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# TAKE CONTROL

A ROADMAP FOR **GROWTH**



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# Decisioning in a multichannel environment





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# Introducing:

- Neil Stephenson  
Experian





# Agenda



- Channels and the customer
- How do you make great customer decisions across channels?
- UK Fashion Retailer case study
- How is it different in other industry sectors?
- Closing
- Q&A



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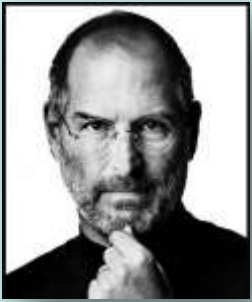
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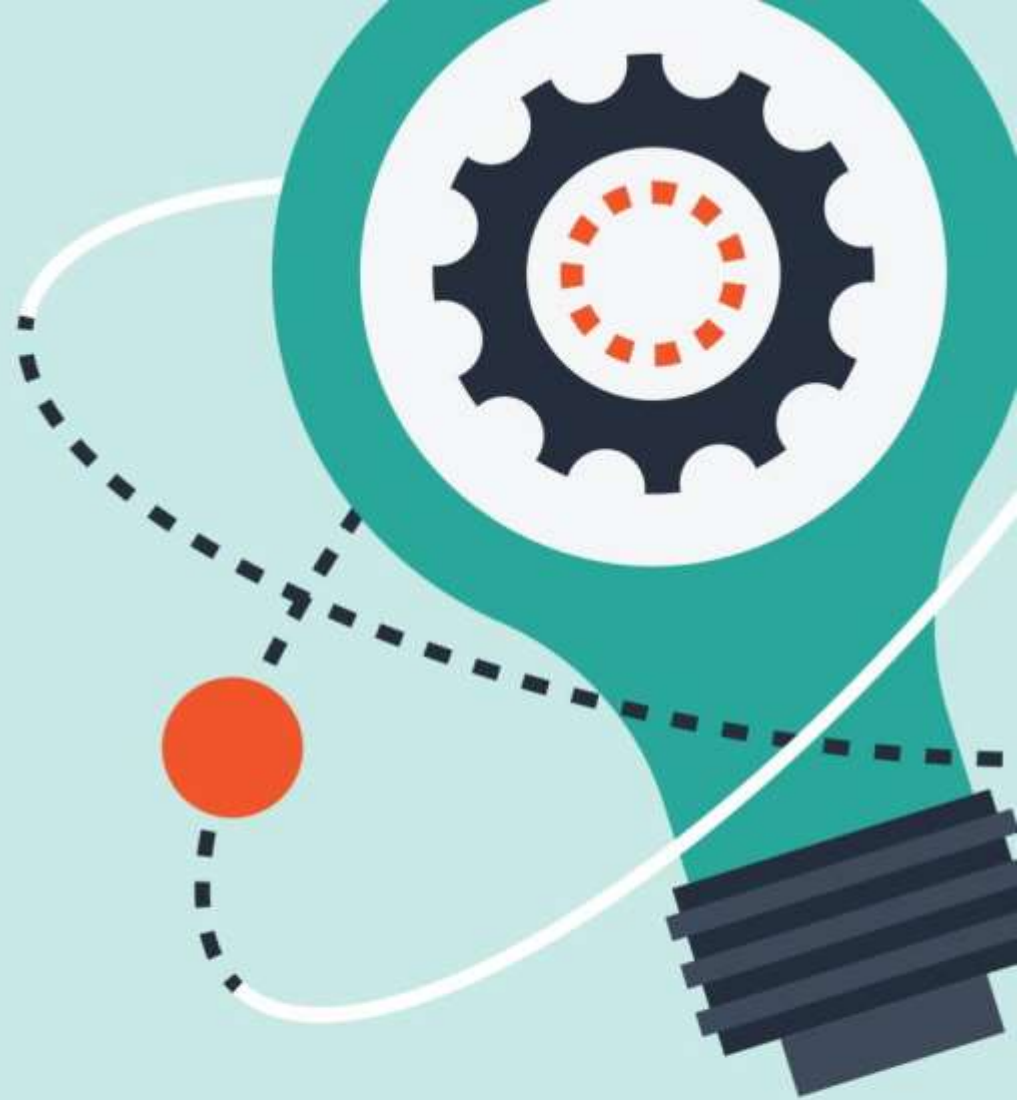
# Channels and the customer





“ You’ve got to start with the customer experience and work back toward the technology – not the other way around. ”

— Steve Jobs



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# What does the customer want from their channel experience?

- Choice of channel based on preference and convenience
- You contact them through the most appropriate channel at the right time
- Consistency across channels
- Clear, accurate information
- Relevant
- Honesty and integrity
- Quick



Your interactions, through every channel, need to demonstrate that you **know the customer**, so they **feel valued**



