



The new rules of customer engagement

Turkey and Middle East:
Summary Report

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DV Decisioning
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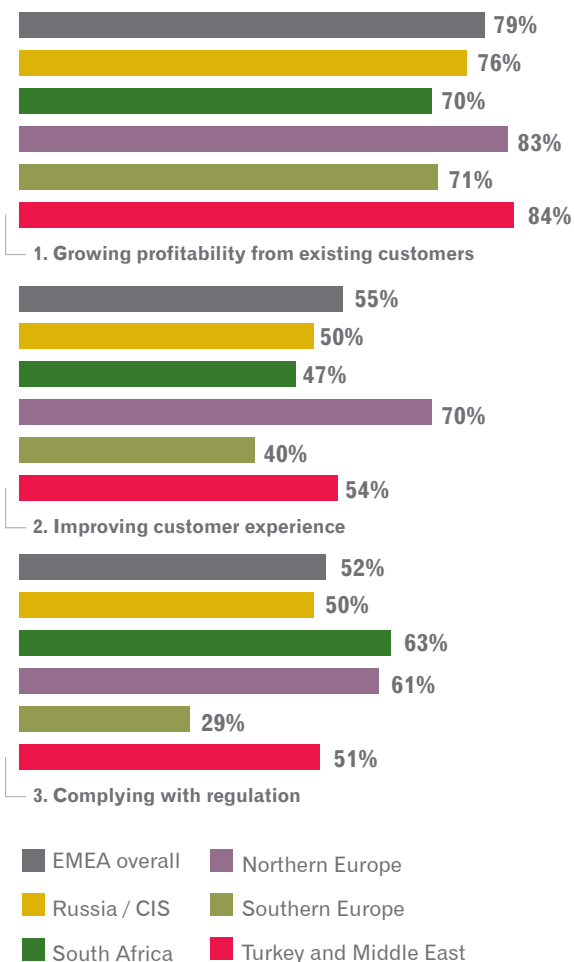
Introduction

How do you know if your business model is fit for purpose today, let alone in five years' time? Greater access to information, facilitated by the rise in technology, has allowed a more empowered and 'self-directed' customer to arise.

Experian commissioned a study among EMEA Financial Services and Telecoms companies to better understand the role data, analytics and decisioning will have in meeting this challenge over the next five years. This report is a summary of the results for Turkey and the Middle East.

The findings from Turkey and the Middle East typify the EMEA region as a whole. With customers becoming more informed than ever before, organisations must redefine their strategy to address the customer's individual needs. However, this requires the right knowledge and understanding of customers. With more data sources and advanced analytics becoming readily available, an opportunity exists to create a relevant, personal and competitive service.

Key business challenges over the next five years



Turkish and Middle Eastern top business challenges

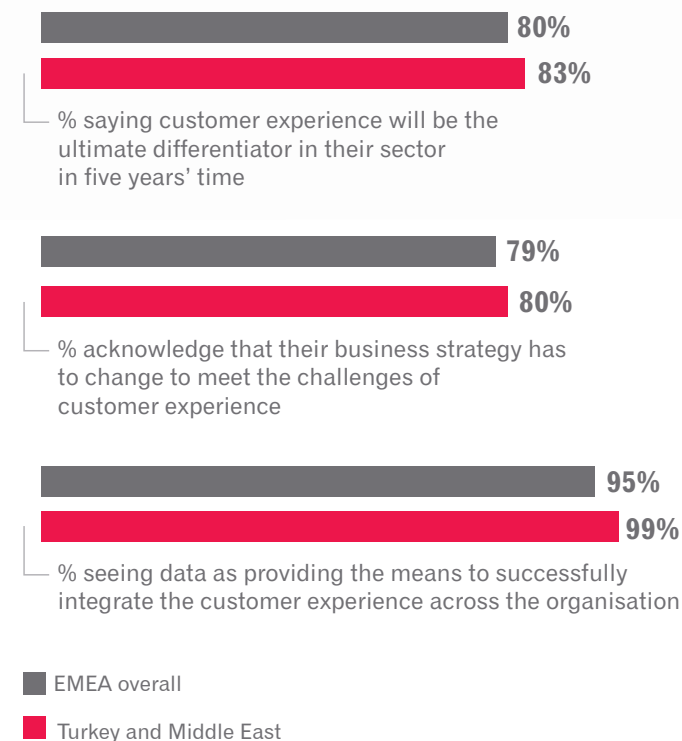
The need to build a more meaningful and long-lasting relationship with customers is most widely recognised within Turkey and the Middle East. Of the respondents we surveyed in Turkey and the Middle East **84%** – the highest level seen within EMEA – believe growing profitability from existing customers is the greatest challenge impacting the need for data and advanced analytics. However, engaging with a new breed of knowledgeable and savvy customers requires organisations to understand their customers intimately. Encouragingly, **92%** believe they could become more customer-centric as an organisation.

