



3 DATA TRENDS IN FINANCIAL SERVICES

FINANCIAL SERVICES



VALUE
DRIVER



THE VALUE OF FINANCIAL DATA

How are financial institutions leveraging the massive volumes of information at their disposal to glean insights and improve decision-making? Industry experts agree that three trends have emerged for unlocking the value of data in financial services:

- A deeper reliance on the cloud
- An uptick in data collaboration
- Adoption of modern data strategies and technologies

Read on to learn more about these trends and to discover how Snowflake's platform is helping banks, brokerages, insurers, and financial technology (FinTech) startups collect, store, analyze, and share data easily and securely.



A 2018 study predicted big data investments in financial services would grow from \$9 billion to a whopping \$14 billion in just three years.¹

¹ [bwnews.pr/2ScfzGj](https://www.bwnews.pr/2ScfzGj)



TREND #1: DATA IN THE CLOUD

Financial institutions hampered by legacy on-premises systems run into a number of obstacles including lack of data visibility, inability to securely access critical third-party data, and incapacity to scale quickly.

The cloud, on the other hand, enables financial services companies to grow their business without sacrificing security. Snowflake offers:

A SINGLE SOURCE OF TRUTH

Structured and semi-structured financial and customer data is centralized in one place for greater accessibility and accuracy.

DATA SHARING

Data silos are eliminated and information can instantly and securely be shared across the organization and with third parties.

ACCELERATED ANALYSIS WITH UNLIMITED SCALE AND SPEED

Isolated, elastic storage and compute resources are allocated to each workload to ensure fast performance for unlimited users.

SECURITY FOR SENSITIVE AND REGULATED DATA

Consumer privacy compliance is maintained with built-in security that supports SOC 1 Type 2, SOC 2 Type 2, and PCI DSS requirements.

➤ **From 2016 to 2018, there was a threefold increase in the number of financial services organizations adopting cloud technology to promote innovation.²**

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Five years ago, the question was whether you were on premises or in the cloud. That's no longer the case. Today, relying on cloud platforms such as Snowflake for scale and security has become a lot more accepted in financial services.”

—ERIC TAN

SVP IT & Business Services, Coupa



HEADQUARTERS San Mateo, CA

INDUSTRY Internet software and services

EMPLOYEES 2,000+



² bit.ly/33ltKzv

TREND #2: DATA COLLABORATION

Financial institutions are exceptionally cautious about exchanging data outside their organization. But in order to operate in today's world, they need to share sensitive data instantly, seamlessly, and securely. Traditional financial institutions must share data with FinTech companies so their customers can access their financial accounts. Today, investment banks are forced to hold excess working capital because aligning on risk exposures and liquidity is executed through nightly correspondences instead of what could be real-time data sharing in Snowflake. Credit agencies are required to share information with banks for account and loan approval.

Platforms such as Snowflake offer financial companies instant, easy, and secure data collaboration. Now, companies can share data between parties without having to move it. This can dramatically change the fundamentals of how businesses operate, from conducting nightly loads, to gaining real-time insights to allocate funds, to meeting risk metrics or executing on investment opportunities. It can fix delays in claims processing and deliver instant customer experiences and satisfaction. With a fully governed data exchange, companies can easily determine who sees what data, and they can ensure all business units and business partners access a single and secure copy of their data. They can also monitor usage and access, control the publishing workflow, and use a multitude of built-in data security features.

➤ **65% of banks and 76% of credit unions say partnerships with FinTech companies will be an important part of their business strategies in 2020. These numbers represent an increase from 49% and 60%, respectively, in 2019.³**

³ bit.ly/33i1KMW



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TREND #3: MODERN DATA STRATEGIES

Deloitte Consulting has identified five areas that leading financial services companies are focusing on to unlock the true value of their data assets.

1. ESTABLISH A SINGLE SOURCE OF TRUTH

A single source of truth can result in a unified view, and consistent usage, of enterprise data across products, businesses, and relationships, enabling amplified central intelligence. The move towards greater data democratization enables digital first transformation and a wide spectrum of use cases across the lines of businesses and functional domains.

2. PERFORM RAPID PLATFORM CONSOLIDATION

Streamlining, standardizing, and consolidating data sources through platform consolidation can improve business agility and security.

3. MIGRATE TO THE CLOUD

Financial institutions need a scalable and flexible architecture that is “future-proof,” offers robust security and business continuity, provides extensive analytical capabilities, facilitates regulatory and compliance, and ensures agility for launching new products and expanding relationships.

4. BOLSTER ANALYTICS CAPABILITIES

Analytics and business intelligence provide companies with a number of capabilities, including predictive insights; interoperability; next-best-actions for customers, products, pricing, and target markets; and growth actions (both organic and inorganic).

5. ACQUIRE AND RETAIN SPECIALIZED TALENT

To succeed, it is essential to hire data subject matter experts who understand line-of-business product lifecycles and processes, internal and external data, and emerging technologies that can deliver the above capabilities.



The prospect of creating enterprise value from data represents an unprecedented opportunity for financial services organizations. This opportunity is often constrained by significant challenges in shaping and managing data throughout the enterprise. Data-Insights-Outcomes-Actions is rapidly emerging as a differentiator. Reducing redundancy and enabling consistent usage of data helps meet critical business objectives: sustainable growth, enabling innovative business strategies, durability, maximizing profitability, mitigating fraud and risk, and improving operational efficiency and cost effectiveness.”

—SHAILENDER SINGH SIDHU

Managing Director, Banking & Capital Markets,
Deloitte Consulting LLP

Deloitte.

HEADQUARTERS	London, United Kingdom
INDUSTRY	Professional services
EMPLOYEES	312,000



FINANCIAL SERVICES VALUE DRIVER

SNOWFLAKE ENABLES FINANCIAL INSIGHTS

Snowflake eliminates data silos so financial services companies can access virtually all of their data in a single, globally available platform. Banks, insurance firms, asset managers, and other financial institutions can securely access and share live, governed data across subsidiaries and with partners, make data-driven decisions, and meet compliance and regulatory objectives powered by real-time analytics.

THE POWER OF THE CLOUD

Snowflake delivers performance, flexibility, and scale to organizations looking to operate efficiently while fostering innovation in today's competitive landscape.

SECURE DATA SHARING

With Snowflake Data Marketplace, companies can avoid the risk and hassle of having to copy and move stale data. Instead, they can securely access live, governed shared data sets and receive automatic updates in real time.

A DATA MOBILIZATION PLATFORM

Built to be future-proof, Snowflake includes the features and capabilities companies need to gain insights and remain competitive in today's ever-changing marketplace.

➤ In 2022, North American banks are expected to spend nearly one-half of their total IT budget on new technology, while European banks are expected to spend about one-third, a figure higher than the current level (27%).⁴

⁴ bit.ly/34bmdSW



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LEARN MORE

Visit **Snowflake for Financial Services** to learn how you can leverage data to drive personalized experiences, improved business efficiency, and proactive risk mitigation.





ABOUT SNOWFLAKE

Snowflake delivers the Data Cloud—a global network where thousands of organizations mobilize data with near-unlimited scale, concurrency, and performance. Inside the Data Cloud, organizations unite their siloed data, easily discover and securely share governed data, and execute diverse analytic workloads. Wherever data or users live, Snowflake delivers a single and seamless experience across multiple public clouds. Join Snowflake customers, partners, and data providers already taking their businesses to new frontiers in the Data Cloud.

[snowflake.com](https://www.snowflake.com)

