

Predictive Insights in Consumer Marketing:

A Guide for the
Financial Services Sector



It may be an uncomfortable truth,

but banks and their customers have rarely been happy bedfellows, despite (or perhaps even because of) the intimacy of the relationship. After all, for many of us, our bank knows more about our habits than our closest friends or partners. And yet, at times, it's like they don't know us at all.

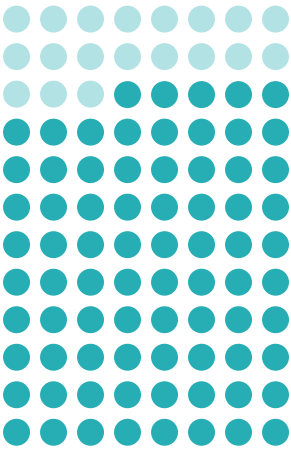
This needs to change. The retail banking and financial services sector is more competitive than ever. New online-only propositions emerge on a regular basis, grabbing consumers' attention with brightly coloured debit cards and devastatingly attractive offers.

For many years, the primary reason consumers didn't change their bank was the difficulty in doing so. **This barrier has disappeared**, and any complacency from the incumbents must follow suit.

The opportunity for exemplary customer service is well within the grasp of the financial services sector. **It begins with customer data**, and putting this to use in adding value at every stage of the customer relationship.

Increasingly, the use of artificial intelligence (AI) and machine learning (ML) is allowing banks to accurately predict their customers' needs, and act accordingly. Giving advice, guidance, and highlighting products and services not only deepens customer relationships, but **makes every customer interaction more profitable** by potentially deriving insights with personally identifiable information (PII) while retaining the security and integrity of the data.

63% of banking CEOs admit they need to significantly improve their understanding of their customers. ²



80%
of organisations believe that personalisation driven by AI and ML will be welcomed by customers over the next few years. ¹



Making Data Marketing-Ready



In a survey conducted in 2020, when asked about significant barriers to adopting or getting value out of AI/ML in their organisation, respondents flagged: ³

**A LACK OF SKILLS
OR KNOWLEDGE**

31%

**POORLY INTEGRATED DATA
AND SYSTEMS**

28%

**AND A LACK OF TRUST
OR CONFIDENCE**

23%

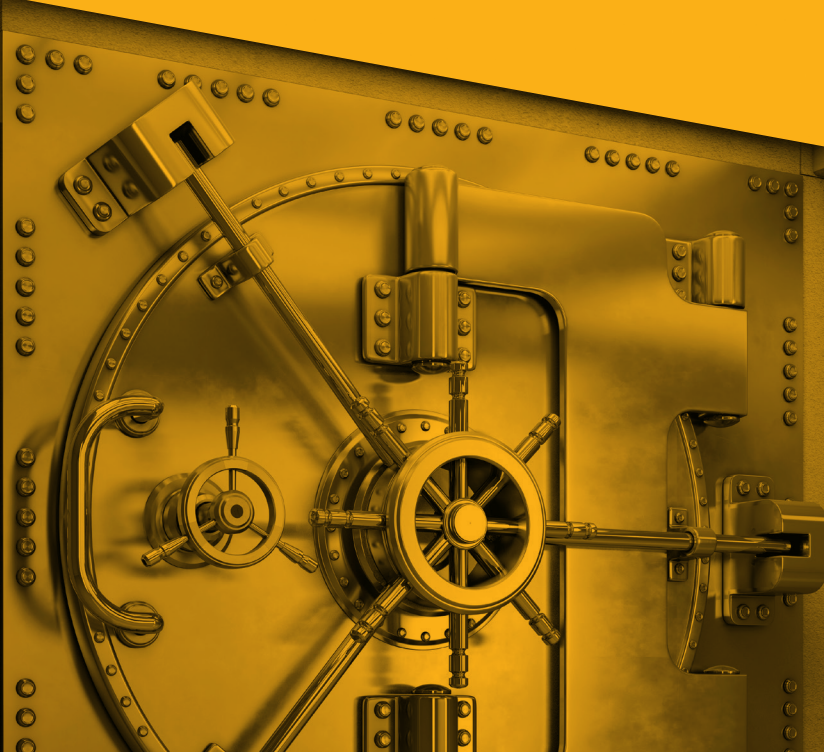
Banks hold a lot of data on each customer. That's a good thing. But **having data and deriving actionable marketing insight** from it are very different things.

Banks know the details of their customers' financial history, a substantial amount of demographic data, and the detail of daily spending habits (even more forensically in a world where cash is becoming less and less common).

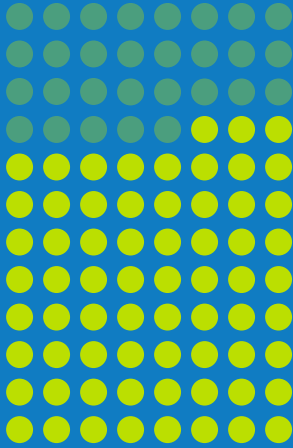
The insight that could be gained from this in order to personalise communications and marketing is gold dust, and something that marketers in other sectors would hand over body parts for. So, what's stopping financial services firms?

In short, it's the inability to **connect and integrate customer data**. Accurate, personalised, effective marketing demands integrated data. Machine learning demands integrated data.

Bringing this information together into the Tealium AudienceStream Customer Data Platform will bring benefits across the entire organisation; its value can be used by multiple teams through myriad technologies, **building a more customer-focused and responsive business**. Internal teams can truly work together to become collectively stronger in all communications.



Moving to a Predictive Future



70%

of those who've embraced AI and ML so far have had their expectations met or exceeded by their organisation's use of artificial intelligence or machine learning.⁴

The past behaviour of customers acts as an incredibly accurate predictor of future behaviour. In simple terms, machine learning measures the behaviours of an individual customer today against the past behaviour of millions, to allow you to **steer that customer towards a better outcome**. We call it predictive insights.

The multitude of signals that can predict when a customer is ready to apply for a new financial product or is becoming frustrated and likely to call Customer Services – in whichever channel or on whatever device they're using – will help you **improve their experience**. And it's not just about building the top line; the same predictive insights can show you when advertising investments targeted at certain customers are, quite frankly, a waste of money.

It's time that the financial sector put the power of the data it holds on its customers to good – **and profitable** – use.



Connect Data So You Can Connect With Your Customers

[Tag Management](#) | [API Hub](#) | [Customer Data Platform and Machine Learning](#) | [Data Management](#)

Tealium connects customer data— spanning web, mobile, offline, and IoT devices— so brands can connect with their customers. The Tealium Customer Data Hub encompasses tag management, an API hub, a customer data platform with machine learning, and data management solutions that make customer data more valuable, actionable, and secure. Tealium Predict ML uses the power of machine learning to predict the likelihood of any customer behaviour you're tracking in the Tealium AudienceStream Customer Data Platform. With Predict and AudienceStream, you can anticipate when a customer will make a purchase and take action to increase revenue, or identify prospects who won't purchase and suppress them from advertising to save costs. Power your whole tech stack with predictive machine learning insights when you choose a machine learning-powered customer data platform.

visit tealium.com

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^{1, 3, 4} - Artificial Intelligence and the Future of Marketing, Econsultancy & Tealium, 2020

² - The Future is Open, KPMG 2019