

# It's all about data: harnessing finance's most valuable asset

September 2nd 2022

## Infographic

Following the wholesale shift to digital banking, banks hold a wealth of historical and customer data. But to realise its true value, they must be able to access, make sense of and deploy it to support real-time decision-making.

The audience of "It's All About Data: Harnessing Finance's Most Valuable Asset", a roundtable sponsored by InterSystems and organised by Economist Impact, was surveyed about what is driving banks to become data-led businesses and what barriers prevent them from making greater use of the vast volumes of data at their disposal.

Asked where data makes the most vital contribution in their business, 44.5% of respondents nominated the development of business strategies and profits. This was followed by research and product development (33.3%), while improving the customer experience and tackling operational inefficiencies were each selected by 11.1% of respondents.

Multiple factors are preventing financial-services institutions from harnessing the true value of their data. Of the options presented—lack of quality data and tools to employ available data; regulations and restrictions around the usage of data; and lack of skills, talent and knowledge to keep up with the pace of digitalisation—44.5% of respondents said all three were an issue.

A further 22.2% of respondents selected two of these options—lack of quality data and tools, and regulations and restrictions—as the chief reasons banks cannot harness the true value of their data.

Using data to meet increasing customer expectations is the key driver for pioneering data-led businesses in the financial sector, according to 66.7% of survey respondents. Having access to tools to gather quality data and skills to employ it was the second-most popular driver (33.3%). None of the audience considered competition, or collaboration with fintechs, as motivating data-led pioneers.

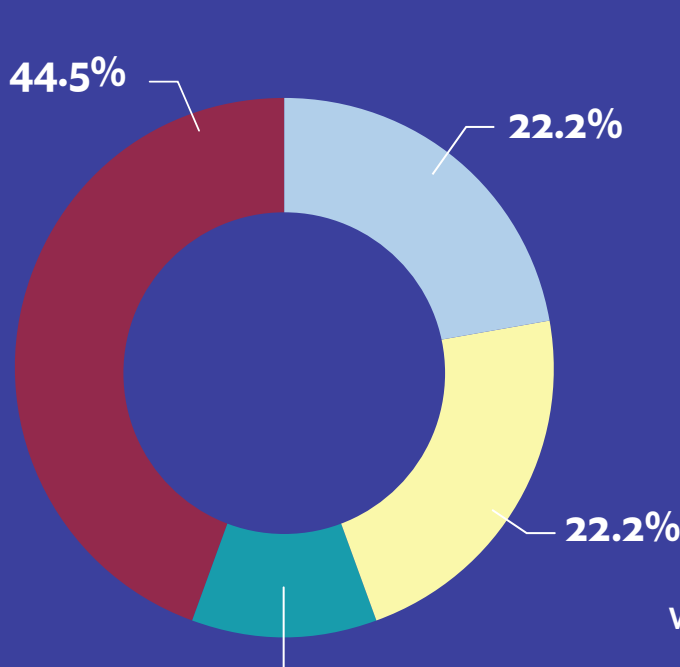
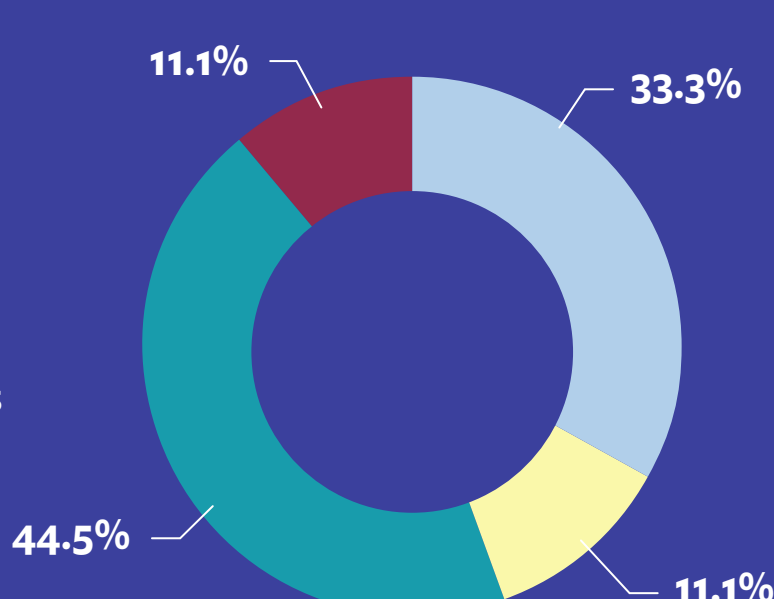
Most of the audience (75%) believed educating users about their products and services is the best way to localise data strategies to improve the customer experience. A quarter (25%) said collaborating with local financial institutions and governments was the best solution. None favoured investing in competitor research to better localise their data strategies and improve the customer experience.

