

Deliver customer insight and drive value

How financial services can achieve greater customer insight

Build your universal customer view with Experian's data and tools

Why a universal customer view?

The financial services landscape has gone through a decade of unprecedented change. Organisations now face increased pressure both in terms of regulatory demands and differentiating themselves in an ever-changing market. Well-governed data is now more important than ever, enabling businesses to respond to customers by serving them in new ways whilst delivering against regulatory obligations in an accurate, efficient manner.

In the time since the global financial services crash, challenger FinTechs, focussed on serving new markets and new customers in new ways, have changed the landscape and gained new customers with innovative experiences. More and more, customers in the sector are demanding a hyper-targeted and seamless experience, with 26% of people saying 'a lack of personalised services' were amongst their top three reasons for changing provider¹. Meanwhile, larger, more traditional providers have grown through acquisition – creating multiple, unlinked data silos within the organisation that need to be joined together and given clarity in order to better manage customers and their requirements.

There still seems to be a long way to go with only 25% of the public believing financial services have a positive reputation compared to 58% in the retail sector for example². The opportunity to differentiate themselves in today's digital world is clear. Those organisations who can deliver a complete and holistic view of their data to power valuable, unique product offerings will be ideally placed to grow both their balance sheet and their standing amongst consumers. At Experian, we believe that a Universal Customer View (UCV) is critical to success.

Achieving your universal customer view

At Experian we talk about a 'universal view'. This is one that moves beyond that traditional notion of a more technical 'single customer view' and combines analytics with database technology and data enrichment to develop a deeper, more meaningful understanding of customers, their needs and motivations.

For financial services, the need for a universal customer view (UCV) goes beyond just customer experience opportunities, with regulatory compliance also being a substantial driver. Having clarity and control of the data you hold for every customer such as number of accounts/policies, credit score, savings total, and debt is a key aspect to thriving under the many regulations that organisations in the sector need to adhere to (not to mention being key to identifying and reporting fraudulent activity). A UCV helps to give you this connected view.

The holistic understanding a universal view provides also gives complete control when dealing with customer data requests or when you need to make more intelligent business decisions based on the full, coherent picture of a customer. 'Fair treatment of customers' is more important than ever. You need to ensure that what you offer as a lender is reflective of the individual – so you don't try to sell a new lending product to somebody who is heavily indebted already or the same product to an 85-year-old retiree as you would to somebody aged 45 and in full time employment.

It also allows you to offer your customers the right product at the right time. When combined with the opportunities offered by Open Banking, these could be truly transformational for your customers meaning you don't offer them things they already have, don't qualify for or wouldn't benefit from. You can focus your efforts on how best to treat the customer, and not the account. It should also mean that when you offer them anything, you do so via their preferred communications channel – all of which should help with retaining and growing customer relationships, not to mention the positive reputational impact which can follow.

“The financial sector in particular is subject to a number of important regulatory reporting commitments that are in place to protect consumers' rights, including the Financial Services Compensation Scheme (FSCS). We place great importance on maintaining a clear and accurate view of our data because it's fundamental to being able to meet our requirements efficiently and proactively uncover and fix data issues that could compromise our response.”

— Paul Silvester, Data Governance Analyst, Metro Bank

¹ 'Hello You: UK Financial Services Customer Survey', Accenture 2018

² 'A single customer view: learnings from Financial Services firms', MuleSoft 2018

Deliver insight and drive value

How can Experian help?

The challenge of trying to instigate order and structure across data silos and then maintain this over time can seem like a Herculean task. However, at Experian we firmly believe that it doesn't require costly IT undertakings to truly benefit from a universal view of your customer base. It's simply a case of having the capability to build a consistent actionable data-set that is accurate and can be maintained over time.

We have developed a 4-step approach to addressing the data management needs of Financial Services providers using Experian's data management platform, Aperture Data Studio, combined with Experian's contact data validation tools and extensive datasets.

Our approach focuses on the data and provides a methodology that will consolidate, clean, fix and link your customer data and enrich with additional information providing enhanced customer insights. This can be done within your environment or, to further remove the complexity of such a challenge, within the domain of Experian's secure hosted environments.

To get you started, our team will be happy to conduct an audit of your data to show you what state it's currently in and what you can achieve. From here, we can tell you what you need to do in order to bring your data quality up to the standard it needs to be if it's going to feed into a successful universal customer view.

Companies with successful omni-channel customer engagement strategies retain an average 89% of their customers, compared to 33% for companies with weak omni-channel customer engagement.

— Experian Digital Onboarding Report, 2017

Experian's 4 step approach using Aperture Data Studio.

