

The Significance of Location Intelligence and Transaction Enrichment for Financial Services

Banking is no longer boring.

With the rise of UK challenger banks such as Monzo and Starling, the entry of “Big Tech” consumer services like Google Pay, Apple Pay, the start of ‘buy now, pay later’ credit providers, to the rapid uptake of payment services within “superapps”, one thing is certain - the retail banking sector is undergoing seismic change.

The Covid-19 pandemic has only accelerated this demand for digital banking. Today, consumers expect more and Financial Service providers who are unable to offer compelling user experiences are left with hard choices.

Before the pandemic, Snowdrop and Google deployed a range of location-enriched banking services with leading digital banks. These services enable consumers to clearly see where they transact whilst having more control over their spend, savings and investments. This transparency enables banks to offer more insights and enhancements to merchants, who in turn expand their customer base by selling additional products and services.

The results are clear: a UK bank of 5m users saves over £3m per year on call centre, chargeback and administrative costs by providing location-enriched transactions whilst improving customer loyalty, app ratings and brand advocacy scores.

This document provides you with a short summary of Snowdrop Solutions’ location enrichment technology - Merchant Reconciliation System or MRS and how banks are benefiting by creating compelling consumer experiences.

Ken Hart,

CEO & Founder, Snowdrop Solutions

Location Intelligence in Financial Services



Location Intelligence in Financial Services*

 **Location Intelligence** combines the power of mapping and geospatial data with a company's own internal data to gain new insights on customers and internal operations. Location intelligence helps to unlock new revenue, improve the customer experience, and streamline operations.

Five common challenges in Financial Services today



Meeting customers' growing expectations for highly relevant, location-aware experiences.



Operational complexities. How to manage operations in a way that creates value for both businesses and customers.



Disruption from smaller players and staying ahead of competitors by improving on key metrics like NPS, sales, and delivery times.



Providing products and services based on location. Understanding spending patterns to identify spending potential and tailor products/services.



In-house capabilities. Understanding and maintaining in-house skills to take advantage of geospatial data.

Sub-sectors in Financial Services that stand to benefit

Retail
Banking

Commercial
Banking

Credit Card
Issuer

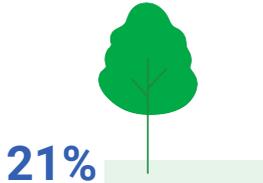
Insurance

Digital Native
Bank

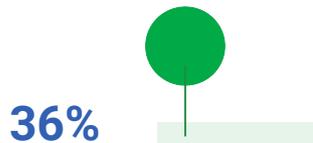
* Unlocking Value with Location Intelligence (Google & Boston Consulting Group). To access the full report, [click here](#).

Key findings in Financial Services*

Of Companies in the Financial Services...



are leaders in this space, with a holistic location intelligence data strategy.



are challengers, seeing initial benefits but have further work to do.



are followers, in the early stages of using location intelligence with limited implementation of mostly basic use cases.

89%

view location intelligence as important to the business now

98%

expect it to become more important in coming years

47%

of location intelligence use cases are considered differentiating

Benefits of Location Intelligence in Financial Services

<p>Grow sales and unlock new revenue</p>	<p>Location intelligence can help you understand your customers and how/when to communicate with them more effectively, increasing ROI and boosting sales through geomarketing</p>	<p>12-18% higher customer retention for financial services providers who segment customers by location</p>
<p>Improve customer experience</p>	<p>Great CX starts with understanding what customers need – and want – from your relationship. Location intelligence helps you keep them satisfied and enhance NPS by offering more efficient services, from websites and apps to delivery.</p>	<p>8-15% higher NPS by tailoring financial products and services to a customer's location</p>
<p>Streamline operations</p>	<p>Along with boosting sales and enhancing CX, location intelligence plays an important role behind the scenes. Optimize your workforce and supply chain, expand your company footprint, and improve customer services.</p>	<p>7-12% revenue growth in financial services by using geospatial data to optimize location and market planning</p>

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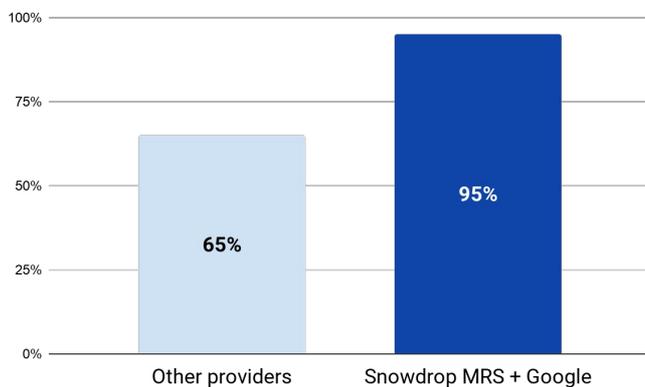
Transaction Enrichment from Snowdrop Solutions for Financial Services



Accurate Transaction Enrichment

Accuracy Matters

Transaction enrichment is key to delivering trust and transparency within the Financial services industry. To garner all of the benefits that come with transaction enrichment it is imperative to ensure a high level of accuracy.



Snowdrop's Merchant Reconciliation System in combination with Google Places is best in class when assessing accuracy, in our experience - exceeding alternative providers regularly by upwards of 20%.

Results eclipse those of other large financial institutions with comparable technologies. Snowdrop Solutions has achieved this with a laser focus on understanding transactional data, a dedicated team of experts and the power of Google.

Accuracy delivers ROI

When considering user experience, transaction data enrichment aims to reduce confusion surrounding where and when a transaction has taken place. This can have significant impacts in reducing administrative costs related to users querying transactions.

