

DATA

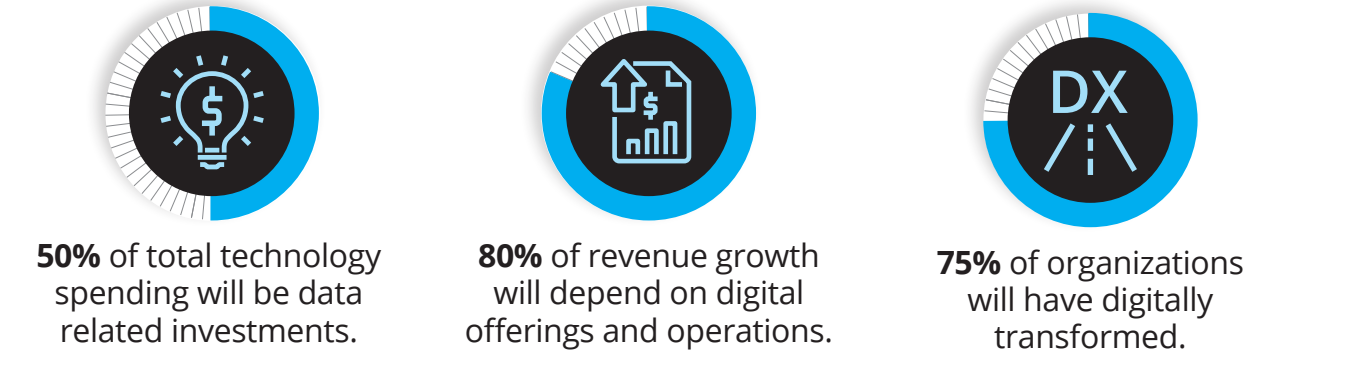
The New Fuel Powering a Compliance-driven Digital Age

This IDC Infographic highlights the importance of leveraging data and creating actionable insights for successful digital transformation in financial services across Asia Pacific (AP).

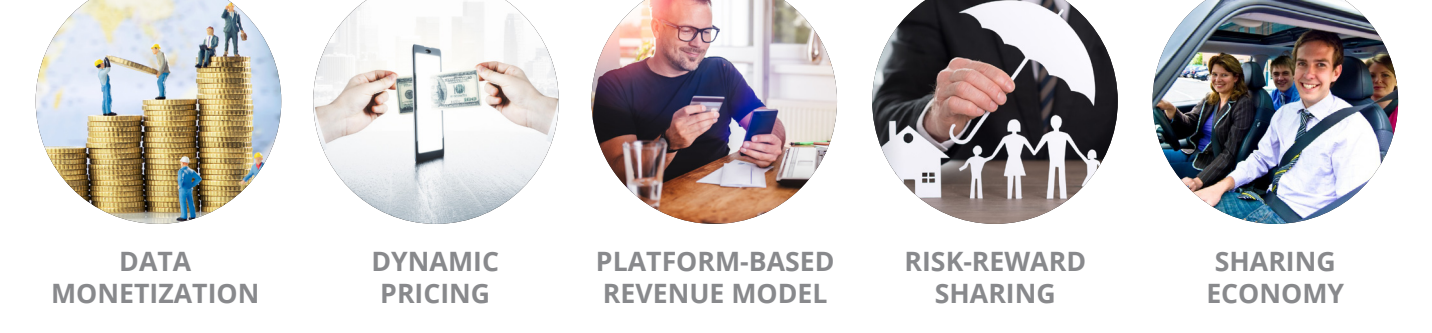
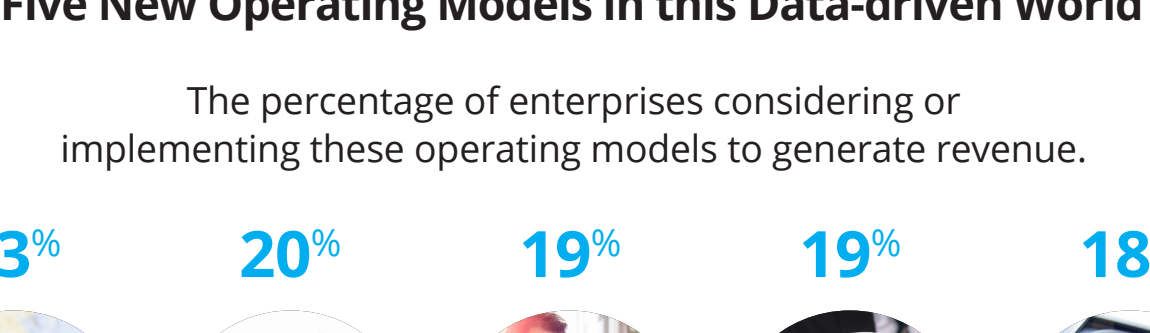


