

TAF!26 — Expanded Entry Form

AVO bank · English competition version

Case title

From Install to Product: How AVO bank Reduced Customer Acquisition Cost by 40% and Rebuilt Performance Marketing

Advertised product

AVO bank credit products: credit card and microloan

Background / Context

Project period: January–July 2026.

In seven months, AVO bank rebuilt its digital marketing model — from mass acquisition of installs and registrations to a system focused on customers who actually reached product issuance.

Result: the calculated cost per customer with an issued product across the bank's overall funnel decreased by 40%, while KYC-to-approved-offer conversion increased by 50%.

To achieve this, the bank changed four layers of performance marketing: it built an end-to-end funnel down to the final banking product, moved advertising algorithms to deeper conversion events, connected 360° communication with performance scaling, and introduced a proprietary predictive ML model for budget management.

As a result, digital became responsible not only for acquisition volume, but also for customer quality, the cost of the final business outcome, and the efficiency of every next marketing investment.

The 40% reduction is calculated across the bank's overall funnel: the weighted average cost after the full transition to deep-funnel optimisation is compared with the period before the new model was fully implemented. Absolute investment and customer-volume figures are not disclosed for confidentiality reasons.

At the beginning of 2026, digital was one of AVO bank's key customer acquisition channels. The bank was growing its credit card business and launching a new microloan product, so marketing had to increase acquisition volume while maintaining economic efficiency.

Historically, the performance model focused mainly on the upper funnel: app installs, registrations and the cost of acquiring a new user.

At one stage, this approach worked well for growing the customer base. But as the business scaled, the team needed to look deeper.

A registration does not automatically mean that a customer will complete identity verification and scoring, receive approval, choose a product and finally complete the product journey.

A business can acquire a large number of low-cost users but still generate relatively few customers with an issued product. Or it can acquire fewer upper-funnel users, increase their quality, and ultimately generate more customers who reach the final banking product.

For the next stage of growth, the second scenario became more important.

Problem / Challenge

Traffic growth did not translate into proportional growth in customers who completed a banking product.

Performance marketing was effective at mass user acquisition. Advertising optimisation was focused mainly on the upper funnel — app installs, registrations and the first stages of the customer journey.

But as the business scaled, a key limitation became clear: higher advertising investment and more users at the top of the funnel did not produce proportional growth in customers who completed a banking product.

The bank could increase budget and generate more installs and registrations, but this did not automatically create comparable growth in final business outcomes. Some acquired users did not complete KYC, some did not receive approval after scoring, and others did not complete the product application.

As a result, a low-cost upper-funnel user did not necessarily mean a low-cost customer for the bank.

The more performance scaled, the more visible this gap became. Additional investment could buy more traffic, but as audiences became saturated, each additional conversion became more expensive while the final business outcome grew more slowly than the upper funnel.

It was easier to scale installs and registrations than to scale the number of customers who completed a banking product.

The goal was not to stop measuring upper-funnel metrics. They remained important. The goal was to change the optimisation principle itself: evaluate acquisition quality not only by how many people entered the app, but by how many eventually created real business value.

AVO bank therefore needed to rebuild performance so that additional marketing investment would drive the most efficient possible growth in customers with a banking product — even if installs and registrations became more expensive and their absolute volume decreased.

The transformation had to answer three questions:

- How can advertising algorithms find users with a higher probability of reaching a banking product?
- How can investment be scaled so that it grows the final business outcome, not only the upper funnel?
- How can the team predict the limit of efficient scale and decide where the next marketing dollar should go?

Goal

The main business goal was not to maximise installs or registrations by themselves, but to increase the number of customers who reached product issuance while keeping acquisition cost under control.

To do this, the team needed to:

- see the full customer journey from first contact to the final product;
- optimise advertising systems to the deepest statistically stable event;
- increase the effective capacity of performance marketing;
- move from manual budget reallocation after the fact to forecasting future return.

Solution

Step 1. Built an end-to-end funnel down to the real banking product

The first step was to change the measurement system itself.

The team connected advertising data with the bank's internal DWH and sent deeper events to analytics and advertising systems, including AppsFlyer and Firebase.

Instead of a few upper-funnel metrics, the team created an end-to-end customer funnel:

install → registration → KYC → scoring and approved offer → application → product issuance → first transaction.

Two events became especially important.

Approved offer. The customer completed identity verification and scoring, and the bank was ready to offer a credit product.

Product issuance. The customer confirmed the application, completed the required steps and actually received the banking product.

Product issuance became the main business outcome for digital.

The team could now answer not only “How much did a registration cost?” but a more important question: “How much did a customer who actually reached the banking product cost?”

