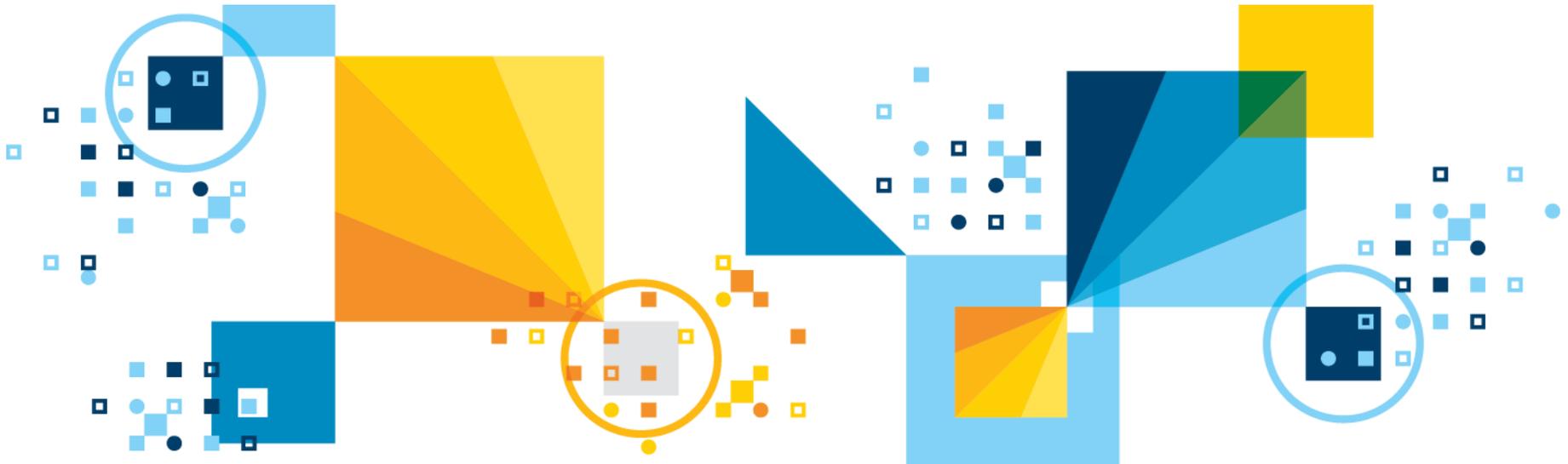


Mehmet Dilek
27.05.2015

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

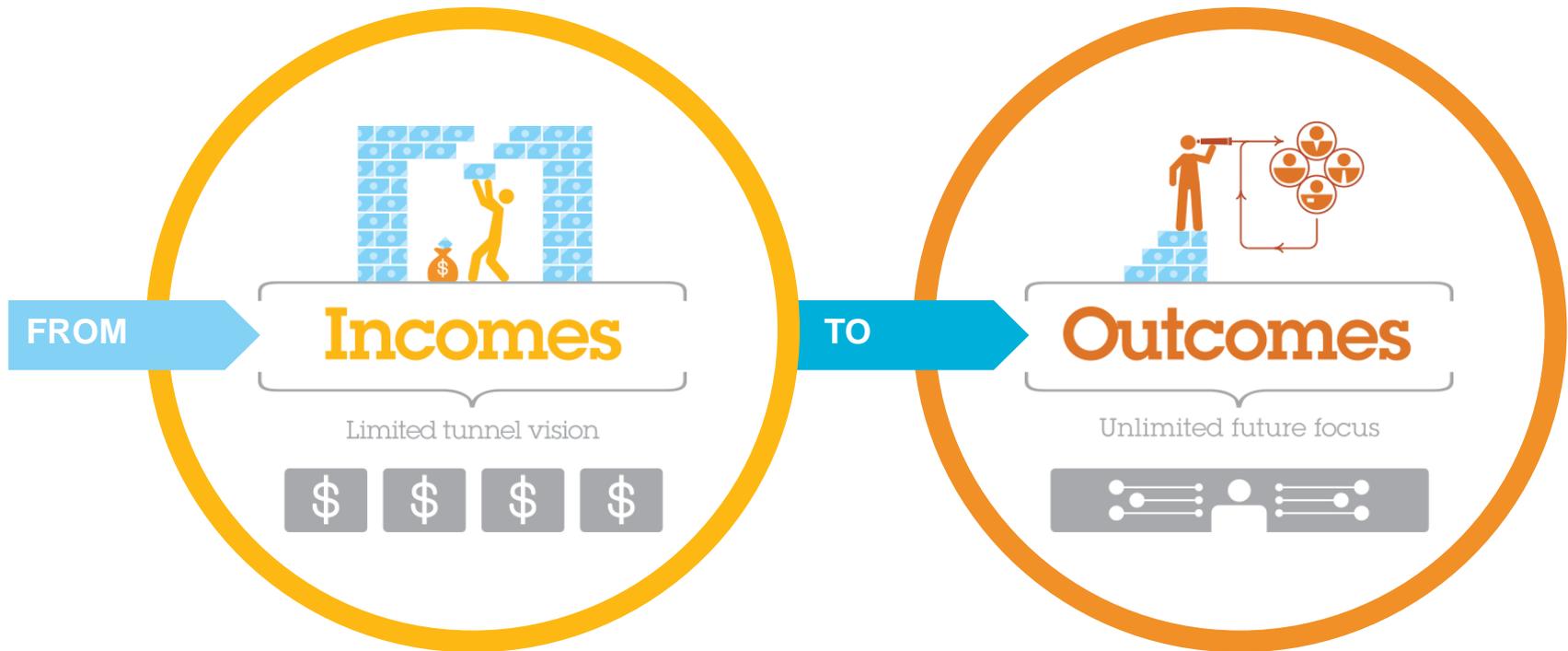
1 Accenture, *A Critical Balancing Act: US Retail Banking in the Digital Era*, 2013, <http://www.accenture.com/SiteCollectionDocuments/PDF/Accenture-Consumer-US-Retail-Banking-Survey.pdf>

