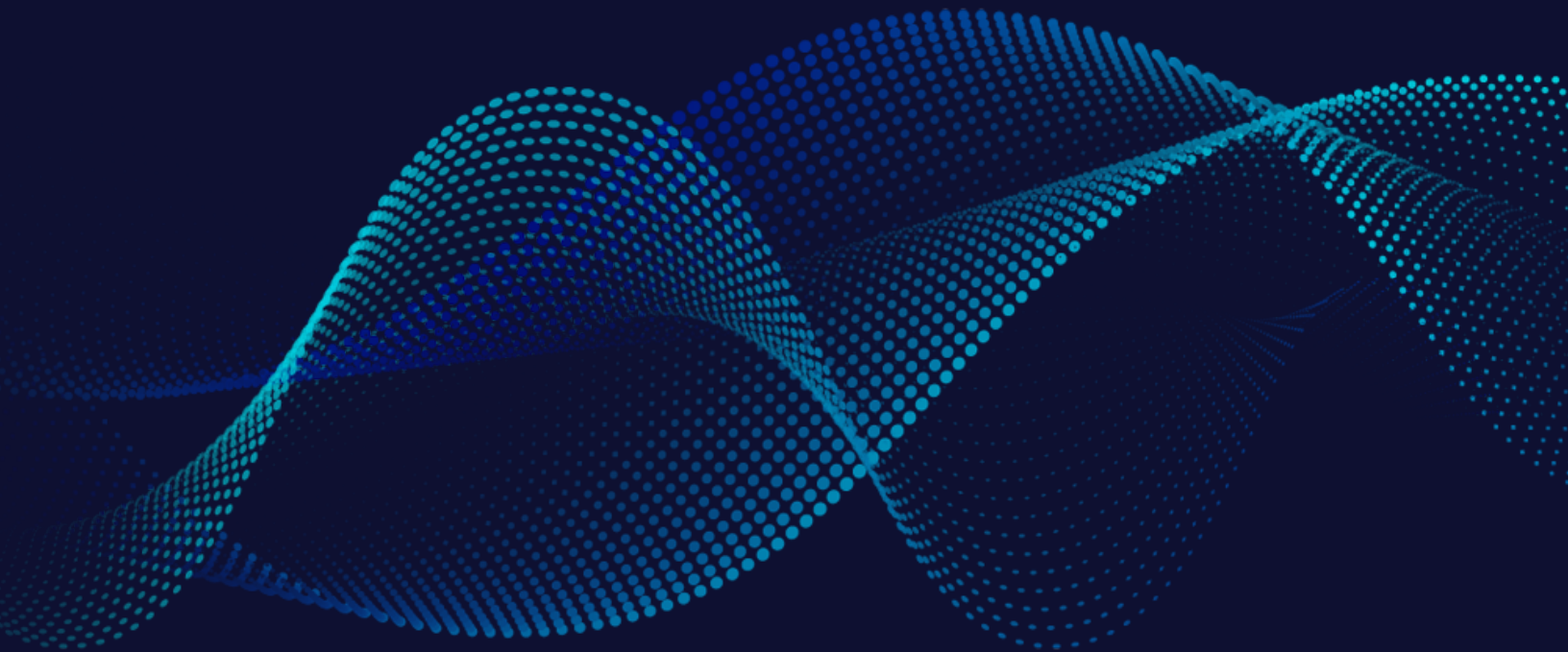


RELTIO

Data-driven transformation in financial services

Powering improved customer
experience, efficiency, and compliance



The growing urgency of modern data management for financial services transformation

In a world where customers wield the power of choice like never before, financial institutions are facing a pivotal moment. As interest rates continue to fluctuate, these institutions are redefining growth through a diverse product spectrum and increased customer focus. This shift magnifies the need to become more agile—breaking free from product silos, old practices, and old technology—or risk being left behind.

Financial institutions recognize the need to transform—and to do it quickly. To present as “one firm” and offer a frictionless customer experience across traditional and digital channels to attract and retain customers. To become more efficient during times when profits are challenged and a stable labor force is uncertain. To maintain compliance and security with ever-changing regulations and cybersecurity challenges. Each requires digital transformation—and that demands better use of technology and the availability of accurate, real-time data. Yet many organizations suffer from outdated and fragmented systems. It doesn't have to be that way.

Modern master data management (MDM) helps financial institutions tap into current technologies to connect their data, increase productivity, and offer excellent customer experiences. And by having comprehensive, unified data available instantly, marketers can improve segmentation and targeting. Sales can bring in more revenue from both new and existing customers. And executives can make better, faster decisions based on analytics powered by accurate data. Ultimately all leading to profitable growth.

