



Building Banking Relationships with Data

How a Strong Data Strategy Can Help You — and Your Accountholders — Thrive





How strong is your financial institution's relationship with its customers or members?



31%

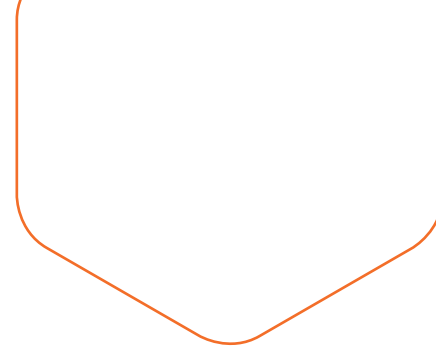
of retail banking customers in the U.S. feel their bank fully understands their financial goals and objectives—a detail that should serve as a wake-up call for all financial institutions.

Source: J.D. Power



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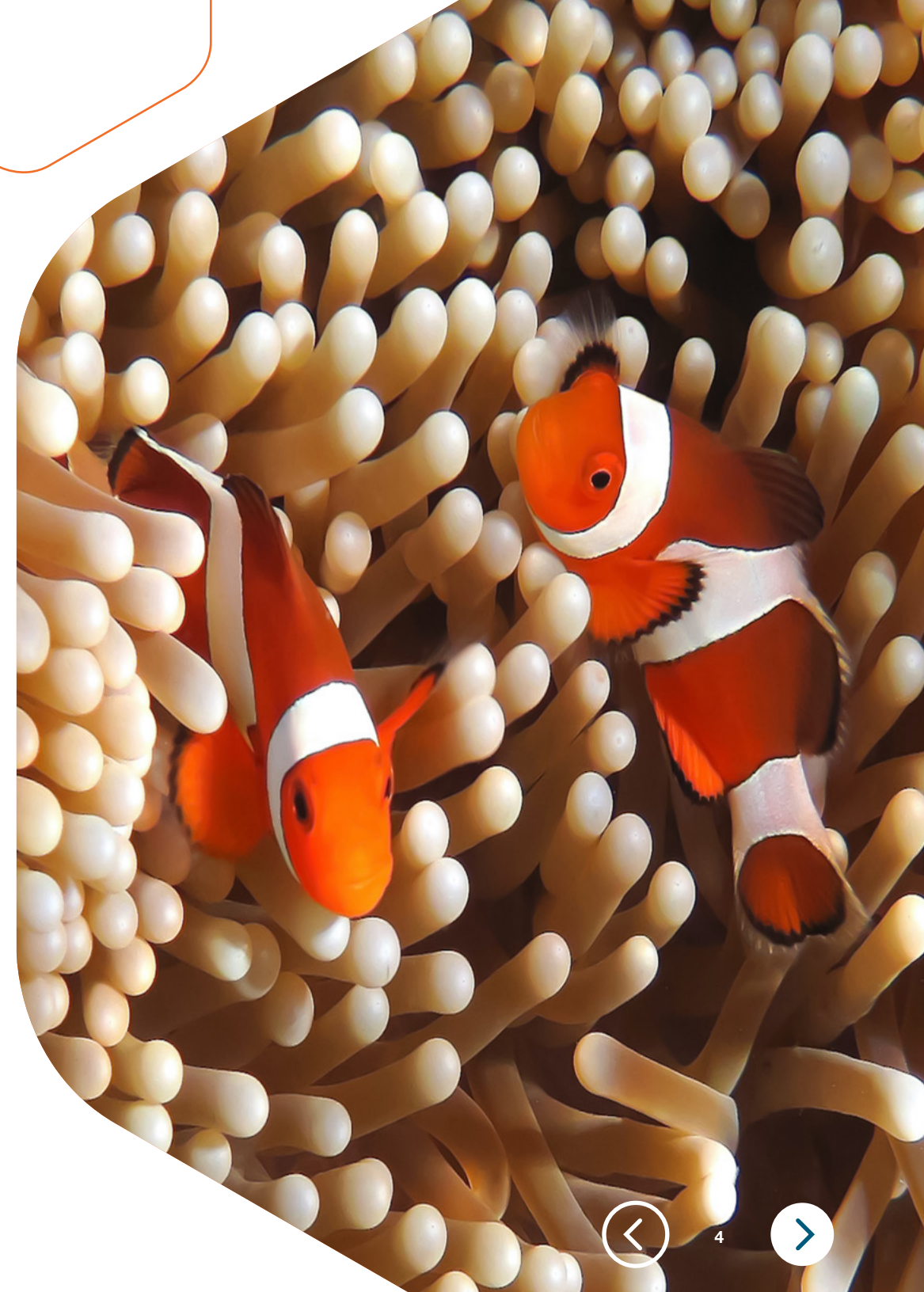
As your institution onboards new customers, what is your strategy for building relationships over the long term?