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.



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.



Optimize offers and cross-sell

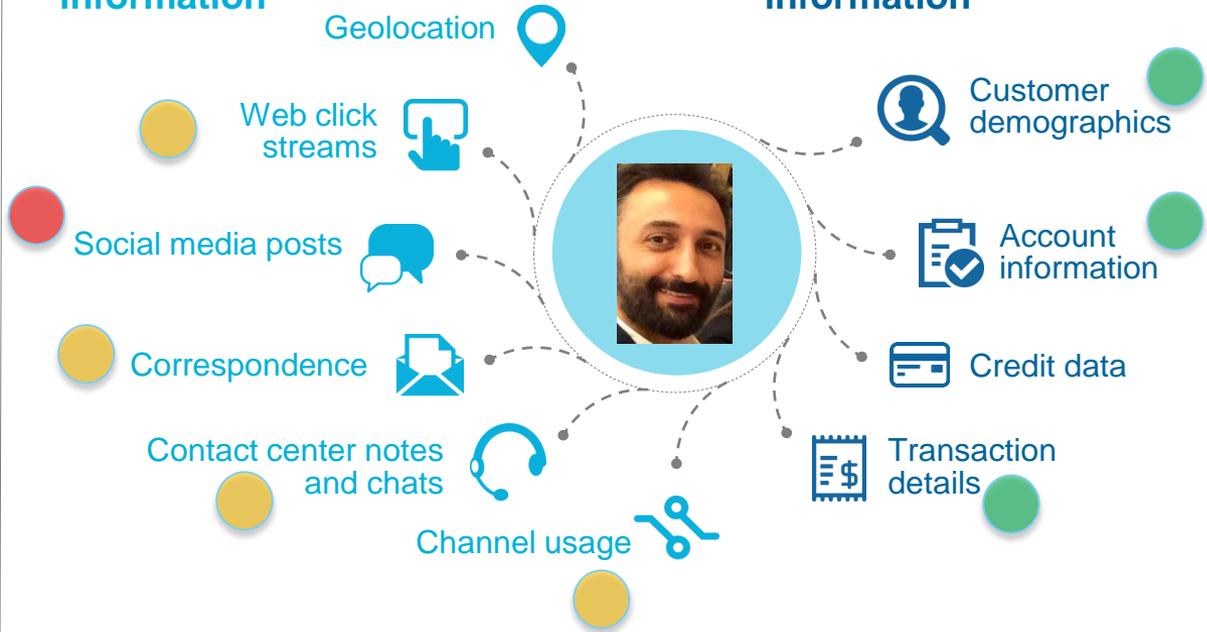
1. Sold two houses, huge EFT's to Bank X. 
2. 2 visits to Bank X website to check mortgage loans 
3. 2 calls with the RM on mortgage rates 
4. 3 emails with the RM on payment plan 
5. 2 SWIFT's to XXX Construction as the down payment 
6. 39 age with family and kids, investing 
7. 2 Twitter posts on investing 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

