

LatentView's Experience in Digital Analytics

For Investment Management Firms

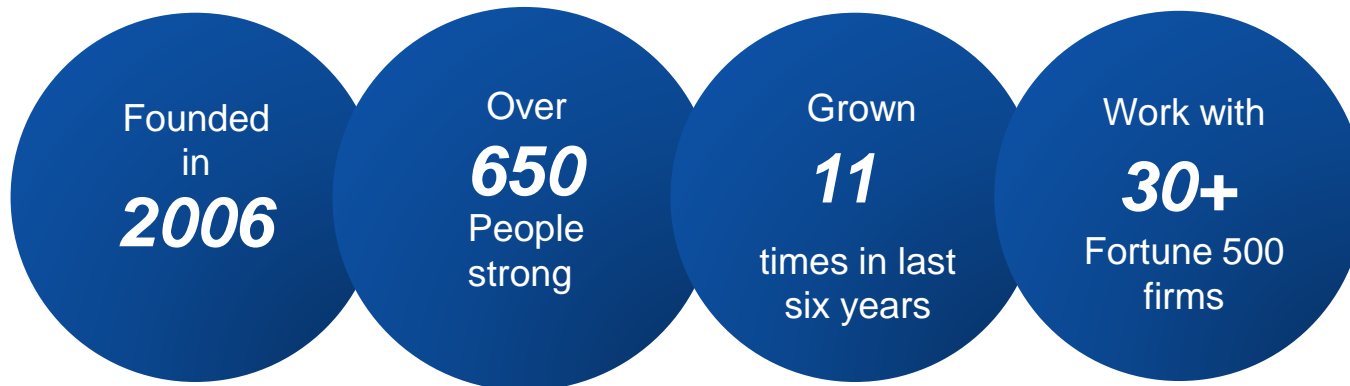
May, 2020



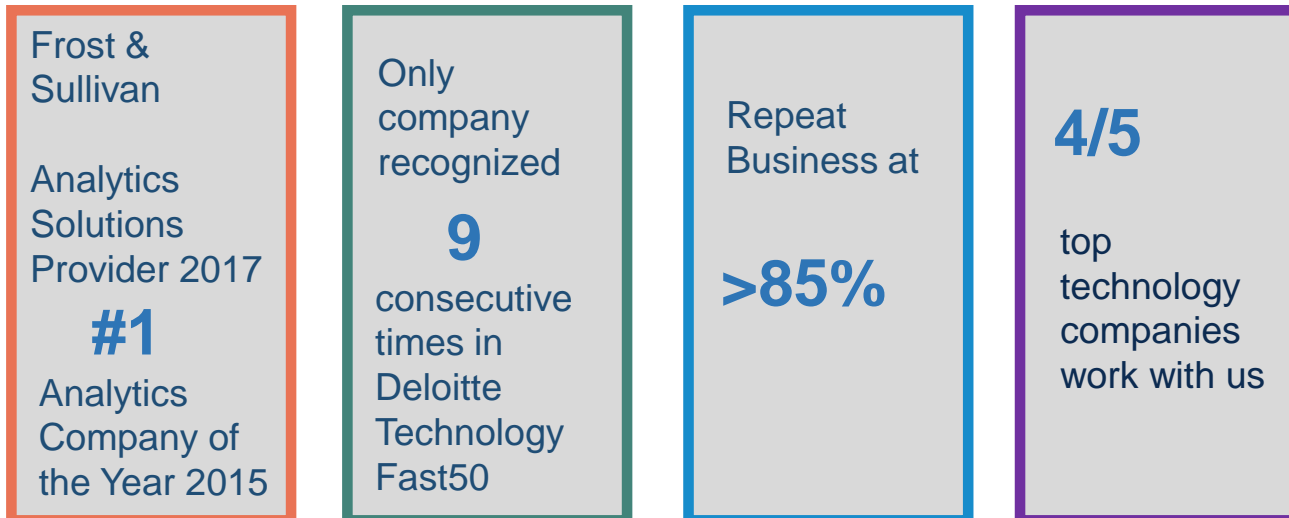
Agenda

- 1 Introduction to LatentView
- 2 Capabilities in Financial Services & Asset Management
- 3 Asset Management - Case Studies