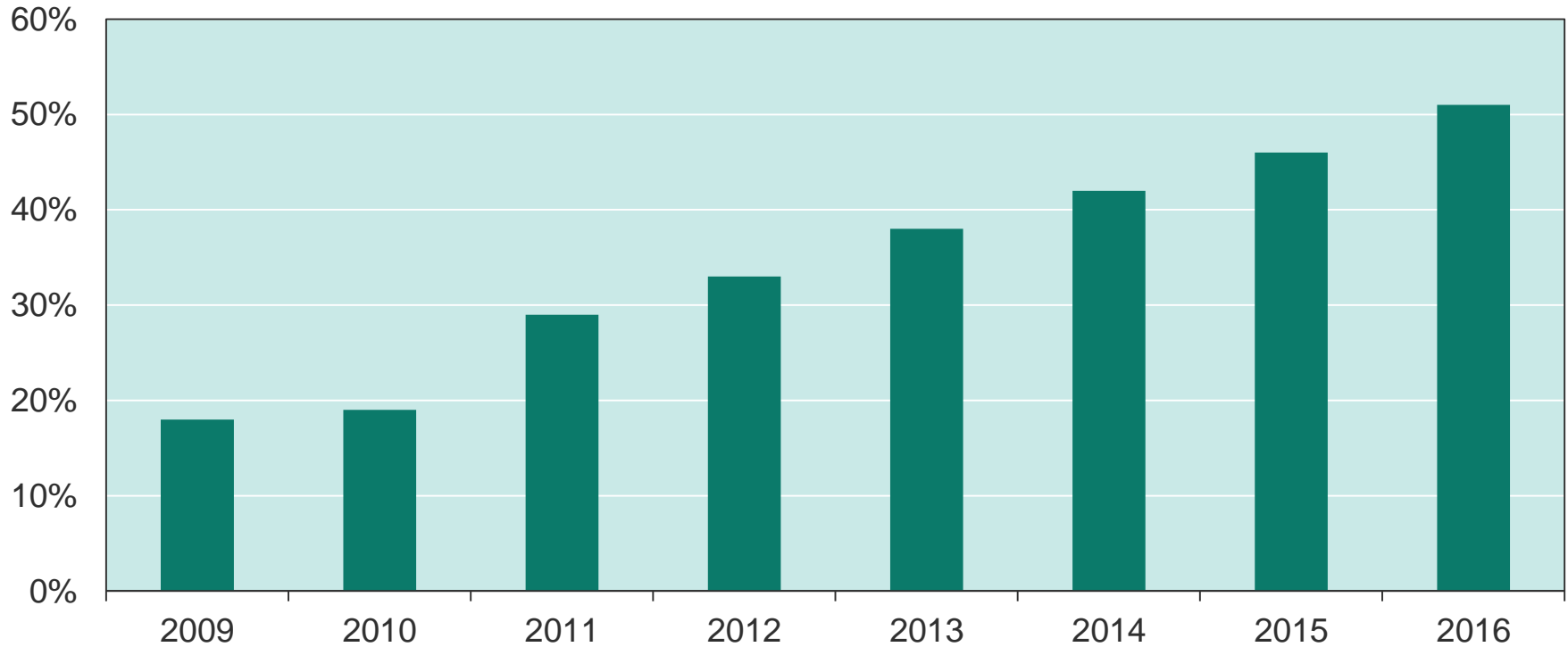
# Our clients leverage a broad range of channels to “talk” to their customers...





# Channel statistics

## Share of mobile banking users among cell phone owners in the United States from 2009 to 2016



Source: Statista 2016

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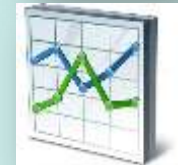
# Balancing customer centricity with your own objectives and obligations...

Creating, managing and evolving profitable relationships...

... balancing the fair, transparent and high quality experience of the customer...

... with your own rewards, costs, risks, capital requirements ...

... and regulatory compliance



## Getting the balance wrong can be catastrophic

For example, the mis-spelling of Payment Protection Insurance in the UK lead to **\$50 billion** being repaid to the consumer



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**How do you make  
great customer  
decisions across  
channels?**





# How do you know the customer so that you can balance customer experience with your objectives and obligations?

**Leveraging one central decision engine** to create and continuously evolve a customer view and define a customer-centric strategy, across all channels and all points of the customer lifecycle



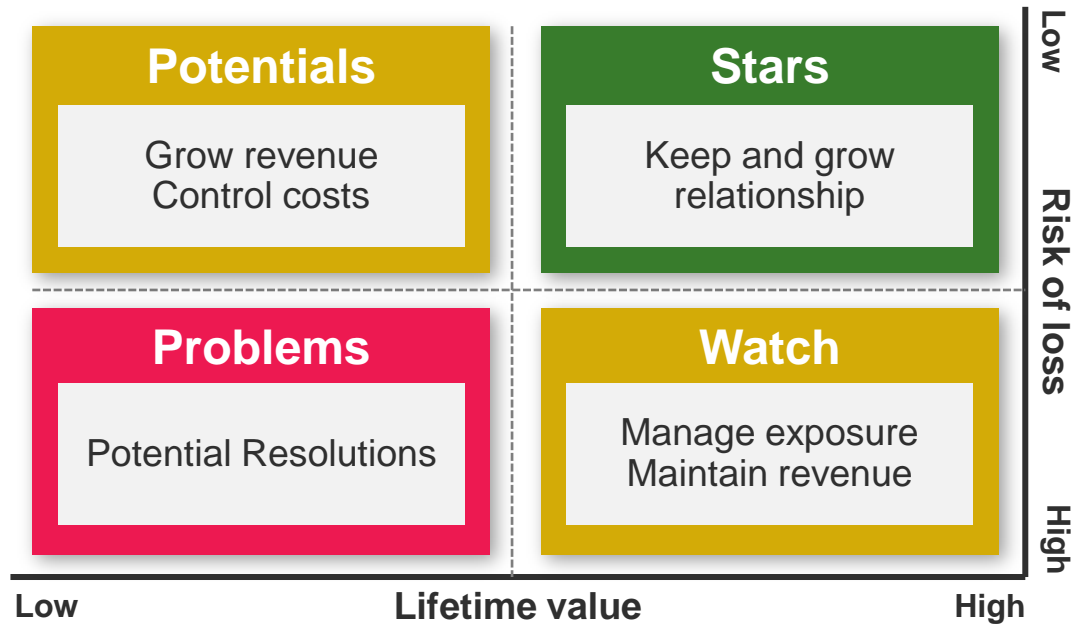
**Central, common  
decision engine**



Data integration and aggregation  
Analytics  
Segmentation  
Strategy  
Business intelligence