Business Landscape is Changing

The race to reinvent is the race to become a digital native enterprise

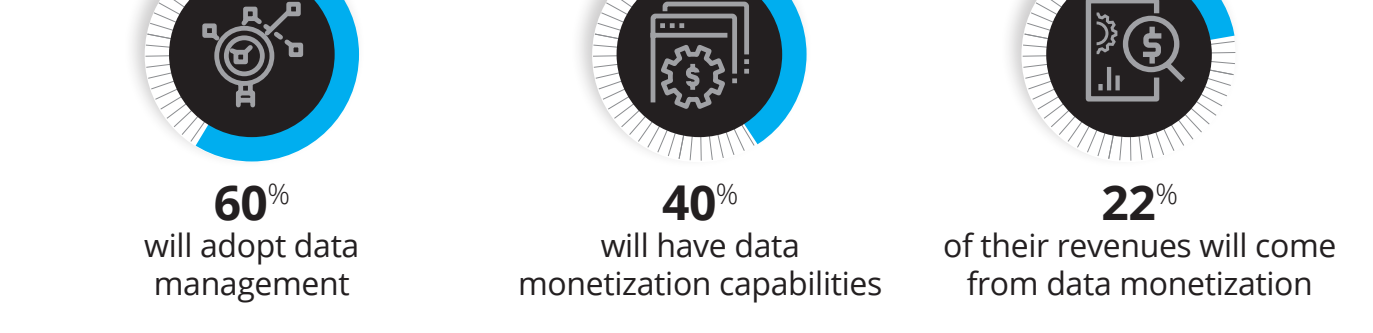


Milestones in the digital economy where organizations need to be data savvy



Five New Operating Models in this Data-driven World

The percentage of enterprises considering or implementing these operating models to generate revenue.



Source: IDC's Cloud and AI Adoption Survey, January 2018 - APeJ, n = 75

IDC predicts the following for **large enterprises** by 2021:



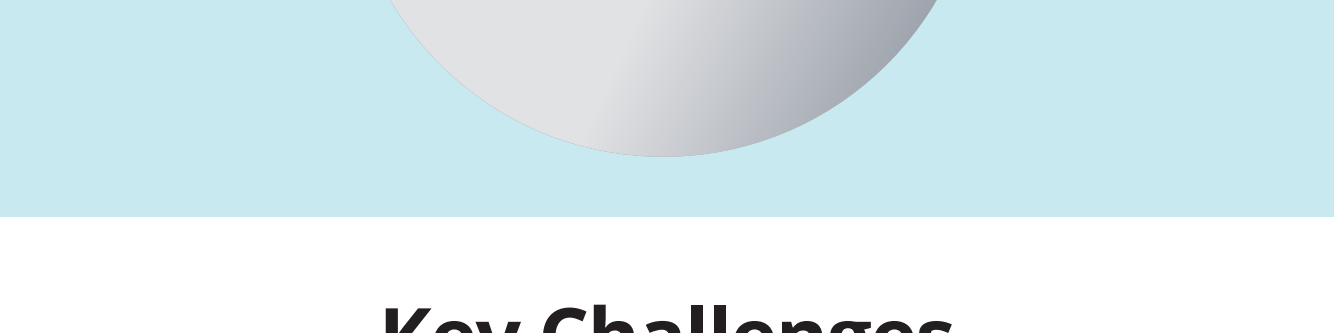
Digital Transformation in Financial Services