[Aberdeen](#) found that **78% of financial firms struggle using data to achieve their sales, marketing, and service goals.**



Data, when treated as a product, has the potential to transform the foundations of banking. Banks don't lack data, they lack the means to unlock it, and simply and consistently turn it into actions.

— Accenture

[Top 10 Banking Trends for 2023](#)



The biggest roadblock—your data foundation

Financial services institutions depend on a wide range of data sources. But when silos exist among these sources—a problem that is all too common—the result is questionable data quality. Bringing together customer, product, credit, and other information from disparate, disconnected, and legacy systems into a consistent and consolidated view is not a trivial task. Especially when you have multiple systems supporting the same function, all in silos, with point-to-point integrations between them. This increases the fragmentation of your data and makes it more challenging to provide a unified customer 360 degree view that your stakeholders need to provide seamless customer experiences. This problem can become even worse from any M&A activity. As a result, this inaccurate and incomplete data from data silos can lead to errors, inefficiencies, and customer frustration. Without unified, trusted data, it's difficult to achieve your key business transformation initiatives.

Without a strong data foundation, you may experience these negative outcomes:

- It is challenging to identify your customers across channels, as well as see all their relationships with you, making it difficult to effectively cross-sell other products and services.
- While onboarding existing customers on new products, you may be asking them for the information they have provided you earlier, due to data silos. This can lead to negative customer experiences.
- Your effort to expand your product offerings through ecosystem partnerships, including with innovative fintechs, may be slowed down due to difficulty integrating with their systems.

- You may be using manual efforts to get an accurate view into your book of business, since the client account data is in business silos.
- You may experience challenges in harnessing the power of AI/ML-based systems that require high-quality, trusted data about customers to perform well.
- You may struggle to comply with data privacy regulations because consent permissions are captured independently in various systems and not shared across the enterprise, leading to potential fines and loss of customer trust.



30%

of consumers give their bank a 9 or 10/10 for customer service



59%

have acquired a financial services product from a new provider in the last 12 months



63%

say that the majority of their mobile bank logins are simply to check their account balance



Only **25%**

say their bank does a great job of being aware of important changes in their financial and personal situations

Source: Accenture, [5 ways to reignite customer relationships for growth](#)

Managing data effectively and efficiently with modern MDM

It doesn't have to be this way. A modern MDM platform can accurately and efficiently aggregate, cleanse, and relate data from hundreds of sources and monitor data quality, so you can count on your data's integrity and availability to support your business needs. And you can share trusted, insight-ready data with operational and analytical systems to power your decisions.

Our cloud-native SaaS MDM—the Reltio Connected Data Platform—unifies multisource data into a trusted source of information for your operational and analytical systems. Because our modern MDM platform is SOC1, SOC2, and HITRUST-certified, your data is secure and its privacy is protected. And, Reltio has been named a Leader in The [Forrester Wave™: Master Data Management, Q2 2023](#) among 12 vendors.

As part of the core platform, the Reltio for Financial Services velocity pack includes an out-of-the-box, industry-specific data model, configurations, and prebuilt integrations to D&B, BvD, and Salesforce, available as add-ons. These capabilities help you speed your time to value (TTV) and lower your total cost of ownership (TCO). Our battle-tested platform and prescriptive implementation methodology make it faster and more cost-effective to realize immediate IT and business benefits.



By implementing the cloud-native Reltio Connected Data Platform, we are looking to drive delightful customer experiences, resulting in customer growth, operational efficiency and reduced risk.

— Vice President of Customer Data Delivery, Fulton Bank, N.A.



Key transformation initiatives require timely, trusted data

Our financial services customers—including traditional full-service and online banks, as well as asset management firms—use [Reltio Connected Data Platform](#) to unify and enrich data from multiple applications into a trusted source of information for your operational and analytical systems. Below are the common use cases where our customers use this trusted data foundation to activate initiatives that drive a seamless omnichannel customer experience and increase operational efficiency, while simplifying risk management and compliance. We will examine a few of these.

