



Never before has the management of customer information been more important to the success of financial institutions. A strong data management strategy must extend beyond marketing systems, providing all team members with more intelligence to communicate better and provide superior customer experiences.



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— Jim Marous

Owner and CEO, Digital Banking Report
Host, Banking Transformed Podcast

Letter from the Author



Jim Marous

When we discuss digital banking transformation, a conversation about using data and analytics to improve the customer experience is where most financial services executives will start. This is because, more than ever, the power of data and customer insight can drive most decisions, and impact the revenue and cost components of a bank and credit union, more than any component of digital transformation.

The challenge has been that, despite a wealth of data at financial institutions, the ability to convert raw data into insights that are actionable has been mostly kept in the hands of a few data analysts with the skills and understanding necessary to properly collect, organize, analyze and interpret the data for their organization. Even these trained analysts had

trouble with data stored in multiple silos, where a unified view of the customer was almost impossible.

But, with the emergence of technologies capable of bringing multiple silos of data together under one platform, data and the insights from advanced analytics are now shareable and interpretable for non-data analysts. Data democratization allows data and robust customer information to be used by all business units within a company, improving business decisions as well as customer experiences, at scale, in real-time.

“Data democratization means that everybody has access to data and there are no gatekeepers that create a bottleneck at the gateway to the data. The goal is to have anybody use data at any time to make decisions with no barriers to access or understanding,” says **Bernard Marr**, best-selling author of “*Big Data in Practice*.”

With strong customer information management, advanced platforms, supportive leadership team, data-driven culture, and data democratization, team members



Letter from the Author (continued)

will be encouraged to use the same dataset as all others in the organization to make decisions, serve the customer better, and streamline back-office processes.

For the power of data democratization to be maximized, data and insights need to be used by far more parts of the organization than just marketing. These areas should include the call center, all product and distribution departments, risk, compliance, and the legal department — with the focus being on both the optimization of internal decision making and improving the customer experience.

Working off the same real-time data and contextual insights, a variety of departments can bring fresh insights to the way the organization engages with the customer across the entire customer journey. This is the key to success for any organization embarking on a mission of digital banking transformation.

We would like to thank our friends at **OpenText** for their support of this timely white paper on the development of a stronger data strategy and information management system for financial services. We would also like to thank the over 200 representatives from financial services organizations who shared their perspectives on current data and insight processes.

We hope these insights provide the basis for debate and soul searching across the industry in 2021, helping your organization proceed aggressively in the pursuit of improved decision making and customer experiences.

Jim Marous
Owner & CEO, Digital Banking Report
Host, Banking Transformed Podcast



Banking Providers Lack Data Maturity

Big data, analytics and processes are the backbone of a strong digital transformation strategy. Data maturity is about using data and advanced analytics to answer business questions and deliver value to the consumer. Without deployment of insights across the organization, most of big data's value never materializes.

Most financial institutions strive to combine external data streams and information to existing internal data sets, applying advanced analytics to find the foundation for faster decisions and better consumer insights. This has never been more important than in a pandemic-impacted marketplace, where change is happening faster than ever and customer expectations are rising exponentially.

With the emergence of new data streams, cloud-based storage and parallel processing, technology is capable of leveraging all data that a financial institution collects for more than just marketing solutions. It is now possible to distribute insights across the organization to power not only marketing systems, but also assist in customer care, support compliance and regulatory

needs and even assist in security.

But the key is to identify specific business problems, invest in the right technology for each phase of the data lifecycle, and deliver insights in real-time to the teams that can impact both the internal business challenges and the external customer experiences. This requires a platform that provides a single view of the customer.

Part of the data maturity continuum is that trust is built along the way. If quality data is collected and validated, business-driven analytics are leveraged, and recommendations are provided that can improve results. Stakeholders will then increasingly accept the process that is many times new to them. Trust increases exponentially as KPIs are achieved.

BUILDING A STRONG DATA AND INFORMATION STRATEGY

“Information has already become the FSIs most valuable asset. Access to information, along with the ability to efficiently analyze, govern, distribute and use it, have risen to become perennial imperatives”

Fred Sass

Sr. Director, Product Marketing, Content Services, OpenText

It is important for financial institutions of all sizes to assess their own data maturity. The progression along the data maturity scale illustrates greater proficiency of both collecting and using data. It also assumes a foundation of quality data and a movement to a culture where data and analytics drive virtually all decisions and customer experiences.

Is your organization at the beginning stages of data maturity, where you are trying to compile data from multiple sources for standardized reports? Or, has your organization progressed to being able to focus on improving data quality and app integration, while committing to faster access to insights? We have found that few organizations currently have a single view of the consumer that is shared across the organization, where data becomes a competitive differentiator and all decisions are based on the data collected, insights derived and results from data initiatives.

To reach the data maturity pinnacle, organizations move from descriptive and predictive analytics into prescriptive analytics. This applies not only to decision-making within the organization, but the personalization and proactive recommendation process for customers. The external focus is on an improved UI/UX across sales, marketing, operations and HR, building machine learning, forecast modeling, and sentiment analysis capabilities.

To move up the data maturity scale requires a culture and leadership that supports the collection, collation, distribution and utilization of data, enabling end users with the ability to perform their own analysis, without the need for IT, on a trusted and supported architecture. The focus moves from functionality to real-time insights, speed and iterative analysis capabilities on demand.

Most Financial Institutions are at Lower Levels of Data Maturity

Data, by itself is not a valuable asset – it’s what you do with it. And this is where the whole idea of data maturity comes into play. Data maturity is essentially the extent to which organizations utilize their data to get the most out of it. The more highly data is esteemed and the more sophisticated the techniques to analyze the data are, generally, the more data-mature the organization is.

Likewise, an organization that does little with the data they produce is likely to only be in the very early stages of their data maturity journey. Most of these organizations also lack leadership support for the unification of data strategy across the organization.

In research by the **Digital Banking Report**, we found that most financial institutions do not rank themselves very highly regarding data maturity. While most organizations appear to be comfortable with data quantity and the ability to store data, the level of maturity plummeted when asked about accessibility (only 27% of organizations ranked themselves strong or very strong), quality (26%), deployment (19%), or the ability to analyze data (18%).

When we asked financial institutions globally about their current state of customer-facing systems regarding the collection and storage of customer insight, we were not surprised that the majority of organizations had many disconnected



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and disparate systems. In some organizations, these systems were connected to a CRM or marketing automation platform. In most instances, this was not the case. When the back office is unable to support a 360-degree view of the customer, all efforts regarding personalized communication and making decisions using customer insights are almost impossible. Also, without a single source of data, it is difficult for an organization to establish the trust requisite for a strong data strategy.



“When the back office is unable to support a 360-degree view of the customer, all efforts regarding personalized communication and making decisions using customer insights are almost impossible.”

CHART 1: CURRENT STATE OF CUSTOMER-FACING SYSTEMS

Which best describes the current state of customer-facing systems at your company?

Many disconnected systems

51%

Many systems connected to a marketing automation or CRM platform

27%

Many systems connected to a unified customer database

8%

One system does almost everything

7%

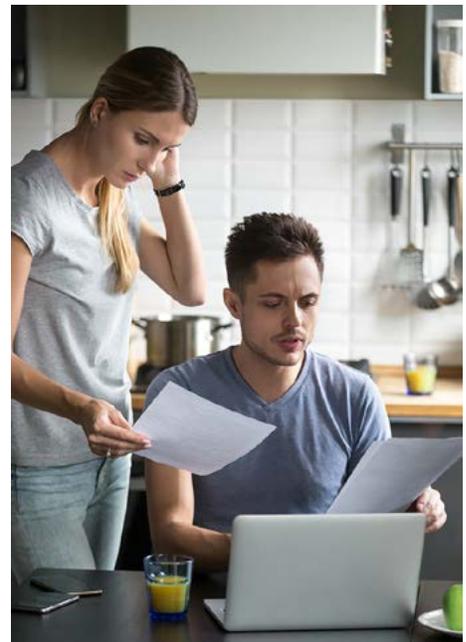
Don't know/other

4%

Many systems connected to a unified customer database and shared orchestration engine

3%

Moving data objectives from inside the organization to outside experiences is where the real power of data is achieved. In research done by the Digital Banking Report in January, only 12% of organizations believed they had the level of data and analytics needed to drive a positive experience, with 36% stating that such a system was 'in development' and 34% stating they do not have a system 'in the works'.



