

# The Five Pitfalls of Data Analytics Approaches

Presented by:

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## Introductions & Setting the Stage



**Tim Peterson**  
President,  
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Chief Strategy & Business  
Development Officer,  
AdvantEdge Analytics

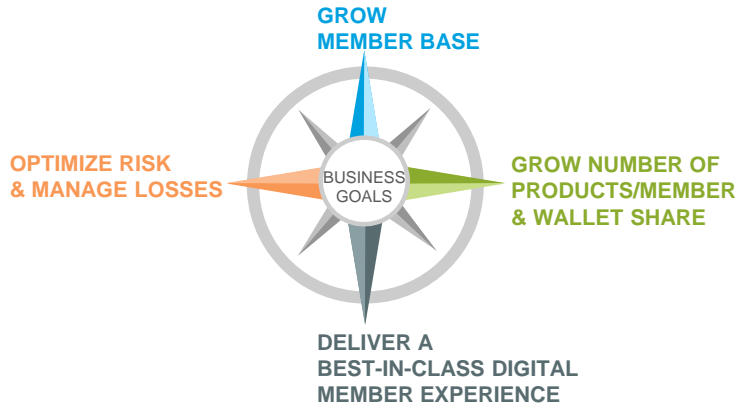


## The Power of Analytics Can Meet Your Business Goals

**73%**

of credit unions see analytics as a way to significantly transform the way they do business

*CUNA Mutual Group 2016 credit union member survey on data and analytics*



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## But Credit Unions Struggle To Leverage Their Data

**26%**

have business-driven analytic initiatives

**73%**

indicate most of their member data is not easily accessible

**9%**

have a comprehensive front-line adoption approach

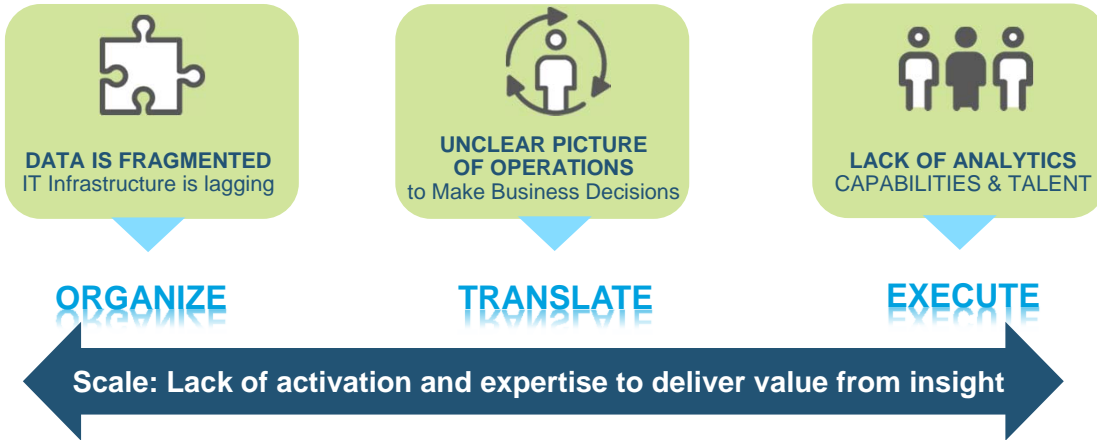
*CUNA Mutual Group 2016 credit union member survey on data and analytics*



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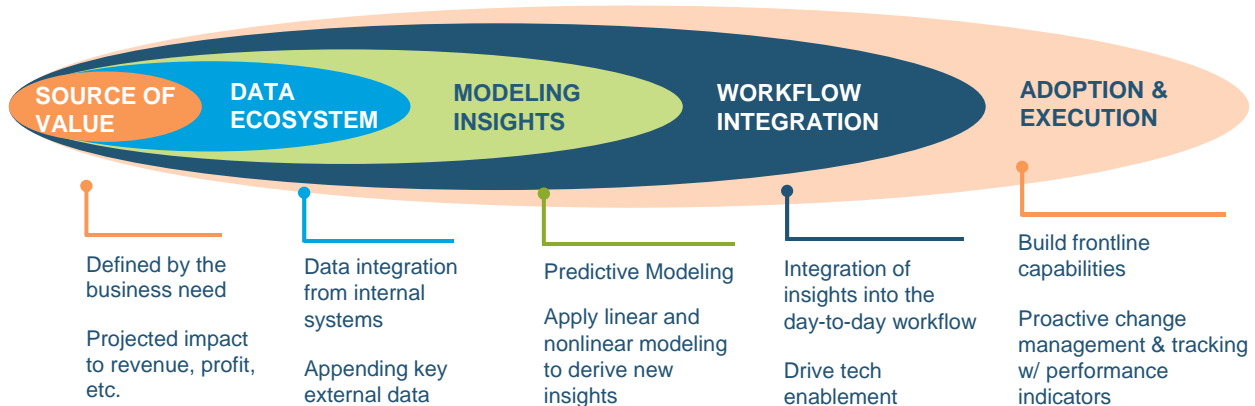
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# Challenges to Delivering Value from Analytics



