

# S'pore banks 5 years behind in analytics use, says SAS

**But they show signs  
of warming up  
to using the tools**

By **VICTORIA HO**

[SINGAPORE] The local banking industry is about five years behind global counterparts when it comes to adopting business analytics technology, said Bill Lee, SAS Singapore managing director.

While banks here are warming up to the tools compared with other industries, they are behind the curve compared with the Citibanks of the world, he said.

Jim Goodnight, SAS CEO, pointed to HSBC as a large global customer, and said the bank uses SAS' software to determine the probability of fraudulent card use, he said.

Data intelligence works well with patterns and breaking down customer behaviour, so industries like insurance companies have adopted it to weed out fraud cases as well, he said.

Macy's in the US is also another banner customer for the firm. It uses analytics to predict what merchandise to bring to the front each season, and on the backend, it uses it to analyse warranty claims for false ones.

Mr Goodnight was here to help kick off a new centre of innovation for the company in Singapore.

The centre is geared up to bring training in SAS' tools to schools and businesses here, to help smoothen take-up of the company's tools by firms.

Eight polytechnics in Singapore work with SAS, and SMU (Singapore Management University) maintains an analytics lab to train students. The Singapore government has also been trumping the use of business analytics for companies here.

Last October, the Infocomm Development Authority (IDA) announced that it and its partners planned to invest \$5.3 million to develop analytics, delivered as a shared service.

In particular, it highlighted the use of analytics for operations and marketing functions. Mr Lee said the National Environment Agency was at the SAS headquarters earlier in the year to figure out what technology could do with regard to flood prediction. A lot of mainstream interest

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has been a result of companies like SAS and even database giants, Oracle and SAP, raising publicity for analytics over the past half a decade.

Both latter firms had high-profile business intelligence acquisitions back then – in 2007, Oracle bought Hyperion for US\$3.3 billion and SAP bought Business Objects for US\$6.8 billion. Jim Davis, SAS chief marketing officer, pointed out that data hygiene is also a point to note for customers keen on analytics.

Almost half of the US\$2.7 billion company's revenue comes from data management, he said.

"Garbage in, garbage out," he said, of the need to feed cleaned, quality data to the software in order to derive value out of it.

"Very often, data is certainly not in the shape it needs to be," said Mr Davis.