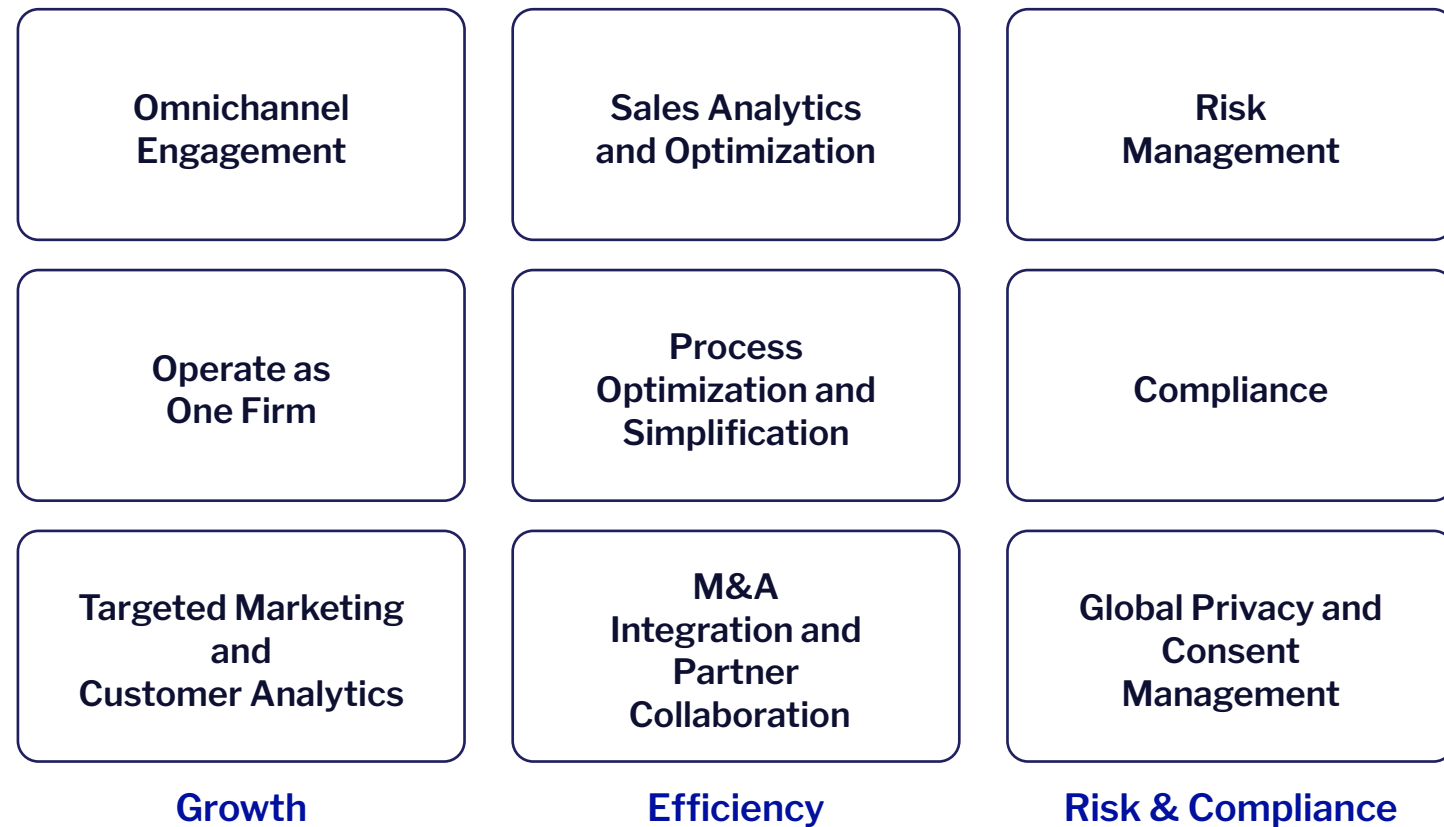


Figure 1: Transformation initiatives in the financial services industry, enabled using Reltio

Omnichannel engagement

By [2025](#), it's predicted that over 80% of the population will use digital banking for some of their interactions, up from 77% in 2022. However, in the past 12 months consumers [used branches](#) more than any other channel to open accounts, get advice, and acquire new products. As a result, retaining and growing your customers requires delivering engaging experiences in every interaction with them, regardless of the channel they use, including digital, branches, and call centers. This involves keeping up with the channel preferences of your customers, recognizing and connecting with them in the channel of their choice. It also requires having an up-to-date view of the products owned and accounts, along with their latest activity and transactions across all channel-facing operational systems.