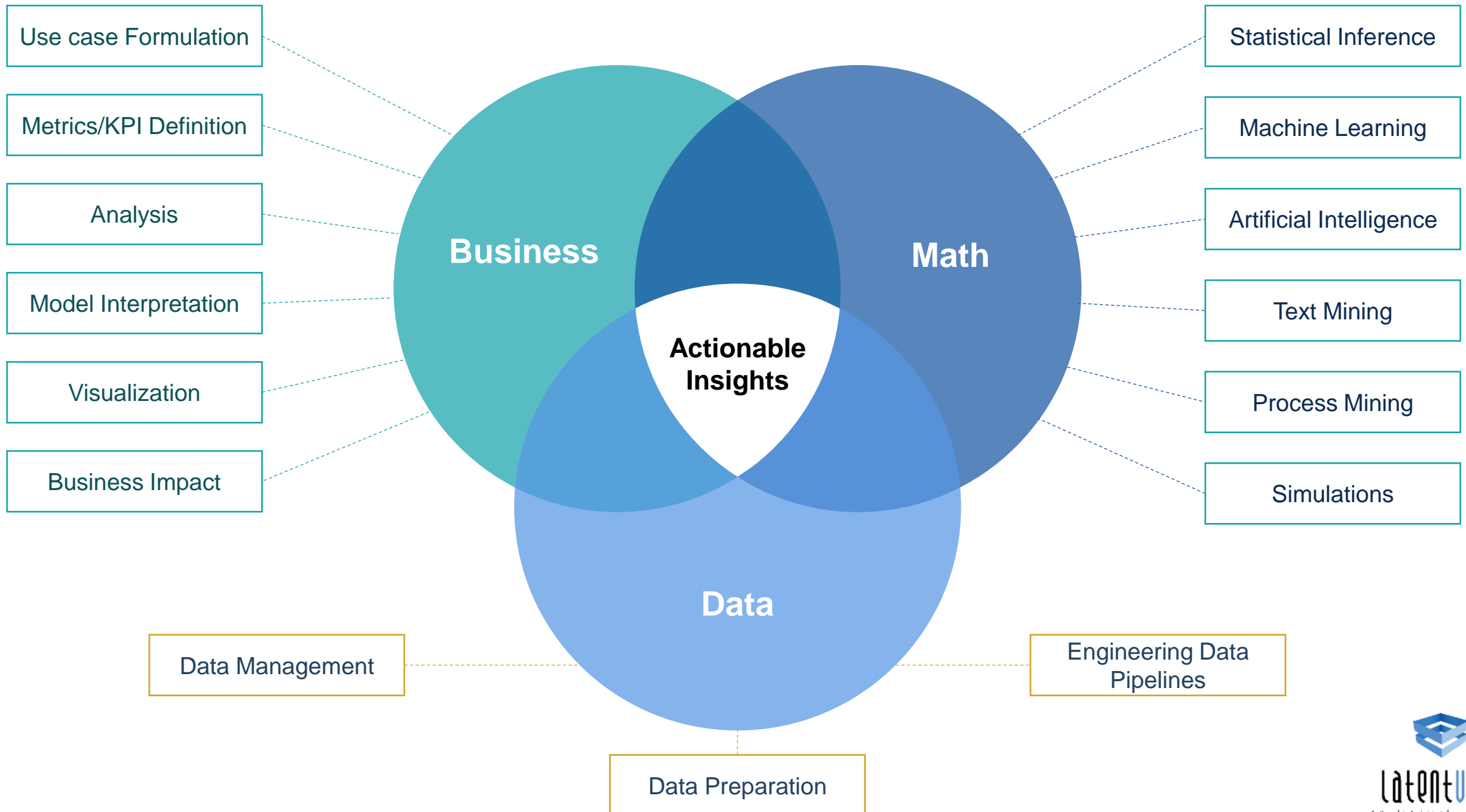
LatentView Analytics at a Glance



Awards & Recognition



Extensive Experience across the Analytics Spectrum



Functional expertise is the cornerstone of our work

Functional categories



Customer Analytics

Customer Perception

Customer Behavior

Lifetime Value Analysis

Loyalty and
Personalization

Cross Sell/Up Sell



Marketing Analytics

Brand and Competitive
Positioning

Campaign Design and
Effectiveness

Marketing Spend
Optimization

Attribution Modelling

Personalized Marketing



Supply Chain

Sourcing and
Replenishment

Metrics
Measurement

Demand-Supply Forecast

Inventory Optimization

End to End Visibility

Enablers



Finance And Risk

CFO Dashboards

Collection
Analytics

Trust/Counterfeit
Analysis



Innovation

Innovation Radar



HR Analytics

Employee Pulse
and Retention

Talent
Acquisition

Performance and
Compensation



Administration

Asset Optimization



Data Engineering

Business-focused Approach to Data Engineering to help adopt modern scalable architectures



Visualization

Reporting and dashboards platforms for Insights and quick view on KPIs



Data Science

Processes to extract knowledge from structured and unstructured data

Proud to be the Analytics Solution Provider of Choice to top Companies

Finance & Insurance

MetLife

PayPal

ASSETMARK

VISA

arvato
BERTELSMANN

AberdeenStandard
Investments

MoneyGram

nerdwallet

intuit

FRANKLIN TEMPLETON
INVESTMENTS

Technology

Google

Microsoft



Adobe

And much more....

