1 Manual FTE = 0.25 Automation FTE

1.5 FTE 
Savings:

(1500 hrs = 1 FTE)

Campaign Automation – EMOB

EMOB (Early Month on Book)

Marketing Strategy

Client need: Daily automated emails across six retail clients with four separate marketing strategies, welcoming consumers and informing them with customized messages about their card

Campaign efficiencies:

- Set up single customized Business Context with six clients
- Create customized account data universe table
- Create consolidated CI diagram with stored processes
- Dynamic consolidated reporting for auditing
- Scheduled file execution within SAS scheduler



Campaign Automation – EMOB

Diagram #1

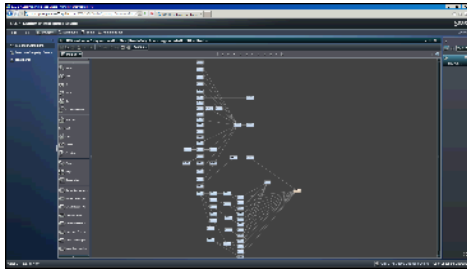


Diagram #2

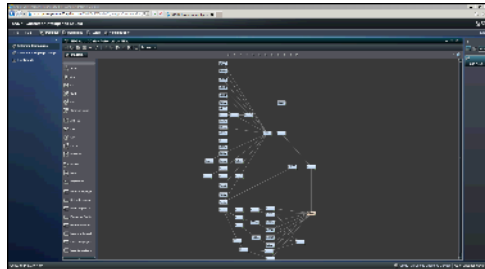


Diagram #3

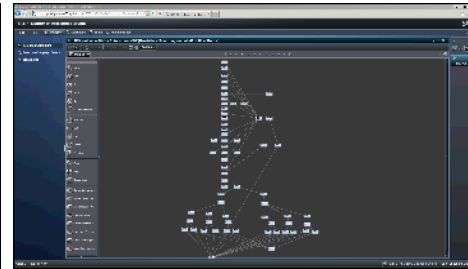
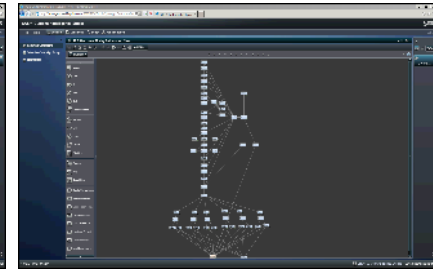
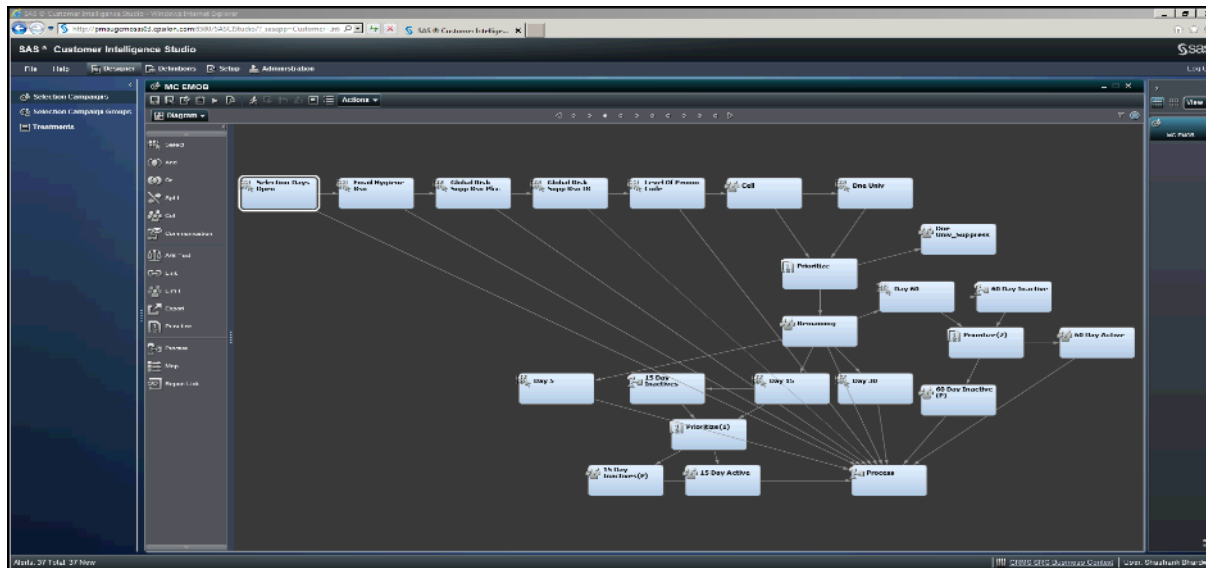