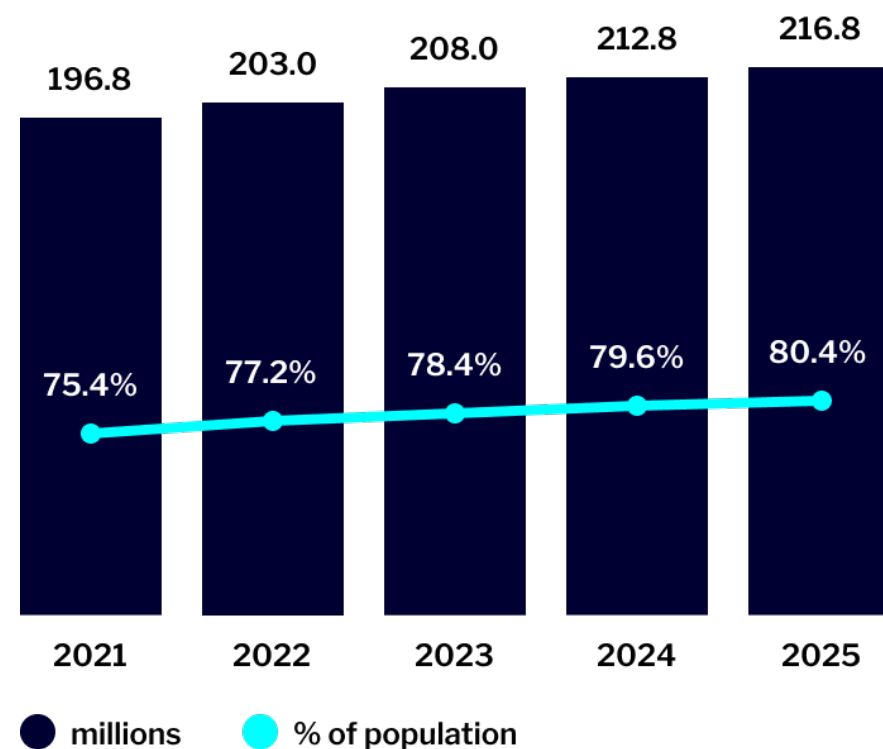
However, with customer and interaction data in product silos and inconsistent or incomplete across various operational systems, you are challenged to deliver omnichannel experiences to your customers. A consolidated, accurate, and up-to-date view of your customer and account data—along with interactions and transactions across all channels—is essential to delivering such experiences. It helps you increase customer engagement and loyalty, and improve your cross-sell rates. With fast access to high-quality data, you can now use AI tools to also deliver personalized, relevant insights and recommendations to your customers via your digital self-service channels.

Retaining and growing your customers requires delivering engaging experiences in every interaction with them.

By [2025](#), it's predicted that over 80% of the population will use digital banking for some of their interactions, up from 77% in 2022.

Digital Banking Users and Penetration

US, 2021-2025



There will be more than 200 million digital banking users in the US by 2022.

Source: eMarketer, March 2021
insiderintelligence.com

Operate as one firm and targeted marketing

According to an [Accenture study](#), 59% of consumers acquired a new financial services product from a different provider in the past 12 months. Consumers have an average of 6.3 financial products, but only half of these are from their primary bank. Targeted and personalized marketing is key to cross-selling your products to your existing customers as well as ensuring customer loyalty. To do that well, you need to start with clear visibility into all the products that your customers and their households own. You also need insights into their intent to buy more, based on their end-to-end journeys across all touchpoints, their recent life events, and their relationships. This customer-centric view should flow across product boundaries. Armed with these insights, you can present your customers with personalized offers and opportunities, including next best offers. And once they want to buy more, you can seamlessly onboard them just by asking them for incremental information that you don't already know.

However, limited levels of integration across siloed product platforms results in fragmented views of customers and their households, as well as their intent and their journey. This makes it hard for you to operate as one firm and drive personalized, targeted marketing. Consolidated and accurate customer, account, and interaction data—across product units and channels—is essential to moving from a product-centric model to a customer-centric model. And to enable consistent client experiences across all accounts and functions. It also helps you drive better upsell and cross-sell of your product portfolio, as well as streamlined customer onboarding and lifecycle management.

Consumers have an average of 6.3 financial products, but only half of these are from their primary bank.

