



Adopt Data & Analytics to accelerate the DX in Financial Services

Nguyen Tuan Khang | khangnt@vn.ibm.com | 090 830 6668
Country Manager
IBM Software, Vietnam

Drivers of Change in the post-pandemic era

Customer Demand

- Accelerated digital adaptation
- Expect more open, transparent, real-time, intelligent, tailored, secure, seamless
- Integrated into lives/businesses



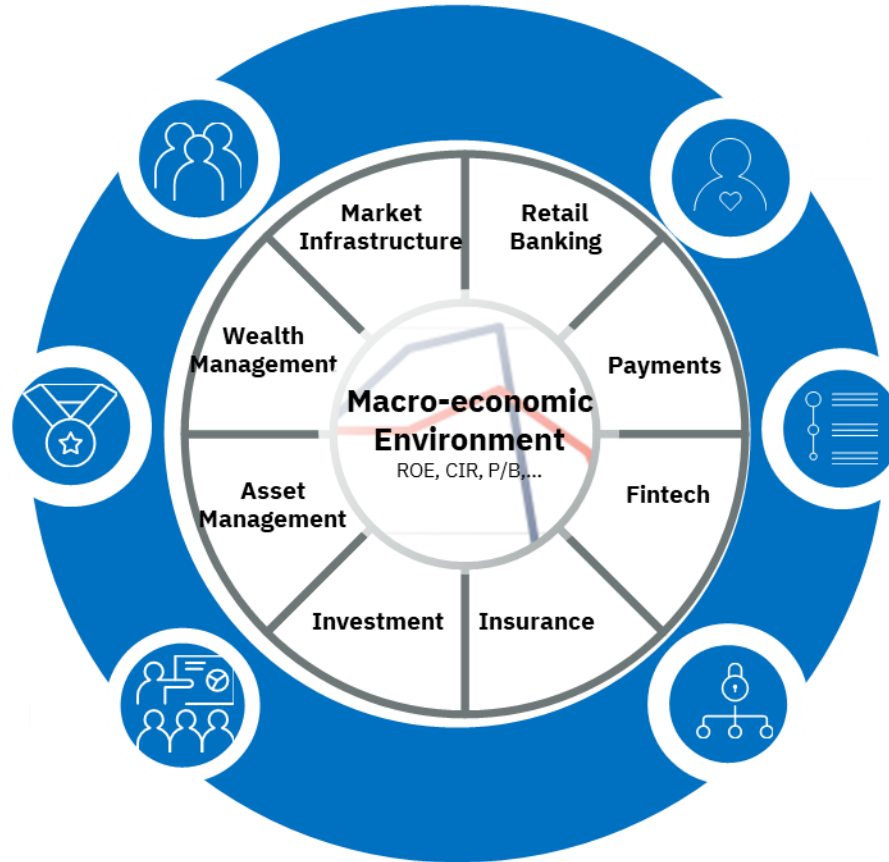
New Competition

- New business, operating and technology models
- Integrated into other industry value chains as part of platform plays
- Platform plays



Data & Analytics

- Vast amounts
- Increasingly open
- Cheaper
- E2E appl of analytical / AI tools



New Working Model

- Intense competition for digital talent
- Multidisciplinary teams
- New collaboration models



Regulatory Compliance

- Regulatory re-fragmentation
- Complex, conflicting, costly



Security & Fraud

- Increasing interconnectivity, digital platforms creates risks
- Sophisticated adversaries



Financial Institutions are deploying initiatives to accelerate DX

1

Reshape customer engagement

- Extreme digitization
- Omni Channel
- Reinvented Journeys
- Cognitive & AI enable
- Platform business models



