The customer data conundrum

New data from the Finance Sector shows the bigger the data - the bigger the struggle

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Foreword

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Like many of us, I'm a customer of a wide variety of financial services businesses. From corporate banking to car insurance, from mortgage provision to crypto trading – the best of these organisations offer me essential support in exchange for my rich data.

I give them my trust and in return, they fund and protect me.

But given how much of my information I offer to the sector when looking to buy (or borrow) it's extremely rare that they market to me effectively. They almost never offer me a tailored digital experience and even the subtlest of personalisation seems non-existent. As a modern customer, it's these signals that reinforce that concept of trust and understanding. If they 'get' me then they get me.

Perhaps because the sector has deep foundations, established governance and a wealth of specialist knowledge it is struggling to turn its customer data into a tangible advantage? Perhaps the sheer scale of investment in legacy systems and massive information technology projects make it an impossible ship to turn? Perhaps the mountain of standards and regulation is too high to navigate over?

As legitimate as all the above seems it no longer matters. The customer of 2025 has arrived early and knows what they want. They are gravitating toward innovative financial brands that put them first. A special conversation beats a special product offering every time.

If your brand isn't using its unique narrative – through smart messaging and resonating content – to connect with prospects across all channels and technologies simultaneously then you're missing out.

There has never been a more exciting time for the sector to start considering the total digital experience. Mobile, desktop, tablet and even TV, working in unison by connecting to a truly intelligent and evolving single customer view.

At Remarkable, we are working with some of the world's leading brands to flip this new reality into something powerful for your customers online – into an experience that converts.

The race to 2030 is on!

Data, data everywhere…

The financial sector has always been at the very forefront of data-driven innovation.

Between rising compliance requirements and the rapid digitalisation of processes, today's banks, insurance companies and financial services providers are some of the heaviest users of data in the world.

But when it comes to customer data, that's only half the story.

According to new research, even though 70% of financial businesses collect personal data, only 52% of customer data is actually used.

Most decision makers believe that the analysis of customer data improves the customer journey (81%) and helps predict customer behaviour (76%).

Yet only 26% would say their organisation has a complete single customer view

In fact, 4% of organisations don't even segment their audiences because they quite simply don't have the means to do it.

In this report, we're going to look at why so many businesses in the financial sector value customer data enough to collect it, while so few manage to make the most of it.
Our research is based on surveys of over 200 decision makers from UK-based financial businesses including a range of banks, insurers and service providers.

And it reveals both why customer data is often hard to use and what leaders are doing to use it more effectively.

Let's dive in.

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Key findings

- On average, UK-based businesses in the financial sector use just 52% of all the data they collect.

- Only 26% believe their company has a complete single customer view.

- 60% of businesses have to rely on multiple data platforms.

- Only 37% are personalising the customer journey to a great extent.