Sales efficiency and effectiveness

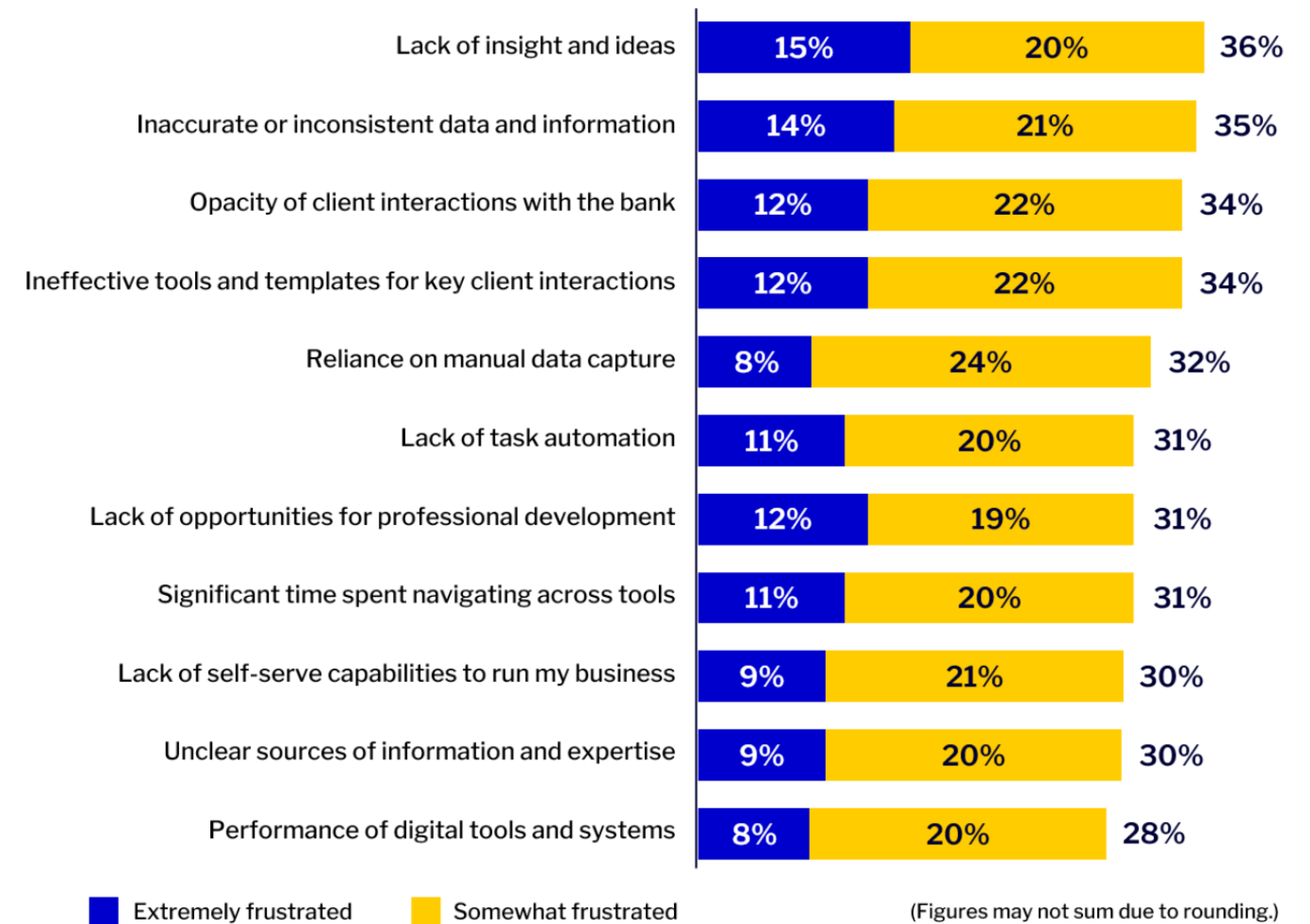
According to a recent [study](#), relationship managers (RMs) in US commercial banks often spend up to 60% of their time on tasks such as assembling information from different sources of data which have little to no impact on client satisfaction or revenue generation.

Similarly, an [Accenture study](#) of wealth management firms in Asia concluded that a typical RM uses an average of five tools or applications for each key activity. The study also found that inaccurate, inconsistent data and information is the second biggest source of their frustration. With an increasing number of clients to manage, sales teams need the most relevant, up-to-date information on their clients—as seamlessly and automatically as possible.

With an increasing number of clients to manage, sales teams need the most relevant, up-to-date information on their clients—as seamlessly and automatically as possible.

With comprehensive, high-quality customer and account data fueling your operational and analytics systems, your relationship managers get a 360-degree view of their clients to improve their productivity. And hierarchical views help your sales managers improve their territory planning processes. Better-quality data powering AI/ML systems delivers better client-specific insights to help relationship managers deepen their client relationships.

Lack of integrated tools and capabilities leads to RM frustration



Source: Accenture, Oct 2022 - [Why relationship managers are more crucial than ever](#)

Process efficiency and automation

Like many early-adopter institutions, you want to streamline and simplify your loan origination process and approval decisions by using AI-based risk assessment technology. You also want to further reduce your operational costs by removing the friction in processes that cause productivity losses, by fueling them with accurate and up-to-date information. With a 360-degree view of the customer, for example, your call center reps can resolve customer issues in the first call by having all customer information—including the latest transactions—without having to search across multiple systems.