# We want to profile all customers and target them with the right strategy...





# ... for all potential actions across the lifecycle



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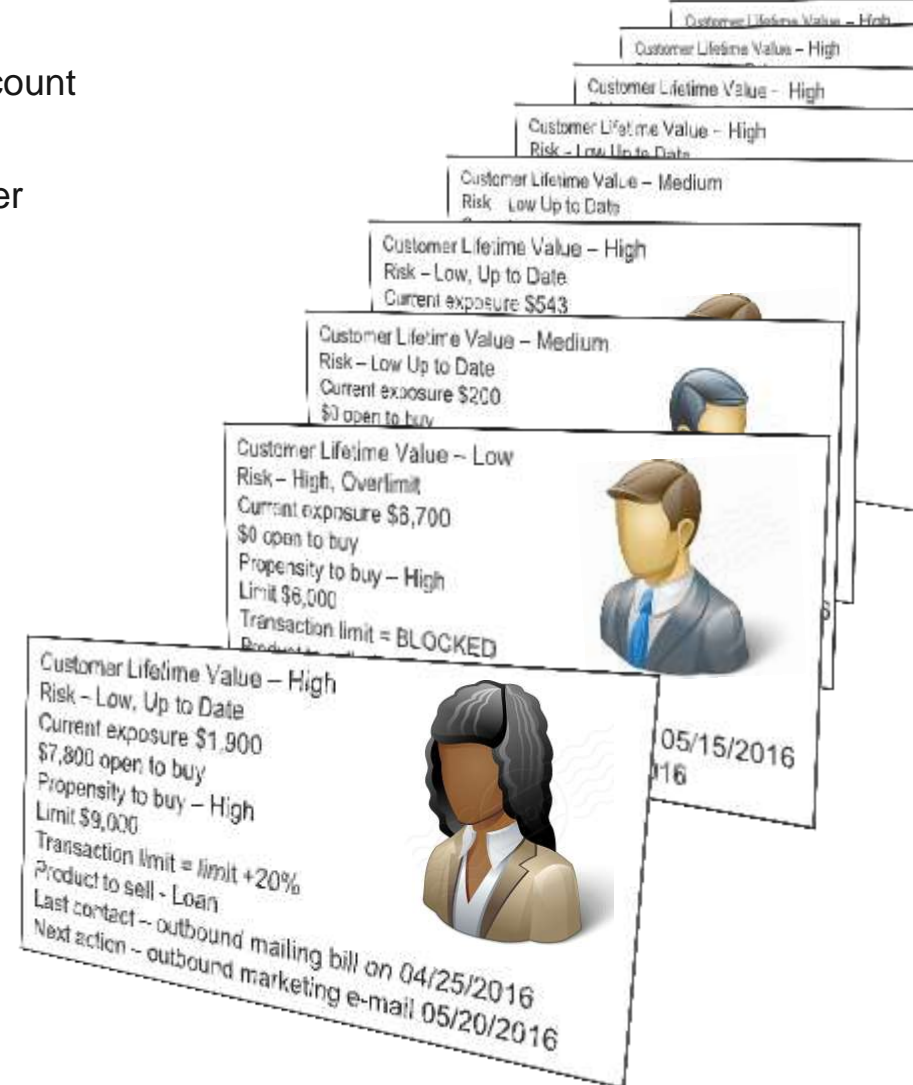


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# Cyclical customer assessment

