

Case Study

Overview

How Sompo Seguros revolutionized the Auto Insurance industry by transforming the churn trends into a profitable business segments, thanks to **TAZI Customer Retention Solution**.

Problem

Sompo Seguros was facing high customer churn in a market with an increasing number of competitors bringing aggressive pricing strategies.

Challenge

To effectively analyse and predict customer behaviour in order to identify profitable and lossy customer's segments and the factors that influence customer retention even under sudden shifts in competition, economic conditions and customer's risk levels.

Approach

TAZI's patented **continuously updated AI solution** allowed Sompo Seguros to faster and with higher accuracy identify and cluster customers, based on their policy subscription and profitability. TAZI provided on a monthly basis accurate and actionable insights for each customer segment. This allowed Sompo's team to develop **targeted pricing strategies for each segment**. The results achieved based on the business actions were used to continuously train and improve the AI model every month. This led to **maximization** of profitability and, ultimately increase in retention of **Sompo Seguros** results.

Outcome



Increase in Customer Retention



Monthly Increase in Average Surpremium



Update Cycle Models and Actions

Conclusion

Sompo Seguros has gained control over their profit and lossy segments and the predicted segment retention values under different scenarios. The model was trained by following the results of the actions taken. In this way, the performance of the model has been increased month by month. Thanks to TAZI, they were able to quickly train the models with the outputs and constantly improve the results.

Sompo Seguros View

"TAZI is the right AI tool for a changing market."

Cihan Kalender, Director of Pricing

"We have been able to create timely business value with TAZI."

Paulo de Tarso, Pricing Superintendent