The most successful banks and credit unions realize that adding a single accountholder is not the primary objective; instead, harnessing the potential of all touchpoints a consumer or business will have over the life of the account should be the ultimate goal.



Strive to build mutually beneficial relationships with your customers or members, where each entity relies on the other to succeed.

A perfect example of this in nature is the symbiotic relationship between a sea anemone and a clown fish. The anemone protects the fish with its stinging tentacles. In turn, the fish cleans the anemone and brings it food. The two species cannot thrive without each other, and the relationship works because of the benefits each brings to the table.





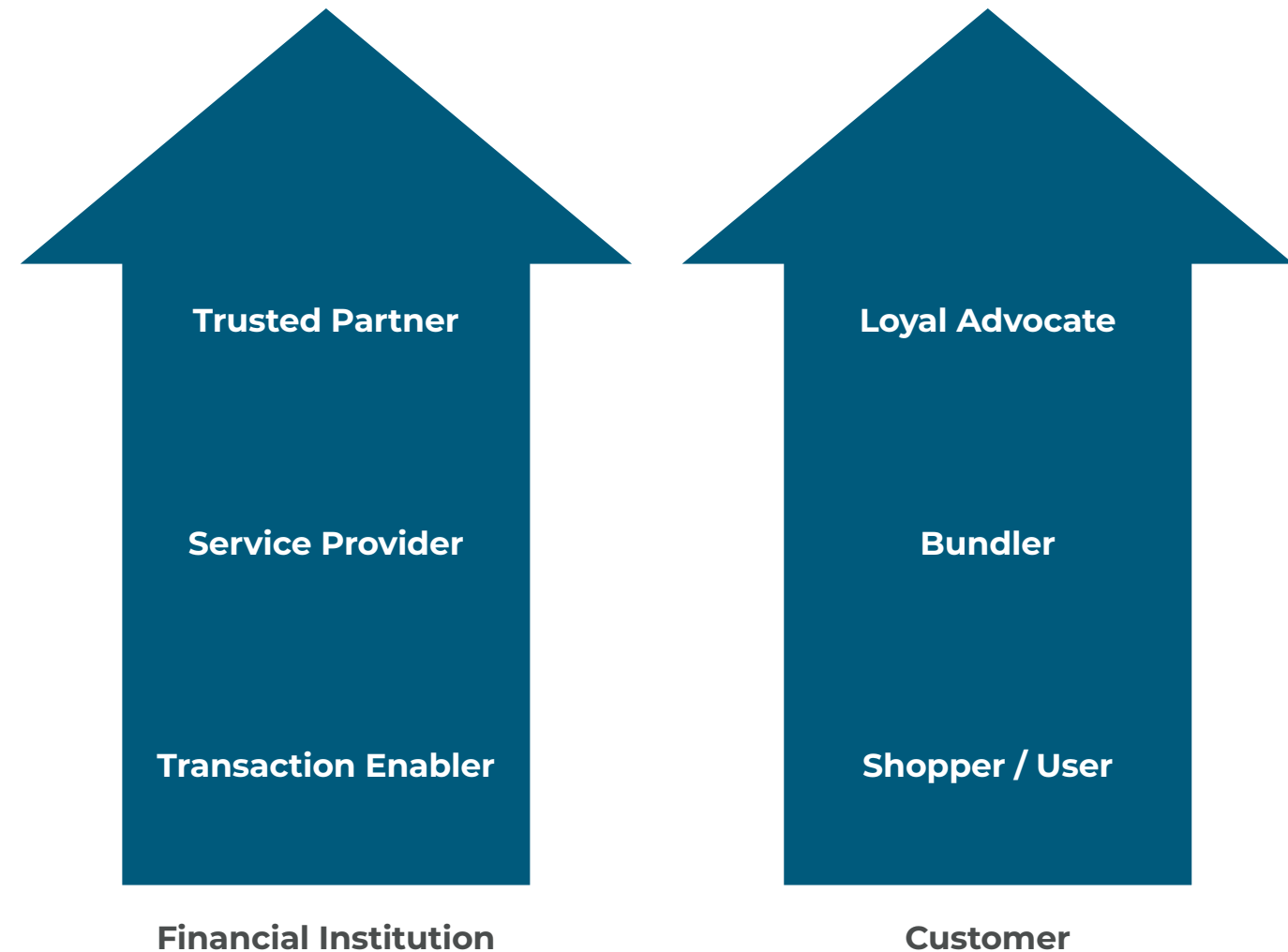
In what ways can you build a symbiotic relationship with your accountholders?