By unifying, standardizing, and enriching data across systems, you can improve the efficiency of employees—in call centers and back-office operations—and reduce operational costs.



Ecosystem and M&A integration

Partnerships with fintech companies allow you to offer your customers new digital capabilities quickly and without a significant investment in product development. However, your technology foundation determines how easily you can share data with your partners. If your systems have fragmented, poor-quality data and outdated data integration tools, integration with partners can take significantly longer, making it challenging for you to deliver new services through your ecosystem in a timely manner.

Similarly, disjointed legacy systems and complexity of the IT environment—and fragmentation of underlying data—increase even further with M&A activities, making it difficult to extract planned synergies from the acquisition. According to a [recent McKinsey report](#), IT can enable about 70 percent of a bank's cost synergies. However, without careful planning, it can easily take 50 percent longer than expected to capture the value. It can also add incremental costs of 50 to 100 percent to what the bank already spends on IT. Your IT organizations need to have initiatives that proactively and continually address systems and data fragmentation issues as part of your M&A strategy. So you can extract planned synergies from an M&A integration in a timely manner.

With consolidated data and our API-led integration approach, you can reduce integration complexity, allowing you to meet your M&A timelines and targets. Rapid integration capabilities enable faster collaboration with your partner ecosystem, including fintechs.

IT enables about 70 percent of a bank's cost synergies, but it can easily take 50 percent longer than expected to capture the value.

— McKinsey

[Realizing M&A value creation in US banking and fintech](#)

Data privacy and compliance management

A recent [study](#) highlighted that compliance costs for global banks and large brokers with over 20,000 employees can exceed \$200 million annually. While smaller institutions may spend less overall, the impact of regulations can still act as a large burden on their revenue. In addition, even after spending money on compliance initiatives, poor data quality can lead to gaps in the process, leading to hefty fines. The same study also reported that in the two years from 2018 to 2019, international regulators imposed an all-time high of \$10 billion worth of fines on financial institutions.

The pressure of meeting the changing risk and compliance requirements can be overwhelming for financial institutions. The sheer number of regulations they must comply with is daunting, and the constantly evolving compliance landscape makes it hard to stay up-to-date. Furthermore, the complexity of regulations strains banks' internal systems and processes, making it more challenging and resource intensive. Siloed systems—with differing data quality—make compliance even harder. It is difficult to provide accurate and up-to-date documents for regulatory audits.

Siloed systems—with differing data quality—make compliance even harder. It is difficult to provide accurate and up-to-date documents for regulatory audits.

Regulations such as anti-money laundering (AML) and know your customer (KYC) require you to understand the nature of customer relationships, monitor and screen their transactions, and report suspicious activity to financial regulatory authorities. Data privacy regulations require that your employees and systems communicate with your customers in accordance with their privacy and consent preferences. Building detailed and accurate customer profiles and sharing them across the enterprise systems and processes in a timely manner is essential to simplifying compliance with these regulations.

We unify, standardize and enrich customer data—including consent, preferences, and profiles from various systems—and share it across the enterprise in real-time to help you simplify compliance and reduce related risks.

Accelerating value from data while reducing IT costs and risks

[Modern MDM systems](#) drive tangible value across industries and lines of business. By leveraging the latest technologies, cloud-native SaaS MDM with API-first architecture, and ML-driven automation, you accelerate how fast you gain value from your data and how efficiently you run your data management operations. So you can deliver innovation and agility within the constraints of your budget, while enabling faster time to value. All, without compromising on data security and privacy.

A US-based, digital-only bank found that their legacy MDM system was not scaling to their business needs. It was also very painful to add new data sources with that system. As a result, the bank had not rolled the solution out to other areas of their business such as mortgage insurance, lending, and credit cards. It was difficult for them to fulfill their vision of a single customer master and easily cross-sell other services. They selected our Reltio Connected Data Platform for its ability to provide a single source of truth for multiple data domains such as customer, organization, and product. They also liked our platform’s scalability, its API-first architecture, and flexibility to easily modify or add data sources to respond to business needs. The bank went live in 119 days, which included full migration of their legacy MDM customer master to our platform.

The bank went live in 119 days, which included full migration of their legacy MDM customer master to our platform.

