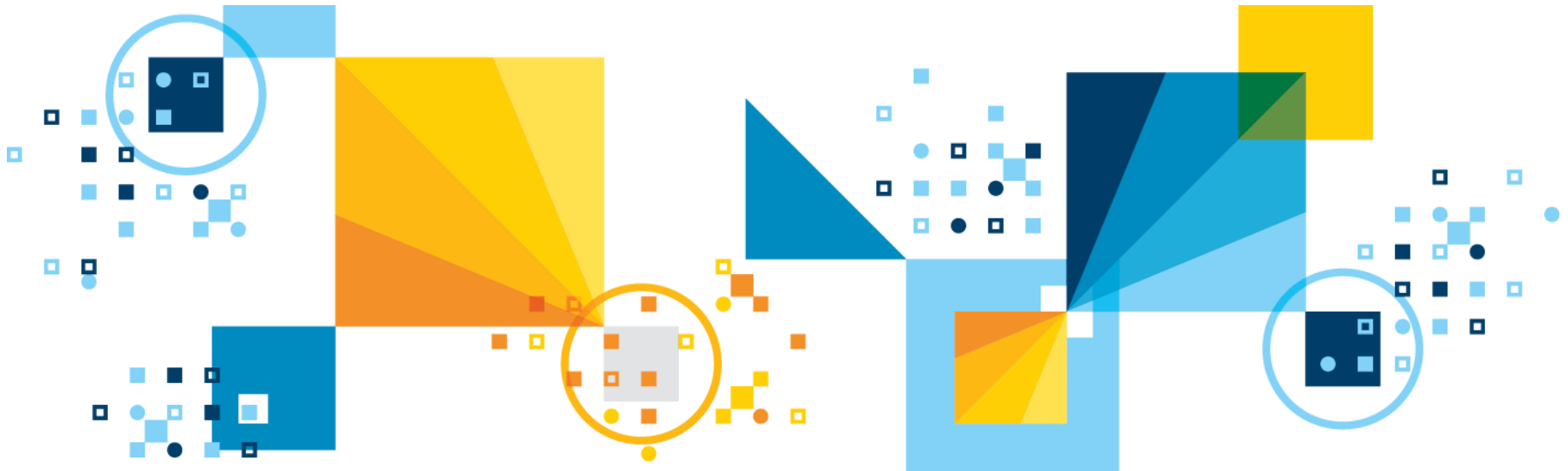


Mehmet Dilek
27.05.2015

Banking on IBM Big Data & Analytics

Real Life Examples for Bank X



BUSINESS AS USUAL ISN'T A SUSTAINABLE STRATEGY IN A CHANGING MARKETPLACE



Evolving customer behaviors and priorities create new bank challenges and opportunities

60%

of bank customers go elsewhere for home mortgages, 53% for credit cards, 68% for auto loans and 82% for brokerage accounts.¹

63%

of surveyed adults with a bank account say they stay with their current bank because of convenience.²

48%

of customers use remote Channels (automated teller machines, online or Internet Channels, or mobile Channels) at least weekly.³

10%

of retail banking customers are likely to leave their banks in the next six months.⁴

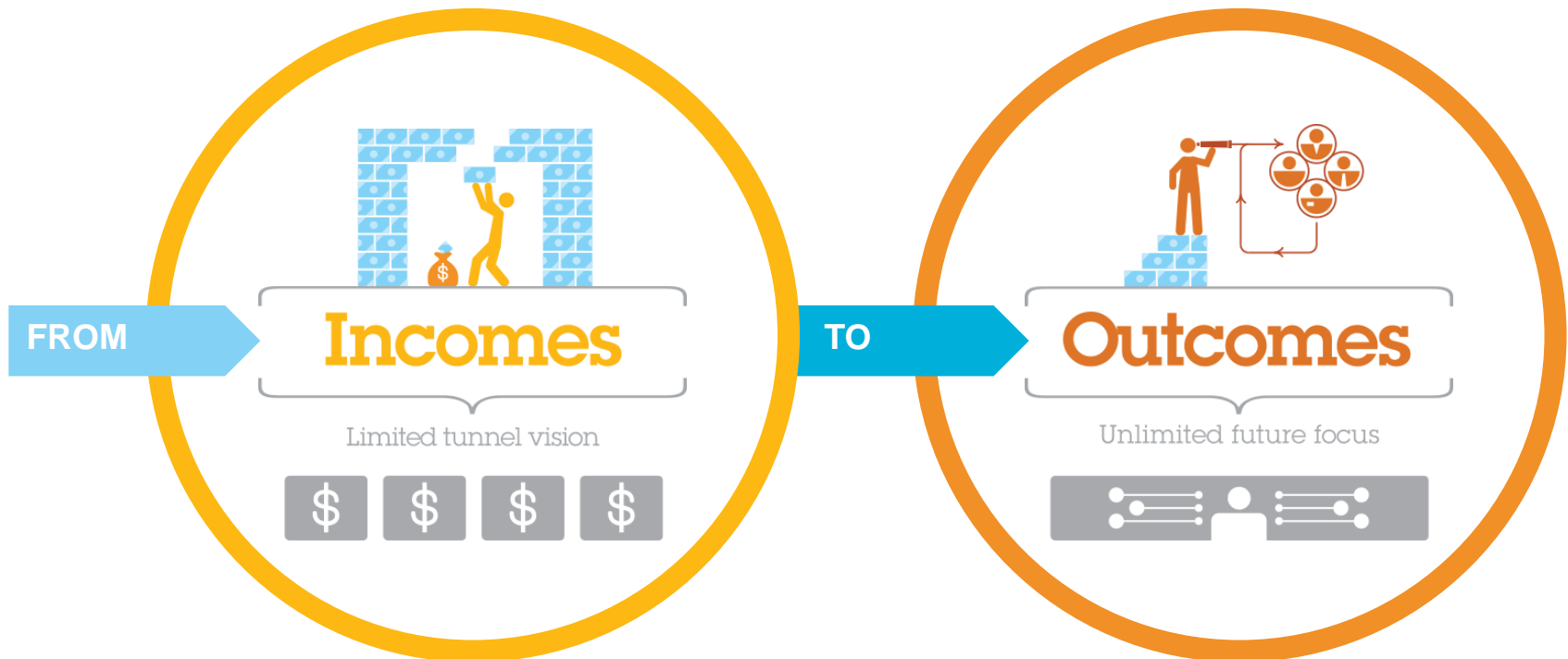
¹ Accenture, *A Critical Balancing Act: US Retail Banking in the Digital Era*, 2013, <http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture-Consumer-US-Retail-Banking-Survey.pdf>