As more customers and members move to digital banking, you may not have the ability to connect with them as frequently as you once did in the branch environment. However, your institution does have a wealth of data available to help you learn about their current activities and potential needs. With the right tools, you can use this data to nurture relationships with them across channels.

Let's consider how a customer or member's relationship with you evolves over time.

As an individual consumer experiences major life changes, you want your financial institution to be a consistent, helpful presence. While your initial relationship may be quite simple and transaction-oriented, over time, that consumer can see your institution evolve from an enabler of simple transactions to a true, trusted partner. At the same time, your institution has an opportunity to move each customer or member from user of basic banking services to a loyal brand advocate.

Building a Symbiotic Relationship



Consider Mia, who banks with Tiburon Community Financial.

Let's follow Mia as she begins her career and moves through various life events. As you'll see, Tiburon Community Financial leverages data about Mia along the way, personalizing her financial experience and offering relevant financial products and services at each step of her life journey.





Life Event: Going to College



Mia's goal is to be an architect and design buildings that will define cities.

In 2011, she is accepted into Georgia Tech's architecture program, and she moves from her hometown of Cedartown, Georgia, to Georgia Tech's campus in Atlanta. At her parents' direction, she downloads the local bank's mobile app and opens her first checking account.



2011



Tiburon Community Financial Knows This About Mia

When she completes the application to originate that first checking account, her new bank, Tiburon Community Financial, begins collecting and analyzing available relationship data.

Modest Saver

4%



Saving an average of 4% per month of income

Occupation

Student

✓ How do we know this?

A Pell grant disbursement was made into her account

Attentive

logs in **40%** more often than the average user just to do check account balances.



USING DATA TO BUILD RELATIONSHIPS

By examining Mia's transaction and digital banking history, Tiburon Community Financial can tie insights to action.

In this case, Tiburon Community Financial provides Mia with financial education and counsels her to open a savings account to boost her savings progress. The institution executes communications through digital marketing solutions and mailers and by arming branch personnel with insights to drive future conversations.



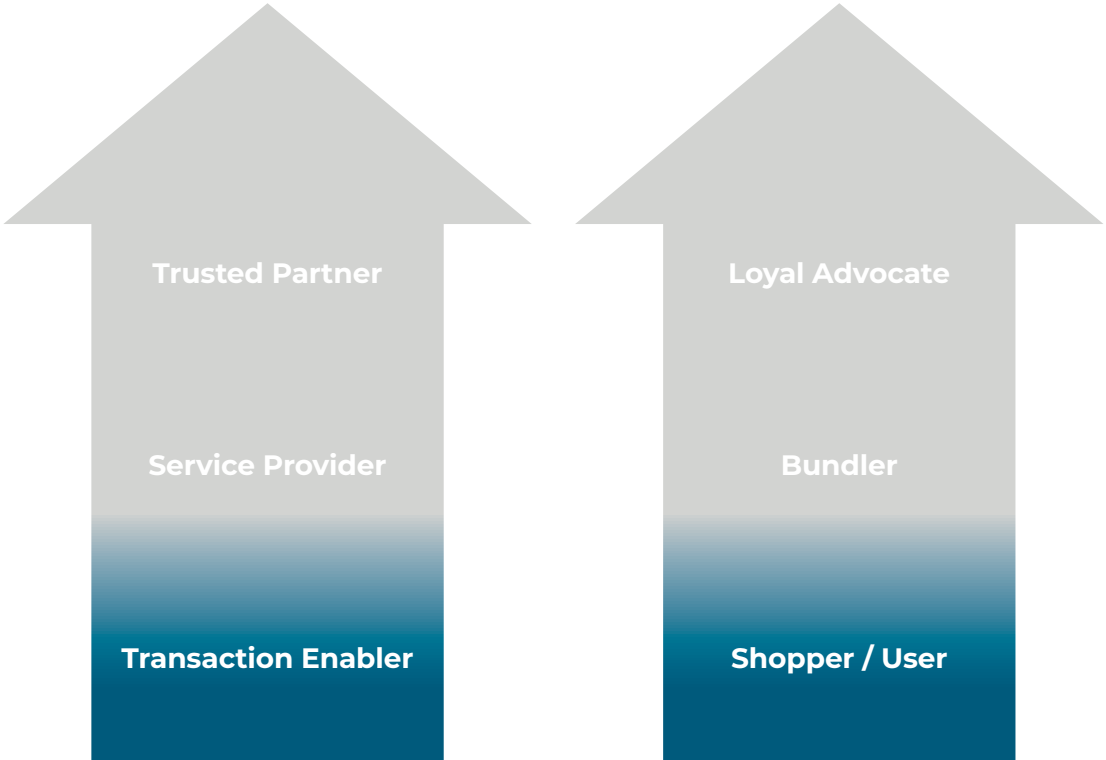
At this point on an average consumer's timeline, banks and credit unions who don't leverage their data are offering products like credit cards, mortgages, and auto loans.

