Actionable insights help banks and financial services firms in digital transformation

Challenges facing the industry

Economic turmoil, demanding customers, and regulatory pressures are constant challenges to the banking and financial services industry.

In its worldwide business analytics services forecast (published September 2014), International Data Corporation (IDC) forecasts business analytics services spending will reach $89.6 billion in 2018 and $51.6 billion in 2014, representing a 14.7% compound annual growth rate (CAGR).

Data growth has been explosive as the digital economy continues to grow

Cloud has become a force multiplier allowing organizations to scale IT infrastructure, platforms and application usage at will

The proliferation of social and mobile as platforms of engagement has meant that more and more information is generated and accessed by more and more people

This nexus of forces is complemented by big data and analytics, allowing firms to extract not just meaning, but actionable insights from data

Analytics will take center stage as the volume of data generated by embedded systems increases and vast pools of structured and unstructured data inside and outside the enterprise are analyzed. Organizations need to manage how best to filter the huge amounts of data coming from the Internet of Things, social media and wearable devices, and then deliver exactly the right information to the right person, at the right time. Analytics will become deeply, but invisibly embedded everywhere.

Gartner, 2014
http://www.gartner.com/newsroom/id/2867917
The banking and financial services industries have been adopting analytics across three broad functional areas of Customer, Risk and Operations Analytics.

**Reduce costs**
- Supply Chain Analytics
- Claims Analytics
- Call Center Analytics
- Workforce Analytics
- IT Operations Analytics
- Spend and Usage Behavior Analytics

**Grow Business**
- Market Sizing & Segmentation
- Acquisition Strategy
- Cross-sell and Retention
- Marketing Mix Optimization
- Campaign Effectiveness
- Sales Effectiveness
- Customer Satisfaction
- Social Media & Digital
- Churn management

**Manage Risks**
- Risk assessment, scoring and rules engine
- Fraud prediction & mitigation
- Credit Risk, AML, Loss
- Forecasting
- Default Management,
- collections analytics
- Regulatory Compliance
- (Basel, CCAR, etc.)
- Trade Cancels & Settlement
- Analytics

By leveraging data analytics, Key Bank can better understand customer preferences behaviours and deliver tailored offers, services and solutions.

Amy Brady  
Chief Information Officer at Key Bank, a unit of KeyCorp (US)
Analytics solutions for the Chief Risk Officer & Chief Financial Officer

Analytics can help CROs make more intelligent, data driven decisions to mitigate enterprise risk. Marketing officers are always under pressure to increase their share of wallet, derive higher ROI from their marketing campaigns and evolve with the rise in digital technology to offer an enhanced customer experience.

- Revenue forecast analytics
- P&L attribution
- Credit Risk and Counterparty Risk Management
- Stress testing, Basel II modeling, CCAR compliance delivered within budget and within timelines
- Build and maintain accurate risk models that comply with regulatory requirements (ModelEye)
- Risk based pricing and scorecards
- Delinquency Management
- Detecting, preventing and mitigating fraud risks in real-time.
- Application and transaction fraud monitoring
- Real-time rules monitoring
- Anti Money Laundering Solutions
Analytics solutions for Chief Marketing Officer & Chief Customer Officer

We offer analytical solutions across the customer lifecycle to help the marketing function of the organization:

- Enhance digital experiences for customers
- Product comparison & attribute sentiment
- Track sentiment, influencers, brand equity, trends, etc.
- Channel performance analytics
- Determination of key factors influencing decisions
- Marketing Budget Optimization

**Customer Engagement**

Analytical Insights across the customer journey in the organization can help acquire, engage, manage and retain customers.