It is clear from the survey results that harnessing value from data is a serious challenge in the banking industry. With multiple factors holding financial institutions back, there needs to be a multi-pronged approach to enabling their data journeys.

That approach needs to include investment in tools for interrogating and analysing data, talent development, and close collaboration with government and the wider industry to ensure that standards and regulations support rather than hobble innovation in banking.

### In which business function does data play the most vital role?

- Research and product development - 33.3%
- Improving customer experience - 11.1%
- Strategising business strategies and profits - 44.5%
- Tackling operational inefficiencies - 11.1%

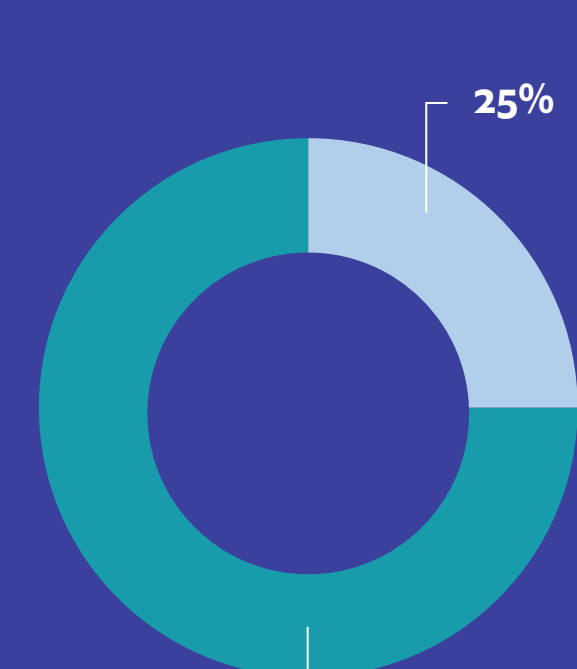
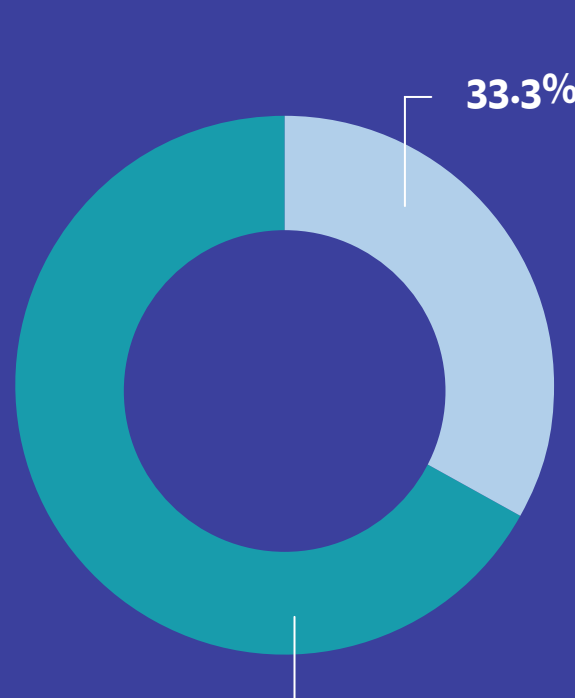


### What key factor prevents your organisation harnessing the true value of its data?

- Lack of quality data and tools to employ available data - 22.2%
- Regulations and restrictions around the usage of data - 22.2%
- Lack of skills, talent and knowledge to keep up with the pace of digitisation - 11.1%
- All of the above - 44.5%

### Which is the key driver for pioneering data-led businesses?

- Access to tools to gather quality data and skills to employ it - 33.3%
- Collaboration with fintechs for best use of data - 0%
- Using data to meet the increasing customer expectations - 66.7%
- Better analysing of data to stay ahead in the cutting-edge competition - 0%



### How can large international financial institutions better localise their data strategies to improve customer experience?

- Collaborate with local financial institutions and governments
- Invest in competitor research
- Educate users about their products and services
- None of the above

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