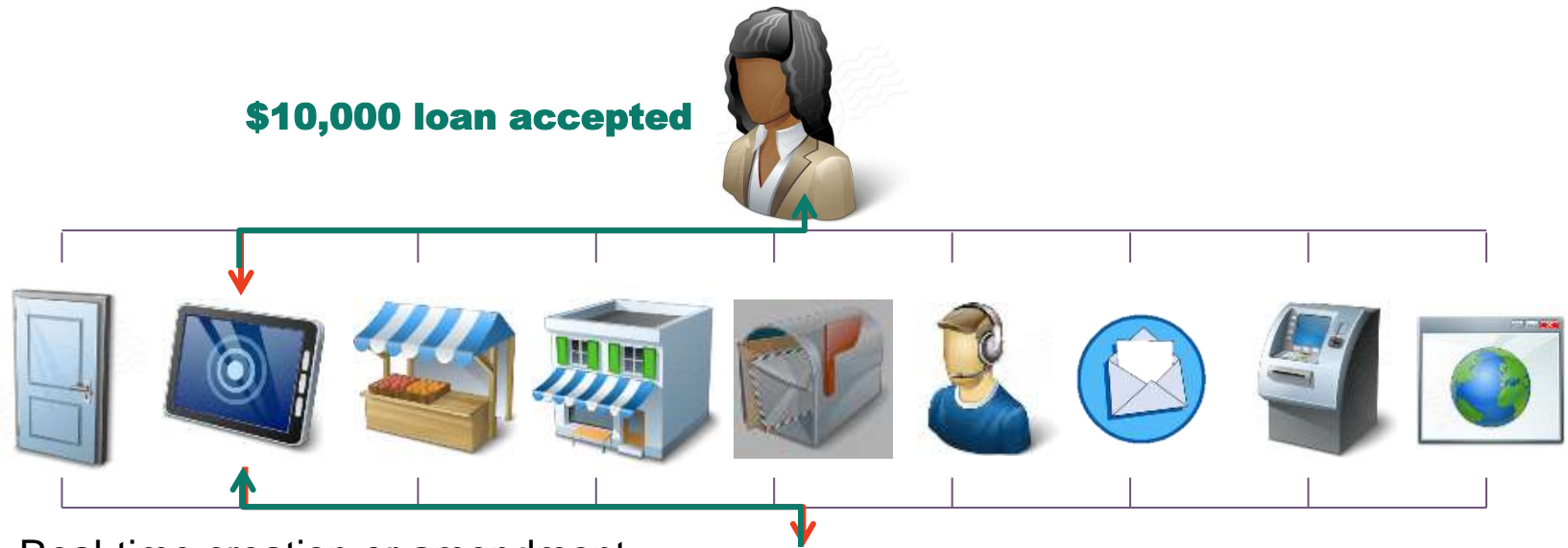
- Our standard, established and foundational approach is to run a batch decisioning process against your account management or CRM platform
- We pro-actively create a strategic view of the customer and associated strategy definitions
- Customer performance data, demo-graphics, bureau data, marketing data are aggregated to create:
  - ▶ Account and customer level scores for risk, attrition, propensity etc.
  - ▶ Understanding of holistic financial exposure and “open to buy”
  - ▶ Product propensity
  - ▶ Limit management
  - ▶ Upsell, cross-sell and bundling opportunities
  - ▶ Authorizations limits
  - ▶ Collections activities
  - ▶ Marketing activity
  - ▶ Next best actions





# Real-time customer assessment

**Where channels are interactive, we make real time decisions about the customer**



Real-time creation or amendment of the customer view

Customer Lifetime Value – High  
 Risk – Low, Up to Date  
**Current exposure \$11,900**  
**\$0 open to buy**  
**Propensity to buy – Low**  
 Card Limit \$9,000  
 Transaction limit = limit +20%  
**Product to sell – Insurance**  
**Last contact – inbound internet Accepted loan app 05/16//2016**  
**Next action – outbound e-mail for insurance 05/31/2016**

- Accept / decline decisions
- Product selection decisions
- New or revised limit management
- Upsell, cross-sell and bundling opportunities
- Next best actions – what product to promote



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# UK Fashion Retailer case study







# UK Fashion Retailer

- Established in the 1800s as a traditional mail order company, on the back of the reformed UK Royal Mail service
- They have extended their channels and brands to include online, in-store, telephone
- They offer retail finance on their own products
- They automate their customer decisioning processes behind these channels and across the lifecycle
- Experian software, data, analytics and consultancy have supported their evolution and success
- In 2015, they chose Experian's PowerCurve™ software as part of their strategic transformation plan

**“Ours is truly a customer-focused operation”**

**Annual Report 2015**



# UK Fashion Retailer

## Channels

### In-store / branch



### Postal



### Telephone



### E-Mail / SMS



### Mobile



### Website / social media



### Internet

- 5 brands
- Mainly UK business
- Evolving in the USA





# UK Fashion Retailer Objectives



## Customer focus

- Provide a full customer view across the entire customer life cycle



## Manage costs and drive growth

- Replace existing legacy systems
- Provide an expandable platform for the introduction of new data services



## Balance rewards, costs, risks, capital requirements

- Improved and wider use of decisioning enabling them to grow and transform their business



## Comply with regulation

- Adhere to new Financial Conduct Authority regulation





# Decisioning for UK Fashion Retailer



## Redefine their customer decisioning platform

- Cyclical customer centric view
- Enhanced analytics
- New strategies to drive limit management, collections, exposure management

## Streamline their originations solution:

- More dynamic business processes
- Revised strategies
- New anti-fraud solutions

## Real-time customer journey decisioning



# Cyclical customer decisioning

The screenshot displays the 'Account Management Decision Flow' interface. On the left, a flowchart shows a sequence of steps: 'Generate Random Numbers', 'Behavioural Score', 'Set Performance Indicator and Good Bad Flag', 'Set Ongoing Credit Limit', 'Assign account tier', 'Set Ongoing Interest Rate', and 'Set Next Strategy'. On the right, a 'Segmentation' table lists various credit limit rules and their corresponding outcomes.