Diagram #4



Consolidated Diagram



Improved Results:

- Improved Run times from 100 mins to 10 mins
- Reduced number of execution nodes from 222 to 20
- Frees up bandwidth on execution server for other campaign processing

Campaign Automation – EMOB

SAS Scheduler notifications

SAS Customer Intelligence Notification

The following event has occurred:

Execution: Completed successfully

Selection campaign details

Name: EMOB Automation
 Code: EMOB
 Folder: Outlook
 Business Context: Client ABC Business Context

Notification Details

User: John.Doe
 Occurred: Wednesday, August 24, 2018 1:32:56 PM EDT
 Comment:

Execution details

Communications Summary:

Communication Name	Communication Code	Channel	Thresholds (Min./Max.)	Marketing Count	Dropped Count
#F File	EMOBPRP	Mail		93	0

Marketing Cells Summary:

Cell Name	Cell Code	Communication Name	Package Code	Cell Count	Actual Count
Cell(126)	T	#F File	BBB0102	0	0
Cell(129)	T	#F File	AAA0102	11	11
Cell(130)	T	#F File	BBB0103	0	0
Cell(131)	T	#F File	AAA0103	23	23
Cell(132)	T	#F File	BBB0101	0	0
Cell(133)	T	#F File	AAA0101	16	16
P66(140)	C	#F File	ABC_VALPR	0	0

■ Successful Completion



Customized automated audit reports using stored processes

CLIENT_SUB_BUSINESS	Frequency	Percent	Cumulative Frequency	Cumulative Percent
353	77	69.37	77	69.37
355	1	0.9	78	70.27
7122	33	29.73	111	100

CLIENT_ID	Frequency	Percent	Cumulative Frequency	Cumulative Percent
CLIENTDC	33	29.73	33	29.73
CLIENTPLCC	77	69.37	110	99.1
CLIENT2PL	1	0.9	111	100

Campaign Automation – EMOB

Email confirmation of file deployment



From: Email Automated Server
Sent: Wednesday, August 24, 2016 4:40 PM
To: @SYFemail123
Subject: RF Workflow Process Complete
Hello,

The AUTOMATED_EMOB_A workflow process has run. Details Below
Thanks
Execution Team

Step 'UploadList:AUTOMATED_EMOB_A Upload' completed. Step is trigger by file [sftp://sftp.epsiloninteractive.com/incoming/GERFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv](ftp://sftp.epsiloninteractive.com/incoming/GERFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv), which is copied to [/export/home/ofiapps/upload/12892290/processing/804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn](file:///export/home/ofiapps/upload/12892290/processing/804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn).

Profile list: RETAIL_FINANCE_MASTER_LIST

Folder: [Automation_SF_RC](#)

Sub list: SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125

Upload source: repository

Uploading files: [/export/home/ofiapps/upload/12892290/processing/804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn](file:///export/home/ofiapps/upload/12892290/processing/804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn)

Uploaded files: [804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn](file:///export/home/ofiapps/upload/12892290/processing/804835_SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125.csv_xWO6g4Emn)

Upload status: OK

Total records: 56

Inserted records: 0

Updated records: 56

Duplicate records: 0

Error records: 0

Step 'DeployMailing:AUTOMATED_EMOB_A Send' completed. Use UploadList step '[AUTOMATED_EMOB_A Upload](#)' created sublist '[SYFRFWF.Automation_SF_RC.AUTOMATED_EMOB_A.20160824153125](#)' as target.

