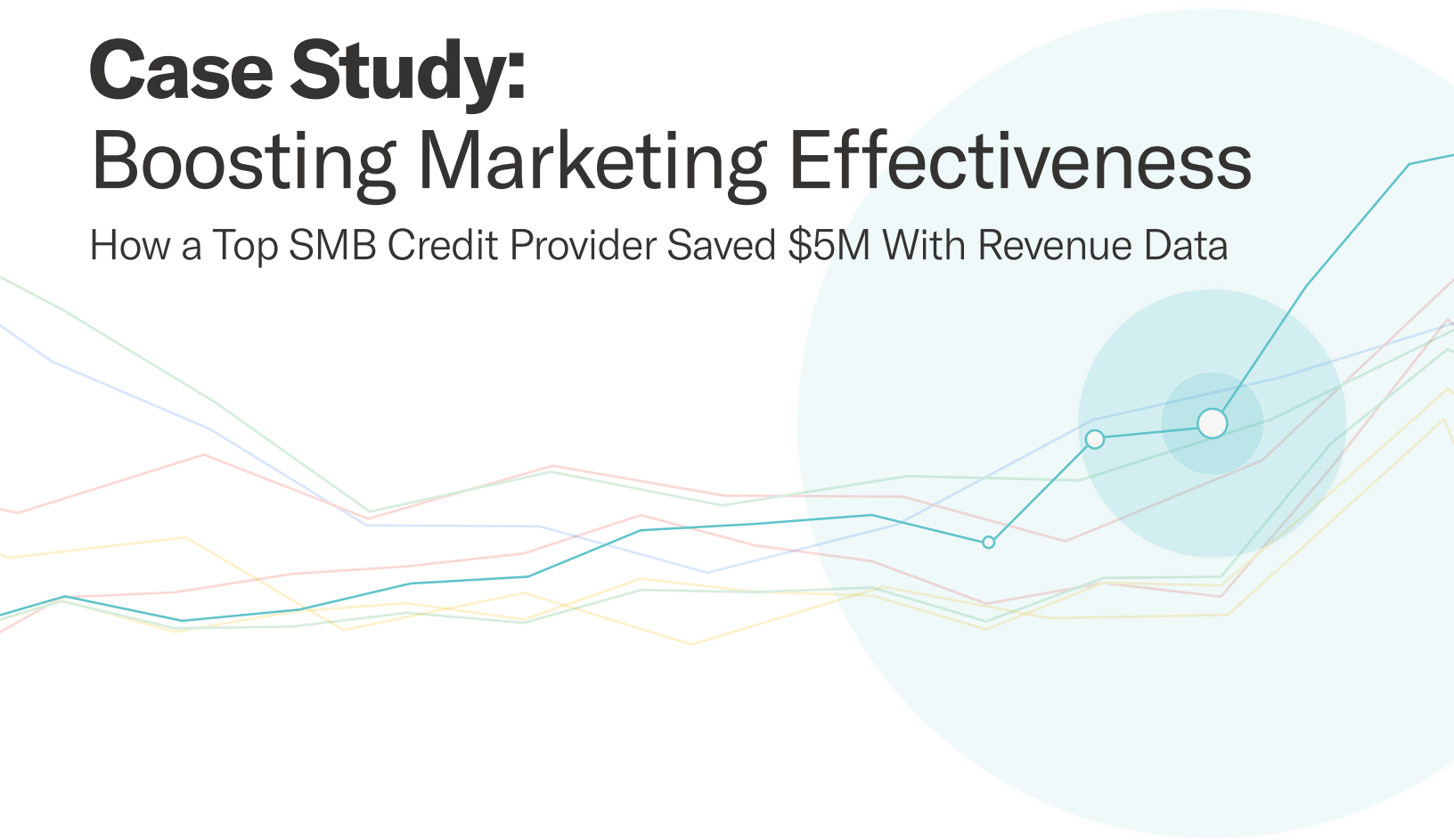


# Case Study: Boosting Marketing Effectiveness

How a Top SMB Credit Provider Saved \$5M With Revenue Data



## THE CHALLENGE

### ⊕ Targeting the right businesses

A top 5 credit provider to small businesses had made it a 2021 priority to acquire new customers. Direct mail marketing is key to their strategy: they spend more than \$25 million on campaigns each year.

The team would start with a list of more than 30 million U.S. businesses, then segment by industry and rough revenue estimates to cull the list to the 5-10 million highest-value prospects.

