



# Hyper-personalization across the customer lifecycle

## European Digital Finance Conference

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A good decision is an art.

A hundred billion good decisions is a science.

## Agenda

1. What is Hyper-personalization?
2. Why is Hyper-personalization so important?
3. What do you need to maximize your personalization efforts?
4. FICO Successes
5. Summary



Then



Now

Search for... 

 Regulars  Favourites  Previously Purchased

Your previously purchased items

You can easily add all the items from a past order from the [Your Orders page](#)

32 items (14 on offer per page)

All previously purchased on offer per page

Sort A-Z 

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 2 Peshwari Naans  
★★★★☆ (89)  
£0.80  
(40.0p/each)

# Hyper-personalization



Data driven enhanced interactions, based on that person's history, preferences, context, and intent



To provide optimal customer engagement at scale and in real-time



At every touchpoint across the customer lifecycle



To enable the building of 1:1 relationships that are unique and can't be replicated.



Why is  
Hyper-personalization  
so important?



## Why is hyper-personalization so important?

72%

of consumers say that personalization influences their bank selection

70%

Of consumers are already using multiple banks beyond their primary one

\$1T

in banking P&L is up for grabs by 2030 due to tech disruption and shifting revenue

Engage individuals  
in a one-to-one conversation  
to meet their unique needs,  
through “always on”  
engagement and experiences.

Consumers evaluate their experience against  
industry competitors and...**best in class**  
digital experiences.

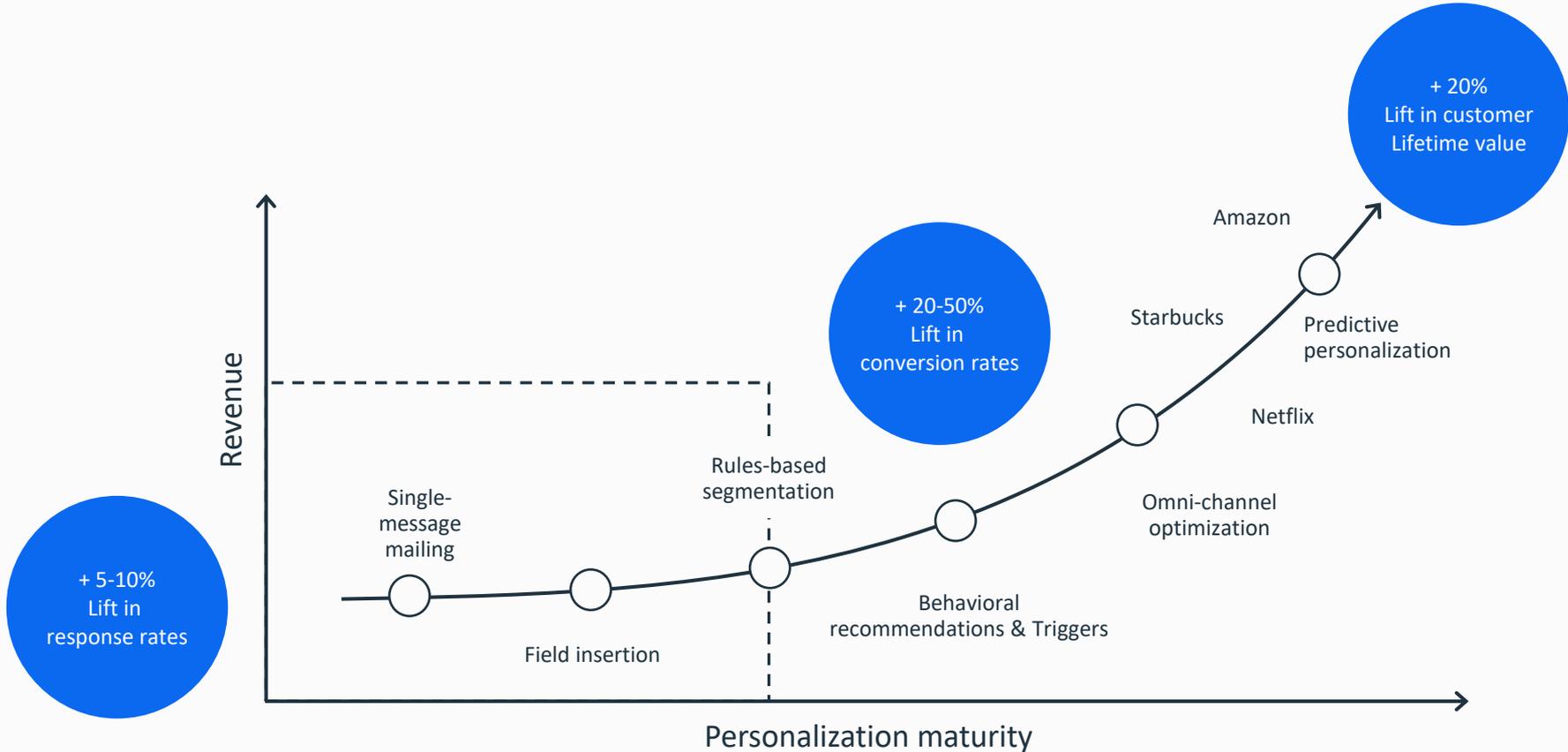
**amazon**

**NETFLIX**

  
**airbnb**

**UBER**

# Revenue increases with personalization maturity





What do you need  
to maximize your  
personalization  
efforts?