For Turkish and Middle Eastern organisations, along with the rest of EMEA, this comes down to delivering an exceptional customer experience. By 2020, **83%** believe customer experience will be the ultimate differentiator for organisations. However, if organisations are to improve the customer experience, they must understand them better. As such, data and advanced analytics are crucial in delivering a consistent customer experience along every step of the customer lifecycle. With new data sources becoming available, **82%** believe big data will transform their customer service model over the coming years.

Data sources to inform customer decisions

Compared with other EMEA regions, Turkish and Middle Eastern organisations are more inclined to use a wide range of data to help them support customer-driven decisions. Indeed, internal data (**80%**), negative data (**53%**), socio-economic data (**53%**) and positive data (**46%**) are the most common sources of data used to inform decisions. Yet there is still scope to use other sources. Currently just **38%** use unstructured data (compared with **63%** in South Africa). If organisations are to make more informed decisions over the next five years, they must look to utilise all the information at their disposal. However, as seen with the rest of EMEA, organisations are not prioritising this. By 2020, just a third intend to use more external (**34%**), socio-economic (**34%**) and fraud data (**34%**).

Customer experience priorities for Turkey and Middle East



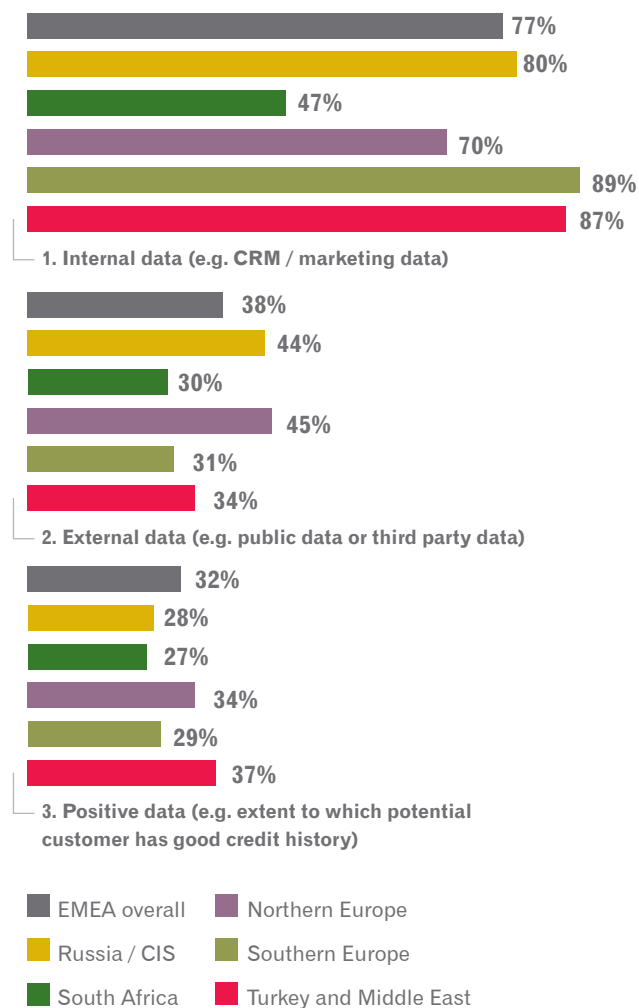
“Across the customer lifecycle, both the availability and volume of data are lacking.”

The ‘data to decision disconnect’

Across the customer lifecycle, both the availability and volume of data are lacking. Such a deficiency in available data is most notable when it comes to protecting the business from fraud (**21%**, compared with **31%** within EMEA). However, a shortfall in the volume of data is most likely to cause challenges within the collections process (**34%**, compared with **43%** within EMEA). Without data readily available or scalable, inevitably the quality of decision-making suffers.

Indeed, when managing collections, just **40%** are satisfied with the consistency of their decisions, notably lower than the EMEA average of **55%**. Similarly, during customer acquisition and collections just **36%** and **37%** respectively are satisfied they can make complex customer-driven decisions.