ebay

UBER



UNITED

ExxonMobil

Whirlpool
CORPORATION

Walmart



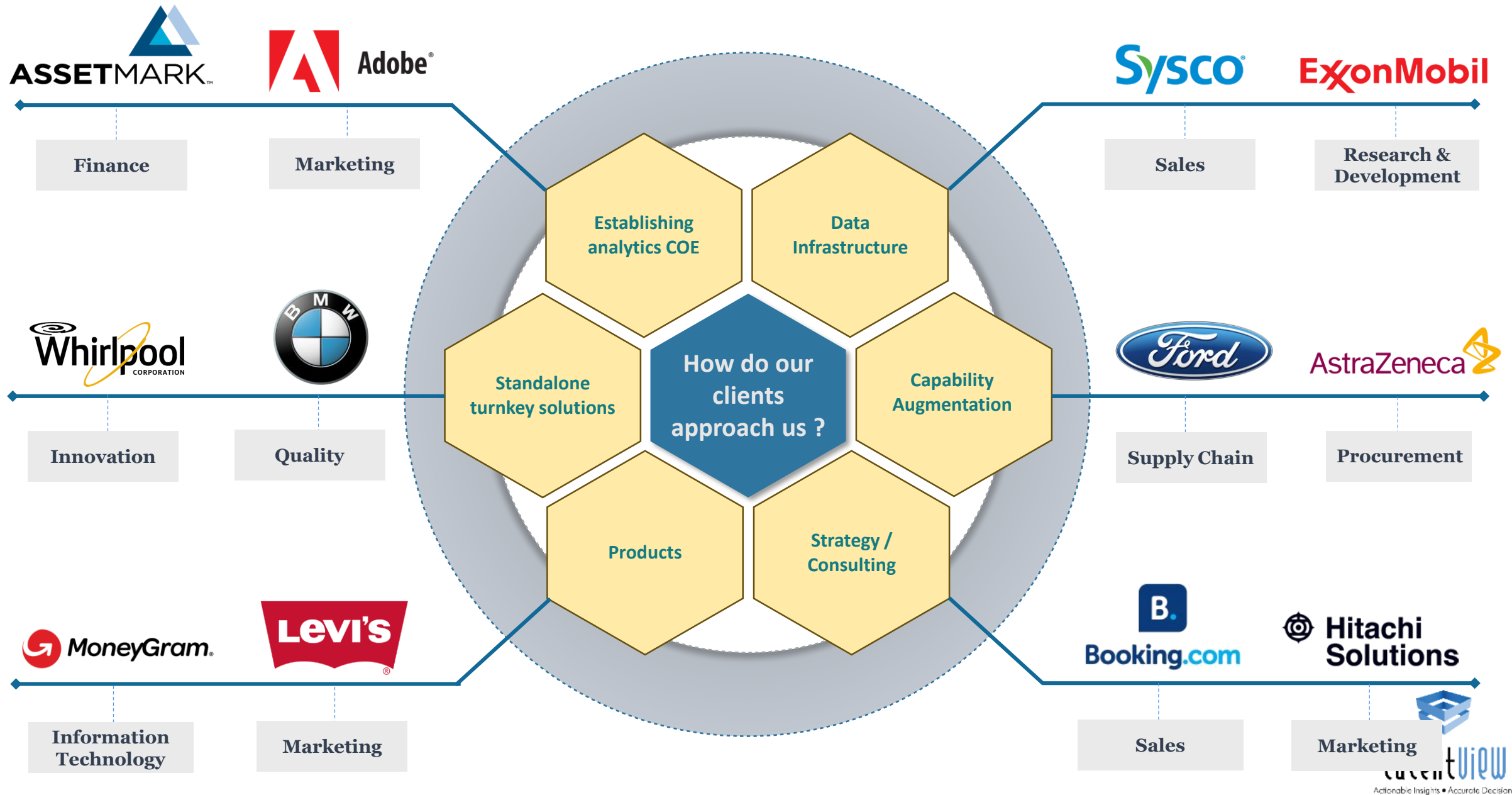
PEPSICO

SONY
PICTURES



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Engagement models with clients across a range of industries...



Tools, Technology & Partnerships

Data Engineering



Data Science & Modelling



Data Visualization



Microsoft Partner
Silver Cloud Platform

Microsoft Partner
Gold Data Analytics



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Capabilities in Financial Services & Asset Management