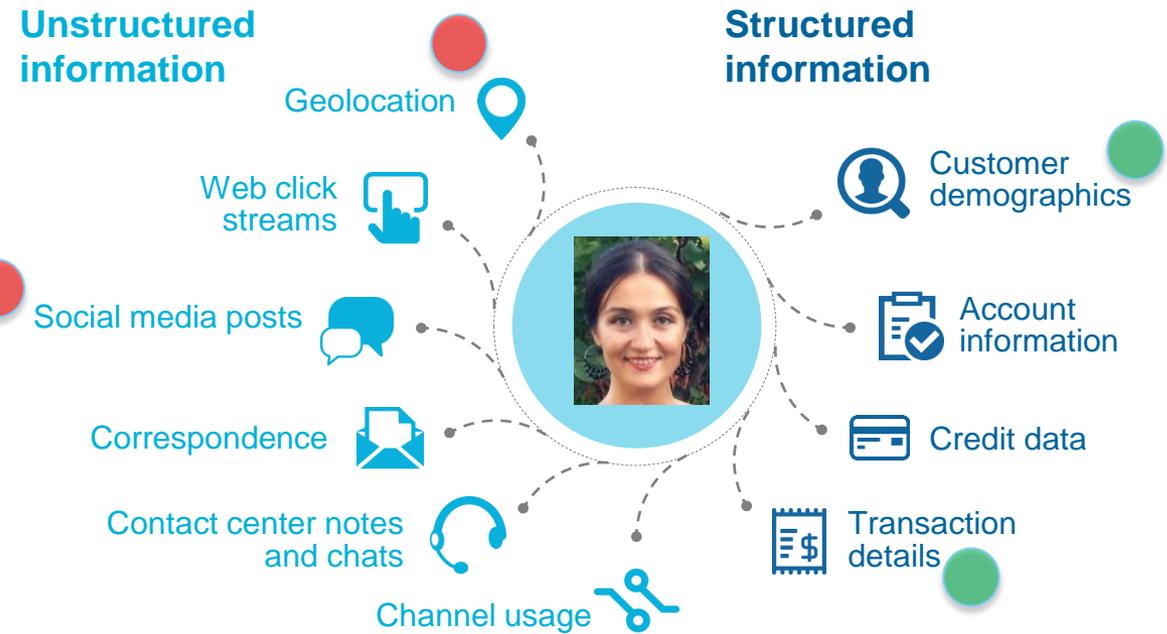


-  Bank X has the **insight** but did not use
-  Bank X does not have the **data**
-  Bank X has the **data** but did not transform to insight

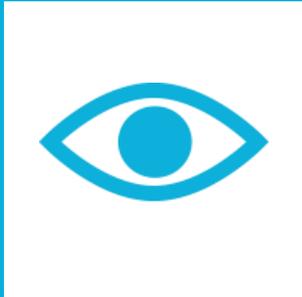
1. Several POS transactions at the hospitals 
2. Several Insurance payments from Insurance X 
3. Baby furniture purchase at Pink Baby Furniture 
4. Baby appliances purchases at E-bebek, 
5. Several facebook posts regarding the baby 
6. 32 age, married 
7. 5 Twitter posts pregnancy 
8. Route is Maslak 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*