Data sources to be used more over the next five years



Key challenges across the customer lifecycle



Acquire profitable customers

Turkish and Middle Eastern organisations are primarily focused on improving the overall application experience, with **87%** reporting this to be the biggest challenge over the next five years, a rise from **29%** currently. This in itself brings with it a range of challenges for organisations when acquiring customers. By 2020, organisations expect to find more productive ways to manage the high volumes of applications (**78%**) and ensure they are acquiring the right customers (**75%**).



Grow and retain customers

When growing and retaining existing customers, organisations are most likely to be able to understand individual customer profitability (**82%**) and identify upsell and cross-sell opportunities (**67%**). As with the rest of the EMEA region, Turkish and Middle Eastern organisations intend to focus on eliminating data silos (**42%**) and enabling customers to self-serve (**46%**) over the next five years. However, just **43%** are currently able to provide a consistent experience to customers across all channels, with **40%** citing this as not a focus area at all. If organisations are to succeed in the years ahead, more emphasis must be placed on creating a seamless experience for customers regardless of which channels they use.

Customer lifecycle challenges in five years' time for Turkey and Middle East



Manage collections more effectively

By 2020, **87%** of Turkish and Middle Eastern organisations believe the collections experience will be the biggest challenge, rising from **39%** currently. Here organisations must look at ways to tailor the collections process to deliver greater benefits to both the customer and company. Whilst the need to enhance the experience will grow as customers become more self-directed, traditional challenges will persist. Indeed, time spent chasing late payment (**79%**), costs to collect (**75%**) and reducing provisions (**68%**) are some of the most significant challenges facing organisations over the next five years.



Protect against fraud risk

As with the rest of the EMEA regions, online fraud presents the greatest threat for organisations. Eighty-six percent expect it to increase over the next five years, with account takeover (**78%**) and 'friendly' fraud (**68%**) also likely to increase by 2020. For Turkish and Middle Eastern organisations in particular, fraud protection can be a difficult balancing act. Nearly all organisations (**96%**) believe tackling fraud can negatively impact the overall customer experience if not managed correctly. Indeed, after integrating fraud across internal systems (**86%**), **75%** believe safeguarding the business whilst optimising the customer experience is the biggest challenge over the next five years.

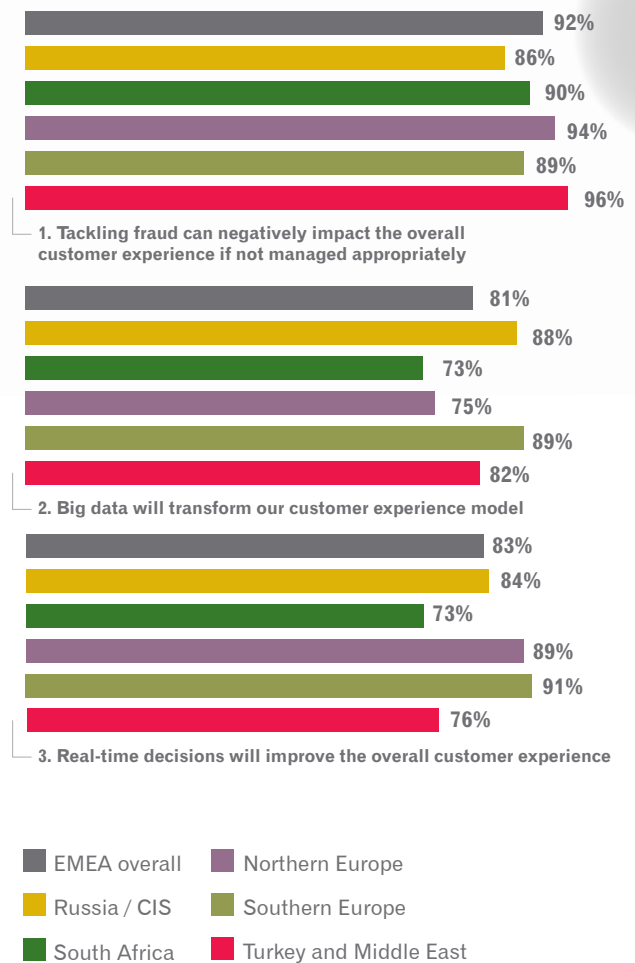
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Comply with regulations

Enhancing compliance monitoring (**84%**) is currently a prominent challenge for Turkish and Middle Eastern organisations compared with the EMEA average (**71%**). Both the speed and flexibility to implement new regulation (**64%**) and the capability to enforce compliance across the organisation (**53%**) present a further challenge. However, over the course of the next five years, the ability to implement compliance in decision tools notably shifts from **31%** currently to **53%**.