² Yodlee, "Mobile Banking Plays Key Role in #1 Factor for Customer Loyalty According to Yodlee Interactive Survey," press release, April 30, 2013, http://www.yodlee.com/press_release/mobile-banking-survey

³ EY, *Winning through customer experience: EY Global Consumer Banking Survey 2014*, [http://www.ey.com/Publication/vwLUAssets/EY_-_Global_Consumer_Banking_Survey_2014/\\$FILE/EY-Global-Consumer-Banking-Survey-2014.pdf](http://www.ey.com/Publication/vwLUAssets/EY_-_Global_Consumer_Banking_Survey_2014/$FILE/EY-Global-Consumer-Banking-Survey-2014.pdf)

⁴ Capgemini, *2013 World Retail Banking Report*, 2013, <http://www.au.capgemini.com/thought-leadership/world-retail-banking-report-2013>

BETTER SALES AND MARKETING OUTCOMES REQUIRE BETTER CUSTOMER INSIGHTS



Banks that limit the data they analyze limit their customer insight.

Analyzing all available data can result in more relevant, personalized interactions.

HOW IBM BIG DATA & ANALYTICS POWERS CHANGE AND DRIVES VALUE

SEE MORE

Grow your knowledge of customers as individuals so you can better target offers and information.



Optimize
offers and
cross-sell

KNOW MORE


Better anticipate customer needs to deliver more relevant and timely offers that are more likely to be accepted.





DO MORE


Take action when and where it matters most to help drive the best outcomes at virtually every opportunity.





1. Sold two houses,
huge EFT's to Bank X. 


2. 2 visits to Bank X
website to check
mortgage loans 


3. 2 calls with the RM on
mortgage rates 


4. 3 emails with the RM
on payment plan 

5. 2 SWIFT's to XXX
Construction as the
down payment 

6. 39 age with family and
kids, investing 

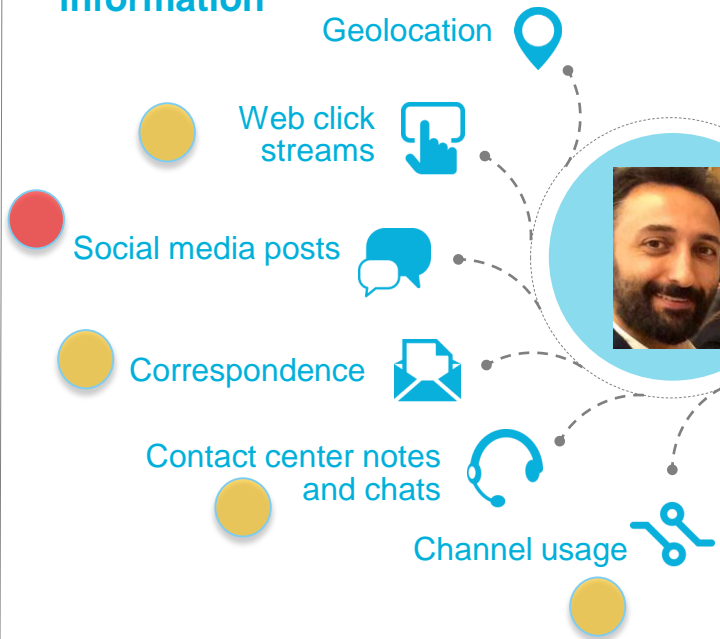
7. 2 Twitter posts on
investing in real estate 

8. New USD account 




9. over 20 daily USD
exchange rate checks 

MEHMET WAS LOOKING FOR A MORTGAGE LOAN *190K interest and commission **LOST** TO Competition*