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



SEE MORE



**Limited
visibility**

FROM

TO



**Informed
focus**

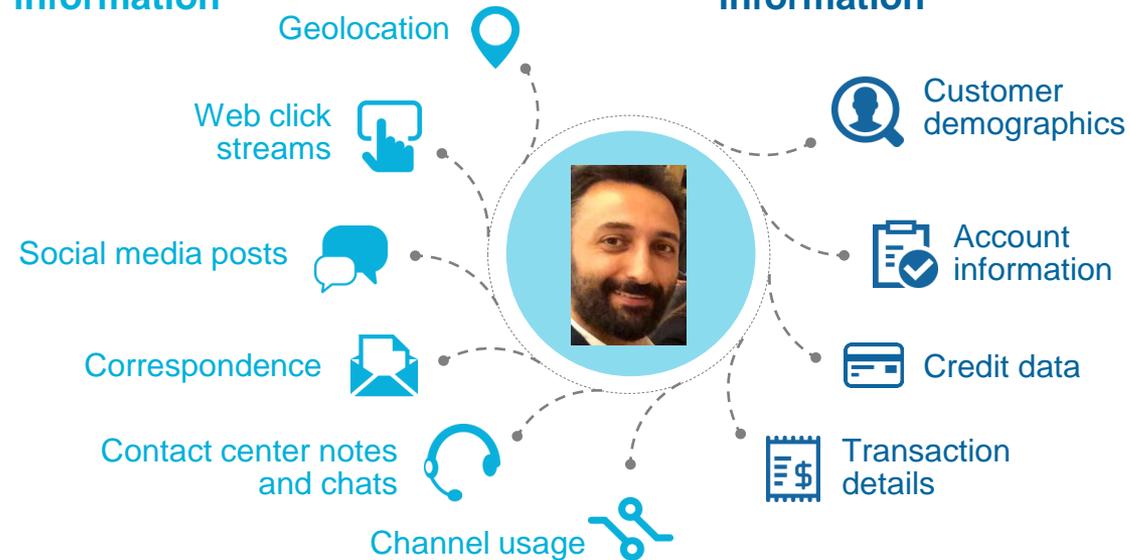


GAIN A 360° VIEW OF CUSTOMERS LIKE MEHMET

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

Unstructured information

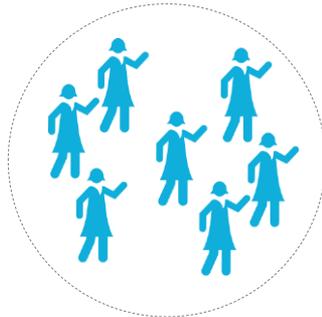
Structured information



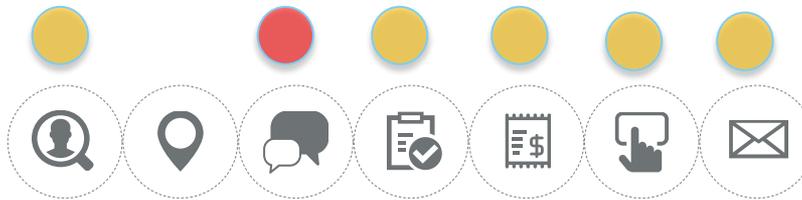


USE GREATER VISIBILITY:

PERSONALIZE SALES AND MARKETING



Generalized offers aimed at groups



Descriptive data Attitudinal data Behavioral data Interaction data



Segment-of-one marketing and sales

Clients dont like bad and late offers

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

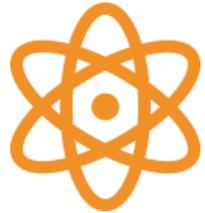
made with
IBM

40%

improvement in offer acceptance

300%

return on solution investment—
within three months



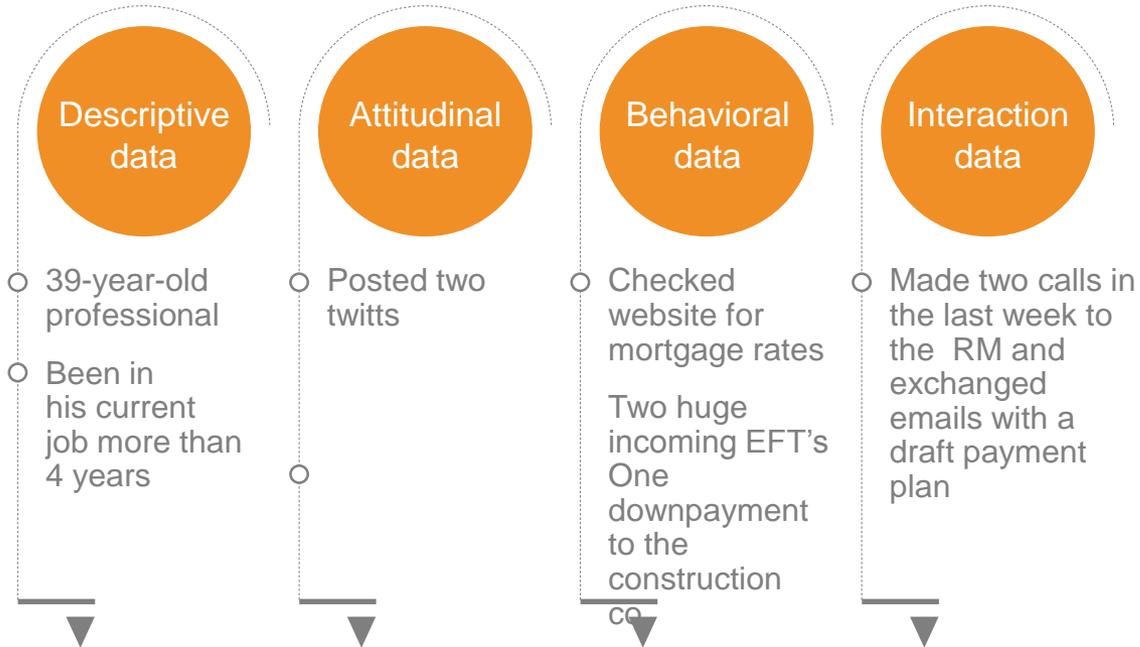
KNOW MORE





SPEED AND ENRICH ANALYSIS TO ANTICIPATE MEHMET'S UPCOMING NEEDS

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



NEW INSIGHT:
Mehmet is shopping for a new home.