# Enabling the 360° Customer View

  
Control data requests

  
Establish Data Connections

  
Data Preparation

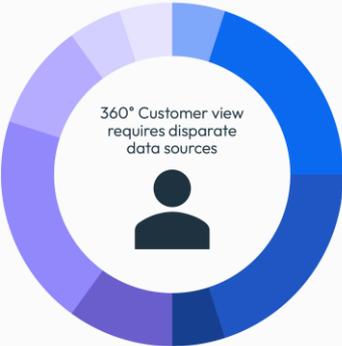
Location

App Interactions

Transaction Data

Open Finance

All Products



Applicant Data

Credit Bureau

Payment Performance

Single Product Use

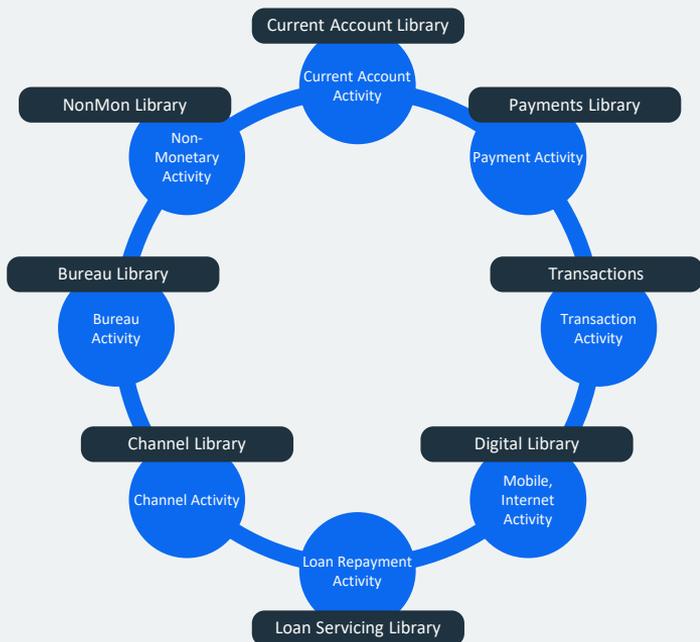
  
Derive Characteristics

  
Execute Models

  
Event & Customer Profiling

# Robust profiling drives intelligence

## Profiling



## Features

### Income Related

- Stability of income
- Recency of income
- Type of income
- Income drops
- Income increases
- Others

### Expense Related

- Trends in essential expenses
- Trends related to non-essential expenses
- Habitual expenses
- Expenses relative to income
- More

### Savings

- Trends related to savings
- Savings increases
- Savings decreases
- Internal transfers
- More

### Commitment Related

- Loan repayments to other banks
- Card repayments to other banks
- Loan repayments to DBS
- Loan repayments as a percentage of savings
- Loan repayments as a percentage of income
- BNPL usage
- More