- Only 55% do customer journey testing.
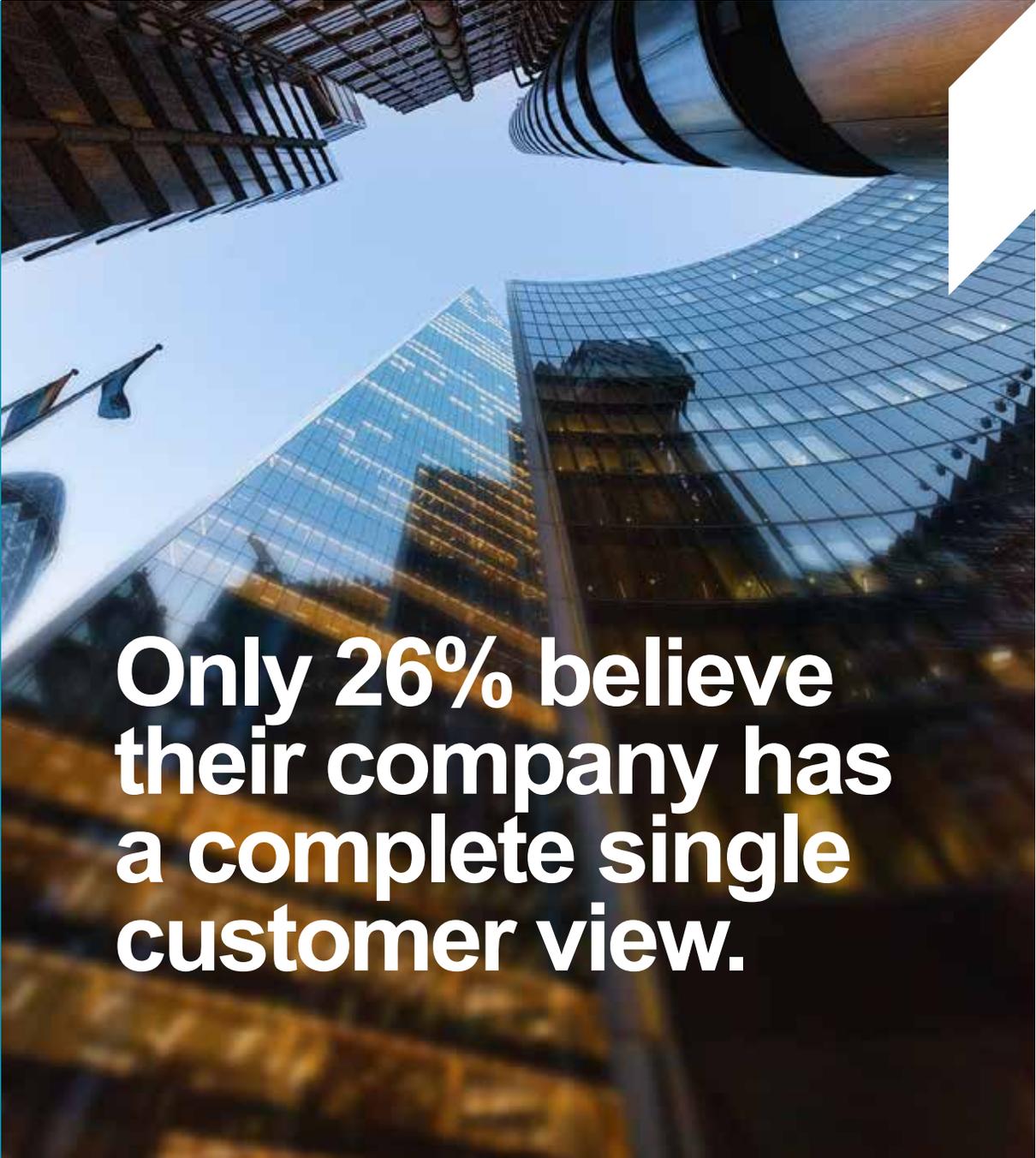
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Only 26% believe their company has a complete single customer view.

The myth of the
single customer view

The myth of the single customer view

Businesses in the financial sector collect many kinds of customer data from many different sources.

70% of businesses collect personal data from their customers with 51% collecting email data and 54% collecting risk and credit data.

But less than half of these businesses collect customer data that could help them improve the customer experience.

⌐ **Only 44% collect CRM data**

⌐ **Only 42% collect contact centre data**

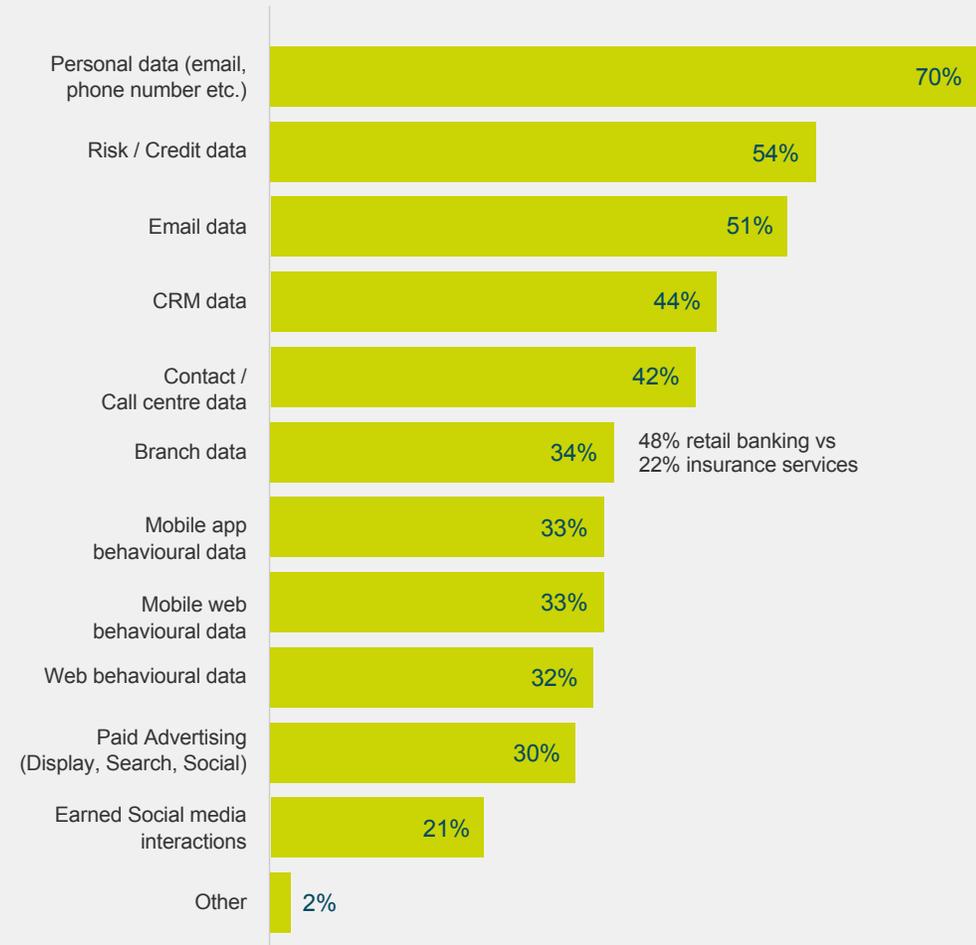⌐ **Only 33% collect data on mobile behaviour**