But, according to Tiburon Community Financial's data intelligence, that's not what Mia needs. Recommending the wrong product is worse than recommending no product at all and speaks to your accountholders' biggest complaint—that they're a nameless face in the crowd. By using the data available to you appropriately, in addition to surfacing basic insights, you can provide actionable and highly relevant opportunities.



AN EVOLVING RELATIONSHIP

Building a Symbiotic Relationship



Mia is still in the foundational stages of her relationship with Tiburon Community Financial and probably views her financial institution as the same as every other bank or credit union.

But Tiburon Community Financial has earned some goodwill by encouraging healthy financial habits and proactively providing her with financial education. The institution is starting to see increased loyalty from Mia as she expands to having both a savings and checking account, rather than only a checking account.



Life Event: Starting a Career



Fast-forward to 2015, Mia graduates in the top 10% of her class at Georgia Tech.

She decides to take a big leap and move to New York to begin her job as an architect. In many ways, this move marks the beginning of adulthood, such as adding rent and student loan payments to her financial responsibilities, once all the graduation gift checks have been deposited. During the move, Mia has kept her relationship with Tiburon Community Financial. While the institution doesn't have branches near her, she has confidence they can still meet her needs.



2015





Insights About Mia

Because Mia is a well-established accountholder, Tiburon can better crystalize its view into her current status, although she has now moved 1,000 miles away. The institution continues to learn about and serve Mia, as it never relied on Mia to proactively provide data about her financial situation. Instead, Tiburon's data intelligence solution is identifying new life events as they occur.

All these events serve to deliver a unified profile for Mia, which informs how the financial institution can best add value to her life.

Tiburon Community Financial Knows This About Mia

Moderate Saver

9%



Saving an average of 9% per month of income

Occupation

Salaried Employee

✓ How do we know this?

This person received a direct deposit in the last 6 months


Responsible Spender

0

Overdrafts in the past 3 years

\$10,274


Average deposit balance over the last 6 months

 Status updated today

Liabilities

• Student Debt | \$834/month

Last payment made on 08/01/2023

 Status updated today

Education

College Graduate

✓ How do we know this?

This person is actively paying student loans

 Status updated in the past month

Home

Renter

✓ How do we know this?

Monthly rent payments being delivered via Zelle



USING DATA TO BUILD RELATIONSHIPS

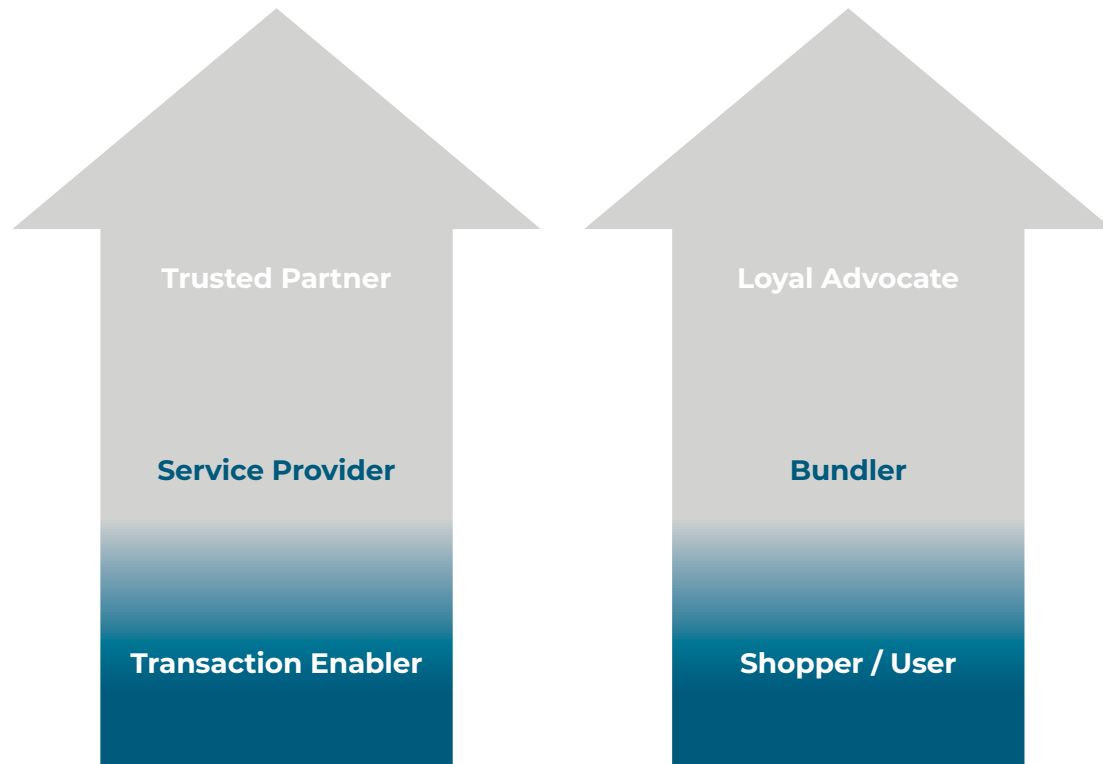
Tiburon Community Financial decides it is a good time to connect Mia with a financial advisor.