Unstructured information



Structured information

-  Bank X has the **insight** but did not use
-  Bank X does not have the **data**
-  Bank X has the **data** but did not transform to insight

1. Several POS transactions at the hospitals



2. Several Insurance payments from Insurance X



3. Baby furniture purchase at Pink Baby Furniture



4. Baby appliances purchases at E-bebek,



5. Several facebook posts regarding the baby



6. 32 age, married



7. 5 Twitter posts pregnancy



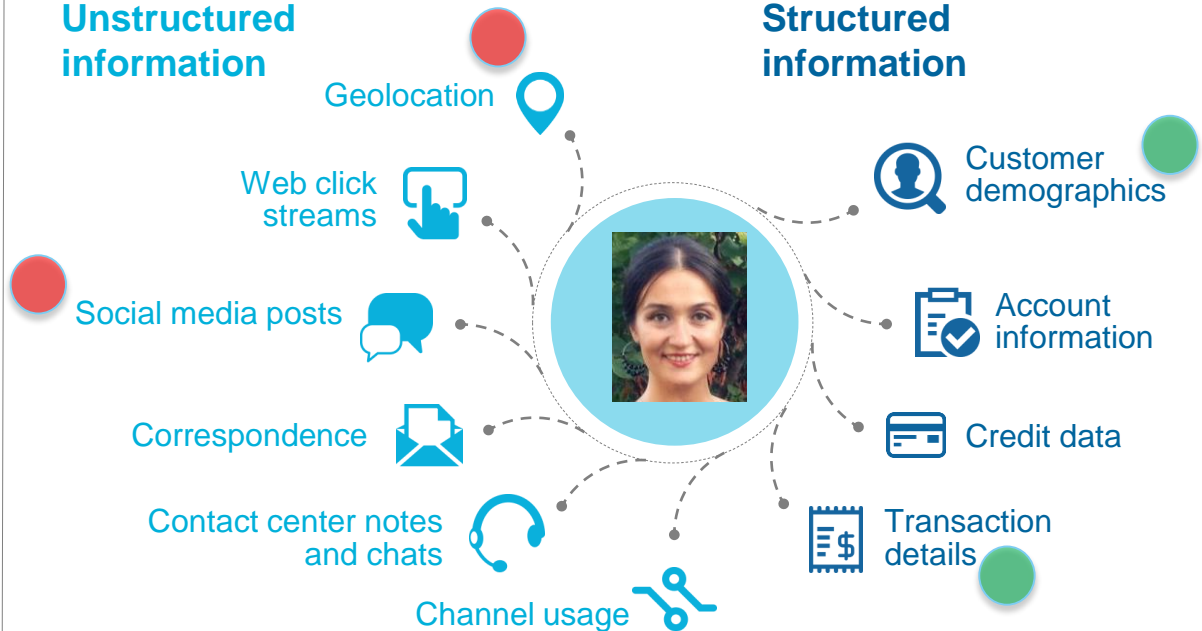
8. Route is Maslak Acibadem to Istinye Park Nero and then purchase baby things



ZÜLAL IS GIVING BIRTH

*Cross/Up Sell opportunity Lost for Bank X,
Insurance X and Retailer X.
Life Cycle is not being tracked*

Unstructured information



Bank X has the **insight** but did not use



Bank X does not have the **data**



SEE MORE



FROM

Limited
visibility

TO



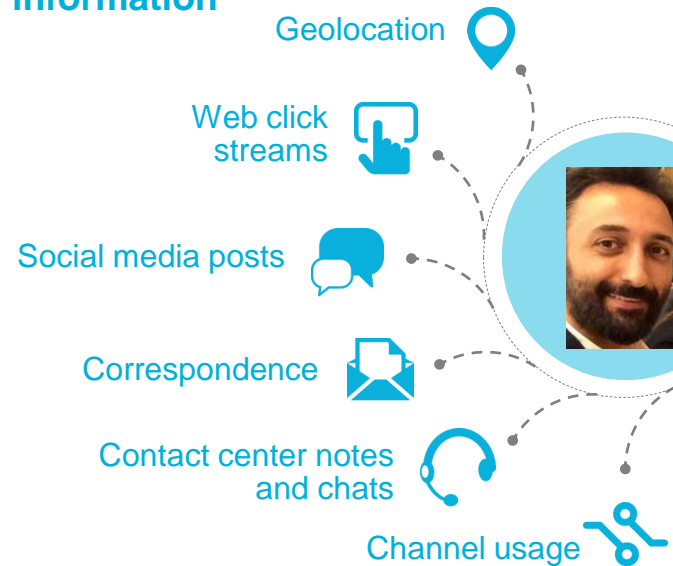
Informed
focus



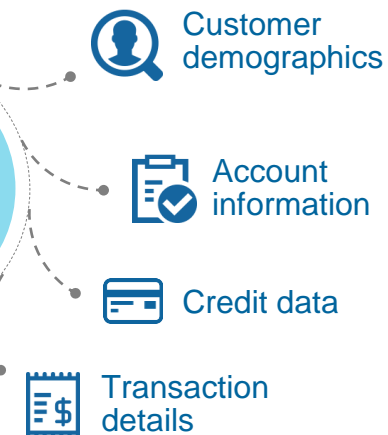
GAIN A 360° VIEW OF CUSTOMERS LIKE MEHMET

Sharpen your view of each customer by leveraging more data—and more types of data from more sources—than than ever before.

