



2017 Annual industry survey commissioned by Experian:
“The new frontier: *Unlocking the power of data*” – *Insights From South Africa*



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We've entered the digital era

Old:
inside-out

New:
outside-in

Products

Services

Experiences

Outcomes

Desires



Agenda

- › *Methodology of 2017 Annual Survey commissioned by Experian*
- › *Today's 3 key business priorities*
- › *Strategies for success: 'Unlocking the power of data'*

Methodology of 2017 Annual Survey commissioned by Experian

Who we surveyed:



Region

- › Europe: **65%**
- › Middle East: **14%**
- › Russia: **11%**
- › South Africa: **10%**

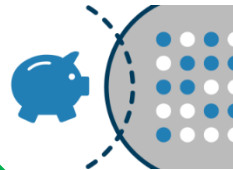


61 C-Level and functional leaders responsible for risk, IT, fraud and operations



Industry

- › Financial services and insurance: **43%**
- › Telecommunication services: **32%**
- › Retail: **25%**



Revenue

- › \$50M to \$499M: **68%**
- › \$500M to \$1B: **16%**
- › \$1B or more: **16%**

Today's 3 key business priorities

1. *Advanced analytics*
2. *Fraud management*
3. *Customer insight*

Businesses are wrestling with 3 key business priorities

Growth through international expansion and cost are high on the business agenda.

Organizations are also looking to differentiate and drive efficiencies through:



Key challenges to success:

- › **74%:** Increased activity from *existing* competition
- › **66%:** Lack of skills and technology to exploit big data
- › **64%:** *Legacy technology* systems
- › **62%:** *New competition* in our industry
- › **38%:** Lack of *automation*

Today's 3 key business priorities

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Today's business environment demands more advanced analytics



Advanced
Analytics



61%

Are increasing
their investment in
analytics

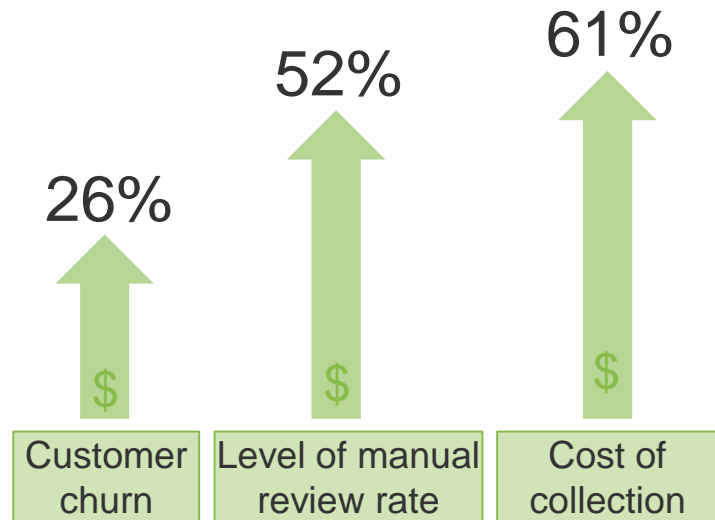
Organizations are under pressure:

- › **85%:** To *meet compliance* with new and existing regulations
- › **70%:** The **cost to service** customers has increased in the last 12 months
- › **52%:** To improve customer protection and **reduce fraud**
- › **33%:** Being able to cope with the **volume and complexity of data**

Organizations struggle to become data-driven

45%	Of business decisions still rely on opinion and gut feeling
22%	Said they are able to use analytics to extract value from their data
49%	Are not able to get relevant insight from data to drive decision making

% of respondents that have reported an increase in past 12 months:



Key challenges:



Growth / variety and quality of data
(41%)



Lack of analytics skills and resources
(48%)



Regulatory compliance: necessary but a strain on resources and cost

41% Of organizations see POPIA as an opportunity for us to deliver more value to our customers

28% Of organizations agree their use of data and analytics is fully aligned with regulatory expectations

