

The background of the slide is a blurred, high-speed photograph of a city street at night, with light trails from cars and buildings in shades of orange, yellow, and blue. On the left side, there is a large, semi-transparent graphic of a stylized '@' symbol.

Intelligent Automation, Machine Learning, and Real-Time Analytics for Consumer Growth at Financial Institutions

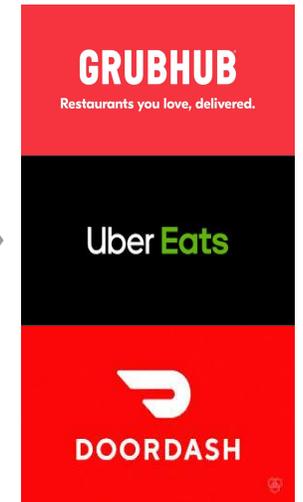
Manish Pandey

September 5, 2019

The Context



Know Their Customers Better



Leverage their platform and customer base to create new category

The Context

Remember ...



SUNDAY
is for
SHOPPING

CRYSTAL MALL



Business Model Innovation



Know Customers Better

Digital Transformation

Customers who bought The Autobiography of a... also bought

SUNDAY DELIVERY?



amazon.com Prime Same Day Delivery on a SUNDAY!?



Only \$98/Year



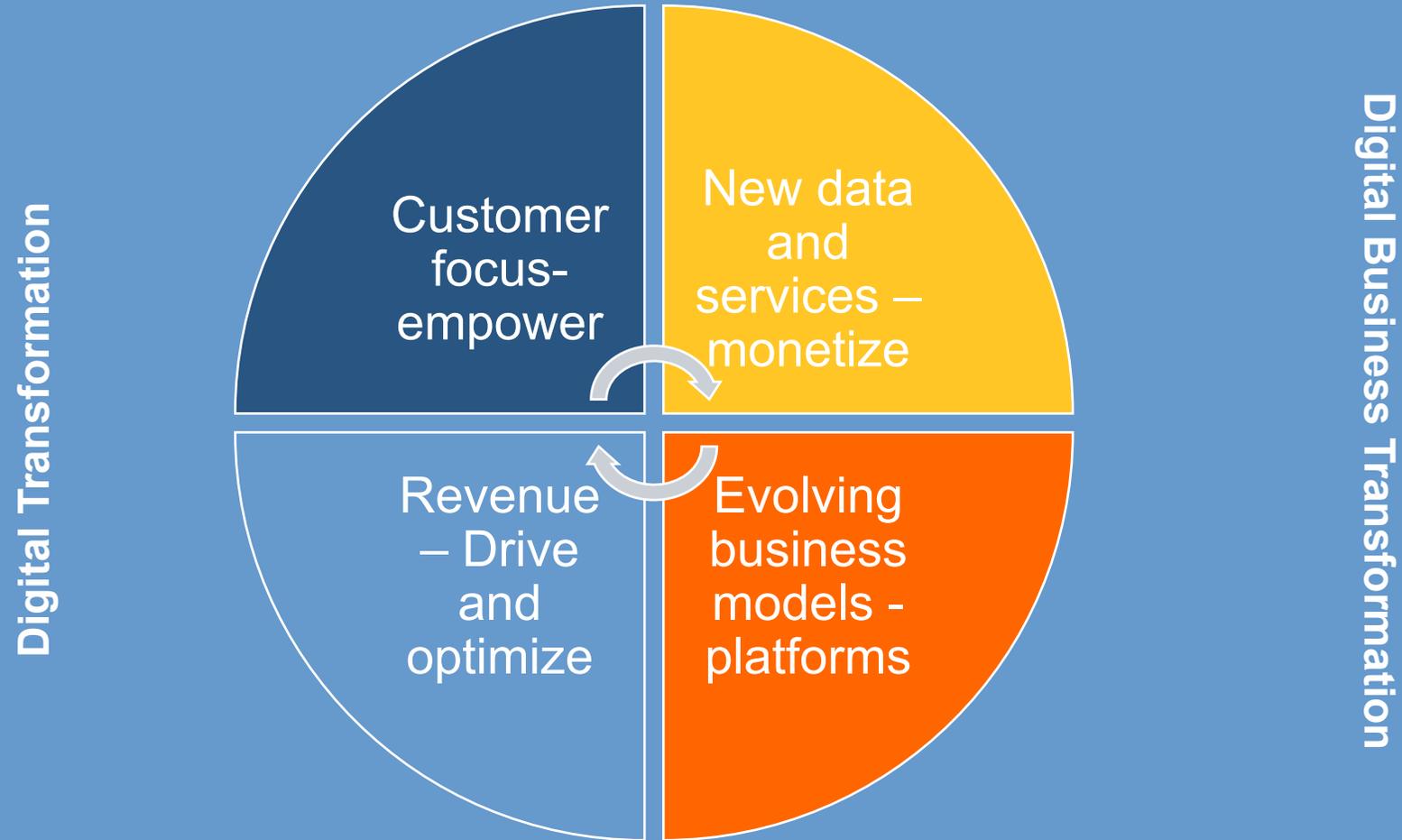
Delivery Unlimited



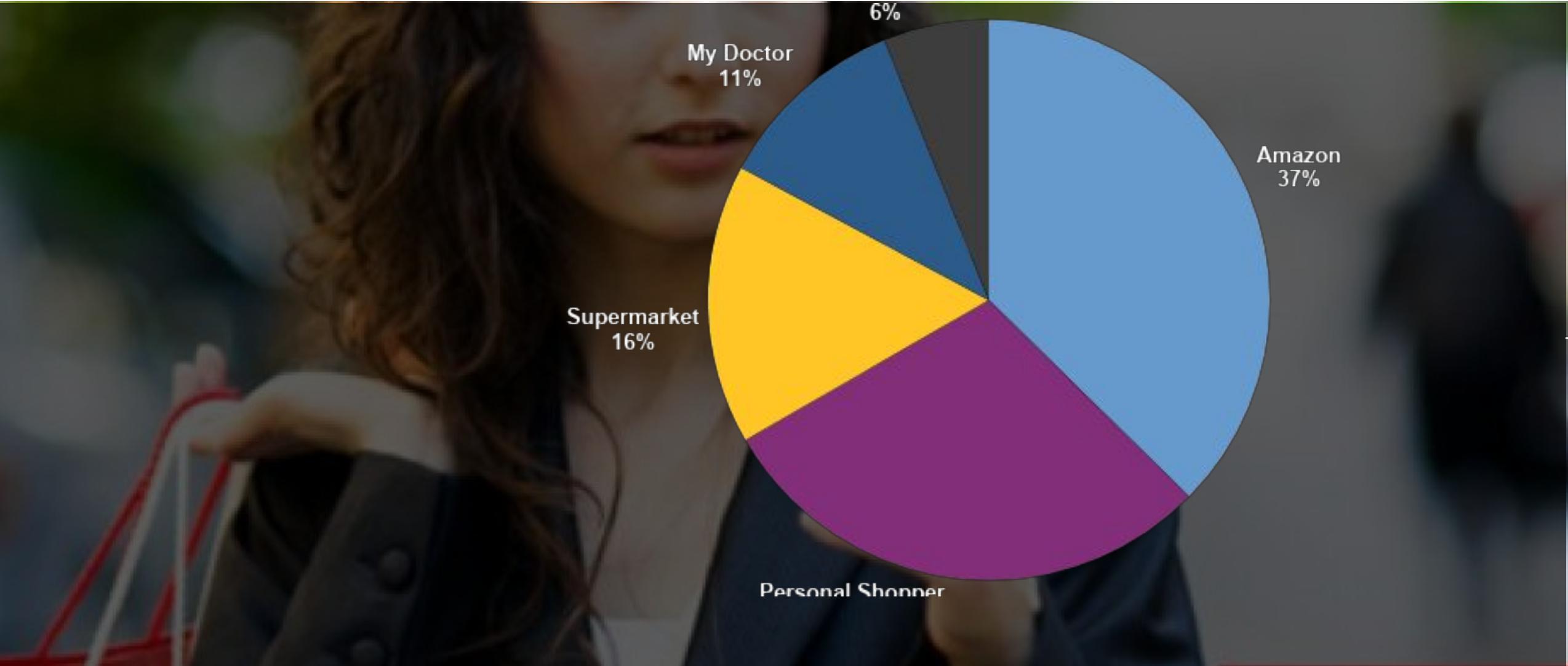
UPS Matches FedEx With Sunday Delivery as Amazon Threat ...

