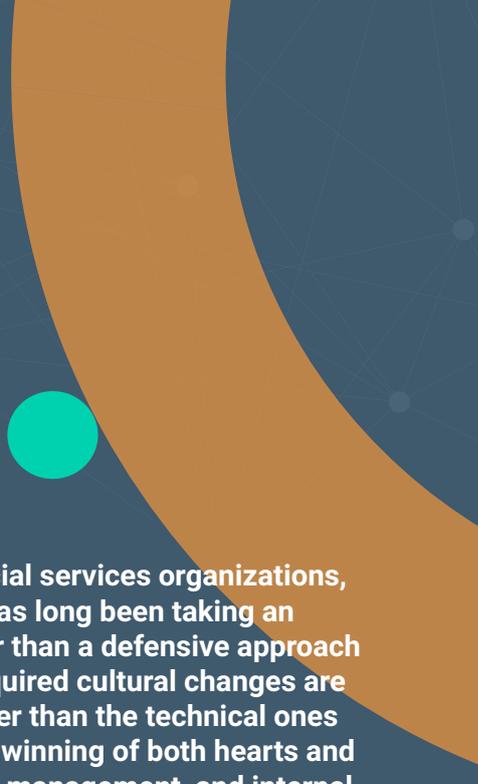


**PEOPLE ARE NOT STATIC.
DATA COLLECTION
PRACTICES NEED TO
REFLECT THAT**





For large financial services organizations, the challenge has long been taking an offensive rather than a defensive approach to data. The required cultural changes are often a lot harder than the technical ones and require the winning of both hearts and minds of peers, management, and internal champions a like.

Achieving a culture grounded in a mature understanding of data practices, from data management capabilities right through to data enablement, is worth the hard work. When there is company-wide awareness of the importance and value of data, then good technology, infrastructure, and governance tends to follow.

Breaking down the inevitable silos within multi-national organizations, which can be the result of different business lines and geographical operations, is a challenge faced by many. Even when specific parts of an organization are on top of data in their areas, problems arise when customers' expectations of a unified brand experience are not met. If customers see the organization as one business, but their interactions are fragmented, frustrations can quickly mount. Treating people as customers of a brand, rather than customers of a certain product line or subsect, requires a data strategy that spans the entire business.

An attitude has to be adopted where data is seen as an investment in a customer's overall experience, rather than simply as a cost. Building true customer relationships relies upon treating people as individuals and that requires accurate and actionable data.



20 YEARS OF CHANGE

There are two big considerations when obtaining data today that were not present 20 years ago. Firstly: omni-channel services provide consumers with multiple channels through which to interact. This provides different data collection points, but also requires a coherent and unified experience across channels. Secondly: the prevalence of regulation such as the General Data Protection Regulation (GDPR) in Europe and the California Consumer Privacy Act (CCPA) has increased (and similar adoption will continue to increase) as consumers demand greater protection. Where there are more opportunities to gather data, there are also more restrictions on how to do so.

This is not by any means unique to financial services; hospitality, aviation, pharma, healthcare, insurance, and other big industries all face similar challenges. Some of the big technology companies fare better at making data a core part of their cultures because of training and an understanding that is engrained from the start. When data governance is embedded as part of peoples' everyday lives, it becomes second nature.

Regulated industries such as financial services face more stringent requirements in general. It's common to see effort focus on adhering to legal requirements, but this can be particularly challenging for those operating across different countries. Regulation can be inconsistent and contradictory, which acts to create silos in and of itself, as organizations work to meet the requirements of each market. From a management perspective, it of course makes sense to look for commonality and consistency where possible. It's also important to engage with the regulators because sometimes what they're trying to achieve, and the reality of their efforts, are very much at odds.

Things have moved quickly, especially from a technology perspective, and, whether we care to admit it or not, there is a lot of necessary experimentation needed. Just looking at the past 20 years, data has gone through its own 'Moore's Law' as the volume of data increases at a rapid rate. Risk has changed as a result. The means and ways of obtaining data inappropriately has also taken a quantum leap. Today, we find ourselves at a stage where both consumer awareness and the value of data is at a tipping point. On the plus side, data can now be effectively stored on the cloud and processed at rapid speeds. Unfortunately, along with this positive, we also have negatives in the form of much publicized data breaches, which further damage consumer confidence.



DATA PERCEPTION

What has remained largely unchanged, however, is how data management is viewed from a spend perspective. As addressed, it's often seen as a cost that is not directly linked to delivering a product or service. That perception is starting to change as organizations realize the many competitive advantages to be had by getting data right. This realization just so happens to be occurring in tandem to increased legislative regulation. The goal is ensuring those two things are managed together, rather than separately.

Failure to match user experience and compliance results in such things as cookie consent banners that disrupt, without actually conveying the benefit to the user or providing consent. Approaches that require customers to sign-off on thousands of words of term and conditions rarely demonstrate the value of doing so. That's a problem for both the customer and organization.

There's also real frustration created by organizations using third-party aggregated data to bombard people with ads that are, for the most

part, irrelevant. Not only do consumers fail to see the benefit of supplying their data, they clearly see the negatives of doing so.

Whereas consumers may not fully understand the regulations in place, they do recognize the general shift of their own empowerment as individuals and the desire to prevent organizations from taking their data without their consent.

This is where 3radical, a leader in consumer data acquisition and audience engagement solutions has found a sweet spot. It promotes an **'earned data'** approach whereby data is intentionally shared by the customer with an understanding of how it will be used. This mutually beneficial value exchange helps organizations build an understanding of each customer over time, to personalize their online experience and orchestrate the most appropriate, engaging, and productive journey from that point, as well as to inform future product and service development and customization.