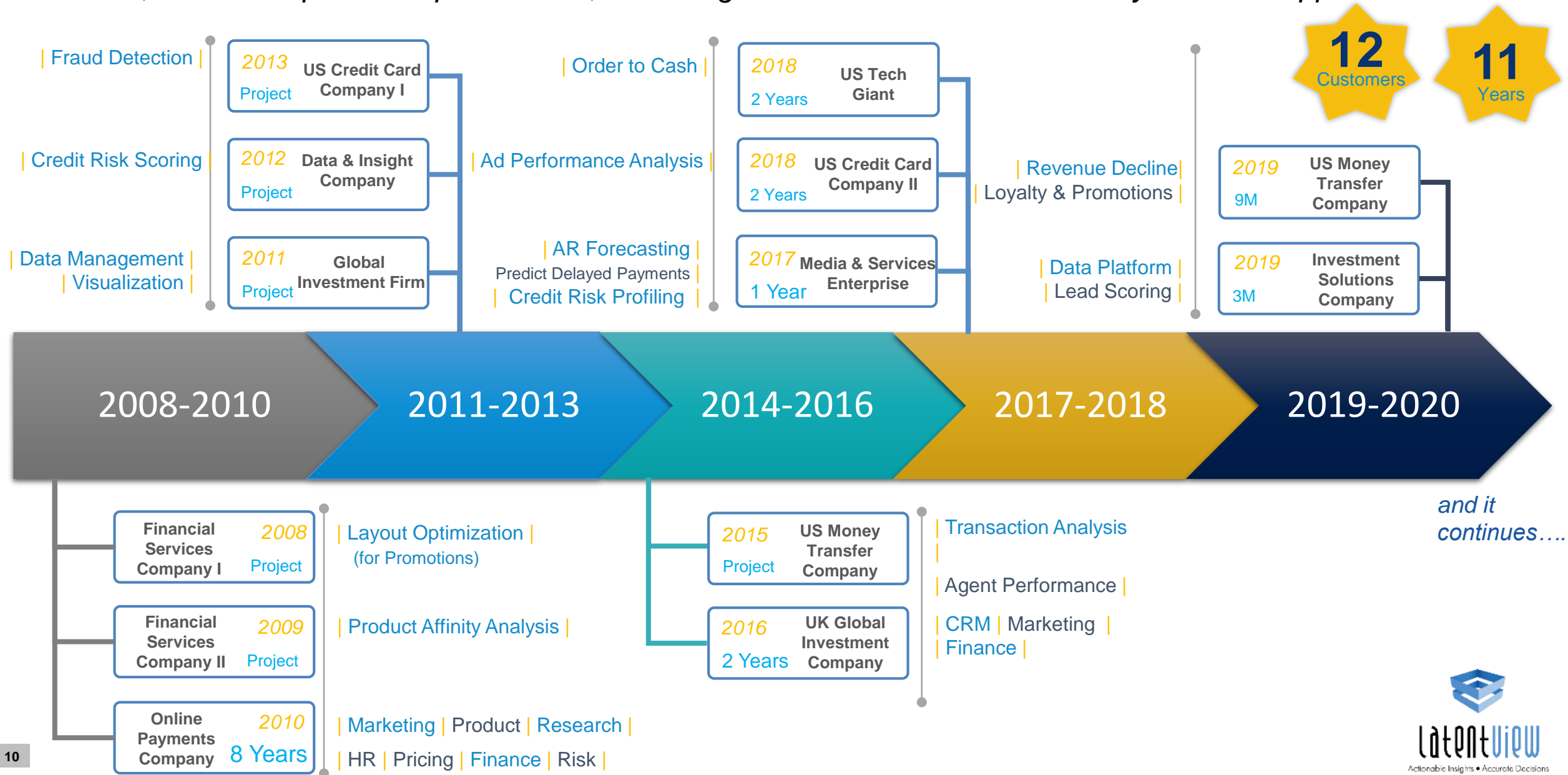


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LatentView's Decade-Long Fintech Experience

Diversified, consistent partnership in Fintech, delivering customized solutions to satisfy business appetite



Analytics Opportunities in Investment Management – Overview

Enterprise Data Hub: Building a centralized data platform & build AI products on top

Client Acquisition: Marketing Analytics

*Enabling **cross sales through conversions** driven by KPIs from digital, CRM & external data*

- Define & **integrate new set of KPIs** from all consumer touch points
- **Measure marketing effectiveness** through behavioral segmentation to enable cross sales / conversion
- **Define contact & campaign strategy**, consumer life cycle management using personalized digital marketing

Client Operations: Distribution Analytics

*Identify **critical clients to enable client Retention** & Growth using client transactions, performance, rating etc.*

- **Build early warning systems** for critical customer identification to help manage relationships
- **Identify relationship triggers** / factors (behavioral based) for timely engagement
- Collaborate with distribution teams to **forecast redemptions** & report insights across AUM, Flows, Opportunities & Risks.

Investment Management: Portfolio Analytics

*Driving **Investment Decisions using alternate data** & depicting meaningful improvement in fund performance*

- **Drive fund portfolio decisions** based on external data signals / alternate metrics among other financial indicators
- Define strategies to **source, ingest “Big data”** surrounding research & other external company information (or) events
- Redefine strategies at an **asset class level**



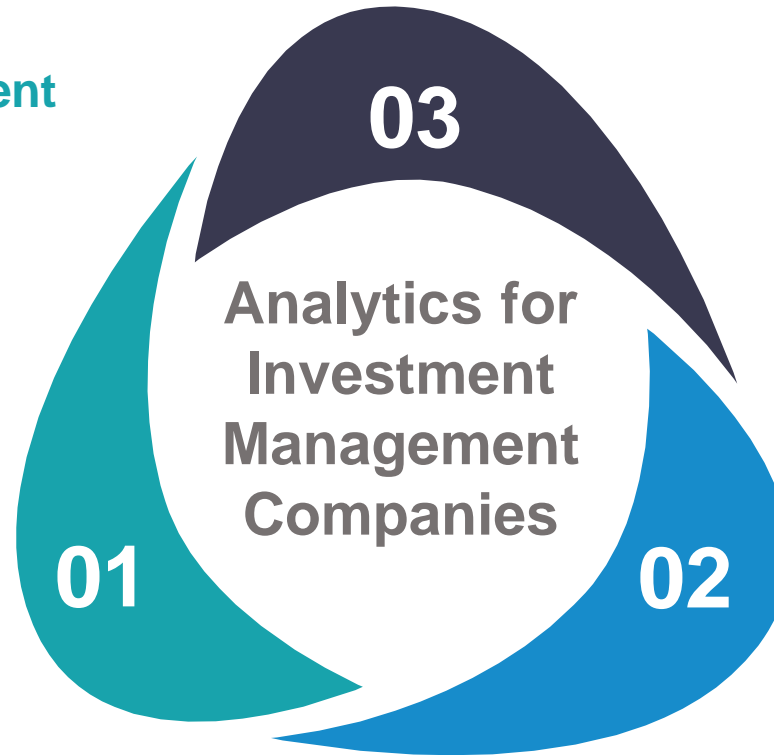
Our Experience working with Investment Management Companies