Now this may in part be due to differences in priorities across different sub-sectors.

For instance, while just 22% of insurance businesses collect branch data, 48% of retail banks do.

But there are also real differences in capabilities across businesses in the sector.

90% of respondents report they can access customers' personal data in less than an hour. But only 31% could do so in real time.

What kind of data do you collect from your customers?

Category	Percentage
Personal data (email, phone number etc.)	70%
Risk / Credit data	54%
Email data	51%
CRM data	44%
Contact / Call centre data	42%
Branch data	34% — 48% retail banking vs 22% insurance services
Mobile app behavioural data	33%
Mobile web behavioural data	33%
Web behavioural data	32%
Paid Advertising (Display, Search, Social)	30%
Earned Social media interactions	21%
Other	2%

86% of respondents can access contact centre data within an hour.
But only 36% can access it in real time.

This gap between the most capable users of customer data and the rest of the sector is important because it also reveals that even a complete single view of the customer is a meaningful advantage.

While 61% of businesses report having somewhat of a single customer view, only 26% report a complete single view.
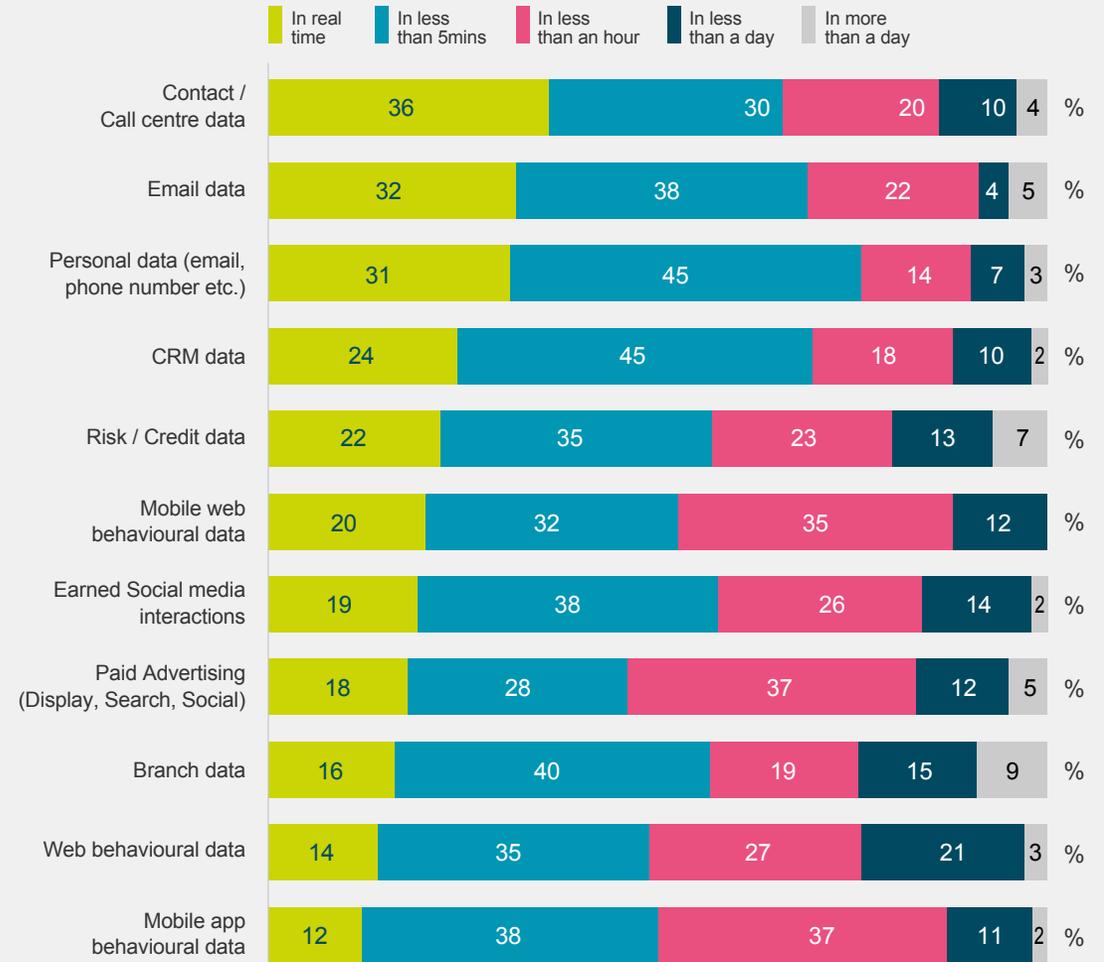
In fact, 10% report not having one *at all*.

