



Stabilizing Sales Performance

Company and Industry

The client is a large life insurance carrier. They offer a wide range of insurance products and sell through independent distributors.

Impact

With a deeper, data driven understanding of which distributors are likely to experience a sales drop, the client is now focusing incentives on those most likely to experience a drop, and scaling back on those with a lower risk. The client expects to save about \$1.2 million per year in sales incentives while reducing the number of distributors who experience large sales drops. The client also coordinates incentives with price changes scientifically, leading overall positive impact on sales.

Problem

The client's overall revenues were trending downward, and independent sales offices varied widely in sales performance. The company was not sure of the impact of price changes on sales. The client also needed to target sales incentives at distributors likely to experience a significant drop, but it was not able to identify them beforehand.

As a result, it was missing opportunities to offer incentives when they would help improve sales. They were also losing money by offering sales incentives to offices that didn't need them.

Solution

Using Prophecy, Scintel analyzed sales performance influencers such as incentives, price changes, competitive landscape and product mix. The resulting predictive models identified distributors and agents most likely to have significant sales drop in the next quarter and quantified the effects of various business levers on sales.

These insights enable the company to focus incentives on those offices most likely to experience a drop. This saves the company about \$1.2 million per year in sales incentives.

Scintel using Prophecy, performed the analysis and delivered the models extremely quickly, setting a high standard for future analytics initiatives. Their team helped us interpret the results as they applied to our business situation, allowing us to rapidly implement the changes we needed to make.

- VP, Sales Administration and Brokerage