UK-based Leading Investment Management Company

- **Standardization and consolidation** of marketing metrics
- **Enhance client relationship** by personalized campaign targeting and predicting customer churn using ML
- Improving **brand's visibility** using external data sources

AberdeenStandard
Investments



Global Investment Management Firm



- **Report Automation and Building Interactive Dashboards**
- **Distributor segmentation** – Identifying distributors based on their loyalty index



US-based Leading Turnkey Asset Management Company

- **Building a Scalable Enterprise Data Lake** to track business performance
- **Advisor behavior insights** using ML


ASSETMARK



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Representative Case Studies



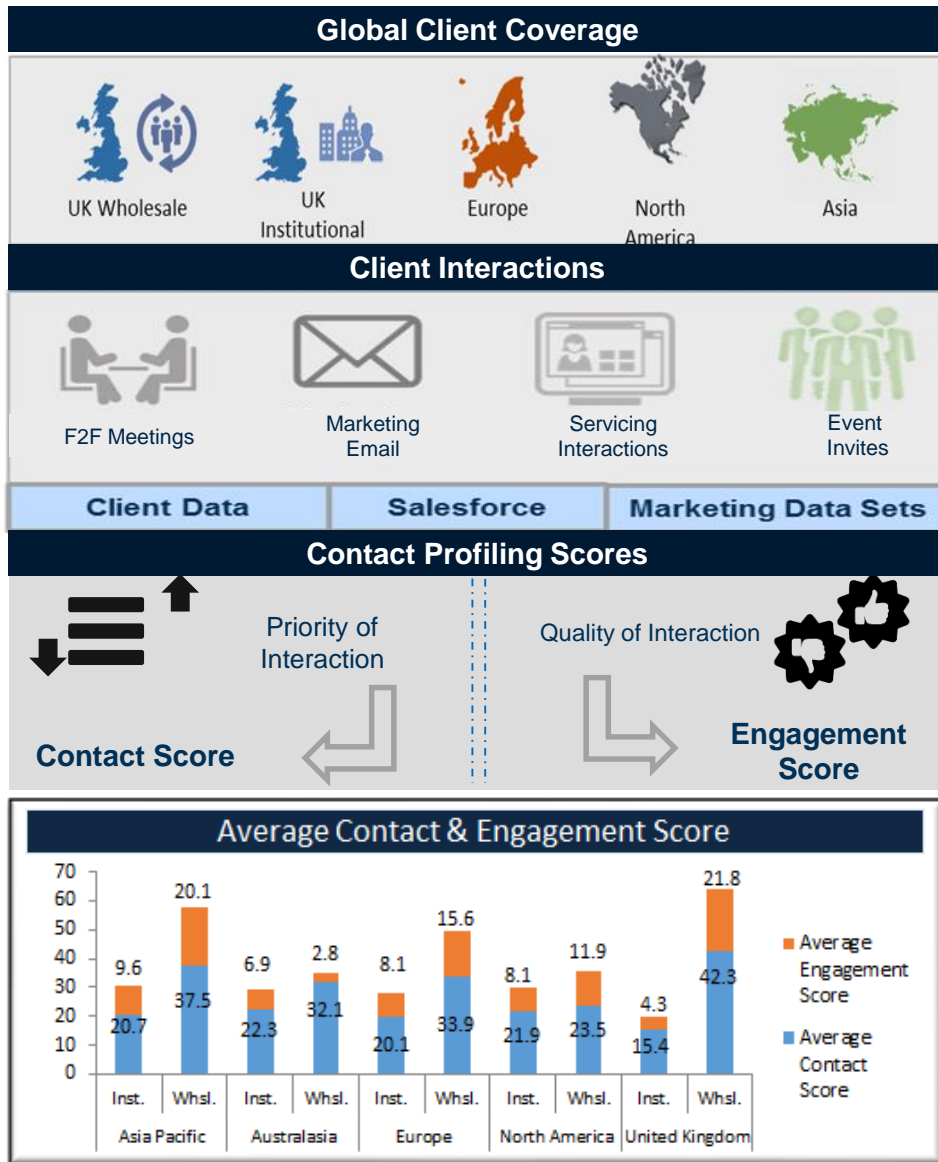
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1. Global Client Coverage – Engagement Scoring & Contact Profiling



(Institutional & Wholesale)



Business Context: High correlations between higher engagement and business flow.

However, Evidence of over-communication - **2.9k** contacts were sent more than 30 emails (<10% Open Rates) and case of under communication for smaller clients.

Solution: Contact profiling derived from using various sources of customer, interactions & engagement data enabled quantifying **level of engagement / interactions (Engagement Scoring)** across all clients and prospects (Institutional & Wholesale) base.

