

Why data management is key to unlocking the digital transition of African banks

By [Gary Allemann](#)

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The African banking sector is being completely transformed by the digitisation process, but big questions remain over the speed of that transformation and the nature of the changes. According to an *African Digital Banking Transformation* report, African banks see technology investments - including cybersecurity, big data, artificial intelligence and cloud computing - as critical to enabling digital transformation.



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A key theme is the recognition that the better use of data is critical to digital transformation, as, without trusted data, investments in advanced analytics may not deliver the anticipated results. [Trusted data comes through transparency](#) provided by intelligence about data backed by enrichment to provide context and deliver integrity.

For African banks, the drive to digital is being driven, primarily, by customer demand and satisfaction. This was also a driver for Norway's DNB Bank, whose [digital journey](#) was profiled back in 2018.

The challenge of digital banking is to stay connected to the customer

For DNB Bank in Norway, the shift to digital was exploited as an opportunity to reinvent themselves as a customer-centric digital bank. Of course, enhanced analytics were important, but the operational challenges of dealing with the large volume of interaction that digital channels create are central to DNB's data strategy.

The bank invested in data integrity to enable its digital transformation, and to underpin investments in advanced analytics and other platforms. Core to their focus was to ensure an enhanced customer experience (CX). [IDC research](#) shows that CX is one of the areas that shows the biggest improvement from a focus on data integrity.

Furthermore, digital banking also creates opportunities for new entrants – such as digital-only banks, mobile operators and retailers.

Again, for those established operators that have long-standing customer relationships, and the data that comes with them, the ability to exploit trusted data to better understand customers, develop new products, and identify new digital opportunities is highly dependent on trusted data.

Four coming trends

Four big technology trends that will shape digital transformation within banks over the next two years include: data management, cybersecurity, greater digital adoption, and the development of omnichannel strategies, as said by CEO of Banco de Fomento Angola (BFA), Dr Luís Gonçalves, in the African banking report.

“However, trends and technologies don’t exist in isolation: they build on and reinforce one another, so we consider a better approach is to rather focus on the strategy, on having a clear vision of the future and selecting the best set of technologies to help us on the way, instead of trying to surf the last tech trend,” Gonçalves added.

ABOUT GARY ALLEMANN

MD of Master Data Management He is passionate about Information Communication Technology (ICT) and more specifically data quality, data management and data governance.

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