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# Deliver Value Through a Use Case-Driven Approach



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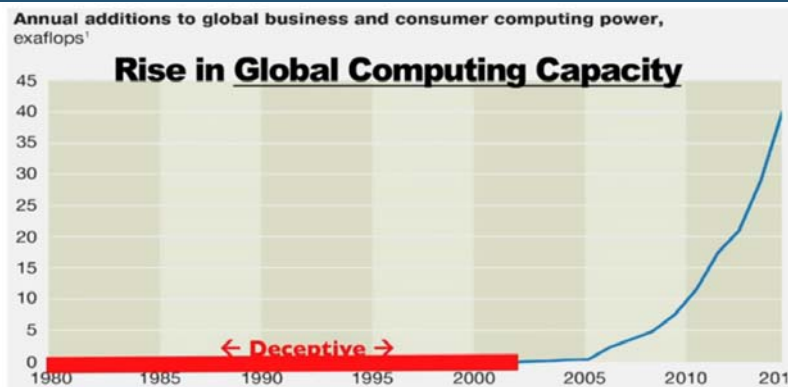
## Extraordinary Time-Human Transformation

People have no idea  
how fast things are moving...



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## So What's the Big Deal About Data?



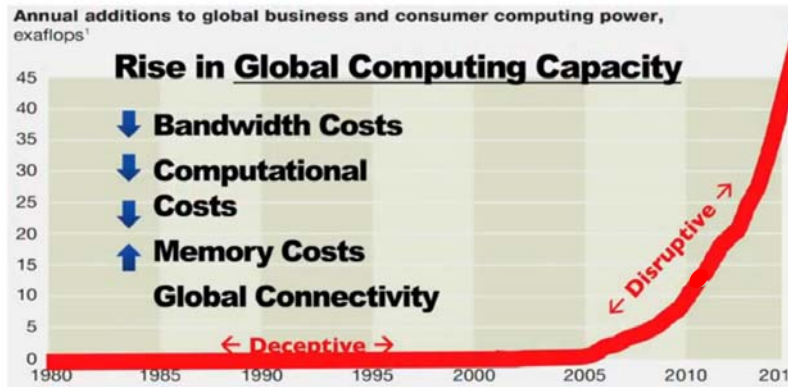
<sup>1</sup>An exaflop is 1 quintillion (10 to the 18<sup>th</sup> power) floating-point operations per second.

Source: "Imagining the Future – The Transformation of Humanity" Peter Diamandis, TEDxLA



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# So What's the Big Deal About Data?



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# Consumer Expectations & Digital First Era

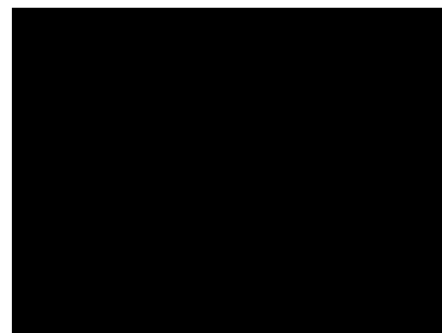
## Digitization & Datafication



Google

amazon

facebook.



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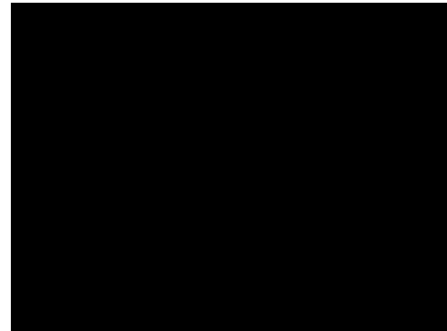


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## Consumer Expectations & Digital First Era

Digitization & Datafication



02:38



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## How Can You Contextualize Both Data & Digital Playbook