88% Of organizations are not confident in their ability to meet new and existing regulations

Today's 3 key business priorities

1. *Advanced analytics*
2. ***Fraud management***
3. *Customer insight*



Fraud is the top barrier to business priorities

74%

Increased exposure to fraud is the top challenge



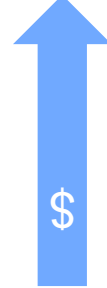
% of respondents that have reported an increase in past 12 months:

30%



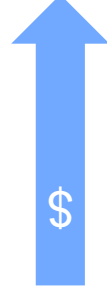
Cost of online fraud

34%



Fraud cases

34%



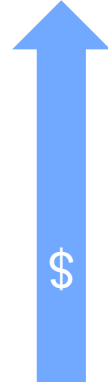
Fraud losses

46%



Bad debt

57%



Fraudulent transactions



Organization struggle to overcome the complexity of fraud

64%	Are not confident they can mitigate fraud
13%	Strongly agreed they have a balanced approach to fraud
69%	Are struggling to manage the complexity of fraud
20%	Can tackle fraud across all channels

There's room for improvement in fraud management:

- › **23%** use predictive models to reduce attempts of fraud
- › **22%** use non-invasive means for customer authentication
- › **10%** continually monitor fraud attempts
- › **9%** have accurate and up-to-date data sources for fraud

Today's 3 key business priorities

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3. ***Customer insight***



Current approaches to customer insight are insufficient

87%

Gaining better insights on their customers is a key priority



Companies struggle with gaining true customer insight:

66%	Customer insights effectiveness can improve
61%	Struggle to make consistent decisions across channels
64%	Are hampered by legacy technology and systems
54%	Customer data is split across multiple systems
10%	Harness all available data to optimize customer interactions



Disconnected approaches across the lifecycle results in suboptimal performance

15%

have a strategy to deliver a consistent customer experience across the lifecycle



% of respondents that said they were effective:

Origination	54%	Ease for a customer to complete a new contract to use our products / services
	33%	Seamless and fast onboarding of new customers
Customer management	44%	The process for early collection of amounts owed by customers
	36%	Time taken to resolve a customer issue via customer service
Collection	36%	Early identification of customer at risk to try and preserve the overall relationship
	31%	Ability to identify and monitor new events / changing status of customers

Strategies for success:
Unlocking the power of data

Three strategies to unlock the power of data



Advanced Analytics

1. Use third-party expertise to boost your analytics strategy



Fraud Management

2. Take a holistic approach to mitigate the impact of fraud



Customer Insight

3. An automated decision platform is the backbone to success

Use third-party expertise to boost your analytics strategy



Enhance your analytics strategy to solve business problems and discover hidden opportunities

62%

Have already or are planning to invest in partners that can build, run and manage analytics

Organizations need partners that can:

- › *Support complex analytics needs*
- › *Flexibility / agility to overcome resource constraints*
- › *Capacity to scale analytics operations as the business and market demands*
- › *Balance business insights with analytics expertise*

Take a holistic approach to mitigate the impact of fraud risk and complexity



Take the complexity and cost out of fighting fraud while protecting the CX by:

67%	Implementing a fraud management roadmap
57%	Adopting fraud analytics for to better predict when fraud will occur
51%	Incorporating more non-invasive authentication methods
30%	Data sharing with other third party agencies to prevent fraud

An automated decision platform is the backbone to success



Maximize the impact of your real-time customer interaction across the lifecycle by:

56%	Implement automated decision systems to manage high risk debt
52%	Cross-function customer journey mapping
51%	Optimize the customer-level decision in collection
43%	Leverage automation to support decision making in customer onboarding

Better customer insights will:

- › *Preserve the customer relationship*
- › *Improve cross and up sell opportunities*
- › *Minimize collection losses*
- › *Improve speed to market*
- › *Maximize customer life time value*

Recap: unlock the power of data



Advanced Analytics

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Fraud Management

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Customer Insight

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Thank you

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