Source:
Digital Banking Report
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Digital Banking Report

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“To succeed with digital banking transformation, financial institutions will need the leadership and culture to support the use of data and insights to support business decisions and to improve customer experiences. It starts at the top.”

*Monica Hovsepian
Head of Worldwide
Financial Services
Industry Strategy,
OpenText*

Organizations Understand Importance of Data Maturity

As with many areas of digital banking transformation, financial institution executives understand the importance of progressing – quickly – to a higher level of data maturity. In fact, the level of importance placed on improving data quality and analytic capability produced some of the highest scores we have seen in a post-pandemic world.

As we have found in many of the research studies for the Digital Banking Report, however, the understanding of the importance of data maturity falls far short of the commitment needed to improve data maturity within an organization. There is a concern from our research team that organizations seem to be unsure of how to solve the challenge of data maturity and the components needed to reach their goal.

When we asked organizations globally about how they are solving for the need to create an improved data management process, the tactics ranged from working with outside consultants to building a center of excellence or using a long-term strategy to guide the process. What stands out from the responses to this question is the low numbers across the board for any of the responses. This highlights part of the challenge where organizations aren't sure of the path to achieve data maturity.

CHART 2: CURRENT STATE OF CUSTOMER DATA PLATFORM

Which of the following apply to your organization? (Mark all that apply)

Outside consultants are engaged to improve use of customer data platform

47%

Long-term plan guides selection of customer data technology

43%

Technical standards guide selection of customer data systems

42%

Center of excellence within organizations helps to improve use of customer insight

33%

Formal metrics track value of customer data technologies

24%

Agility of CDP technologies guide selection of partners and systems

21%

Source: Digital Banking Report Research © March 2021 Digital Banking Report

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To reinforce our concern around the paradox of understanding the importance of data maturity and the commitment to making it happen within the organization, we have not seen a level of investment required to achieve these aspirations by most financial institutions. In fact, close to 60% of organizations expected less than a 25% increase in investment in 2021.

And, while it initially appeared encouraging that 40% of the organizations expected to increase their investment more than 25% in 2020, these increases were mostly against very modest current investments, thereby making the investment change nominal.

Data Maturity Impacts All Facets of Business



As data maturity within an organization improves, other metrics move in tandem. For instance, when a financial institution improves their data maturity, the cost of business intelligence actually decreases significantly because there are fewer ad hoc requests or non-standardized reports. This results in the overall collection, use and deployment of data becoming standardized and scalable.

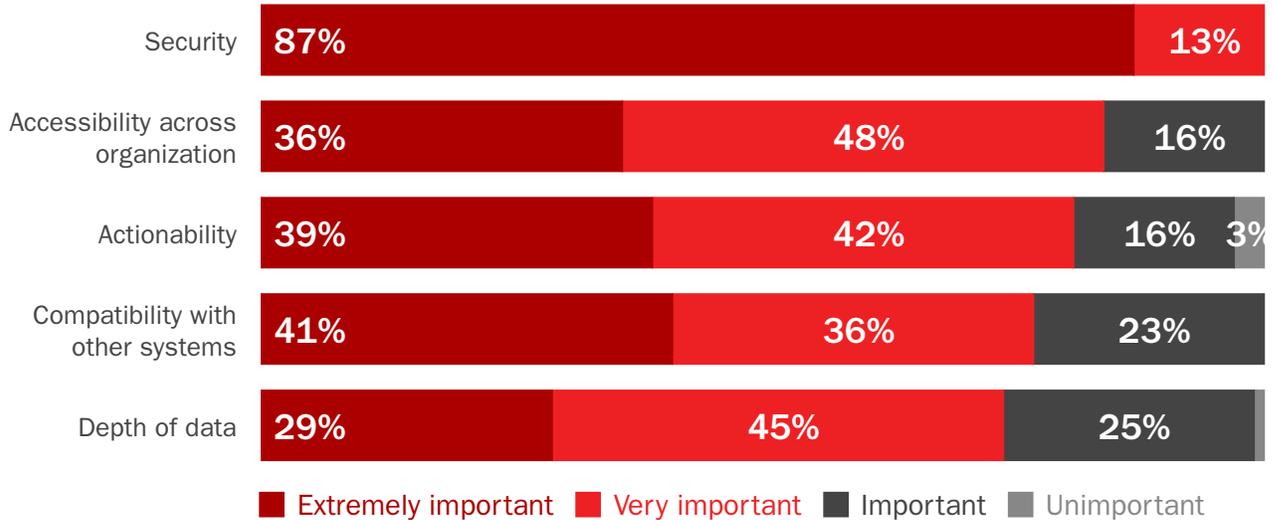
In addition, an increased data maturity improves predictive analytics capabilities, which positively impacts an organization's ability to plan for the future. It also directly impacts the ability for a financial institution to provide personalized recommendations to customers on a contextual and proactive basis. In the future, personalized and proactive recommendations are the key to an exceptional customer experience.

When we asked organizations about the importance of different components of a strong data management system, it was not surprising that organizations wanted to ensure that the systems had a strong security component. What was interesting was that so many organizations did not rank organization-wide accessibility, actionability and compatibility higher. While most organizations ranked these components either 'extremely important' or 'very important', we believe these components are **imperative** to success.



CHART 3: IMPORTANCE OF CUSTOMER INSIGHT COMPONENTS

Rank the importance of the following in relation to customer information.



Source: Digital Banking Report Research © March 2021 Digital Banking Report

Finally, revenues increase substantially because KPIs are based on quality data that is actionable and because the speed of moving from data to decisions goes from weeks to hours — to even minutes and seconds. And, in a world where change is happening faster than ever before, the agility of insights is a competitive advantage.





Building a Data-Driven Culture

Data-centric digital transformation will succeed if it is supported by leadership and a data culture, built with an overarching data strategy, and enabled by an integrated, agile, scalable and secure technology platform. This platform must allow for democratized access, provide a single view of the customer and provide real-time insights.

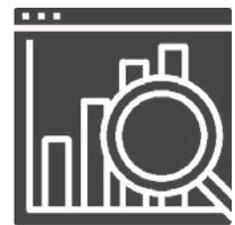
One of the most important components of digital banking transformation is the ability to collect, collate, analyze, share and deploy customer data and insights. The banking industry is one of the most data rich businesses, yet it is also far behind other industries in moving beyond the collection phase, to the most important differentiator ... being able to use insights to build an exceptional personalized experience.

Data helps financial institutions understand customer behavior and how individual consumers prefer to use products or services. It also allows organizations to provide personalized offerings, reflecting contextual needs in real time, as opposed to promoting products to segments or a mass audience.

In order to take advantage of the opportunities presented by these vast amounts of data, financial institutions must invest in competencies

around data and analytics, customer experience, content, and digital technologies. They also need the analytical skills – either internally or through external partners – to turn raw data into insight.

Most importantly, organizations need a data-driven culture, with top management support, that will commit to the investment in the technology and support of the vision of becoming a data-centric organization.



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Data and Customer Insights as a Competitive Weapon

While data is plentiful in the financial services industry, the creation of customer insights from this data is still in the early maturity phase. This is because most data sources at banks and credit unions are housed in silos, which are challenging to integrate, and even more challenging to deploy as an asset. Therefore, those organizations that have embraced the power of insights are possessing a competitive differentiator as they hope to digitally transform their organizations in an increasingly crowded ecosystem.

