

Maximize Customer Lifetime Value In Financial Services

Banco ABC Brasil ushered in a new era of data-driven innovation to accelerate lending decisions and create unique financial solutions precisely aligned to its clients' needs and preferences, strengthening customer retention and lifetime value in an era of almost unlimited choice.

Current Customer Revenue Growth and Customer Lifetime Value Are More Important Than Ever

To sustain growth beyond new customer acquisition, financial services firms continually seek opportunities to upsell and cross-sell to those already in the fold. Banks, credit unions, insurance companies and other institutions recognize that it's less expensive to convert a current customer — to get them to buy a new product or service — than it is to convert a prospect. According to industry experts, targeting a current customer has a 60% to 70% chance of converting, whereas the likelihood of converting a new customer is just 5% to 20%.

Furthermore, offering current customers products they appreciate and find beneficial can increase retention and customer lifetime value, both of which are essential to long-term profitable growth in any economic climate.

Innovative, omnichannel marketing tactics have primed customers to expect timely, relevant and personalized outreach based on your knowledge of their needs, preferences and historical interactions. Artificial intelligence (AI), generative AI (GenAI) and other technologies can help you pitch the right products and services to the right people at the right time, but doing so requires modern data management practices to ensure that data is accessible, valid and error-free — that it is fit for business use.

Data Challenges and Business Impacts

Across the financial services industry, firms of all sectors and sizes have implemented AI-powered sales and marketing technologies to attract, convert and retain customers. However, the data required to realize growth from those investments may not be fit for business use, presenting challenges that can significantly impact your competitiveness and profitability.

Top Upsell and Cross-Sell Data Challenges in Financial Services

Category	Top Data Challenges	Business Impact
Data Accessibility	Lack of available and actionable data in sales and marketing applications	<ul style="list-style-type: none"> • Unable to deliver required data to customer-facing applications, customer service departments and representatives who deal with client requests when needed most
Data Quality	Data is out of date due to a lack of real-time access and delivery	<ul style="list-style-type: none"> • Outdated data can have serious consequences at the point of customer interaction
	Systemic data quality problems in new cloud-native, cloud-first analytics applications	<ul style="list-style-type: none"> • Data quality errors originating across transactional and analytical systems impact the performance of targeted upsell/cross-sell marketing campaigns
	Too many duplicate records of the same customer	<ul style="list-style-type: none"> • Difficult to identify who to target for an offer • Wasted marketing campaign spend • Decreased response rates in ongoing marketing campaigns
Data Visibility	Lack of customer views and relationship insights	<ul style="list-style-type: none"> • Unable to determine the overall business relationship with a customer across all lines of business • Lack of a customer-centric view limits the company's ability to identify high-performing cross-sell opportunities

Making Data Fit for Business Use for AI

The success of AI models is dependent on the availability of trusted and timely data. If data is missing, incomplete or inaccurate, the model's behavior will be adversely affected during training and deployment, which could lead to incorrect or biased predictions and reduce the value of the entire effort. Ensuring that data is fit for business use is the number one priority for financial institutions implementing new sales and marketing technology investments.

Data that is AI-ready and fit for business use has six characteristics. It is:

- **Accessible** – Data from legacy systems, cloud applications, mobile devices, IoT devices and other sources must be accessible to build and execute solutions powered by large language models (LLMs).
- **Clean and trustworthy** – Avoiding errors and GenAI hallucinations requires clean, trustworthy data devoid of corruption, missing or duplicate values, etc. Model development cannot move forward with data quality errors.
- **Valid and authoritative** – Trusted master data about customers, partners and services, along with security instrument information, must be provided.
- **Transparent** – There is end-to-end visibility into the lineage of data used for GenAI applications.
- **Governed and protected** – Data asset policies, standards, access authorizations and privacy controls are defined.
- **Understood and shared** – Every business user is able to get answers about the data used for GenAI needs.

The Informatica Intelligent Data Management Cloud™ (IDMC) Improves Sales Effectiveness

Informatica helps you access, process and leverage timely, trusted and comprehensive data across touchpoints, systems and cloud deployments to develop high-performing sales and marketing campaigns that increase share of wallet with existing customers. We help you build a customer-centric view (vs. an account- or policy-centric view) of the business across silos, highlighting relationships between customers, households and accounts to identify new upsell and cross-sell opportunities.

IDMC addresses the data challenges facing the industry by enabling companies to:

- **Ensure the right data is available where it is needed most:** Avoid costly mistakes caused by data integration errors that result in incomplete data for sales and marketing applications, which in turn can lead to missed opportunities with existing customers.
- **Keep up with the speed of doing business:** Manage real-time data distribution to allow organizations to prepare and process streams of data and uncover insights. Act in real time to deliver marketing and sales offers to any device, anywhere at any speed.
- **Improve the quality and trustworthiness of your data:** Proactively profile, cleanse, standardize, deduplicate and enrich all data using an extensive set of prebuilt data quality rules. Improve marketing response rates with highly accurate and verified phone, email and address information.
- **Identify unique customers to target:** Eliminate the risks and costs caused by duplicate records of the same customer with AI-assisted matching and deduplication data processing and management.
- **Obtain a 360-degree view of your customer relationships:** Create and deliver a customer-centric view of your business relationship with customers across all lines of business for all systems to leverage as the authoritative source of truth.

Proof Point: Banco ABC Brasil

Making informed decisions that balance opportunity and risk has always been at the heart of success in financial services. Banco ABC Brasil had a wealth of financial and customer information that it could use to make strategic and data-driven decisions, but until recently most of that information was difficult for its analysts to access. Due to time-consuming manual data extraction processes, it was outdated, too.

To make data more accessible, actionable and auditable, Banco ABC tapped Informatica to help it completely reimagine its data strategy. The bank now uses IDMC to power data in Google Cloud Storage and Google BigQuery, where it runs powerful aggregation capabilities to determine customer credibility. The result: Banco ABC was able to create better predictive models of customer credit value 50% faster, reducing risk to the institution, providing a better customer experience and opening the door to additional selling opportunities.

About Informatica

Informatica (NYSE: INFA), a leader in enterprise AI-powered cloud data management, brings data and AI to life by empowering businesses to realize the transformative power of their most critical assets. We have created a new category of software, the Informatica Intelligent Data Management Cloud™ (IDMC), powered by AI and an end-to-end data management platform that connects, manages and unifies data across virtually any multi-cloud, hybrid system, democratizing data and enabling enterprises to modernize their business strategies. Customers in approximately 100 countries and more than 80 of the Fortune 100 rely on Informatica to drive data-led digital transformation.

Informatica. Where data and AI come to life.™

Next Steps

Consistent, accurate customer data lets you anticipate customer needs and offer them products they'll value — not simply those you'd like to sell. By enabling a customer-centric view across all business lines and delivering trusted, clean and transparent data across the business, you can leverage data that's fit for business use to identify, target and attract new customers while upselling and cross-selling products and services into existing ones to grow wallet share.

For over 25 years, Informatica has helped financial services companies leverage data as a strategic business asset with trusted, governed, relevant and accessible data to increase wallet share, improve the customer experience, operationalize data governance for risk management and regulatory compliance, combat fraud and financial crimes, and accelerate time to value from past and future mergers and acquisitions. Learn more at www.informatica.com/financialservices.

Where data & AI come to



Worldwide Headquarters

2100 Seaport Blvd., Redwood City, CA 94063, USA Phone: 650.385.5000, Toll-free in the US: 1.800.653.3871

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