- Acquisition and churn analytics
- Loyalty Program/Usage Drivers
- Segmentation and targeting
- Customer Lifecycle Value (CLV) estimation
- Contact Center Call Volume Reduction
- Discover cross-sell/Up-sell opportunities
- Campaign Effectiveness / ROI Analysis
- Real-time offers and personalization

**Customer Analytics**

- Social Media Analytics
- Customer Lifecycle Analysis
- Campaign Management
- Cross Channel Optimization

**Customer Lifecycle Value (CLV) estimation**

- Usage Campaigns & Spend Modeling
- Response/Risk Models, Revenue Optimization
- Cross-sell/Upsell Analytics
- Customer Segmentation & Acquisition Analytics
- Offer Optimization
- Activation Strategies

**Customer Engagement**

- Acquisition
- Growth
- Maturity
- Saturation & Decline
**Perceptible business results**

Projects are staffed with data scientists, analysts and industry consultants with rich experience in helping clients like you achieve their business goals.

<table>
<thead>
<tr>
<th>Model Monitoring</th>
<th>Spend Analytics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For Leading mortgage Services &amp; Lenders in US</strong></td>
<td><strong>For a leading Global Bank</strong></td>
</tr>
<tr>
<td>80% ↓ Reduction in manual effort by automating model performance report generation</td>
<td>$2M ↓ Reduced MDS (Market Data Spend) by rationalizing usage</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Risk Analytics</th>
<th>Score Implementation</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For a Leading Credit Card Company</strong></td>
<td><strong>For a Leading mortgage Data Aggregator</strong></td>
</tr>
<tr>
<td>40% ↑ Improvement in model accuracy through better merging and deduplication of relevant data sources and improved modelling</td>
<td>80% ↓ Optimized Model code and ported to a Big Data platform to reduce Model execution time</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Fraud Analytics</th>
<th>Campaign Analytics</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>For a Leading Cards Payment Processor</strong></td>
<td><strong>For a leading US Bank</strong></td>
</tr>
<tr>
<td>15% ↓ Reduction in manual review cost due to reduction in false positive</td>
<td>25% ↑ Increase achieved in 3 year ROI</td>
</tr>
</tbody>
</table>
Innovation that matters to you

Cognizant has developed scalable solutions and alliances so you can unlock insights faster.

Scalable analytics IP and solutions developed so we can help you quickly unlock significant value from your data.

- **Cognizant ModelEye**
  Enterprise Model Inventory Management and Monitoring Platform

- **Cognizant Economic Scenario Generator**
  Helps banks predict portfolio performance under stressed scenarios

- **Cognizant devHALO**
  Solution to predict and prevent failures in IT Infrastructure systems

- **Cognizant MerchantDashboard**
  Helps merchants understand customer behavior and enhance revenue

- **Cognizant Voice of Customer**
  Analyzes customer data to understand customer experience and pain points

Our industry partnerships help you get the best technology

- CLARABRIDGE
- Guardian Analytics
- ZEMENTIS
- FICO

Service delivery you can rely on

Proven Cognizant delivery model, fast on-ramps for project teams, regular touch points to ensure directional alignment.

- Over 3000 professionals including Data Scientists, Analysts and Domain Consultants.
- Delivery centers in NA, UK, Europe, APAC & Latam.
- Worked with 9 of the top 10 European banks, and 6 of the top 10 North American banks.
Let’s Talk
If you’re looking for ways to accelerate data-based decision making and improve business performance, we’d like to be your analytics partner. For more information, please visit www.cognizant.com/enterprise-analytics or contact us at BFSanalytics@Cognizant.com.

About Cognizant
Cognizant (NASDAQ: CTSH) is a leading provider of information technology, consulting, and business process outsourcing services, dedicated to helping the world’s leading companies build stronger businesses. Headquartered in Teaneck, New Jersey (U.S.), Cognizant combines a passion for client satisfaction, technology innovation, deep industry and business process expertise, and a global, collaborative workforce that embodies the future of work. With over 75 development and delivery centers worldwide and approximately 211,500 employees as of December 31, 2014, Cognizant is a member of the NASDAQ-100, the S&P 500, the Forbes Global 2000, and the Fortune 500 and is ranked among the top performing and fastest growing companies in the world. Visit us online at www.cognizant.com or follow us on Twitter: @Cognizant.