The team was under pressure to improve the performance of their campaigns. If they could increase the accuracy of their marketing segmentation, they'd directly impact top-line revenue.

### The data and analytics leader sought to answer two questions:

- 1 How could they better identify closed or distressed businesses to reduce wasted spending?
- 2 How could they better qualify prospective customers?

## THE PROCESS

### 🔗 Seamless delivery of timely data

Enigma was able to provide the client with new insights into business card revenues and growth trends, in a way that seamlessly integrated into their existing process.

- 1 Each month, Enigma sends the client a list of several million merchants and their financial health metrics.
- 2 The client matches this to their existing marketing list, appending data for existing prospects and adding new prospects to their database.
- 3 The client runs prioritization models to segment the list for campaigns.

## THE SOLUTION

### < > Prioritize Leads with Accurate Financial Health Data

With Enigma’s transactions stability data, the client discovered that 20% of the businesses they were sending mail to had ceased operations or were in financial distress. In other words: marketing dollars were being wasted on these businesses, which wouldn’t make it through the initial underwriting process.

At the same time, Enigma’s data about business growth rates enabled the client to identify 200,000 high-growth and high-spend businesses. These businesses were more likely to make it through the underwriting process—and would be more profitable. Hundreds of thousands of the newly identified high-growth businesses weren’t on the company’s marketing list so had previously been left out of marketing campaigns.

On the underwriting approval side, the team saw a 33% increase in rates for applicants that came in through marketing campaigns using their refreshed list process.

## PAIN POINTS

- Wasted spend on marketing to distressed and closed businesses
- Difficulty identifying high-growth and high-spend businesses
- Low rate of applicants from marketing campaigns passing the underwriting process



Improved their predicted spend modeling



Calculated up-front risk more accurately



Identified new stable and growing businesses

## EARLY IMPACT

# 2M

CLOSED BUSINESSES REMOVED FROM LEAD DATABASE

# \$5M

AVOIDED IN WASTED MARKETING DOLLARS

# 33%

INCREASE IN APPROVAL RATES ON APPLICANTS FROM MARKETING CAMPAIGNS

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# How it works

## DATA FOR ACCELERATING LEAD GENERATION & IMPROVING ROI

Enigma's card transaction data, Merchant Transaction Signals, helps go-to-market teams identify and engage top prospects. Instantly gain visibility into a business's average monthly revenue, transaction volumes, customer counts, and growth trends.

Merchant Transaction Signals are derived from a panel of more than 750 million anonymized credit and debit cards. Using proprietary entity resolution techniques, we aggregate and match the raw transactions to more than 10 million U.S. businesses, providing leading indicators of growth and risk.

## HOW GTM TEAMS ARE USING THIS DATA

- Identify fast-growing or stable small businesses
- Build lists and segments that are more likely to convert
- Purge your database of businesses that have closed to reduce wasted spend
- Use precise revenue projections to understand the size of a business



**High Coverage**  
More than 10M businesses



**Accurate**  
Derived from card transactions



**Up-To-Date**  
Refreshed monthly

enigma

DATA	DESCRIPTION	KEY FIELDS
<b>Card Revenues</b>	Monthly revenue a business receives from credit and debit card transactions.	Card revenue (average monthly card revenue) for the previous month, the previous three months, and the previous twelve months.
<b>Card Revenue Growth</b>	How card revenue is trending at a business over time.	Card revenue growth rate for the last twelve months compared to the previous twelve months, card revenue growth rate for the previous three months (seasonally adjusted and nonseasonally adjusted).
<b>Card Transactions</b>	Monthly number of credit and debit card transactions at a business.	Number of days transactions were present, number of weeks transactions were present, number of months transactions were present. Available over one month, three month, and twelve month time periods.
<b>Card Transactions Stability</b>	Distribution of card transactions at a business over time. View how many days, weeks, or months saw purchases at a business within a given time period.	Number of days transactions were present, number of weeks transactions were present, number of months transactions were present. Available over one month, three month, and twelve month time periods.
<b>Customer Counts</b>	Average number of daily customers a business has, based on credit and debit card transactions. Customer counts are provided for 1 month, 3 month, and 12 month periods.	Average daily count (average number of daily card customers) for the previous month, the previous three months, and the previous twelve months.
<b>Refunds</b>	The refunds a business issued to credit or debit cards.	Total refunds issued and the ratio of refunds issued to total card revenues for the previous month, the previous three months, and the previous twelve months.

Want to see this data in action? [Get in touch for a test drive.](#)