KNOW MORE



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

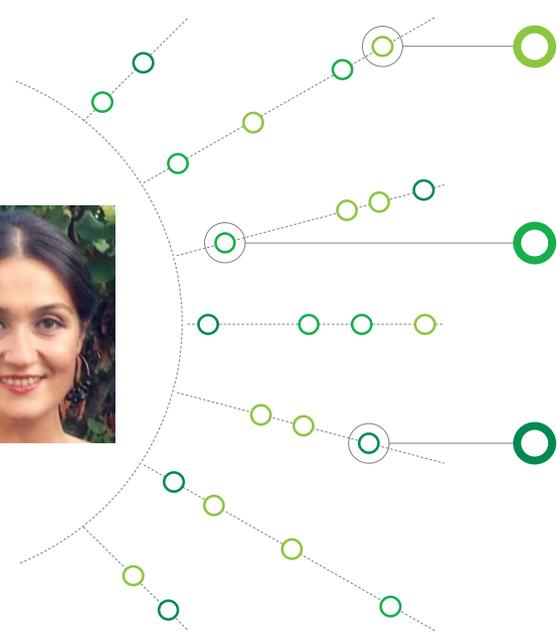


Optimizing opportunities



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.*



Real time transaction data shows that Zülal just left e-Bebek and having coffee in İstinyepark

Recent spending patterns show that she is shopping for a baby

Recent social media posts show that she is expecting a baby

DO MORE



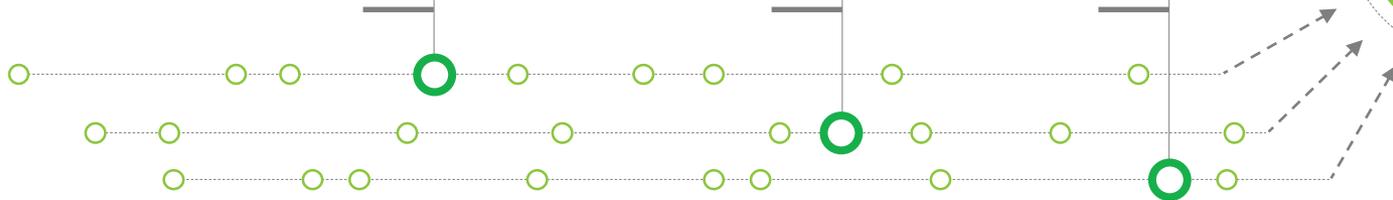
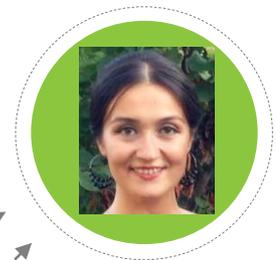
ACT ON THE OPPORTUNITY:

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

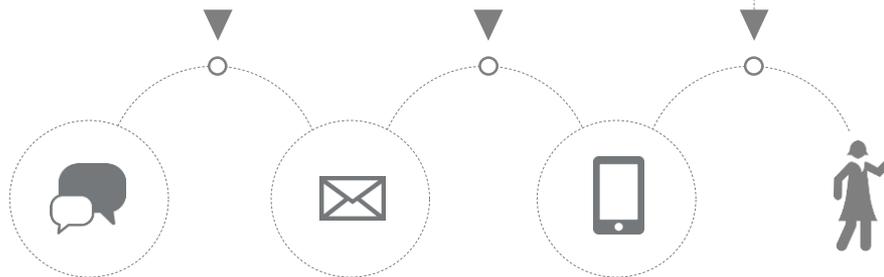
Speed analysis of customer actions and events as they occur to provide sellers with up-to-the-minute insights on cross-sell and up-sell opportunities.

