

# ARTEFACT

VALUE BY DATA

X

The logo for MAIF, consisting of the letters 'MAIF' in a bold, white, sans-serif font, centered within a red triangle that is tilted to the right.

MAIF

CLIENT CASE MAIF

---

## **Segmentation Marketing:**

Artificial Intelligence to Enhance  
Insurance Customer Understanding

## Sommaire

- **A** - A major data transformation project for MAIF
- **B** - Better understand clients to put them at the heart of the development strategy
- **C** - Segmentation based on data and observation of MAIF client behaviour
- **D** - Two-level segmentation to respond to strategic and operational challenges



---

MAIF is a leading French mutual insurance company, active for more than 80 years. It has no share capital nor shareholders and works solely for its three million customers, to whom quality protection and perennial services are guaranteed. Created around the needs of education professionals, it is today open to all.

## A – A major data transformation project for MAIF

This segmentation marketing project, part of the Artefact-MAIF collaboration, is a phase of the mutual insurance company's transformation as outlined within its new development strategy. MAIF wanted to evolve its development strategy to adapt to the current market reality as well as to the evolution of its portfolio. The strategic challenge was threefold:

### The strategic challenge was threefold:

- Maintain special relations with and relational proximity to historical clients: a core comprised mainly of teachers, and communicate in a transparent manner on the strategic decisions taken in the transformation project
- Acquire new targets: aim for high-potential groups which share MAIF values: solidarity, desire to contribute to a more ecological society...
- Develop multi-policy and nurture customer loyalty: base the strategy on offers and services with high potential, together with a policy of loyalty recognition beyond the purely monetary, to create a core public around shared values of individual, collective and social engagement

### The new segmentation marketing initiative had two objectives:

- Offer data-driven insights to management to steer MAIF's development and inform strategic choices
- Provide operational teams with concrete assistance to activate clients, with adapted offers based on conversion propensity scores, for example

Transversality was a separate challenge to be into account when implementing the project.

Due to its strong strategic influence on MAIF's development plan, the segmentation project was carried by a double sponsorship shared by Marketing and Actuarial management (analysis and risk control in all insurance matters).

Other department management teams (Communication, Customer Relations, Digital) were also brought in to help define potential activation levers for the segmentation.

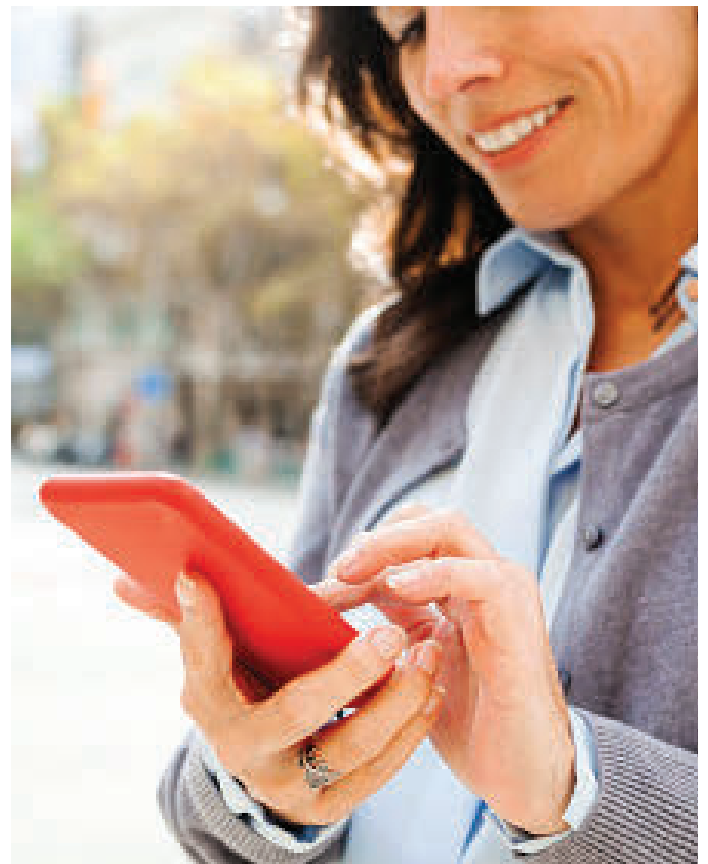
## B – Better understand clients to put them at the heart of the development strategy

The project's first objective was to understand the reality of the current customer portfolio as well as to anticipate its future evolution so MAIF could continue to talk to its clients according to their needs, keeping them at the heart of their development strategy.