Segmentation	Leaf Node ID	Outcome	Treatment
Active			
CurAmLim 0, 1, 2p			
0			
CurBel 0, 1p			
0-0	2	Current Limit	OG CredLim TTA.Current Limit
0.01+			
Lim 80, 100, 110			
LD <= 0	3	Current Limit	OG CredLim TTA.Current Limit
>= 0 <= 100	29	CL 105 pct	OG CredLim TTA.Cl. 105pct
>= 101 <= 110	30	CL 110 pct	OG CredLim TTA.Cl. 110 pct
>= 111 + 0	31	Current Limit	OG CredLim TTA.Current Limit
Others	32	Current Limit	OG CredLim TTA.Current Limit
1	4	Current Limit	OG CredLim TTA.Current Limit
2 +	33	Current Limit	OG CredLim TTA.Current Limit
CurBel 500p			
LD <= 500	24	500 limit	OG CredLim TTA. 500 Limit
> 500 <= 1,000	24	1000 Limit	OG CredLim TTA. 1000 Limit
> 1,000 <= 1,500	25	1500 Limit	OG CredLim TTA. 1500 Limit
> 1,500 <= 2,000	26	2000 Limit	OG CredLim TTA. 2000 Limit
> 2,000 <= 2,500	27	2500 Limit	OG CredLim TTA. 2500 Limit
> 2,500 <= 3,000	28	3000 Limit	OG CredLim TTA. 3000 Limit
> 3,000 <= 3,500	29	3500 Limit	OG CredLim TTA. 3500 Limit
> 3,500	30	4000 Limit	OG CredLim TTA. 4000 Limit

**Customer Profile:**

- Customer Lifetime Value – High
- Risk – Low, Up to Date
- Current exposure \$300
- \$3,000 open to buy
- Propensity to buy – High
- Limit \$2,500
- Transaction limit = limit +20%
- Product to sell – Summer Range
- Last contact – outbound mailing bill on 04/25/2016
- Next action – outbound marketing e-mail 05/20/2016



# Originations



- The customer view is pivotal in making interactive decisions throughout the lifecycle
- Effective cross-selling means many originations cases come from existing customers
- Transactions on existing accounts can be decided online
- The following is a real world scenario...



# UK Fashion

- NEW IN
- MENSWEAR
- ACCESSORIES
- SPORTS
- SHOES
- BRANDS
- HOME
- ELECTRICALS
- GIFTS
- OFFERS

ORDER

SHOP BY CATEGORY

- Blazers
- Chinos
- Coats & Jackets
- Hoodies & Sweatshirts
- Jeans
- Joggers
- Jumpers & Cardigans
- Nightwear & Onesies
- Shirts
- Shorts & Swimshorts
- Suits
- T-Shirts & Polos
- Trousers**
- Workwear

FEATURES

- New In
- Freddie Flintoff
- Wigan Warriors
- Top Picks
- Inspire Me
- Colour Pop
- Top Features
- SHOPS**
- Longer Length Tops
- Holiday Shop
- Suits Shop
- Tall Shop
- Jeans Shop

BRANDS

- Ben Sherman
- Joe Browns
- Nickelson
- Label J
- Penguin
- Voi Jeans
- Lambretta
- Weird Fish
- Even More Brands...

CHEST 5to5XL WAIST 34to64" LEG 27to35" SHOES up to 15

**25% OFF**

**POLOS AND SHIRTS\***

HURRY LIMITED TIME ONLY

SHOP NOW »

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Close X

# UK Fashion

Sign In My Account Register **VIEW BAG/CHECKOUT** 1 items in your bag

Keyword or Item Number All Categories Search

Store Locator Incentives Request A Catalogue Track Order Contact Us Wish List

- NEW IN
- MENSWEAR
- ACCESSORIES
- SPORTS
- SHOES
- BRANDS
- HOME
- ELECTRICALS
- GIFTS
- OFFERS

ORDER BY 6PM FOR NEXT DAY DELIVERY AS STANDARD\* » FREE RETURNS » SPREAD THE COST » FANTASY FOOTBALL » FEATURES »

## Shopping Bag [Go to Checkout](#)



Men's Trousers - GREY		Quantity	Total
Product Code: VV378FF	Item Price: <b>£35.00</b>	1	<b>£35.00</b>
Fitting: Length - 33 in - VV378		<a href="#">Update</a>	
Colour: Charcoal			
Size: 36			
<a href="#">View item</a> <a href="#">Save to Wish List</a> <a href="#">Remove</a>			

**FANTASTIC DEALS**

Click here to view our current special offers

### Delivery Charges

Standard Delivery : £3.99

\* [Sign In / Register](#) to view the exact delivery charge for your order

Place your Order in the next **8hrs 21m 23s** for delivery on Tuesday.

	Total
* Standard Delivery	+ £3.99
<b>Order Total</b>	<b>£38.99</b>

[Go to Checkout](#)



Need Help? Call: 0800 123456  
(Calls cost 10p per minute plus network extras)

# UK Fashion

- 1** Your Details
- 2 Delivery Address
- 3 Delivery Option
- 4 Pay & Complete

## Step 1 - Your Details

Live Chat

### Enter your details ?

Please enter your email address and create a password.

You will use your password to sign in to your account in the future, allowing you to place and track orders, and make payments.

Fields marked with \* are mandatory

**Already have a Catalogue Account?**

Create Password

\* Email Address:  ?

\* Re-type Email Address:

\* Create Password:  ?

\* Re-type Password:

Password Strength:  ?

The above stars show how secure your password is: from 1 star = Weak, to 5 stars = Strong

Remember Me  Tick this box to sign in automatically when you return, to enable you to place orders quickly against your registered address. You will still need to provide your password to access your account details. We do not recommend using this option if you share a PC.