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

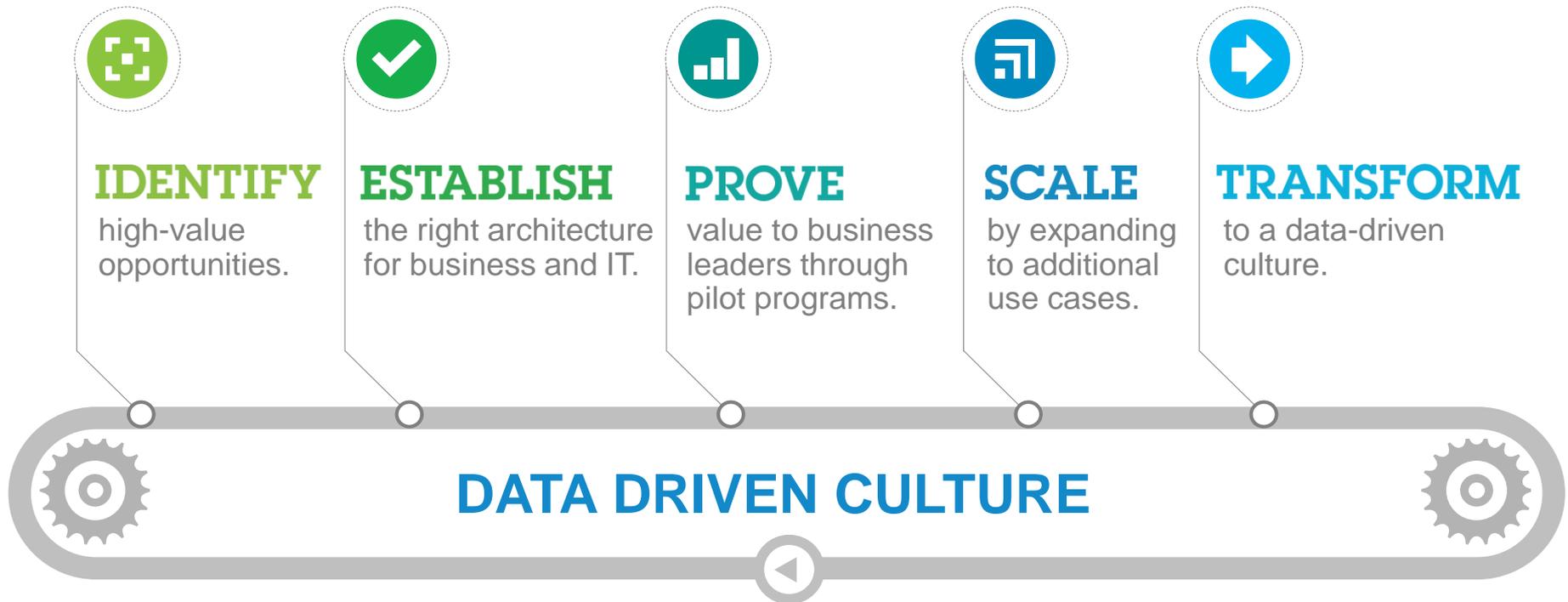
98%

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.



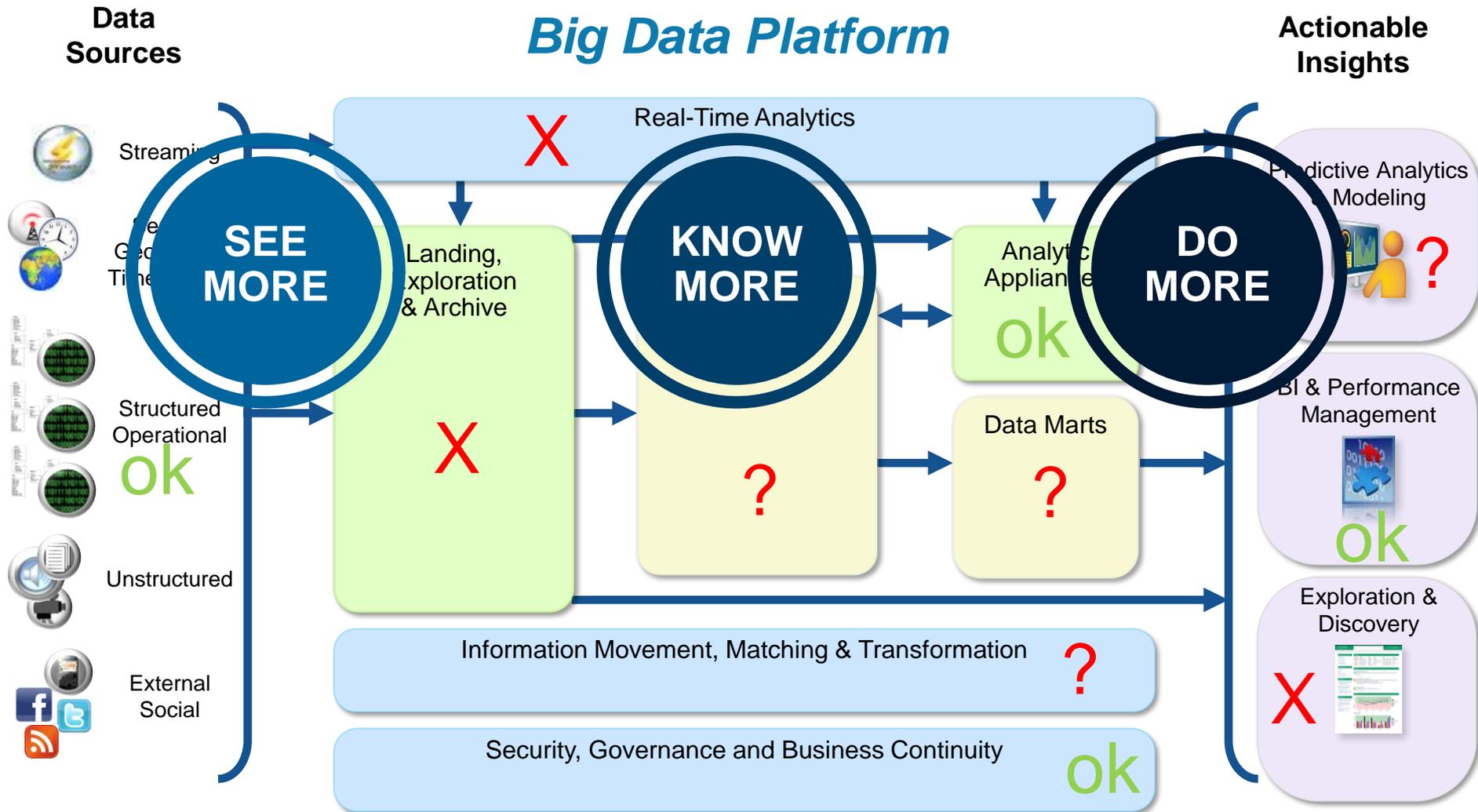
WHAT WE BELIEVE: NOBODY KNOWS HOW TO HELP BANKS OPTIMIZE BIG DATA AND ANALYTICS LIKE IBM