While virtually all financial institutions profess to place ‘improving the customer experience’ at the top of their priorities for the past 5 years and for 2021 and beyond, less than 25% say they are adept at using customer insights to build contextual offers that are timely and actionable. This limits the ability to optimize the customer experience or maximize the enterprise value. In a post-pandemic world where the consumer has been exposed to how organizations can make their life easier with data and applied insights, this gap between what’s possible and what’s experienced will negatively impact success.

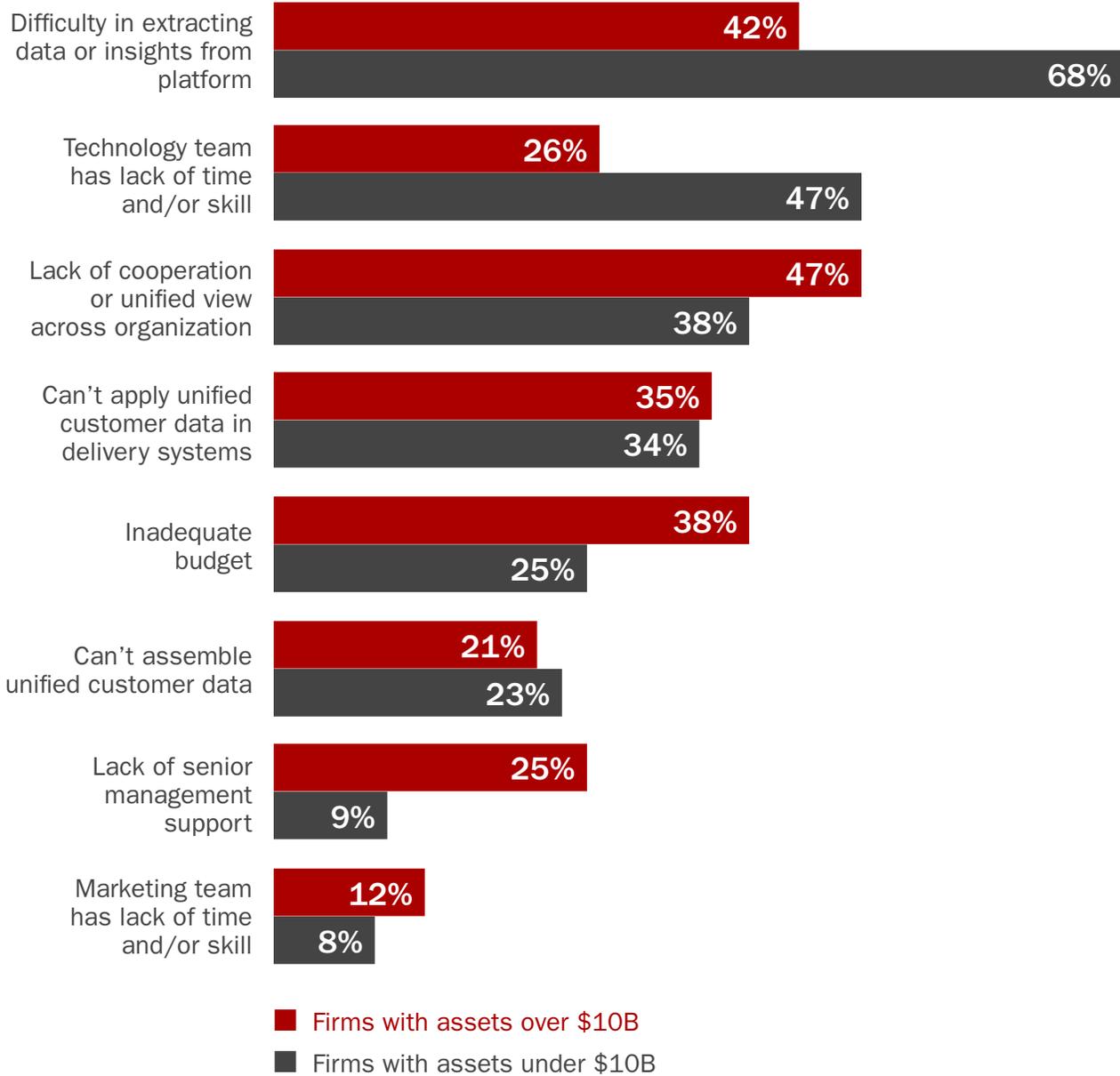
According to research from the Digital Banking Report, most banks and credit unions struggle with legacy business models, outdated processes, and the lack of cooperation and a unified view of the customer across the organization. Adding to these challenges are the added resource challenges of a lack of skilled talent and budget. While the challenges differ by asset size of the organization, most organizations are not able to maximize the value of data and insight.



A photograph of a classical bank building facade. The word "BANK" is prominently displayed in large, gold, serif capital letters on a dark horizontal band above the entrance. Below the band, three large, ornate, fluted columns support the structure. The scene is lit with warm, golden light, suggesting an evening or interior lighting.

CHART 4: OBSTACLES TO BETTER CUSTOMER DATA UTILIZATION (BY ASSET SIZE)

What are your main obstacles to better customer data utilization?
(Please select your top 3 items.)

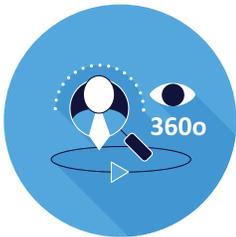


Source: Digital Banking Report Research © March 2021 Digital Banking Report

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“Managing information as a strategic asset, digitizing customer journeys to meet expectations, and gaining insight and efficiency through automation and AI are critical to compete and differentiate”.

Lori McKellar
Sr. Director, Advanced Technologies, OpenText



Data Maturity Begins with a Data-Centric

When we talk about digital banking transformation, financial organizations need to realize that an important component of this shift is the need for leaders and employees to transform themselves as well. Leaders must educate themselves on the importance of data and analytics and ways to increase both data and digital transformation maturity. Successful data and digital banking transformation journeys start from top down – leadership and culture are paramount.

Leaders also need to personally facilitate and inspire their fellow leaders and teams to navigate the importance of continual learning and change. Without the top of the organization illustrating the importance of a data-driven culture and the involvement of every team member in the deployment of insights for the benefit of customers, data maturity will never be achieved.

Change is not easy and is often avoided. The mission of becoming a data-centric organization must become the centerpiece of the enterprise strategy, focus and investment, with complete transparency and engagement across the organization. Some of the keys to building and reinforcing a data-centric culture include:



- **Collect and Democratize** data and insights across all areas of the organization. Make all decisions and build all solutions using data and insights that support these decisions. Strive to unlock data silos to support all major initiatives, enabling leadership to encourage all divisions to move in the same direction.
- **Engage and Communicate** instances where data has been the foundation of decisions and where successes have been realized. Recognize teams of people that have improved the business model using data and analytics and support the deployment of insights for improved customer experiences.
- **Quantify and Optimize** the value of initiatives undertaken, illustrating the revenue potential and cost savings possible when decisions are supported by data and analytics.
- **Train and Collaborate** for needed data and analytics competencies that stand as hurdles to success. Invest in helping team members become part of the data and digital banking transformation journey and collaborate with solution providers that can share successes, help to avoid distractions, speed development and deployment and facilitate other partnerships and collaborations.

In order to transform and build data maturity, banks and credit unions must commit to the value of data as a central tenet of the new business model,

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“FSIs must be able to engage with their data in meaningful ways for it to provide business value. Making that information effortlessly available to the people who need it—in the format that is most useful to them—is the only way its ultimate value can be realized.”

