



5 Areas Where Banks Can Improve Real-Time, Personalized Customer Management Treatments

Interactive Roundtable

Brad Rollin

Sr. Director, Demand Generation

Matt Norton

Sr. Principal Consultant



Today's Presenter

Matt Norton, Senior Principal Consultant, FICO



- More than 25 years of experience in unsecured and deposit banking in mature and start-up markets in the US and Spain.
- Technical and operational management experience across numerous lines of business and staff management positions throughout the credit life cycle including new account origination, portfolio management and collections.
- Currently a key member of FICO's Credit Risk Lifecycle Line of Business leveraging his extensive knowledge of developing and implementing strategies to improve profitability and mitigate portfolio risks.
- Previously worked at Santander US, Bank of America and MBNA both in the US and in Spain. MBA from EALDE Business School.

"It's time to strategically advance personalization... Gaps in capabilities impact CX. There is room for banks to improve customer journeys. Personalization challenges and a poor understanding of customers lead to costly consequences."

– Forrester Consulting

*Unlocking Hyper-Personalization At Hyper-Scale
(2023)*

Agenda

1. Introduction.
2. Event-based customer management.
3. Next best action/experience.
4. Credit line management.
5. Deposit price execution.
6. Pre-delinquency & early collections.
7. Key takeaways.

Are personalization initiatives failing?

Only 23% of consumers rated their main bank highly for the competency of its personalized financial advice

30% of respondents rated their bank's customer experiences as excellent

59% recently acquired a financial services product from a provider other than their primary bank

Source: Accenture

Why are personalization initiatives failing?

While banks have invested in mobile banking applications, ChatBots, and customer service automation, they lack a singular, unified view of their customers to deliver relevant and personalized customer experiences through those channels.

Only half of banks surveyed said their organization strives for a single view of its customer through accurate and accessible data

Source: Forrester

Advance your personalization initiatives!

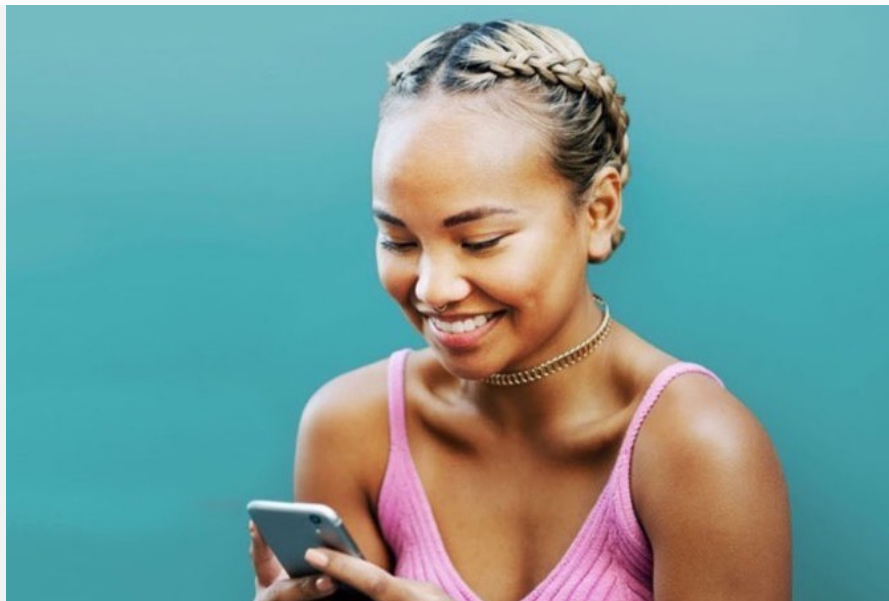
Build customer trust, loyalty, and retention by using data and analytics to drive better experiences.

Take personalization to the next level:

Gather data, synchronize information, and generate real-time insights at scale.

Deliver more contextual, engaging, intuitive experiences that bring value to the customer and the business.

Achieve all this without ripping and replacing your legacy systems or CRM.



Event-based customer management



Behaviors that create insights.

Connect with the real-time data your customers are generating and identify key trends as they emerge.



Personalized offer targeting.

Leverage technology that drives real-time analytic insights so you can maximize growth opportunities through targeted, risk-aware offers.



Balancing growth and risk.

Comprehensively evaluate your portfolio and scale your strategy to help customers while shielding yourself from loss.



Proactively determine your customers' needs.

Leverage real-time and traditional data to create a 360° view of each customer.

Precisely profile customers based on risk, financial resilience, circumstances, preferences, traditions, and digital behaviors.

Balance the customer's interests/needs with your organization's business objectives.

Credit line management (increase/decrease)

**Build trust and loyalty,
especially during times of
financial stress.**

Understand which customers need/have the capacity for additional credit.

Identify customers who are showing vulnerability through stress markers.

Determine the best approach for working with them so you are perceived in a positive light.



Deposit pricing



Drive loyalty and retention.

Improve your ability to optimize pricing and streamline the execution of new pricing strategies.

The combination of price optimization and execution are the two sides of the coin that can deliver immediate value to both the bank and your customers.

Pre-delinquency & early collections

Conduct personalized outreach with appropriate actions when stress markers show in a customer's life.

Engage early and meaningfully, ahead of the competition.

Pivot towards caution while addressing customer vulnerabilities.

When handled correctly, the loyalty that's built into these moments is second to none!



Key takeaways

Leverage the tools you have to grow customer relationships and maximize profitability.

- Being an active user of your technology and decisioning tools increases customer utilization and profitability, while also mitigating losses.
- Don't "rip and replace." Utilize technology that integrates with your existing servicing and core processing platforms.
- Start with a specific use case and leverage your learnings to continually adapt the strategy in line with your business objectives.
- Focus on the customer experience. Make sure your customers can see the value of the experiences and actions that impact them. This helps build and maintain trust and loyalty.

FICO WORLD²⁴

April 15 - 18, 2024

Marriott Marquis San Diego Marina

At FICO, we are obsessed with powering your customer connections and hyper-personalizing interactions to drive outsized business outcomes. Join us to learn how you can apply best practices in advancing platform decisioning, drive financial inclusion, and super-power your organization.



www.ficoworld.com



Customer Management Sessions at FICO World



- Turn Customer Data Into a Major Competitive Edge With Real-Time Analytics & Event-Based Decisioning
- Clairvoyance for Collections: Predictive Insights to Minimize Losses and Deliver Financial Stability
- How to Grow Business and Build Trust With Always-On Hyper-Personalization
- ...and more!

Questions?



Thank you