Unstructured information

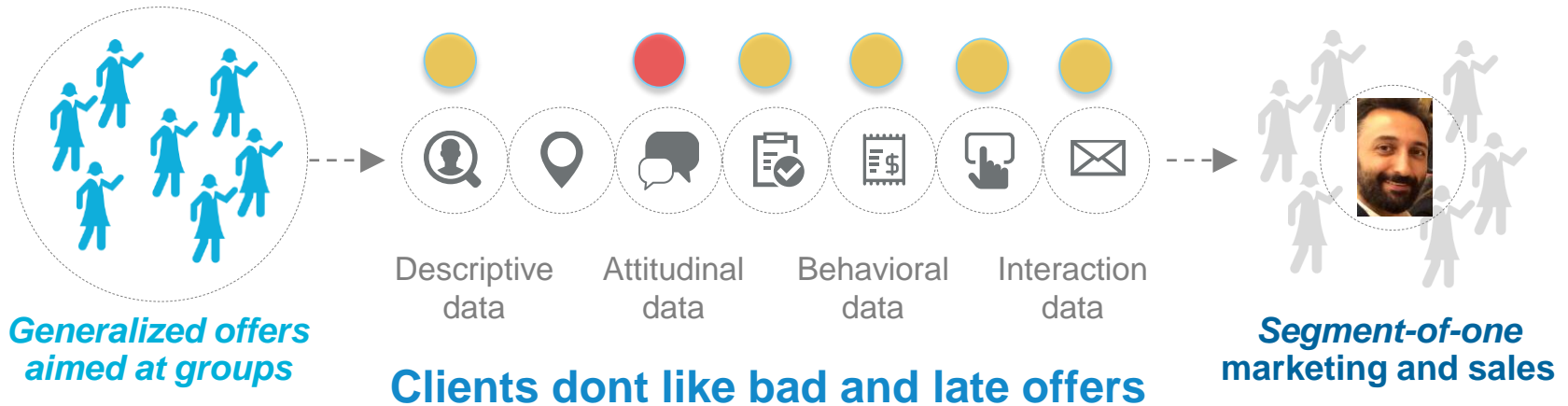


Structured information





USE GREATER VISIBILITY: PERSONALIZE SALES AND MARKETING



BOTTOM-LINE BENEFITS

Leverage large volumes of multistructured data to inform marketing decisions and better target customer offers.

Empower the CMO with insight into customer Channel preferences to improve the efficiency and impact of marketing campaigns.

Speed the capture and analysis of customer data to enhance customer service and sales interactions.

Better banking made with IBM

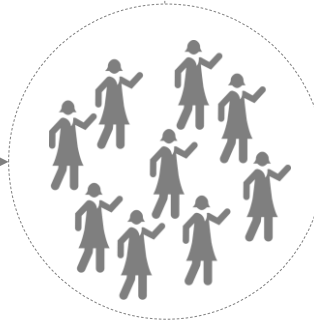
A Canadian bank gained the power to **deepen its understanding** of customer needs and better target marketing offers.

**FROM**

Analyzing narrow subsets of customer data examining a few metrics

TO

Analyzing much larger sets of data on many metrics



made with
IBM

40%

improvement in
offer acceptance

300%

return on solution
investment—
within three months



KNOW MORE



**Best
guesses**

FROM

TO



**Precise
predictions**



SPEED AND ENRICH ANALYSIS TO ANTICIPATE MEHMET'S UPCOMING NEEDS

Use predictive analytics to determine “next best action” with greater certainty and speed.



Descriptive data

- 39-year-old professional
- Been in his current job more than 4 years

Attitudinal data

- Posted two twitts

Behavioral data

- Checked website for mortgage rates
- Two huge incoming EFT's
- One downpayment to the construction co

Interaction data

- Made two calls in the last week to the RM and exchanged emails with a draft payment plan

NEW INSIGHT:
Mehmet is shopping for a new home.



IDENTIFY NEXT BEST ACTION:

PROVIDE AN OFFER THAT Mehmet IS MOST LIKELY TO ACCEPT

● Offer a preferred rate mortgage with reduced closing fees

● Offer an insurance policy for the new house

● Offer a USD savings account



BOTTOM-LINE BENEFITS

Enrich your predictive models with more robust analytics to help the CMO pinpoint offers customers are most likely to accept.

Empower sellers with faster customer insights to uncover new cross-sell and up-sell opportunities sooner.

Use sales and marketing insights to enhance customer satisfaction and increase share of wallet and loyalty over time.