*Fred Sass,
Sr. Director, Product
Marketing, Content
Services, OpenText*

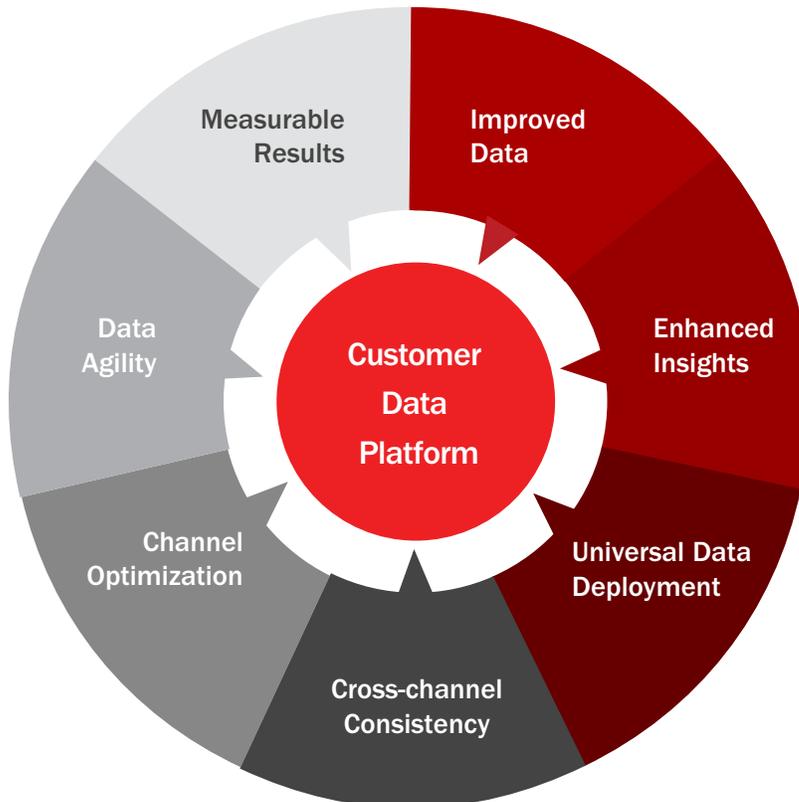
utilizing the predictive capabilities that data and digital banking transformation provides. This means moving from a culture of data outputs to a culture of data outcomes.

The Role of a Data Platform

In financial services, data is around every corner. From transaction and account level balance data, to behavior and trend data, the quantity of data is usually not the problem. What is far more challenging is collating the data from multiple sources within the organization, development of robust models and use cases, selection of data to be leveraged, the interpretation of analytics, and most important, the deployment of insights across the organization for the use in business.

Each of these challenges have their own solution. A well-designed customer data platform (CDP) brings together multiple disparate data points and creates a unified and holistic approach to internal business cases and external customer interactions.

CHART 5: BENEFITS OF A CUSTOMER DATA PLATFORM



Source: Digital Banking Report © March 2021 Digital Banking Report

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A CDP should serve as a centralized location so other systems can access and act upon customer data. According to **Seth Early**, “The platform also becomes a broker or orchestration layer that can take the outputs from one customer-facing application, process it, convert the format, and export it or make it available via an API for a personalization engine. The personalization engine might then send data back to the CDP, which can use the results to inform or drive another process.”

In more and more instances, organizations are expanding the development of customer data platforms to include more insights and to deploy additional information to more areas of the organization than simply marketing. Customer insight platforms and the process of information management can expand to customer service, product development, compliance, privacy governance and other key areas of the organization that need a complete and real-time view of the customer.

This expanded level of customer information management is increasingly essential to organizations of all sizes. Deploying insights across the organization reveals gaps and challenges in serving the customer and providing a positive customer experience. Without a complete view of the customer, it is not possible to serve them optimally.



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The Integration of Data and Digital Banking Transformation

Having a lot of data is not the goal. The goal is to collect, collate, manage, process and deploy data that provides a unified and accurate view of the customer in a way that all parts of the organization can use it. As opposed to multiple data silos being used by different parts of the organization, decisions should be made using a single set of information. A data-driven organization achieves a higher level of operational efficiency, can adapt to changes quickly, and meet customer demands faster. In other words, any digital banking transformation strategy must be backed up by a robust data strategy.

In the future, a traditional customer data platform that extracts, transforms, cleans, analyzes and stores data and insights is not enough. Strong information management will be needed to leverage collected, real-time insights to inform a financial institution's decision making, operations, and customer experience components to enable high-level digital transformation strategies.

Organizations that leverage the new-generation of data management tools will be best positioned to build a solid, data-based foundation for all components of digital banking transformation.





State of Customer Data Management in Banking

Data is the foundation of successful digital transformation. A strong insight management platform allows business units from across the organization to access and use real-time data at the same time, providing a 360-degree unified view of the customer for an exceptional experience and improved business decision making.

Financial institutions must change the way they collect, process and leverage customer insight as part of their digital transformation journey. More than simply building a unified perspective of the customer for marketing purposes, the delivery of an exceptional customer experience will require all business units to have access to customer insight and to support all decision making with real-time information.

Banks and credit unions that recognize the value of competing with data and analytics across the entire organization will be the best positioned to realize the full benefits of digital banking transformation.

In March 2021, the Digital Banking Report surveyed financial institutions globally on the state of their customer

information management and use of insight for decision making and enhanced customer experiences.

The purpose of the research was to gain insight into the maturity of information management, understand the benefits and challenges of overarching information management systems within banks and credit unions, and to understand how organizations are progressing beyond customer data management platforms (CDP) to more robust systems of collecting, analyzing, sharing and deploying data across business units for decision making and improved customer experiences.



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Key Findings Included:

- Financial institutions continue to be saddled with a plethora of disconnected insights across business units. Only a fraction of respondents have a central system for collecting, processing, analyzing and deploying insights organization-wide and many organizations only focus on marketing use cases.
- Satisfaction with current data platforms and overall customer information management is extraordinarily low given the amount of data available to financial institutions. This highlights the challenge of disparate sources of data, and a lack of uniform strategy for the deployment and use of insights.
- Financial institutions are still using customer data systems for their basic requirements, focusing on collection of data and building a unified view. Most of the deployment of insights continues to be for marketing purposes as opposed to broader uses across business units. Use of expanded data sources and applications such as predictive modeling, content management, cross-channel attribution and customer care are less common objectives.
- Until organizations establish an overarching data-driven culture, the optimization of data for revenue generation and cost containment will not be achieved. More importantly, the application of insights for improved customer experiences will not be achieved.

Current Structure of Customer Data Systems

Nearly all financial institutions have multiple customer-facing systems, with most being supported by multiple silos of data. Banks and credit unions with multiple systems have the challenge of creating a single, complete view of the customer that can be deployed across the organization. While over a quarter of organizations surveyed referenced that their systems connected to a marketing automation or CRM system, this does not serve the organization as a whole. Only 8% of organizations had multiple systems connected to a unified database and 7% had a single system that 'did everything'.



“Banks and credit unions that have limited their focus to only marketing uses of personal data have a higher level of dissatisfaction since the potential for data and insights extends far beyond marketing uses.”