Given the vast number of data sources businesses in this sector rely on, it's also worth noting that, on average, businesses are only unifying 4 data sources, with only 5% unifying more than 10.

Indeed, 60% of organisations report analysing customer data in multiple data platforms.

Businesses in this sector are collecting huge amounts of data. But only a few of them have the conditions to actually use that data to deliver a better customer experience.

How quickly can you access this customer data?

Legend:
- In real time
- In less than 5mins
- In less than an hour
- In less than a day
- In more than a day

Data type	In real time	In less than 5mins	In less than an hour	In less than a day	In more than a day	
Contact / Call centre data	36	30	20	10	4	%
Email data	32	38	22	4	5	%
Personal data (email, phone number etc.)	31	45	14	7	3	%
CRM data	24	45	18	10	2	%
Risk / Credit data	22	35	23	13	7	%
Mobile web behavioural data	20	32	35	12		%
Earned Social media interactions	19	38	26	14	2	%
Paid Advertising (Display, Search, Social)	18	28	37	12	5	%
Branch data	16	40	19	15	9	%
Web behavioural data	14	35	27	21	3	%
Mobile app behavioural data	12	38	37	11	2	%

Obstacles to a consolidated view of the customer

Obstacles to a consolidated view of the customer

81% of decision-makers agree that analysing customer data has helped their business improve the customer journey.

In fact, 3 out of 4 believe customer data has helped the business increase personalisation and better predict customer behaviour.

Still, leaders face a real challenge in terms of consolidating their data.

Only 47% of businesses have customer insights reported through real-time dashboards, with 33% relying on written reports.

Some sub-sectors lead others. For instance, 59% of insurance services businesses use real-time dashboards while only 38% of retail banks do the same.
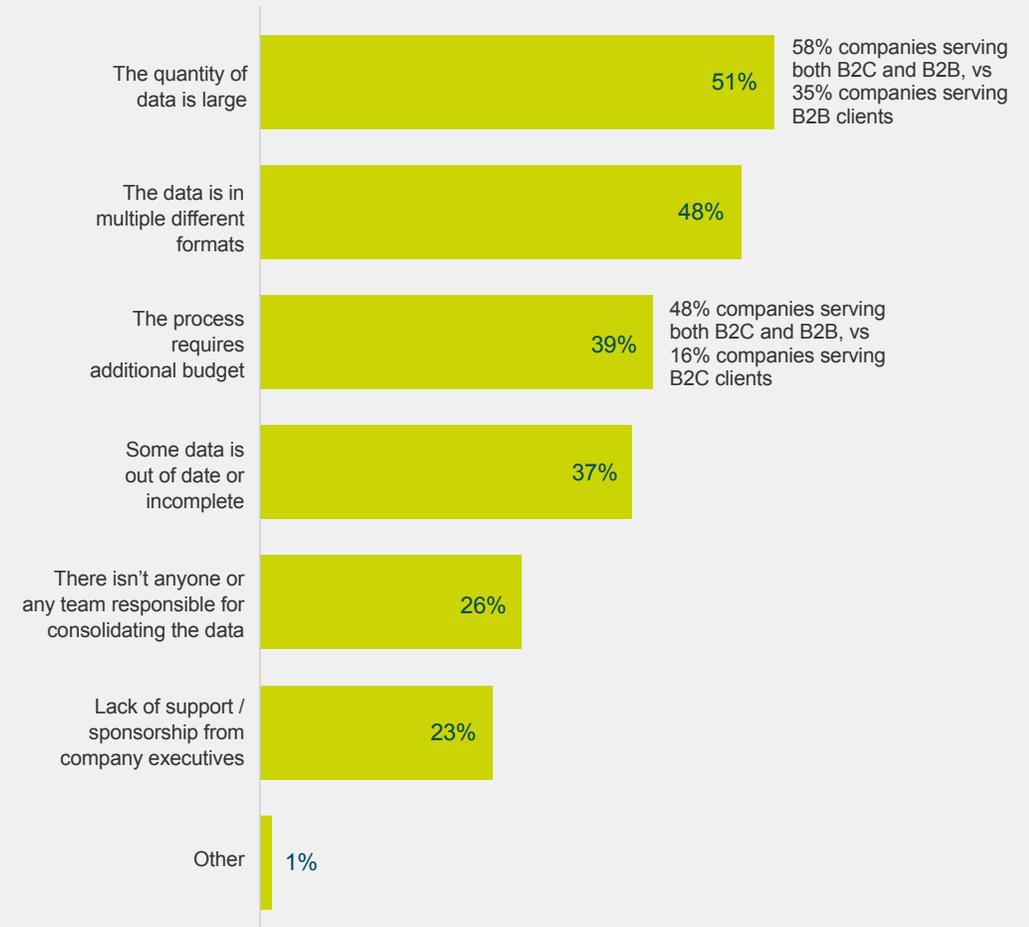
But across the sector it's clear that a lot businesses face an uphill battle gaining a singular view of the customer.