Better banking made with IBM

A U.S. bank improved the accuracy and cycle time of its predictive models to deepen its understanding of customers' needs for improved offer acceptance.



made with
IBM

3.1%

increase in
offer response rate

600%

ROI through improved
campaign efficiency



DO MORE



FROM

Optimizing
offers

TO

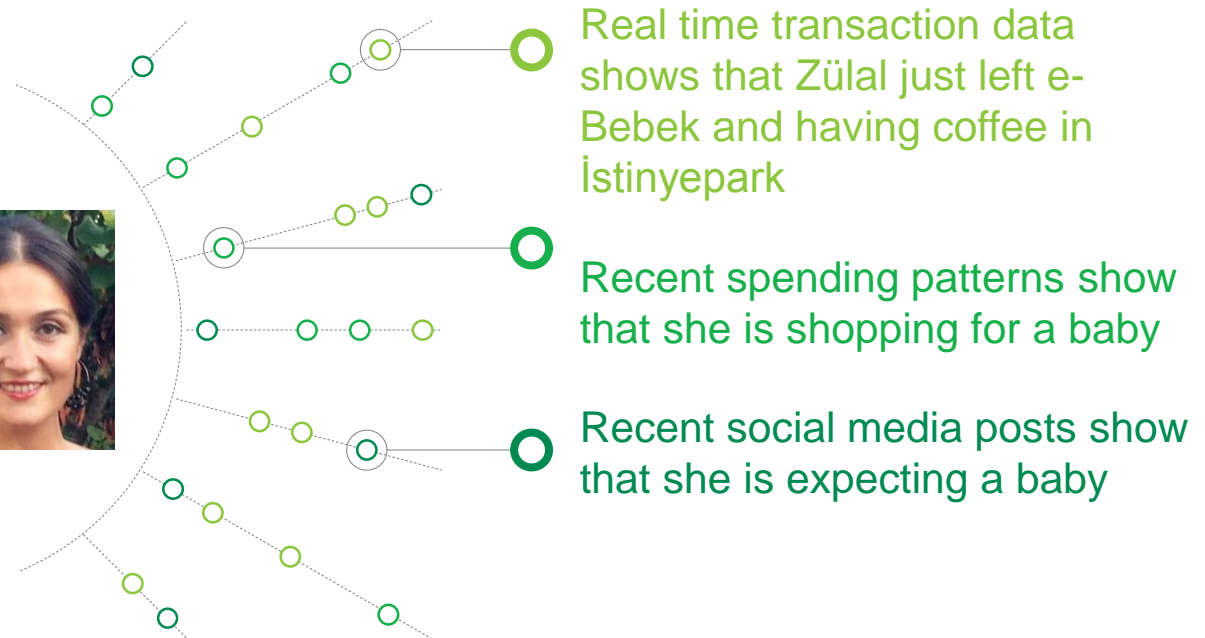


Optimizing
opportunities



IDENTIFY NEW CROSS-SELL OPPORTUNITIES IN REAL TIME

Act on insights with precise cross-sell offers and retention efforts that directly influence customers' actions and decisions—*at the point of interaction.*





ACT ON THE OPPORTUNITY: PROVIDE VALUABLE NEW OFFERS AT THE POINT OF INTERACTION

Send Zülal an offer for a 30% discount in baby appliances at A retailer while she is having her coffee in İstinyepark.

Offer Zülal a bundled financing package for all baby related expenses

Sell Zülal a baby savings account and cross sell on her existing insurance policy



BOTTOM-LINE BENEFITS

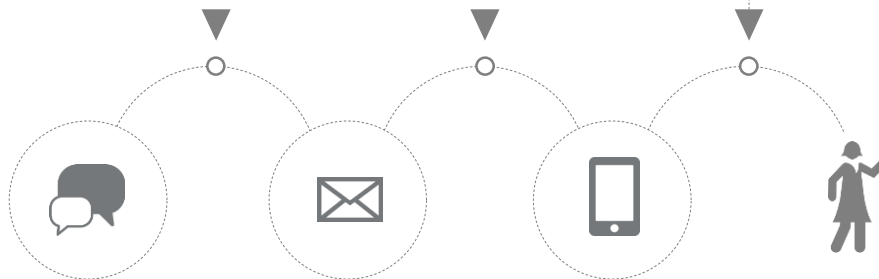
Speed analysis of customer actions and events as they occur to provide sellers with up-to-the-minute insights on cross-sell and up-sell opportunities.

Empower the CMO to assess current actions in context with historic information and recent behaviors to respond to customer needs faster—including in real time.

Use real-time insights to help customer service identify and resolve customer issues immediately, helping improve retention and reduce churn.

Better banking made with IBM

A large Dutch bank quickly analyzed client behavior to personalize its marketing offers across Channels in real time.