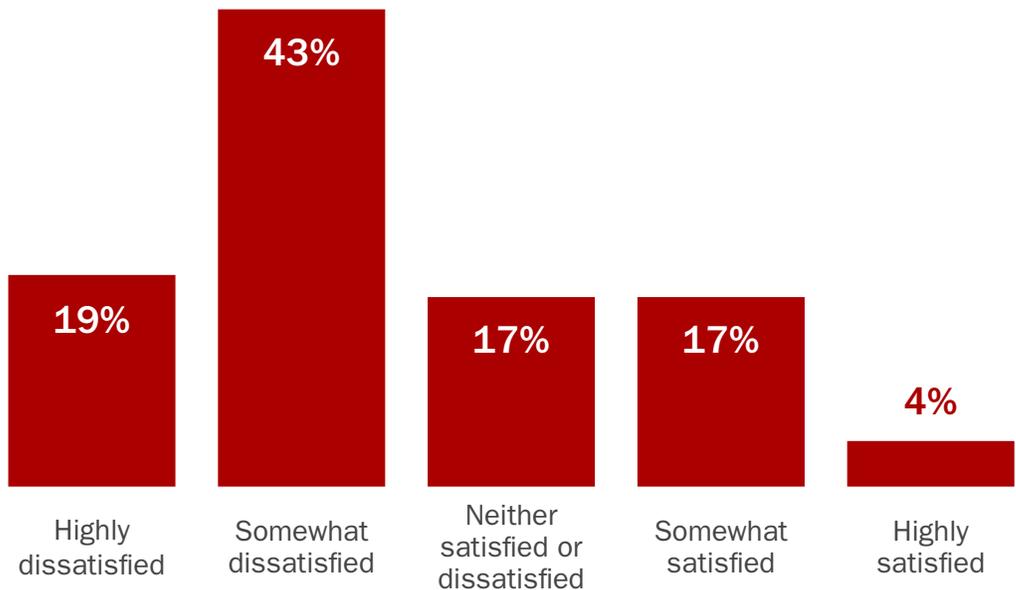
The lack of data unification has a direct impact on the satisfaction with the availability of insights and the challenges in making use of the data that is available. The research found that 62% of organizations were either ‘highly dissatisfied’ or ‘somewhat dissatisfied’ with the platform used and the access to insight. Those ‘highly satisfied’ were only 4%, with the ‘somewhat satisfied’ responders representing 17% of banks and credit unions worldwide.

It can be safely assumed that financial institutions with multiple disconnected systems are less satisfied than organizations with unified insights, with organizations with both unified data and a single platform to collect, analyze and distribute insights being the most satisfied. It is also safe to assume that banks and credit unions that have limited their focus to only marketing uses of data have a higher level of dissatisfaction since the potential for data and insights extends far beyond marketing uses.



CHART 6: SATISFACTION WITH CURRENT CUSTOMER DATA PLATFORM AND INSIGHT ACCESS

How satisfied are you with your current customer data platform and access to insight?



Source: Digital Banking Report Research © March 2021 Digital Banking Report

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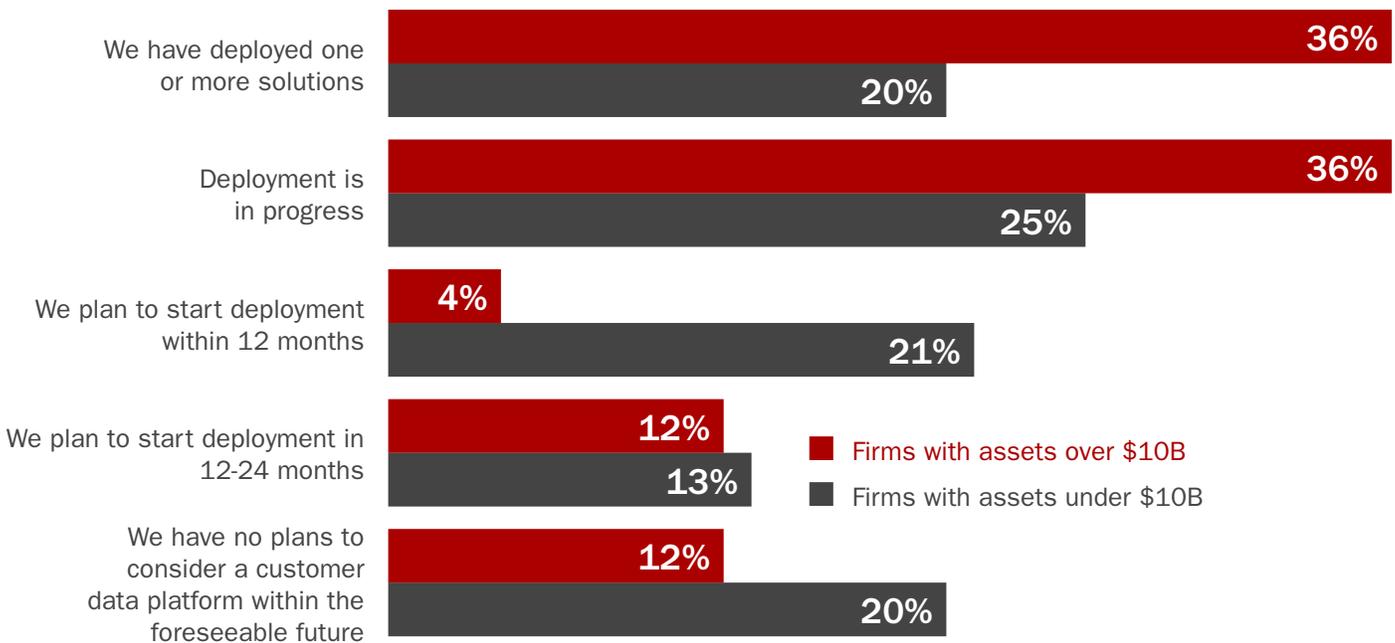
Not surprisingly, there is a sharp contrast in plans to deploy some form of customer data platform by size of organization. Not only have firms over \$10B deployed more solutions, the larger firms are also further along in the deployment process. What is surprising is that there are some banks and credit unions of all sizes saying they have no plans to consider CDP deployment in the future.

It is possible that some of this hesitancy is caused by the financial stress brought on by the pandemic, causing investment deferrals, but the increased need for insights to drive improved customer experiences should cause an escalation of deployments going forward.

CHART 7:

PLANS FOR DEPLOYMENT OF CUSTOMER DATA PLATFORM (CDP) BY ASSETS

What describes your current plans around deploying a unified customer data platform?



Source: Digital Banking Report Research © March 2021 Digital Banking Report



Functionality of Customer Data Platforms

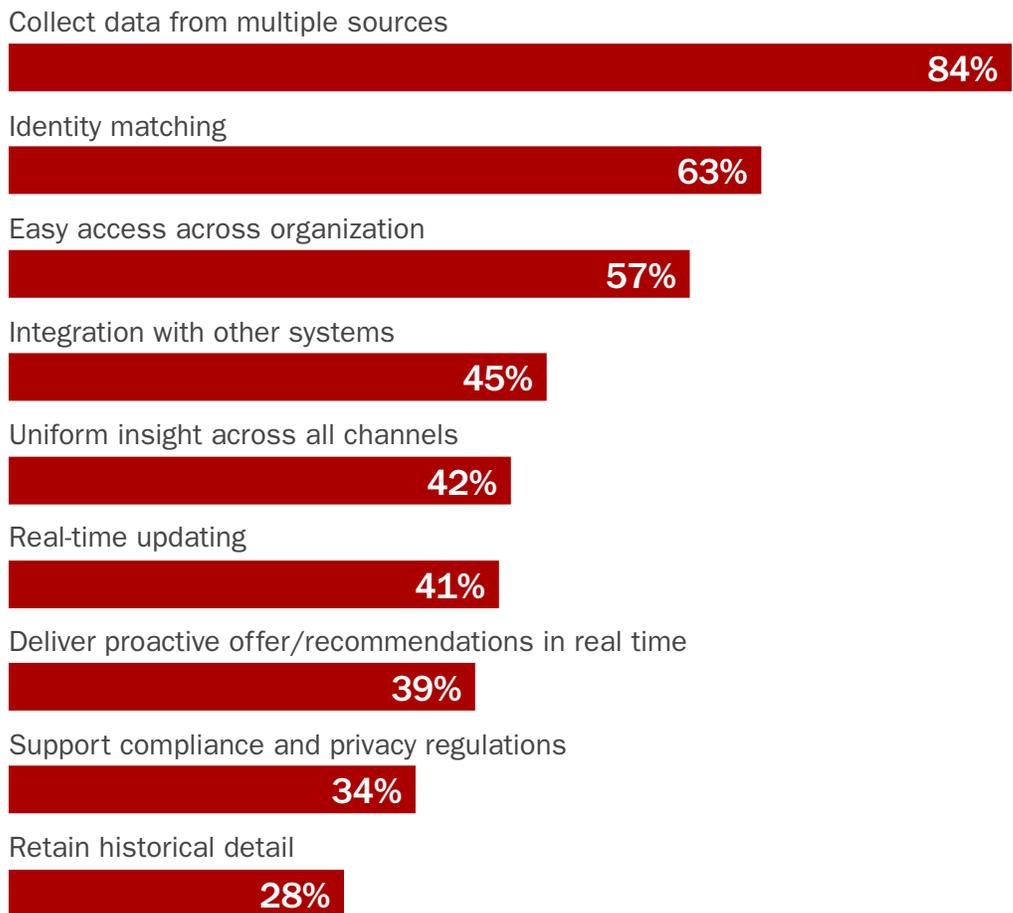
Financial institutions are uniform in their assessment of what they want a customer data management platform to do. The vast majority (84%) of respondents cite data collection from multiple sources as a top requirement, followed by a uniform identity capability and easy access to insights across the organization. While these top rankings are not surprising, they are somewhat biased toward primary functionality of CDP use today.