Data in the Rearview & the Windshield



**How many, how often, where?**

- ✓ Standard Reports
- ✓ Alerts, Controls

**REARVIEW**



**Next best action to take?**

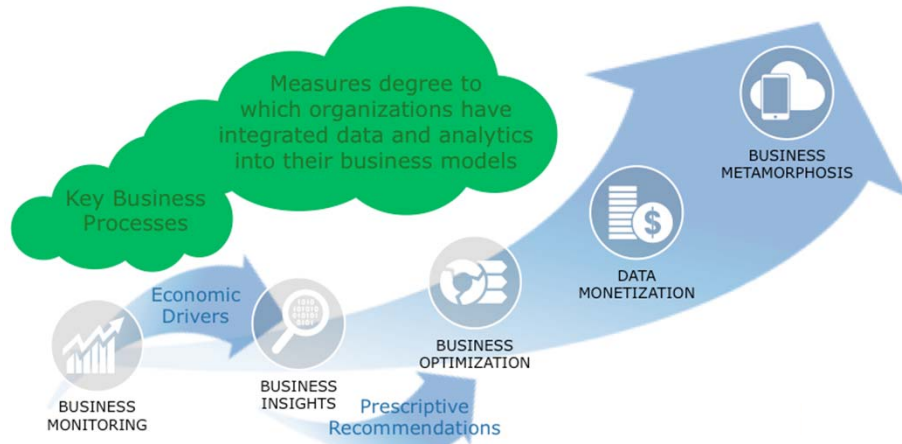
- ✓ Predictive Analytics
- ✓ Prescriptive Analytics

**WINDSHIELD**



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# Big Data Business Model Maturity Index

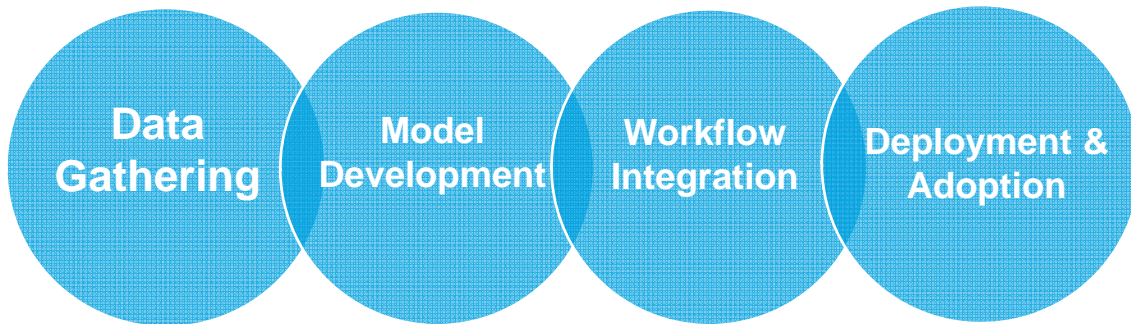


Source: Dell EMC<sup>2</sup>



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# Credit Union Analytics Journeys Begin Here



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## Pitfall 1 Innovation for Innovation's Sake



Distinguishing between  
Hype, Myth, and the Reality

Contextualize the  
Business Problem

Strategy Drives  
Prioritization of Execution



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## Pitfall 2 Big/Bad Data vs Smart Data

Human Aspect- CU Data  
Translator

Relevant Use Case &  
Business Impact / Value

Technology is Simply  
a Means to an End



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## Pitfall 3 Failing to Prep for Surge

**90% of the data in the world  
was created in the last two years alone.**

- IBM "10 Key Marketing Trends for 2017 and Ideas for Exceeding Customer Expectations"



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## Three Main Characteristics of Big Data

**VOLUME**

**VELOCITY**

**VARIANCE**

Images • Text • Audio • Video



What happens  
**online**  
in 60 seconds?  
(2012 - 2014)



Picture by Centre for Learning and Teaching 3<sup>rd</sup> 2014



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## Pitfall 4 Neglecting Governance from Day 1



Beneficial to members?



A reflection of our progressive commitment to continuous improvement?



Sustainable?



Respectful?



Fair?

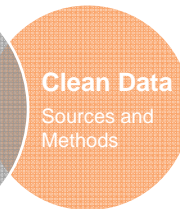
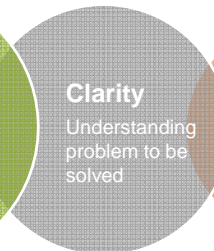


\* Developed by the Information Accountability Foundation (IAF)

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## Pitfall 5 Culture Fail



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## What it Takes

1. Identify the problems you want to solve
2. Identify the data necessary to solve them
3. Add contextual intelligence to the critical data
4. Establish strong data governance from day one
5. Build and nurture a nimble, iterative culture



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## Winners & Losers

- Skills
- Mindset
- Data



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# We Are Investing >250M to build a utility that benefits the industry

Partnering with the Industry



**Industry knowledge**  
to ensure business value



**Scale for analytics**  
to be effective and economical



**Capabilities to deliver**  
on customer needs right now



**Experience**  
to be the best at what we do



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