3

Data & Analytics

- Data Modernization
- Operationalize
- Analytics & AI
- Leverage AI Apps



4

Secure and Compliant by Design

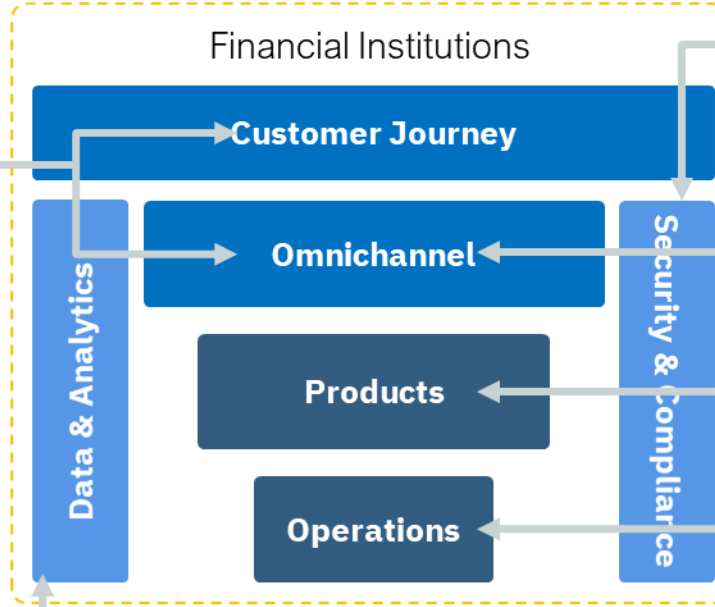
- Prescriptive Security
- Next Gen Risk Management
- Optimized Compliance



2

Digitally Transformed

- Digital Agility
- Architecture
- Intelligent Workflows
- Application Modernization
- Migration to Cloud
- New Ways of Working



IBM identifies prime objectives for DX in Financial Services

Financial Services are capitalizing on Data & Analytics to:

- **augment** customer experience,
- **improve** operational processes, and
- **uncover** new revenue streams.

Customer Engagement

- Customer Service
- Customer on-boarding
- Product on-boarding
- Product cancelation
- Customer account closure..

Customer Origin / Verification

- Rates and Terms
- Application data collection
- AML / Sanctions Monitoring
- Risk Review
- Credit Evaluation

Commercial - Trade Finance

- Working Capital
- Lending against raw material
- Line of credit/guaranty
- Lending against finished goods
- Supply chain financing

Retail

- Auto Loan
- Mortgage credit decisions
- Credit/Debit cards
- Loan against securities

Business Acquisition

- Campaign Management
- Campaign Execution
- Targeted Offering
- Content Delivery

Cash Flow/ Financial Mgmt

- Reconcile Cash Transfers
- Billing / Collection
- Payments / Funds Settlement
- Loans & Dividends
- Financial Reporting

Business Administration

- Procurement/Vendor Mgmt
- Business Process Management
- Asset Management
- Technology Management
- Auditing/Legal/Regulatory

Product Management

- Market Research & Analytics
- Product Deployment
- Promotion and Brand Management

Data fuels Digital Transformation

... to meet business objectives

Growth



Increase share of wallet



Increase first time resolution - customer service



Increase approval speed for transactions



Increase asset valuation accuracy



Increase sales conversion

Risk & Compliance



Reduce false / positives



Reduce data privacy risk

Efficiency



Reduce new product time to market



Reduce downtime

Disparate data types for Insights and Decisions



Internal Data that clients possess



- Customer records
- Transactional systems
- Predictive models



Exposing potential of
current data stores

External Data outside clients' firewall



- News and events
- Social media
- Weather and geospatial



Deriving value
from external data and
licensed private data

Public Data that's coming

- IoT and sensory
- Images & Video
- Social media



Rethinking data
management for new
data types and sources

Data-driven Economy has new requirements that legacy IT systems can not handle

Current state challenge

Example

New requirement from Digital/Data

Missing business transparency



Reports hard-wired or done in Excel
Data is only available in aggregated views
No consistent master data management enabled and integrated in data flows

Self-service analytics
Real time analytics and search
360 customer view and product catalogue for deep insights and cross-channel offers

Missing business insights



Process and data relations are hard-wired in the systems

Seamless integration of analytics into operations processes

Missing business agility



Systems only enable batch processing over night

Flexible data sourcing and transformation approach to enable real-time views

High cost of business and operations



High cost for legacy data storage and technology

Large scale data storage and processing Shared and virtualized best fit data platforms

Missing master data architecture blueprint



No consistent view on areas for action and synergies across lines of business and use cases

Flexible and fast enablement of next generation use cases including easy scalability

Innovation in Data & Analytics

Gartner Top 10 Data and Analytics Trends, 2021



Accelerating Change

- 1 Smarter, Responsible, Scalable AI
- 2 Composable Data and Analytics
- 3 Data Fabric Is the Foundation
- 4 From Big to Small and Wide Data



Operationalizing Business Value

- 5 XOps
- 6 Engineering Decision Intelligence
- 7 D&A as a Core Business Function



Distributed Everything

- 8 Graph Relates Everything
- 9 The Rise of the Augmented Consumer
- 10 D&A at the Edge

gartner.com/SmarterWithGartner

Source: Gartner
© 2021 Gartner, Inc. All rights reserved. CTMKT_1164473

Gartner.