Tiburon Community Financial used its robust data intelligence tools to make decisions about Mia, including recommending a financial advisor who can work with her on an IRA and order her a credit card to start building credit.

Just as important as what Tiburon is recommending is what it's not. While many institutions would be driving Mia towards a mortgage at this point, Tiburon chooses not to do this, as a mortgage likely isn't the right call for someone living in New York instead of rural Georgia.



Building a Symbiotic Relationship



AN EVOLVING RELATIONSHIP

The relationship is beginning to mature.

Mia is using more sophisticated services from the bank. In turn, the bank is starting to open up opportunities with Mia, building loyalty creating the potential for a deeper relationship over time.





Life Event: Changing Career



Things are going well for Mia in New York.

She is enjoying the city, while still remaining career-focused and steadily taking on bigger, more elaborate projects within the architecture firm. Unfortunately, in March of 2020, the COVID-19 pandemic brings massive changes. Mia's firm shuts down, and she unexpectedly loses her job, resulting in her decision to move back to Georgia while she tries to figure out next steps professionally.



2020





Insights About Mia

Financial institutions are greatly impacted by the COVID-19 pandemic. Without data intelligence, it would have been impossible to parse through an entire portfolio of consumers and businesses to learn the status of each.

However, with Tiburon's data intelligence, the bank is able to see significant changes in Mia's life.

Tiburon Community Financial Knows This About Mia

i Status updated today

Occupation

Unemployed

✓ How do we know this?

This person received an unemployment check in the last 6 months

Responsible Spender

0

Overdrafts in the past 3 years

\$8,393

Average deposit balance over the last 6 months

Saved in 88% of months in the last 4 years

Last month, they used all of their income plus 2% of their savings



Category spending changes this month

80% ↘

Entertainment

14% ↘

Restaurants

10% ↗

Transportation

5% ↘

Shopping

11% ↗

Credit card

4% ↘

Medical

13% ↘

Grocery



USING DATA TO BUILD RELATIONSHIPS

Tiburon Community Financial knows Mia has historically been responsible with her finances, but she is currently going through a difficult time.

One benefit of being data-driven is the ability to be time-sensitive. Because the institution receives active alerts as life events occur, Tiburon is able to connect with Mia at the points she needed the most help.



Tiburon is able to inform Mia's local branch manager that she has moved back to town.

Armed with AI-based, bulleted talking points, the manager has a direct conversation with Mia around decreasing her IRA contributions and pursuing student loan relief to pause on those repayments. The branch manager also mentions that Mia might need a car loan, given that she had just moved to a rural town of roughly 10,000 from a city where she relied on public transportation.