Folder Name: [Automation_SF_RC](#)

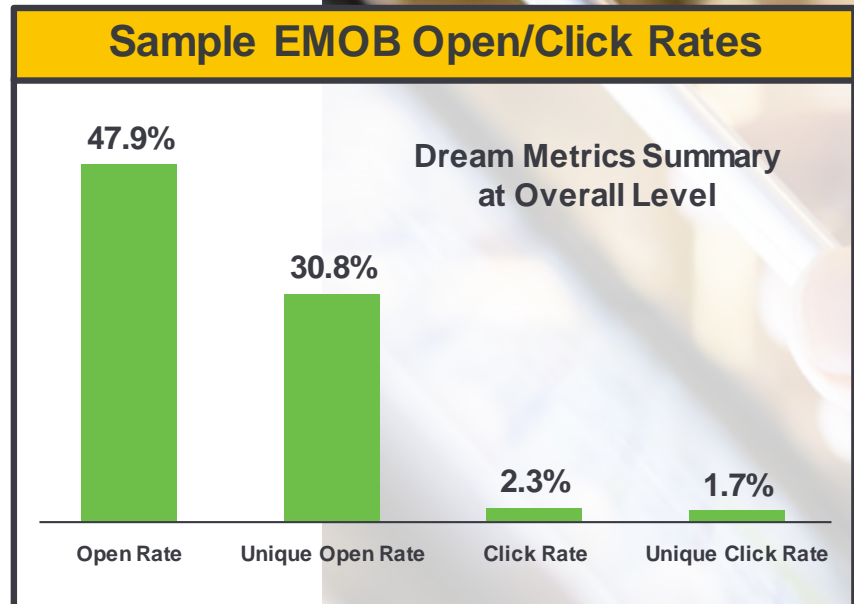
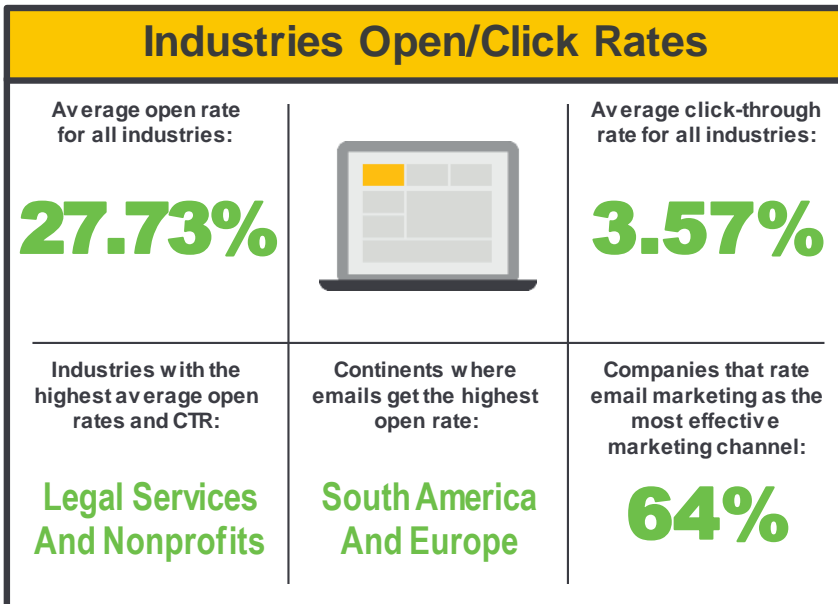
Template Name: AUTOMATED_EMOB_A

Message pushed: 56

Campaign Automation – EMOB

Incremental Sales driven from Activation rates:
\$1.3 MM World/In-Store within 6 specialty retail clients

GetResponse surveyed 1831 marketers on the effectiveness of email marketing campaigns and analyzed 704,090,593 emails. Here are a few of the key results:



Campaign Automation – Benefit Email

Online Retailer Benefit Campaign

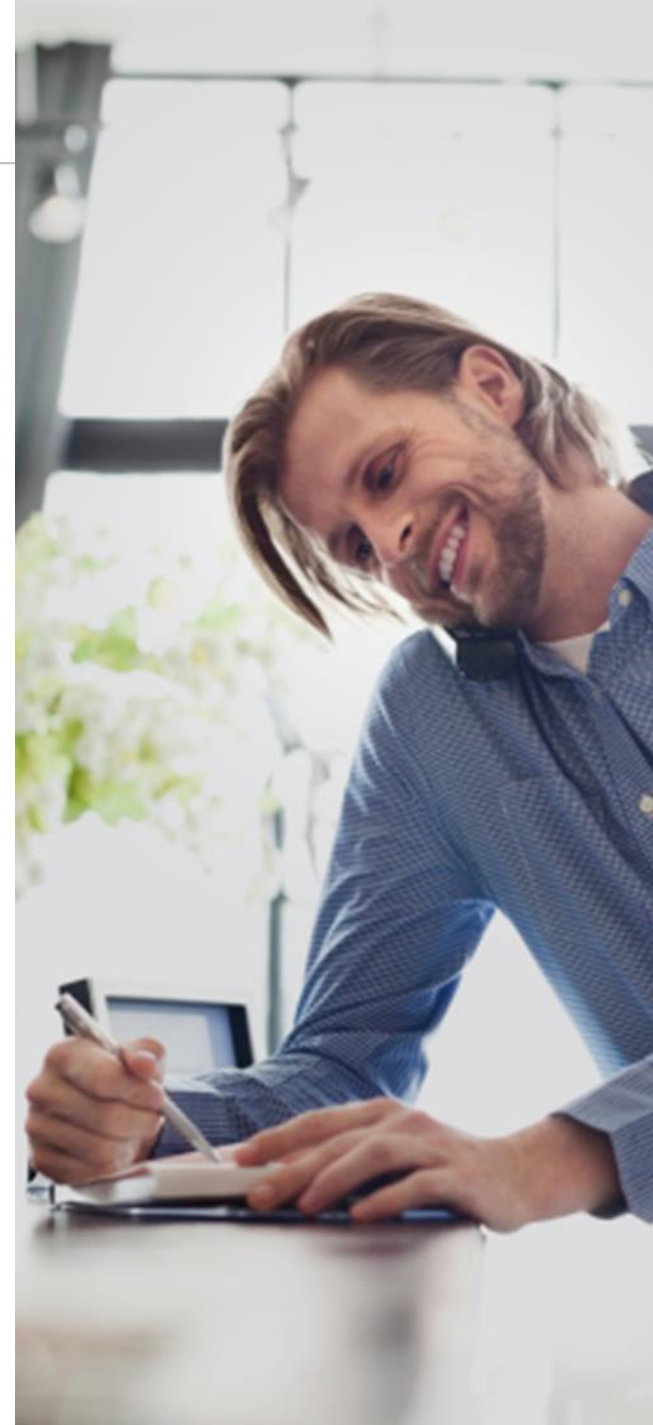
Client need: Daily automated email message communicating details of membership benefits

Campaign setup/efficiencies:

- Create customized account data universe table
- Create CI diagram, to look for records which are opted in for membership program on daily basis
- Dynamic consolidated reporting for auditing using stored process

Improved results:

- 1077 automated launches vs 638 manual touches within 30-day period (56% increase in touch points)
- 17% incremental open/click rates within 30-day email offer period
- 10% increase in purchase activation, driving over \$400k in incremental spend