Bloomberg
1 day ago

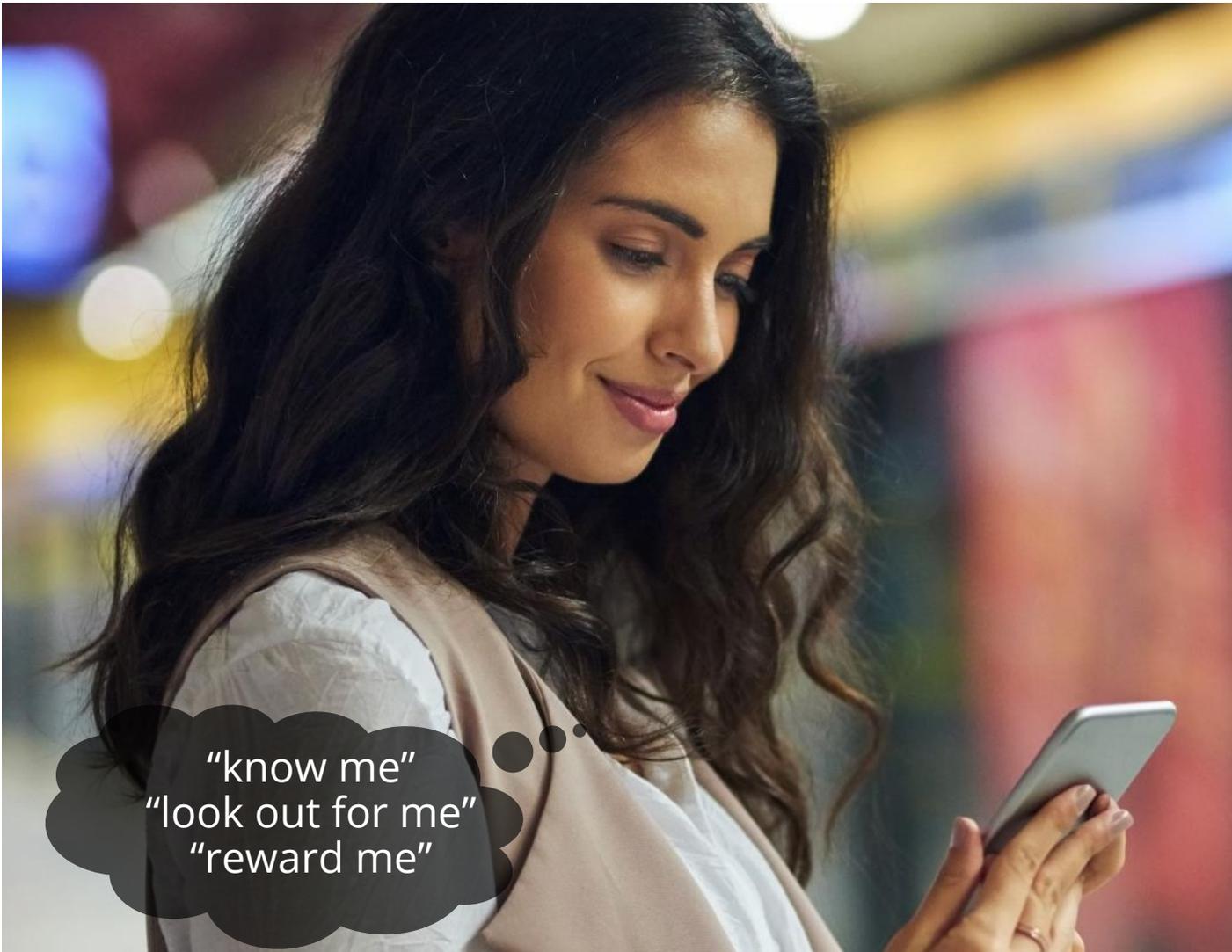
Transformations @ Financial Services



Consumers want their banks to be more like a personal shopping assistant



Consumers expect hassle-free interactions no matter how they do business with an institution



“know me”
“look out for me”
“reward me”

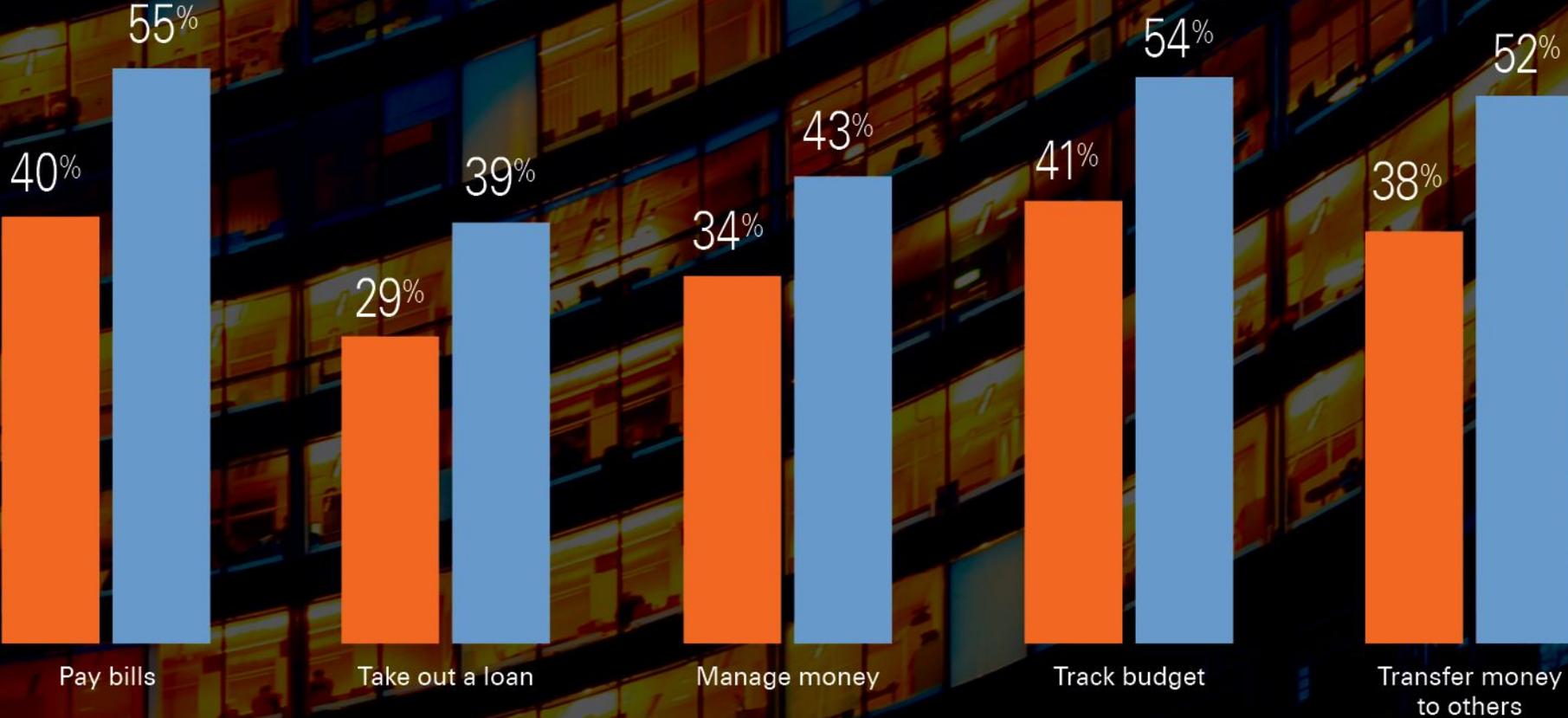
- 1 **Online payment activities rising, Branch visits continue to decline**
- 2 **Consumers expect same experience across channels**
- 3 **Consumers expect the same experience across industries**
- 4 **Alternative providers are poaching**

Consumers Are Increasingly Open to and Using Non-Banks

Comfort with tech companies for transactions

(among those who don't currently use tech companies for listed services)

2017 2018



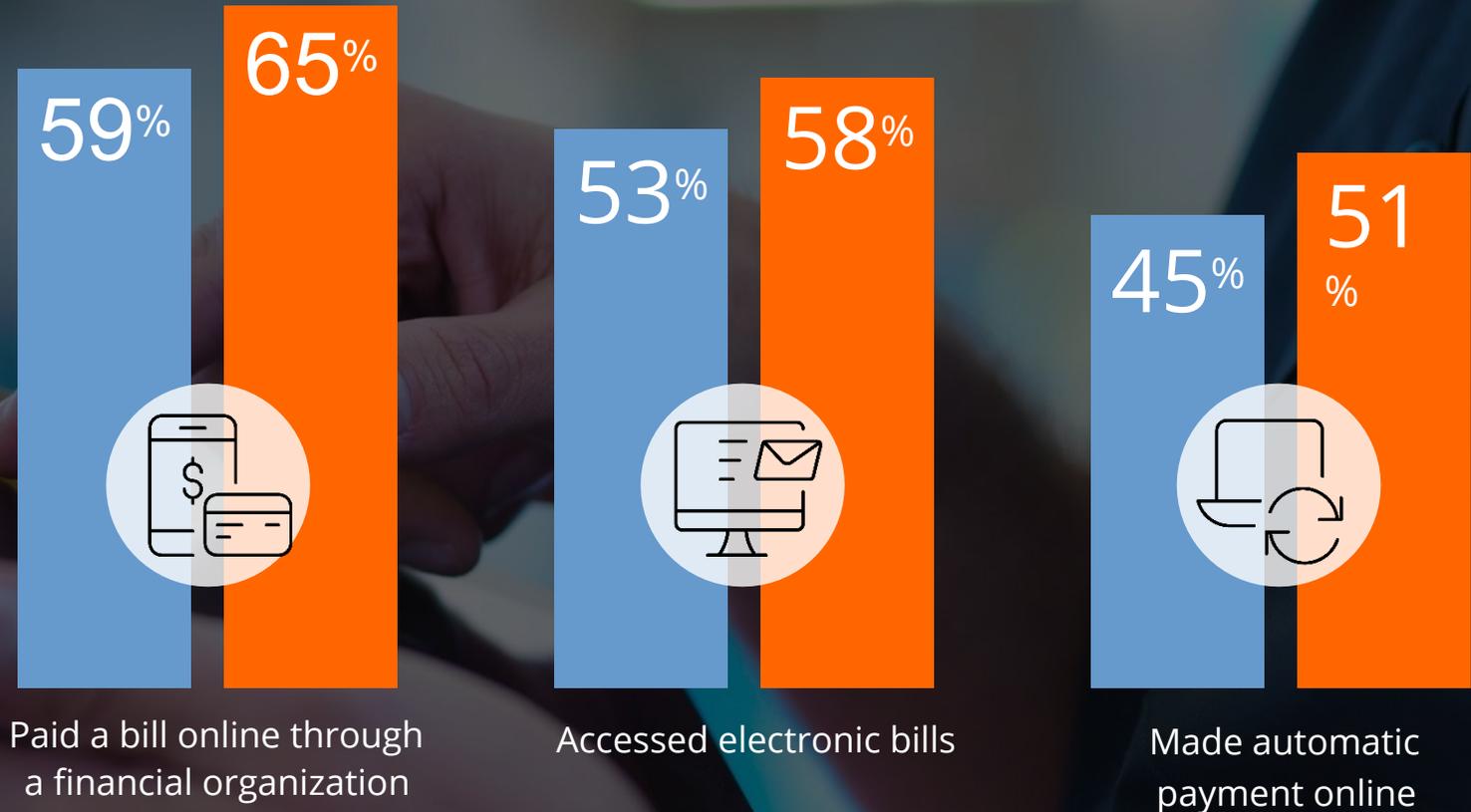
Expectations & Experiences | Channels and New Entrants
Our Quarterly Consumer Trends Research