Output: An **aggregated and historical view** of client contact across all channels and markets

- Visibility of **contact frequency** by client type, size, value
- Assessment of **contact responsiveness** within a firm
- Clarity of **client engagement** with previous communications

Metrics	Global Average	
Contact Score	19.3	26.2
Engagement Score	8.1	11.4
Contact Score for Key Influencers	37.9	51.5
Engagement Score for Key Influencers	17.5	25.7

Top contacted contacts of Top Branches						
Account	Contact	AUM	Platinum Account	Key Influencer	Contact Score	Engagement Score
	Richard Williams	£ 1,045,602,471	Yes	No	66.9	28.4
	Stuart Parkinson	£ 4,323,006	Yes	No	64.4	47.0
	Ronnie Griffin	No AUM	Yes	No	61.1	29.1
	Lei Zheng	No AUM	Yes	No	60.0	29.7
	Sanna Wong	No AUM	Yes	No	58.3	25.2
	Charles Chow	No AUM	Yes	No	55.6	25.2
	Doris Kuo	No AUM	Yes	No	55.6	25.2
	Robert Musgrove	£ 1,233,146	Yes	No	54.5	26.1
	Paula Collins	£ 385,520	Yes	No	54.3	27.5
	Angelina LAI	No AUM	Yes	Yes	51.6	31.8
	Kristy Tan	No AUM	Yes	No	44.5	27.9
	Michael Barkhuizen	No AUM	Yes	No	28.8	2.4

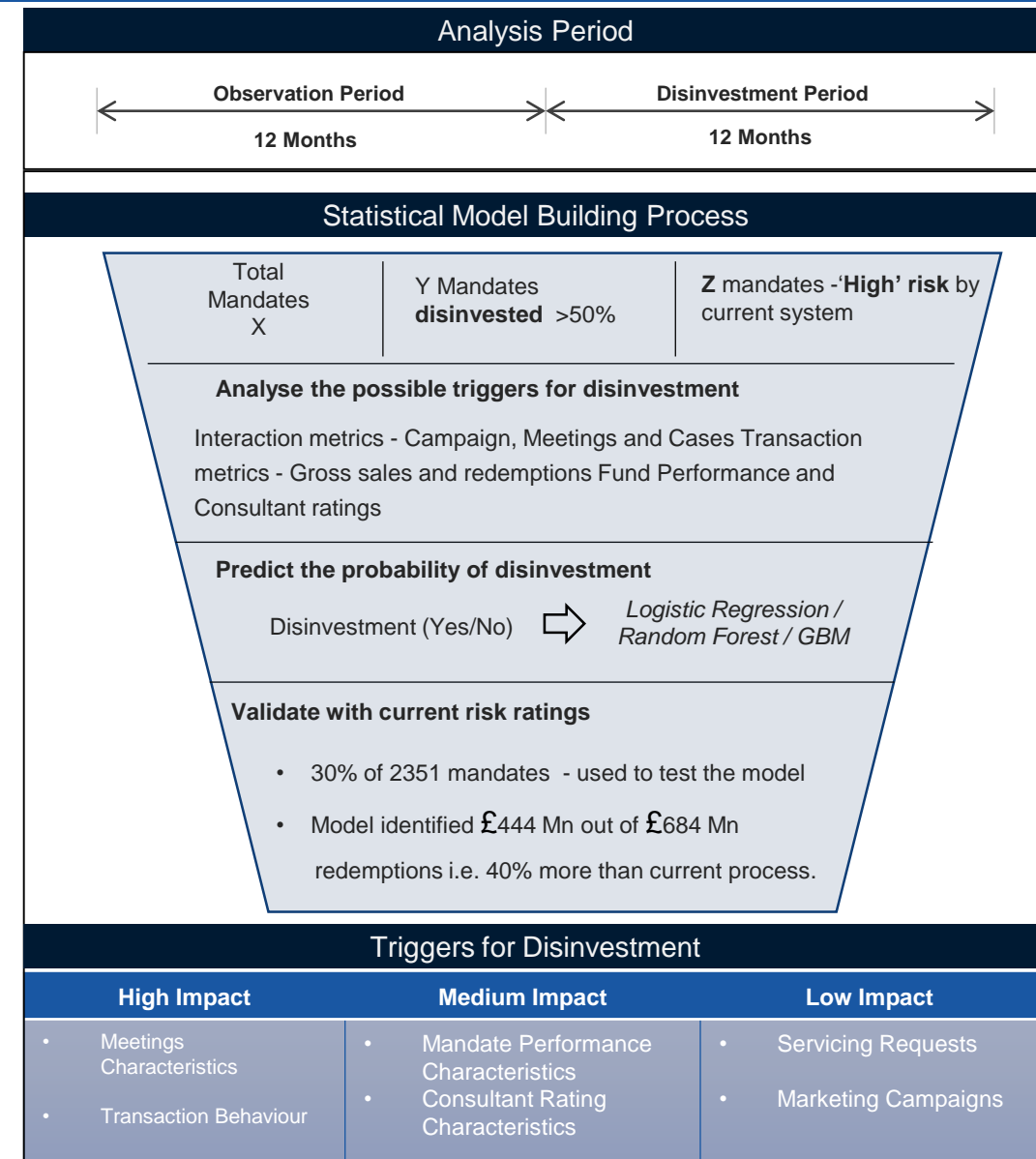
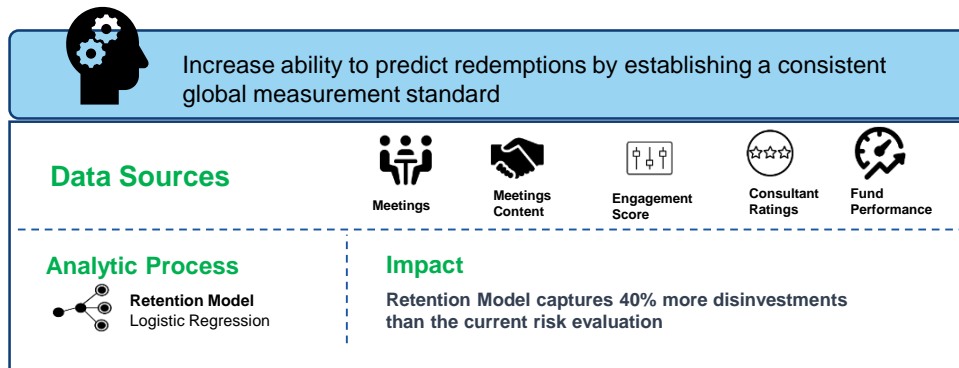


