



Femi Osinubi

Data the new Smart

Imagine having the ability to see everything, and having all the answers to win, every time and anywhere. Imagine knowing which customers are thinking of leaving before they leave and identifying products/channels with the greatest chance of success and every financial transaction originated anywhere in the world.

Imagine being able to process all that information instantly and use the insight to improve customer service, build products, spot and predict fraud. Imagine taking the data in your business and finding ways to monetize it, with analytics opening up totally new revenue streams for you.

In reality this is possible, data flows through your business every day, it is an asset you already own, and you are on your way to achieve the State of the Smart in data and analytics if you are willing to take the leap required.



We live in times where data and content is being generated more than ever before. As predicted, the volume and variety of data will continue to grow. By 2020, about 1.7 megabytes of new information will be created every second for every human being on the planet and the accumulated digital universe of data will grow from 4.4 zettabytes today to around 44 zettabytes or 44 trillion gigabytes¹. The data volume is exploding, more data has been created in the past three years than in the entire history of the human race. Sophisticated algorithms and models are being generated to help us anticipate, forecast and predict changes, by understanding what's happening and why it's happening for smarter and more meaningful results.

Globally, senior leaders are wondering whether they are getting full value from the massive amounts of information they already have within their organisation and are asking the question "how can I be smarter?" The big imperative is for organizations to seek better ways to obtain value from their data in order to compete in the marketplace.

In recent times, surveys have shown that organisations recognise that traditional approaches to decision making have only taken them so far. Making decisions based on data has been labeled the smart way to win. These organisations recognise the urgent need to move beyond intuition to be able to predict and act with certainty.

The analytics driven approach is empowering the business landscape, and proven successes have been recorded globally.

In North America, an international banking and financial services company with more than 70 million customers across 8,700+ locations had to redesign customer banking in order to transform disorganized data into actionable insights that drove their strategy. This has led to transformational change in enhancing customer experience, mitigating risk and compliance to regulations².

In China, one of the commercial banks was able to align its campaign management strategy to boost credit card activations by 40%. This was done through the implementation of a customer segmentation model using big data analytics. Through this, the bank exceeded its goal of 20%³.

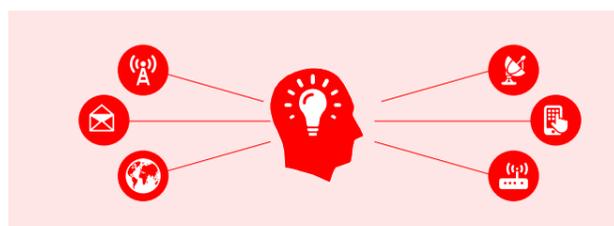
A multinational manufacturer of family, personal and household products is overseeing the large scale application of digital technology and advanced analytics across every aspect of its operations and activities - from the way the consumer goods giant creates molecules in its R&D labs to how it maintains relationships with retailers, manufactures products, builds brands, and interacts with customers⁴.

In recent times, as one of our proprietary analytical toolkits, PwC Nigeria has developed and launched an analytical solution to manage with-holding tax transactions for Nigerian companies. This is built on machine learning capabilities which enables it to learn the appropriate tax codes and applicable tax rates from historical invoice transactions, and trains the data for subsequent transactions without any manual intervention or judgement. Leveraging the power of advanced analytics, data visualization and machine learning, this solution is able to reduce withholding tax computation from 10 working days or more to 2 hours, depending on the volume of transactions. This is a gradual revolution to the withholding tax computation and reconciliation process for business entities and tax authorities. The plan is to extend this solution to other areas of tax computation such as VAT and company taxes.

The strategic thrust is to use data and analytics to drive innovation and thereafter foster smart business outcomes. Possibilities in the world of smart data and analytics are limitless and data is at the center of a new wave of opportunity.

Getting Smart – Take the Lead

The need to invest in analytics, both in technology and people is now more urgent than ever before.



Research has shown that organizations that lead in analytics outperform thrice the efforts of those just beginning to adopt analytics while top performers are likely to use an analytics approach 5 times more over intuition⁵.

Businesses that are using data and analytics successfully are quick to spot opportunities, quick to assess ideas, and quick to test and learn from these experiences. They exploit the latest technologies to deliver better experiences for their customers and integrate channels and operations into the fabric of their businesses. They embed insights to drive actions and deliver value by starting out with defining the insights and questions needed to meet business objective and then identify those pieces of data needed for answers.

They are also leveraging the same data to build scenarios and simulations that will aid their strategies as well as help in measuring impact of prospective decisions.

With the conversation on data and analytics gaining attention and momentum for us in Nigeria, we need to be proactive at harnessing its transformative opportunities for our business. We need to begin to evaluate the impact of the convergence of social, mobile, analytics and cloud with its disruption to our "business as usual". We need to evaluate its success in global trends, as well as the enabling technology to foster it and consequently seek ways to adapt our business.

In effect, every business regardless of size, now needs to be a data business. We need to recognize that Analytics is going to drive business for many years to come. It would influence how we sell, run the banks and capital markets, manage risks, maximize supply chain, audit operations, engage with customers, create new products, price products and even build our society. We need to harness the potentials of data and analytics for competitive advantage, market leadership and profitable growth not just for the future but even for NOW.

- <http://www.computerweekly.com/news/2240174381/Data-to-grow-more-quickly-says-DCs-Digital-Universe-study>
- <https://www.tableau.com/solutions/customer/storytelling-big-data-wells-fargo>
- https://www.sas.com/en_gb/customers/citic.html
- <https://www.mckinsey.com/industries/consumer-packaged-goods/our-insights/inside-p-and-ampps-digital-revolution>
- MIT Sloane Management Review with IBM

Our data and analytics practice

We use local and global knowledge to deliver strategies and solutions that are specific to you. Our subject matter experts have proven success in getting you started on the right path of your analytics journey. We provide services such as data quality & data governance, data migration & integration, data monetisation strategies and implementation of design-to-value business analytics solutions.

About the authors

Femi Osinubi is the Partner and Leader for Data and Analytics PwC West Africa
enquiry@ng.pwc.com

IFRS Training 2018

Thursday
5
April 2018

Topic:
IFRS 9: Financial Instruments

Wednesday
25
April 2018

Topic:
IFRS 15: Revenue from contracts with customers

Venue: Landmark Towers, 5B Water Corporation Road, Victoria Island, Lagos



For bookings and enquiries please contact:

Anne Okwuego
e: anne.y.okwuego@pwc.com

Mirabel Onitiri
e: mirabel.onitiri@pwc.com