Step 2. Moved advertising algorithms from upper-funnel volume to customer quality

Next, deeper events started to be used directly for advertising algorithm learning.

The transition was gradual.

Campaigns first moved from installs and registrations to KYC. After enough data was accumulated, optimisation moved to approved offers.

The team could not move immediately to the deepest event: the deeper the event, the less frequently it occurs and the more data an advertising system needs for stable learning.

New scenarios therefore ran in parallel, went through comparative testing, and were scaled only after proving their effectiveness.

At the beginning of the year, the main focus had already moved to KYC. The team then gradually shifted to approved offers, and after the testing stage the main performance campaigns operated fully in this logic.

Install and registration costs increased, and upper-funnel volume decreased in some cases. At the same time, the quality of acquired users increased significantly.

Algorithms no longer searched only for people likely to download a banking app. They started learning from users similar to those who successfully passed scoring and received approval.

As a result, deep-funnel conversion improved.

Across the bank's overall funnel, KYC-to-approved-offer conversion increased by 50%.

The same pattern was observed in paid performance traffic, confirming that the change was systematic.

At comparable levels of digital investment, after the shift to deep-funnel optimisation, the cost of an approved offer across key performance channels was cut in half versus the average level of comparable periods before the transformation.

A similar pattern was seen at the next stage: the cost of a customer who reached product issuance also fell by half in the largest performance channels.

This showed that the result was not driven by one successful campaign or one advertising platform. It was a systematic change in performance traffic quality.

We started paying more for some upper-funnel actions so that we could pay significantly less for a customer who actually reached the product.

Product issuance itself did not become the main optimisation event for every campaign. There were significantly fewer such events, and the bank's multi-offer model includes several product scenarios.

Approved offer therefore became the optimal learning point: it is already very close to the business outcome, but still occurs often enough for stable algorithm learning.

Advertising learns on approved offers. Product issuance is the outcome the entire system is built to deliver.

Step 3. Turned 360° from a reach activity into a performance scaling tool

After moving to deep-funnel optimisation, the next question was simple: what happens if performance budget is just increased?

The team saw the classic saturation pattern: additional budget continued to bring customers, but the cost of every next conversion gradually increased.

Performance had a natural limit to efficient scale.

The team tested a different hypothesis: instead of only buying more of the existing demand, could the bank first expand and prepare the demand itself?

From April 1 to May 31, AVO bank ran a two-month 360° campaign. One of the main communication moments was the launch of the new microloan product.

The media mix included TV, OOH and DOOH, indoor placements, transport and other mass-reach touchpoints.

In addition to product communication and brand awareness, the team started treating 360° as a tool that could influence performance efficiency.

360° creates and warms demand → more users already know the brand and product → performance receives a better-prepared audience → deep-funnel conversion improves → customer cost falls → digital gains more room to scale.

First signal: more final customers with lower performance investment

When the period of deep-funnel optimisation plus 360° is compared with earlier periods at a comparable level of performance investment, the change is already visible in the bank's overall funnel.

Performance investment was 18% lower than the average level of comparable periods at the beginning of the year.

At the same time, the number of customers who reached product issuance was 56% higher.

In other words, the bank generated significantly more final customers with lower digital investment.

However, two changes were active at the same time — deep-funnel optimisation and 360°. The team therefore did not attribute the entire uplift to the reach campaign and ran an additional comparison.

Second signal: the 360° effect with the same performance logic

Once campaigns had fully moved to approved-offer optimisation, the core performance logic no longer changed.

This made it possible to compare two modes: deep-funnel optimisation + 360°, and the same deep-funnel optimisation in the regular Always On period after 360° ended.

During 360°, average approval cost for paid performance traffic was 24% lower than in the post-360° Always On period, with the same deep-funnel optimisation logic.

After the campaign ended, the cost of deep-funnel events started to rise again.

Organic traffic provided an additional signal: improvement in deep-funnel quality was not limited to paid advertising platforms. This supported the hypothesis that reach communication affected not only an individual algorithm, but also the overall preparedness of demand.

Third signal: 360° changed the economics of scaling

The team also compared two approaches to increasing marketing investment.

In the first scenario, all additional budget goes only into performance. As the audience saturates, every next customer becomes more expensive.

In the second scenario, part of the investment is used to expand demand through 360°, and performance then scales against a broader and better-prepared audience.

At a comparable total level of marketing investment, the combination of 360° + performance generated more customers with issued products at a lower cost of the final result than scaling through digital alone.

This changed the role of 360°: it was no longer treated only as an upper-funnel brand activity.

It became a tool for temporarily expanding the effective capacity of performance marketing.

During these flights, the bank can increase digital investment more aggressively: broader demand allows volume to grow until customer cost again approaches the acceptable business threshold.