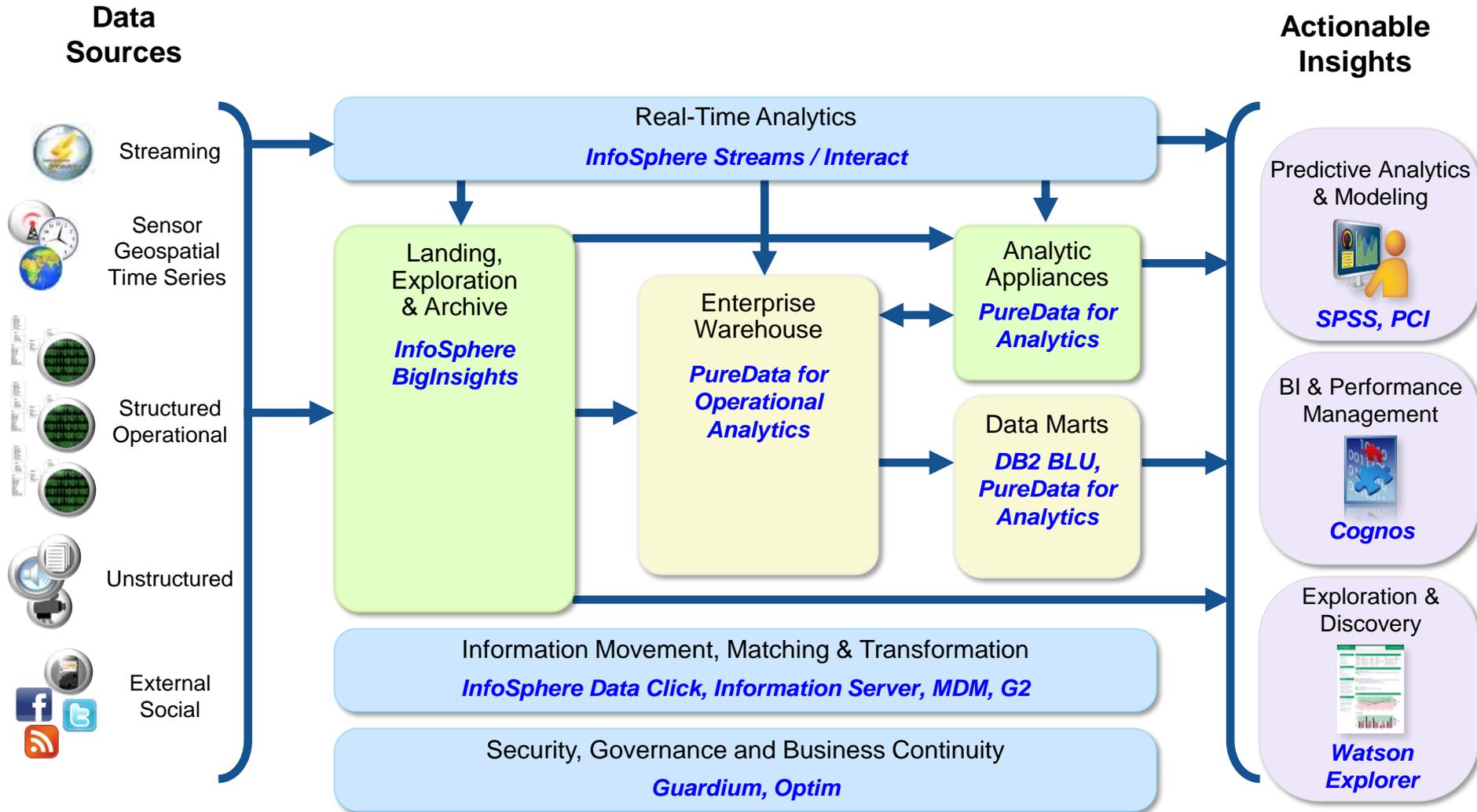
- ▶ Leading technology provider to banks worldwide
- ▶ IBM Big Data & Analytics clients:
 - ▶ 10 of 10 top U.S. banks¹
 - ▶ 9 of 10 top global banks²
 - ▶ 5 of 5 top Canadian banks³
- ▶ 40,000 analytics engagements
- ▶ 9,000 consultants
- ▶ 2,500 IBM Business Partners
- ▶ Nine Analytics Solutions Centers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

