

## One of the largest US Retail Banks Uses LivePerson to Increase Online Customer Acquisition by 17

### Company Overview

A global leader in investment banking, financial services, small business and commercial banking, financial transaction processing, asset and wealth management and private equity, the firm has assets of \$1.1 trillion and operates in over 50 countries. The company serves more than 11 million retail banking customers, 850,000 small businesses, and 31,000 commercial businesses and has issued over 87 million credit cards.

### The Challenge

The company's retail banking arm sought to increase the number of new, approved and funded consumer checking accounts, placing particular importance on finding a solution that can measure and prove incremental lift.

### The Solution

In February of 2008, the company selected LivePerson's third-generation chat solution for its ability to drive incremental conversions and accurately report on the net number of opened, approved and funded checking accounts.

LivePerson Enterprise enables the bank to increase the rate that account applications are submitted and funded by proactively reaching out to visitors whose behavior indicates a propensity to complete the application if engaged by a checking account specialist. The LivePerson Enterprise rules-based engagement engine analyzes the firm's website traffic patterns in real time, and identifies and engages visitors who are most likely to benefit from live assistance to dramatically increase conversions. By leveraging the concurrency of chat (enabling one customer service representative to handle up to three customer chats at the same time), the company also significantly increased agent effectiveness.

In the first three months of using LivePerson Enterprise (Phase I), the bank achieved the following results:

- 187 checking accounts opened per week by visitors who chatted with a bank agent
- 9.1% total chat conversion rate
- 51% of chatters who opened an account were incremental
- 79 incremental funded accounts per week
- 168% contribution margin
- \$55 cost per completed application
- 87% customer satisfaction rate

### Solution Optimization

Based on the initial results, the company worked with LivePerson Professional Services to analyze the business rules and optimize agent efficiency and effectiveness in order to scale agent labor hours to match potential opportunities. Results achieved within the first nine months of the deployment (Phase II):

- 266 checking accounts opened and funded per week by visitors who chatted with a bank agent (+79)
- 8.8% total chat conversion rate (-.3%)
- 63% of chatters who opened an account were incremental (+12%)
- 168 incremental funded accounts per week (+89)
- 428% contribution margin (+260%)
- \$42 cost per completed application (-\$13 dollars/application)
- 90% customer satisfaction (+3%)

Additionally, the incremental conversion rate increased by 24% based on rules optimization, and agent efficiency improved by 31% based on agent team development.

### Solution Expansion

LivePerson is currently working with the company to expand the scope of the program by adding chat to additional products, e.g., CDs, IRAs, and improving agent effectiveness further through transcript analysis and agent coaching, optimizing the opportunity funnel through business rule refinement and developing a Center of Excellence strategy. Assuming the company scales agent labor hours to proactively engage 85% of hot-lead website visitors, LivePerson predicts Phase III results to be as follows:

- 550 checking accounts opened and funded per week by visitors who chatted with a bank agent (+284)
- 8% total chat conversion rate (=)
- 63% of chatters who opened an account were incremental (=)
- 347 incremental funded accounts per week (+179)
- ~\$6.3M incremental present value annualized
- \$5.1M annual contribution
- 416% contribution margin (-12%)
- \$42 cost per completed application (=)

## About LivePerson

LivePerson, Inc. (NASDAQ: LPSN) offers a platform that enables businesses to proactively connect in real-time with their customers via chat, voice, and content delivery at the right time, through the right channel, including websites, social media, and mobile devices. This “intelligent engagement” is driven by real-time behavioral analytics, producing connections based on a true understanding of business objectives and customer needs.

More than 8,500 companies rely on LivePerson’s platform to increase conversions and improve customer experience, including Hewlett-Packard, IBM, Microsoft, Verizon, Sky, Walt Disney, PNC, QVC and Orbitz.

LivePerson has received the CODiE award for Best eCommerce Solution in 2011, has been listed as one of America’s 25 Fastest-Growing Tech Companies by Forbes in 2011, and has been named a Company of the Year by Frost & Sullivan in 2010. LivePerson is headquartered in New York City with offices in San Francisco, Tel Aviv, Atlanta, London and Melbourne, Australia.

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### AVERAGES PULLED FROM WEEKLY SCORECARDS

### PROPOSED

WEEKLY METRICS	4/65/31	9/2811/15	CHANGES	ANNUALIZED	OPTIMIZED	ANNUALIZED
Visitors	157,858	180,492	14%		180,493	
Site Self-Serve Conversion Rate	0.9%	0.7%	-22%		0.7%	
Chat HL Rate (Rules)	13.3%	19.6%	47%		20.0%	
Labor Hours	318	359	13%		753	
Chat Invite Rate (Staffing)	42.5%	39.3%	-8%		85.0%	
Interactive Chats	2,019	2,985	48%		6,250	
Chats as % of visitors	1.3%	1.7%	29%		3.5%	
Chat Conversion Rate	9.1%	8.8%	-3%		8.8%	
Conversions (Approved + Pending)	187	266	42%		550	
HL Self Serve Conversion Rate	5.10%	3.10%	-39%		3.1%	
Incremental Rate (via Control Group)	51%	63%	24%		63%	
Incremental Conversions	95	168	76%		347	
Incremental Funded Accounts*	79	168	113%	8,736	347	18,018
FTE**	9.1	10.3	13%		21.5	
Conversions per Labor Hour	0.6	0.7	26%		0.7	
Chats per Labor Hour	6.3	8.3	31%		8.3	
Increase in site performance	12%	17.4%			30%	
Incremental Present Value***	\$27,887	\$59,304		\$3,083,808	\$122,315	\$6,360,354
Incremental Investment****	\$10,407	\$11,231		\$584,012	\$23,724	\$1,233,648
Contribution	\$17,480	\$48,073		\$2,499,796	\$98,591	\$5,126,706
Contribution Margin	168%	428%		428%	416%	

*Weekly scorecards show current performance and optimization potential of the LivePerson deployment on a number of key performance indicators.*