made with
IBM

3X

increase in marketing
offer response rate

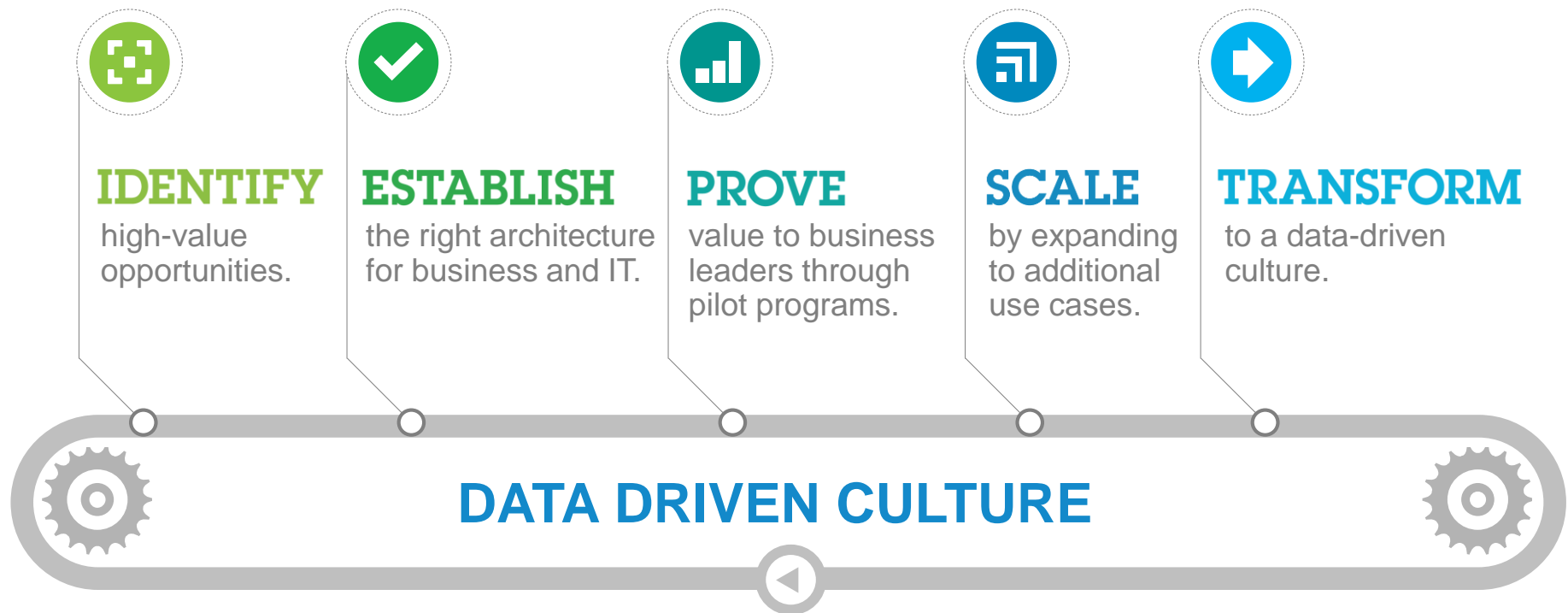
98%

increase in key client interaction
performance metrics

THE PATH TO TRANSFORMATION



Transformation isn't just an end result—it can happen at any place along the path.



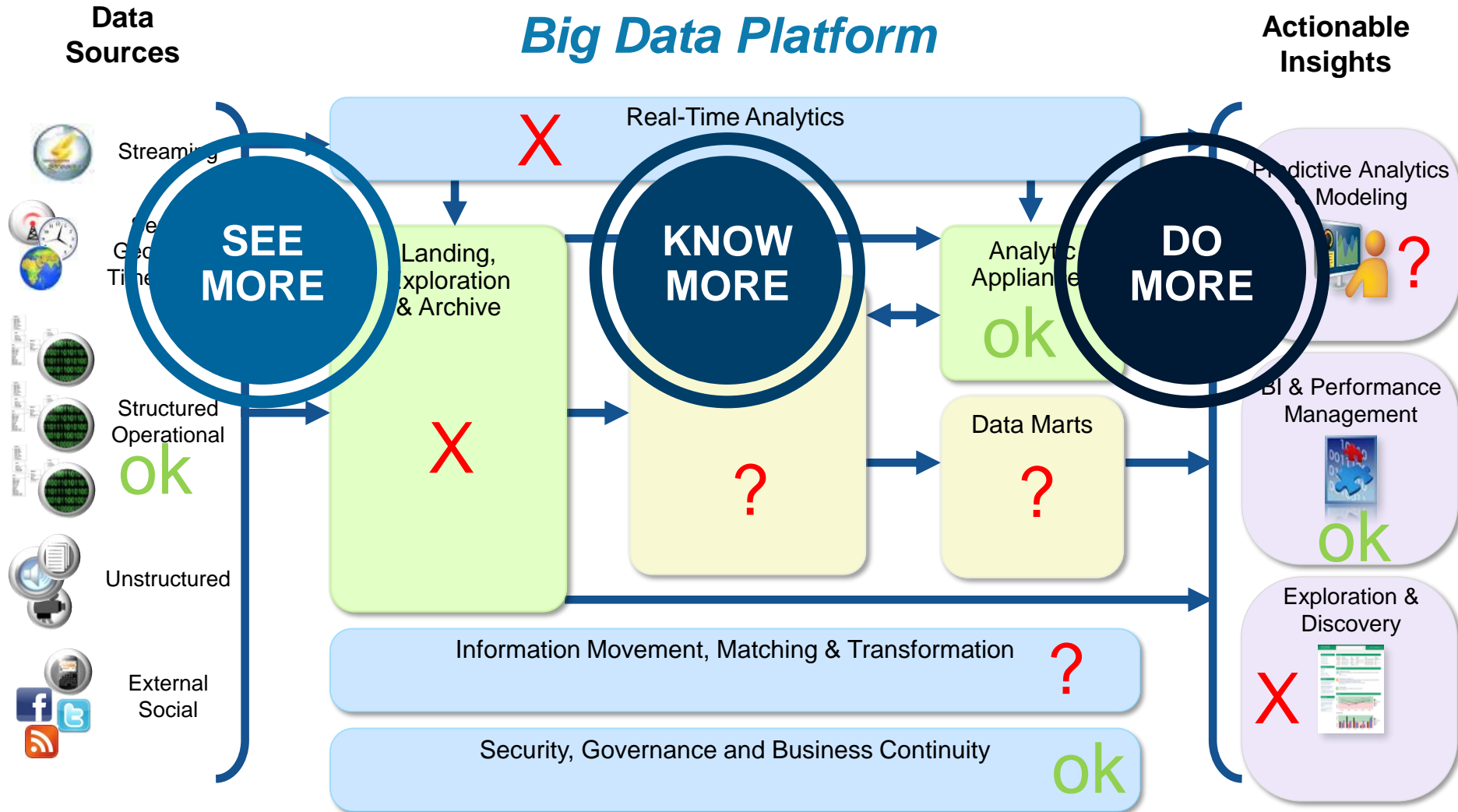
WHAT WE BELIEVE: NOBODY KNOWS HOW TO HELP BANKS OPTIMIZE BIG DATA AND ANALYTICS LIKE IBM