← Back

Continue →

### Order Summary [Edit Order](#)

**Promotion Code: CQHC5**  
 Receive a 10% discount off your first order. Applies to fashion, footwear and lingerie only. (exc delivery charges)  
 Your promotion will be calculated once registration is complete

	£35.00

Total Delivery ? + £3.99

**Order Total** £38.99

**Need Help? Call:** 0800 123456  
(Calls cost 10p per minute plus network extras)

# UK Fashion

- 1 Your Details
- 2 Delivery Address
- 3 Delivery Option
- 4 Pay & Complete

## Step 1 - Your Details

Live Chat

### Enter your details ?

Please enter your personal details in this section.  
*Fields marked with \* are mandatory*

\* Title:

\* First Name:  Middle Initial:

\* Surname:

\* Date of Birth:    ?

\* Please provide us with at least one contact number. ?

Mobile:

Home:

Daytime:

\* Where did you hear about us?:

### Order Summary [Edit Order](#)

**Promotion Code: CQHC5**  
Receive a 10% discount off your first order. Applies to fashion, footwear and lingerie only. (exc delivery charges)  
Your promotion will be calculated once registration is complete

	£35.00

Total Delivery <span style="color: orange;">?</span>	+ £3.99
<b>Order Total</b>	<b>£38.99</b>

[← Back](#)

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Need Help? Call: 0800 123456  
(Calls cost 10p per minute plus network extras)

# UK Fashion

- 1** Your Details
- 2 Delivery Address
- 3 Delivery Option
- 4 Pay & Complete

## Step 1 - Your Details

Live Chat

### Current Address ?

Please check your current details.

Premise: **45**  
 Address Line 1: **Main Street**  
 Address Line 3: **Beeston**  
 Town: **LEEDS**  
 County: **WEST YORKSHIRE**  
 Postcode: **WY21 97B**

\* Time at this address:   ?

[Click here if this is not your address >>](#)

### Order Summary [Edit Order](#)

Promotion Code: CQHC5  
 Receive a 10% discount off your first order. Applies to fashion, footwear and lingerie only. (exc delivery charges)  
 Your promotion will be calculated once registration is complete

£35.00

**Prompts call to the Experian Decisioning Platform**

? + £3.99

[← Back](#)

[Continue](#)

Order Total **£38.99**



# PowerCurve™ orchestrates real-time data aggregation, external services and makes smart, analytical decisions

The screenshot displays the PowerCurve software interface. The top window shows a workflow diagram with steps: Start, Verify Validation Service, Get Customer Data, Customer Decision, The Bundle Decision, Get Customer Data, Credit Decision, Credit Decision, Fraud Service, Fraud Decision, Set Output, Save, and End. The bottom window shows a table for 'Customer Lifetime Value' segmentation.

Segmentation	Leaf Node ID	Outcome	Treatment
Existing Customer?			
True			
Real Score Band			
A) 5-100	12	Customer Lifetime Value Class TTA.1 - Extremely Low	Customer Lifetime Value Class TTA.1 - Extremely Low
B) 100-200	13	Customer Lifetime Value Class TTA.2 - Low	Customer Lifetime Value Class TTA.2 - Low
C) 200-300	14	Customer Lifetime Value Class TTA.3 - Medium High	Customer Lifetime Value Class TTA.3 - Medium High
D) 300-400	15	Customer Lifetime Value Class TTA.4 - Very High	Customer Lifetime Value Class TTA.4 - Very High
E) 400-500	16	Customer Lifetime Value Class TTA.5 - Extremely High	Customer Lifetime Value Class TTA.5 - Extremely High
Others	17	Customer Lifetime Value Class TTA.3 - Low	Customer Lifetime Value Class TTA.3 - Low
False			
Real Score Band			
A) 5-100	18	Customer Lifetime Value Class TTA.1 - Extremely Low	Customer Lifetime Value Class TTA.1 - Extremely Low
B) 100-200	19	Customer Lifetime Value Class TTA.2 - Very Low	Customer Lifetime Value Class TTA.2 - Very Low
C) 200-300	20	Customer Lifetime Value Class TTA.3 - Low	Customer Lifetime Value Class TTA.3 - Low
D) 300-400	21	Customer Lifetime Value Class TTA.4 - Medium	Customer Lifetime Value Class TTA.4 - Medium
E) 400-500	22	Customer Lifetime Value Class TTA.5 - High	Customer Lifetime Value Class TTA.5 - High
Others	23	Customer Lifetime Value Class TTA.3 - Low	Customer Lifetime Value Class TTA.3 - Low

**Customer Lifetime Value – High**  
**Risk – Low, Up to Date**  
**Current exposure \$600**  
**\$0 open to buy**  
**Propensity to buy – Low**  
**Limit \$3,000**  
Transaction limit = limit +20%  
**Product to sell – Hiking Gear**  
**Last contact – inbound internet Accepted app 05/16//2016**  
**Next action – outbound e-mail for Hiking Gear 05/31/2016**

Data Protection Notice Terms and Conditions

personal account **Neil**

**Available to Spend: £200.00**

**Congratulations, your registration is complete!**

An email will be sent to your registered email address to confirm your account number. Please keep these details for future reference.

You will also receive a copy of our catalogue, by post, in the next few days.

**SPECIAL OFFER** for new web customers! As a new customer, you are eligible for a special offer. Please visit the Promotional Codes page for further details.