Based on the results, the approach was adopted as a repeatable model: 360° flights can be used around product and seasonal moments and synchronised with stronger performance investment.

Step 4. Built a model that answers where the next dollar should go

After end-to-end analytics and capacity experiments, the next level of the problem could no longer be solved by manual optimisation alone.

A good CAC today does not mean that the same campaign will keep it after the budget is increased.

The team needed to know in advance:

- where the efficient scaling limit of each campaign is;
- which campaign will generate the highest incremental approvals from the next unit of budget;
- how the total budget should be allocated across platforms;
- how the optimal split changes when demand itself changes.

Together with the Data Science team, AVO bank developed a proprietary predictive ML model for marketing investment optimisation.

The model is trained on historical advertising data and the deep banking funnel, with approved offers as the target outcome.

It analyses not only current customer cost, but also campaign elasticity — how the number of approvals changes when budget increases.

A saturation curve is built for each campaign. It shows whether a campaign is still in an active growth zone, in an efficient range, or approaching the point where additional budget becomes economically inefficient.

Instead of simply asking “Which campaign is cheap today?”, the team can ask: “If we add the next budget here, how many additional approvals will we get, and what will the incremental conversion cost be?”

The model compares campaigns, estimates the marginal return of the next budget increment, and recommends the optimal split.

It is regularly retrained: as audience behaviour, demand and actual campaign performance change, new data updates both the forecast and the recommendations.

The model was tested for several months in different scenarios.

The team not only followed its recommendations, but also deliberately moved budgets against them to test whether cost and conversion volume would change as predicted.

Across the internal test series, actual performance matched the model forecast in 98% of tested scenarios — including expected approval volume, cost changes and response to budget reallocation.

This enabled a move from retrospective optimisation — “see what happened and then reallocate budget” — to predictive management: “understand the next most efficient investment point before launch”.

Today the model is used to generate recommendations for major performance campaigns.

The next stage is to connect new traffic sources and gradually deepen the model from channel and campaign level to bids, optimisation events and individual creative combinations.

Results

From January to July 2026, AVO bank changed not just individual advertising settings, but the way digital performance itself was managed.

40% lower cost per customer with an issued product

The weighted calculated cost of a customer who reached product issuance across the bank’s overall funnel decreased by 40% after the full transition to the new performance model. The final customer with a product became the main business metric of the transformation.

+50% higher deep-funnel conversion

KYC-to-approved-offer conversion increased by 50%. The same pattern was observed in paid performance traffic, confirming that the change was systematic.

Deep-funnel event cost cut in half

At comparable digital investment levels, the cost of an approved offer across key performance channels was cut in half versus comparable periods before the transformation. The cost of a customer with an issued product showed a similar pattern in the largest performance channels. Upper-funnel actions could become more expensive: the gain came from higher traffic quality, not from buying more cheap traffic.

56% more customers with a product at lower performance investment

During the period when deep-funnel optimisation and 360° worked together, performance investment was 18% lower than the average level of comparable periods at the beginning of the year, while the number of customers with an issued product was 56% higher.

360° increased the effective capacity of performance

With the same deep-funnel optimisation logic, average approval cost for paid performance traffic during 360° was 24% lower than in the post-360° Always On period. The reach campaign became part of the overall performance model rather than a separate brand-awareness activity.

ML moved budget management from the past to the future

The proprietary predictive model made it possible to estimate marginal campaign efficiency before increasing spend, identify saturation points and choose the most efficient investment split. Actual performance confirmed the model forecast in 98% of tested scenarios.

What changed in the end

In seven months, the transformation changed four layers of AVO bank's digital marketing.

1. Measurement — from the upper funnel to the final product. Advertising data was connected with the full customer funnel, making it possible to evaluate digital by the real business outcome: product issuance.
2. Optimisation — from traffic volume to customer quality. Advertising algorithms started learning from users with a high probability of passing scoring and receiving approval. Deep-funnel conversion increased and final customer cost decreased.
3. Scaling — from buying existing demand to expanding it. 360° became a way to increase the volume of prepared audiences and create additional capacity for efficient performance growth.
4. Forecasting — from reacting to results to managing future results. The ML model started calculating marginal campaign efficiency and helping decide where the next marketing dollar should go.

At the beginning of 2026, the main digital question was: "How can we acquire more new users at an acceptable cost?"

Seven months later, the question had changed: "How can we generate the maximum number of customers with an issued product at a given investment level — and how should that investment be allocated most efficiently?"

AVO bank's performance marketing stopped being only a traffic acquisition system. It became a managed growth system — from the first advertising contact to a customer with a real banking product.