Three Strategic Imperatives for Banks and Insurance Companies

- 1 Deeper understanding of the customers**
Better insight creation and identity management to deliver personalized value.
- 2 Unbundling and re-bundling of financial services**
Breaking down product silos and using smart algorithms and analytics to deliver transformative financial services.
- 3 Embracing open ecosystem**
Connecting with trusted third-parties via application programming interfaces (APIs) expands market reach and builds new revenue streams.

Data Strategy in the Heart of Digitalized Banks

In 2019, banks need to be able to integrate and manage data effectively, such that insights can be derived to transform the entire business.



Key Challenges Facing Financial Services in the Digital Age

1 Data Explosion
Data grows at a fast pace. Enterprises will generate more data as they digitalize their business processes, products and services.

51 Digital touchpoints and counting with increases in channels, the greater the challenge and importance in understanding the customer experience.

1 Million transactions per second present a challenge to create value from a tsunami of data

2 Data Complexity
Ongoing challenges include control, reconciliation and analysis of different types of data for fraud detection, data exploration, customer analytics and regulatory investigation.

Transaction Data
Unprecedented increase in Asia's eCommerce markets such as in China, India, and ASEAN countries.
Number of transactions recorded by China e-commerce sites on special promotional days: **325,000 per second**

Behavioral Data
Personalization and recommendation based on individual credit worthiness and risk profiling.

Edge Data
Deep analytics, operational intelligence and augmented reality and virtual reality (AR/VR) applications.

3 Compliance and Governance in Customer Information
Data is the new currency in banking. Safeguarding its ownership and transaction is crucial in future-proofing the business.

25% of AP banks and financial institutions will have adopted automated governance, risk and compliance solutions by 2021.

30% of companies in AP have disclosed one or more data breaches over the past three years.

4 Governance Spending Outlook
With banks and insurance companies housing sensitive customer data heavily regulated by monetary authorities, the challenge is to focus on innovating actionable insights at the same time adhering to regulations.