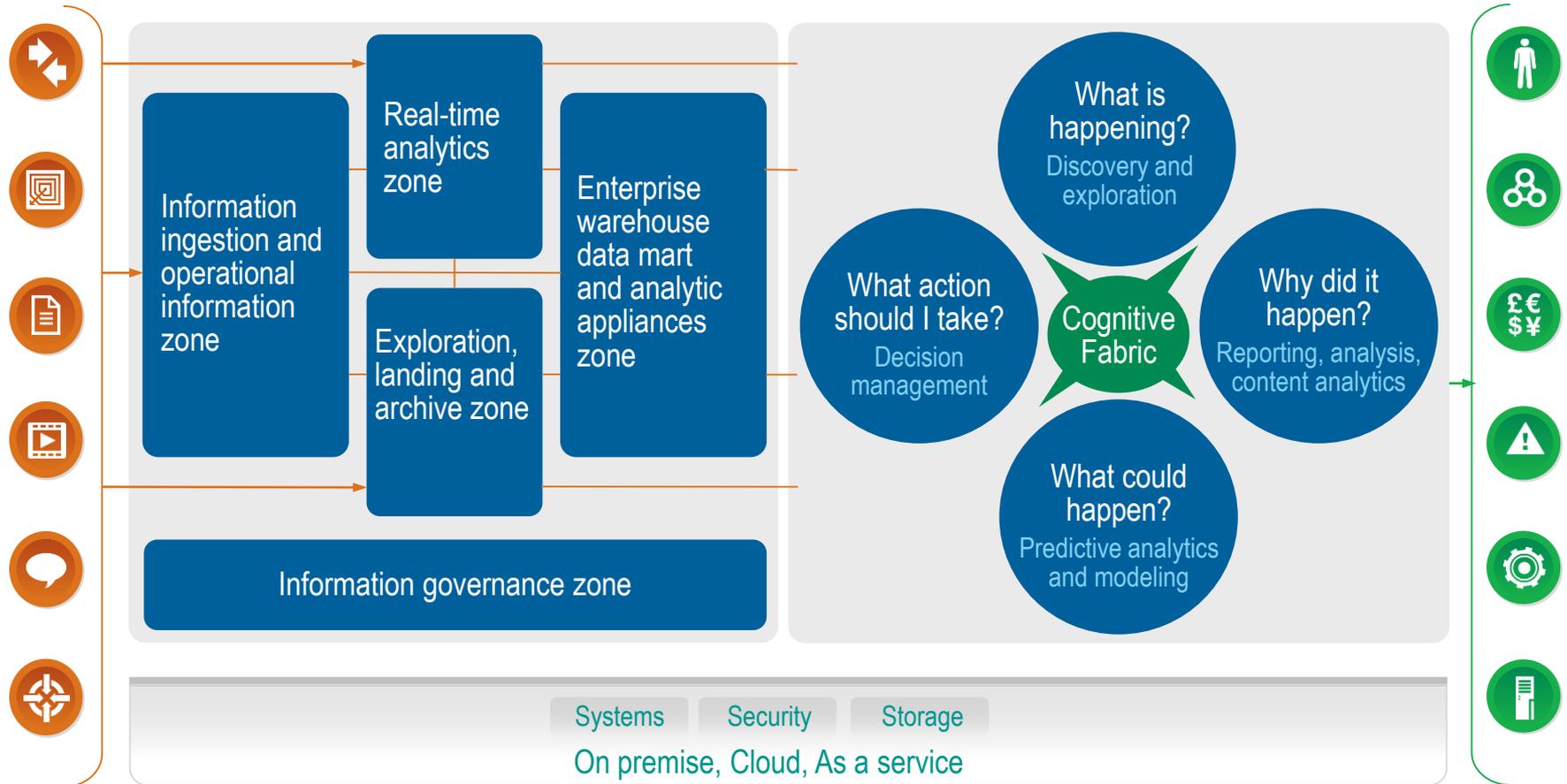




IBM Watson Foundations

All Data

New/Enhanced Applications



IBM Big Data & Analytics Infrastructure

