



COMPANY FACTS:

Industry Financial Services

Annual sales \$37 billion assets

Client Since 2001

Website: www.sovereignbank.com

Sovereign Bank is currently the third largest financial institution headquartered in Pennsylvania, and the third largest bank serving New England. Sovereign Bank has approximately 530 community banking offices, over 1,000 ATMs, and about 7,500 team members in Pennsylvania, New Jersey, Connecticut, New Hampshire, Rhode Island and Massachusetts.

▶ INFORMATION THAT'S AS GOOD AS GOLD

Sovereign's Challenge

With today's uncertain economic conditions, many people are reluctant to invest in stocks and instead are depositing their money into banks. But as the economy improves, much of that newfound deposit growth is likely to begin flowing to other sources once again. Sovereign Bank, a leading regional bank in the mid-Atlantic and New England, is taking steps today to help it avoid the vagaries of the economy.

In Sovereign's case, having a clear understanding of its customers and their needs, and being able to quickly interpret customer data, will help the bank retain and better service its valued clients. Recognizing and responding to changes in customer activity each day has translated directly into increased deposits and profits.



SOVEREIGN'S RESULTS

Sovereign Bank relies on Allink® Daily Deposit Builder from Harte-Hanks to flag significant and uncharacteristic changes in customer behavior each night, allowing the bankers to react to them each morning to retain and grow account balances. Daily Deposit Builder constantly monitors customer behavior, allowing branch managers and customer service representatives at Sovereign to respond to significant and changing behavior as often as they like—weekly, daily or even more frequently. The benefit of the instant response capabilities is that the Sovereign team member has the opportunity to interact with customers quickly to help them plan ways to invest large deposits, for instance, or to help understand what might be making a customer contemplate closing his or her account—or to win back balances that just left the bank.

Typically, financial services institutions using Allink Daily Deposit Builder are able to spark deposit growth greater than 10% over control groups of customers whose accounts are not monitored by Daily Deposit Builder but whom have experienced similar behavioral changes.



Harte-Hanks was selected as its vendor of choice because it was able to meet the bank's aggressive timelines for completing the work, and because there were no other solutions available that offered the history of success and ability to respond to changes in customer behavior as quickly as Allink Daily Deposit Builder.

Aaron Garner,
Senior Vice President,
Sovereign Bank

Aaron Garner, the Wyomissing, PA. based bank's senior vice president in charge of strategic marketing, says the ability to notice and respond to changes in customer behavior so quickly is the key to Daily Deposit Builder's success at Sovereign. "If we don't see these anomalies in customer behavior until we print out their statements at the end of the month, it may be too late to retain a customer who was contemplating working with a competing bank."

Sovereign, a \$37 billion regional financial services company with 530 community-banking offices in the Mid-Atlantic and Northeast, recently completed rolling out Daily Deposit Builder to all of the bank's 530 branches. By reducing attrition of the company's top customers by two percentage points, Mr. Garner says, Sovereign will save about \$3.6 million in revenue per year. Further, he anticipates being able to take advantage of cross-sell opportunities identified by Daily Deposit Builder, which he projects will account for approximately \$3.5 million in revenue in just one year's time.

ALLINK® DAILY DEPOSIT BUILDER SOLUTION

Allink® Daily Deposit Builder is powered by the Harte-Hanks-developed, real-time software solution, Allink® Agent, and comes bundled the with analytical and marketing services of Harte-Hanks. Detailed analytics drive data-driven business rules by examining individual customer transaction patterns.



Daily Deposit Builder automatically delivers one-to-one communications using any number of media channels, including permission e-mail, direct mail, outbound calls and more—all of which Harte-Hanks can execute as part of an end-to-end solution.

At Sovereign, the customer retention solution also includes Harte-Hanks Database Solutions, a proprietary customer relationship management tool that provides extremely fast access to all customer data, and delivers detailed information to user desktops in easy-to-understand profiles.

The solution also takes advantage of the Harte-Hanks nTouch Response Center, which qualifies, prioritizes and delivers leads automatically based on business rules set up for Sovereign Bank. The leads are delivered to the branch managers and representatives, via a Web-based customer content management system, at their desktops. The prioritization of the leads is communicated on the screen so focus can be placed on the best leads first. Each qualified lead comes with important data about



the customers, such as demographics, a description of the activity that generated the lead, account information, and other data. After customer contact is made, the branch provides valuable feedback on the resolution of the sales call. This information plays a critical part in providing program measurement.

From the *nTouch* information, the bank can generate customized reports showing contacts made, outcomes and success rates. The bank also can use *nTouch* to create monthly outbound direct promotions based on leads, such as calls to customers with maturing loans and CDs.

“Our Harte-Hanks solution will pay for itself in the early stages of deployment,” Mr. Garner predicts, adding that the lift from the closed-loop system annually will be about a tenfold return on the bank’s system investment. One of the keys to success, he adds, is the understanding that simply having the information at one’s disposal is not enough. The Sovereign team members need to make a concerted effort to use that information in the best interest of customers and act upon it by contacting customers proactively and in a timely manner. While using *nTouch*, the banker enters information about the current call into a feedback section, creating a true closed-loop process that the bank can monitor to ensure calls are being made. At Sovereign, following up on leads used to develop future programs and also will be factored in to employee incentive programs, Mr. Garner says. To make the process easier, Harte-Hanks provides scripts developed in conjunction with the Harte-Hanks call center to help with the calls.

Mr. Garner says Harte-Hanks was selected as its vendor of choice because it was able to meet the bank’s aggressive timelines for completing the work, and because there were no other solutions available that offered the history of success and ability to respond to changes in customer behavior as quickly as Allink Daily Deposit Builder.

“In our industry, it’s important to identify significant changes in our customers’ behavior and to be able to respond immediately across the most appropriate channels,” Mr. Garner noted. “With Allink Daily Deposit Builder and the rest of our end-to-end CRM solution, we can identify and respond to our customers’ changing needs while the stove is still hot, which results in both a higher level of service and more opportunities to retain and bring in new business.”



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▶ THE HARTE-HANKS SOLUTION

As a premier provider of customer relationship management (CRM) software products and services, Harte-Hanks offers a complete range of robust, specialized and integrated solutions for your entire enterprise. Using our Customer Data Management solution, clients can consolidate key information from multiple sources of customer data and create an accurate relationship-centered view of your customers and prospects.

Our vision of CRM encompasses all we have learned from three decades of practicing database marketing, and builds on this foundation to create a new strategy with new technologies and new business processes. CRM is more than a single promotion or campaign; it's a continuous process of enterprise-wide information gathering, behavioral analysis, and strategy refinement that enables you to recognize opportunity and nurture customer relationships. Tactics vary, but the goal is constant: to deliver the right message about the right product, through the right channel, to the right audience, at the right time.

To find out how Harte-Hanks can benefit your firm, visit our Web site at www.hartehankscrm.com.



We make it happen.