Data Silo

Data Warehouse

2000

Data Virtualization

2010

Data Lake

2020

Data Fabric

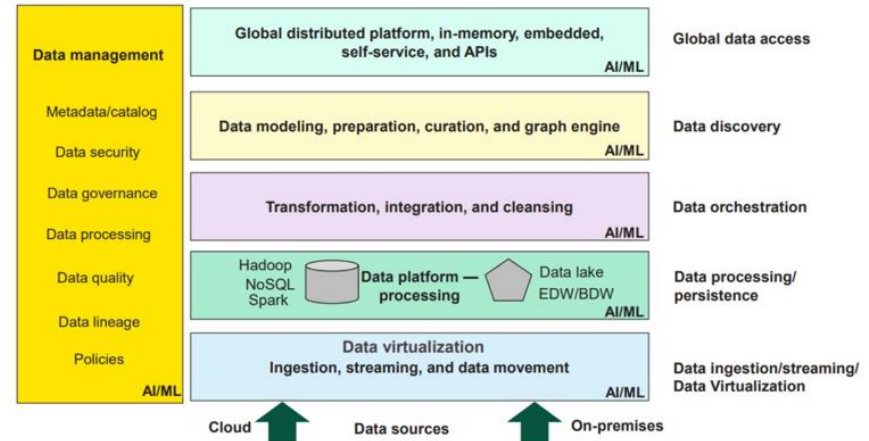
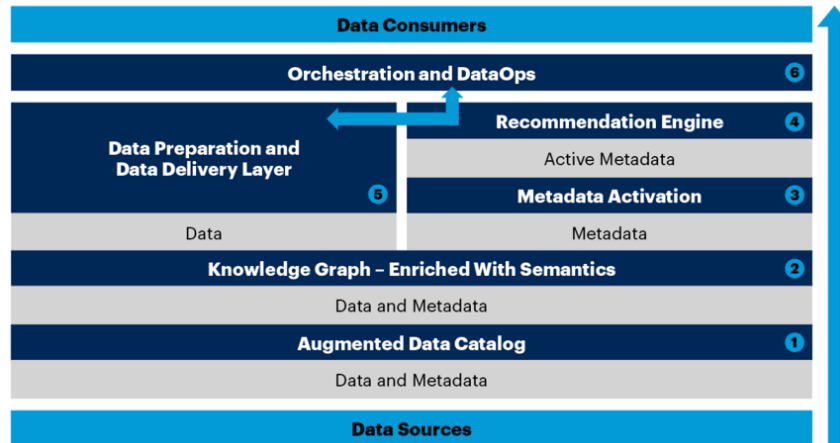
Gartner predicts that by 2024, 25% of data management vendors will provide a complete framework for data fabric – up from 5% today

What is a Data Fabric

Gartner: A data fabric is an emerging data management design concept for attaining flexible, reusable and augmented data integration pipelines, services and semantics, in support of various operational and analytics use cases delivered across multiple deployment and orchestration platforms. Data fabrics support a combination of different data integration styles and utilize active metadata, knowledge graphs, semantics and ML to augment data integration design and delivery.

Forrester: Dynamically orchestrating disparate data sources intelligently and securely in a self-service manner and leveraging various data platforms to deliver integrated and trusted data to support various applications, analytics and use cases.

Data Fabric Pillars



Best Practices

in Data & Analytics Transformations

Data capabilities

Leadership

- Role of the Chief Data Officer (CDO)
- Data ownership and stewardship

Management

- Effective data management processes for data quality and data access
- End-to-end data lifecycle management

Governance

- Integrated data design with enterprise-wide semantics and meta-data
- Master Data Management & single source of truth

Process

- Data integration layer that enables reuse and real-time data flows

Analytics capabilities

- Role of the Chief Analytics Officer/Head of Analytics
- Combination of technical data expertise with top analytical talent (data scientists)