51% of respondents cite the sheer amount of data as being the biggest challenge when it comes to consolidating customer data.

48% cite the complexity of dealing with data in multiple formats, with a further 37% citing the challenge of maintaining high-quality, up-to-date data.

Data volume poses a particularly big challenge in more complex businesses that serve both B2B and B2C audiences with 58% of these businesses struggling to consolidate for this reason.

What challenges are there to consolidating customer data within one singular data platform?

Challenge	%
The quantity of data is large	51%
The data is in multiple different formats	48%
The process requires additional budget	39%
Some data is out of date or incomplete	37%
There isn't anyone or any team responsible for consolidating the data	26%
Lack of support / sponsorship from company executives	23%
Other	1%

58% companies serving both B2C and B2B, vs 35% companies serving B2B clients

48% companies serving both B2C and B2B, vs 16% companies serving B2C clients

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Meanwhile only 35% of B2B businesses see the volume of data as the chief concern.

Similarly, while 48% of businesses serving both B2B and B2C lack the budget to consolidate their data, that's only a concern for 16% of B2C businesses.

Yet challenging as it is, the 40% of businesses across the sector that are using a unified customer data platform report some important benefits.

How consolidated customer data helps

69% of those unifying customer data report that faster access to insights is the primary benefit to the organisation.

And it's an important one. In customer experience terms, reducing the amount of time it takes to understand a customer's issue is a critical metric.

In fact, 60% of these businesses report unification makes the data easier to understand.

One vital consequence of that is that 33% of businesses using unified data report spending less time training their data analysts.

Businesses in this sector may not find it easy to bring all their data together. But there is a demonstrable impact on the employee and customer experience when they do it.

Unification makes data easier to understand.
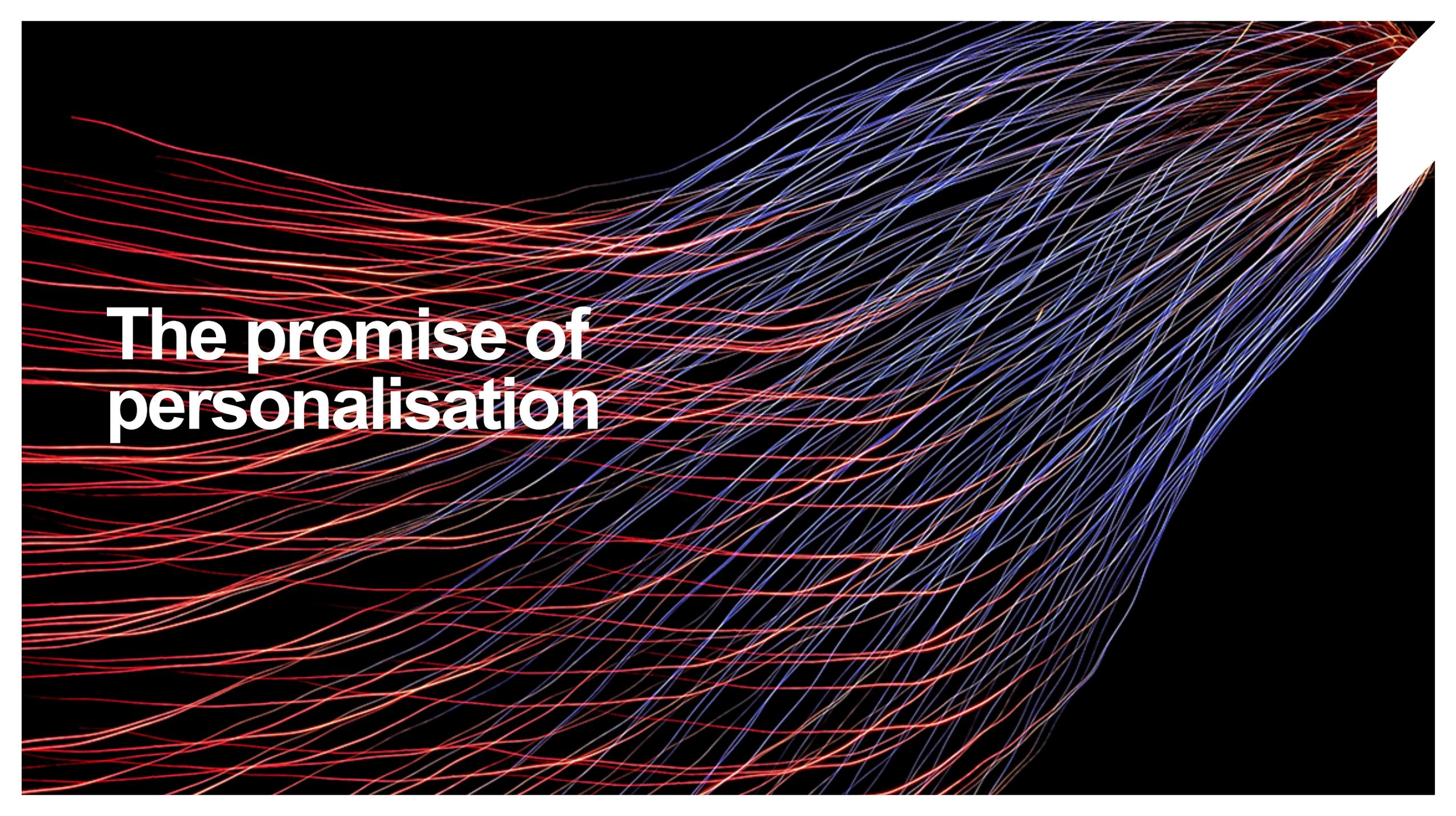
The promise of personalisation

The promise of personalisation

84% of businesses in the financial sector use some form of segmentation.

Broadly speaking, the manner in which businesses segment varies between sub-sectors.

63% of retail banks and insurance services rely on demographics while only 41% of B2B companies do.

And 47% of investment banking businesses rely on technographic segmentation while only 26% of wealth management services do.
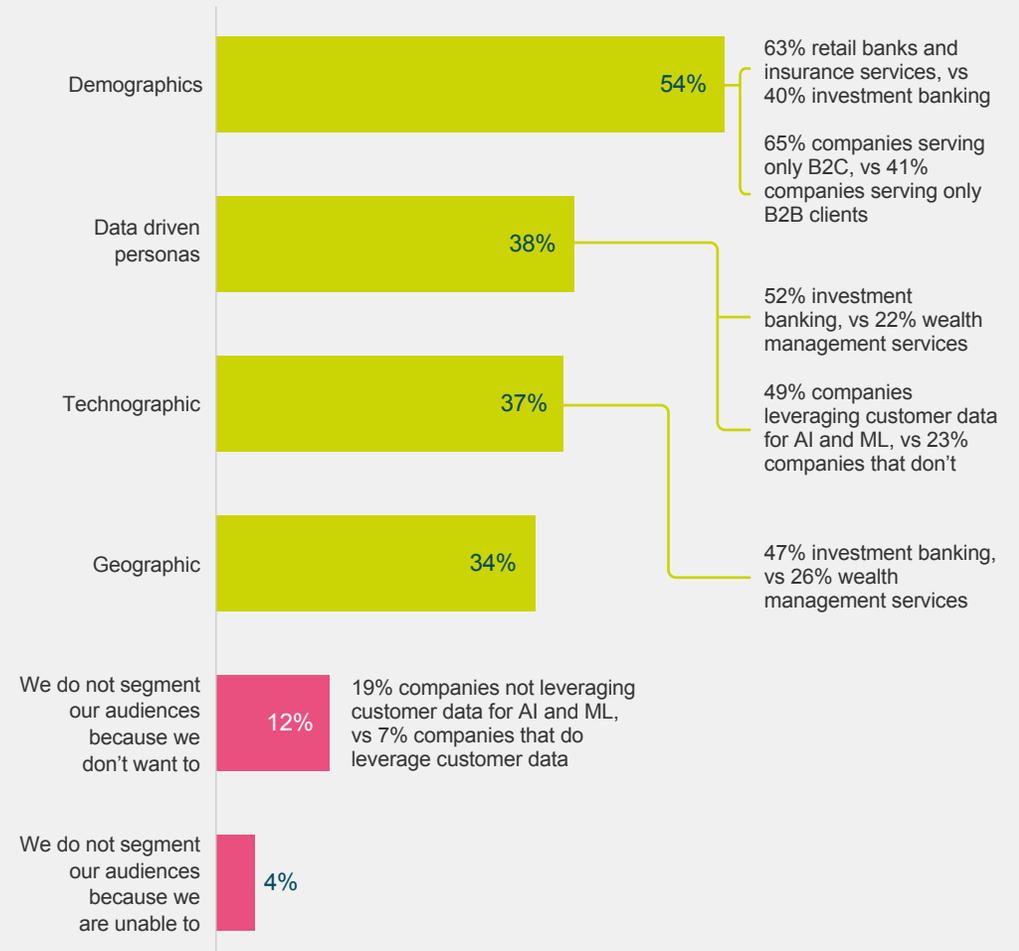
But there are also some notable differences that have a lot to do with a business' capacity to use customer data effectively.

For instance, only 38% of businesses across the sector rely on data-driven personas. Notably, that rises to 52% amongst investment banks and drops to 22% amongst wealth management businesses.

But looking across sub-sectors, the trend becomes clearer.

49% of businesses that apply machine learning to their customer data use data-driven personas while only 23% of businesses without machine learning do the same.

How does your organisation segment your customers within the database?

Category	Value
Demographics	54%
Data driven personas	38%
Technographic	37%
Geographic	34%
We do not segment our audiences because we don't want to	12%
We do not segment our audiences because we are unable to	4%

63% retail banks and insurance services, vs 40% investment banking

65% companies serving only B2C, vs 41% companies serving only B2B clients

52% investment banking, vs 22% wealth management services

49% companies leveraging customer data for AI and ML, vs 23% companies that don't

47% investment banking, vs 26% wealth management services

19% companies not leveraging customer data for AI and ML, vs 7% companies that do leverage customer data

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Businesses that make better use of their customer data develop better tools for their organisation

Similarly, 94% of respondents reported personalisation improved customer satisfaction, increased sales conversions and revenue per customer.

In fact, 44% reported it greatly improved customer satisfaction with a further 39% it greatly increased conversions and revenue per customer.

But while 95% of businesses personalise to some extent, only 37% do so to a great extent.

And once again, while 50% of companies that apply machine learning to customer data personalise to a great extent, only 16% of the rest can say the same.

To what extent have you seen the following benefits from personalisation?

■ To no extent ■ To some extent ■ To a great extent

Improved customer satisfaction

| 6% | 50% | 44% |

Increased sales conversion

| 6% | 56% | 44% |

Increased revenue per customer

| 6% | 56% | 44% |

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How machine learning helps

52% of companies are applying machine learning to their customer data, Investment banking once again leads the way with 73% of those businesses applying machine learning.