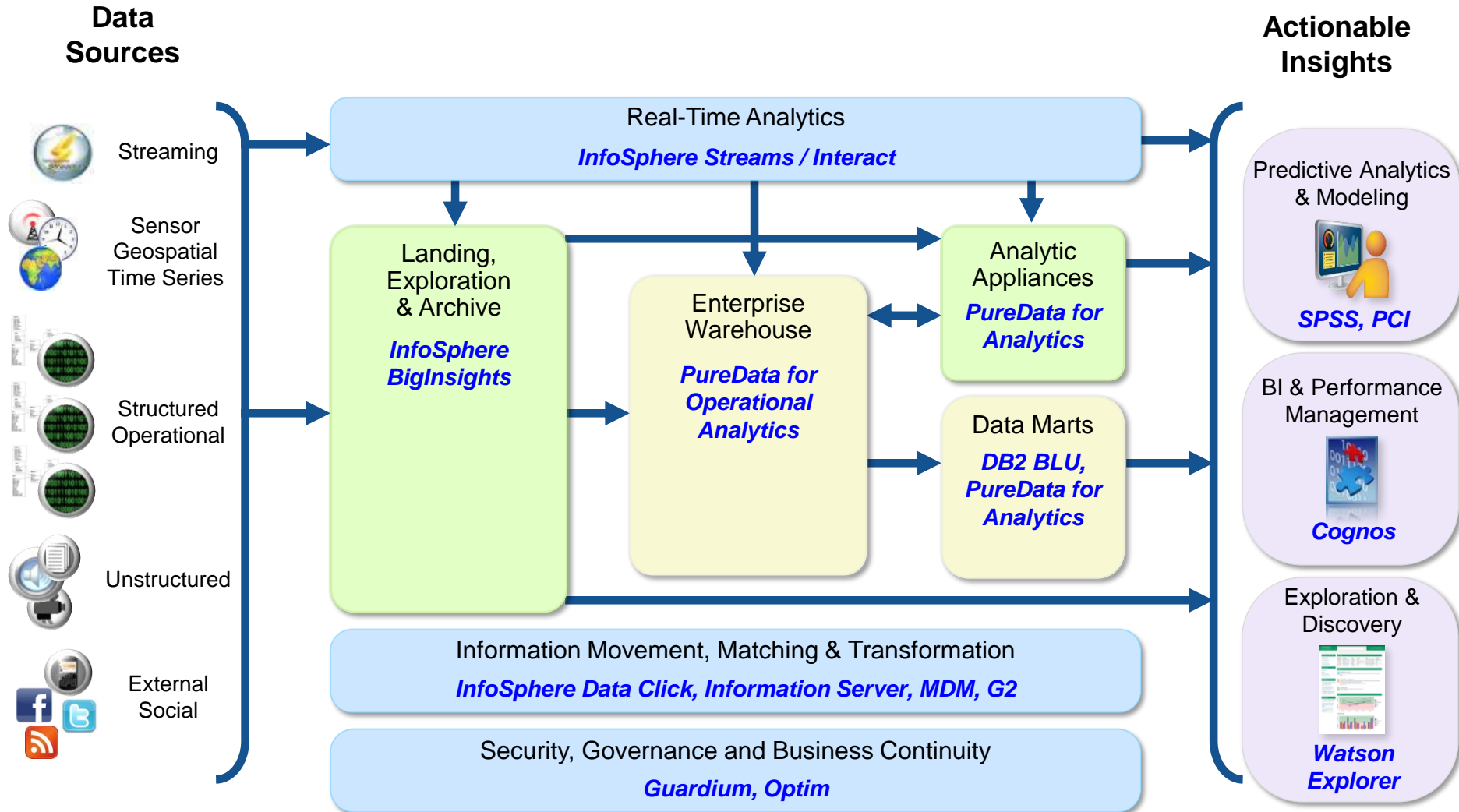
- ▶ Leading technology provider to banks worldwide
- ▶ IBM Big Data & Analytics clients:
 - 10 of 10 top U.S. banks¹
 - 9 of 10 top global banks²
 - 5 of 5 top Canadian banks³
- ▶ 40,000 analytics engagements
- ▶ 9,000 consultants
- ▶ 2,500 IBM Business Partners
- ▶ Nine Analytics Solutions Centers worldwide

