



Investment
management analytics
The three-minute guide





Why it matters now

The investment world is changing

The investment world has been hit with a dual challenge: a prolonged low interest rate environment combined with the growing appeal of passive investment strategies. As a result, many firms are facing declining revenues and shrinking margins.

Meanwhile, regulators are demanding deeper insight and increased transparency into risk and exposure. Compliance requires firms to access and integrate siloed data from across the enterprise. That's no small task.

Regulatory requirements, competitive forces, demographic shifts, and commoditizing products underscore the need for actionable insight to support strategic business decisions. Investment firms are increasingly looking to leverage business data to drive efficiency, grow revenues, and improve margins.

Why investment management analytics

Crystal balls are good, but you need more

For portfolio managers, analytics has long been at the core of sound investment decisions. In fact, many rely on analytics as a key competitive advantage.

But that is just one of the powerful applications of analytics. Analytic insights may open the door to even more value. Reveal opportunities for profitable new products. Engage and attract clients to help spur revenue growth. Uncover opportunities to improve operational and distribution efficiency to help drive down costs. Unveil hidden risks to help reduce exposure.

Technology has now reached a tipping point that makes advanced analytics feasible—perhaps essential—for investment firms pursuing sustainable, profitable growth.

Exponential gains in computing power and analytic software make small work of slicing and dicing big data gathered across the enterprise or from outside sources. Visualization and mobile tools can deliver easy-to-grasp insights for smarter decision-making at your desk or on the go.

It all boils down to having easy access to the financial and operational information needed to answer the key questions that can enhance business value.

The benefits

Retain and grow client relationships

A client's loyalty is won by firms that can provide highly personalized offerings, services, and insights based on individual preferences, goals, and history.

Attract new market segments

Actionable, highly specific investor insights may lead to new products and pricing strategies that appeal to nontraditional investors and new markets.

Reduce costs

Analytics may identify patterns and trends that can provide insights into changes in workflows and operations that can decrease costs.

Enhance decision-making

Leaders can more easily extract, compile, and view internal and external information to make smarter decisions.

Paint a picture

Desktop and mobile dashboards present data and results visually so they are easier to understand and have more impact.

Streamline compliance efforts

Efficiently and quickly access, compile, and understand information needed to meet regulatory requirements and help mitigate risk.

What to do now

First things first

Work with leadership to gain insights into areas where more informed decisions could deliver the most value. These are often in the realms of customer engagement and operational efficiency.

Don't allow precision to delay insight

You don't need perfect or complete data to gain value from analytics. Start with a proof-of-concept model for a specific segment, channel, or geography to find valuable insight into a tough business problem. This pilot project can provide opportunities to refine methods, catalog data sources, and identify enhancement opportunities for future projects.

Prepare for more demand

Early insights are likely to increase demand from business and functional leaders. Requests for deeper analysis and wider scope could quickly strain capacity. Look for talent within the organization to bring into the team to support initial launch and accelerate response times when requests for assistance increase.

Time's up



It's OK to start small

Enhancing your firm's analytics capabilities can seem daunting, but it doesn't have to be that way. Tools and technology have evolved to make analytics feasible and valuable for many organizations. Many firms start with a small project to make a compelling business case and expand from there.

If you'd like some help along the way, we should talk. We've helped some of the world's largest and most effective investment managers focus their analytics efforts to enable smarter decisions.

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