### For better comprehension, the portfolio was divided into four main axes:

- Who our clients are: age, socio-professional categories...
- What their needs are: current policies, digital interest...
- What their relationship to MAIF is: length of membership, adherence to MAIF values...
- What their potential is: for multi-policy, to upgrade their current policies...

This portfolio understanding phase was crucial to later be able to segment it and respond to the needs, both current and future, of each client segment.



## C – Segmentation based on data and observation of MAIF client behaviour

MAIF's first goal in building the segmentation was to make use of its rich existing internal data pool. This foundation would then be used to create a segmentation based on the real, established behaviours of its clients, not on ad-hoc marketing studies that can't always capture the reality of the portfolio.

“ We needed an expert partner, good at clustering [data grouping or partitioning] to build the segmentation, and in marketing strategy to align this data project with our strategic context and its activation, and in the insurance sector to understand the transformation challenges in a market which is forever evolving. Artefact seemed like the ideal partner to fulfil these three roles.

Nathalie MACON - Marketing manager, MAIF

To support MAIF in building this data-based segmentation, it was essential to set up a transversal operational model, with a hybrid Feature Team, composed of Consultants, Business Owners and Data Scientists, across Artefact and MAIF.

With profiles both internal and external to MAIF, a plurality was able to combine internal knowledge of data and business challenges as well as external expertise on the insurance market and the clustering approach.

**To set up the segmentation, Artefact used MAIF internal data to observe the behaviours of its customers within the portfolio. The analysis was able to identify two behavioural axes:**



- Development potential: characterised by the probability a client has to multi-equip or to subscribe to policies of a more premium nature

- Loyalty: the probability that a client would decide to leave MAIF sooner or later

From these two axes, Artefact then applied its clustering methodology in three steps to build the segmentation.

First, selection and modellisation of segmentation variables to characterise the two axes of development potential and loyalty.

Beyond the existing raw data, more than 10 dimensions were modelled to feed the segmentation (probability that a client would leave deliberately or no longer subscribe to multi-policies, that a renting client would become a homeowner...).

These created dimensions are also applicable outside the segmentation, for operational activation. One example is using a client's exit probability score to implement a retention plan. Next, selection of the most efficient segmentation to build homogeneous client groups.



Several clustering models were tested: K-Means, K-Modes, K-Medoids, DBSCAN, Gaussian Mixture Model, CAH.

**The successful ones (K-Means and K-modes) were chosen according to three attributes:**

- Performance: models reaching a desired level of group homogeneity

- Readability: segments easy to interpret from a business perspective

- Ease of computation: segments easily updated, upgraded or reworked

A business layer was then applied to interpret the results and validate the production of homogeneous client groups.

Finally, characterisation of segments to create identifiable client groups.

It was vital to transition from segments defined by behavioural variables (development potential and loyalty), to coherent client groups easily identifiable by all within MAIF. The key here was to base these groups on descriptive variables such as age or occupation. Detailed persona cards were thus created to enable good comprehension of profiles.

## D – Two-level segmentation to respond to strategic and operational challenges

The results of the segmentation were laid out on two levels:

- A first level comprised of 5 robust and perennial client groups (Value Customers, Opportunists...) to answer the strategic challenges of MAIF's development plan
- A second level of 10 sub-groups which can be adjusted according to portfolio evolution and operational needs

The segmentation objective has consequently been reached. It gives MAIF the ability to adapt its development strategy according to the specificities of each created client group, through 5 activation levers:

- Conception of offers: respond to the needs of identified groups through specific product bundles
- Pricing: adapt pricing to each group according to an associated risk
- Commercial action plan: prioritise target groups according to their potential in the future portfolio
- Distribution model strategy: build a distribution plan adapted to each group's needs
- Communication plan: adapt the communication strategy to each group through personalisation



# ARTEFACT

## VALUE BY DATA

### À propos

---

Artefact est une nouvelle génération d'agence en services data-driven, spécialisée dans le conseil en transformation par la donnée, le data marketing et l'activation media digitale. La mission d'Artefact est de **transformer la data en valeur ajoutée et en impact commercial.**

---

Contact:

[hello@artefact.com](mailto:hello@artefact.com)  
[www.artefact.com](http://www.artefact.com)

Artefact Headquarters:

19 rue Richer  
75009, Paris France  
+ 33 1 79 72 45 45

Follow us:

