Resolving data challenges Solutions for the presence and future
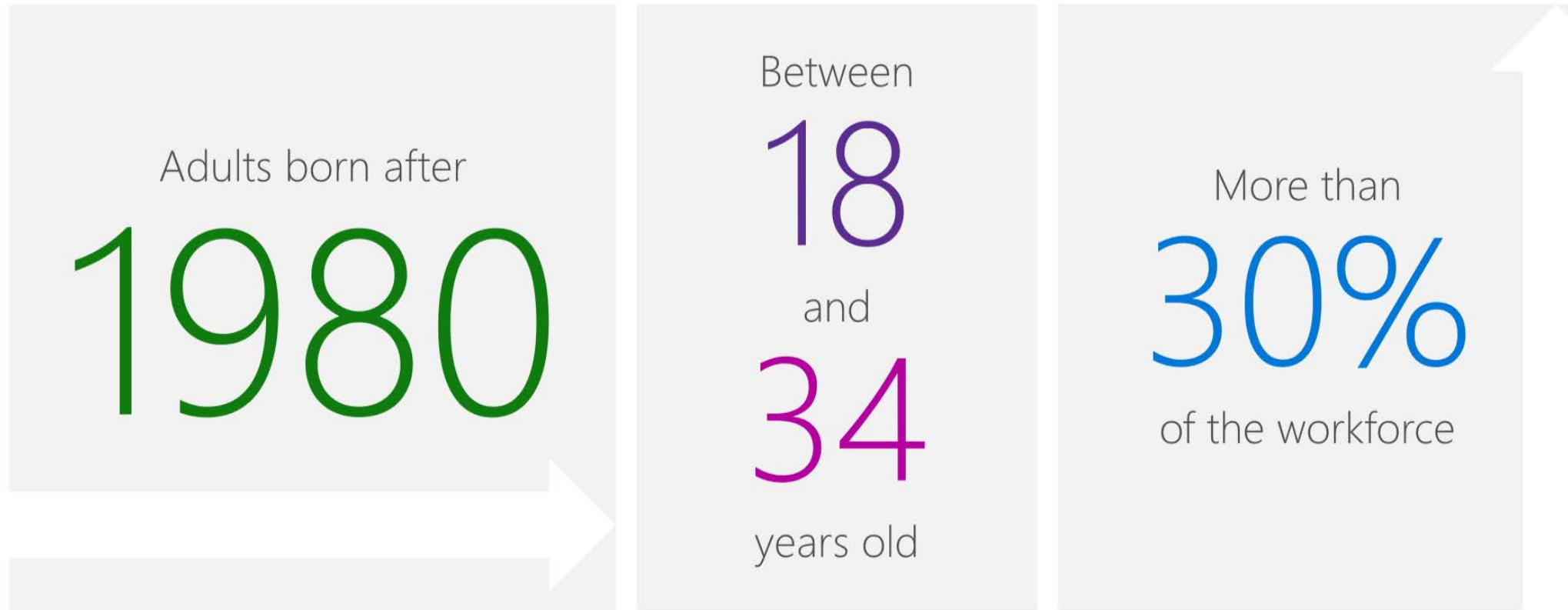
Turdaliev Eduard/ Services Consulting

Customer habits and behaviors are changing
Millennials …

Adults born after

1980

Between

18

and

34

years old

More than

30%

of the workforce

Millennials have been referred to as ...
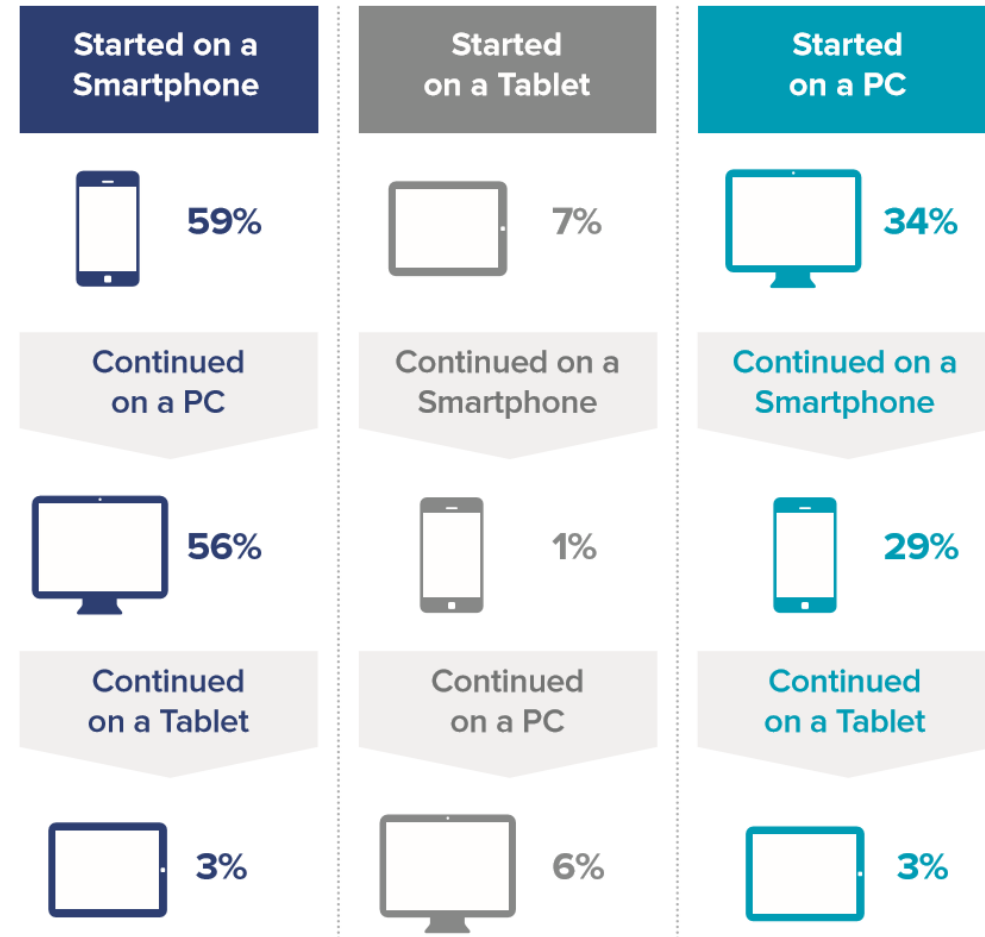
... but that's all wrong

New look to the customer
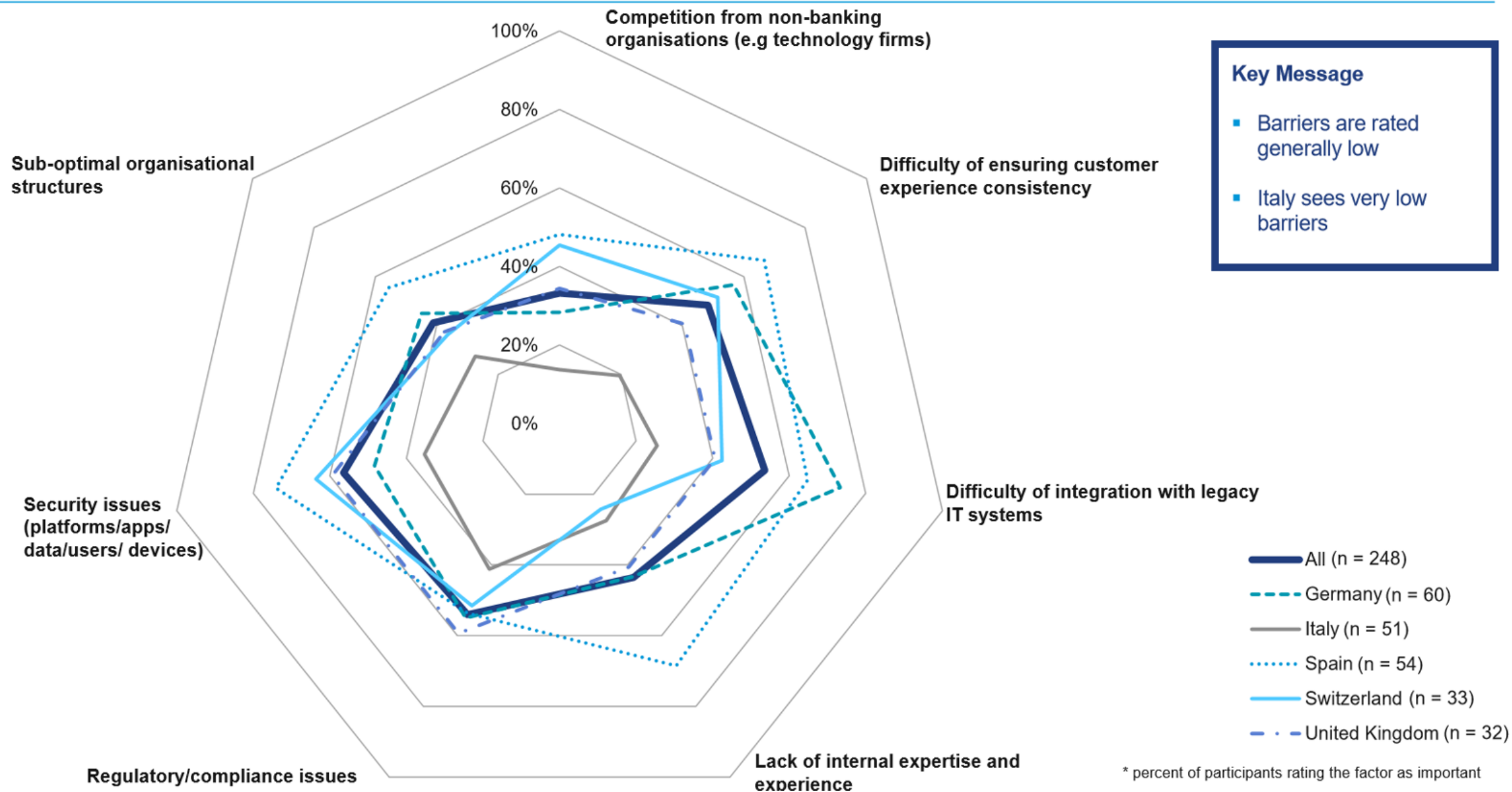
From Push to Advice

From customers to people ...

From customer profiles to customer journey

From multichannel to single digital core

Started on a Smartphone	Started on a Tablet	Started on a PC
59%	7%	34%
Continued on a PC	Continued on a Smartphone	Continued on a Smartphone
56%	1%	29%
Continued on a Tablet	Continued on a PC	Continued on a Tablet
3%	6%	3%

REFERENCE Google, The new multi-screen World, August 2012

How serious are following barriers of your digital strategy?

Competition from non-banking organisations (e.g technology firms)

Difficulty of ensuring customer experience consistency

Sub-optimal organisational structures

Difficulty of integration with legacy IT systems

Security issues (platforms/apps/ data/users/ devices)

Regulatory/compliance issues

Lack of internal expertise and experience

Key Message

- Barriers are rated generally low

- Italy sees very low barriers

— All (n = 248)
- - Germany (n = 60)
— Italy (n = 51)
······ Spain (n = 54)
— Switzerland (n = 33)
- · - United Kingdom (n = 32)

* percent of participants rating the factor as important

Technologies create new opportunity

Technologies:
- Mobility
- Big data / analytics
- Social networks
- Cloud
- Internet of Things

Opportunity
- Better understand customers (big data)
- Give customers more control (mobility)
- Serve customers better (being more contextual)

Enables:
- Sustainable differentiation of the offering
- Increase customer satisfaction / loyalty
- Reduce cost of acquisition
- Maximize volume (to reduce unit costs)
- Reduce customer churn
- Increase profitability

Imagine the following scenario ...