Improving the customer experience model



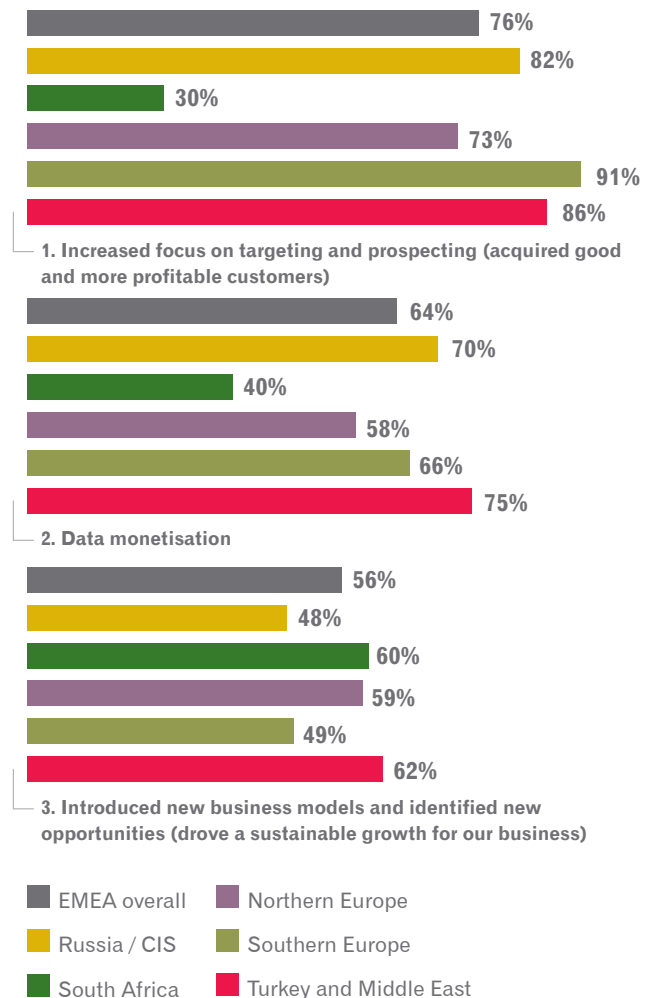
Moving forward: Decisioning in 2020

In order for organisations within the region to make more informed decisions about their customers, the use of data and advanced analytics must become more widely used across the entire organisation.

Nearly all organisations (**99%**) believe that data provides the means to successfully integrate customer experience across the business. For Turkish and Middle Eastern organisations at least, process refinement across the whole customer lifecycle (**86%**, compared with **78%** within EMEA) is the most important priority in making data and advanced analytics become more widely used.

Whilst organisations may see the long-term benefits of adopting data and advanced analytics, arriving at a data decision model requires a great deal of change. Three-quarters of organisations believe they should be using new data sources, with a further **67%** (compared with **58%** within EMEA) planning to allow real-time decision-making in their data analytical tools. Indeed, **76%** believe real-time decisions will improve the overall customer experience. Ultimately, through data analytics capabilities and tools, many organisations (**86%**) recognise they can acquire and retain more profitable customers and subsequently drive more sustainable growth.

Future achievements through data and advanced analytics



Conclusion

Organisations within Turkey and the Middle East place a great deal of importance on the role data and advanced analytics plays in achieving customer centricity.

However, organisations are somewhat held back by the availability and scalability of their own data. As a result this is creating numerous challenges across the customer lifecycle, which threaten to undermine the customer experience and ultimately their competitive advantage over the next five years.

Over this period, organisations are taking proactive measures by increasing investment in data and advanced analytics capabilities and tools and using new data sources. With this data-driven approach organisations stand a greater chance of acquiring and retaining customers, and fundamentally, securing a more profitable relationship.

Decisioning Vision for 2020:

In order for Turkish and Middle Eastern organisations to achieve the ultimate customer experience, they must refocus their priorities on five key areas:

- Attain multiple and new sources of data
- Achieve a holistic view of customers
- Provide real-time, consistent and pre-qualified decisions
- Use multi-channel automation across all customer touch points
- Embrace advanced analytics across the entire organisation

Read the full EMEA research report or benchmark your business with our interactive tool at **www.decisioningvision.com**. Or join in the conversation on Twitter **#dv2020**



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