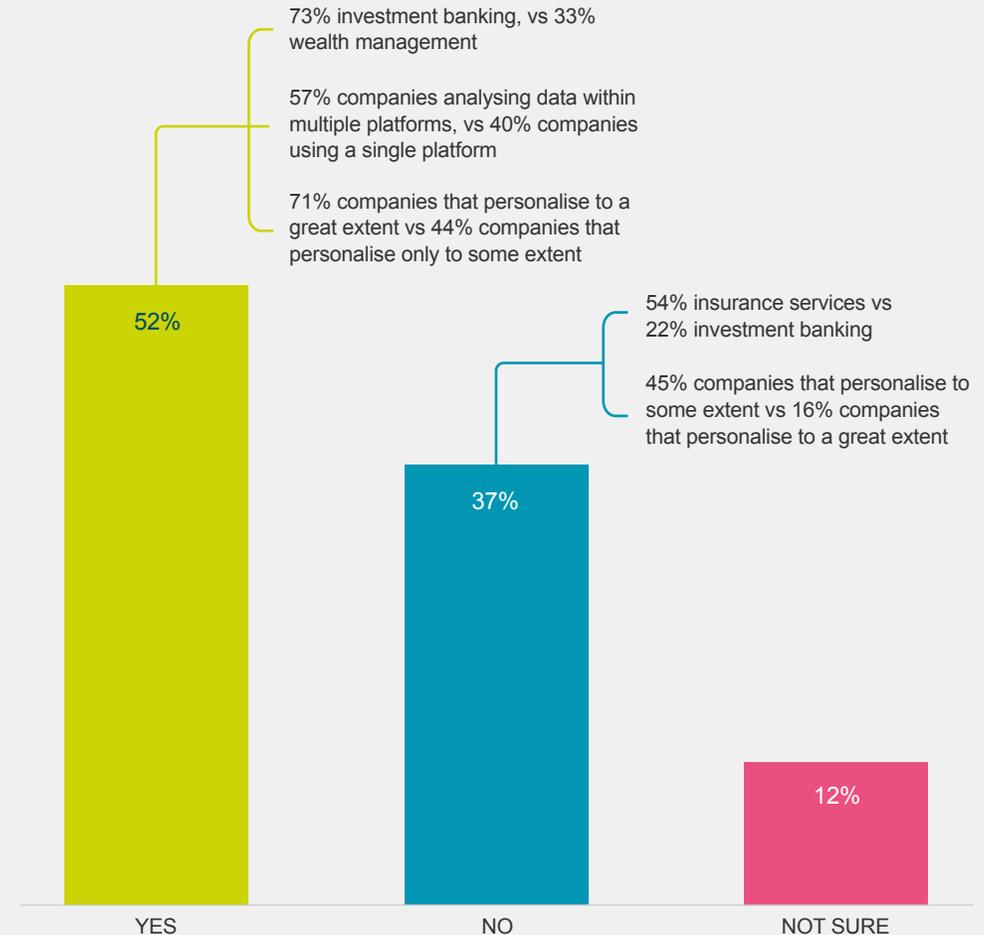For comparison, only 33% of wealth management firms do so as well.

Notably, 71% of companies that personalise to a great degree are also applying machine learning to their customer data.

Looking more closely at those that use machine learning, it becomes clear how many more business problems they're capable of solving thanks to their customer data.

More than 40% of these businesses are using machine learning to be more responsive to customers, improve the security of their personal data and more rapidly resolve issues with more reliable customer interactions.

The benefits of applying technology to make the most of customer data may not always be clear to leaders. But they're certainly tangible for customers.

Are you leveraging your customer data for AI and Machine Learning functions?

73% investment banking, vs 33% wealth management

57% companies analysing data within multiple platforms, vs 40% companies using a single platform

71% companies that personalise to a great extent vs 44% companies that personalise only to some extent

54% insurance services vs 22% investment banking

45% companies that personalise to some extent vs 16% companies that personalise to a great extent

- YES: 52%
- NO: 37%
- NOT SURE: 12%

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Bringing an axe
to the gold mine

Conclusion

Decision makers across the financial sector have seen the benefits of analysing and using customer data.

In fact, a significant percentage of businesses have doubled down on making better use of this unique resource.

By unifying their customer data and applying new technologies like machine learning and AI to it, they're producing better employee and customer experiences.

Of course, every business is at its own stage of its own journey.

⌐ **43% of businesses in the sector currently store their data in the cloud though 58% intend to be their in two years' time.**

⌐ **36% of businesses are operating a hybrid model though only 28% intend to do so two years from now.**

⌐ **Similarly, 22% of businesses store data on-premises today but only 15% will in two years.**

Indeed, the wider industry is itself on an evolutionary path.
What matters is that decision-makers appropriately determine where their businesses are today and where they need to be in terms of these increasingly relevant capabilities.

The organisations that do unify their data and apply novel technologies like machine learning to it are already demonstrating they can run faster processes that yield happier customers.

They're building towards tangible, operational improvements with a direct impact on how much the business can earn from its customer base.

All by making better use of the customer data they're collecting anyway.

If you're going to build a gold mine, bring an axe.

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About us

Remarkable is an award-winning digital agency that helps brands create high-converting digital experiences. We're a multinational team of innovators, visionaries, strategists, and problem solvers who will optimise your web experience and use data-lead decisions to power up your CRO, content, and UX. We take a marketing-first approach to our development, baking in performance and measurement to deliver impressive ROI on your technology investment.

Get in touch

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