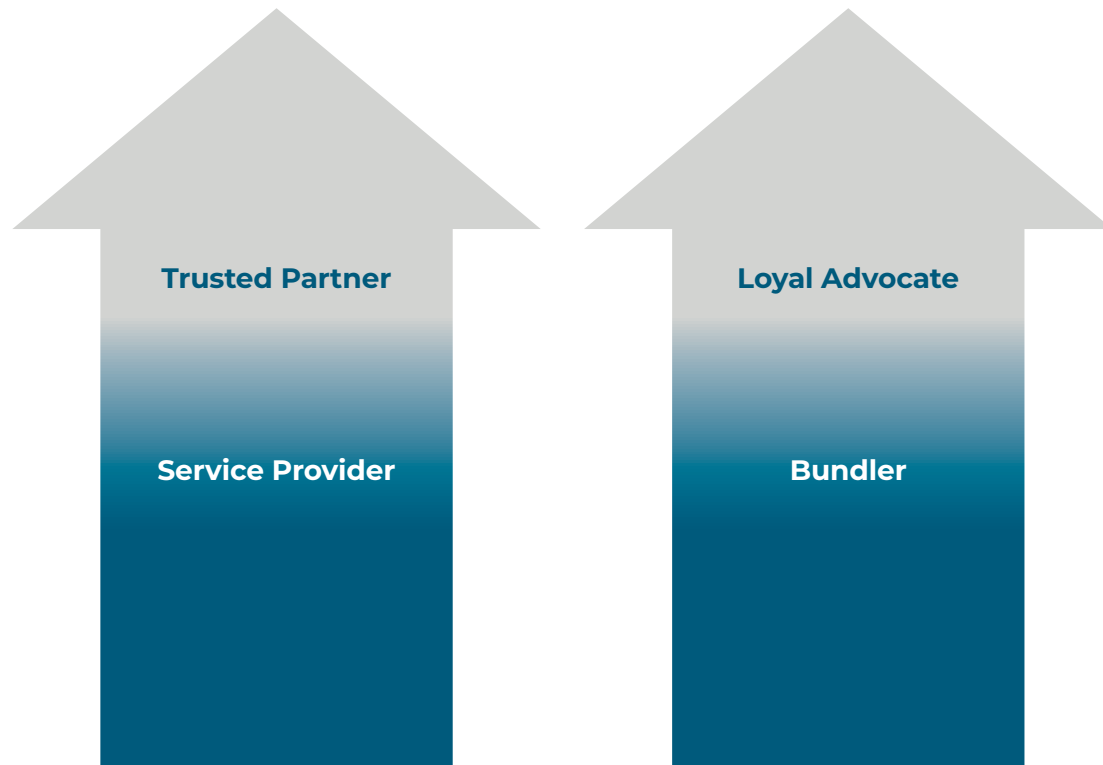


AN EVOLVING RELATIONSHIP

For most financial institutions, offering a car loan at this point would not make sense, but Tiburon Community Financial has data to prove Mia is well-educated with a history of disciplined financial management.

At a time when no other institution would think of extending credit, Tiburon can offer this option because it trusts its data's conclusion that this is only a speedbump for Mia, not a showstopper. Due to the deepening relationship, Mia sees that Tiburon is there for her in good times and bad and that the financial institution can offer her important advice and services that help get her through a rough patch. Mia is now getting most of her core financial services from Tiburon.

Building a Symbiotic Relationship





Life Event: Starting a Small Business



After a few months of soul-searching and quarantining, Mia makes a life-changing decision.

She chooses to start her own architectural design firm in Georgia. Even though Mia has a good relationship with Tiburon, she has no experience in business banking and doesn't realize her existing financial institution can help. On her own, she starts an LLC, works with a graphic designer to help her with some basic branding, spends a few thousand dollars to create a website, and ultimately lands a first contract for \$5,000 for for a local project.



2020





Insights About Mia

Using available data, the bank recognizes an increase in spending categories consistent with small businesses, identifying Mia as a potential business customer who does not yet have a business relationship with the bank. Armed with that information, Mia's branch manager reaches out to Mia. This conversation leads to a follow-up conversation with a business banker, and the bank is able to support Mia with a \$100,000 SBA loan to start her small business.

Tiburon can now see:

- Mia started an LLC.
- Mia made purchases for business needs like web development and graphic design.



USING DATA TO BUILD RELATIONSHIPS

Tiburon's data intelligence recognizes that Mia is staying in Georgia and spending money in categories consistent with starting a small business.

Based on what Tiburon knows about Mia, it can target her with personalized offerings:



Add a business account

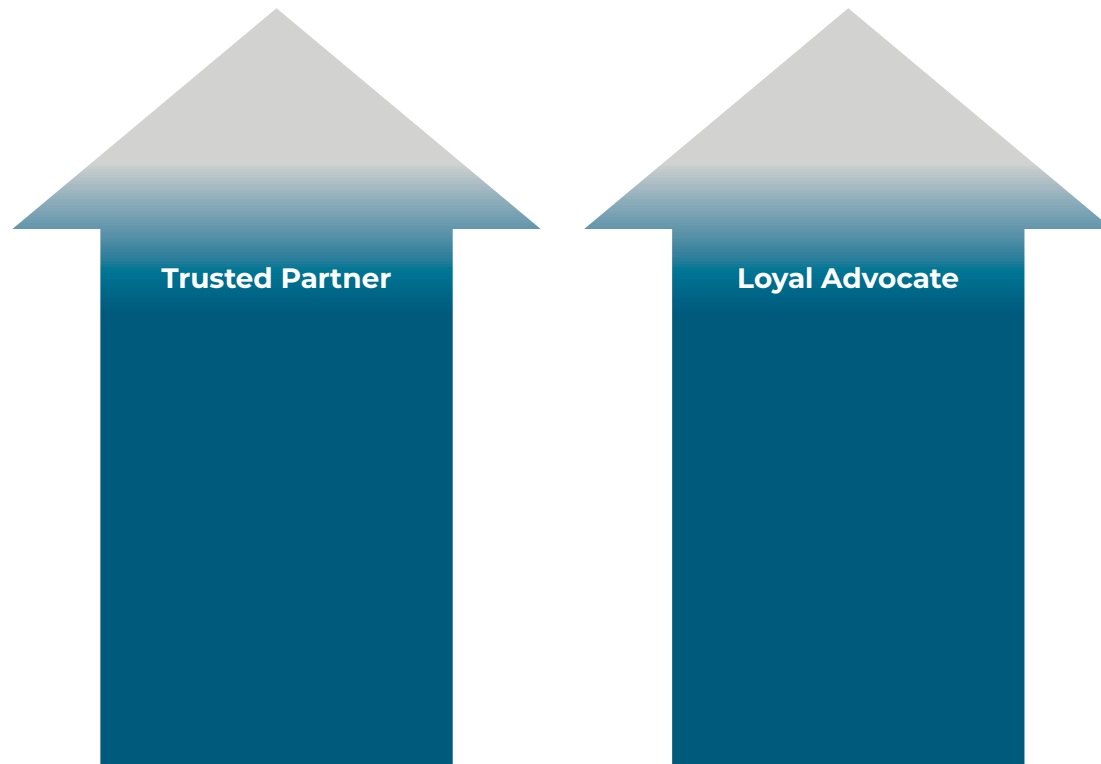


Offer an SBA loan



AN EVOLVING RELATIONSHIP

Building a Symbiotic Relationship



Tiburon proactively delivers services to Mia that she didn't even know existed.

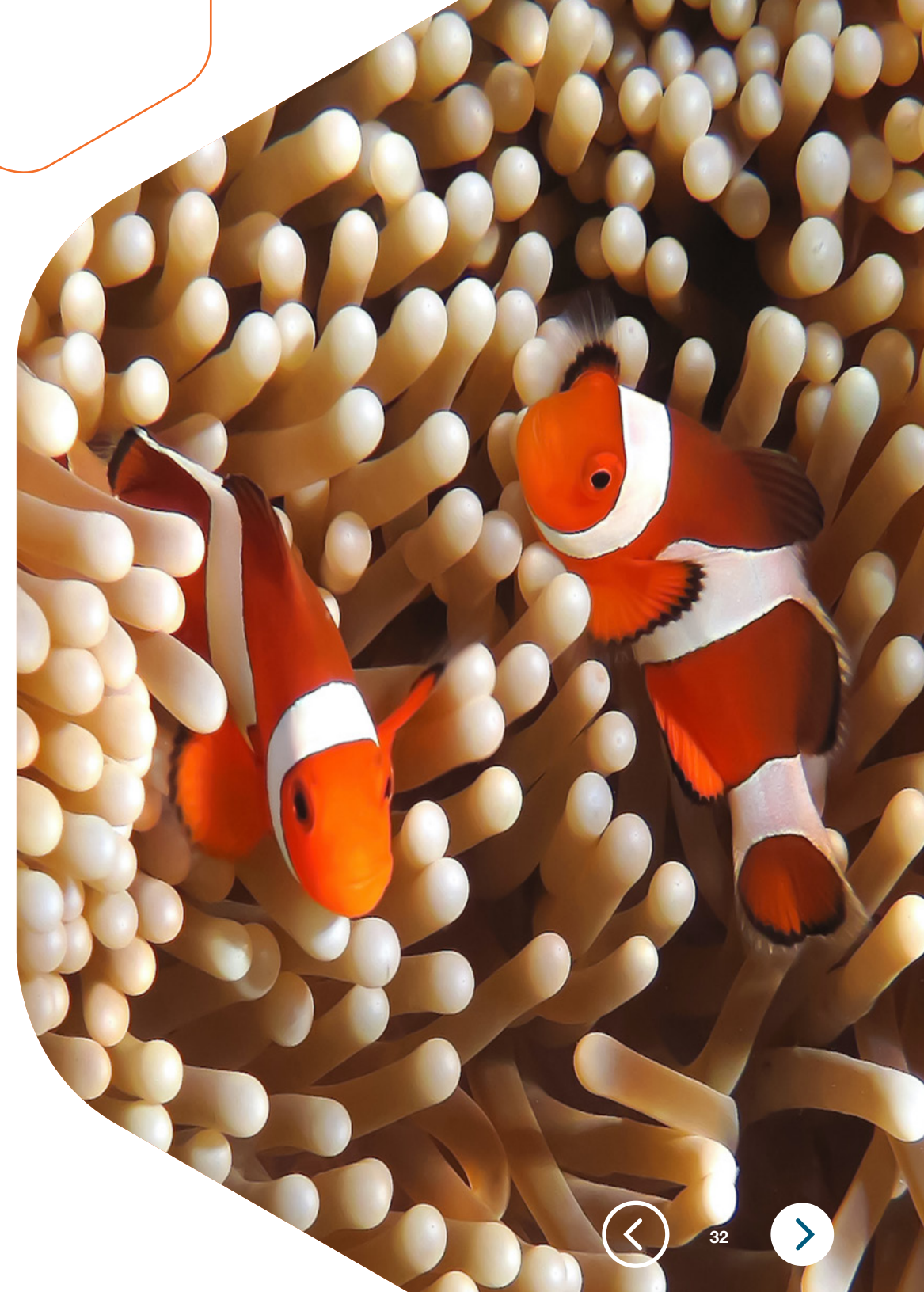
As a result, Mia now views her bank as a trusted partner who understands her financial goals and objectives and is consistently there for her with advice and services to help her meet her goals. When Mia and Tiburon began their mutual relationship years before, the financial institution had no way to know that Mia would one day be a successful business owner. But by steadily building a solid relationship and using data-driven insights to understand her situation and needs, Mia has become an ideal customer who can, in turn, help grow Tiburon's business.