Campaign Automation – Prescreens

Acquisition channel file output process

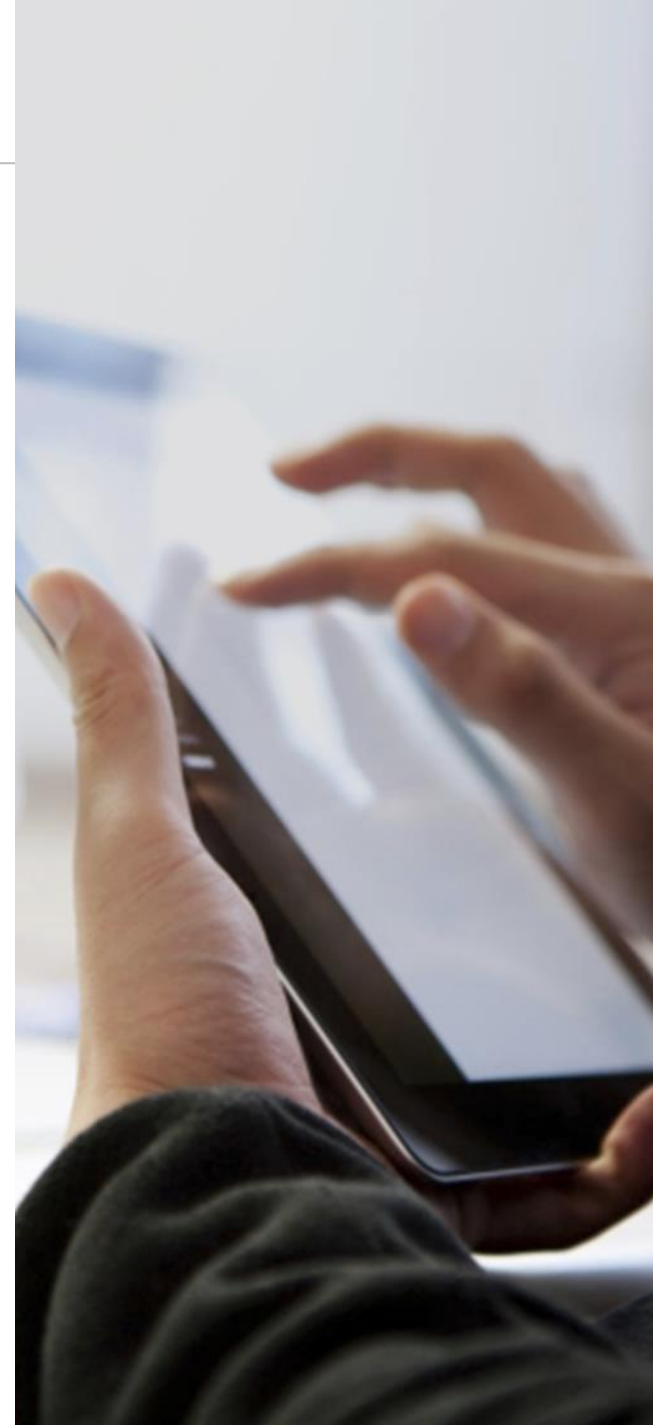
Process need: Create output files with unique acceptance codes, remove opt outs and existing cardholder suppressions. Create bureau net down files

Campaign setup/efficiencies:

- Create dynamic export/communication definitions
- Create stored processes masking personal identifying information, while appending name/address and segmentation information
- Automated trigger net down file creation and release to credit bureau

Improved results:

- Saves 2 days within campaign timeline output creations for each campaign
- 50+ prescreens executed annually, equates to over 100 days of process savings
- Allows for 75% increase in acquisition targeting capabilities with existing resources



Best Practices



Campaign Execution Best Practices

Separate Info Maps/Business Contexts by client data universe – Improved run times, limits work space on database, query efficiencies

20%



data extraction time – due to accessing data from subdivided data tables

200%



campaigns executed in parallel without compromising speed

Efficient access controls and optimum number of campaign flowcharts per business contexts

Standardized data hygiene criteria – Limits usage of SAS nodes in every diagram, faster run times, standardized audit reports

50%



Less nodes per campaign – due to consolidated data variables

10%



Data extraction time

Availability of standardized audit reports to validate campaign accuracy

Campaign Execution Best Practices

Consolidated execution across multiple clients – Limits number of diagrams and data queries, optimizes resource utilization

40%



Number of campaigns executed

275%



Resources needed to set up, execute, monitor, and audit campaigns

Centralized stored processes – Reduce manual coding and error rate, time savings within diagram setup, dynamic reporting across multiple campaigns

80%



Reduced manual edits, decreasing error rate

Dynamic standard reporting across multiple campaigns to validate accuracy

Integrated file delivery systems – Secure file transfers to suppliers, third-party vendors with account, credit bureau, demographic data

Keys to a Successful Relationship



Partnership Key to Success

- 20+ year relationship with SAS
- Six years executing campaigns in the SAS MA environment
- Recurring quarterly business reviews
- User trainings – onsite and online
- Daily support through SAS tracks/issue management
- Implement new ideas – R&D sessions, CI Workshops



Q&A





Engage with us.





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