Continue

Back Decline Accept and Continue

Pay using



Fast Delivery & Easy Returns



Shopping Secured by



Need Help? Call 0800 123456  
(Calls cost 10p per minute plus network extras)

# UK Fashion

- 1 Delivery Address
- 2 Delivery Option
- 3 Pay & Complete

## Step 3 - Payment Options

Live Chat

You have not yet placed your order. Please check the details below and click "Place Your Order" [Edit Order](#)

### Payment Method: ACCOUNT

Item	Details	Quantity	Delivery	Total
Men's Trousers - GREY	Colour: Charcoal Size: 36 Item Price: £35.00	1	Tuesday 17th Sep	£35.00
Promotion Code: CQHC5	Receive a 10% discount off your first order. Applies to clothing, footwear and underwear only.			- £3.50

### Your order will be delivered to:

45, Main Street, Beeston, LEEDS, WEST  
YORKSHIRE, WY21 97B

Total before Savings	£35.00
Discounts	-£3.50
Standard Delivery	+ £3.99
<b>Order Total</b>	<b>£35.49</b>

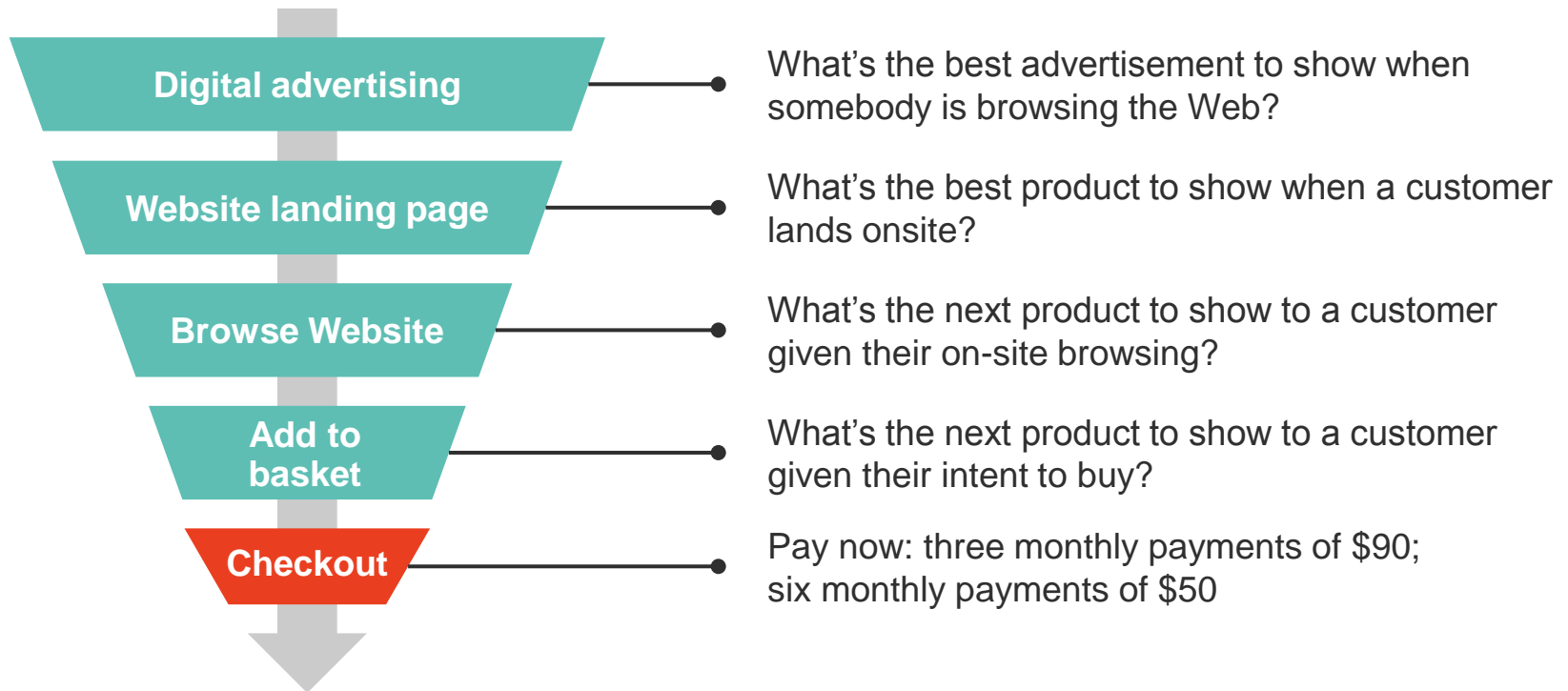
← Back

Click on "Place Your Order" to complete your order

Place Your Order



# Convergence of credit risk and marketing





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## How is it different in other industry sectors?







# Channel challenges across industries

	Retail / retail finance	Telecommunications	Banking
Knowing your customer	Essential	Essential	Essential
Customer service expectations	High expectations	High expectations	High expectations
Right product fit to the customer	Essential	Essential	Essential
Compliance	Less regulation	Heavily regulated	Heavily regulated
Online growth	Online is growing	Online and retail outlet channels are dominant	Online is growing, moving more complex issues to branch and telephone



# Major banking client of PowerCurve™

## Santander's view



“ Experian’s PowerCurve™ Originations and PowerCurve™ Customer Management offering were second-to-none. Customer acquisition and growth remain key challenges for our business and Experian’s solution provides us with the **flexibility to identify our most valuable customers**, as well as to share this data across the business.