The real value of more robust insight platforms and customer information systems includes real-time insight updating, the functionality of proactive recommendations, cross-channel customer treatments, and the ability to support customer call centers, compliance and privacy regulations, and even the support of content management.



**CHART 8:
FINANCIAL INSTITUTIONS WANT VAST CDP
FUNCTIONALITY**

What customer data platform (CDP) capabilities are most important to you?
(Please select top 3 items.)



Source: Digital Banking Report Research © March 2021 Digital Banking Report

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When we asked financial services organizations about the benefits of a customer data platform, the responses skewed towards marketing functionality as opposed to the ability to answer broader organizational questions. The most commonly mentioned benefit was having a single customer view, followed by being able to perform data analysis and segmentation, having a single view across channels and access across business units. While there was a recognition of more robust benefits, such as personalization, proactive recommendations and improved decision making, these were much lower priorities.

CHART 9:

BENEFITS OF CUSTOMER DATA PLATFORMS

What are the most important benefits of a customer data platform?
(Please select top 3 items.)

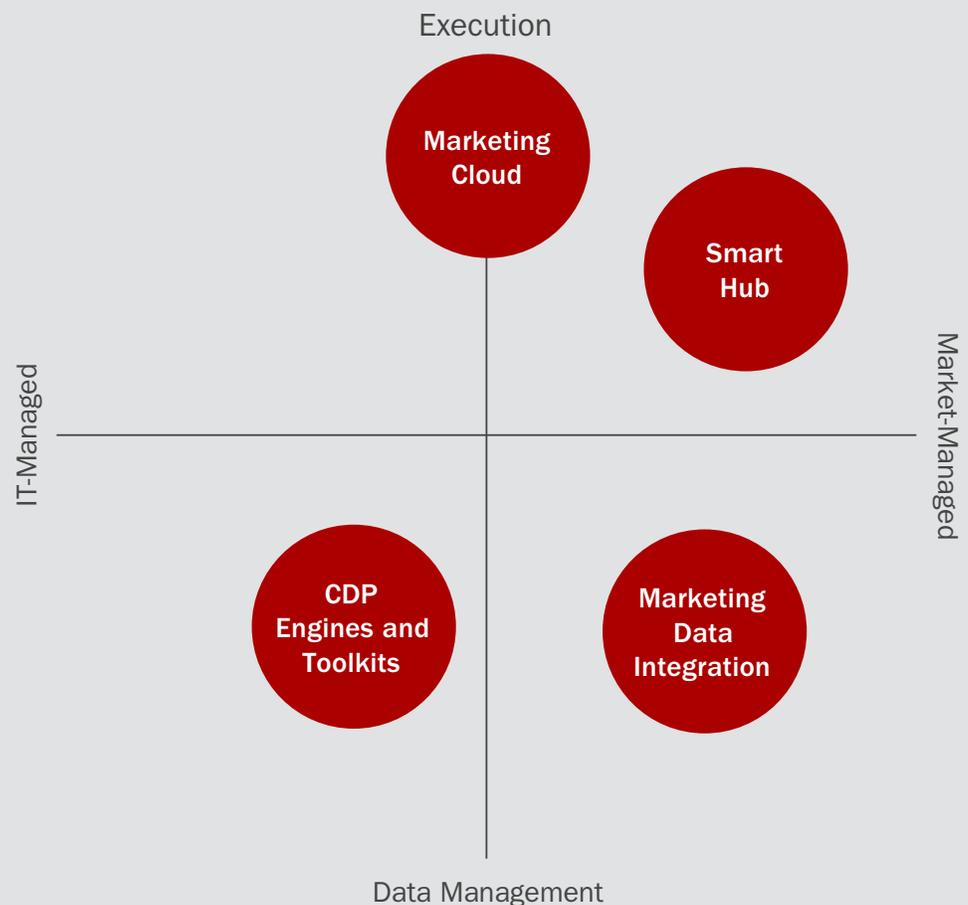


Source: Digital Banking Report Research © March 2021 Digital Banking Report

Enhancements to Traditional Customer Data Platforms

Gartner’s definition of a CDP initially focused on marketing-focused capabilities, including data collection, profile and identity unification, advanced segmentation/propensity modeling and deployment of insights. As organizations have realized the importance of data and analytics to the entire digital transformation process, enhancements to the traditional CDP model have been made, supporting customer information management needs across all business units.

**CHART 10:
CUSTOMER DATA PLATFORM SOLUTION TYPES**



Source: Gartner © March 2021 Digital Banking Report

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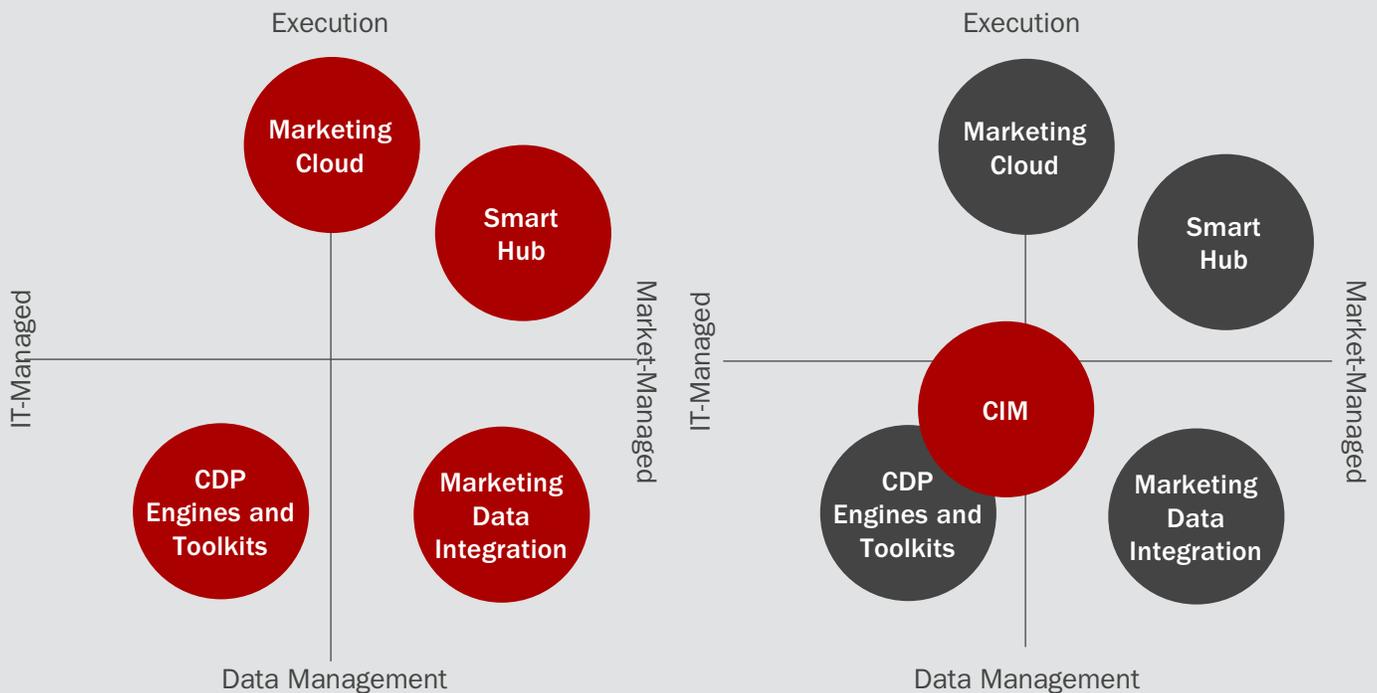
According to **Gartner**, additional enhancements to CDP solutions include:

- **Consent and preference management:** Collect and consolidate end-user choices regarding how their personal data should be handled and synchronize these choices across marketing systems.
- **Testing and optimization:** Enabling A/B and multivariate tests that optimizes the customer experience based on campaign response.
- **Content management:** Support of content being delivered to customers based on identified needs

and web/social activity.

- **Data analytics support:** The ability to import and manage machine learning alternative data analytics tools.
- **Cross-channel support:** A channel-agnostic recommendation engine supporting call centers or live chat agents.
- **Identity resolution and relationship aggregation:** Capability to accommodate account or organizational aggregations of contacts who are associated with business enterprises.

CHART 11: CUSTOMER INFORMATION MANAGEMENT (CIM) PLATFORM EXPANDS CDP FUNCTIONALITY



Source: Gartner © March 2021 Digital Banking Report

“The democratization of data across the organization empowers business units and team members to work on the customer’s behalf regardless of where the customer is in their journey. It also supports innovative thinking.”

Simon Masterman
Worldwide Financial Services Lead - Presales, OpenText

Not surprisingly, the value of a customer data platform correlates to the sophistication of the system, including the unification of customer insights, the power of the platform that the organization uses and the visibility of the insight across the organization.

CHART 12: VALUE CORRELATES WITH SOPHISTICATION OF CDP SYSTEM

How much value does your current customer insight platform deliver?

Many disconnected systems



One system does almost everything



Many systems connected to a marketing automation or CRM platform



Many systems connected to a unified customer database and shared orchestration engine



Many systems connected to a unified customer database



- Good or very significant value
- Modest or little value

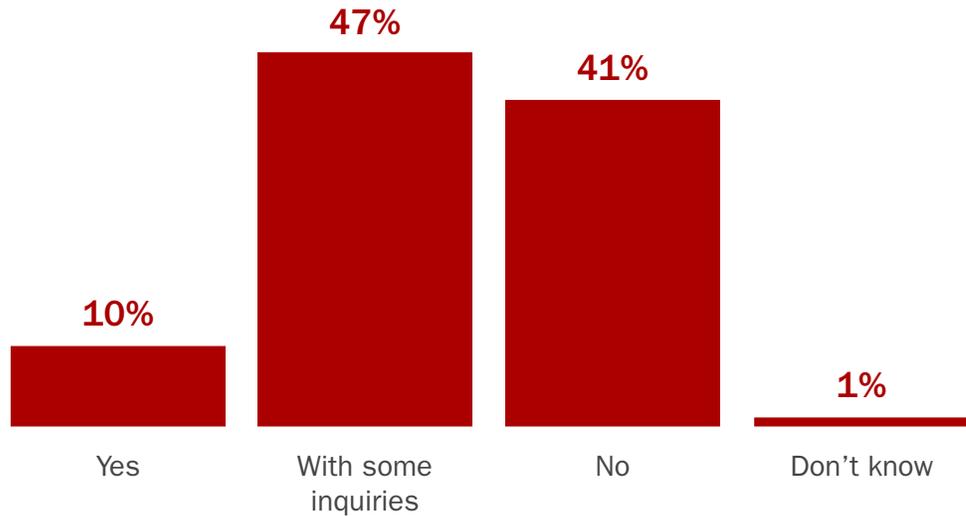
Source: Digital Banking Report Research © March 2021 Digital Banking Report

Probably the most powerful component to data transformation is the organization-wide accessibility to the insights generated. Transforming data so that it can be used by all business units within an organization, simultaneously, involves a democratization of data access. This is often referred to as a Data-as-a-Service (DaaS) model.

In the most data mature organizations, internal data is blended with other data including second- and third-party data, with the unified view of the customer available organization-wide.

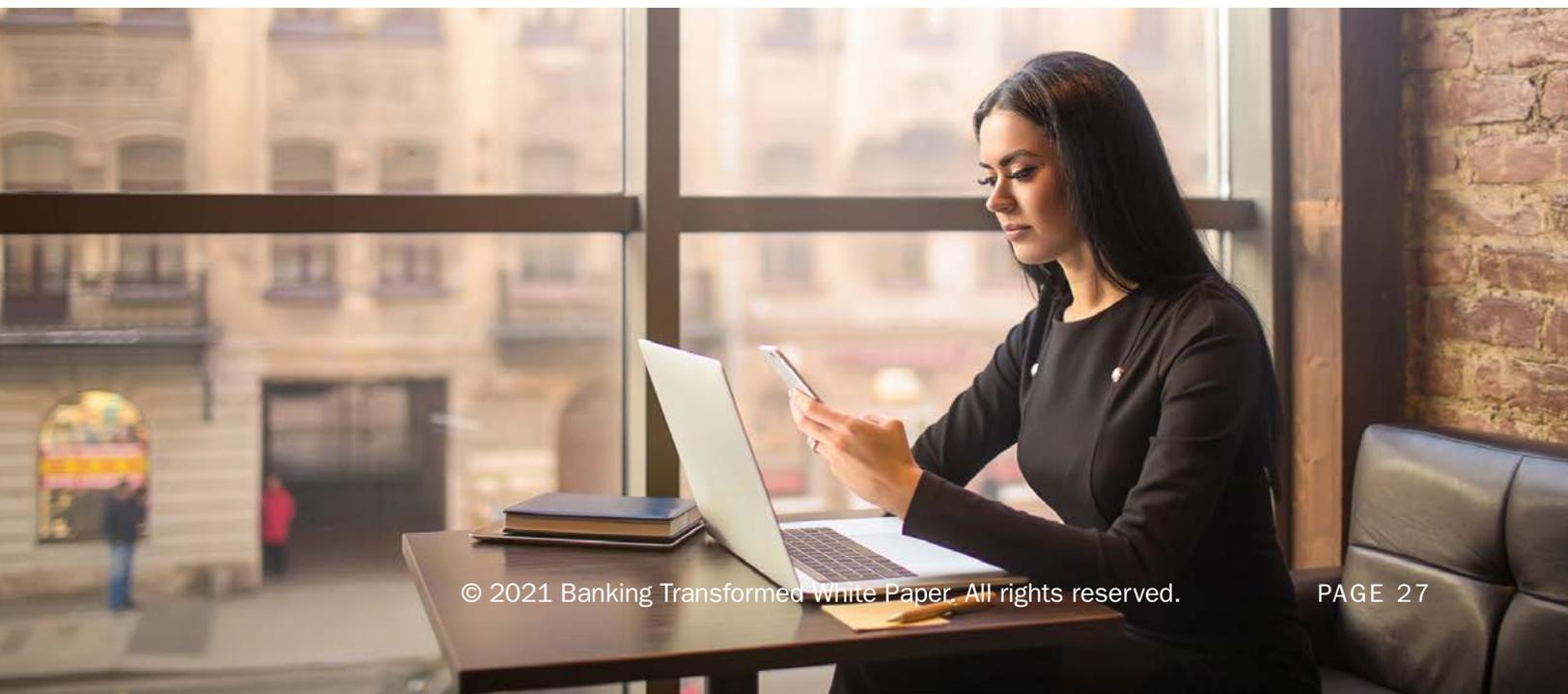
CHART 13: ORGANIZATION-WIDE VISIBILITY TO CUSTOMER INSIGHT

When a customer engages with your organization on one channel is there visibility of the inquiry and status across the enterprise?