### Financial Ratios

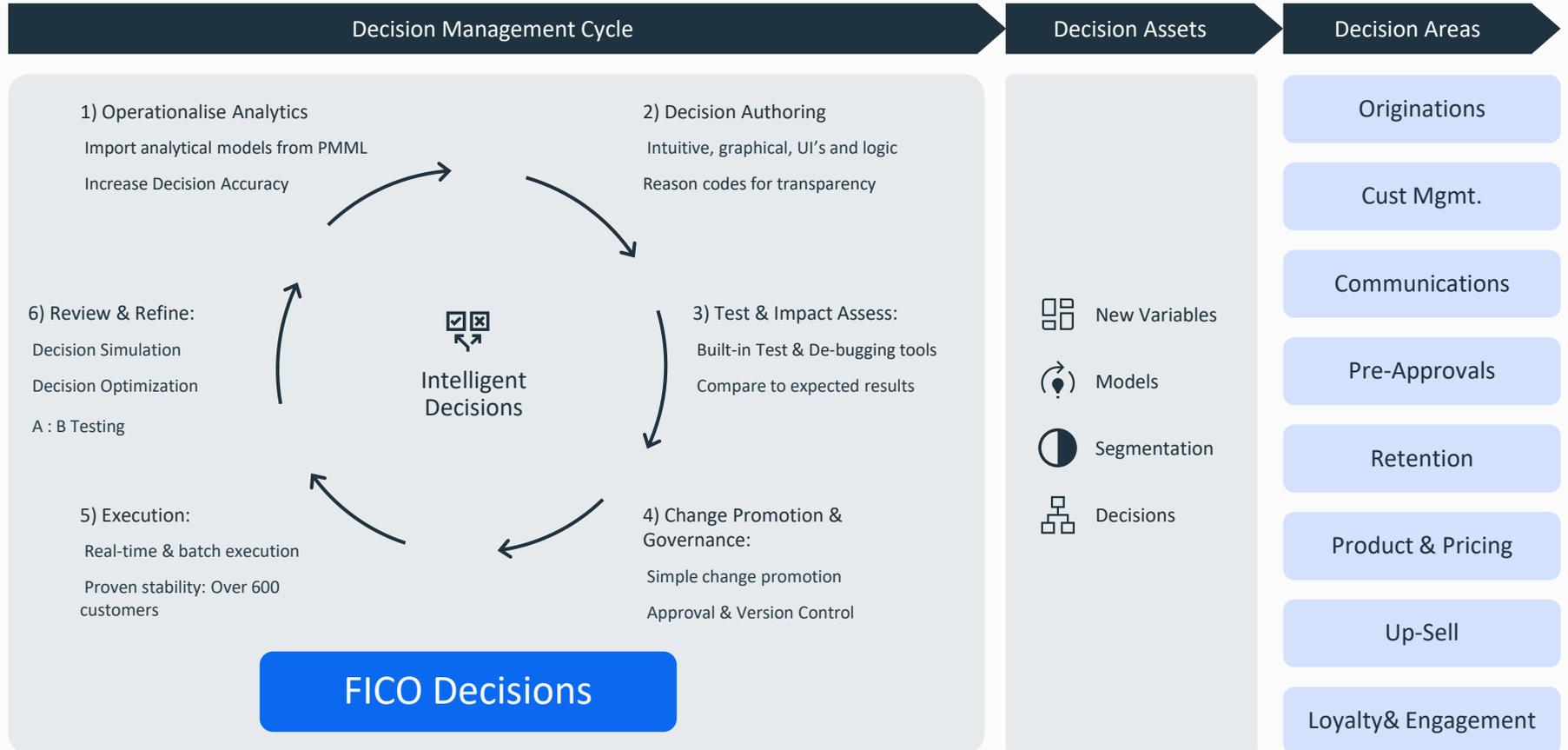
- Essential expenses to income
- Variable expenses to income
- Debt repayments to income
- Net savings to income
- Total debt to total savings
- Total debt to yearly income
- More

### Red Flags

- High levels of high-risk transactions – gambling, fee/charges, etc.
- Thickness of transaction statement
- High levels of transaction masking
- High level of uncategorized transactions
- Intensity of high value debits & credits
- Transaction masking
- More

The profiles are expected to be always live and available for decisioning  
This enables your machines to listen to your customers and be with your customers throughout their lifetime

# Digital decisioning for the intelligent enterprise





# FICO Client Successes



## Unifying and improving the customer experience across all channels

### Client



### Challenge

Needed to revolutionize the customer journey with instant decisions and optimized pricing.

### Results

Increased digital transactions more than 60% using real-time credit solutions.

Increase line decisioning from 6 months to 2 days.

Increased credit line revenue and number of users by around 15 percent.

Increased credit delivered by 55%, grew renegotiation rate by 22%, and reduced bad debt by 41%.

“Brain is the digital transformation program for credit solutions at Bradesco. It was born in 2019 with the partnership of FICO. It determines every day all available credit limits for our 40 million clients. The results are higher credit quality, customer satisfaction, revenue growth and data latency improvement.”

– Natalia Izique,  
Head of Digital Transformation, Bradesco

## Transforming the customer experience

### Client



### Challenge

Connect decisions across the bank to make better, more informed customer decisions.

### Results

Beat business case by more than 3x.

50% more efficient.

Easy simulations.

Created strategies that are down-turn-ready, parameter based.

“BMO was looking for a solution to ensure we could provide the ultimate customer experience. FICO® Platform enables us to do that by being able to connect everything we know in the bank and make automated decisions that are faster and easier. It has been a complete change in how we operate.”

– Elizabeth Billyard,

Head, North American Retail Credit & Credit Risk Officer

# If you forget everything else...

FICO is helping our customers lead the way

## Key takeaways

1. Customer expectations have increased dramatically – aim for always on, real time personalization to meet them.
2. Value the data you have, and the emergence of new data sources – and make use of them.
3. Real time features and profiles support a contextualized view of your customer – that supports a deeper understanding
4. Agility in your decision logic is necessary for continual enhancement
5. Combining all of the above enables a mature personalization solution, which will drive significant profitability gains

# Questions?



Thank you