Business Goal	Use Case
Uniquely identify each customer and all their holdings	A customer walks into a bank branch to inquire about certain products. The advisor views the products the customer currently holds with the bank to provide better service.
Unified customer profile across the enterprise	A customer calls on the phone to update an address. The call center agent pulls the customer’s unified profile and updates it, which then is used in all of the customer’s accounts.
Faster onboarding	A customer walks into the bank branch to apply for a mortgage. The customer service rep retrieves the existing customer’s profile from the system, uses it to prefill the mortgage application form, and emails it to the customer after confirming her contact preferences.
Targeted marketing	The campaign searches through existing credit card customers to evaluate their daily balances, repayment history, account balances, and historical transactions, and then sends credit limit increase offers to selected customers over their preferred communication channels.
Cross-enterprise, always-current customer holdings view	The system sends the wealth advisor a list of the top attrition-risk customers. The advisor contacts the customers to understand their concerns and suggest alternative offerings. Once a customer accepts, the information is updated in the customer profile and holdings.

Table 1: Typical use cases implemented by Reltio’s banking customers. Clean, enriched, unified timely customer data is at the core of enabling these initiatives.

The value of cloud-native, SaaS MDM

Lower operational and infrastructure costs:

- Subscription-based service, so your costs are predictable—with no management overhead or add-on infrastructure fees
- High availability and disaster recovery built in—no investment in redundancy
- Zero-downtime, zero-effort, zero-cost upgrades to use the latest features
- Improved IT resource utilization with fully managed MDM, low-code/no-code integration development environment, and API-led connectivity

Faster time to value—and agility and scalability—with real-time speed:

- Reltio for Financial Services velocity pack and prescriptive implementation delivers fast time to value—within 90 days
- Rapid modification and expansion as business requirements change
- Management of billions of profiles with reliable, millisecond latency for business-critical operations
- Cost-effective, dynamic scaling to support business growth or seasonal usage
- Deployment on all major cloud platforms: Amazon Web Services (AWS), Microsoft Azure, and Google Cloud Platform (GCP)

Simplified security and compliance

- Zero-effort security and access permissions, 24/7 monitoring and threat protection, and data encryption
- Backed by certifications such as HITRUST, SOC 1, SOC 2, TruSight, EU, APEC, and Swiss Privacy Shield
- Built-in consent and preferences to simplify compliance with data privacy regulations such as HIPAA, GDPR, and CCPA, and respond quickly when consent changes
- Data security controls tracking sensitive data usage and changes at granular level
- World-class IT network security using AWS/Azure/GCP safeguards



Helping financial services customers get more value from their data

We are committed to your success. But success can be difficult to measure, and it varies by organization. We reached out to our customers for examples of quantifiable benefits they received with our platform.

Value examples from our customers

£3.6M

Annual MDM cost savings

>\$1M

Upfront MDM TCO savings

60%

Increased first-call resolution for better CX

10X

Increase in data steward productivity

A top 10 global asset manager selected our Reltio Connected Data Platform because it provided the needed business agility and flexibility, coupled with more comprehensive customer profiles and insights.

Other factors included:

- The ability to merge and unmerge complex profiles very easily, including all transactions and interactions within the same profile
- The ability to scale on demand based on business requirements
- Zero downtime for upgrades
- A business-facing user interface with a “Google-like” search
- The ability to support multiple rule sets and hierarchies for managing and using these relationships

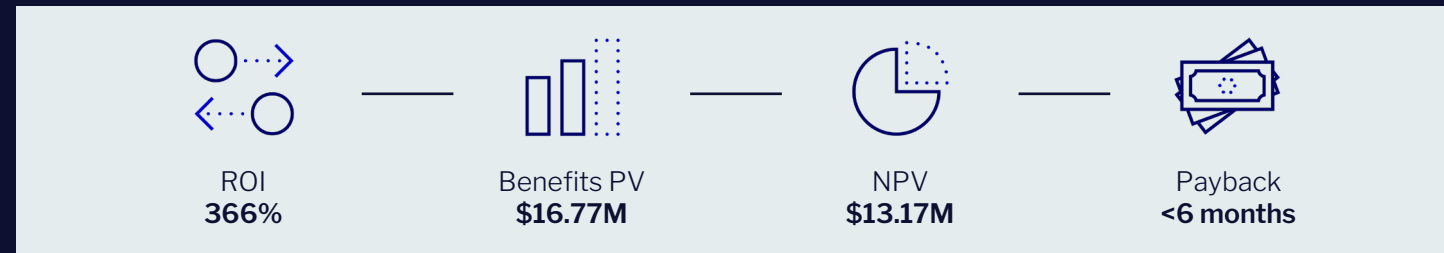
Their ability to offer unparalleled customer experience has dramatically improved based on our responsive data management platform.