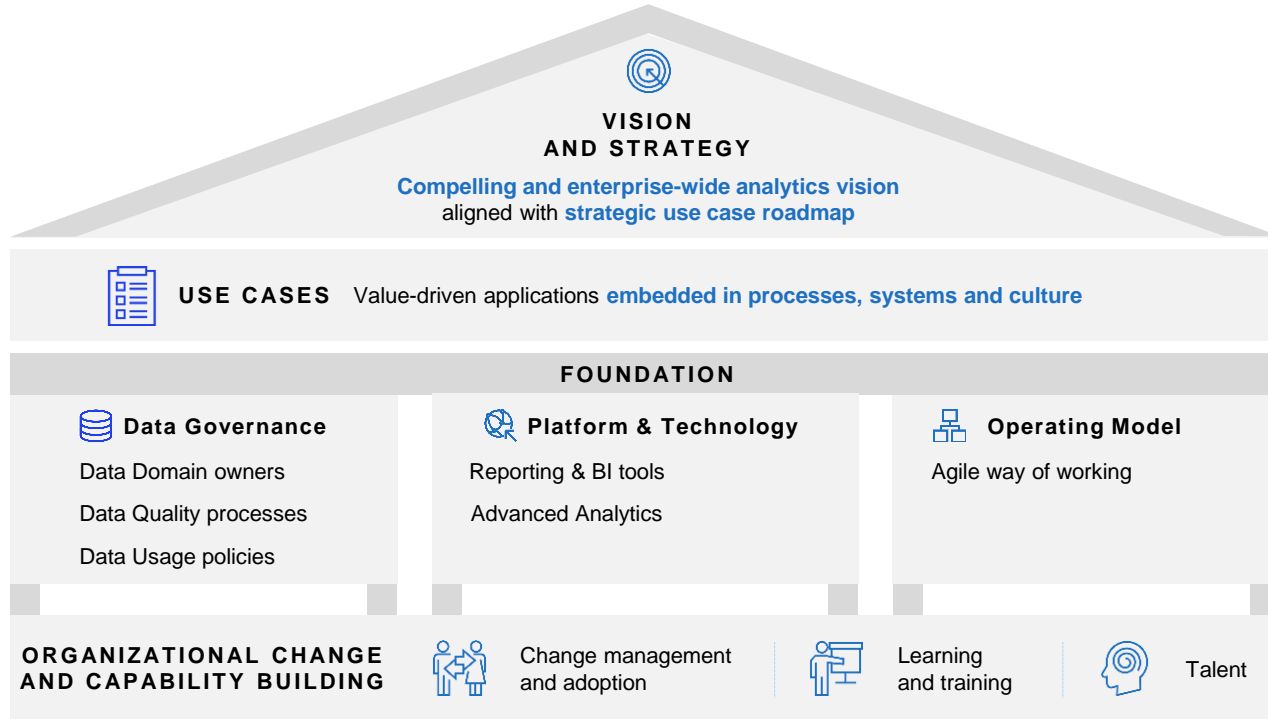
- Data analytics factory with standard service offerings

- Integrated view on informational data architecture (logical or physical)
- Explicit golden sources and clear data flows within informational data architecture

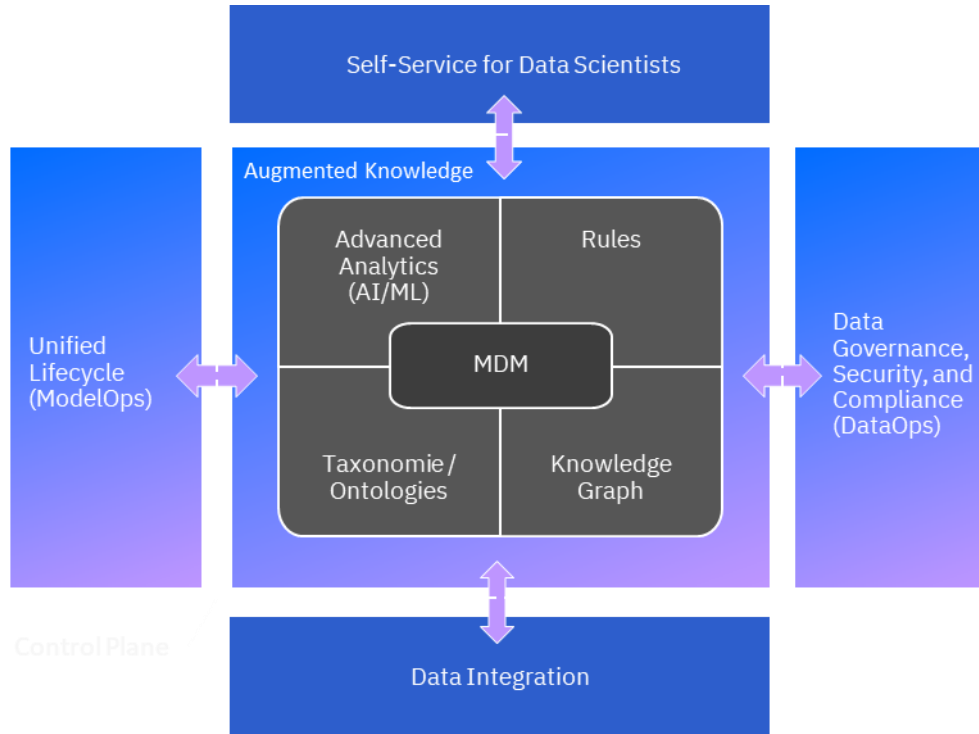
- Self-service portal for personalization and automation of reporting & analytics
- Feedback loop into operational processes to improve day-to-day decision making through analytics

