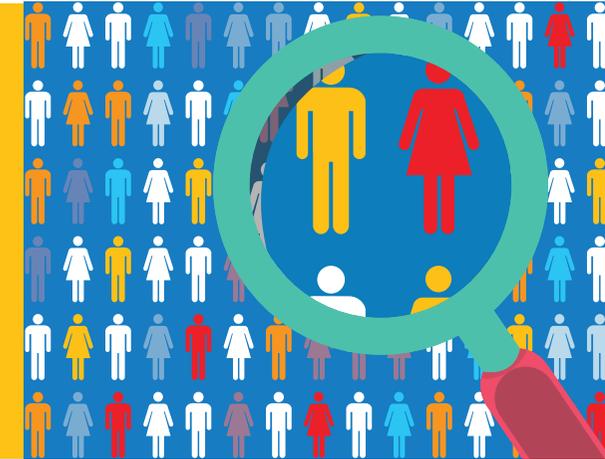


## Financial Services

## Driving the **acquisition** and **retention** of SME customers to unlock **revenue growth** of **6% to 12%** in the segment

BSG assisted a leading South African vehicle and asset finance lender to explicitly **target** small and medium enterprise (SME) customers using a **data- and client-led approach**, rapidly **elevating value realisation** via strategic, data-driven customer segmentation and value proposition design for the **SME market**.



### Overview of the client's needs

- Evaluate and test high-level commercial feasibility of the South African SME market
- Rapidly identify valuable market segments and opportunities using a data-led, analytical approach
- Design a go-to-market approach considering client and intermediary partner value proposition considerations
- Create a practical plan to execute acquisition and retention initiatives to rapidly deliver value



### Objectives of the engagement

- Provide clearly defined SME market segments
- Define the client and intermediary value propositions
- Design clear next steps to execute the go-to-market SME strategy
- Discover the relevance and potential of product and service offerings to clients and intermediaries
- Identify quick-win opportunities to rapidly show financial gain



### Benefits of the change

- Delivered a compelling SME value proposition designed through data- and client-led, ethnographic research
- Aligning products and services to a clear SME value proposition
- Identified three quick-win opportunities to support an estimated **6% to 12% revenue gain**
- Identified 20 segments, from which the top four high-value and next best segments were prioritised, equipping the business to unlock their inherent value

Evaluating the **opportunity gap** for SME customers and creating a sustainable ecosystem to support the **improved acquisition and retention** of these customers.

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## Engagement Overview

There are over 2 million SMEs operating in South Africa today. The size of the market and prospective benefits to businesses who can capitalise on opportunity gaps in this market is significant.

A leading South African vehicle and asset finance lender identified this opportunity and saw the need to investigate the potential inherent in their existing customers in the small and medium enterprise (SME) market segment in South Africa. They needed to identify whether their current book of SME customers held potential opportunity gaps which could hold further revenue and growth for the business. If the analysis indicated untapped potential, they required a way to unlock it, rapidly elevating value realisation via their network of intermediary partners. The client sought to partner with BSG to help them realise this inherent value.

## Solution

BSG supported the client by evaluating and testing the high-level commercial feasibility of their current customer-base in the South African SME market. By doing this rapid market sizing exercise it was determined that it was feasible to continue with a detailed segmentation exercise.

BSG partnered with the client to identify valuable market segments and untapped opportunities in their existing SME customer-base, using a data-led, analytical approach. Twenty market segments were identified, from which the top four high-value and next best segments were prioritised.

Using these insights, BSG assisted the client to design a go-to-market strategy which included a value proposition based on internal client data and primary research conducted in an ethnographic way on their SME customers and network of intermediary partners. The go-to-market strategy was geared towards offering SMEs the experiences they needed, backed by market insights. BSG collaborated with the client to craft a SME-specific customer strategy, using a combination of data and CX insights to identify quick wins, key priority areas and a focused execution strategy.

Lastly, BSG was tasked with collaboratively creating a practical plan to execute acquisition and retention initiatives in the SME market segment to rapidly deliver value.

## BSG making a difference

The market segmentation, go-to-market strategy and quick-win insights positioned the leading South African vehicle and asset finance lender to acquire and retain SME customers in the South African market. The four prioritised high-value market segments and the next best segments demonstrated considerable untapped value to the business.

The three quick-win opportunities identified in these segments **support an estimated 6% to 12% revenue gain within the SME segment for the business.**

By approaching the feasibility testing of the SME vehicle and asset finance market with a customer-centric, data-led approach, BSG was able to demonstrate opportunities. BSG collaboratively worked with the client to deliver a compelling SME value proposition designed through this data- and customer-led, ethnographic research. The customer strategy developed collaboratively by BSG and the client aligned products and services to a clear SME value proposition. In so doing, positioning the client to capitalise on these through an effective go-to-market strategy which is poised to deliver tangible revenue gains.

BSG used a combination of skills and expertise in the engagement. Designing a strategy combining customer experience and internal data analysis to facilitate a holistic execution roadmap that will drive growth in the client's SME segment.

## Contact

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