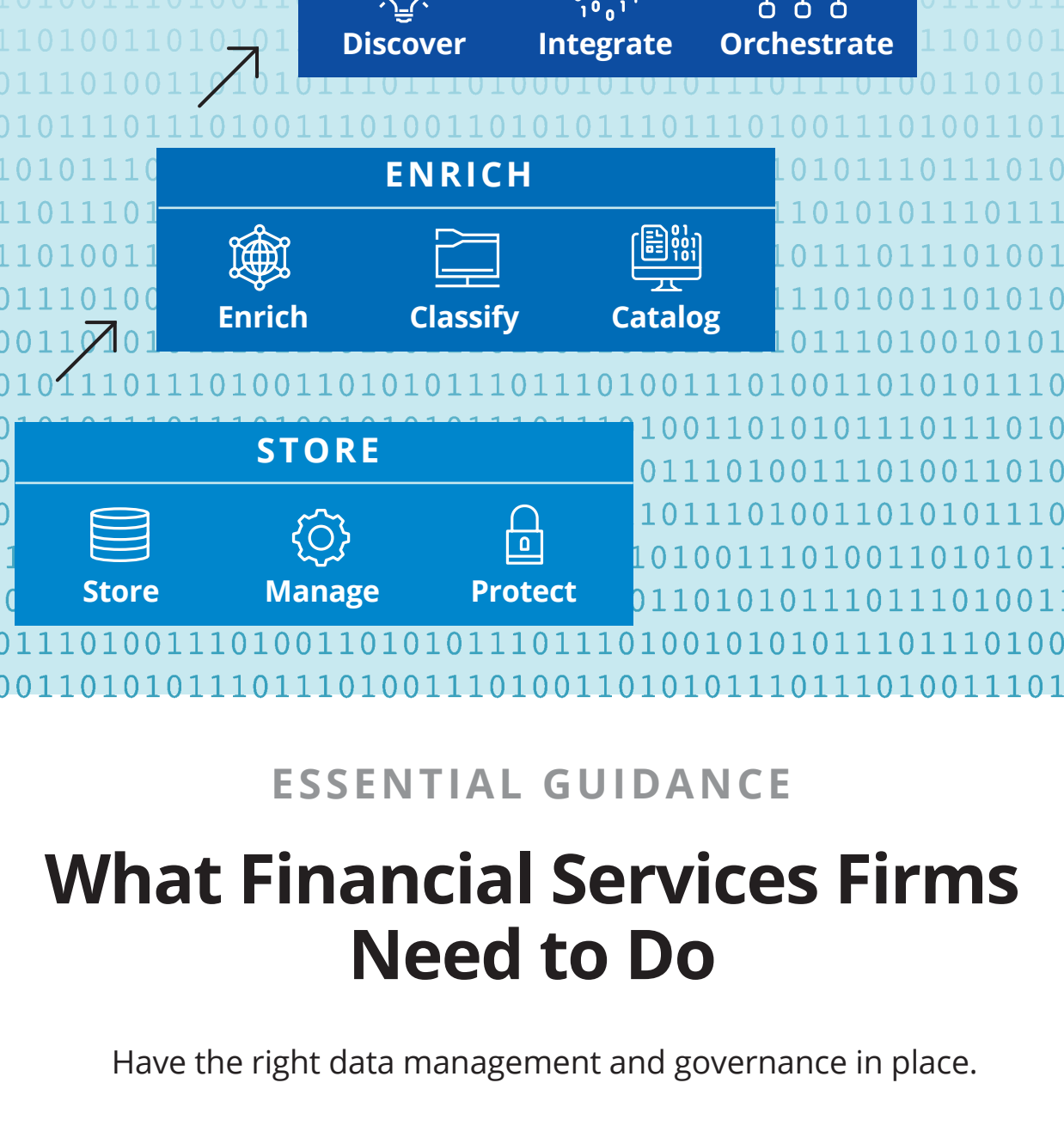
6 of 13 AP markets will release **new guidelines** on data protection and personally identifiable information (PII) increasing focus on customer data protection.

50%+ Increase in spending on new governance policies and procedures by 2020 due to lack of algorithm transparency, perceived decision bias, and malicious use of artificial intelligence.

25% of IT spending is associated with compliance. Increasingly, a part of it is managing, protecting and governance of PII.

Four Key Elements to Build a Data-Driven Framework

This data journey maximizes value at every step while ensuring visibility for governance gaining meaningful insights to support speed and time-to-market goals.



ESSENTIAL GUIDANCE

What Financial Services Firms Need to Do

Have the right data management and governance in place.

- CULTURAL BARRIERS**
Encourage information sharing and collaboration across line of businesses (LOBs) to gain a 360-degree profile of customers for better cross- and up-selling.
- DATA AWARENESS**
Create visibility around data assets within and outside the organization.
- DATA PLATFORM**
Consolidate structured and unstructured information on a data services platform that provides federated access to stakeholders.
- COST AND RISK**
Stay cost-effective and mitigate risk while continuing to provide data and information dynamically to stakeholders.

Key Selection Criteria for a Technology Partner

Find a partner that has an ecosystem and comprehensive solutions to build a next-generation governance and compliance framework.

- DATA GOVERNANCE PLATFORM**
for seamless data access acquisition and access based on rules, policies and management framework that ensures complete transparency through the data lifecycle.
- EXTENSIBLE ARCHITECTURE**
for a resilient and scalable data platform that provides data services for applications running on bare-metal, virtual servers, or in containers.
- PLATFORM AGNOSTIC**
to deployment location and type - public versus private cloud versus traditional architecture.
- SEAMLESS DATA CONNECTIVITY**
to third-party external applications and data sources across LOBs and functions.