AIMING FOR SYMBIOSIS

With the help of modern data intelligence solutions, today's financial institutions can more effectively support the unique needs of customers and members today and in the future.

Properly using available data can uncover opportunities to nurture relationships through good times and adversity. Additionally, digital insights can help forge human connections and build loyalty.





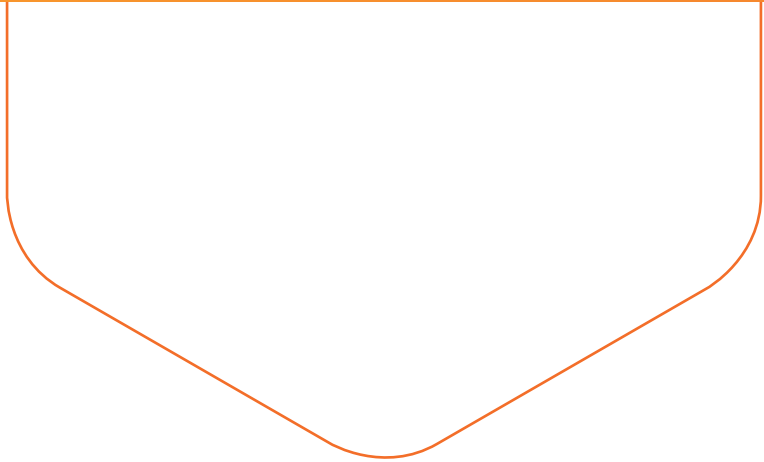
Cases like Mia's show the power that data can have in evolving relationships with consumers and businesses.

As we witnessed, an accountholder who initially views the relationship as purely transactional can evolve to be a loyal advocate. And as you build deeper relationships with your customers or members, your financial institution can become a trusted partner, able to provide users with much more value than a simple transaction enabler or even a service provider.

With a strong data strategy, your financial institution can work toward long-term, mutually beneficial relationships with customers or members that help all parties grow and thrive.

A partner like Apiture can help support you by consolidating your internal and external data, yielding insights, and surfacing these insights in a way that can be analyzed by people or data intelligence tools.





It is entirely possible to have a symbiotic partnership like the clown fish and anemone. The challenge is to use available tools and talents to help set your institution and your customers or members up for success.

**Contact us to learn more about how Apiture's
Data Intelligence solution can help your
financial institution thrive.**



APITURE®

About Apiture

Apiture delivers award-winning digital banking solutions to banks and credit unions throughout the United States. Our flexible, highly configurable solutions meet a wide range of financial institutions' needs, from leveling the playing field with larger banks to enabling unique, digital-only brands. Through our API-first strategy, our clients can maximize the capabilities of their platform while preserving a seamless user experience. Our exclusive focus on digital banking means we're dedicated to delivering innovative solutions that meet the unique needs of our clients while providing a level of support that's unmatched in the industry. Apiture is headquartered in Wilmington, North Carolina, with offices in Austin, Texas.

To learn more, visit www.apiture.com

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