

When the Stakes are High, Betfair Trusts Minitab



Minitab Statistical Software helps Betfair complete quality improvement projects, ensuring new customers are getting the guidance they need to wager their sports bets online.

Betfair is one of the world's largest online sports betting communities, offering its customers the opportunity to choose their own odds and bet against each other, eliminating the need for a traditional bookmaker. Betfair's international betting exchange processes more than 5 million transactions each day, and 99.9% of those transactions are completed in under a second. Their focus on quality and cutting-edge technology keeps this high-stakes business running like a well-oiled machine, ensuring that the more than 3 million registered customers wagering every day have a good experience with the Betfair system, whether they win or lose their bet. So when a crucial process for helping new customers get started needed improvement, it's no surprise that Betfair turned to Minitab Statistical Software.

KEY FACTS

ORGANIZATION

Betfair

OVERVIEW

- Headquartered in London, UK
- Founded in May 1999
- Pioneered the online betting exchange
- 3 million registered customers
- More than 2,000 employees worldwide

QUALITY CHALLENGE

Increase outbound contact and conversion rates for new customers

PRODUCTS USED

Minitab® Statistical Software

RESULTS

- Customer conversion rate increased by 37%
- Gross revenue benefit of £284,327 for Spanish outbound team
- Revenue benefit of £311,376 for other international teams

The Challenge

Betfair invests heavily in different marketing activities, including an outbound marketing team that communicates with customers from all over the world. The outbound marketing team reaches out to customers who have already registered online with Betfair, but have yet to place money in their betting account. The team calls these customers directly to guide them through the betting process and answer any questions they may have along the way.

Betfair measures the success of these phone calls based on two metrics: customer contact and conversion. A good contact occurs when an agent reaches and talks with a customer for longer than 1 minute, and a poor contact occurs when a customer doesn't answer, or briefly answers and expresses disinterest right away. A conversion occurs when contacted customers go on to place bets of any kind or amount.

When Betfair's Spanish outbound team needed to improve its low contact and conversion rates, project leader Lewis Holland and Master Black Belt Antoine Bonello used Minitab to meet a challenging goal—increase both contact and conversion rates by 15%.

Learn how Minitab software can help you improve quality at www.minitab.com.

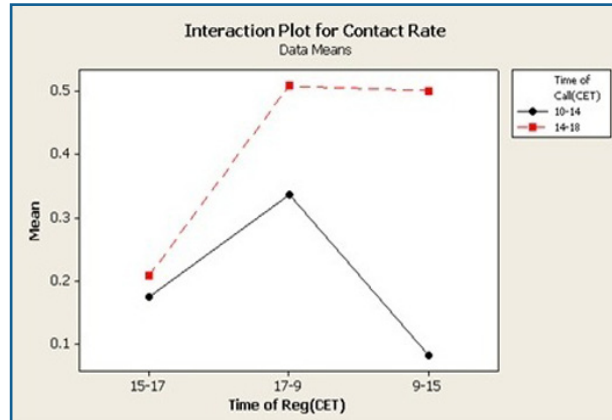
How Minitab Helped

The Betfair Six Sigma team worked closely with the outbound marketing group to identify root causes for the low conversion rates. Initial hypothesis testing of call data revealed that the time of day the calls were made and the lead time between when a customer registered and the follow-up call had a significant effect on contacts and conversions. The team then researched various ways these significant factors could be manipulated to optimize both contact and conversion rates. They discovered that higher rates were achieved when the outbound team contacted customers at the same times they were registering online. With this valuable information, the team used Minitab's Design of Experiment (DOE) tools to further analyze and optimize the rates. Because DOE allows researchers to efficiently optimize multiple factors and responses, the Betfair team quickly obtained meaningful results they could use to draw conclusions about how the significant factors affected contact and conversion rates. To clearly display the ideal time of day to make calls, as well as the ideal lead time, the Betfair team used Minitab to create an interaction plot.