- Customer browsing the web on the tablet, mobile or a PC, searching for the Samsung TV, multiple times
  - Google starts offering recommendations through the engine
  - so data about customer intentions is known to Google. Google can sell this data to anyone. Customers visit bank web site and therefore bank can associate specific customer interest with specific customer record
- 2 days after, same customer is passing by the shopping mall where Samsung TV store is located
- Bank recognizes that customer has free time and sends a notification to a mobile app, containing QR code and message that special discount is ready for Samsung TV
  - How does the bank recognize that customer is near the store? (access to location)
  - How does the bank recognize that customer has time? (access to calendar)
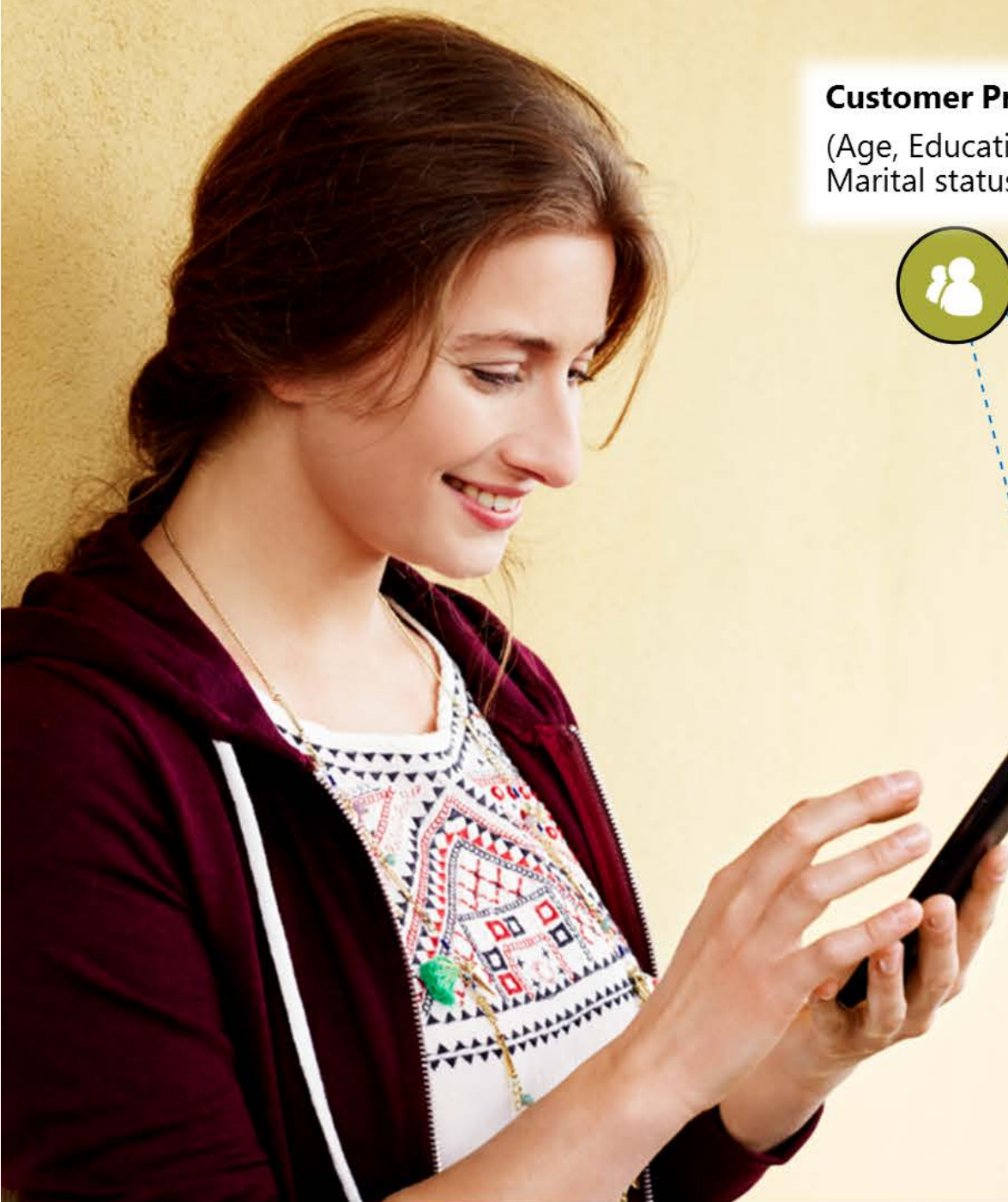- **Could the bank detect customer's emotion and estimate whether it is the right time to buy?**

... continued ....

- Some time later, customer goes into the Samsung store, shows the QR code and purchases the TV

- Customer can make decision on how to finance the purchase later, not at the point of sale

- Mobile app notifies the customer that it's time to make the purchasing decision and is offering some options:

  - Customer current account is near the limit and purchase will make him go over the limit
  - However bank knows that he will receive regular salary which will be more than enough
  - Still it offers a customer possibility to select whether to finance it through a revolving loan in the credit card or through just a charge card, depending on the size of the purchase

Реал Мадрид приблизил атмосферу каждой игры на стадионе к 450 млн фанатов во всем мире, вместе с Майкрософт Azure

Customer Profile

(Age, Education, Occupation, Marital status, Gender)

Switching Cost
Number of days till contract termination
Loyalty points, Penalty to switch

Customer Satisfaction

Call Drop Rate, Failure Rate, #Complaints

Social Network
Friends using same provider

Churn Customer

Usage Trends
Calls last month, Calls Last 6 months,
Data Usage, Unpaid balance

Deciphering
Customer churn

Microsoft Big Data Stack

Data Sources

Apps

Sensors and devices

Information Management
- Data Factory
- Data Catalog
- Event Hubs

Big Data Stores
- Data Lake Store
- SQL Data Warehouse

Machine Learning and Analytics
- Machine Learning
- Data Lake Analytics
- HDInsight (Hadoop and Spark)
- Stream Analytics

Intelligence
- Cognitive Services
- Bot Framework
- Cortana

Dashboards & Visualizations
- Power BI

People

Apps
- Web
- Mobile
- Bots

Automated Systems

Data → Intelligence → Action

CANADA

Hudson Bay

NORTH
AMERICA

UNITED STATES

Sargasso Sea

Atlantic
Ocean

Gulf of
Mexico

Pacific
Ocean

MEXICO

Caribbean Sea

VENEZUELA

COLOMBIA

BRAZIL

ECUADOR

PERU

Labrador Sea

#ARC307

What's your next best offer?