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Globant and LLA:
Building a predictive model for decision-making

Introduction

Liberty Latin America (LLA) is a leading communications company that provides various connectivity and entertainment services in countries across Latin America and the Caribbean. Its customers include small and medium-sized enterprises, governments, and multinationals.

LLA needed to improve its business intelligence capabilities to better manage churn modeling in the Latin American region for the B2B customer segment. LLA's objective was to understand why some B2B customers stopped using some of its products.

The challenge

To equip LLA with tools that would enable it to better understand its customers and create customized solutions, we delineated a series of actions:

- Develop a definition of what LLA considers a churn model to be.

- Analyze the churn model for B2B customers in five countries across the Latin American region: Colombia, the Dominican Republic, El Salvador, Honduras, and Guatemala.

- Maximize the return on LLA's investment in customer retention programs using predictive models and behavioral data.

- Identify customers' reasons for desertion and for seeking to renegotiate their contract.

- Determine how variables—such as country, account size, discounts, and products—influence the decisions of some LLA customers.

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The solution

Defining the churn model

Together with the Business Hacking and Salesforce Studios, we worked to create a churn model that aligned with the company's objectives and was well known to all the areas involved.

For LLA's purposes, the churn model identifies the factors that lead a customer to reduce its billing amount by a certain percentage. Our objective, therefore, was to create solutions to understand these factors and provide the customer with an integrated data set that could serve as the basis for decision-making.

Developing a predictive model

To determine how likely a customer is to reduce its billing amount, we examined several factors, including the customer's use of certain products and the customer's interaction with LLA, as well as service cases and company information.

Based on those results, each B2B customer was assigned a score identifying that customer's likelihood of reducing its billing amount, above the threshold (15%), for LLA's products. Then, based on each customer's case analysis, we created a predictive algorithm using machine learning to make a forecast.

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The results

Information for decision-making
EThe algorithm yielded insights about customer behavior, which made it possible to suggest actions to the retention and after-sales area to prevent customers from dropping some or all of LLA's products.

Our experts built the model on the Salesforce CRM Analytics Cloud, and the results were displayed on dashboards to monitor the model's performance.

Of course, the model was ascertained to be reliable, delivering statistically significant results. The implementation included creating automated data flows to ensure that information is integrated and updated at the right time.

Creating these data flows enabled us to supply our customer with a data sheet or datamart, which they can use to develop and implement other models in the future. The data sheet provides LLA with the basis for creating its predictive models.

Customized solutions
Since our teams built the model on the Salesforce Analytics Cloud, LLA now has access to information in an integrated manner, which allowed it to build a dashboard to visualize and monitor all aspects of its customers efficiently. As a result, LLA is able to develop better relationships with its customers, providing them with solutions that fit their needs.

About **Globant**

We are a digitally native company that helps organizations reinvent themselves and unleash their potential.
We are the place where innovation, design and engineering meet scale.

- We have more than 25,900 employees and we are present in 20 countries working for companies like Google, Electronic Arts and Santander, among others.

- We were named a Worldwide Leader in CX Improvement Services by IDC MarketScape report.

- We were also featured as a business case study at Harvard, MIT, and Stanford.

- We are a member of The Green Software Foundation (GSF) and the Cybersecurity Tech Accord.

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