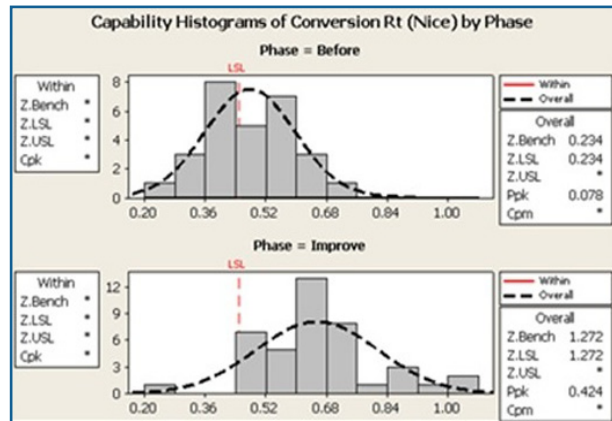
This analysis confirmed that customers should be contacted around the same times they were found registering online. The Minitab analysis also showed that afternoon/evening calls on the same day or very next day were effective. The bottom line: the quicker the outbound team could make follow-up calls after customers had registered, the more successful the team would be in contacting customers that wanted to place wagers.

At the time this project started, Betfair was using an external firm to compile lists of customers who had registered but not funded their accounts or placed a bet—a practice that guaranteed a 24-hour or longer lag time between when a customer registered and when follow-up calls were made. Implementing a new internal reporting system to generate these lists enabled the outbound team to contact customers literally minutes after they registered online.

Based on the results of their analyses, Betfair's process improvement team created new guidelines and trained the Spanish outbound team members to use the new process for making calls. Once the changes were implemented, the team created Minitab control charts to monitor the stability of the new outbound call process and detect any special cause variation.



DOE and this interaction plot showed how both the time of day the calls were made and the time of day the customers' registered online impacted the contact rate.



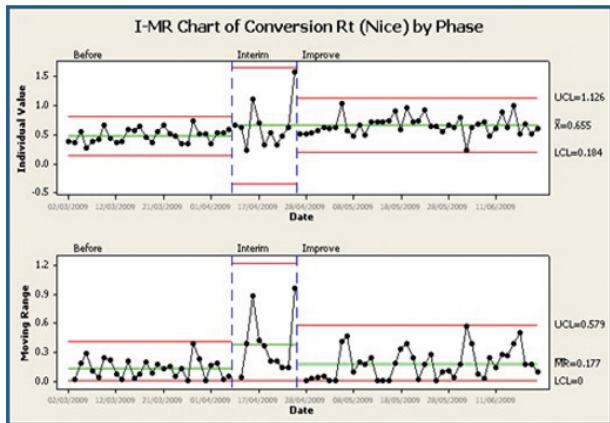
Capability analysis was used to demonstrate the success of Betfair's quality improvement project, which revealed a sigma shift from 0.234 to 1.272.

Results

The methods Betfair used to analyze and improve the Spanish outbound team's marketing phone calls yielded excellent results, far surpassing their goal to increase contact and conversion rates by 15%. In fact, the new process improved the team's conversion rate to more than 65%—an increase of 37%. This translated into a sigma shift of 1.038, which they demonstrated using Minitab's capability analysis. The project resulted in a gross revenue benefit of £284,327 (\$444,300) for Betfair, as well as extra savings from generating calling lists internally.

To extend the success of the outbound Spanish team, Betfair quickly rolled out the new process to other outbound teams calling customers from other European countries. The new process helped these other teams achieve similar improvements in conversion rates, and generated a leveraged incremental revenue of £311,375 (\$486,500).

The project earned Betfair the award for the Largest-Breakthrough Improvement Project (Transactional) at the 2011 iSixSigma Live! Summit, and the team members are now engaged in projects that will help other groups at Betfair maximize their effectiveness. With the power of Minitab Statistical Software to help them analyze their data, you can bet they'll get great results.



Betfair used Minitab control charts to monitor the stability of the improved process, which increased the conversion rate to more than 65%— an increase of 37%.

Minitab 

QUALITY. ANALYSIS. RESULTS.

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