2. Institutional Client Retention using Machine Learning

Challenge: Accuracy of the **current risk rating system** to predict disinvestments in institutional clients was **only 20% accurate**.

Solution: Built a **classification model** to **predict disinvestments** by combining data related to **Investor's interactions, Transactions, Consultant ratings and Product performance**. Mitigate the churn risk by acting upon the actionable variables.

Impact: Institutional Clients - Accurate **predictions of disinvestments in 65% of the cases** leading to retention of mandates worth **444 Million Pounds**. Early risk prediction provided enough time for risk mitigation.



3. Campaign Targeting to Increase investments (Top Up & Cross Sell)

The Customer services team targeted **Institutional customers based on pre-set rules** not considering past behavior and targeted all customers using a single strategy thus having less effectiveness



Recommendation engine using **RFM & Similarity index** to identify best set of prospects for the fund, segmented customers based on their **behavior/characteristics & propensity** to invest



Average **Campaign engagement rate** increased from **12% to 18%**

Target Identification Process

Identify High potential prospects for this fund



Look-Alike Model between Client and Prospects



RFM – Recency, Frequency, Monetary model – identify high wallet frequent investors

- Wallet Size >£100k per month, plus
- A strong allocation into relevant Sector

Pearson Similarity Index Model based on

- Allocation behaviour across sectors
- Investments in client's company & market



Market Share



Client's Financials

- Customer Segmentation technique based on Frequent, recent and high investors



Recency



Frequency



Monetary



Final List of target accounts for Campaign



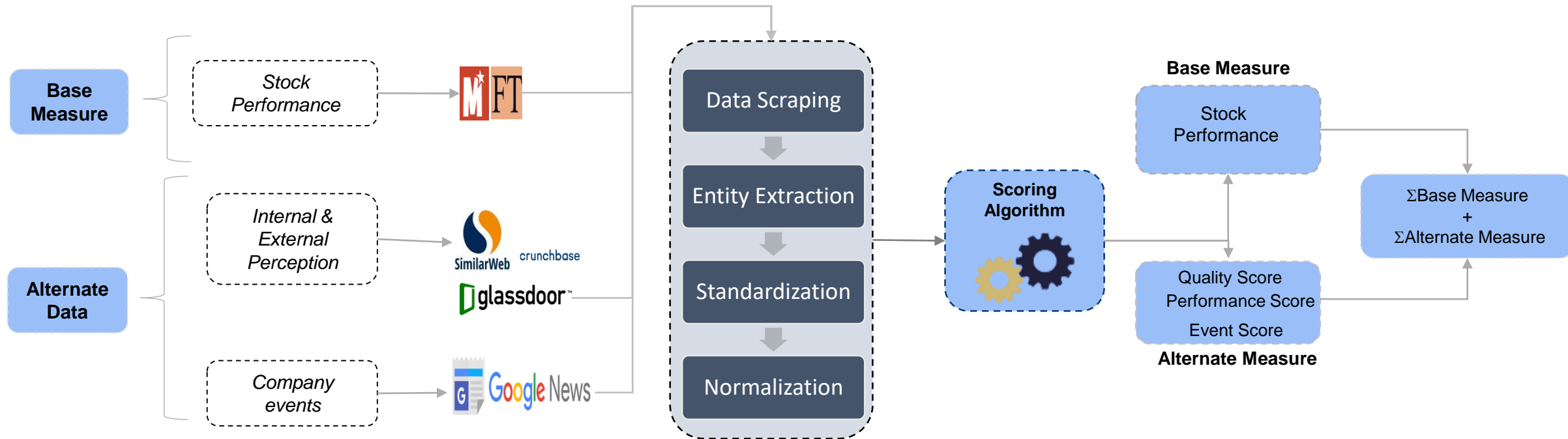
Customer segmentation and Message coherence

- Segment the identified prospects based on characteristics and behaviour
- Send Personalised marketing content for each segment to engage customers more effectively



4. Alternative Data Sources to Improve Investment Analysis

This analysis consisted of 54 stocks split between two funds as prescribed by the client



Data Extraction & Integration

Relevant information from shortlisted data sources is extracted using **custom web scrapers** and **advanced pattern matching algorithms**.