Reltio Named a Leader in MDM Q2 2023 Analyst Report

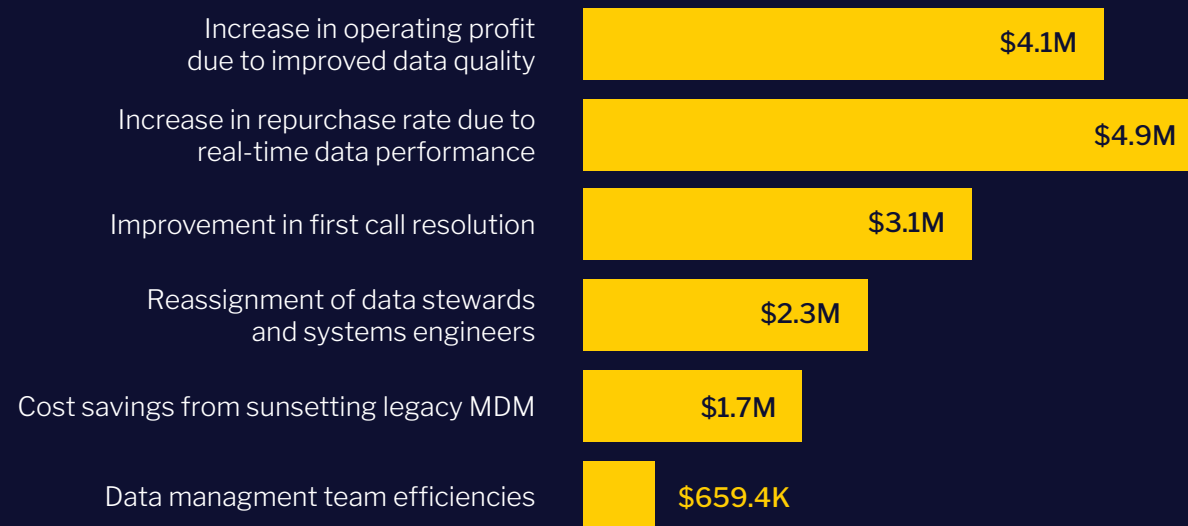
Reltio is recognized as a Leader in The Forrester Wave™ Master Data Management, Q2 2023 report, which states, “Reltio’s real-time AI-driven MDM delivers exceptional data quality and customer 360.” [Get this report](#) to see why Reltio is named a top Master Data Management Leader among 12 vendors participating in a comprehensive evaluation spanning 24 criteria.

Forrester Consulting TEI Study reveals 366% ROI with Reltio

We commissioned Forrester Consulting to conduct a [Total Economic Impact Study™ \(TEI\)](#) to quantify the benefits and costs associated with implementing a modern, cloud-native master data management solution with our Reltio Connected Data Platform. Forrester interviewed six of our customers and used its proven methodology to build a total economic impact model for a composite organization, which has both B2B and B2C operations. Based on interviews, the graphic below illustrates the risk-adjusted benefits of our platform. Or use our [TEI calculator](#) to estimate your own ROI.



Benefits (Three-Year)



Summary

As a financial services institution, you are challenged to deliver seamless omnichannel customer experiences, reduce costs, and increase operational efficiency, while simplifying risk management and compliance. But with aging technologies and fragmented data, it is not easy.

The ability to adapt to new business models and tap into modern technology for creating a customer-centric model is closely linked to how well you can manage your core data. Our Reltio Connected Data Platform helps you drive your critical transformational initiatives forward. And our Reltio for Financial Services velocity pack reduces implementation time to weeks, so you can get more value from your data sooner and with less effort.

We believe that high-quality data, available when you need it, is the essential ingredient in transforming your operations and driving positive outcomes—for customers, partners, and your business. We build a trusted data foundation, so you can focus on making the right decisions, instead of worrying about getting the right data. Let us put the full power of data in your hands so you can focus on delivering the best customer experiences.

ABOUT RELTIO

At Reltio, we believe data should fuel business success. Reltio's cloud-native master data management (MDM) SaaS platform unifies—in real time—core data from multiple sources into a single source of trusted information. Leading enterprise brands—from more than 140 countries spanning multiple industries—rely on our award-winning solution to turn data into their most valuable asset.

To learn more, visit www.reltio.com

US +1 (855) 360-3282

UK +44 (800) 368-7643

 @Reltio

 facebook.com/ReltioHub

 linkedin.com/company/reltio-inc

RELTIO