¹ Top U.S. banks based on SNL Financial, "Largest 100 banks in the world," July 1, 2014. IBM clients verified by IBM Global Financing.

² Top global banks based on SNL Financial, "Largest 100 banks in the world," July 1, 2014. IBM clients verified by IBM Global Financing.

³ Top Canadian banks based on SNL Financial, "Largest 100 banks in the world," July 1, 2014. IBM clients verified by IBM Global Financing..

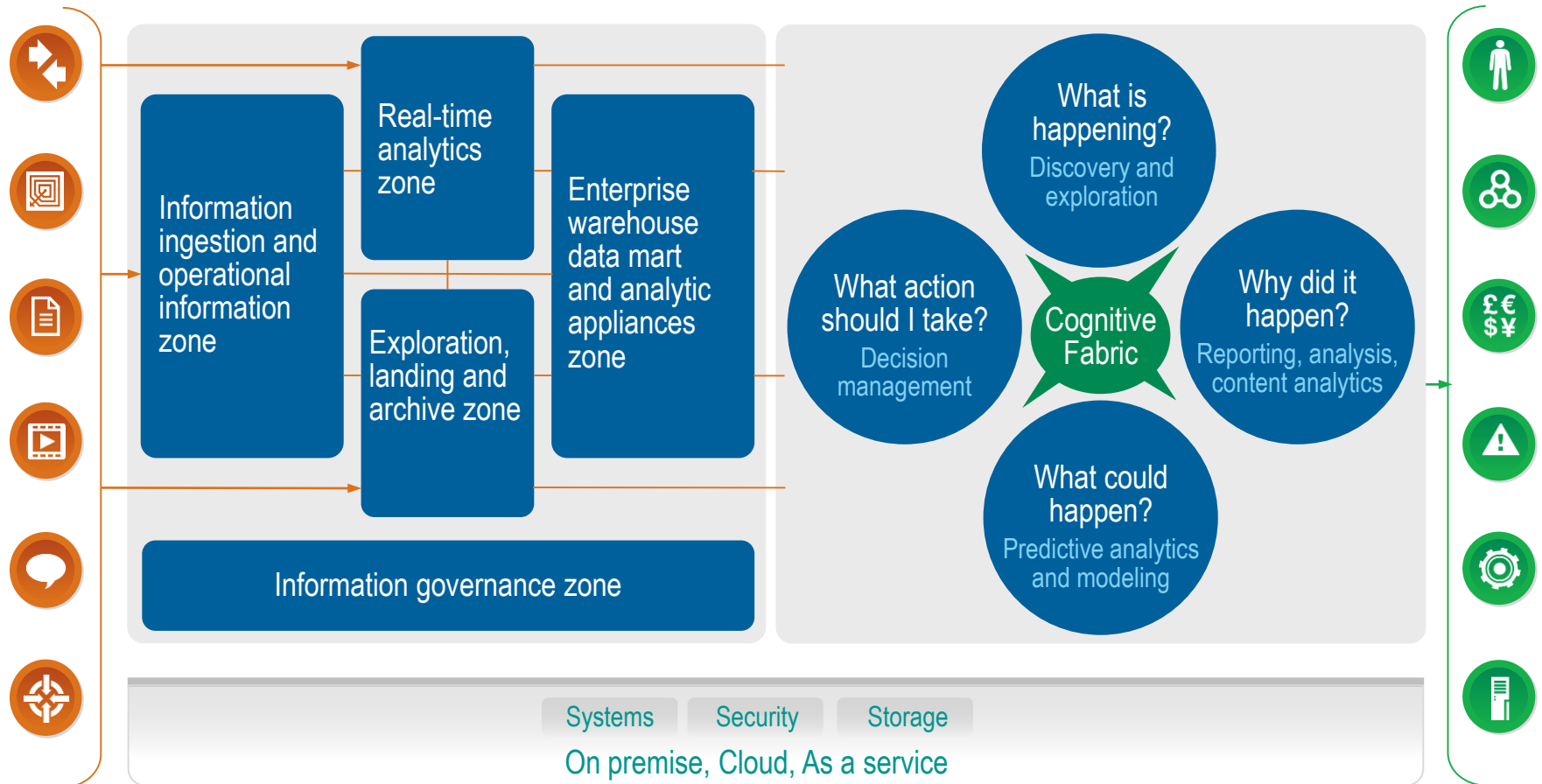




IBM Watson Foundations

All Data

New/Enhanced Applications



IBM Big Data & Analytics Infrastructure