Z score normalization to preserve the range (max & min) & introduce the dispersion of the series (standard deviation / variance)

Fund Scoring

For a given company each variable is given a **score between 0-1 in relative to the other companies in the fund**. This score is assigned basis the percentile range of its z score

For e.g. z score value > 90th percentile is assigned a score of 0.9 & z score value > 80th but < 90th percentile is 0.8 and so on.

Evaluation & Inference

- All the variables are fed in to get metric level score.
- Each metric is assigned a weight & then summed up to get a company level alternate score
- This score is then supplemented with existing base measure to get **overall stock score**

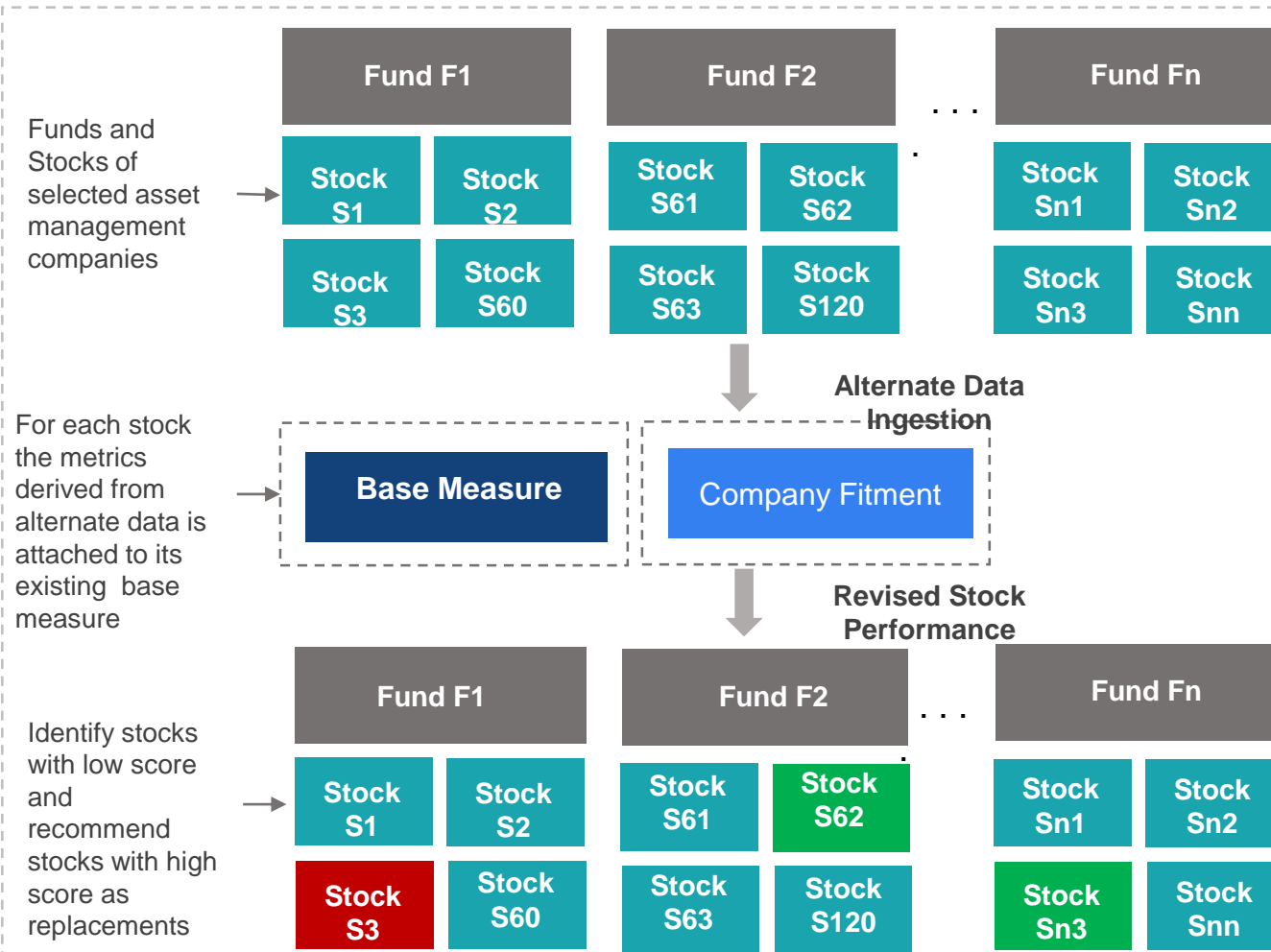


4. Alternative Data Sources to Improve Investment Analysis



$$\text{Stock Score} = \sum \text{Base Measure} + \sum \text{Alternate Measure}$$

Base Measure: Mean value of key stock performance indicators | Alternate measure: Mean of weighted alternate performance indicators



- To each stock , the “**Base Measure**” is coupled with its “**Alternate performance measure**” and given a score between 0 & 100.
- This score is **relative measure** i.e. score can be used as measure to compare between different stocks at either overall or metric level.
- The weight assigned to each factor of alternative data is customizable and helps in benchmarking companies .

■ Positive Trend ■ Neutral Trend ■ Negative Trend





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Thank You



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