Snowdrop's capability enables us to consistently deliver positive return of investments to our clients.

Transaction Data Enrichment improves brand advocacy

2021 Monzo's Annual Report shows that 92% of their growth is from recommendations¹ (word of mouth) which means a great brand advocacy. Brand advocacy is defined as user propensity to actively recommend a service to peers.

Digital banks in the UK are currently growing at a rate of 170% year on year² and their NPS (Net Promoter Score) is more than three times higher than that of traditional banks. It's no surprise that the one thing they all have in common is a focus on data enrichment. While these outstanding statistics cannot be wholly tied to transaction enrichment we believe that this, in combination with other innovative digital experiences has led to the impressive reception.

[Request an ROI calculation](#)

1. [Monzo 2021 Annual Report](#)

2. [Accenture 'Transforming banking to adapt to the new world' - August 2021](#)

Snowdrop customers enriching the banking experience



 Provides its customers with highly accurate, up to date enriched information about their transactions

 Helps customers detect suspicious activity and freeze their card if needed, preventing subsequent fraud



"More than ever, we believe in the relevance of our service for consumers seeking proximity and flexibility and transparency in an uncertain economic context linked to the health crisis."

Marie Degrand-Guillaud,
Deputy Director



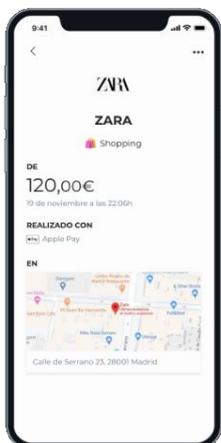
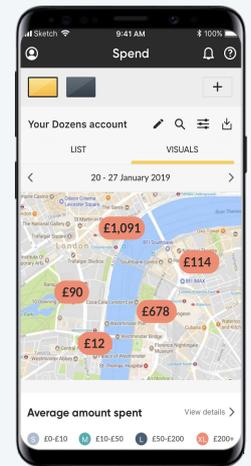
"People are now managing their money across multiple apps. But many users still rely on a spreadsheet to see their complete financial picture. Our app changes this model by offering current accounts, budgeting and saving tools, and investment products all in one place."

Aritra Chakravarty, Founder and CEO

Customers understand their habits and trends, and also reduce anxiety around potential fraud



Cuts support costs by 90% with transaction validation



 20% decrease in the number of customer service calls

 With more than 150,000 users: 80% make their purchases with a virtual card

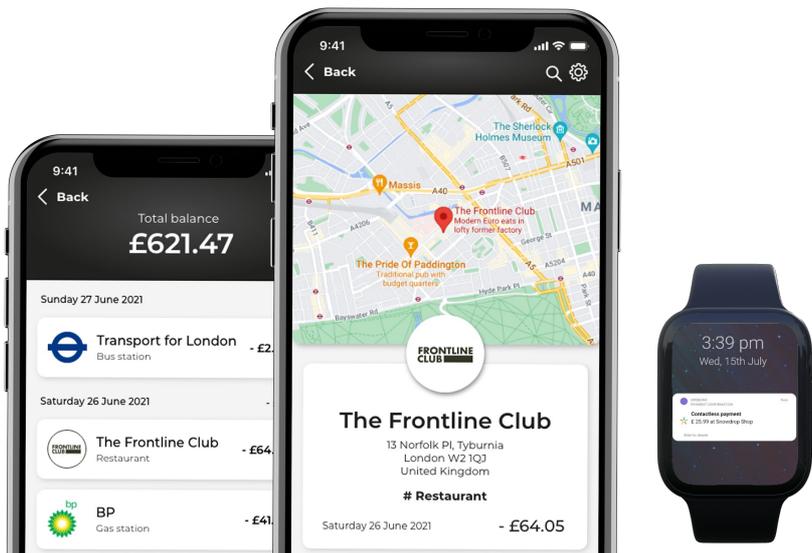


"Rebellion allows people to centralize expenses and manage personal finances and use the APP how, where and when they want, having a visual and transparent control of where those expenses are made, and even saving thanks to the discounts and cashback options we offer,"

Sergio Cerro, CEO

Merchant Reconciliation System API

Transaction Enrichment



- ✓ Location and mapping powered by Google Maps
- ✓ Logo
- ✓ Clear Merchant Name
- ✓ Categorisation
- ✓ Website
- ✓ Contact Number

Key Benefits

The Snowdrop [Merchant Reconciliation System](#) API, helps to make “messy” transaction data clear and easily understood. Our solution is designed to help provide a better user experience and reduce customer service costs across the financial services industry.

- ★ **Boost consumer advocacy** and app ratings by up to 30%, as found in the BCG report* that also shows increased Net Promoter Scores when integrating location based digital experiences.
- ★ **Reduce costs** by showing customers exactly where transactions took place so that they don't engage support channels confused by unclear statement data.
- ★ **Save time** with the MRS API which is easy to integrate and does the heavy lifting for you. A typical deployment takes about 12 weeks from contract to rollout.

[Learn more about MRS](#)

* Unlocking Value with Location Intelligence (Google & Boston Consulting Group). To access the full report, [click here](#).

About Snowdrop Solutions

Snowdrop Solutions currently works with leading digital and traditional banks in Europe, the UK and Asia Pacific. Snowdrop is a location and data intelligence company that has been a Google Trusted Partner since 2013 and Visa Europe since 2020. MRS brings together our deep understanding of the Google Maps APIs, a proprietary database and a second to none matching algorithm. We offer superior match rates and accuracy to any of our competitors and a unique customer centric approach that, other than transaction enrichment, provides cost savings and churn reduction to our clients, over and over.

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