Vision and Strategy

for Data and Analytics Transformation



Blueprint for Data Management



Self-Service: Marketplace to find, collaborate, get access to data (this could also include a feature store, or popular queries, etc.)

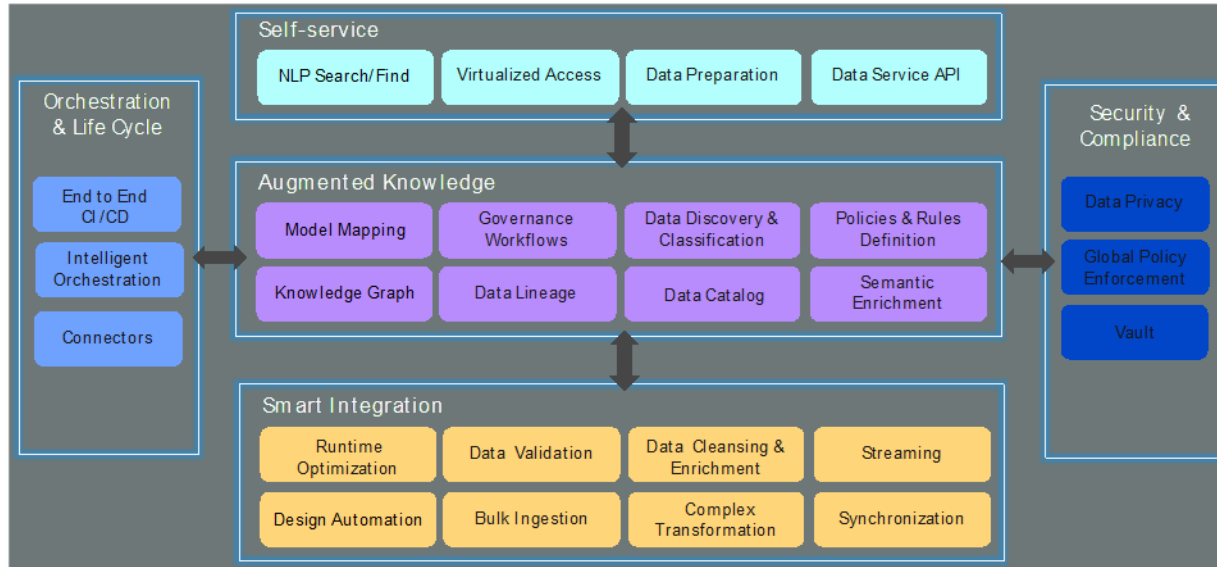
Augmented Knowledge: An abstraction layer that provides a common business understanding of the data, insights derived from the “digital exhaust,” and automation to act on those insights

Data Integration: Range of integration styles to extract, ingest, stream, virtualize, and transform data, driven by data policies to maximize performance while minimizing storage and egress costs.

Data Governance, Security, and Compliance: Unified definition and enforcement of data policies, tied to the knowledge layer (i.e., associate policies with data), data governance, and data stewardship

Unified Lifecycle: End-to-end lifecycle to compose, build, test, deploy, and manage the various aspects of the data fabric (e.g., compose, deploy, and manage a data pipeline)

Data Management with IBM Data Fabric



Key Use Cases for Financial Institutions

Analytics



Automated Reporting



Customer Segmentation



Intrusion Detection



Database Monitoring



Sentiment Analysis



Inventory Optimization



Tone Analysis



Caller Insights



Revenue Forecasting



Anomaly Detection



Life Event Predictions



Demand Forecasting



Customer Churn



Risk Scoring

Use-cases



THANK YOU!