Comfort with automation increases, online payment activities are up, mostly among boomers and seniors

Banking Services Used

in the Past 30 Days

■ 2017 ■ 2018



Expectations & Experiences | Our Quarterly Consumer Trends Research | Consumer Payments

Survey question to all qualified respondents: In the past 30 days, approximately how many times have you or your household used the following banking services? Selected behaviors displayed showing significant increases from prior year.

Real-time Data key enabler to fight Fraud

Historical data on customers has to be crossed with real-time data from transactions.

In order to prevent fraud, companies need to combine machine learning techniques with real-time streaming and monitoring

Sophie Van Dessel, data-science.be

Real-time Data critical to driving FraudFight Fraud With Real-Time, Product-Level Data



Milan Gauder, EVP, Mastercard Services, Europe

risk



\$16.8B Fraud loss in 2017, +600M YOY
6.6% of consumers 'Javelin Study as shared by Barclay's Bank



32% financial services executives using AI technologies*

- ✓ Personalization
- ✓ Productivity
- ✓ Fraud Prevention
- ✓ Customer Recommendations

Legacy data challenges pacing adoption

Too Big
Too Disparate
Too Slow

Scalability

Elasticity

Data Variety

Data Latency

Data Velocity

Adaptability

Architectural Fit

Why haven't we moved faster? Why now?



Data Capability Needed

- Predict, optimize, forecast
- Real-time actionable insight: speed
- Seamless availability: internal data
- Access across organization
- Outside data



The Challenges

- Legacy Systems
- Data Slices
- Talent / Skills
- Organizational culture
- Budget



Why Now

- Consumer Expectation
- Non Traditional Competitors
- Mobile Accelerators
- More, Lower Cost Data



The only thing advancing
faster than technology
is consumer expectations.

Real Time Data Moves the Business Forward

Client Success Stories

Leverage power of real time data backed by analytics, AI, and ML

Personalization

8% Revenue Growth

- A US bank leveraged ML and Analytics to manage offers to right customers

Manage Attrition or Drive Retention

15% Reduction in Churn

- EU bank used ML to predict attrition on less activity
- Developed targeted campaign

Customer Segment Profiling

3x More Likely to Purchase

- A leading Asian bank leveraged Advance Analytics to segment customers to 15000 microsegments
- built a next-product-to-buy model

Next Best Action and Customer 360

A real time engine for the next best action



Customer 360 View

- Create a **holistic view of customers** across the FI
- Get a **quick view of the portfolio** and identify opportunities of growth for current portfolio
- Automated Dashboard/ Reports of periodically updated key metrics
- Implementation in industry leading visualization software – PowerBI, Tableau, Qlik

Use Case 1: Next Best Offer



Connects with relevant offer/reward or a product



Customer receives the offer

Use Case 2: Next Fraud Alert



Action based on trigger for Fraud



Customer receives an alert

Dashboards & Visualizations



- Visualizations of key metrics and KPIs
- Portfolio Analysis & Insights
- Custom Dashboards and Reporting

Call to Action

If you are interested in:



- Learning how combination of real time data computing and analytics can help grow your business
- Driving customer delight by offering real time personalized services/offers
- Or, simply identifying real time data related use cases suitable to your needs

Be happy to talk more . . . Contact:

lois.kemp@Fiserv.com or manish.pandey@fiserv.com

Thank You!