

# The power of geospatial data to enhance KYC and customer service in banking

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In the rapidly evolving landscape of financial services, the integration of geospatial data is marking a new era of efficiency and precision. Financial institutions are increasingly employing this data to refine their decision-making processes, elevating both their investment strategies and customer service paradigms. This trend represents a significant shift towards digital transformation and data-driven decision-making, deeply impacting how financial services approach customer interaction, risk management, and regulatory compliance.

## Enhancing KYC with geospatial insights

At the heart of this transformation is the integration of geospatial data into Know Your Customer (KYC) processes. Traditionally viewed as a regulatory checklist item, KYC is now evolving into a more dynamic and insightful practice. By incorporating geospatial data, financial institutions enhance the accuracy of customer verifications, elevate their risk assessment capabilities, and ensure robust compliance with ever-changing global regulations.

Geospatial data allows for a nuanced understanding of customers, going beyond basic demographic information to include their physical locations and transactional behaviours. This geographical context is crucial in detecting and preventing fraud. For instance, if a customer's transactions occur in widely different locations within short timeframes, it might indicate fraudulent activities, necessitating further investigation.



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## Real-time location analytics: Mapping the customer journey

Real-time location analytics stand out as a key component in this new approach. Financial institutions map their customers' data, analyse geographical patterns, and derive valuable insights into their behaviours and preferences. This data-driven approach informs more personalised service offerings and tailored marketing strategies, fostering deeper customer engagement.

Moreover, these analytics play a pivotal role in understanding the customer journey, which typically involves four stages: mapping the customer's data, analysing it for trends and patterns, learning about the customer's profile, and making informed predictions about their future needs and behaviours.

## Address compliance: A cornerstone of modern KYC

In the realm of KYC, address compliance is becoming increasingly important. Geospatial data helps verify and standardise customer addresses, ensuring they are complete and accurate. This process is vital not only for regulatory compliance but also for efficient customer onboarding and profiling.

Address compliance solutions are usually hosted on secure cloud platforms, adding an extra layer of security to sensitive customer data. They enable financial institutions to swiftly validate and complete customer addresses, thus streamlining the onboarding process and enhancing overall customer satisfaction.

## Fraud detection and security

These solutions also assist in fraud detection by monitoring the frequency and patterns of address usage. Unusual patterns,

such as multiple accounts linked to a single address, can trigger alerts for potential fraudulent activities, enabling banks to take pre-emptive action.

## Enriching customer experience

The integration of geospatial data goes beyond compliance and risk management; it significantly enriches the customer experience. With efficient address validation processes, customers enjoy a hassle-free and seamless interaction with their financial institutions. The process becomes as straightforward as a Google search, eliminating the frustration often associated with financial transactions.

## A future-oriented approach

As technology continues to advance, the synergy between KYC, geospatial data analytics, and customer experience is becoming increasingly important. This integration is not merely about regulatory compliance; it's about providing a secure, efficient, and personalised banking experience. Financial institutions that embrace this technology are well-positioned to lead in a future where understanding and meeting customer needs are paramount.

In summary, the integration of geospatial data into financial services is transforming the industry, making KYC a more dynamic tool and significantly enhancing customer experience. This paradigm shift is not just a step towards digital transformation; it's a leap into a future where data empowers every transaction and interaction in the financial world.

## About AfriGIS

AfriGIS is the leading Geospatial Information Science company in Southern Africa that specialises in location-sensitive data and solutions. It provides customers across the board with a suite of web-based tools and APIs to connect to, enhance, and enrich their own data with location intelligence, insights, and trusted data. The organisation was founded in 1997 and celebrates more than 25 years in business. It is a level 1-certified broad-based black economic empowerment (B-BBEE) business, with more than 100 employees, in Pretoria, Durban and Cape Town in South Africa, Dublin in Ireland, and Dhaka in Bangladesh.

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