WHO 'OWNS' DATA?

From a data governance perspective, who 'owns' the data is often a point of discussion. The reality is that no one actually "owns" other peoples' data. The 'earned data' approach recognizes that fact and urges organizations to embrace their role as data custodians. It's up to the organizations themselves to work to incentivize empowered consumers to volunteer their data, and to keep working hard to maintain positive relationships over the course of many interactions. It may not sound easy, because it's not. Those who can find new ways of encouraging the willing provision of earned data, and can progressively personalize the customer experience in response, will be the ones who win in this ever-evolving age of data and marketing.

Right now, many organizations still are attempting to take behavioral data and make best-guesses based on assumptions. For example, if someone looks at loans and then stops by a boat yard, the assumption might be that they're looking to buy a boat. That could be the case; but it could just as easily be a misinterpretation. Rather than using predictive analytics to try and guess, it's far better to have relationships where customers share what they're interested in and organizations can then tailor their prescriptive approach as a result. Real behavioral data (and the resultant insights) are incredibly hard to obtain without dialogue. It's a very different approach, which requires letting the customer drive and guide the dialogue or interaction, rather than trying to react based on pockets of scraped information.



HUMANS ARE NOT STATIC

The big advantage to real, living relationships is understanding how people change over time. Humans aren't static. They change and so do their wants and needs. For organizations to build loyalty, they need to understand who a consumer is as an individual at that point in time and not who they may have historically been. That requires moving away from a push and pull interaction, to a two-way dialogue between both sides.

If you've got a bunch of old data about a customer, you risk marketing to their past selves. Just as we see stars in the night sky that have long since burned out, the previously defined customer being targeted may no longer exist.

How you motivate and incentivize the type of mutually beneficial engagements we're talking about, depends on the individual. And there can also be bigger cultural aspects playing their part too. In Asia, games are very popular ways of incentivizing information exchange, for example. But ultimately, the best communication channels are always the ones that the customers want to use. Approaches must be influenced by motivational and behavioral sciences. Again, this is where 3radical excels with its library of ready-to-use audience engagement mechanics that provides fun, motivating, and rewarding ways of interacting.

ACTION IS KEY

It's not enough just to obtain consumer data. It has to be appropriately acted upon – and to be seen to be acted upon by an organization's audience. It's one thing to create a successful data acquisition strategy, which aligns with consumer intent, context, and understanding, but organizations have to be ready to act on what they have. If consumers provide information that ends up being ignored, not only are they unlikely to volunteer information in the future, they'll have even a more negative experience than if they had never given their data in the first place.

Getting audience engagement right is critical. There is a strong case to start internally. Employee engagement mechanics that prove their effectiveness internally are much easier to get buy-in for external engagement strategies. For example, I've seen the addition of voting on items during town halls be tremendously well received and spark far greater engagement. Such engagement techniques are far from customer exclusive. If achieving cultural shift is the true goal, there is a strong case for 'practicing what you preach' and demonstrating the value of interactivity internally. How organizations approach interactions with, and their understanding of, their own employees lay important groundwork for external strategies. If an organization can build trust and loyalty with its employees, it's far more likely to be able to replicate such success with external audiences.

We're in a time of remarkable change. Technology advancements are transforming how customers interact with organizations. At the same time, we're amidst a global pandemic that is causing severe disruption... as well as innovation. Consumer expectations are increasing and so too are regulatory requirements. To that, data practices must align with change, transformation, and expectations. This should be seen as an opportunity, rather than a burden, for organizations. Engaging with consumers in proper value exchanges not only provides more transparent and fair experiences, but builds stronger and more mutually beneficial relationships. The organizations that embrace that, are going to be the ones that flourish in the most challenging of times.



About **THE AUTHOR**



Tarrill Baker
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A data empowerment expert, Tarrill advises companies on how enabling data will add value to their organization. Drawing on more than 20 years experience in data insight, risk, and programme management, she consults across the full data spectrum from data governance and management through to data utilization.

Tarrill's extensive subject matter expertise in Data has been recognized through awards, speaking engagements, and published interviews.

Prior to moving into an advisory role, Tarrill was HSBC's Chief Data Officer for Asia Pacific where she was responsible for delivering the Group Data Strategy and championing data needs in the region. Before that she was the Global Head of Data Transformation for Retail Banking and Wealth Management and before that the Chief Data Officer for Global Banking and Markets.

Prior to joining HSBC, Tarrill spent seven years at UBS, where she most recently held the position of Global Head of Client Data Transformation as well as senior roles at a number of other large global institutions including Credit Suisse First Boston.

Tarrill is a qualified chartered accountant who started her career at Ernst & Young. Born in Perth, Australia, Tarrill has worked in Sydney, London, Chicago, Hong Kong and is currently based in London.

About **3radical**

3radical is a consumer data acquisition and audience engagement solutions provider. We give organizations an innovative way to achieve unprecedented engagement and earn data directly from their audiences through 3radical's gamification software. Supported by comprehensive strategy and execution services, business users have the ability to quickly create and publish interactive digital experiences based on a wide array of gamification mechanics and rewards. These compelling online experiences are delivered directly to each recipient and optimized by preference data, real-time decisioning, and learning based on billions of interactions. Every exchange results in fully-permissioned, "earned data" provided willingly by the individual in a transparent, mutually beneficial environment – critical to informing the business and elevating communication strategies, especially as other data sources become less effective. 3radical operates globally through offices in North America, the UK and Asia Pac and serves major brands across a broad range of industries.

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