Source: Digital Banking Report Research © March 2021 Digital Banking Report

A data information management strategy is central to making data uniform, trusted and actionable across the organization. The result is not only a better customer communication strategy, but better business outcomes across the organization. A successful data strategy brings together data, technology, analytics, strategy and delivery services for greater reach, revenue and return. This creates an improved customer experience. This empowers employees and the organization with insights that enable them to deliver an improved customer experience.





About the Research

The analysis in this report is based on a March 2021 Digital Banking Report survey of global banks and credit unions. The survey used the subscriber lists of The Financial Brand and the Digital Banking Report, which includes organizations of all sizes worldwide.

Responses from non-financial organizations were not included in the results. The responders were self-selected after receiving a nominal incentive of raw survey results.

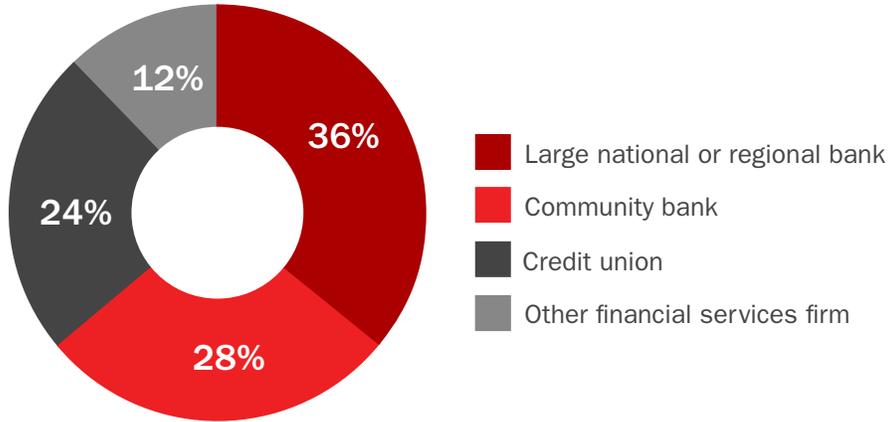
Among overall survey respondents, 36% are from large national or regional

banks, 28% are from community banks, and 24% are from credit unions with 12% from other financial services firms. This distribution is very similar to other research done by the Digital Banking Report, allowing for valid comparisons based on the type of organization.



CHART 14: RESPONDENTS BY TYPE OF ORGANIZATION

What type of organization do you work for?



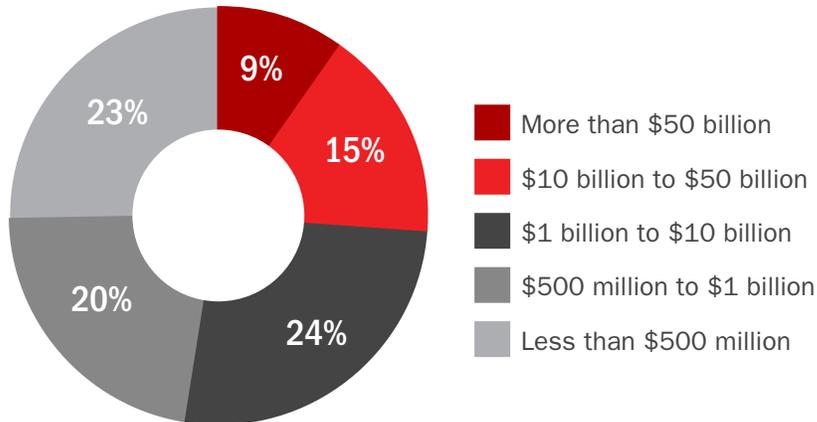
Source: Digital Banking Report Research © March 2021 Digital Banking Report

Of the respondents to our survey, 9% of respondents are from FIs with more than US\$50 billion in assets, with 15% having US\$10 billion – US\$50 billion in assets, and 24% representing firms with US\$1 billion – US\$10 billion in assets. 43% of organizations surveyed were smaller than \$1B.

The distribution by size of organization is comparable to the majority of the previous research done by the Digital Banking Report.

CHART 15: RESPONDENTS BY ASSET SIZE (IN US\$)

What is the asset size of your institution?



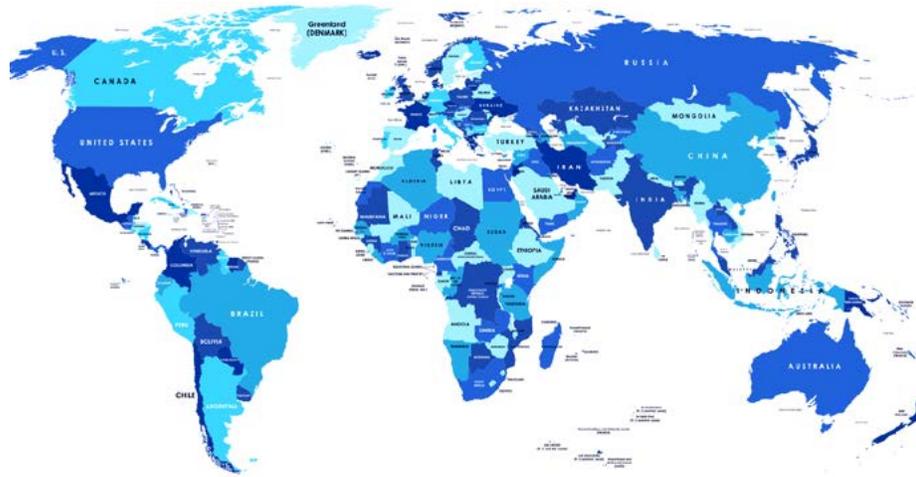
Source: Digital Banking Report Research © March 2021 Digital Banking Report

BUILDING A STRONG DATA AND INFORMATION STRATEGY

Finally, the respondents who participated in our research were globally headquartered. While there was an over sampling from the United States (48%) and Canada (10%), 6% were from Europe, 13% were from Asia, with 1% from the Middle East, 10% from South/Central America and 6% from Africa.

CHART 16: LOCATION OF FINANCIAL INSTITUTION HEADQUARTERS

Where is your financial institution headquartered?



1. United States	48%	7. Australia	3%
2. Asia	13%	8. United Kingdom	1%
3. Canada	10%	9. Eastern Europe.....	1%
4. Central/South America or Caribbean	10%	10. Middle East.....	1%
5. Africa	6%	11. Other	1%
6. Western Europe (other than U.K.).....	4%		

Source: Digital Banking Report Research © March 2021 Digital Banking Report

About the Author



Named as a top 5 influencer in banking, **Jim Marous** is an internationally recognized financial industry strategist, co-publisher of **The Financial Brand**, owner and publisher of the **Digital Banking Report** and host of the **Banking Transformed podcast**. The Digital Banking Report is a subscription-based publication that provides deep insights into the digitization of banking, with over 200 reports that can be accessed in its digital archive.



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The Banking Transformed podcast features weekly interviews with global leaders who provide insights into the impact of digital disruption across all industries.

As a sought after keynote speaker, author and recognized authority on disruption in the financial services industry, Marous has been featured by CNBC, CNN, Cheddar, The Wall Street Journal, New York Times, The Financial Times, The Economist, The American Banker and numerous other global publications. He has spoken to audiences worldwide on the impact of change to the banking industry. Jim has also advised the White House on banking policy and is a regular contributor and guest host for the Breaking Banks podcast.

You can follow Jim Marous on **Twitter** and **LinkedIn** or visit his **professional website**.

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