We look forward to working with Experian to develop our business strategy and use these tools to **achieve long-term growth** through customer acquisition and advanced review systems. ”

**Mark Staveley**  
Chief Credit Officer ,  
Santander UK



# Major banking client of PowerCurve™

## Australia New Zealand Banking Group

**ANZ customer now benefits from much faster and more automated credit card system approvals; no longer delayed by human intervention**

The screenshot shows an ITnews article from February 18, 2016. The article title is "ANZ Bank's Colin Turner wins Finance Benchmarks gong". The sub-headline is "Common decision platform earns nod." The article text describes how ANZ Bank's new credit decision platform, PowerCurve, won the award. It mentions that ANZ took a chance on the then-unknown PowerCurve technology when it was forced to overhaul its seven existing systems for credit reporting by the introduction of comprehensive credit reporting obligations last year. The article also notes that knowing that positive credit reporting was on the horizon, ANZ took the bold step of completely overhauling its existing approach, consolidating its seven existing systems into one based on PowerCurve. The move gave the bank not just a single credit decision capability across its retail portfolio, but also set it up for when positive credit reporting eventually takes effect. Finally, it states that ANZ customers now benefit from much faster and more automated credit card system approvals no longer delayed by human intervention.

**ANZ Bank's Colin Turner wins Finance Benchmarks gong**

Common decision platform earns nod.

ANZ Bank's bet on new technology at the the core of its new credit decision platform was named finance project of the year at last night's 2016 ITnews Benchmark Awards.

ANZ took a chance on the then-unknown PowerCurve technology when it was forced to overhaul its seven existing systems for credit reporting by the introduction of comprehensive credit reporting obligations last year.

Knowing that positive credit reporting was on the horizon, ANZ took the bold step of completely overhauling its existing approach, consolidating its seven existing systems into one based on PowerCurve.

The move gave the bank not just a single credit decision capability across its retail portfolio, but also set it up for when positive credit reporting eventually takes effect.

ANZ customers now benefit from much faster and more automated credit card system approvals no longer delayed by human intervention.

By Staff Writer  
Feb 18 2016  
7:30AM

0 Comments

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RELATED ARTICLES

- Video: How banks are reacting to 'anywhere, anytime' customers
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# Closing





# Summary

- Start with the customer – they want to feel that you know them
- The decisions you make need to balance customer experience and your business objectives and obligations
- You need to make holistic, customer centric decisions across all channels – not within them
- UK Fashion Retailer:
  - ▶ A multi-brand, multi-channel retailer that believes “Ours is truly a customer focused operation”
  - ▶ Customer-centric decisioning across channels and across the lifecycle is their vehicle for compliant growth
- Many similar challenges are shared, and are being solved, across retail finance, banking, telecommunications, etc.





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## Q&A





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**For additional information,  
please contact:**

**Neil.Stephenson@uk.experian.com**



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# Share your thoughts about Vision 2016!

Please take the time now to give us your feedback about this session. You can complete the survey in the mobile app or request a paper survey.

1 Select the Survey button and complete

2 Select the breakout session you attended

Vision Conference  
Breakout Session Survey

Experian

1. How would you rate the presenters' knowledge?  
 Excellent  Above average  Average  Below average  Poor

2. How would you rate the presenters' delivery?  
 Excellent  Above average  Average  Below average  Poor

3. How would you rate the presenters' time management?  
 Excellent  Above average  Average  Below average  Poor

4. How useful was the session information?  
 Very useful  Somewhat useful  Neutral  
 Somewhat not useful  Not useful

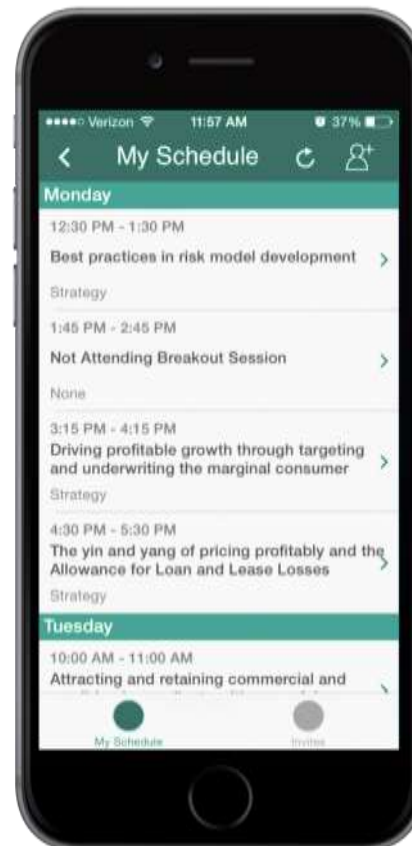
5. How would you rate the session on being current?  
 Very current  Somewhat current  Neutral  
 Somewhat not current  Not current

6. How relevant was the session content to the title and description?  
 Very relevant  Somewhat relevant  Neutral  
 Somewhat not relevant  Not relevant

7. How would you rate the level of content?  
 Too advanced  Just right  Too basic

8. Why did you attend this session? (Check all that apply.)  
 Relates to my business  The presenter(s)  Interest in new product  
 Compelling session description  Increase product knowledge

9. Do you have any additional comments?  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_







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